

# What is Trailer Insurance?



Summer is here and one of the most popular ways to enjoy it is exploring our own backyard! Ontario is full of provincial parks, beautiful scenery, and must-see destinations! Vacations that include motorhomes or travel trailers are gaining popularity for the young and old alike. While you may have done all the work in planning and packing, anything can happen. Travel Trailer insurance is a great way to provide peace of mind to you, so you can truly enjoy that well-deserved holiday. Read on for some helpful insights into travel trailer insurance.

## What Constitutes as a Trailer?

There are three common categories for trailers:

- 1) Motorhomes** – of which there are three classes: A, B, and C. These are motorized recreational vehicles that can be driven to your intended destination.
- 2) Park Trailer Models** – These are only on the road during the initial move to the RV park or other rented pad location and are used only as a recreational home.
- 3) Travel Trailers** – These are non-motorized and are towed by your vehicle or are a camper that is transported on the bed of your truck. Such as fifth-wheels, pop-up campers/tent trailers, stationary travel trailers, park model travel trailers, truck-mounted campers and Hybrid travel trailers

## Do I Need a Separate Policy for My Travel Trailer?

The contents coverage of your home insurance policy might cover the contents of the trailer as part of your property while on your home's premises, depending on the circumstances and the value of the loss. However, trailers are expensive, and content coverage can be depleted during a claim. The contents coverage of your home insurance policy might cover the contents of the trailer as part of your property while on your home's premises, depending on the circumstances and the value of the loss. However, trailers are expensive, and content coverage can be depleted during a claim.

Additionally, because a travel trailer is not motorized, it does not legally require its own automobile policy; however, relying on your vehicle's insurance policy has its limitations. When it's attached to your vehicle, a trailer can have some coverage under your standard auto policy. As for how coverage applies, it will depend on the province and your carrier. Your Lawrie Insurance Group Broker can help with this!

Typically, in Ontario:

- When any trailer (whether you own it or not) is hooked up to your car, your auto policy treats the trailer and your car as a single vehicle. This applies when it comes to liability, accident benefits, and uninsured automobile coverages.
- Direct compensation – Property damage coverage (which covers your car when you're in a not-at-fault accident) will only extend to a trailer you own. This trailer is not designed to be lived in for carrying passengers or commercial purposes. So, If damage to the trailer occurs while attached to a personal car with liability coverage, you'll be covered.



**It is important to note: your auto policy does not come with physical damage coverage for an owned trailer. If you're at fault for an accident that causes damage to your trailer or if the trailer is stolen or vandalized, you'll need to pay for it out of pocket. To secure physical damage coverage (collision or comprehensive coverage) for a trailer you own, you will need to buy additional insurance.**

This is one reason why most insurance companies recommend purchasing a separate insurance policy to ensure maximum protection on your investment.

By purchasing a separate travel trailer policy, you can opt-in for physical damage coverage:

- Collision coverage helps you pay for repairing or replacing your trailer if it is damaged in a collision. This includes collisions with other vehicles, the ground, and objects, like guard rails.
- Comprehensive coverage protects your travel trailer from unexpected risks not associated with a collision. Examples include vandalism, theft, weather, water damage, windshield damage, fire, falling objects and lightning.
- You can also purchase all-perils coverage, which is a combination of comprehensive and collision insurance, or specified perils coverage. This protects your trailer from the risks listed in your policy.

# What About Liability Coverage?

Another key reason to attain separate travel trailer insurance is third-party liability. Another key reason to attain separate travel trailer insurance is third-party liability. Third-party liability insurance covers legal expenses associated with a liability claim, compensation for medical bills and lost income for the injured person or damage to another person's property. These types of expenses can quickly escalate!

- If your trailer is being towed on your vehicle, then third-party liability coverage of your auto policy is in force.
- If your trailer is not being towed, it is important to remember that your auto insurance policy does not cover it while it is parked. So, if someone is injured in or around your trailer and files a claim, your auto policy will not cover you!



**It is important to note: Your trailer won't be covered by a normal auto insurance policy once it's unhooked from your vehicle. Always make sure you have taken the time to ensure that it is attached properly to the towing vehicle, meaning it's deemed road-worthy, and all indicator lights and brake lights are fully functional.**

## Do I Need a Separate Policy for Motorhomes or Park Models?

Your motorhome is exactly that, a motorized vehicle, and for this reason, it is mandatory to have a policy set up to utilize public roads. The mandatory coverages you should get are third-party liability, direct compensation, accident benefits, and uninsured and unidentified automobile insurance coverage.

Your park model trailer is not required by law in Ontario to have a separate policy. However, depending on its location, for example, an RV park might require it as part of your agreement. Without a separate policy, you leave yourself at risk for any loss that occurs with respect to the parked model. Either a separate policy or additional endorsements are recommended, such as:

- Liability coverage
- Guaranteed replacement cost
- Rental coverage
- Emergency vacation expense

Whether you own a motorhome, park model trailer, or travel trailer, our Lawrie Insurance Group Brokers can assist you in finding the right type and amount of coverage for your unique needs.

*Written by: Laura Ferri*



Talk to a Broker Today!

Let us help you protect all aspects of your life. We have the customized products and services you need. We're here to answer any questions you have about our products and services.

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