

10 Real Examples Of Umbrella Insurance Claims

Bancorp Insurance shares real-world examples of insurance claims where an umbrella insurance policy came in handy! Get your free quote today!

Example Claim 1: An insured's son slid through an intersection on icy roads and hit an elderly woman crossing the street. The elderly woman was hospitalized with multiple injuries. The insured's personal umbrella policy limit was paid in full.

Example Claim 2: An insured permitted several of her children and their friends to play paintball in her large back yard. The children were advised of all safety precautions including to use face and neck protection at all times. A paintball participant removed her headgear as she was leaving the field and was struck in the eye with a paintball. The claim was settled for more than \$475,000.

Example Claim 3: A babysitter was watching 2 young children over summer break. A small wading pool was set up in the family's backyard. The babysitter made sure neither of the children was near the pool and went inside to answer the phone. When she came out of the house one of the children had drowned in the small pool of water. The court awarded the child's parents around \$11,000,000.

Example Claim 4: An insured's son had a friend over for a play date. The kids were playing with the family dog. The family dog bit the son's friend in the face resulting in multiple reconstructive surgeries. The injured child's parents settled for roughly \$10,000,000.

Example Claim 5: A couple hosted a birthday party for their teenage child. They did not provide any alcohol, but some guests of the teenager brought some to the party. Leaving the party one of the guests was severely injured in an auto accident. The accident was credited to his consumption of alcohol at the insured's home. Luckily the homeowners had Umbrella Insurance which responded to this claim.

Example Claim 6: The insured's tenant claims she lost her track scholarship to a four-year college when she became ill and lost part of her lung capacity due to Stachybotrys black mold found in her apartment. The tenant claimed permanent lung damage and demanded over \$750,000.

Example Claim 7: The insured was driving on the highway when she accidentally drifted over the center line hitting the oncoming car. The insured was at fault and her auto insurance liability limits did not cover the entire claim amount. Because the insured did not have a home or other assets her future wages were garnished for 10 years to settle the claim.

Example Claim 8: The insured's teen was off to prom. To get a large group picture the insured asked all of the teens at his home to stand on the porch balcony. Just as the

photo session was ending the balcony collapsed injuring multiple prom-goers as they fell 10ft to the ground. Each injured student demanded settlement to the insureds umbrella limit.

Example Claim 9: The insured's daughter had a sports coach. The daughter did not like the coach and made several "judgmental" and false remarks about the sports coach online. The coach sued the parents for personal injury and was paid more than \$750,000.

Example Claim 10: The insureds 18-year-old son was driving the family boat on the lake. He did not see the swimmer in the water, hitting and severely injuring the swimmer. The claim received just under \$1million dollars.

THE ABOVE EXAMPLES ARE ALL REAL LIFE CLAIMS THAT COULD HAPPEN TO EVEN THE MOST CAREFUL OF PEOPLE. AS YOU CAN SEE YOUR LIABILITY LIMITS CAN QUICKLY BE EXHAUSTED. FOR LESS THAN THE COST OF YOUR LUNCH, MOST PEOPLE CAN PURCHASE A PERSONAL UMBRELLA POLICY WITH A LIMIT OR \$1,000,000, \$2,000,000, \$5,000,000 AND EVEN \$10,000,000.

* All of these illustrations are based on real events. The numbers are based on a sliding scale and can vary greatly.