

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACCIDENT, SICKNESS, AND DISEASE STALLION INFERTILITY ENDORSEMENT PLAN A

This endorsement modifies insurance provided under the following:

EQUINE MORTALITY POLICY

In consideration of the additional premium paid in respect of each stallion to be insured for this coverage, such premium to be shown in the Schedule, including subsequent endorsements, and subject to all the terms, conditions, and limitations of this endorsement, the Company agrees:

With the Insured that in the event the stallion shall manifest a condition resulting from an accident, sickness, or disease occurring during the coverage period, and that the Company has been notified of such condition during the coverage period, and if, as a direct and proximate result of such condition, the said stallion shall be determined, during the coverage period, by a licensed veterinarian appointed by the Company to be totally and permanently impotent, infertile, or incapable of settling mares, the Company will indemnify the Insured for the maximum indemnity percentage of the value of the stallion at the onset of such accident, sickness, or disease or the maximum indemnity percentage of the limit of liability as stated in the Schedule, including subsequent endorsements, whichever is the lesser sum.

CONDITIONS

In the event that the Insured and the Company, or their appointed veterinarians, fail to agree as to whether the condition of the stallion is such as to cause the permanent and total impotence, infertility, or inability to settle mares, at the expiry of three months from the date of incident, or the expiry date of the Policy, whichever is earlier, the matter shall be referred to a qualified licensed veterinarian mutually agreed upon by the Insured and the Company. The veterinarian is empowered either to decide immediately as to the condition of the stallion, or to fix upon a further period of time at the expiry of which the veterinarian shall make a decision. However, the final decision must be rendered on or before the expiry date of the Policy. The Insured and the Company agree to accept any decision of the veterinarian as authoritative and binding on both parties. For the purpose of this endorsement only, the date of incident shall be taken as the date on which the accident, sickness, or disease giving rise to a possible claim under this endorsement occurred.

In the event the Company incurs an obligation to indemnify the Insured under this endorsement, the Company shall have the right to take unimpaired title to, and possession of, the stallion in respect of which a claim has been paid, together with all documents relating thereto. The Company may, but is not obligated to, establish a residual fair market value of the stallion, and offer to waive the right to take title to and possession of the stallion in exchange for deducting this residual fair market value from the claims settlement to the Insured. If the Insured disagrees with the residual fair market value established by the Company, the parties shall attempt to resolve this difference of opinion. If the parties are unable to come to agreement, either party may request mediation to determine a residual fair market value for the stallion.

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Notwithstanding any process of negotiation or mediation, the Company may at any time elect to pay the amount due under this endorsement and take title to and possession of the stallion, and the Insured may at any time elect to withdraw any claim under this endorsement and retain title to and possession of the stallion.

Upon payment by the Company of a claim under either this endorsement or the Policy, all coverages with respect to that stallion on which the claim is paid shall terminate without return of premium.

In the event that mortality coverage on any stallion to which this endorsement applies expires or is cancelled or deleted, this coverage shall automatically terminate.

This endorsement is subject otherwise to the terms, conditions, exclusions, and limitations of the policy to which this endorsement is attached.

American Equine Insurance Group
Sample Wording