

RLI Personal Umbrella Policy Changes Effective January 1, 2027

In most states, including Missouri, RLI is making application, policy and rate changes effective Jan. 1, 2027. If you write RLI policies in other states, check with those states for effective dates as well as policy and application details.

Below is a summary of the changes:

Rate Changes

Rate changes designed to more appropriately reflect each policyholder's risk will take effect Jan. 1, 2027. RLI is also implementing a \$20 policy fee for policies issued after Jan. 1, 2027. The average overall rate adjustment (including the \$20 fee) is 11.5%, but keep in mind that actual premium changes are determined by each client's individual risk characteristics and may be lower than the overall average – including a rate decrease – or higher than the overall average.

Application Changes

The following revisions apply to new business and renewal applications unless otherwise noted.

Updated Definitions

Several application definitions have been added or revised to provide greater clarity. These include:

- At-Fault Accidents
- Incidents
- Low-Speed Vehicles
- Major Moving Violations
- Recreational Vehicles
- Relatives
- Residential Properties

Agents and clients should review these updated definitions before completing applications. A copy of the new application can be found [here](#).

Alcohol-Related Incidents

Risks with alcohol-related incidents in the last five years are no longer eligible for coverage. Alcohol-related incidents are now included within the revised definition of **Major Moving Violations**, which render the risks ineligible for coverage.

New Recreational Vehicle Question

A new application question has been added regarding certain recreational vehicles.

For additional details about this change, see the information below.

Foreign Property Question Removed

The application will no longer ask a separate question regarding foreign properties.

However, all residential properties, regardless of location, must be included in the total property count on Question 2. Each residential property must also maintain the same minimum underlying liability limits required for all other residential properties.

Revised Eligibility Questions

Most eligibility (Yes/No) questions have been updated.

Please review the revised wording carefully when completing applications to ensure accurate responses.

Renewal Application Update

Renewal applications will now include a new question asking how many drivers:

- Have been licensed to drive in the United States for less than one year
- Currently hold a learner's permit
- Have a non-U.S. driver's license

This information will be required as part of the renewal process.

New Recreational Vehicle Eligibility Expands Coverage Options

For years, many agents have shared the challenges of placing coverage for golf carts, low-speed vehicles and similar recreational vehicles. As the personal insurance market has changed, finding underlying liability coverage that meets RLI's existing requirements has become increasingly difficult in many states.

RLI is introducing an enhancement designed to address that challenge.

Beginning with policies written in approved states effective **Jan. 1, 2027**, RLI will implement new application questions and underwriting provisions for certain recreational vehicles. These updates provide greater flexibility by allowing lower underlying liability limits for eligible vehicles while continuing to provide the protection policyholders expect.

Why the Change

Under the current Personal Umbrella Policy (PUP 320 01/21), any unit required to be licensed for road use, including low-speed vehicles in states such as Florida, is considered an automobile. As a result, these vehicles are currently required to maintain minimum underlying automobile liability limits as high as \$500,000/\$500,000/\$50,000.

Today's insurance marketplace looks much different. In many states, liability coverage for exposures such as golf carts and low-speed vehicles is often only available up to \$100,000/\$300,000/\$25,000.

Based on feedback from agents, RLI has updated their approach to better align with today's market.

What's Changing?

Beginning with the updated application, applicants will be asked to identify certain recreational vehicles owned by the named insured or a relative. Eligible vehicles will receive a per-unit charge and may qualify for reduced minimum underlying liability requirements.

The new application question asks:

How many golf carts, **Low-Speed Vehicles**, dune buggies, all-terrain vehicles (ATV), utility task vehicles (UTV), or snowmobiles, are owned (titled or registered to) by **You** or any **Relative**. Any other **Recreational Vehicles** do not need to be counted but must maintain the minimum required underlying insurance.

Updated Definitions

A **Low-Speed Vehicle(s)** means any vehicle defined as a low-speed vehicle, or by a similar term, under the motor vehicle laws of the state where it is principally garaged or operated. In a state where the motor vehicle laws do not define a low-speed vehicle, it means any four-wheeled motorized vehicle that is manufactured in compliance with Federal Motor Vehicle Safety Standard No. 500, or is substantially similar to such a vehicle; has a maximum speed capability of 25 miles per hour; has a gross vehicle weight rating of 3,000 pounds or less; and is designed to carry a maximum of four persons, including the operator.

A **Recreational Vehicle(s)** means a motorized vehicle for use on land that is not an **automobile** and 1) does not require motor vehicle registration or operator licensing, 2) is not intended for use on public highways, or 3) is a snowmobile; all-terrain vehicle; utility task vehicle; dune buggy; motorized dirt bike; mini-bike; golf cart; **low-speed vehicle**; personal transporter; electric scooter; motorized bicycle (including e-bikes); or motorized farm, garden, ranch, and maintenance equipment, modified or unmodified, capable of speed that does not exceed twenty-five (25) mph under any circumstances.

Underlying Liability Requirements

In approved states, for eligible recreational vehicles, the following minimum underlying liability limits will now be accepted:

- \$100,000/\$300,000/\$25,000
- \$100,000 combined single limit (CSL)

A per-unit charge will apply to certain recreational vehicles as indicated in the new question.

Excess UM/UIM Coverage

In most states, including Missouri, excess UM/UIM coverage will **not** apply to recreational vehicles.

Form Updates

Beginning with policies effective **Jan. 1, 2027**, RLI will introduce several updates to its personal umbrella policy forms, state amendatories and excess UM/UIM coverage forms. These revisions are intended to

clarify policy language, reflect current underwriting practices and support a consistent customer experience.

Unless noted otherwise, these updates apply to both new and renewal policies.

Highlights of the Policy Changes

Below are some of the more significant updates included in the revised policy forms.

Animal Liability Sublimit

A new **\$250,000 Animal Sublimit** has been introduced on both a per occurrence and annual aggregate basis. Subject to the terms and conditions of the Animal Sublimit Endorsement, coverage for certain accidents caused by animals, as defined in the policy, will be limited to **\$250,000**, rather than the overall policy limit.

Who is Covered

- Any person, trust or limited liability company seeking coverage must be covered for the Occurrence by your Basic Policy of which you are a Named Insured for the Required Minimum Limit of Coverage listed in the Declarations.
- Any person who is not you or a Relative is not considered an Insured.
- You and all Relatives must be disclosed on the Application and be covered for the Occurrence by the terms of a valid and collectible Basic Policy for the Required Minimum Limits of Coverage listed in the Declarations.

As per the policy, the words you, your or yours mean the person(s) named in the Declarations as the Named Insured and his or her Spouse.

Personal Injury Coverage

There is no coverage for Personal Injury unless the Occurrence is covered by a valid and collectible Basic Policy meeting the required minimum liability limits listed in the Declarations.

Other Insurance

Based on feedback received, RLI has clarified the Other Insurance provision to account for any insurance specifically written as excess over the RLI personal umbrella policy that identifies the RLI policy in its schedule of underlying insurance. As always, RLI does not recommend writing the RLI personal umbrella policy with the expectation of coverage from another umbrella policy.

Additional Revisions

A more comprehensive summary of all policy changes is available in the **Policyholder Notice, [Summary of Changes](#) document.**

In approved states, this summary of changes document will be included with the renewal questionnaire packet mailed in advance of the policy expiration date.

Accessing Updated Forms

Policyholders renewing under the revised policy provisions will automatically receive a printed copy of the updated policy jacket once the renewal term is bound.

The revised forms will also be available electronically through:

- PUP Access, where forms can be emailed directly to policyholders
- The insured portal at mypolicy.rlicorp.com, where policy documents are available online at any time

Reminder About Coverage

As always, coverage is determined based on the specific facts and circumstances of each claim and the terms, conditions and exclusions of the applicable policy.

If you have questions about these updates, please contact your RLI representative.