

NOW SHARING



The Basics

Before we get started, let's get something straight!

Bodily Injury and Property Damage from failure to render professional services is *excluded* in the Farm Liability Coverage Form with a **BIG** exception:

Professional Services emanating from classifications listed and rated on the Farm Liability Declarations Schedule are covered.

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The Basics

Equine Professional Services Liability
Endorsement
(More than bodily injury and property damage!)

- **Endorsement** to Farm Liability Coverage form
- **Separate aggregate limit** from Farm Liability Coverage Form
- **Only listed** professional services are covered
- **Additional premium** charge applies



Coverage Comparison

Farm Liability

Equine Professional Liability Endorsement

Bodily Injury	✓	
Property Damage	✓	
Wrongful Acts		✓
Monetary Damage		✓

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“Wrongful Act”

Any actual or alleged error, misstatement,
misleading statement, act or omission in the rendering of
or the failure to provide **equine professional services**

(defined in the Endorsement)



Covered Services

- Serving at equine events as Judge, Show Official, Show Manager, Steward or Technical Delegate
- Serving at equine events as a Keynote or Motivational Speaker





Covered Services

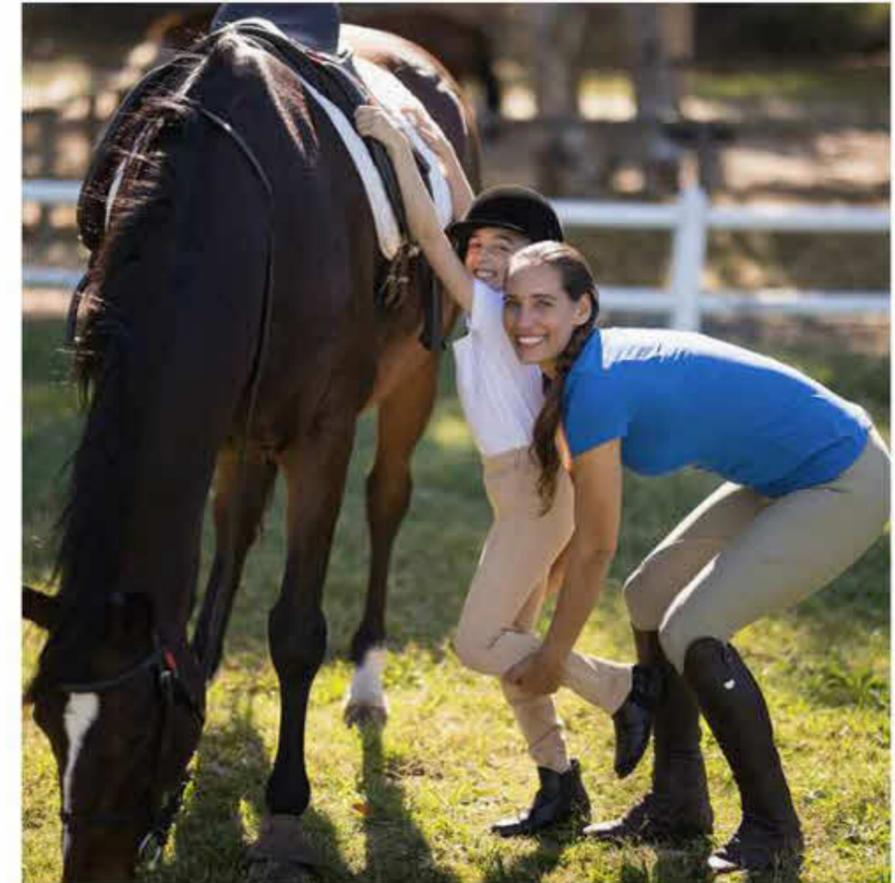
- Constructing or design equine courses
- Riding instruction, training, grooming or driving equine





Covered Services

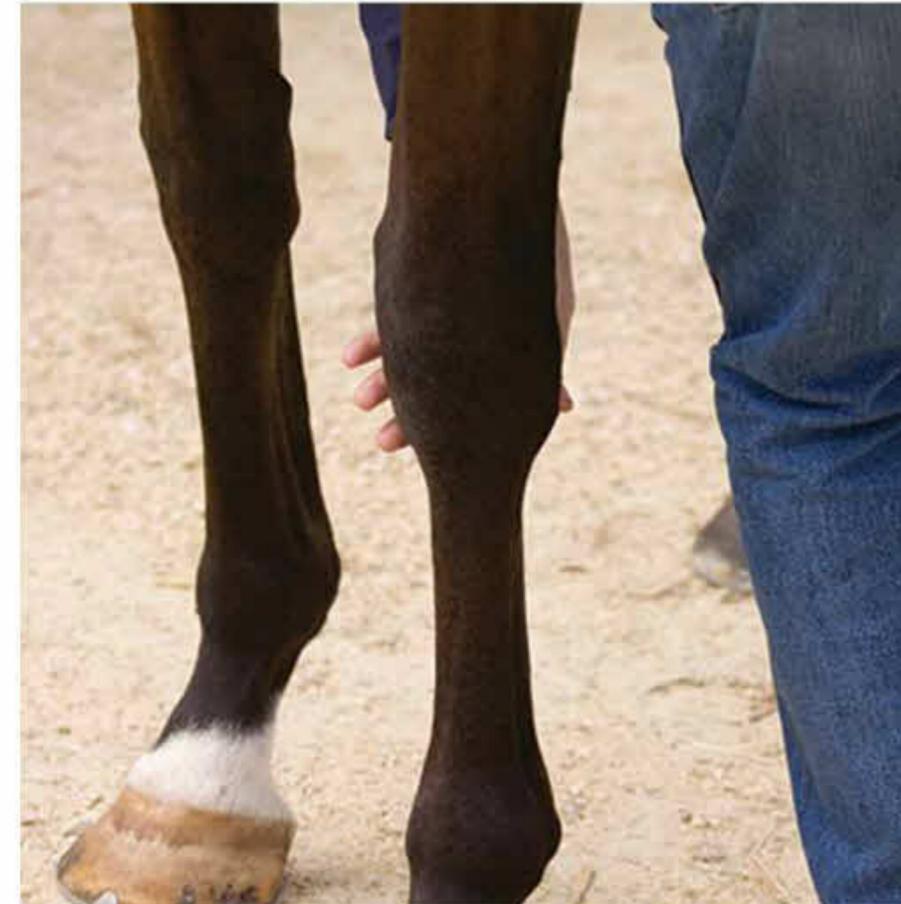
- Conducting instructional clinics on equine topics
- Conducting personal growth, self-development retreats or personal instruction using equine
- *Conducting certification programs to train others to perform these services*



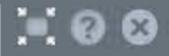


Covered Services

- Conducting an “Equine Sale”, only if an Aggregate Limit of Insurance for Equine Sales is shown in the schedule



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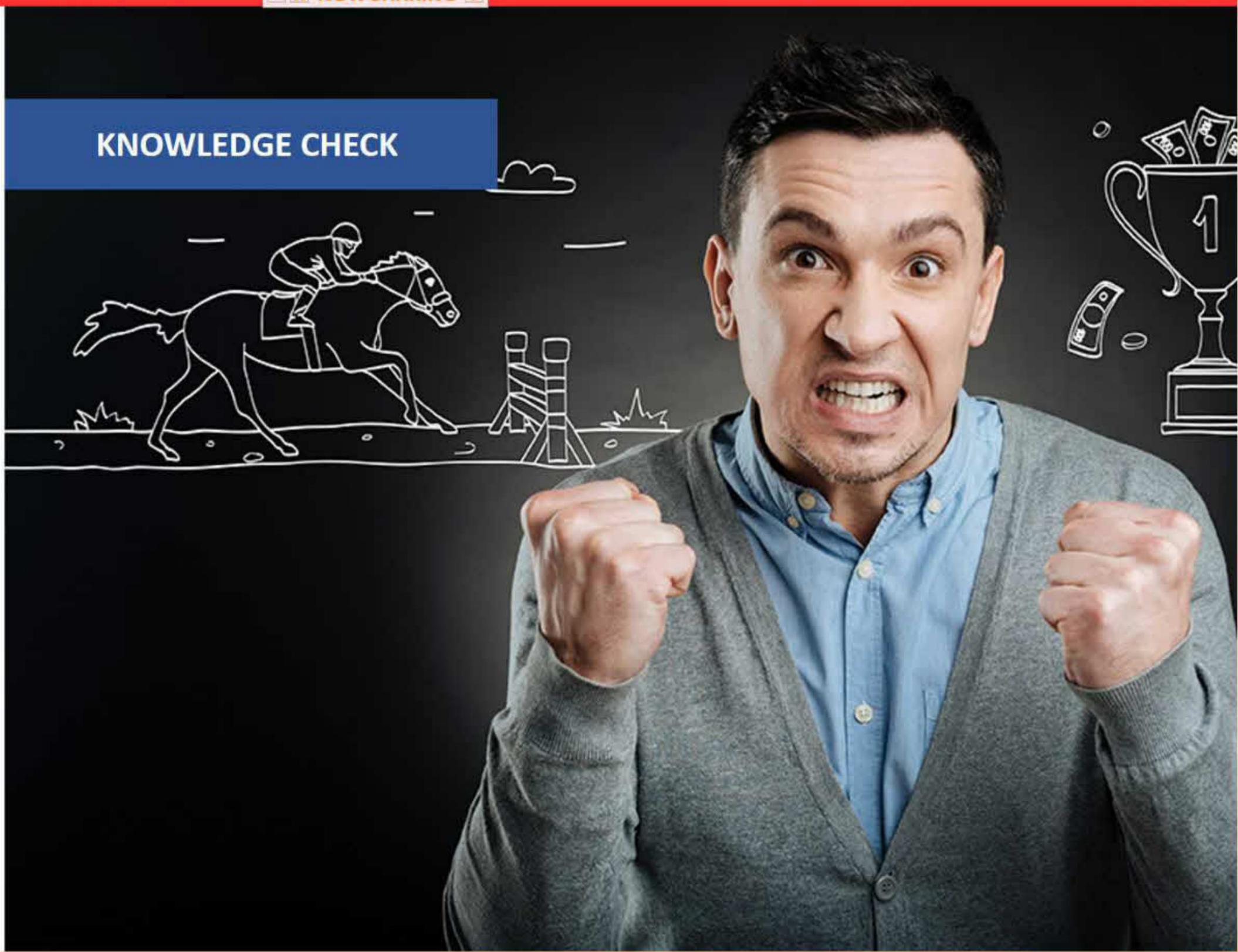


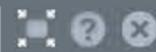
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Fast Jimmy, the ex-jockey, now trainer, has a GAI Equine Professional Liability Endorsement on his Policy. Everyone relies on Fast Jimmy's advice when making bets at the racetrack. Gullible Kenny listens to Fast Jimmy and places \$50,000 on the horse "I'm Smokin'" to win. I'm Smokin' finishes last.

Gullible Kenny sues Fast Jimmy under the GAI policy, wanting his money back since it was Fast Jimmy's fault he lost his bet.

What's covered?

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Fast Jimmy is out of luck to try and find coverage under the Equine Professional Services Liability Endorsement. Fast Jimmy providing advice on bets at the racetrack was:

1. Not performing a service for a fee; and
2. Not acting within the scope of a trainer (actually performing training).

Both of the above must be applicable to trigger coverage in the Equine Professional Services Endorsement.

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Two Professional Coverages Available

“Other Than Equine Sale” Professional

- Mandatory coverage
- Aggregate Limit must match Farm Liability
“Each Occurrence” Limit
- Optional Limits of \$100,000 up to \$1 million
- \$250 flat charge for \$1 million aggregate limit

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Two Professional Coverages Available

“Equine Sale” Professional

- Optional coverage
- A “lemon” coverage for horse sales
- Optional limits of \$100,000 and \$250,000
- Much higher premium charge

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Schedule of Aggregate Limits

Equine Professional Services “Wrongful Acts”	Aggregate Limit of Insurance
“Other than Equine Sale”	Must match Farm Liability <i>Each Occurrence</i> Limit
“Equine Sale”	Lower limits preferred (\$100,000)

Our Umbrella Coverage will not cover Equine Professional Services “Wrongful Acts”

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Trainer Dale shows student Jimmy how to ride in competitive horse shows. Jimmy's horse and Jimmy are injured in a show and it is alleged that the injuries were the result of Trainer Dale's negligent advice. In addition, Jimmy's suit states he lost out on a \$100,000 first prize because he knows he would have won the show. Trainer Dale has both Farm Liability Coverage and the Equine Professional Endorsement.

What's covered?



1. Jimmy's injury: It is possible that Jimmy may find coverage under Trainer Dale's Farm Liability Coverage Form, under bodily injury coverage.
2. Jimmy's horse's injury: It is possible that Jimmy may find coverage under Trainer Dale's Farm Liability Coverage Form, under property damage coverage. In addition, the Equine Professional Liability Coverage Form could also apply to the loss to property damage if it can be proven the horse's injury is a result of Dale's act, omission or error.
3. Jimmy's loss of \$100,000: "Equine loss" under the Equine Professional Form includes economic loss to a third party. Jimmy may be able to recover his prize money.

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Amy the Horse Whisperer gives professional advice to a client on how to invest in an equine counseling service. The client invests \$100,000 and the business goes under in one month. The client sues Amy, stating that the \$100,000 was lost because of her advice.

What's covered?

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Loss of \$100K from Amy's advice:
It is possible that the Equine Professional
Endorsement will respond to this claim.

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One of Amy's clients overdoses on drugs but survives. He sues Amy stating that her horse whispering counseling drove him to a suicide attempt and sues for mental anguish and recovery of medical bills.

What's covered?



Bodily injury is excluded in the Equine Professional Endorsement, so no coverage in that form.

However, it is possible that coverage can be found under the Farm Liability Bodily Injury Coverage Form.

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Bobbi's Horse Breeding Barn signs a contract with Sara stating that Bobbi will guarantee Sara's horse will foal. Sara brings in her horse and pays Bobbi \$5,000 to breed her a winning show horse. Sara discovers later her horse is not in foal and demands her money back from Bobbi.

Bobbi has GAI's "Other than Equine Sales" Professional Coverage with a \$1M limit.

What's covered?

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Breeding is not a covered service in the Equine Professional Liability Coverage Form.



There is no coverage.



REALITY CHECK

If the service is not listed
on the form,
it's not covered.



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Exclusions

Equine Professional Services Liability Endorsement

- Veterinarian treatment
- Farrier operations
- Relief other than monetary damages
- Dishonest, intentional or criminal acts or omissions
- Equine Sale to any insured or "family member" of any insured

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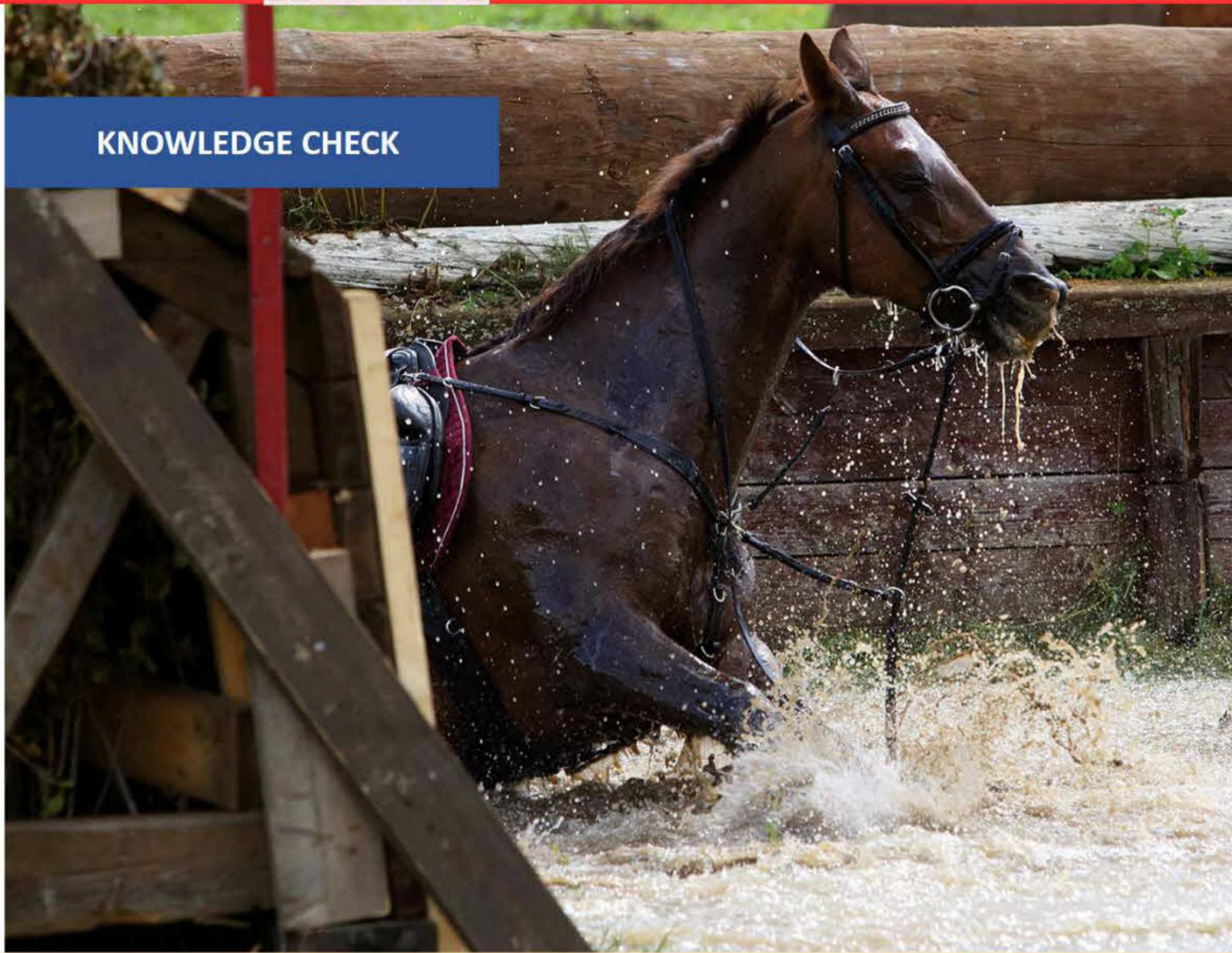


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For \$50,000, Dazzling Dale's Consignment Operation sells Abby what Dale says is "the best jumping horse in the country". Abby takes the horse out for its first practice run and it stops abruptly at the first jump, throwing Abby into a water obstacle and breaking her collarbone. Abby learns the horse has no idea how to jump and used to be Farmer Ken's plow horse. Farmer Ken and Dazzling Dale are brothers. Dale has a Farm Liability Coverage Form and the Equine Professional Liability Endorsement that includes both "Equine Sales" and "Other than Equine Sales".

Abby sues Dale for her injury and wants to return the horse and get her money back.

What's covered?

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1. Abby's Injury: It's possible that coverage may be found under the Farm Liability Bodily Injury Coverage.
2. Abby's money: Conducting an Equine Sale is a covered professional service. Abby may find her claim covered under the Equine Sale Coverage

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Aggregate Limits

Other than Equine Sale / Code 01253

Basis/Exposure Charge/Policy	Aggregate Limit of Insurance (in 000's)				
	\$100	\$250	\$500	\$750	\$1,000
	\$125	\$166	\$211	\$231	\$250

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Aggregate Limits

Equine Sale / Race Horses / Code 01251

Aggregate Limit of Insurance (in 000's)

Basis/Exposure Annual Gross Equine Sales	Rate Code	\$100	\$250	\$500	\$750	\$1,000
\$5,000,000 and less	1	\$500	\$665	\$845	\$925	\$1,000
\$5,000,001 to \$10,000,000	2	\$1,000	\$1,330	\$1,690	\$1,850	\$2,000
\$10,000,001 to \$15,000,000	3	\$1,500	\$1,995	\$2,535	\$2,775	\$3,000
\$15,000,001 to \$20,000,000	4	\$2,000	\$2,660	\$3,380	\$3,700	\$4,000
\$20,000,001 and more	5	\$2,500	\$3,325	\$4,225	\$4,625	\$5,000

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Aggregate Limits

Equine Sale / Other Than Race Horses Code 01252

Aggregate Limit of Insurance (in 000's)

Basis/Exposure Annual Gross Equine Sales	Rate Code	\$100	\$250	\$500	\$750	\$1,000
\$500,000 and less	1	\$250	\$333	\$423	\$463	\$500
\$500,001 to \$1,500,000	2	\$500	\$665	\$845	\$925	\$1,000
\$1,500,001 to \$3,000,000	3	\$1,250	\$1,663	\$2,113	\$2,313	\$2,500
\$3,000,001 to \$5,000,000	4	\$2,500	\$3,325	\$4,225	\$4,625	\$5,000
\$5,000,001 and more	5	\$3,500	\$4,655	\$5,915	\$6,475	\$7,000



Defense Costs

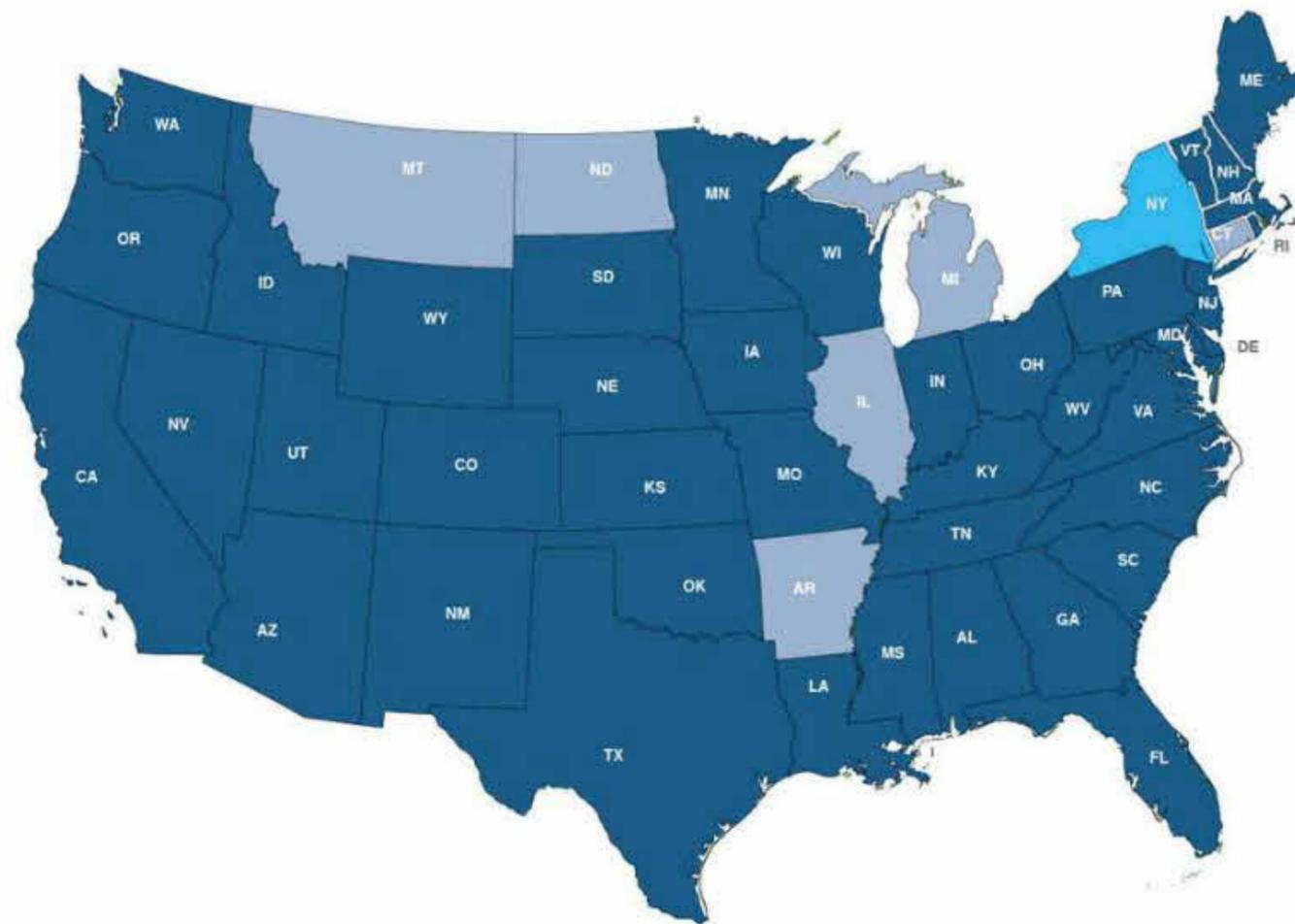
- Most states include Defense Costs *within* aggregate limit.
- Some states require Defense Costs *outside* aggregate limit: AR, CT, IL, MI, MT, ND



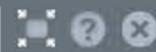
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State Endorsements



-  **AL 7554** filed in most states
Main endorsement with defense *within* aggregate limits
-  Some states require other forms
MI, CT, IL, ND, AR, MT have different defense requirements.
-  NY not yet approved




One application form for all states*

***Exception:** MT requires the use of its own form



Equine Professional Services Liability Supplemental Application

Name of Applicant _____

A. Equine Professional Services Liability *(This coverage excludes the Sale of Equine)*

1. Please select the Limit of Insurance desired:
 \$100,000 \$250,000 \$500,000 \$750,000 \$1,000,000

Limit should match Farm Liability Occurrence Limit.

2. Please select all of the Equine Professional Services performed by the Applicant by indicating the total number (#) of people performing each of the selected services:

#	Service	#	Service	#	Service
	Judge		Show Official		Show Manager
	Steward		Technical Delegate		Course Designer
	Cross		Professional Rider/Driver		Riding Instructor

Equine Professional Services Liability Endorsement Webinar



Any questions?



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AgriBusiness®

Equine Professional Services Liability Contacts

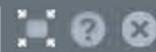
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Thank you!

