

Advertisement

Seeking higher rates for your short-term cash? Check out Fidelity Money Market Funds.

Before investing, consider the fund's investment objectives, risks, charges and expenses. Contact Fidelity for a prospectus containing this information. Read it carefully.

NEWS | POLITICS | OPINIONS | SPORTS | ARTS & LIVING | DISCUSSIONS | PHOTOS & VIDEO | CITY GUIDE | CLASSIFIEDS | JOBS

SEARCH: Try Our New Search



washingtonpost.com

Web

Results by Google™

Search Ar

washingtonpost.com > Columns

[Print This Article](#)

[E-Mail This Article](#)

MOST VIEWED ARTICLES

Opinion On the Site

Updated 4:30 p.m. ET

- [Look, Ma, No Hands](#)
- [A War Bush Wouldn't Pay For](#)
- [In Baker's Blunder, A Chance For Bush](#)
- [TELL ME ABOUT IT ?](#)
- [In the 83rd Congress, a Senate in Constant Turmoil](#)



The Color of Money

Michelle Singletary, Personal Finance Columnist

Advert



Advert

[Live Q&As](#) | [Book Club](#) | [Weekly E-Mail](#) | [XML](#) [RSS Feed](#)

The Umbrella, a Holiday Party Essential

By [Michelle Singletary](#)

Thursday, December 14, 2006; Page D02

If you're hosting a holiday party this year and think your homeowners insurance provides enough coverage, think again.

Let's say you serve alcohol at your party. Your guests have a grand time, but one partygoer gets a little too happy and leaves the celebration drunk. That guest crashes into another car or someone's home. The next thing you know, you're involved in a lawsuit because of your intoxicated guest.

It's possible. According to the National Highway Traffic Safety Administration, 16,885 people died in alcohol-related crashes last year.

It's even more likely that you don't have enough insurance to cover the legal fees and damages you could be forced to pay. According to a study released by Trusted Choice, a group of more than 7,000 insurance agencies and financial firms, most party hosts are

THURSDAY, DEC. 14, NOON ET

[Color of Money Live](#)

Washington Post personal finance columnist Michelle Singletary will be online for a free-for-all discussion on money matters.

XML SYNDICATE/SUBSCRIBE

Select Method (may require regi:)

[Want to Be on TV?](#)

Click here for more information about how to be a guest on Michelle Singletary's television show on TV One.

COLOR OF MONEY BOOK CLUB

[This Month's Title and Book Club Archive](#)

Advertisement



TODAY IN SLATE

News & Politics
[Inside Obama's Shady Real Estate Deal](#)



underinsured.

While homeowners insurance policies typically provide a minimum of \$100,000 worth of liability insurance, to insure yourself against larger liabilities, you need an umbrella policy -- and that's something many people don't have.

"I think a lot of people think that their friends will not sue them, but the reality is that it won't be their friends. It's going to be the person that they injured," said Madelyn Flannagan, Trusted Choice's vice president of education and research.

From its survey, Trusted Choice estimates that of the 28.5 million people who planned to host parties from Thanksgiving until the Super Bowl, 21.3 million do not have personal umbrella insurance policies to protect them from huge financial losses. Umbrella policies are usually sold in increments of \$1 million and cost \$150 to \$250 a year per \$1 million of coverage, according to Flannagan.

If you host a party and a guest drinks and then drives and causes an accident, you can be held responsible. Thirty-five states and the District of Columbia have enacted laws or have case law that allow a host to be held liable for any damage and injuries caused by a drunken driver, according to the Insurance Information Institute. The laws vary by state. For example, many laws specify

Want to know which personal finance books to read? Join the Color of Money Book Club. To become a member all you have to do is read the recommended book then join Michelle Singletary and the author in an online Q&A.

REPORTER'S QUERY



Color of Money columnist Michelle Singletary is looking for three people who want to change their financial lives in 2007. If you have been promising to get out of debt or start saving for retirement or your child's college fund, send an e-mail to

colorofmoney@washpost.com. In the subject line, write "My New Year's Resolution." Those chosen must be willing to share their personal financial information, which may be included in a series of columns throughout the year.

WEEKLY E-LETTER

Personal finance columnist **Michelle Singletary** authors a weekly e-mail newsletter in which she expands on her Color of Money column, answers reader questions, highlights other interesting Post stories, and offers tips and links to useful Web sites. The Personal Personal newsletter is delivered every Thursday.

[Sign Up for Michelle's E-Letter](#)
[E-letter Archive](#) | [Sample E-letter](#)

ABOUT THIS COLUMN

[XML Sign Up for RSS Feed](#)

[Color of Money Archive](#)

[How RSS Works](#)

THE CHECKOUT



SHIN

Post consumer-issues reporter Anny Shin blogs about bargains, scams, recalls, credit -- and everything else that affects your wallet.

- [Unlocking Your Phone Easier Said Than Done?](#)
- [Daddy, Why Is the Tree on Fire?](#)
- [Credit Monitors: A False Sense of Security](#)
- [The Checkout Archive](#)
- [XML Sign Up for RSS Feed](#)
- [Articles by Shin](#)

[SAVE & SHARE ARTICLE](#) [What's This?](#)

[Digg](#)

[Google](#)

fid

FEAT

[Refin](#)

[\\$40,0](#)

[Reds](#)

[Taxu:](#)

[Prom](#)

[Cool](#)

[7 Fur](#)

[Trave](#)

that the drinker must be "obviously" intoxicated, while others focus on minors and alcohol.

In the Trusted Choice survey, a majority of the respondents said a party host should be held responsible. Having said that, however, most haven't purchased an umbrella policy, which is what they would need in such a case.

"People don't buy umbrella policies because they think they have enough coverage from their homeowner and auto policies, but they don't," Flannagan said. "The high dollar value of jury awards coupled with skyrocketing health-care costs means one lawsuit can easily exceed the liability limits on the average policy."

You need only one umbrella policy, which can be added to a basic homeowners or auto insurance policy. This insurance usually kicks in after you've exhausted the coverage on your homeowners or auto insurance policy.

Typically, a personal umbrella policy covers you for any number of accidents or claims that occur during the policy term. For example, if you have a \$1 million limit, you may be covered for several claims at \$1 million each. However, to limit their liability, many insurers are writing umbrella policies that impose a maximum dollar amount that may be paid, according to Independent Insurance Agents & Brokers of America.

CONTINUED [1](#) [2](#) [3](#) [Next >](#)

[Print This Article](#)

[E-Mail This Article](#)

More on washingtonpost.com[Religion Today](#)[Paths of History and Adventure](#)[DIGGING IN:Poinsettia: Turn Over a New Leaf](#)» [Related Topics & Web Content](#)powered by **Inform****People who read this also read ...**[Carolyn Hax - TELL ME ABOUT IT ?](#)[- ASK AMY](#)[Marguerite Kelly - Hoarding Could Mean OCD](#)[Some Metro Riders May Reach for Car Keys](#)**Post a Comment**[View all comments](#) that have been posted about this article.

Your washingtonpost.com User ID will be displayed with your comment.

Comments: (Limit 5,000 characters)**Post**

Comments that include profanity or personal attacks or other inappropriate comments or material will be removed from the site. Additionally, entries that are unsigned or contain "signatures" by someone other than the actual author will be removed. Finally, we will take steps to block users who violate any of our posting standards, terms of use or privacy policies or any other policies governing this site. Please review the [full rules](#) governing commentaries and discussions. You are fully responsible for the content that you post.

© 2006 The Washington Post Company

Ads by Google**[Official Volvo S80 Site](#)**

Get Info on All Volvo Sedans Here. Find Dealers, Specs, Photos & More.

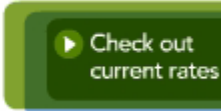
www.volvocars.us

Advertisement

Rate hikes you'll like.

Fidelity Money Market Funds

Before investing, consider the fund's investment objectives, risks, charges and expenses. Contact Fidelity for a prospectus containing this information. Read it carefully.


 Check out current rates

Fidelity Brokerage

SEARCH: Try Our New Search


 go washingtonpost.com Web | Results by **Google™**
[NEWS](#) | [OPINIONS](#) | [SPORTS](#) | [ARTS & LIVING](#) | [Discussions](#) | [Photos & Video](#) | [City Guide](#) | [CLASSIFIEDS](#) | [JOBS](#) |

[washingtonpost.com: Help](#) | [Contact Us](#) | [About Us](#) | [Advertisers](#) | [Site Index](#) | [Site Map](#) | [Make Us Your Homepage](#) | [mywash](#)

The Washington Post: [Subscribe](#) | [Subscriber Services](#) | [Advertisers](#) | [Electronic Edition](#) | [Online Photo Store](#) | [The Washington Post Company: Information and Other Post Co. Websites](#)

© Copyright 1996- 2006 The Washington Post Company | [User Agreement and Privacy Policy](#) | [Rights and Permissions](#)