

# Jack Bradley —Agency—

Insuring the important things in life

## PERSONAL LINES

### Home Liability Coverage

#### How to Explain Any Coverage: Tips & Tricks

- 2 Sentences & A Question: Make it a conversation
- Nana Principle: Use the vocabulary you would use with your Nana (nothing complicated)
- Be Concise: try not to talk in circles
- Tell A Story to Illustrate the Coverage
- Always talk about pricing in monthly amounts
- If someone is not interested ask a few more questions and always document your system

#### Coverage Explanation

Home liability coverage, often referred to as personal liability coverage, is a component of homeowners insurance that protects a person financially in the event they are found responsible for causing injury to someone else or damage to their property. It's designed to cover legal expenses, medical bills, and other costs that may arise if they are held liable for bodily injury or property damage that occurs on your property or as a result of your actions. Home liability coverage is a critical component of a homeowners insurance policy, offering financial protection and peace of mind in the face of unexpected events.

- **Bodily Injury:** This aspect of liability coverage helps pay for medical expenses, rehabilitation, and, in some cases, lost wages for individuals who are injured on someone's property or as a result of their actions. This coverage extends beyond their property, potentially covering incidents that occur elsewhere.
- **Other's Property Damage Coverage:** Home liability coverage also helps cover the costs of repairing or replacing property that someone accidentally damages. This can include damage to someone else's home, personal belongings, or other structures.
- **Legal Expenses:** If one is sued for bodily injury or property damage, home liability coverage can assist with legal expenses, including attorney fees, court costs, and settlements, up to the limits specified in the policy.
- **Coverage Limits:** Home liability coverage comes with limits, which is the maximum amount the insurance company will pay for covered claims. It's important to review and, if necessary, adjust these limits based on the assets and potential risks. Consider a personal umbrella for additional coverage is also a recommendation
- **Perils Covered:** Liability coverage generally applies to a wide range of situations, including

accidents that occur on one's property (like a slip and fall) or incidents outside one's home for which they are legally responsible (such as a dog biting someone).

- Exclusions: While liability coverage is broad, there are exclusions. For example, intentional acts or injuries resulting from certain high-risk activities might not be covered. It's essential to understand these exclusions by carefully reviewing the policy.
- Reporting Incidents: If an incident occurs that could result in a liability claim, it's crucial to report it to the insurance company promptly. This allows them to investigate and, if necessary, provide legal defense and coverage.

## How the Policy Helps Clients

Home liability coverage offers financial assistance and peace of mind in the face of potential legal and financial risks.

- Legal Protections: If you're sued for a covered liability claim, the policy can help cover legal defense costs. This includes attorney fees, court costs, and any settlements or judgments up to the policy limit.
- Coverage for Libel or Slander: Some home liability policies may offer coverage for personal liability arising from non-physical injuries, such as libel or slander.
- Financial Assistance for Injury Claims: Home liability insurance typically covers bodily injury to others, such as a guest slipping and falling on your property. It can help cover medical expenses, legal fees, and other costs associated with the injured person's claim.
- Property Damage Coverage: If you or a family member accidentally damage someone else's property (e.g., breaking a neighbor's window with a stray ball), your home liability policy can help cover the costs of repairing or replacing the damaged property.
- Coverage Away from Home: Home liability insurance may extend coverage to incidents that occur away from your property. For example, if your dog bites someone while you're at the park, your liability coverage may apply.

## Example of Claims

- Client's young daughter had a sleepover. Her friend broke her arm playing at their house. The parents of the daughter's friend sued the homeowner. His policy paid legal costs and the claim was denied and the daughter's friend was basically fooling around and it was not the fault of the homeowner that she broke her arm.
- Let's say a guest slips and falls on your icy driveway, and they're injured. Home liability coverage can help with their medical bills and any legal expenses that might arise from the incident.
- It's not just about injuries. If, for example, your child accidentally throws a baseball through a neighbor's window, the liability coverage can help cover the cost of repairing or replacing the damaged property.
- Your liability coverage isn't just limited to incidents that happen at home. If, for instance, your dog bites someone at the park, or you accidentally damage property while on vacation, the coverage may still apply.

## How to Explain It to Clients

Home liability coverage is a crucial part of your homeowner's insurance policy. It's designed to protect you in case someone is injured on your property or if you accidentally damage someone else's property.

Essentially, home liability coverage provides peace of mind. It helps protect you from the financial consequences of unexpected accidents or injuries that could occur on your property or even off-site in certain situations.

## Common Objections

| Objection   | Response  |
|---|---|
| I don't have a lot of visitors, so I don't need liability coverage.               | Liability coverage isn't just about visitors. It can protect you if someone is injured on your property, but it also extends beyond that. For example, if you or a family member accidentally cause injury or property damage to someone outside your household, liability coverage can be crucial. |
| I'm a careful person and don't think I'll be liable for anyone's injuries.        | Being careful is excellent, but accidents can happen unexpectedly. Liability coverage provides financial protection in case you're found responsible for injury or property damage. It's about having a safety net, even for the unforeseen incidents.  |
| I already have health insurance; do I really need liability coverage?             | Health insurance is important for your medical expenses, but liability coverage is about protecting your assets if you're found responsible for someone else's injuries or damages. It's an extra layer of financial protection beyond covering your personal medical costs.                        |
| I don't have many valuable assets, so liability coverage isn't a priority for me. | While protecting assets is one aspect, liability coverage is also about safeguarding your future income. If you're found liable for significant damages, it can impact your financial stability. It's a way to protect your current and future financial well-being.                                |
| I trust my friends and neighbors; I don't think anyone would sue me.              | Trust is essential, but liability coverage isn't just about trust. Accidents can happen, and liability coverage provides a level of financial protection if you're faced with unexpected legal claims. It's about being prepared for the unexpected, even   |

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|  | among friends and neighbors.   |
| My dog is friendly; I don't think I need liability coverage for pet-related incidents. | Even friendly pets can unexpectedly cause accidents or injuries. Liability coverage can help cover medical expenses or legal costs if your pet injures someone or damages their property. It's a precautionary measure to protect against unforeseen incidents involving your pet. |
| I'm not worried about being sued; liability coverage seems unnecessary.                | While the likelihood of being sued may seem low, accidents can happen without warning. Liability coverage is a safety net to help with legal expenses, medical costs, and damages if you're found responsible for an incident. It's about financial protection and peace of mind.  |