

# Real Life Personal Umbrella Claims Show Why Basic Insurance Is Not Enough.

## Insureds need RLI's Personal Umbrella Policy.

A Personal Umbrella Policy (PUP) is a necessary addition to insurance protection for most insureds. Are you aware of the importance of this valuable coverage? One of the best ways to understand the need for a personal umbrella is to review actual claims examples. It is very clear that an incident arising from just normal daily activities can expose all of us to the potential for a large claims suit.

Listed below are actual RLI PUP claims. These claims show the very real consequences of situations that quickly exhaust underlying liability limits and threaten the net worth of the people involved.

### Claim Scenario #1

The Insured's 18 year old son was driving the Insured's car on a short trip to the store with his girlfriend, the Claimant. The car left the roadway and struck a tree. The Insured's son told the police that a vehicle cut him off, but there were no witnesses and no evidence of any impact with another car. The Claimant has no recollection of the accident.

The Claimant, a 19 year old college student, was hospitalized for over a month with multiple fractures and internal injuries. She was in a wheelchair but is now able to walk with crutches and continues with physical therapy. She has a right drop foot as a result of the injuries. The Insured's personal umbrella policy limit was paid.

### Claim Scenario #2

Claimant, age 2, was on the Insureds' property with his grandparents who were there to care for 2 horses owned by the Insureds. The Insureds were out of town on vacation. The Claimant was kicked by one of the horses, taken to the emergency room, and then life flighted to a larger hospital.

The Claimant was given a 5% chance of survival and underwent surgery for a cracked skull (a piece of which was missing) with 30% damage to the right side of his brain. He survived and is residing in a neighboring state at a rehabilitation center. A large payment was made under the personal umbrella policy.

### Claim Scenario #3

The Insured hosted a party at his home. Among the guests was the Claimant, a family friend who was also the Insured's financial advisor. The Claimant brought his wife, infant, and 2 year old child to the party.

The Insured gave the Claimant a jug of spring water for him to use to mix formula for the infant. The 2 year old child also had a drink.

Shortly thereafter, the children became ill. The family left the party, and then took the children to the hospital. The hospital requested the water jug which was found to contain arsenic. An old label was found wrapped around the handle with the word "weed killer" printed on it.

The Insured had apparently mixed a solution of weed killer in a jug similar to the ones used for spring water and mistakenly given it to the Claimant.

The infant died and the 2 year child survived after being in critical condition. The Personal Umbrella policy limits were paid out.

### Claim Scenario #4

The Claimant and Insured have been longtime friends, live on the same street, and the Claimant had been to the Insured's home on many occasions. The Insured lives in a home with a brick patio which had been constructed in the 1960s. Bricks were replaced one year before the incident. An area of the patio is bordered by an 18 inch retaining wall with a flower bed between the wall and the brick patio.

The Insured, Claimant, and another Friend met at a club, had a few drinks, and all returned to the Insured's home where they sat on the patio in lawn chairs and continued drinking. At approximately 11:00 PM, the Insured went inside to the kitchen. The Friend also entered the house to call a cab.

When the Friend went back outside, the Claimant was no longer on the patio. He found the Claimant unconscious on the ground on the other side of the patio retaining wall. The Claimant remembers falling, but does not remember how it happened.

According to the Insured, on other occasions when the Claimant had been at the home, a patio table was in front of the retaining wall. The table had been removed, exposing an area of the wall.

The Claimant, age 56, sustained a spinal cord injury which rendered him an incomplete quadriplegic. He underwent surgery and was on a feeding tube for several months. He was able to return home 6 months after the incident, but continues to suffer partial paralysis of his arms and legs. He uses an electric wheelchair to get around his house and requires assistance with some activities of daily living.

The Claimant owned his own business and was married 1 month before the incident. His wife now cares for him at home. The settlement to the Claimant exhausted the underlying coverage limits and payment was made under the personal umbrella.

*For more information on the Big I endorsed RLI Personal Umbrella check it out today at [www.iiaba.net/umbrella](http://www.iiaba.net/umbrella).*