# Why Get Excess Liability Coverage with Your Car Insurance

In most countries, the purchase of a mandatory (Third Party) liability insurance policy is required to legally drive your vehicle. However, in some countries, the required liability policy provides limited coverage for bodily injury and no coverage for property damage, which can cause you to have to pay out of pocket for damages to other people’s property in the event of an accident or the costs of medical bills beyond the limited bodily injury coverage. Excess Liability coverage ensures peace of mind because you won’t have to worry about out-of-pocket expenses resulting from an accident.

## What Does Excess Liability Coverage Do?

Excess Liability is a supplemental limit of liability (usually $500,000 or $1,000,000) that is stacked on top of the local third party liability coverage and provides additional coverage for bodily injury and property damage. This insurance begins as soon as you take out the policy and covers property damage, whereas the local policy does not.

**Here’s an example scenario to explain how this coverage works:**

John, an employee at the U.S. embassy in Santiago, loses control of his vehicle and runs into a parked car. Upon contacting his local insurance company, he learns that the local policy will not pay for the damages to the other car. Although John purchased the required Primary (Third Party) Liability coverage, the claim was denied because the local policy only applied to bodily injury liability and does not cover property damage. If John had purchased Excess Liability coverage from an international insurance provider, he would have been covered.

**Stay protected, wherever you roam.**
When driving overseas for business or pleasure, peace of mind is priceless. Learn more about insurance solutions that keep you protected during your time posted overseas:

* [Excess Liability coverage](https://www.clements.com/personal/international-car-insurance/worldwide/?utm_source=embassy-clo&utm_medium=newsletter&utm_campaign=pi-missions&utm_content=excess-liability)
* [Other insurance solutions for diplomats](https://www.clements.com/personal/foreign-service-insurance/?utm_source=embassy-clo&utm_medium=newsletter&utm_campaign=pi-missions&utm_content=excess-liability)

If you would like to arrange a time to have an insurance review, Clements’ advisors are available at +202-872-0060 or info@clements.com.

Safe travels!