



Horse Mortality Insurance

Procedures to be followed in the event of loss or injury to the insured animal:

Do's

1. Report loss immediately;
2. Make arrangements for an autopsy;
3. Call police authority in case of theft, shooting, vehicular involvement.

Don'ts

1. Have horse put down without consent of company;
2. Have animal removed prior to performance of autopsy;
3. Neglect a police report if needed.

**Emergency Claim Phone Number
416 913-4203**

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I. DEFINITIONS

YOU and **YOUR**: the named insured shown on the Declarations page.

WE, US and **OUR**: certain Lloyd's Underwriters.

Humane Destruction: destruction of an animal to prevent excessive suffering due to an incurable injury or terminal disease.

II. INSURING AGREEMENT

WE will provide the coverage described in this Insurance in consideration of:

1. the premium; and
2. **YOUR** compliance with all the terms of this Insurance.

III. COVERAGES

A. MORTALITY

WE will insure the livestock against death which results, directly or indirectly from:

1. accident; or
2. illness; or
3. disease.

B. SPECIFIED PERILS

WE will insure the livestock against death or destruction caused by or made necessary from the following perils:

1. fire or lightning, or smoke caused by either;
2. collision, derailment or overturning of railroad conveyances, except as a result of coupling operations;
3. collision, stranding, sinking or burning of vessels including general average and/or salvage charges incurred in such instances, on inland waterways only;
4. collision or overturning of a vehicle conveying any animal(s), unless involved with other vehicles owned or operated by or in the use, custody or control of:
 - a. **YOU**
 - b. **YOUR** employees; or,
 - c. agents;
5. collapse of bridges or culverts, earthquakes and/or floods;
6. windstorm, cyclone, tornado, hail, explosion, aircraft and objects falling from them;
7. accidental injury while on board or being loaded into or unloaded from any aircraft or land transport vehicle:
 - a. licensed for passengers and/or cargo; and,
 - b. in transit within Canada and the United States of America;
8. accidental shooting except by:
 - a. **YOU**; or,
 - b. **YOUR** employees;
9. drowning;
10. artificial electricity;
11. attack by dogs or wild animals;
12. collapse of building.

C. LIMITED THEFT

For Coverages A and B, unless specified otherwise on the Declarations page, **WE** also insure the livestock against:

1. theft; and
2. death resulting directly from such theft.

WE will insure the livestock against theft on the following conditions:

1. if for at least 12 months prior to this insurance:
 - a. no threats were made against **YOU** or any animal; and,
 - b. no attempted thefts were made against any animal;
2. if a theft occurs, **OUR** liability begins:
 - a. 90 days from the date **YOU** advise **US** of the theft; and,
 - b. provided the animal was not recovered in that time;
3. the theft or disappearance of any animal is reported at once to the local police. **YOU** must comply with their instructions but, in no case must **YOU**:
 - a. pay or promise to pay a ransom; or,
 - b. give any third party assurances of **YOUR** intent to pay;if **you** do either 3 (a) or (b), the coverage on the animal concerned will be cancelled from midnight, local standard time, preceding the day **YOU** took such action;
4. the amount of **OUR** liability will not exceed the lesser of:
 - a. 90% of the animal's actual cash value at the time of loss; and,
 - b. 90% of the amount for which the animal is covered as shown on the Declarations page;
5. **WE** have the right to title and possession of the animal if:
 - a. it has been recovered after theft;
 - b. **WE** have paid a claim prior to the recovery; and,
 - c. **YOU** fail to return the payment to **us**;
6. the coverage on a mare does not include an embryo within the mare.

IV. PAYMENT OF LOSS

If a covered loss occurs, **WE** will pay **YOU** the actual cash value for the animal at the time of loss. This amount will not exceed the limit of liability as shown on the Declarations page.

If **YOU** enter or race an animal in a claiming race, **WE** will pay **YOU** no more than the amount for which the animal could have been claimed in its last claiming race.

Unless otherwise stated, all claim payments will be made to **YOU**.

**V. EXCLUSIONS -
THIS SECTION CHANGES THE POLICY.
PLEASE READ IT CAREFULLY.**

A. WAR AND MILITARY ACTION EXCLUSION

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damages excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. War, including undeclared or civil war; or
2. War alike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the terms of this exclusion and involves nuclear reaction or radiation, or radioactive contamination, this War And Military Action Exclusion supersedes the Nuclear Hazard Exclusion.

B. TERRORISM EXCLUSION

Regardless of the amount of damage and losses, the Terrorism Exclusion applies to any incident of terrorism:

1. That involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radio-active contamination; or
2. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

Except as provided in B.1., B.2. or B.3. above, the Terrorism Exclusion will only apply to an incident of terrorism in which the total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of terrorism which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

The preceding paragraph describes the threshold used to measure the magnitude of an incident of terrorism and the circumstances in which the threshold will apply, for the purpose of determining whether the Terrorism Exclusion will apply to that incident. When the Terrorism Exclusion applies to an incident of terrorism, there is no coverage under the insurance identified in this endorsement. In the event of any incident of terrorism that is not subject to the Terrorism Exclusion, coverage does not apply to any element of loss or damage that is otherwise excluded under the insurance identified in this endorsement.

We will not pay for loss or damage caused directly or indirectly by terrorism, including action in hindering or defending against an actual or expected incident of terrorism. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. Terrorism means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology. But with respect to any such activity that also comes within the terms of the War And Military Action Exclusion, that exclusion supersedes this Terrorism Exclusion. In the event of an incident of terrorism that involves nuclear reaction or radiation, or radioactive contamination, this Terrorism Exclusion supersedes the Nuclear Hazard Exclusion.

C. AVIAN INFLUENZA EXCLUSION

Subject otherwise to all of the terms, conditions and exclusions of the Policy to which this exclusion is attached, it is understood and agreed that this Insurance does not cover death or **HUMANE DESTRUCTION** directly or indirectly caused by, happening through, in consequence of or contributed to by Avian Influenza or any mutant variation thereof.

D. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
 - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

E. INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

1. Subject only to clause 2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
2. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
 - 1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
 - 1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

F. DATA PROTECTION ACT 1998

It is understood by the Assured that any information provided to the Underwriters regarding the Assured will be processed by the Underwriters, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

G. GENERAL EXCLUSIONS

WE will not cover any loss resulting directly, or indirectly, from:

1. use of the animal for any purpose other than that shown on the Declarations page;
2. surgical operations, unless:
 - a. required only in an attempt to prevent death or humane destruction; and,
 - b. performed and certified by a licensed veterinarian; or,
 - c. authorized by US;
3. administration of drugs, medication or inoculation, unless:
 - a. required because of accident, illness or disease; and,
 - b. administering by or at the direction of a licensed veterinarian;
4. mysterious disappearance or escape; or voluntary parting of possession or title to the animal(s) as a result of the Assured (or others to whom the animals have been entrusted) being induced by a fraudulent scheme trickery or similar false pretenses.
5. consequential loss.
6. livestock being loaded on an aircraft with any stock to which they may have a natural dislike;

7. intentional slaughter. However, this exclusion will not be used as a defense if:
 - a. **WE** agreed to the destruction of the animal; or,
 - b. the animal suffers an injury or contracts an excessively painful illness. A qualified veterinary surgeon, appointed by US, must certify that the animal's suffering is:
 - (i) incurable; and,
 - (ii) so excessive that immediate destruction is necessary for humane reasons;
 - c. while in air transit the animal becomes uncontrollable (berserk) and the Captain ordered its destruction for the safety of the aircraft, its passengers or crew;
8. malicious, willful or intentional acts or omissions by:
 - a. **YOU**; or,
 - b. **YOUR** employees or bailees;
9. nuclear reaction, radiation, or radioactive contamination;
10. confiscation, nationalization or requisition;
11. destruction (as a result of a governmental order) due to exposure to, or contraction of, any communicable disease;
12. war, declared or undeclared; civil war; insurrection; rebellion;
13. revolution; military acts of aggression; any use for military purpose;

VI. CONDITIONS

A. TERRITORY LIMITS

Unless otherwise mentioned on the Declarations page, WE will only be liable for any claim on any animal that is anywhere in Canada and the United States of America, including transit therein and between.

B. INSURABILITY REQUIREMENT

Unless otherwise endorsed, WE are not liable for any claim on an animal:

1. that was not sound or healthy on the effective date of this insurance; or has been nerved;
2. of which YOU are not the sole owner.
3. resulting from any accident, injury, illness or disease that does not first occur and first manifest itself during the period of this Insurance

C. THIRTY DAY EXTENSION

If the insurance is issued on an annual basis OUR liability will extend to cover death which occurs:

1. within 30 days after the insurance terminates;
2. as a result of an accident, illness or disease that:
 - a. occurred during the term of the insurance;
 - b. YOU reported to US before the insurance expired.

D. AUTOMATIC EXTENSION

If YOU insure all YOUR insured livestock with US, all horses subsequently acquired through claiming, private sale or public auction are covered:

1. up to \$50,000 each;
2. if YOU are the sole owner and purchaser;
3. in consideration of the premium to be charged.

This amount:

1. will be the actual cash value at the time of acquisition;
2. is subject to OUR receiving notice that insurance is desired within 48 hours from time of acquisition, and with the exception of public auction purchases, to OUR receiving a clean veterinary certificate completed within 5 days from time of acquisition.

E. WOBBLER SYNDROME CLAUSE

DEFINITIONS

Wobbler syndrome: - HORSE is suffering from cervical vertebral malformation and/or spinal cord compression and/or cervical compressive myelopathy.

GRADE LEVELS DEFINITION

- 0 = Neurologically normal.
- 1 = Neurological defects barely detectable at normal gaits; exacerbated by excitatory tests.
- 2 = Neurological defects readily seen at walk.
- 3 = Neurologically worse defects and a HORSE may stumble or fall with manipulation.
- 4 = HORSE may fall at normal gaits.
- 5 = Recumbent.

Subject to all of the terms, conditions and exclusions of the Insurance to which this clause is attached, the Underwriters will indemnify the INSURED in the event of the HORSE being diagnosed during the period of the Insurance as suffering from the condition known as wobbler syndrome of a minimum level of Grade 3, which is deemed to be chronic and progressive in nature, as defined herein and subject to the conditions stated below.

CONDITIONS

- a) It is a condition precedent to any liability of the Underwriters that the diagnosis of wobbler syndrome be supported by an up to date negative test for Equine Protozoal Myelitis and radiographic &/or myelographic evidence where deemed necessary (during the period of this Insurance) confirming wobbler syndrome (as defined above) and that this is deemed by both the **INSURED's** and the Underwriters' **VETERINARIAN** to be chronic in nature and progressive and of a minimum level of grade 3 as stated above.
- b) This Insurance is extended to cover death or **HUMANE DESTRUCTION** of the **HORSE** directly caused by, happening through, in consequence of or contributed to by a surgical operation conducted by a **VETERINARIAN** and certified by him to have been necessitated solely by the radiographic &/or myelographic evidence in a) above.
- c) It is a condition precedent to any liability of the Underwriters that in the event of any uncertainty or dispute between the **INSURED's** and the Underwriters' **VETERINARIAN** as to whether the wobbler syndrome condition confirmed by radiographic &/or myelographic evidence is chronic in nature and progressive and of a minimum level of grade 3 as stated above then a third **VETERINARIAN** mutually agreed upon by the two appointed **VETERINARIANS** shall render an independent opinion which will be final and binding upon the **INSURED** and the Underwriters. The fees of the appointed **VETERINARIAN** shall be paid by the party making the appointment and the fee of the mutually agreed **VETERINARIAN** shall be apportioned equally between the **INSURED** and the Underwriters.
- d) In the event of a settlement by the Underwriters of a claim under this extension clause then undisputed title and ownership of the **INSURED's** interest in the **HORSE** shall pass to the Underwriters if so desired by them.

F. REMAINS, DISPOSAL AND SALVAGE

It is **YOUR** duty to dispose of the remains of any animal:

1. at **YOUR** expense; and,
2. with **OUR** approval.

G. INSURED'S RESPONSIBILITY

It is a condition precedent to any liability of the Underwriters that In case of injury or illness to an animal, **YOU** must:

1. immediately notify **OUR** broker by telephone or telecopy;
2. employ a licensed veterinarian, at **YOUR** expense, to treat the animal;
3. secure proper care and, if required, allow the animal to be removed for treatment, at **YOUR** expense.

If the animal dies or is stolen, **YOU** must:

1. immediately notify **OUR** broker by telephone or telecopy, and in the case of theft, also the local police;
2. in the case of death, have a post-mortem examination performed, at **YOUR** expense, by a licensed veterinarian approved by **US** or **OUR** broker;
3. give **US**, within 60 days, a copy of:
 - a. the death certificate; and/or
 - b. the post-mortem examination report; and
 - c. **YOUR** signed and sworn proof of loss;
4. co-operate with the investigation by:
 - a. giving **US** any relevant records or documents **WE** might need;
 - b. submitting to an examination under oath; and
 - c. if it is within **YOUR** power, have any persons with knowledge of the death or theft, submit to an examination under oath.

WE reserve the right to deny a claim if **YOU** do not comply with these conditions.

H. TERMINATION OF YOUR OWNERSHIP

Insurance will cease on any animal in which **YOU** have, temporarily or permanently, given up all or part of **YOUR** ownership rights:

1. by sale;
2. by lease; or
3. for any reason.

I. SURGICAL OPERATIONS

YOUR insurance may be extended to cover death of any animal from a surgical operation (including castration) which is not being performed to save the animal's life. **YOU** must:

1. apply for this coverage at least 7 days prior to the operation; and,
2. pay **US** an additional premium, if required.
3. castration operations - values will be reduced to \$50,000 maximum at midnight preceding operation unless otherwise agreed.

J. OTHER INSURANCE

WE will be released from any liability for any animal that is insured with another insurer while insured by **US**, unless:

1. **WE** give **OUR** consent; and
2. such consent is endorsed on this insurance.

K. SUIT AGAINST INSURERS

YOU may not bring legal action against **US** unless:

1. **YOU** have complied with all the terms of this insurance; and
2. commenced within 12 months after date of claim.

If this limitation is contrary to the laws of the province where the insurance is issued, it is amended to comply with said law.

L. BAILEE CLAUSE

The proceeds of this insurance may not be assigned to any carrier, bailee or other party. If **YOU** breach this condition, the insurance will become null and void.

M. RIGHT TO RECOVER

Upon making payment of a claim under this insurance, **YOU** agree to:

1. assign **US YOUR** rights and remedies against any party;
2. execute all documents required to effect such assignment of **YOUR** rights; and
3. give **US** the right to sue in **YOUR** name at **OUR** expense.

N. MODIFICATION OF CONTRACT

No broker can change this insurance or alter its terms. Its terms may not be changed or waived unless an endorsement is issued by **US** or a duly authorized representative.

O. CONFORMITY WITH PROVINCIAL STATUTES

This insurance is amended to comply with the statutes of the jurisdiction:

1. where it is issued; and
2. on the effective date.

P. ARBITRATION

If **YOU** and **WE** do not agree on the settlement of any claim under this insurance, either **YOU** or **WE** have the right to demand that the issue be determined by arbitration.

In that event, **YOU** will select and pay for one arbitrator. **WE** will select and pay for another arbitrator. These arbitrators will then select a third. If they cannot agree upon a third arbitrator within 30 days, a judge in a court of record in the county where the arbitration is pending will appoint a third arbitrator.

WE and **YOU** will share equally the expenses of the third arbitrator and all other arbitration expenses. Attorney fees and witness fees are not arbitration expenses, they must be paid by the party incurring them.

Arbitration will take place in the country where **YOU** live, unless otherwise agreed. Local rules of law as to procedure and evidence will apply. The written decision of any two arbitrators will be binding on both parties, subject to the terms of this insurance. Judgement on the award made by the arbitrators may be entered in any court having jurisdiction.

Q. PREMIUM PAYMENT CLAUSE

The (Re)Insured undertakes that premium will be paid in full to Underwriters within 60 days of inception of this policy (or, in respect of installment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 60 day from the inception of this policy (and, in respect of installment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorized to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

R. CANCELLATION

This insurance may be cancelled by:

1. **YOU**, at any time, by surrender of **YOUR** policy to **OUR** broker; or,
2. **US**, if **WE** give **YOU** 15 (fifteen) days notice of cancellation by registered mail or 5 (five) days written notice of cancellation personally delivered.

S. PREMIUM REFUND

If the insurance is cancelled, the premium refunded will be computed by the:

1. pro rata method - if **WE** cancel; or,
2. short rate table - if **YOU** cancel, as follows:

Short Rate Cancellation Table

1	month	20% of annual rate
2	months	30% of annual rate
3	months	40% of annual rate
4	months	50% of annual rate
5	months	60% of annual rate
6	months	70% of annual rate
7	months	75% of annual rate
8	months	80% of annual rate
9	months	85% of annual rate
10	months	100% of annual rate

If loss is paid on an animal, the premium applicable to such animal will be fully earned for all purposes.

VII. ENDORSEMENTS

A. TACK AND EQUIPMENT INSURANCE

This Insurance covers, subject to **the deductible shown on the Declarations Page**, loss or damage to the Insured's Tack and Equipment from any cause following accident or misfortune.

IT IS WARRANTED the insured items are kept overnight in a private dwelling house, locked premises, in a locked Tack Room or attended Horse Box.

WE shall not be liable for more than the tack/equipment cost at the time of loss of the property insured; provided always that **OUR** limit of liability shall not exceed **the limit on the Declarations Page** for any one accident or series of accidents arising out of the same event.

EXCLUSIONS

This Insurance does not insure against:

- (a) Loss or damage caused (1) by any process of refinishing, renovating or repairing; (2) by dampness of atmosphere and/or extremes of temperature; (3) by moths, vermin, wear and tear, gradual deterioration, inherent defect or faulty manufacture;
- (b) Marring, scratching, tearing or denting unless caused by fire, lightning, theft or the collision or upset of a transporting conveyance;
- (c) Infidelity of Insured's employees or persons to whom the insured property may be entrusted or rented;
- (d) Loss or damage caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (e) Loss or damage caused by contamination by radio-active material.

B. DEATH CLAIM VETERINARY REIMBURSEMENT ENDORSEMENT

If the policy Declarations Page indicates that a scheduled horse is subject to Death Claim Veterinary Reimbursement and in consideration of the premium charged, it is hereby understood and agreed that this Insurance is extended to cover the Named Insured for medical expenses, board charges, disposal of the body and post mortem costs incurred as a result of the death of the horse(s) up to and not exceeding \$1,000 per horse.

EXCLUSIONS

This insurance does not cover:

- 1. Any medical expenses, examinations, treatment or medication incurred prior to the reporting of a potential death claim.
- 2. Costs where death results from any condition existing at the inception of this extension.
- 3. Death benefits.
- 4. Surgical operations.

CONDITIONS

- 1. It is warranted by the insured that at the commencement of this Insurance, each animal hereby insured is in sound health and free from any illness, disease, lameness, injury or physical disability whatsoever.
- 2. This extension shall cease to cover an animal immediately if the Insured sells it or parts with any interest in it whatsoever whether temporarily or permanently.
- 3. The Insured shall file proof of claim which is signed by a qualified veterinary surgeon within sixty days after surgery.
- 4. If at the time of claim the Insured has any other insurance in force in respect of the animal herein scheduled, which is valid or collectible, this Insurance shall become excess over this other valid or collectible insurance.
- 5. This extension may be cancelled by either the Insured or the Insurer at any time with 15 days written notice given by either party. However, if the request comes by the Insured, the premium charged hereunder will be fully earned and no return premium will be given. If the request comes by the Insurer, a return premium will be tendered on a pro-rata basis.
- 6. If the Insured makes any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this extension shall become void and all claim hereunder shall be forfeited.

C. COMPETITION WITHDRAWAL INSURANCE

This Endorsement will pay non-refundable expenses incurred by the Named Insured as a result of an insured horse withdrawing from equestrian competition due to injury or illness. Such withdrawal must take place prior to arriving at the competition grounds and must be supported by a Veterinary certificate stating the insured horse is unfit to compete. Claim must be supported with detailed receipts for expenses and confirmation from the biller that no refund is available for the expenses claimed. This endorsement does not apply to horses used for flat racing. This endorsement does not apply to withdrawal from competition due to previously diagnosed Navicular Disease, Degenerative Joint Disease, Arthritis, or any other chronic illness or injury.

Deductible: \$50/claim

D. SURGICAL COVERAGE ENDORSEMENT

INSURING AGREEMENT

If the policy Declarations Page indicates that a scheduled horse is subject to the Surgical Coverage Endorsement and in consideration of the premium charged **WE** agree to pay **YOU** for reasonable and customary fees for a surgical procedure performed on an insured animal. **WE** also agree to pay **YOU** reasonable and customary after-care, while the insured animal is kept on the premises where the surgical procedure is performed.

LIMIT OF COVERAGE

1. Surgical coverage is subject to the limit of liability shown on the Declarations page;
2. After-care coverage is limited to:
 - a. 50% (fifty per cent) of the surgical fee charge; and,
 - b. no more than 15 (fifteen) days from the time of the covered surgery;
3. The most **WE** will pay for the surgical coverage plus the after-care costs shall not exceed the per horse, per policy period limit shown on the Declarations page;
4. **YOU** will pay the deductible shown on the Declarations Page for each and every surgical procedure during the insurance period subject to:
 - a. in the event of surgical procedure involving two or more separate operation sites the deductible shown on the Declarations will be applicable to each location;
 - b. in the event of bone chip surgery the deductible stated on the Declarations will be applicable to each hock, knee or individual location operated upon.

EXCLUSIONS

This insurance does not provide coverage for:

1. a surgical procedure not performed under a general anesthesia;
2. any surgery not performed by a licensed veterinarian in a school of veterinary medicine or surgical clinic;
3. a condition existing, diagnosed or treated prior to the effective date of the insurance;
4. any examination, medical treatment or medication unless it is administered with a surgical procedure;
5. death benefit or post-mortem surgical operations;
6. all cosmetic surgical procedures;
7. throat surgery;
8. nuclear or radioactive contamination;
9. war, whether declared or not, civil war, rebellion, insurrection or revolution.
10. Congenital Birth Defects or complications arising from their treatment.

CONDITIONS

In addition to the Conditions of this insurance, the following apply to surgical coverage only:

1. on the effective date of this insurance all insured animals, to which this coverage applies, are, to the best of **YOUR** knowledge, in normal health and free from illness, lameness, disease, injury or physical disability;
2. the surgical operation must be performed during the policy period and within Canada or the Continental United States;
3. coverage will terminate on any insured animal for which **YOU** have given up ownership rights by sale of, lease of, or any other reason;
4. **YOU** must file with **US** a proof of claim signed by a qualified veterinarian within 60 (sixty) days after the surgery;
5. this insurance will be considered excess if at the time of the claim **YOU** have other insurance providing like coverage on any insured animal.

DEFINITIONS

In addition to the Definitions in this insurance, the following shall apply:

COSMETIC: for the purpose of enhancing appearance only, with no impact on the well-being or use of the animal.

SURGICAL CLINIC: a surgical facility staffed by one or more licensed veterinarians.

SURGICAL PROCEDURE: any procedure which involves the cutting or removing of any part of an animal's body.

VETERINARY SCHOOL: an accredited school which provides a Doctor of Veterinary Medicine degree (DVM) or Veterinarian Medical Doctor degree (VMD).

E. LIVESTOCK MAJOR MEDICAL ENDORSEMENT

If the policy Declarations Page indicates that a scheduled horse is subject to the Major Medical Endorsement, we agree to reimburse you for reasonable, necessary, and customary fees for surgery or medical expenses incurred on a covered animal, due to injury, illness, or disease.

If the insured animal suffers from a covered illness, injury or disease, we will also pay 50% of any diagnostic test, including, but not limited to, X-rays. However, if a covered surgical or medical procedure is performed, we will pay 100% of the diagnostic tests that are a part of that treatment.

FOR SURGICAL CLAIMS:

- 1) WE will pay necessary after-care expenses for a period not exceeding 120 days from the date the vet first examined the horse
- 2) The deductible stated on the Declarations Page applies to each and every surgical procedure during the insurance period subject to:
 - a) in the event of surgical procedure involving two or more separate operation the deductible will be applicable to each location;
 - b) in the event of bone chip surgery, the deductible will be applicable to each hock, knee or individual location operated upon.
- 3) Surgery must be performed under general anesthesia.

FOR MEDICAL CLAIMS:

- 1) The deductible stated on the Declarations Page applies to each separate claim during the policy year.
- 2) Coverage for medical treatment related to the covered medical condition, is limited to 120 days from the date of the first treatment.

The total aggregate limit applicable is per covered animal, and per policy year. Our combined limit of liability is stated on the Declaration Page or addendum page, and is applicable per covered animal, and per policy year. In the event of an injury or illness, the insured or any interested person, shall give prompt notice and must provide the following:

- a) a report from attending veterinarian outlining the details of treatment/surgery
 - b) all bills relating to the injury/illness from the veterinary clinic.
- 3) Only One MRI is covered during the 120 day period.
 - 4) With respect to Gastric Ulcers, there will be no reimbursement under this endorsement unless coverage under this endorsement has been in effect for a minimum of 90 days, the HORSE is symptomatic and the diagnosis of gastric ulcers has been currently performed by endoscopy within the previous 15 days to commencing treatment. Reimbursement for ulcer medication prescribed for treatment of gastric ulcers shall not exceed a period of 60 days during the period of this Insurance. Coverage under this endorsement is limited to One endoscopy unless otherwise agreed by Underwriters.
 - 5) Coverage for Laser Treatments is limited to 10 treatments during the 120 day period.

All of the above documents must be submitted to the insurer within 60 days of the surgery or medical treatment.

This endorsement does not provide coverage for:

- 1) any surgery not performed by a licensed veterinarian in a:
 - a) school of veterinary medicine; or
 - b) surgical clinic; or
- 2) any accident, injury or illness contracted prior to the effective date of this endorsement and any recurrence thereof; or
- 3) any voluntary surgery, including but not limited to: castration, caslicks operations, and cosmetic surgery; or
- 4) malicious or willful injury, poisoning or gross negligence, whether or not caused by the insured; or
- 5) any animal used for racing; or
- 6) any animal under 6 months old or over 15 years old; or
- 7) any congenital birth defect such as umbilical hernia, contracted tendons, cryptorchidism, etc., whether evident or not at the inception of the policy; or
- 8) boarding and hospitalization charges unless the animal was at a licensed veterinarian school or clinic; or
- 9) expenses incurred for veterinary travel or for animal transportation fees, except emergency transportation for the insured animal, up to \$200 maximum, as deemed necessary by attending Veterinarian.
- 10) any treatment normally associated with the maintenance of a healthy animal.
- 11) any lameness due to: navicular disease, arthritis or degenerative joint disease.
- 12) Kissing Spine
- 13) Rehabilitation Expenses including Board and related charges. Does not exclude Veterinary Costs
- 14) Wobblers Syndrome

- 15) Congenital Birth Defects or complications arising from their treatment
- 16) Ring Bone
- 17) Corrective Shoeing
- 18) Supplements

**THIS INSURANCE IS EXCESS OVER ANY OTHER SURGICAL INSURANCE
ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

F. LIABILITY INSURANCE EXTENSION

If stated on the Declarations Page, the Insurance to which this form attaches is hereby extended as follows:

Personal Liability Insurance

The Insurer shall pay on behalf of the insured, up to but not exceeding \$1,000,000, all sums for which the insured shall become legally liable to pay as compensatory damages in respect of claims made against the insured arising from bodily injury or disease (fatal or non fatal) to persons (hereinafter referred to as "bodily injury") or damage to property caused by any accident arising out of ownership of the insured horse(s) occurring during the period specified in the Declarations Page anywhere in Canada.

As respects insurance afforded by this insurance, the Insurer shall:

1. defend in the name of and on behalf of the insured and at the cost of the insurer any civil action which may at any time be brought against the insured, but the insurer will have the right to make such an investigation and settlement of any claim as may be deemed expedient by the insurer;
2. pay all costs taxed against the insured in any civil action defended by the insurer and any interest accruing upon that part of the judgment that is within the limits of the insurer's liability;
3. pay expenses incurred by the insured for such immediate medical and surgical relief to others as shall be imperative at the time of the accident and expenses incurred by the insured with the consent of the insurer. The amounts so incurred, except settlement of claims of suits, are payable in addition to the applicable limits of liability.

Definition

The expression "**Insured**" wherever the context allows, shall include anyone riding or handling the insured animal with the insured's permission or consent

Exclusions

This extension does not cover:

1. The first \$250 of each and every claim in respect of property damage.
2. Professional Liability.
3. Liability for bodily injury or damage to property:-
 - a) If such Liability is to any person who is entitled as an insured to the benefits of this insurance.
 - b) If such Liability has been assumed under a contract and would not otherwise have attached.
 - c) Arising out of the insured's use or ownership of Horse Trailers and/or Horseboxes.
 - d) Arising out of use in connection with a riding school.
 - e) Arising out of Public Trail Riding, Hay Rides or Sleigh Rides.
 - f) Racing.
4. Bodily injury to any person who at the time of sustaining such injury is actually engaged in the insured's service.
5. Damage to property belonging to or in the care, custody or control of the insured or a person in his/her service.
6. Damage to fence(s) and growing crops while a horse is being ridden or driven.
7. Claims arising from any incident involving horse drawn vehicles occurring on the public highway.
8. Any loss or damage by seepage, pollution or contamination, however caused.

Conditions

1. The insured shall not admit liability for nor agree to settle any claim without the written consent of the insurer who shall be entitled to take over and conduct in the name of the insured the defence of any claim for indemnity or damages or otherwise against any third party, and shall have full discretion in the conduct of any negotiations and proceedings and the settlement of any claim. The insured shall give to the insurer such information and assistance as the insurer may reasonably require.
2. The cover afforded by this extension shall only apply to final judgment against the insured in the courts of Canada and not to judgments obtained elsewhere nor to judgments or orders obtained in the said courts for the enforcement of judgment obtained elsewhere whether by way of reciprocal agreements or otherwise.
3. If at the time of the event giving rise to a claim under this insurance the insured has any other insurance in force covering the event, whether or not such insurance is valid or collectible, the insurer hereon shall be released from all liability unless the agreement of the insurer to such other insurance is endorsed on this insurance. If the agreement of the insurer to such other insurance is endorsed on this insurance, the insurer shall only be liable under this insurance for the excess beyond any amount insured by such other insurance in respect of such animal, whether or not such other insurance is valid or collectible.

G. GUARANTEED RENEWAL ENDORSEMENT WITH WAIVER OF DEPRECIATION

If the policy Declaration page indicates that a scheduled horse is subject to the Guaranteed Renewal Endorsement and for consideration of the additional premium paid, the insurer hereby agrees to renew your insurance coverage for **mortality** at the same value limits described herein with no additional policy exclusions providing the following:

1. You must agree to renewal 30 days prior to expiry of the existing policy;
2. There has been no change of ownership or interest in the animal(s) insured;
3. You pay the renewal premium in full on or before the effective date of the renewal policy.

H. BERSERK EXTENSION CLAUSE (AIR TRANSITS)

If stated on the Declarations Page, this Insurance is extended to indemnify the Insured in respect of the destruction of any animal hereby insured, whilst on board an aircraft, carried out by or on the order of the responsible authority at the time and confirmed by a sworn statement that in his/their opinion the animal was so uncontrollable (berserk) as to have been a danger to the safety of the aircraft, crew, passengers or cargo.

This extension is subject otherwise to the terms, conditions, exclusions and limitations of this Insurance.

I. EXTERNAL ACCIDENTAL LOSS OF USE ENDORSEMENT

We will pay 60% of the value of the animal at the time of injury or 60% of our liability as specified in the Declarations of the Schedule, **WHICHEVER IS LESS (WE KEEP THE ANIMAL);** or

We will pay 50% of the value of the animal at the time of injury or 50% of our liability as specified in the Declarations or the Schedule, **WHICHEVER IS LESS (YOU KEEP THE ANIMAL),** if the animal:

1. is injured by sudden, visible, external, accidental, and violent means: and
2. becomes totally and permanently incapable of fulfilling the purpose for which it is kept or employed as specified in the Declarations or Schedule as a result of such injury providing such injury first occurs and first manifests itself during the period of this insurance: and
3. does not require destruction for humane reasons.

The above conditions are conditions precedent to our liability under this Endorsement.

Any claim due to lameness not brought about by a sudden, visible, external, accidental and violent means is not covered under this endorsement, including but not limited to:

- a. navicular disease;
- b. arthritis;
- c. degenerative joint disease;
- d. Lymes disease; or
- e. bone spavins.

In addition, this Endorsement shall not indemnify you for any loss:

- a. as a result of blemishing,
- b. due to inability of the animal to breed,
- c. as a result of the animal being barred from participating in shows by virtue of competition regulations, such exclusion being applicable only with respect to any animal suffering from a wind condition or which has been operated on for such conditions,
- d. as a result of lack of ability or suitability or behavioural problems,
- e. As a result of a loss involving or arising directly or indirectly from any injury to the tendons, ligaments or muscles unless specifically associated with an injury that has also resulted in an open wound to the affected tendon, ligament or muscle,
- f. Due to losses of a degenerative nature.

You will comply with the following conditions before we accept any liability under this endorsement.

1. Give us immediate notice of any accident resulting in an injury which may give rise to a claim by:
 - a. telephone; or
 - b. facsimile transmission.

Following such notification, in the event that such an accident has not resulted in incapacity, as described above, until after the expiry date of this Insurance, claims shall be considered under this Endorsement providing such incapacity as, agreed by two Veterinarians, one to be appointed by you and one to be appointed by us, shall have arisen within 12 (twelve) months from the date of such occurrence and manifestation.

2. Within 14 days of such accident, you will provide us with a full veterinary report by a qualified Veterinarian, which will include:
 - a. a description of the injury suffered;
 - b. the treatment rendered; and
 - c. the opinion of the Veterinarian as to the animals fitness for use as described in the Schedule.
3. We have the right to appoint a Veterinarian of our choice to examine the animal after you notify us of any accident.
4. Your policy will be null and void for failure to comply by:
 - a. you; or
 - b. your servants;
 - c. your agents.
5. If a claim is made under this endorsement or the policy to which it is attached, the insurance on the animal for which the claim is paid:
 - a. will terminate; and
 - b. no return premium will be paid.
6. If 60% is paid under this endorsement, we have the right with respect to that animal, to take:
 - a. Unimpaired title to; and
 - b. possession of the animal
 - c. all documents relating to the animal; and,
7. If you have other insurance covering the insured animal for loss of use, we will be released from all liability:
 - a. whether or not such insurance is valid or collectible; and
 - b. unless such other insurance is endorsed in this insurance.
8. Any disagreement between your or our Veterinarian over the incapacity of the insured animal will be referred to a independent Veterinarian:
 - a. mutually agreed to by you and us; and
 - b. who will act as arbitrator.

The decision made by the independent Veterinarian will be binding.

The fees of the appointed Veterinarian shall be paid by the appointing party, and the fee of the mutually agreed independent Veterinarian shall be apportioned equally between you and us.

9. The provisions of this endorsement apply only to claims for loss of use and do not extend to mortality. Renewal of your policy will be our decision only; and extension of your policy will be according to condition **C. THIRTY DAY EXTENSION**, in the Livestock Mortality Policy.

J. STALLION INFERTILITY EXTENSION

INSURING AGREEMENT

If the policy Declarations Page indicates that a scheduled horse is subject to the Stallion Infertility Extension and in consideration of the premium paid, this insurance is extended to indemnify YOU in the amount of the actual value of the insured stallion, but not exceeding the Mortality Limit stated on the Declarations Page, should the stallion be certified by veterinary surgeons appointed by both YOU and US as being totally and permanently infertile, impotent or otherwise incapable of serving mares as a result of an accident, sickness or disease occurring or manifesting itself during the period of this insurance.

In the context of this Stallion Infertility Extension:

- 1) Impotent means the failure of the stallion to achieve intromission.
- 2) Infertile means sterile.
- 3) Serving mares means achieving intromission.
- 4) Stallion means whole or part interest of the stallion or stallions specifically listed in the Schedule for coverage under this Endorsement.

This extension will not cover **YOU** for any loss arising from the death of the insured stallion, however caused.

Should there be a disagreement between the appointed veterinary surgeons as to whether the insured stallion is totally and permanently infertile, impotent or otherwise incapable of serving mares, or as to whether such incapacity is directly as a result of an accident, sickness or disease occurring or manifesting itself during the period of this insurance, these surgeons shall appoint an arbitrator, being himself a qualified veterinary surgeon, whose decision in the matter shall be final and binding on both **YOU** and **US**. Costs incurred for such arbitration shall be shared equally between **YOU** and **US**.

In the event that a claim becomes payable under this extension, WE shall be entitled, on payment of the claim, to take possession of **YOUR** interest in the insured stallion and YOU agree to effect such unencumbered transfer as a precondition of a claim payment.

If a claim is made and settled under this extension, the Mortality Limit in the event of the death of the insured stallion, as indicated on the Declarations Page, will be reduced by the amount of such claim.

K. HORSE TRAILER PHYSICAL DAMAGE ENDORSEMENT

You have coverage for a specific horse trailer only if your Policy Declarations show a premium for it or show the coverage is provided at no cost.

INTRODUCTION

Coverage for Loss of or Damage to Your Horse Trailer

We agree to pay for direct and accidental loss of, or damage to, a described horse trailer and its equipment caused by a peril such as fire, theft, or collision.

By direct loss or damage we mean loss or damage resulting directly from a peril for which coverage has been purchased.

We may inspect the described vehicle and its equipment at any reasonable time. If you do not co-operate with any reasonable arrangements for inspection, your coverages under the Policy may be cancelled and any claims under this Policy may be denied.

All Perils Coverage

This coverage combines:

- 1) Collision or Upset (losses caused when a described horse trailer is involved in a collision with another object or tips over – object includes: another automobile that is attached to the horse trailer; the surface of the ground; and any object in or on the ground); and
- 2) Comprehensive (losses other than those covered by Collision or Upset, including: fire; theft or attempted theft; lightning; windstorm; hail; rising water; earthquake; explosion; riot or civil disturbance; falling or forced landing of aircraft or parts of aircraft; stranding, sinking, burning, derailment or collision of any kind of transport in, or upon which a described horse trailer is being carried on land or water; falling or flying objects; missiles; and vandalism).

Loss or Damage We Won't Cover

General

We will not cover the following losses unless they result from a peril for which you are covered as described above:

- To tires;
- Consisting of, or caused by mechanical fracture or breakdown of any part of the horse trailer; or
- Consisting of, or caused by rusting, corrosion, wear and tear, or freezing.

We won't pay for loss or damage:

- Resulting from a dishonest claim of ownership, illegal disposal, or theft of the horse trailer by anyone who has legal possession of it under a written agreement (a mortgage, conditional sale, lease or other similar agreement);
- Resulting from a change in ownership that is agreed to, even if that change was brought about by trickery or fraud;
- Caused by radioactive contamination; and
- To contents of horse trailers, other than their equipment.

Illegal Use

We won't pay for loss or damage caused in an incident:

- If you are unable to maintain proper control of the horse trailer because you are driving or operating the pulling vehicle while under the influence of intoxicating substances;
- If you are convicted of one of the following offences under the Criminal Code of Canada relating to the operation, care or control of the horse trailer, or committed by means of an automobile, or any similar offence under any law in Canada or the United States:
 - Causing death by criminal negligence
 - Causing bodily harm by criminal negligence
 - Dangerous operation of motor vehicles
 - Failure to stop at the scene of an accident
 - Operation of motor vehicle when impaired or with more than 80 mg of alcohol in the blood
 - Refusal to comply with demand for breath sample
 - Causing bodily harm during operation of vehicle while impaired or over 80 mg of alcohol in the blood, or
 - Operating a motor vehicle while disqualified from doing so;
 - If you use or permit the horse trailer to be used in a race or speed test, or for illegal activity;
 - If you drive the horse trailer while not authorized by law; and

If another person, with your permission, drives or operates the horse trailer under any of these conditions.

Certain Thefts Not Covered

We won't pay for loss or damage caused when a person who lives in your household steals the horse trailer.

We also won't pay for loss or damage caused when an employee of yours steals the horse trailer and the employee's duties include driving, maintaining or repairing the horse trailer. This applies at any time, and not simply during working hours.

The Deductible

The amount we pay to cover any losses may be subject to a deductible. The deductible is the amount you agree to pay toward the cost of any single claim you make under this Policy. The deductible is shown on the Policy declarations.

You will need to make a separate claim for each incident that causes loss or damage. The deductible applies each time you make a claim and separately to each horse trailer that is insured.

We will only pay for loss or damage that exceeds the amount of the deductible. There is no deductible for loss or damage caused by fire or lightning.

ADDITIONAL BENEFITS

Your coverage will include the following additional benefits.

Payment of Charges

We will pay general average, salvage and fire department charges and any Canadian or U.S. customs duties for which you are legally responsible as a result of an insured peril. In this instance, salvage means any expense involved in recovering property to prevent loss from an insured peril.

General average charges may arise when a described horse trailer is shipped by water. If it becomes necessary to dump a portion of the ship's cargo overboard to save the ship, you may be legally responsible for a share of the resulting losses. We will cover that expense.

Foregoing Our Right to Recover

If someone else is using a described horse trailer with your permission when an insured loss occurs, we will pay for the resulting claim. We will also forego our right to recover the money from that person.

However, we will keep the right to recover payment:

- If the person has the horse trailer in connection with the business of selling, repairing, maintaining, storing, servicing or parking automobiles; or
- If the person using the horse trailer violates any conditions of this policy.

Loss of Use Due to Theft

If a described horse trailer is stolen, we will pay reasonable expenses for the rental of a similar substitute horse trailer.

We won't cover these costs until 72 hours after the theft has been reported to us or to the police. Even if your policy expires after the theft, coverage will continue until your horse trailer is repaired or replaced, or sooner if money is offered to settle the claim.

The most we will pay in either case for such expenses is \$900.

YOUR AND OTHER INSURED PERSONS' RESPONSIBILITIES

When making a claim under this Policy, you and other insured persons must:

- Notify us in writing within seven days of the incident (or, if unable because of incapacity, as soon as possible after that), giving us the best information available at that time concerning the loss or damage and circumstances.
- Do as much as is reasonably possible to protect the horse trailer from further damage. We will pay for any reasonable protection provided. Further damage resulting from failure to provide reasonable protection will not be covered by this policy.
- Make no repairs beyond those needed for protection of the horse trailer, or remove evidence of the damage, without our written consent or until we have had time to inspect the horse trailer.
- Allow us to copy all documents in your or other insured persons' possession that relate to the incident.
- Permit us to inspect the horse trailer at any reasonable time.
- Complete a statutory declaration within 90 days of the incident, if requested. The declaration will describe what happened in detail, the cause and amount of the loss, those affected and how, and state that the loss was truly accidental. We will also need to know if any other insurance is involved.
- Not leave us to dispose of the horse trailer unless we agree to accept it. If we decide to replace the horse trailer or pay its actual cash value, less the deductible shown on the Policy, we own the salvage.

OUR RIGHT TO REPAIR, REPLACE OR REBUILD THE HORSE TRAILER

We have the right to repair, replace or rebuild the horse trailer rather than pay for the damage. If we choose to do this, we will let you or other insured persons know in writing within seven days of receiving notice of this claim. We will complete the work within a reasonable time using parts of similar kind and quality.

WHAT WE WILL PAY

We will not pay more for the horse trailer than the lower of: a) the value declared on the Policy declarations; or b) its actual cash value at the time it was damaged or stolen, less the deductible shown on your Policy declarations.

The value of the loss or damage is also based on actual cash value after taking into account depreciation. We will not pay more to repair the horse trailer than its actual cash value at the time it was damaged or stolen, less the deductible.

We will pay the lower of the following:

- The cost to repair the loss or damage, less the deductible; or
- The actual cash value of the horse trailer at the time it was damaged or stolen, less the deductible.

SETTLING A CLAIM

If you disagree with us over the value of the horse trailer or equipment or the nature, amount or costs of any repairs, the issue can be submitted for an appraisal under the Insurance Act, if you and we agree on this process. You and we will each appoint an appraiser, who will either agree on the award or, if they disagree, will appoint an umpire to decide as between their respective positions.

L. AGREED VALUE CLAUSE

Subject to all of the terms, conditions and exclusions of the Insurance to which this clause is attached, it is understood and agreed that provided the Underwriters have accepted and agreed to a valuation for the **HORSE**, then the Underwriters' limit of liability specified in the Schedule shall be accepted as the agreed value of the **HORSE**.

However, in the event that at any time during the period of this Insurance the **HORSE** is:

- a) entered or raced in any claiming race where the claiming price is less than the Underwriters' limit of liability specified in the Schedule, then the Underwriters' limit of liability shall automatically be reduced to a sum not exceeding the lowest amount for which the **HORSE** could have been claimed or sold in such race; or
- b) entered into a public auction but not sold and the Underwriters' limit of liability specified in the Schedule exceeds the highest amount bid at such public auction for the **HORSE**, then the **INSURED** shall inform the Underwriters in writing within seven (7) days and shall substantiate any limit of liability which exceeds the highest bid at such public auction or the Underwriters' limit of liability specified in the Schedule shall automatically be reduced at the expiration of seven (7) days to the highest amount bid at such auction; or
- c) appraised at a value lower than the value accepted and agreed by the Underwriters for the **HORSE**, then the Underwriters' limit of liability specified in the Schedule shall automatically be reduced to the lowest value at which the **HORSE** was appraised.

In the event that the Underwriters' limit of liability specified in the Schedule is reduced under either a), b), or c) above, the **INSURED** shall be entitled to a return of premium on the amount by which this Insurance is reduced, calculated on a pro rata basis from the date of such reduction.

M. TWELVE MONTHS EXTENSION CLAUSE

Subject to all of the terms, conditions and exclusions of the Insurance to which this clause is attached, and in consideration of the renewal of this Insurance with the expiring Underwriters and of the additional premium paid, it is understood and agreed that the 30 day extension period referred to in the "Insuring Agreement" shall be further extended until such time as the accident, injury, illness or disease is no longer life-threatening, but in any case not exceeding a further period of 335 days after the expiration of the original 30 days extension.

In the event of the **HORSE** being over 13 years of age at the expiration of the original 30 days extension period, then the Underwriters' limit of liability as specified in the Schedule shall be reduced by the following:

25% if a 14 year old,	40% if a 16 year old, and
33% if a 15 year old,	50% if a 17 year old.

This extension clause shall not apply to the **HORSE** if, at the expiration of the original 30 days extension period, the **HORSE** is 18 years old or over.

N. WEST NILE VIRUS ENDORSEMENT

This Insurance does not cover any loss directly or indirectly caused by, happening through, in consequence of or contributed to by West Nile Virus unless the **INSURED** provides to the Underwriters a written certification from a **VETERINARIAN** that the **HORSE** has received a current vaccination and booster against such virus in accordance with the vaccine manufacturers' recommendations and the vaccine has been approved for horses by the U.S. Department of Agriculture.

All other terms and conditions of the policy/certificate to which this endorsement is attached remain unchanged.

O. EXTRA BOARDING EXPENSE ENDORSEMENT

Insuring Agreement

If the Policy Declarations Page indicates that **Extra Boarding Expense** Endorsement applies, and in consideration of the premium charged, **WE** agree to pay **YOU** for necessary **Extra Boarding Expenses YOU** incur in order to continue as nearly as practicable the insured animal's normal **basic living conditions** following damage to or destruction of the building(s) in which the insured animal normally resides by the **perils insured against** occurring during the term of this Policy.

Limit fo Coverage

1. Maximum \$250 per month, \$2,500 in the aggregate per insured animal;
2. Maximum indemnity period is twelve (12) months from date that damage to or destruction of the building(s) in which the insured animal normally resides occurs (**period of restoration**).
3. **WE** will not be liable for any payment of extra boarding expense once the **period of restoration** is complete.

Exclusions

This insurance does not provide coverage for:

1. expenses other than those needed to continue the **basic living conditions** of the insured animal that existed prior to the loss occurring;
2. expenses for services that are not related to the insured animal's **basic living conditions**, including but not limited to training, coaching, veterinary care, dental care, and farrier services;
3. loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of whatever nature;
4. loss due to the suspension, lapse or cancellation of any lease or license, contract or order;
5. any increase of loss due to interference at the described premises by strikers or other persons, with rebuilding, repairing or replacing the property, or with the resumption or continuation of business.

Conditions

In addition to the Conditions of this insurance, the following apply to Extra Boarding Expense Endorsement only:

1. As soon as the **period of restoration** is complete, **YOU** shall return the insured animal to the building(s) in which it resided prior to the loss.
2. If, once the **period of restoration** is complete, **YOU** choose not to return the insured animal to the building(s) in which it resided prior to the loss, **OUR** liability for payment will end effective the completion date of the **period of restoration**.

Perils Insured Against

This insurance will respond if the building(s) in which the insured animal normally resides becomes uninhabitable due to damage to or destruction of said building(s) by any of the following insured perils:

1. Fire
2. Lightning
3. **Explosion:** This peril does not include electric arcing or water hammer
4. **Smoke:** This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises
5. **Falling Object:** This peril does not include loss to the inside of a building or property contained in the building unless the exterior of the building is first struck by a falling object
6. Impact by Aircraft or Land Vehicle.
7. Riot
8. Windstorm or Hail
9. Weight of Snow, Snow Load, Ice, Ice Load, or Sleet

Definitions

In addition to the Definitions in this insurance, the following shall apply:

EXTRA BOARDING EXPENSE: excess (if any) costs of boarding an insured animal during the period of restoration of the damaged or destroyed building in which the insured animal normally resides for the purpose of continuing the insured animal's normal basic living conditions. In no event shall **WE** be liable for loss of income nor for Extra Expense in excess of that necessary to continue as nearly as practicable the normal living conditions of the insured animal, nor for the cost of repairing or replacing the building(s) in which the insured animal normally resides.

NORMAL: the condition that would have existed had no loss occurred.

MONTH: thirty (30) consecutive days.

PERIOD OF RESTORATION: the period beginning with the occurrence of a peril insured against and ending when the building(s) in which the insured animal normally resides is put back to the condition it was in prior to the peril occurring (or better), but under no circumstances shall the period of restoration be longer than 12 months.

BASIC LIVING CONDITIONS: those needs normal to the insured animal and existing prior to a loss, including housing, feeding and turnout. Basic living conditions do not include coaching, training, veterinary care, dental care, farrier, or other services incurred outside the insured animal's basic needs that existed prior to a loss.

All other terms and conditions of the policy remain unchanged.

P. EMERGENCY LIFE SAVING SURGERY COVERAGE ENDORSEMENT

Insuring Agreement

If the Policy Declarations Page indicates that a scheduled horse is subject to the Emergency Life Saving Surgery Endorsement and in consideration of the premium charged **WE** agree to pay **YOU** for reasonable and customary fees for a life-saving surgical procedure performed on an insured animal. **WE** also agree to pay **YOU** reasonable and customary after-care, while the insured animal is kept on the premises where the surgical procedure is performed.

Limit of Coverage

1. \$2,500 in the aggregate per insured animal per period of Insurance unless otherwise indicated on the Declarations Page.
2. After-care coverage is limited to:
 - a. 50% (fifty per cent) of the surgical fee charge; and
 - b. No more than fifteen (15) days from the time of the covered surgery.
3. The most **WE** will pay for the surgical coverage plus the after-care costs shall not exceed \$2,500 per horse, per policy limit unless otherwise indicated on the Declarations Page.
4. There is no deductible applicable to this coverage unless otherwise indicated on the Declarations Page.

Exclusions

This insurance does not provide coverage for:

1. A surgical procedure not performed under a general anesthesia.
2. Any surgery not performed by a licensed veterinarian in a school of veterinary medicine or surgical clinic.
3. A condition existing, diagnosed or treated prior to the effective date of the insurance;
4. Any examination, medical treatment or medication unless it is administered with a surgical procedure;
5. Death benefit or post-mortem surgical operations;
6. Any voluntary surgery including, but not limited to, castration, caslick's operations and cosmetic surgery;
7. Throat surgery, dental surgery, osteochondrosis dissecans (OCD, also known as bone chip removal), or surgery relating to pregnancy or birthing;
8. Veterinary travel or animal transportation fees;
9. Nuclear or radioactive contamination;
10. War, whether declared or not, civil war, rebellion, insurrection or revolution.

Conditions

In addition to the Conditions of this insurance, the following apply to Emergency Life Saving Surgery Coverage Endorsement only:

1. The surgery must be performed during the policy period and within Canada or the Continental United States;
2. Coverage will terminate on any insured animal for which **YOU** have given up ownership rights by sale of, lease of, or any other reason;
3. **YOU** must file with **US** a proof of claim signed by the attending veterinarian within sixty (60) days after the surgery;
4. This insurance will be considered excess if at the time of the claim **YOU** have other insurance providing like coverage on any insured animal.

Definitions

In addition to the Definitions in this insurance, the following shall apply:

COSMETIC: for the purpose of enhancing appearance only, with no impact on the well-being or use of the animal.

SURGICAL CLINIC: a surgical facility staffed by one or more licensed veterinarians.

SURGICAL PROCEDURE: any procedure which involves the cutting or removing of any part of an animal's body.

VETERINARY SCHOOL: an accredited school which provides a Doctor of Veterinary Medicine degree (DVM) or Veterinarian Medical Doctor degree (VMD).

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED

Q. HORSE TRAILER CONTENTS INSURANCE

This Insurance covers, **subject to the deductible shown on the Declarations Page**, loss or damage to the Insured's Contents of Every Description while stored in a Horse Trailer, Horse Box, or other Horse Transport Conveyance that is owned by the Named Insured, from any cause following accident or misfortune.

WE shall not be liable for more than the replacement value of Contents of Every Description at the time of loss of the property insured; provided always that **OUR** limit of liability shall not exceed the limit **on the Declarations Page** for any one accident or series of accidents arising out of the same event.

"Contents of Every Description" **does not include Tack and Horse Equipment.**

EXCLUSIONS

This insurance does not insure against:

- (a) Loss or damage caused (1) by any process of refinishing, renovating or repairing; (2) by dampness of atmosphere and/or extremes of temperature; (3) by moths, vermin, wear and tear, gradual deterioration, inherent defect or faulty manufacture;
- (b) Marring, scratching, tearing, or denting unless caused by fire, lightning, theft or the collision or upset of a transporting conveyance;
- (c) Infidelity of Insured's employees or persons to whom the insured property may be entrusted or rented;
- (d) Loss or damage caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (e) Loss or damage caused by contamination by radio-active material.

VIII. STATUTORY CONDITIONS

Misrepresentation

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of Others

2. Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.

Change of Interest

3. The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act (Canada) or change of title by succession, by operation of law, or by death.

Material Change

4. Any change material to the risk and within the control and knowledge of the insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

Termination

5. 1. This contract may be terminated,
 - (a) by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
 - (b) by the insured at any time on request.
2. Where this contract is terminated by the insurer,
 - (a) the insurer shall refund the excess of premium actually paid by the insured over the pro rata premium for the expired time, but, in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
 - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
3. Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of the premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
4. The refund may be made by money, postal or express company money order or cheque payable at par.
5. The fifteen days mentioned in clause 1(a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Requirements After Loss

6. 1. Upon the occurrence of any loss of or damage to the insured property, the insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
 - (a) forthwith give notice thereof in writing to the insurer;
 - (b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
 - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the insured,
 - (iv) showing the amount of other insurances and the names of other insurers,
 - (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
 - (vii) showing the place where the property insured was at the time of loss;

- (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
 - (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
2. The evidence furnished under clauses 1(c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

Fraud

7. Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

Who May Give Notice and Proof

8. Notice of loss may be given and proof of loss may be made by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage

9. 1. The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
2. The insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph (1) of this condition according to the respective interests of the parties.

Entry, Control, Abandonment

10. After loss or damage to insured property, the insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer is not entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

Appraisal

11. In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefore is made in writing and until after proof of loss has been delivered.

When Loss Payable

12. The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement

13. 1. The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
2. In that event the insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

Action

14. Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.

* Two years in the Province of Manitoba and the Northwest and Yukon Territories.

Saskatchewan Statutory Condition 14 is repealed. See The Limitations Act, S.S. 2004, c.L-16.1.

Notice

15. Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the Province. Written notice may be given to the insured named in the contract by letter personally delivered to the insured or by registered mail addressed to the insured at the insured's latest post office address as notified to the insurer. In this condition, the expression "registered" means registered in or outside Canada.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

SCHEDULE OF VETERINARY CERTIFICATES

Certificate Dated _____

Animal(s) Concerned _____

Date of Underwriters' Acceptance _____

ELECTRONIC DATE RECOGNITION EXCLUSION (EDRE)

This policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- a)** the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or
- b)** any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

