



Know Your Insurance

Home

Courtesy of SCS Agency Inc

Are You Properly Protected Against Your Liability Risks?

Hosting events at our homes, such as cookouts and seasonal celebrations, can be enjoyable and rewarding. While these events can be a lot of fun, they can also increase your liability risk, particularly if you have a pool or other attractive nuisances on your property.

Understand Your Homeowners Liability Limits

Homeowners insurance is designed to help provide financial protection from damage to your home and personal property and liability claims arising from accidents or injuries occurring on your property. However, it's essential to understand that this coverage has dollar limits, and you may need to purchase additional protection if you have higher liability risks.

For example, if you have a pool, fire pit or another attractive nuisance on your property, you may need to increase your liability coverage limits to ensure you are adequately protected.

You should review your homeowners insurance policy carefully and discuss your liability limits with your insurance agent. Your agent can help you understand your coverage options and recommend additional protection if necessary.

What Is an Attractive Nuisance?

Attractive nuisances are items or features on your property that may be attractive to visitors, such as a pool, trampoline, playhouse, fire pit, outdoor grill or swing set. These items can pose a significant liability risk, as children may be tempted to play on them unsupervised, leading to accidents or injuries.

For example, a child may be tempted to climb over a fence to swim in your pool, even if they don't know how to swim. If the child is injured, you could be held legally liable for their injuries or death. Uninvited guests who are injured on your property may also trigger liability.

It's important to take steps to secure any attractive nuisances on your property to protect yourself against these types of liability risks. For example, you may need to install a fence or other barrier around your pool to prevent unsupervised children from accessing it. You may also need to post warning signs or take additional precautions to ensure visitors understand the risks.

Your agent can help you understand your insurer's requirements regarding attractive nuisances and how to best provide appropriate warnings for visitors.

How Can an Umbrella Policy Help?

Even if you have taken steps to secure any attractive nuisances on your property and you have appropriate homeowners liability limits, you may still be at risk of a large liability claim if someone is injured on your property. In these situations, an umbrella policy can help provide additional protection.

An umbrella policy is a type of insurance designed to help cover third-party injury and property damage claims that exceed the limits of your other liability policies. If you are sued for a liability claim that exceeds your homeowners liability limits, your umbrella policy may help cover the additional costs.

For example, if you have a homeowners liability limit of \$500,000 and are sued for \$1 million in damages, your homeowners insurance may help cover the first \$500,000. However, if you have an umbrella policy with a limit of \$1 million, it can help provide financial protection by helping to cover the remaining \$500,000 in damages.

Umbrella policies are typically sold in increments of \$1 million and can be a cost-effective way to increase your liability protection. Your insurance agent can help you determine whether an umbrella policy is right for you and recommend an appropriate coverage limit.

Contact Your Agent Today

If you host events at your home and want to ensure that you're properly protected against liability risks, it's important to discuss your homeowners liability limits and the potential for a personal umbrella policy with your insurance agent.

Don't wait until it's too late—take action now to protect yourself and your family. Contact SCS Agency Inc today to ensure you have sufficient liability coverage and explore your options for getting additional liability protection with an umbrella policy.
