

How to "Talk Umbrella" with Your Clients



There's an old expression, "You get what you pay for." So it makes sense that a common misconception among consumers is that millions of dollars in liability coverage must be really expensive. But a personal umbrella liability policy is a very affordable way to obtain a lot of coverage. As an agent, you can educate your clients on how a personal umbrella policy works, in order to help them understand that lots of coverage can indeed be affordable.

Take a moment to educate your clients with this message:

The purpose of a personal umbrella policy is to provide coverage only once a customer's underlying policy (homeowners, auto, watercraft, etc.) has paid out at the full minimum required limit, and has been exhausted. Since a personal umbrella isn't meant to provide coverage from the first dollar, and usually only comes into play when the injury costs several hundreds of thousands of dollars, claims (though very costly) are infrequent, relative to home or auto claims

For that reason, and others, umbrella rates for the average household tend to be quite affordable. For a household with 1 home, 2 cars, and 2 drivers with clean driving records, \$1 million of personal liability coverage can cost just \$150-250 annually. .

Having a personal umbrella is vital to protecting a customer's assets (including future earnings), in the event that they are sued. A personal umbrella also covers defense costs. In light of what it can cost a customer who doesn't have the extra liability from a personal umbrella, agents should be quoting a personal umbrella to every client.

Once you've offered coverage, it's also wise to document that offer and if the customer declines the coverage. Download our [customizable declination form](#) to make that process quick and easy.

Big "I" members enjoy access to the IIABA-endorsed RLI Personal Umbrella, which offers limits of up to \$5M (\$1M in NM) and excess UM/UIM nationwide. Obtain a quote today at www.bigimarkets.com or at www.iiaba.net/RLI.