

# Offer of Increased Liability Coverage for Claims of Family Members at an Additional Premium (New Business)

## Offer of Increased Liability Coverage for Claims of Family Members

Maryland law requires that a private passenger motor vehicle liability insurance policy have at least a minimum amount of coverage for both liability and uninsured motorist coverage which is \$30,000 per person/\$60,000 per accident for bodily injury and \$15,000 per accident for property damage.

State law now requires that every insurer writing private passenger motor vehicle liability insurance offer to the first named insured, under a binder or policy of private passenger liability motor vehicle insurance, liability coverage for claims made by a family member in the same amount as the liability coverage for claims made by a nonfamily member under the policy or binder.

The insurance company may not refuse to underwrite a first named insured because the first named insured requests or elects the liability coverage for claims made by family members in an amount equal to the coverage provided for nonfamily member claims.

### **Before making your decision, please read the following carefully:**

Liability coverage is an agreement of the insurer to pay, in accordance with the terms and conditions of the policy, for damages arising out of bodily injury and/or property damage for which an insured under your policy becomes legally obligated to pay as a result of a covered motor vehicle accident.

***Bodily injury coverage*** - protects the insured against claims made by others for bodily harm, sickness, or disease, including death.

***Property damage*** – protects the insured against claims made by others for physical injury to, destruction of, or loss of use of tangible property.

**PLEASE NOTE:** The Family Member Liability Coverage that you may elect to purchase does not entitle you to coverage for a claim for which liability does not otherwise exist under the doctrine of parent-child immunity.

The following limits of liability coverage for family members are available to the first named insured at the following cost(s):

### **Limits of Coverage:**

\$ \_\_\_\_\_  
(per person/per occurrence for bodily injury and/or property damage or one figure identifying it as a combined single limit)

**Cost(s) of Family Member Liability Coverage (this amount is in addition to your regular premium):**

\$ \_\_\_\_\_

I, the first named insured on the policy described below, hereby **ACCEPT** the Offer contained herein to increase the limits of liability for the claims of family members under the policy.

I, the first named insured on the policy described below, hereby **REJECT** the Offer contained herein to increase the limits of liability for the claims of family members under the policy.

I understand that this election, once made, applies not only to the policy described below, but to all future renewals of the policy and on all replacement policies, unless I notify the company in writing of my desire to increase the limits of liability for claims of family members. Any such change will be effective only as of the date that the company receives my written notification.

\_\_\_\_\_  
*First Named Insured/Applicant*

\_\_\_\_\_  
*Signature of First Named Insured/Applicant*

\_\_\_\_\_  
*Date* *Policy/Binder #*

\_\_\_\_\_  
*Insurer*

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**Producer Name**                      **Producer Code**

(\* Editorial note: These items are variable information that must be provided by the insurer. The waiver must be in 10 point boldface type per§19-504.1).