

Personal Umbrella Coverage Checklist

Mandatory Coverages

<i>Gap Description</i>	<i>What Coverage You Need</i>	<i>Comments</i>
Territory of coverage	Worldwide including worldwide defense	Make sure lawsuits outside the U.S. and Canada are covered.
Personal injury liability	Libel, slander, false arrest, and so on	Underlying insurance may be required. Be careful.
Coverage of newly acquired vehicles, boats, and so on	Automatic; no notice required	Poor policies require notification in 30 days or no coverage. Dangerous!
Liability assumed in contracts	Weddings, parties, facility rentals	Poor policies limit coverage to residential contracts only.
Punitive damages	Allowed in some states	You could travel in a state that allows them.

Optional Coverages

<i>Gap Description</i>	<i>What You Need</i>	<i>Remarks</i>
Damage to rented or borrowed property (the care, custody, and control exclusion)	Cars, boats, snowmobiles, rented residences, and so on	Coverage usually won't apply if you're required to insure the item.
Renting boats	No length or horsepower limitation.	If there is a limit, it needs to be much larger than any boat you'd ever rent.
Renting snowmobiles	No engine size limit	
Renting other motorized vehicles	ATVs, go-carts, trail bikes, golf carts, and so on	No restrictions.
Renting cars outside the U.S. and Canada	Worldwide	No requirement that the suit be filed in U.S. or Canada only.
Renting vacation property	Worldwide	
Service on nonprofit boards	Usually limited to bodily injury and property damage only	Usually no coverage if any compensation is paid to you.
Employer-furnished car	Coverage for injured coworkers	Careful: Primary coverage may be required.
Coverage to drive other cars	Only needed if you have no personal auto policy	

Employer liability	Covering your domestic help (nannies, contractors, and so on)	Requires that you have a primary policy.
Incidental home office premises liability	Coverage for injuries to guests who come onto your home premises for business-related purposes (i.e., delivery people)	May require primary coverage under your homeowner's policy.
Pollution liability	For fuel storage leaks and other sudden spills	Covers only sudden and accidental; no coverage for seepage.
Sailboat racing	For boat captains as well as crew members	Often excluded in primary homeowner's or boat coverage.
Aircraft liability	Including liability for damaging the aircraft, if rented	If you own the plane, you'll need a primary coverage policy. If you rent the plane, you may not require primary coverage.
Excess uninsured and underinsured motorist coverage	Additional coverage for your injuries in an accident; optional coverage under some umbrella policies	Caused by drivers with less injury liability coverage than you have. Buy if it's available and reasonably priced.