

Equine Mortality Appetite and Product Guide

Version 8.0 8/18/2023



AMERICAN RELIABLE EQUINE MORTALITY APPETITE GUIDE

This appetite and products guide is provided to ensure your agency is familiar with the breeds and uses that American Reliable will accept as well as the coverages available with their requirements. If you have a risk that does not fit this appetite, please contact your underwriter for approval before binding coverage.

BREEDS AND USES APPETITE

Breeds Accepted: Warmbloods (All Variations), Pony, Quarter Horse, Paint, Appaloosa, Saddlebred, Thoroughbred (**No Major Medical**), Arabian, Friesian, Morgan, Missouri Fox Trot, National Show Horse, Mule, and any crosses of these breeds.

Breeds Not Accepted: Andalusian, Lusitano, Donkey, Draft, Miniatures, Rocky Mountain, Paso Fino, Peru Paso, and Tennessee Walkers.

Uses Accepted: Hunter, Jumper, Dressage, Show, Western Pleasure All-Around, Barrels, Cutting, Roping, Pleasure, Breeding, Driving.

Uses Not Accepted: Eventing, Endurance, Fox Hunt, Carriage Rides, Commercial Trail Rides, Mounted Shooting, and Racing.

Values Preferred: Values of \$15K and over up to \$1,000,000 any-one animal.

Major Medical Eligibility: Values \$15K and over excluding Thoroughbreds.

EQUINE MORTALITY PRODUCTS GUIDE

AVAILABLE COVERAGES AND ELIGIBILITY

A. Mortality Coverage

This form provides coverage in one of the following ways for covered losses occurring during the policy period and within the coverage territory:

1. Standard – Covers death, including authorized humane destruction, arising out of an accident, injury, lameness condition or lameness injury, or physical disability, unless specifically excluded.
 - a. Available for horses 24 hours old up to 20 years of age. No new business for horses ages 19 – 20 years old.
 - b. Binding authority up to \$250K any one animal
 - c. See Breed and Use appetite for approved and non-approved breeds and uses within binding authority.
2. Specified Perils – Covers death, including authorized humane destruction, arising out of specific accidental and natural events, including certain situations while the horse is in transit. Losses under both forms are paid on an Agreed Value basis. Available for horses 24 hours old up to 22 years of age.

B. Theft Coverage

Both options described above also provide coverage for death, including authorized humane destruction, arising out of the theft or disappearance of an insured horse.

C. Coverage Extensions

The following extensions are provided through both options described in A. above:

1. Death or authorized humane destruction up to 90 days after the expiration of the policy for a covered loss that occurs and is reported during the policy period.
2. Ataxia arising out of cervical vertebral malformation or spinal cord compression, generally referred to as “Wobbler Syndrome”, is covered subject to a consistent diagnosis by two veterinarians. Ataxia arising out of infection, contamination, degenerative changes, or similar types of causes is not covered under this extension, which applies only to the standard mortality coverage option.

D. Equine Free Colic Surgery Endorsement

This endorsement provides reimbursement for reasonable and customary expenses for emergency colic surgery. This coverage is primary to other applicable supplemental or optional coverages described below. The limit is \$5,000, or 50% of the mortality limit, whichever is less.

The eligibility guidelines for horses with a prior episode of colic are:

- If there has been a medically resolved colic within the last year, Excluded for 6 months. Subject to review 6 months subject to a satisfactory Colic Statement of Condition; or
- If there has been a previous colic episode requiring surgical intervention, this form is excluded for 2 years after the horse is released from the hospital. This is subject to review with a satisfactory Colic Statement of Condition, unless the surgery required resection of the intestine, in which case no review is possible.

If we pay a claim under this coverage, the horse will not be eligible for this coverage in future policy periods, no matter how much time passes.

This endorsement is primary to any of the optional medical/surgical coverage described below.

Bindable Endorsement Coverages

A. Supplemental And Optional Coverages – *Minimum Values Apply to Each Coverage*

The following coverages are available only in conjunction with the standard mortality coverage option. Unless stated otherwise, the limits shown are the most we will pay per horse within the applicable policy period:

1. Equine Major Medical and Surgical Endorsement – *Minimum Value of \$15K Required*

This endorsement provides reimbursement for reasonable and customary expenses for medical and surgical treatment, including diagnostic testing, which are necessitated by a covered accident, illness or injury.

**Except for foals that have reached the age of eligibility, this coverage may not be added after the policy has been issued or the horse added to the policy.*

This coverage is available for horses aged 31 days old up to and including 20 years of age for all approved breeds and uses.

- a. Limit options/each occurrence deductible are: \$7,500/\$425, \$10,000/\$500 or \$15,000/\$600.
- b. Limit Restriction of \$7,500 applies for the following:
 - I. Barrels Use

2. Equine Major Medical and Surgical Plus Endorsement – *Minimum value of \$25K and between 1 and 16 years of age*

This endorsement is comparable to the Equine Major Medical and Surgical Endorsement described above, with two notable differences:

- a. Limit options/each occurrence deductible are \$10,000/\$500 or \$15,000/\$600; and
- b. The sub-limit for diagnostic testing is 50% of the limit of liability, rather than a fixed amount.

Products Available If Major Medical Is Not Purchased

B. Equine Surgical Endorsement – *Minimum Value of \$5K Required*

This endorsement provides reimbursement for reasonable and customary veterinary fees incurred for eligible surgical treatments.

- a. This coverage is available for horses ages 31 days up to and including 20 years of age; and
- b. The available limit is \$5,000 and a deductible of \$375 applies to each separate loss.

C. Equine Colic Endorsement – *Minimum Value of \$5K Required*

This endorsement provides reimbursement for reasonable and customary veterinary fees for medical or surgical responses to colic and colic symptoms. The available limit is \$3,000 and a deductible of \$375 applies to each separate loss.

D. Equine Accident & Illness Endorsement – *Minimum Value of \$5K Required*

This endorsement provides reimbursement for reasonable and customary veterinary fees for acute and traumatic injuries. The available limit is \$5,000 and a deductible of \$375 applies to each separate loss.

Products Requiring Underwriter Approval Prior to Binding

A. Equine Loss of Use Endorsement

***See Underwriting Requirements in the Underwriting Guidelines**

This endorsement provides reimbursement for horses that become totally and permanently incapable of performing the stated use shown on the Declarations as the result of an accident, injury, illness or disease, yet does not meet the guidelines for humane euthanasia.

- a. This coverage is available for horses between ages 2 through 12; and
- b. The value is \$25,000 up to \$250,000; and
- c. Geldings only; and
- d. The primary use of the horse must be Dressage, Jumper, or Hunter; and
- e. The breed must be a warmblood/sport horse breed.
- f. The maximum amount paid under this option is 70% of the mortality limit of the horse at the time of the loss.
- g. The Equine Major Medical & Surgical Expense Endorsement must be purchased in conjunction with this coverage; and
- h. Upon accepting payment of the 70% of insured limit for this coverage, the insured will be required to relinquish all ownership rights to the horse.
- i. In addition to a standard mortality application, the following documents are required to bind this coverage:
 1. A Pre-Purchase Exam and
 2. A Loss of Use Supplement Application (cont. page 6)

Neither may be more than 30 days old as of the requested effective date of coverage. This endorsement may not be added after the policy is issued. Contact your underwriter to discuss if a rewrite to provide the coverage is an option.

B. Stallion Infertility Endorsement (Accident, Sickness & Disease)

***See Underwriting Requirements under Underwriting Guidelines**

This endorsement provides reimbursement for a stallion that becomes totally and permanently impotent, infertile or incapable of servicing mares as the result of an accident, illness or disease. This form **does not** cover congenital infertility. In addition to a standard mortality application, the Fertility Examination Form must be completed and submitted, for new business and with each renewal.

To be eligible for this coverage, the stallion must meet of the following criteria:

- Insured for a minimum mortality limit of \$100,000; and
- 17 years of age or younger; and
- Bred at least 50 mares in the prior season or in the first season insured; and
- Not used for pasture breeding.

C. Worldwide Coverage Endorsement

This endorsement extends the coverage territory for standard mortality and optional medical/surgical coverages for horses that are temporarily out of the Continental United States or Canada during the policy period, and:

- a. Insured for a minimum of \$25,000 prior to the addition of eligible Import/Quarantine expenses (see below); and
- b. Boarded, competing or traveling within the European Union and/or the United Kingdom and/or Southern Hemisphere i.e. Argentina, Brazil, and Chile. Consult with your Underwriter for eligibility of other locations.

Requirements:

- Application
- Pre-Purchase Exam
- \$25K Minimum Value
- Maximum Age of 15 years old.

Time Out of U.S.:

- If less than six months – Charge “One-Way”
- If Six months or more – Charge “Annual”
- Horse must travel to the U.S. at some point during the policy period.

Transit/Quarantine Expenses – These costs may be added to the purchase price of the horse to determine the maximum mortality limit:

- \$7,500 without an invoice of the expense incurred; or
- Not to exceed \$15,000 with an invoice, regardless of the sum of eligible expenses. Up to \$10% Commission not to exceed \$50,000 with documentation or 5% commission without documentation. (cont. page 7)

These expenses must be added on the effective date of the policy or within 2 weeks of the horse arriving in the U.S.

D. Lessee Endorsement

This endorsement modifies the standard mortality coverage form to document a horse subject to a lease.

- The maximum allowable Mortality limit is typically 3 times the annualized lease fee. Please consult with your underwriter for requests that exceed this formula.
- The minimum required mortality limit is \$25,000.
- Care or Free Leases – The Owner/Lessor must be the first named insured on the policy.

E. Loss Payee Endorsement

The interests of a loss payee may be reflected under the policy. If a horse is leased and the lessee is the named insured, the lessor (owner) should be added as the Loss Payee.

F. Guaranteed Renewal Endorsement

This endorsement allows the insured to apply for one additional 12-month policy period of standard mortality coverage for any horse currently insured that would not otherwise be eligible for that continuation because of a covered condition that manifested itself during the expiring policy term.

- a. The limit of liability for standard mortality coverage will be no less than the amount under the expiring policy, unless the insured specifically requests a decrease; and
- b. This endorsement applies only to horses that are 15 years of age or younger on the expiration date of the policy;
- c. This endorsement should not be offered for:
 1. Horse(s) subject to lease that expires during the policy period; or
 2. Horses requiring 3 or more manuscript exclusions.
 3. Horse(s) with a mortality limit of less than \$15,000.

G. Loss Payee Endorsement

The interests of a loss payee may be reflected under the policy. If a horse is leased and the lessee is the named insured, the lessor (owner) should be added as the Loss Payee.

Payment Plans

All policies will be issued on a direct bill basis. The following payment plans are available based on policy premium eligibility:

1. Premium less than \$500 eligible for Full Pay Only.
2. Premium between \$500 and \$1,499 is eligible for Full Pay, 2-Pay, or 4-Pay.
3. Premium \$1,500 and higher is eligible for Full Pay, 2-Pay, 4-Pay, 8-Pay, and Monthly Automatic.

The following general rules apply to all policies under an installment bill option:

- a. In addition to the required initial percentage payment, the full amount of all applicable taxes and surcharges billed in the initial installment invoice; an installment fee of \$10.00 will apply where allowed.
- b. The initial installment billed. All invoices are due 19 days from the date they are printed or the effective date of the policy, whichever is later.
- c. Additional premium endorsements will be billed on a pro-rata basis for coverage until the next installment due date. If no installments remain, the entire pro-rata amount will be billed. If there are more installments, they will be adjusted proportionately to reflect the additional premium due.