California

Umbrella Product Guide



Safeco Insurance Company of America

Safeco Insurance™
A Liberty Mutual Company

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What's New

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04/12/14

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Product Overview

Description of Coverage

Our umbrella policy provides liability coverage with a high limit. Coverage is excess over your customer's primary underlying policies. For some exposures not covered by primary underlying insurance, coverage is provided in excess of the retained limit (similar to a deductible) and legal defense is provided in such cases. The basic policy includes coverage for one auto and one home. Additional premium is charged for additional exposures. Vacation/Second homes in other countries are not covered.

Policy Term

Policies are issued with a 12-month term, with continuous renewal unless canceled or non-renewed.

Retained Limit

The retention (similar to a deductible) by your customer, for exposures not covered by primary underlying policies, is $250 per occurrence.

Insured Eligibility

Named Insureds

Only an individual and their spouse, or domestic partner, as defined by the policy, may be listed as named insureds. Corporations, businesses or personal trusts cannot be listed as named insureds.

Primary underlying policies in the name of a business or corporation are not allowed. A company provided car is an exception to this.

When domestic partners are named insureds, all underlying exposures must be co-owned and insured in both individuals' names.

Occupations

Gainful employment is required. Individuals in the following occupations must be loss free and have a clean driving record for the previous five years. Coverage is written for these occupations on a Personal Injury Follow-Form Endorsement basis.

- actors, including professional movie, stage and television actors and entertainers
- authors
- broadcasters or telecasters, including television or radio station owners, executives and reporters
- judges (elected and appointed), including federal, state, municipal and administrative
- newspaper and magazine publishers, editors, reporters or writers
- political figures (elected and appointed), including lobbyists or political party officers
- professional athletes at major or minor league level
- public lecturers

Individuals in these occupations who are of extraordinarily high profile and high local or national name recognition may not be acceptable for coverage.

Trusts

Only personal trusts that are revocable are eligible for the Personal Trust endorsement.

Limited Liability Companies

The Limited Liability Company (LLC) endorsement may be added to our umbrella policy for owner occupied and rental properties owned by a LLC and where the primary underlying insurance on the properties is written by us. The LLC must be controlled by the named insured on our umbrella policy and formed exclusively for the purpose of ownership and management of private residential properties. The LLC's members and managers must also exclusively be the named insured on our umbrella policy and our named insured's immediate family members in the household.

Additional Interests

Additional interests are not eligible for coverage and cannot be added to an umbrella policy.

Eligibility

Requirements for Underlying Insurance

(Effective: 04/12/14)

Policies of primary underlying insurance must be maintained in force, without interruption, and meet or exceed those specified in the schedule of underlying insurance on the declarations page as summarized in the following table.

		Underlying Limits					
		100/300/100	250/500/100	300 CSL	300/300/100	500 CSL	500/500/100
Auto (incl. Classic/ Antique Vehicles & Motorhomes)	$1,000,000 UMB Limit	—	Yes	Yes	Yes	Yes	Yes
	$2,000,000 – $5,000,000 UMB Limits	—	—	—	—	Yes	Yes
Motorcycle		—	Yes	Yes	Yes	Yes	Yes
Off-Road Rec Vehicles (incl. golf carts, snowmobiles, ATVs)		—	Yes	Yes	Yes	Yes	Yes
Powerboats ≥ 32’		—	—	—	—	Yes	Yes
Sailboats ≥ 26’		—	—	—	—	Yes	Yes
All other Watercraft		—	Yes	Yes	Yes	Yes	Yes

	Underlying Limits			
	$100,000	$250,000	$300,000	$500,000
Premises Liability	—	—	Yes	Yes
Comprehensive Personal Liability	—	—	Yes	Yes
Landlord / Dwelling Fire	—	—	Yes	Yes
Incidental Farming	—	—	Yes	Yes
In-Home Business	—	—	Yes	Yes

Underlying Auto Coverage

With certain exceptions, all owned or leased private passenger autos supplied for regular use by your customer must be written on a personal auto policy with us.

Underlying autos in our standard and non-standard product are not eligible for our umbrella policy.

Any primary underlying policy with special restrictive coverage limits for permissive operators, such as Safeco standard, is ineligible for our umbrella policy.

Company Provided Cars

Autos owned by your customer's employer, corporation or business and supplied for your customer's regular use may be written on a commercial auto policy and rated on our umbrella policy as a company provided car.

Motor Homes

These are rated as private passenger autos, but primary underlying coverage may be written with a carrier other than us.

Classic or Antique Autos

Primary underlying coverage may be written with a carrier other than us.

High Performance Vehicles

All operators of high performance vehicles should be 25 years old or older and should have, and maintain, a clean three-year driving record. These vehicles may be excluded, when the exposure is unacceptable, using the Designated Vehicle Liability Exclusion. Examples include vehicles such as:

- Chevrolet Corvette and Z28
- Porsche Boxter
- BMW, M or Z series
- Ford Mustang GT

Exotic Sports and Performance Vehicles

All operators of exotic sports and performance vehicles must be 25 years old or older and must have, and maintain, a clean five-year driving record. These vehicles may be excluded when the exposure is unacceptable using the Designated Vehicle Liability Exclusion. Examples include vehicles such as:

- Ferrari
- Lamborghini
- Lotus
- Maserati

Aircraft

Coverage for aircraft is excluded and no buyback of coverage is available.

Watercraft

Watercraft must be no more than 65 feet long and must qualify for our watercraft program in all other respects based on normal underwriting guidelines. Primary underlying coverage may be written with another carrier. Floating homes are ineligible as are any watercraft on which your customer resides as a primary residence. Watercraft that are co-owned, have a crew, are made available for rental or charter are ineligible.

Watercraft exposures between 40 feet long and up to 65 feet long require the attachment of the Maritime Employers Liability Exclusion to our umbrella policy. Ineligible watercraft may be excluded using the Designated Watercraft Liability Exclusion.

Motorcycles

(Effective: 04/12/14)

Motorcycles licensed for road use must be eligible for our primary market based on normal underwriting guidelines. However, primary underlying coverage may be written with another carrier and must include guest passenger liability.

- Motorcycle must be eligible for our motorcycle market based on normal underwriting guidelines. Sport or super sport bikes as defined by us will be reviewed for eligibility based on other characteristics on the umbrella policy and may be covered on an exception basis upon underwriting approval.

- Primary underlying coverage may be written with another carrier.
- Primary underlying coverage, including guest passenger liability, must be a minimum of $250,000/$500,000/$100,000 or $300,000 CSL.
- Operators must have no major convictions or at-fault accidents and no more than one minor conviction.
- A motorcycle owner without a private passenger auto is generally not eligible for our umbrella policy.
- No operators under the age of 25.
- No vehicles designed for operators under the age of 14.

Dirt Bikes, Motocross Bikes and Snowmobiles

Dirt bikes, motocross bikes and snowmobiles must be eligible for our primary market based on normal underwriting guidelines. However, primary underlying coverage may be written with another carrier and must include guest passenger liability. Other requirements include:

- No operators under the age of 14.
- No vehicles designed for operators under the age of 14.
- For operators age 14 to 25, the maximum umbrella limit is $2 million.

All-terrain Vehicles

All-terrain vehicles (ATVs) must be eligible for our primary market based on normal underwriting guidelines. However, primary underlying coverage may be written with another carrier and must include guest passenger liability.

Other requirements include:

- Ineligible ATVs include 3-wheel, competition and sport models.
- Operators must have no major convictions or at-fault accidents and no more than one minor conviction.
- No operators under the age of 14.
- No vehicles designed for operators under the age of 14.

- If there are operators age 14 to 25, the maximum umbrella limit is $2 million; if all operators are over the age of 25, the maximum umbrella limit is $5 million.
- Ineligible ATVs must be excluded using the Recreational Vehicle Liability Exclusion.

Golf Carts

Golf carts must be eligible for our primary market based on normal underwriting guidelines. If licensed for road use, the golf cart should be rated and underwritten as an additional auto. If not licensed for road use, the golf cart should be underwritten and rated as an off-road vehicle. Primary underlying coverage may be written with another carrier.

Rental Property

The maximum allowable number of rental units is 16. Four-unit buildings are the largest allowable owned structures. All rentals must be eligible, based on normal underwriting guidelines, for premises liability coverage available on our Safeco Landlord Protection® Policy or on our Safeco Dwelling Fire Policy. Customers who are self-employed full-time investing in, rehabilitating, or constructing real estate developments are generally ineligible for rental property coverage under our umbrella program. For consideration, please call an Umbrella underwriter. If an ineligible rental exposure exists an umbrella policy may be written with a Rental Property Exclusion.

Farming and Ranching

If your customer's occupation is farming or ranching, they are best served by obtaining a commercial umbrella policy with a personal supplement. If all farming locations are distinct addresses from the primary home and if there is no farm exposure at the primary home, we can write an umbrella policy, subject to exclusion of all farming or ranching locations. If the insured owns any cattle or any horses, please call an Umbrella underwriter to discuss.

If your customer's occupation is not farming or ranching and the on-premises farming or ranching exposure is incidental, an umbrella policy with Incidental Farm coverage may be written. The primary underlying homeowners policy must be written with us and must include incidental farm coverage. (See also incidental farm coverage guidelines in our homeowners product guide).

Business

Business pursuits and professional services are excluded. A business exposure, incidental to the residence premises, may be written on our umbrella policy by adding an In-home Business Coverage endorsement. The primary underlying homeowners policy must be written with us and include Option BZ – In-home Business Coverage or Option CCC – Business Liability. If we, or another homeowners carrier, declined the home because of a commercial exposure, our umbrella policy cannot be written.

Home Care or Day Care

Home care services including day care are excluded. Such exposures at your customer's home, or in any secondary or rental dwelling, make your customer ineligible for our umbrella policy.

Directors and Officers

Except for non-profit corporations or organizations, coverage is excluded for directors and officers. A customer holding positions on the boards of more than three non-profit organizations or corporations may not be eligible for our personal umbrella policy.

Post Notification/Declination Notice

Federal law requires that notification be provided to customers when their insurance premium or availability is adversely impacted by information on a consumer report. This may include a MVR, CLUE report, prior auto insurance information or Insurance Score (where allowed by law). When considering the acceptance of an umbrella policy, we may look at the MVR as well as our underlying auto policy market. While the umbrella policy does not use an Insurance Score, the auto policy does in most states. If a customer asks for a quote on a Safeco umbrella policy but they do not qualify because of the market of our underlying auto policy or information on the MVR you are required to provide them with a Post Notification/Declination Notice. We have provided this for you to print and provide to the customer. Please be aware that some states have state specific language. Please select the one that applies to the specific state in question. These notifications are available on the personal insurance umbrella product page.

Driver Eligibility

Exclusions

Driver or operator exclusions that are present on primary underlying (auto, motorcycle, watercraft, off-road or other policies insuring vehicles) policies of insurance must also be placed on the umbrella policy.

Underlying policies where the spouse or domestic partner are excluded make this an ineligible risk for an umbrella policy with us.

Any exclusions affecting liability coverage on primary underlying policies of insurance, such as a designated premises exclusion on a homeowners, dwelling fire or landlord protection policy, must also be placed on our umbrella policy.

Drivers Over Age 75

Drivers who are over 75 years of age must have a clean driving record. The maximum available umbrella limit is $2 million.

Youthful Operators

Any driver under the age of 25 is considered a youthful operator.

Driving Record and Loss History

Except when noted otherwise, in relation to other exposures, the following will apply.

Five-year History

Any operator is ineligible if they have had any of the following within five years:

- driving under the influence of drugs or alcohol
- failure to stop and report when involved in an accident (hit-and-run)
- vehicular homicide
- driving any vehicle with a suspended or revoked license
- late night, single vehicle (“phantom” vehicle) accidents
- reckless or negligent driving
- any major conviction as defined in the “Driving Record” section in our auto product guide

Three-year History

Over the previous three years, the following is generally ineligible but may be submitted unbound:

- more than two at-fault accidents in the household
- more than three minor convictions for any single driver in the household
- a driver, under the age of 21 with more than two minor convictions, more than one at-fault accident or a combination of one at-fault accident and one separate minor conviction
- multiple drivers under the age of 21, each having one at-fault accident or two convictions
- a total of more than five incidents, including not at-fault accidents, at-fault accidents and minor violations, in the household
- non-auto underlying policies, non-renewed for liability losses or driver/operator concerns, are not eligible for an umbrella policy

Other Loss History

In general, a customer with losses in the last five years on an umbrella policy or excess liability policy or under personal injury, comprehensive personal liability or premises liability coverages is ineligible for our umbrella policy.

Coverage Options

Limit Options

Coverage may be purchased in increments of $1 million from $1 million to $5 million. You may bind limits of $1 million or $2 million. See binding authority for more information.

Increased Limit Factors

Only Available Over 500k/500k or 500k Combined Single Limit	
Policy Limit	**Factor**
$2 million	1.75
3 million*	2.25
4 million*	2.65
5 million*	3.00

* No binding authority

Excess Uninsured/underinsured Motorists

(Amended: 03/02/06)

Excess uninsured/underinsured motorists coverage is available at a limit of $1 million.

Underlying auto and motorcycle uninsured/underinsured motorists limits must be written at the same limits as underlying auto and motorcycle bodily injury limits.

Premium Charges

Policies are rated using our online Quote and Issue system. Premiums are automatically generated based on information provided.

Policy Changes

Endorsements or Changes on Policies

Additional coverage will be afforded by endorsement and will run concurrently with the policy term. The addition of coverage will not alter the premium due date of the term during which the additional coverage is attached or affect the premium due date of the policy term.

When additional coverage is added the rate for the added coverage will be prorated for the number of days the added coverage is to run from its effective date to the next ensuing premium due date.

If the policy has already been billed for the next term when the endorsement is processed, the charge for the additional coverage will be computed from the effective date of the change to the end of the next term.

The policy coverage as written is automatically renewable on the premium due date for successive periods by payment of required premiums.

Cancellation and Continuing with a Lapse

Cancellation

All cancellations, regardless of whether they are initiated by us or your customer, are calculated on a pro rata basis.

Continuing with a Lapse

If a payment is postmarked or received by you or us within 60 days of the cancellation, a policy may be eligible to continue with a lapse in coverage.

The new term begin date will be effective the time and day you receive the money and bind the coverage or the day after the postmark, whichever is earlier.

Waiver of Returned Premium

We will compute any additional or return premium pro rata.

If additional premium is due, we will bill your customer with instructions to pay the additional premium directly to us. Return premium checks will be issued by us and sent to your customer.

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