Know Your Insurance

Home

Courtesy of **Connor & Gallagher OneSource**

Understanding Personal Liability Coverage

Personal liability coverage is a crucial part of homeowners and renters insurance. It can help financially protect you in a variety of scenarios you may encounter, such as a guest being injured in your home or your child or pet causing third-party bodily harm or property damage. It's designed to help limit out-of-pocket losses when life's accidents happen.

Who's Covered?

Personal liability coverage is designed to financially protect you and the people you live with from accidents where one of you is at fault for someone else's losses, such as those of guests, neighbors or passersby. It usually covers you, your spouse, your children and other relatives living with you. Additionally, nonrelatives (e.g., roommates) may be covered if they are listed on the policy or meet your insurer's requirements. Because policies and exclusions can vary, it's best to review them with your insurance broker to understand exactly who's covered.

What Incidents Are Covered?

The following events are examples of common claims that may fall under personal liability coverage:

- **Bodily injuries**—These are events such as a guest slipping and falling in your home or yard, or someone being injured on a sidewalk or walkway you're responsible for maintaining. Personal liability coverage may help with medical bills and legal costs related to the injury.
- **Pet-related incidents**—If your furry friend bites or knocks over a guest, trips a delivery driver or digs up a neighbor's garden, personal liability may help with resulting losses and legal fees. It's important to note that some breeds or animals may be excluded from your coverage, depending on the policy.
- **Damage to someone else's property**—If your child accidentally breaks a neighbor's window while playing ball, or you accidentally cause damage while visiting someone's home, personal liability may help pay for repairs and damages.
- **Injuries or damages caused away from your home**—If you happen to accidentally hurt someone while playing sports or injure someone while biking, personal liability coverage may help pay the resulting medical and legal fees.

What Incidents May Be Excluded?

Personal liability coverage may be broad, but it's important to note what types of incidents aren't covered. Intentional losses you and other insureds cause aren't covered. If you conduct business from your house, injuries or damages you may cause clients visiting your home aren't included and will need to be covered by endorsements or separate general liability insurance. Consulting your insurance broker can help you understand exactly what is and isn't covered by your policy.

How Can Liability Risks Affect Insurance Rates?

Your homeowners and renters insurance pricing considers risk frequency and severity. If your home or property has features that increase the likelihood of third-party injury, the chance of liability claims and lawsuits is also higher. Thus, some insurers may increase your rates, add exclusions or even mandate safety measures as a condition of offering coverage. Some common examples of home features that may involve higher premiums may include:

- Pools and hot tubs
- Trampolines
- Playground equipment
- Treehouses
- Ponds or decorative water features

Other risks, like certain pet breeds or hosting frequent parties or events on your property, can also increase your liability exposure.

You may be able to lower your premiums by installing fences or locks around your pool and trampoline and by maintaining your property to make sure the area is safe. If you have concerns about a feature of your property, discuss them with your insurance broker to be sure your coverage is adequate.

Making Sure You're Covered

Personal liability coverage is a vital component of your homeowners or renters insurance. It offers financial protection for accidental injuries or property damage that lead to claims against you, potentially covering legal and medical costs. It can give you peace of mind in helping you be prepared for the unexpected events in everyday life. Contact Connor & Gallagher OneSource today to make sure you have the coverage you need.