InsurePro LLC
The insurance professionals

LIABILITY LIMITS

What is the importance of having enough auto liability coverage?

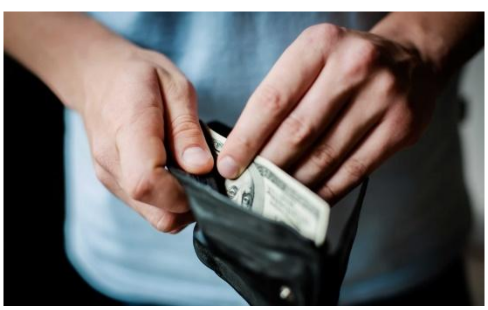
“Liability” coverage protects you in the case that you are found liable for another person’s expenses. So, you get into a car accident. You are found at-fault or at least partially at-fault. This means you are responsible for the other driver’s damages. Your liability coverage would step in to pay for the expenses of the other party or parties.

There are two types of auto liability coverage: bodily injury liability and property damage liability.

Bodily injury liability covers any expenses related to injury of the driver or passengers. This would cover medical bills, pain and suffering, rehab costs, lost wages, and other associated costs. This can be one of the most expensive costs if you are found at-fault for an accident where another party is injured.

Property damage liability covers damages related to the other person’s property. This could include a car, mailbox, or other physical structure.

Even if you have both forms of liability insurance, it still might not be enough. Let’s say for example your property damage liability limit is $30,000. But you are found at-fault for $70,000 worth of damage. That means you have $40,000 over your policy limit.



A jury may hold you responsible for paying the excess cost over your liability coverage.

If you can’t pay, the other party could come after you personally. You might have to take out loans or extra mortgages, which could put you in debt. You might have to sell off your assets—or a collector could take your assets from you forcibly. The DMV might even suspend your license until you’re able to pay.

That’s why you want to make sure your liability limits are sufficient.

Will an umbrella policy protect my assets?

An umbrella policy protects your existing personal assets and future personal assets (like wages or your inheritance) against the cost of losing a lawsuit over a car accident or an accident on your property, up to the maximum value of the umbrella limits, typically 1 million. In general umbrella coverage cost between $150-$350 per year or between $12-$29 per month.

Ask us for a personalized rate for this valuable coverage. Minimally, check with us about carrying higher limits on your home and auto policy.

At InsurePro, LLC we want to go beyond merely meeting your basic needs.