

# What does business umbrella insurance cover?

A business umbrella policy will provide additional liability insurance above and beyond your underlying liability insurance policies. Coverage will start once your underlying coverage limits have been met.

For example: If your company has delivery trucks, then you will have a commercial auto policy that most likely has a limit of a million dollars. Your umbrella policy would provide an additional million dollars above your auto policy that would start once the auto policy limits have been exhausted.

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# Is business umbrella insurance necessary?

For some companies, business umbrella insurance is mandatory. For example, the federal government requires businesses such as oil companies to have umbrella policies. For the general business owner, business umbrella insurance may not be required unless a contract, client or landlord requests it.

However, even if business umbrella insurance is not mandatory, it is a necessary coverage to obtain for your operation. Without coverage it's likely your business would suffer extreme financial loss.

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# How is business umbrella different than regular business insurance?

Your business should have a general liability or business owner's policy in place to start with. If you have company vehicles titled in the business name then you should also have a business auto policy. Those are the basic policies that a business umbrella policy would go over.

Business umbrella insurance provides additional coverage to all the underlying policies that you hold for extra protection. The excess insurance can be anywhere from one million to several million dollars.

When your benefits get exhausted by a large claim on your underlying policies, then business umbrella coverage will start. Some business umbrella policies have a deductible that would need to be met prior to coverage starting.

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# What is business umbrella insurance?

Business umbrella insurance is an extension of your general liability or business owners insurance policy. Providing your

business with additional liability coverage above and beyond your underlying liability policy in the event, your limits get exhausted.