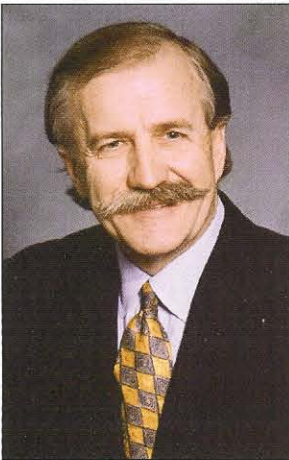


trailer insurance



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MOST STATES HAVE MANDATORY LIABILITY INSURANCE LAWS IN EFFECT THAT require insurance on motor vehicles. So, when you are driving to the local feed store in your brand new dually pickup truck you need to have liability insurance on your truck. But, what happens when you hook up your brand new 35-foot living quarters horse trailer and head to the local horse show? Is your horse trailer insured? Are you legal?

The answer will depend on your insurance policy and what is mandated by the laws of your state. Generally, when you attach a trailer to a vehicle, the liability insurance policy on the motor vehicle will cover the trailer at the same time. However, it is important to understand the kind of coverage that the policy provides. Liability insurance provides insurance coverage to the driver of the truck and trailer in the event he causes an accident. This is commonly referred to as "third party coverage" because the insurance company will pay money damages to a person making a claim against the insured driver. Liability insurance will not pay money damages to the driver, who is commonly referred to as a "first party" under the insurance policy. In other words, liability insurance will protect the driver in case he gets sued by a party damaged in an accident caused by the insured driver. The insurance company will provide the insured with an attorney to defend him in a lawsuit and will indemnify him up to the limits of liability purchased by the insured.

It is possible to purchase first party coverage. First party coverage will typically include collision, comprehensive, medical payments and sometimes uninsured/underinsured benefits. Collision insurance provides coverage for damage done to the vehicle, even if the fault lies with the insured. But, it is important to realize that collision coverage on your truck will not cover damage done to your trailer in an accident caused by you. Of course if the accident was caused by the other driver, you can sue him for damages and if he is insured, he will be covered under his liability coverage. If you want to insure your trailer for collision coverage you must purchase coverage specifically for the trailer. The trailer will not be automatically covered by the auto policy just because it is hooked to the tow vehicle.

Comprehensive insurance is similar to collision coverage. Comprehensive provides coverage for damage to your vehicle in case of theft, fire, glass breakage and other similar non-accident type incidents. Like collision insurance, comprehensive coverage is not transferable just because your trailer is hooked up to your truck. Again, if you want comprehensive coverage on your trailer you should buy it separately and specifically for the trailer.

Medical payments are typically provided to occupants of the insured vehicle. Depending on state law, it will provide various levels of coverage to the occupants of the motor vehicle and absent extraordinary circumstances, coverage for the trailer would not be applicable or necessary.

Uninsured/Underinsured coverage provides benefits to occupants of the motor vehicle in the event the "at fault" driver is either uninsured or deemed to be under insured when compared to your own policy. Once again, this provides coverage to occupants of the motor vehicle, so coverage to human occupants of the trailer would not be applicable.

But, what about the equine occupants? Are they insured? The answer is no. If the accident was your fault, your auto policy will not pay for the death or injury to your horse. Of course if the accident was caused by another party, you can always sue him for these damages. Otherwise, it would be a good idea to purchase a separate policy for injury to or death of your horse. This type of coverage can be purchased separately or as riders to certain policies, such as farm or ranch policies. The precise coverage available will depend on the type of policy that is purchased and the language and terms of the policy. You should contact your insurance agent for specific information about the policies that are available.

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