

ASK THE INSURANCE GUY ABOUT....

Farm Property Insurance

I have an 11-acre property with a house, a 20 x 50 barn, and four horses that belong to me. I was told (unsubstantiated) that my house insurance would cover 3rd party liability if my horses were to get loose on the road etc and would also cover my barn. Could you please elaborate as to whether this information is correct or do I need a rider for the barn and liability insurance with my current provider or should I have a separate policy just to cover the horses and barn?

Concerned property owner

Dear Concerned:

Without seeing your actual policy, it is impossible to confirm that you do (or do not) have the coverage you need/ think you have.

Let me tackle the following:

- a) **Liability.** As an “occupier” of land, you are required to contain and control any and all animals that live on the property. This rule of liability applies to horses and other large animals as for cats and dogs. If an animal escapes from your land and causes a problem on the road or at a neighboring property, there is little doubt you could be / would be held responsible.

Most property insurers recognize the liability that arises from the ownership of small (household pet type) animals. That said, many insurers charge a separate premium for liability coverage arising from owned horses (on a per horse basis) while others may offer coverage on a very limited basis.

- b) **Property.** Most insurers require that buildings used for agricultural purposes be described (scheduled) specifically on the policy (and charge a separate premium) for coverages to apply. \

An experienced broker who understands rural farm risks, should have no difficulty in providing one policy to address all of the exposures described here.. House, barn, the horses and liability exposures etc.

I suggest that you take the time to read your policy and if you still have questions, request that your broker give you a written reply to your inquiry. The broker is responsible to make sure that you understand the coverages you do have... That said, clients also have an obligation to advise the insurer of the full scope of activities / exposures that can impact the policy. ***Communication is the key and finding a broker who understands the (horse) world in which you live.***

Mike King

Mike King is an equine related insurance specialist and a Partner at Capri Insurance. You can contact Mike at mking@capri.ca or his colleagues in the Agri Department at Capri 1-800-670-1877