



**FITTON HORSEINSURE
EQUINE PACKAGE PRODUCT DISCLOSURE
STATEMENT & POLICY WORDING**

Underwritten by Certain Underwriters at Lloyd's

Wording Version April 2023: Equine Package PDS 040423



PRODUCT DISCLOSURE STATEMENT (PDS) EQUINE PACKAGE BINDER

This Product Disclosure Statement (PDS) contains important information required under the Financial Services Reform Act 2001. Before you decide to buy insurance from us, please read this PDS thoroughly and keep it, together with your Policy Wording when issued, in a safe place.

What is a PDS?

This PDS has been prepared to assist you in understanding the insurance policy and making an informed choice about your insurance requirements. This PDS sets out the significant features of the insurance policy including its benefits, rights and information about how the insurance premium is calculated. You still need to read the Policy Wording and Schedule for a full description of the terms, conditions and limitations of the insurance policy when it is issued.

Who are Fitton Insurance (Brokers) Australia PTY LTD?

Fitton Insurance Brokers Australia PTY LTD is a Licensed Insurance Broker with the Australian Securities and Investments Commission. Their ABN number is 90 010 987 489 and the Australian Financial Service License number is 264671.

In respect of this policy Fitton acts as agent of the Insurer under a binding authority granted by Certain Underwriters at Lloyd's. The binder agreement authorises Fitton to accept risks under certain terms and conditions or after referral to Lloyds, and in this regard they are acting on behalf of Lloyd's and not the insured. Fitton have authority to issue the policy and also to manage certain claims on behalf of Lloyds.

Further details on Fitton Insurance Brokers can be found in the Financial Services Guide or their website www.fitton.com.au

Who is the insurer?

The insurers are Certain Underwriters at Lloyd's. Lloyd's are authorised to conduct insurance business in Australia under the Insurance Act 1973 (cth) as amended in 1998. Lloyd's is a member of the Insurance Council of Australia, and the Financial Ombudsman Service Ltd and proudly supports the General Insurance Code of Practice.



Your privacy

Fitton is committed to safeguarding and protecting your privacy. We are bound by the provisions of the Privacy Act 1988 which sets out the standards to meet in the collection, use and disclosure of personal information.

The Act defines "personal information" as "information or an opinion about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion". Details about your privacy are shown on our website www.fitton.com.au or we can send you a copy of our Privacy Statement if you request it from us.

Duty of Disclosure

Your duty of disclosure

You must take reasonable care to give accurate and complete information when answering any question we ask prior to entering into this contract of insurance as provided by this Policy.

If you become aware that the information you have given us is inaccurate or incomplete before or during the period of insurance, then you must advise us. Failure to do so may prejudice any claim. If the information you have given us in relation to this insurance proves to be inaccurate or incomplete, then we may reduce the amount we pay on a claim in the proportion that the premium paid bears to the premium we would have charged you had the information not been inaccurate or incomplete.

If we establish that you fraudulently (deliberately or recklessly) provided false or misleading information in relation to this insurance, we will treat this insurance as if it never existed, which means that no claims will be paid and we will not return any premium. If this happens, we will advise you in writing at your address shown in the schedule.

How to apply for Insurance

Complete our application/proposal form. If we accept your application and accompanying documentation, you will receive a Schedule and Policy Wording that sets out the details of the insurance you have purchased.

Cost of the Policy and Paying for Insurance

The cost of your policy is detailed within the coverage Schedule. The cost is made up of your premium plus any applicable government taxes and charges. Payment for the policy must be made to Fitton Insurance Brokers. Fitton may receive a commission for their services. If you place your insurance through an insurance broker or other introducer, they may also receive some of the commission or fee following your purchase of the policy. Fitton also charge you a Broker fee which will be disclosed to you.

What happens if you do not pay the Cost of Your Policy?

We may cancel any part of the policy if you have failed to pay all or part of the premium.

Taxation Information

Fitton Insurance Brokers Australia shows all taxes and charges as separate items on all schedules (e.g. Stamp Duty and Goods & Services Tax).

Notification in the Event of a Claim

If the horse suffers any illness, disease, lameness, injury, or accident, you must notify us as soon as reasonably practical. You must provide us with written details of what has happened within 30 days of the event. You must at all times co-operate with us and our representatives in the investigation and adjustment of any actual or potential claim, fulfilling your obligations as outlined in the 'Conditions' section.

To notify us, please contact Gallagher Bassett Services:

Gallagher Bassett Services Pty Ltd

Phone: +61 7 3005 1800

Fax: +61 7 3005 1999

Email: liabilityclaims@gbtpa.com.au

Address: Level 15, 144 Edward Street, Brisbane, QLD 4000

Post: GPO Box 14, Brisbane, QLD 4001

Hours of operation: 8:30am – 5.00pm (BRIS)

Pre-existing injuries and Illnesses

In all circumstances, irrespective of whether pre-existing injuries or illnesses are covered or excluded under this policy, all pre-existing injuries or illnesses must be fully disclosed to us in accordance with Conditions 1 and 2 as listed under Section 1.

Cancellation

In the event you cancel the policy, you will be entitled to a pro rata return of premium provided you have not made a claim. Additional premiums charged, for example those for surgery, will be retained in full. Fitton Insurance Brokers Australia will retain its remuneration.

Significant Features and Benefits

- Cover for death, humane destruction or theft of your animal.
- 24-hour emergency phone line through Fitton Insurance Brokers AUS
- Indemnity will be Fair Market Value of the horse at the time of the loss, or the sum insured, whichever is the lesser.
- Geographical limits of Australia and New Zealand including transits
- Optional endorsements/additional cover for an additional premium and fulfillment of the Insurer's criteria with regards to suitability and necessary documentation such as:
 - Economic Slaughter and Permanent Loss of Use
 - Veterinary Fees
 - Life Saving Surgical Fees
 - Saddlery and Tack

This list only summarizes some of the significant features and benefits. Please refer to the full Policy Wording for full details.



Significant Conditions and Risks

- Notice must be given to Fitton Insurance Brokers:
 - When selling or parting with the horse
 - Before any surgical operation on the horse, including castration
 - Where a horse suffers an injury or illness.
- If the horse goes through public auction and fails to attract a bid which is higher than the sum insured, then the maximum liability is the highest bid.
- You shall at all times provide proper care and attention for the horse, including providing necessary veterinary treatment.
- In the event of the death of the horse, you must notify Fitton Insurance Brokers as soon as reasonably practical and, unless agreed otherwise, arrange a post mortem and autopsy by a qualified veterinarian that identifies the horse and the cause of death.
- The policy does not cover intentional slaughter except in specific cases which are defined in the Policy Wording.
- In the event of a claim where the premium paid is for a period less than 12 months, the full annual premium is required to be paid.

The list does not detail every condition and risk of the policy. Please refer to the full Policy Wording for full details.

What to do if you have a Complaint

If you have a concern about the insurance policy, a claim decision, the service of Fitton Insurance Brokers Australia or an investigator, in the first instance contact Ron Fitton at Fitton Insurance Brokers Australia:

Telephone: 0408 717 733

Fax: 07 4638 3369

Fitton Insurance Brokers Australia Pty Ltd
13 Bowen Street, P.O. Box 1515
Toowoomba, Queensland, Australia



If this does not resolve the matter or you are not satisfied with the way a complaint has been dealt with, you can contact:

Lloyd's Underwriters' General Representative in Australia
Suite 1603, Level 16
1 Macquarie Place
Sydney NSW 2000

Should you not be satisfied with their response, then Lloyd's of London is a member of the Financial Ombudsman Service; a specialist company specifically set up to handle dispute or conflict resolution between consumers and insurance companies. Contact details are as follows: -

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Phone no: 1800 931 678 (the cost of a local call)
Fax: (03) 9613 6399

Website: <https://www.afca.org.au>



EQUINE INSURANCE POLICY WORDING

WORDINGS CLASS OF BUSINESS B

CONTENTS

GLOSSARY _____ 9

GENERAL CONDITIONS _____ 11

GENERAL EXCLUSIONS _____ 15

SECTION 1 ALL RISKS OF MORTALITY _____ 17

ADDITIONAL COVERAGE: THEFT _____ 21

CLAUSES THIS INSURANCE IS SUBJECT TO _____ 22

SECTION 2 EQUINE ECONOMIC SLAUGHTER AND PERMANENT LOSS OF USE _____ 27

SECTION 3 VETERINARY FEES _____ 29

SECTION 4 LIFE SAVING SURGICAL FEES _____ 32

SECTION 5 SADDLERY AND TACK _____ 33

OPTIONAL EXTENSION – SURGICAL OPERATIONS..... 35

Disclosure and Accuracy of Information

YOU must take reasonable care to give accurate and complete information when answering any question WE ask prior to entering into this contract of insurance as provided by this Policy.

If YOU become aware that the information YOU have given US is inaccurate or incomplete before or during the period of insurance, then YOU must advise US. Failure to do so may prejudice any claim.

If the information YOU have given US in relation to this insurance proves to be inaccurate or incomplete, then WE may reduce the amount WE pay on a claim in the proportion that the premium paid bears to the premium WE would have charged YOU had the information not been inaccurate or incomplete.

If WE establish that YOU fraudulently (deliberately or recklessly) provided false or misleading information in relation to this insurance, WE will treat this insurance as if it never existed, which means that no claims will be paid and WE will not return any premium. If this happens WE will advise YOU in writing at YOUR address shown in the schedule.

GLOSSARY

Words and terms appearing throughout this Certificate in all capital letters (other than headings) are defined below.

Any meaning expressed in this glossary shall retain such meaning in all clauses attached to this Insurance unless that meaning is re-defined within a clause attached to this Insurance, in which case the re-defined meaning shall apply only for the purpose of that clause.

1. ACCIDENT means:

A sudden, unexpected, unusual and specific event which occurs at an identifiable time and place and which occurs during the period of this Insurance.

2. CYBER INCIDENT means:

any loss, damage, liability, claim, cost, fee or expense caused by:

- i. the use of, or inability to use;
- ii. any error or omission relating to the use of; or
- iii. any hoax or threat relating to the use of;

any application, process or software.

3. DEDUCTIBLE means:

A monetary amount to be borne by YOU, per claim, in the event of a loss or losses covered by this Insurance before any claim shall be payable.

4. ENDORSEMENT means:

A change in the terms and conditions of this insurance agreed by YOU and US. ENDORSEMENTS which apply to your insurance (if any) will be shown in the Schedule and detailed at the end of this document.

5. FAIR MARKET VALUE means:

The price at which ownership of the HORSE, SADDLERY OR TACK would change between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of all relevant facts.

6. HORSE means:

Whole or part interest of the HORSE(S) specified in the Schedule.

7. HUMANE DESTRUCTION means:

- a) that the HORSE incurs an injury or is afflicted with an excessively painful disease, and a VETERINARY SURGEON appointed by US shall first have given a certificate that the suffering of the HORSE is incurable and so excessive that immediate destruction is imperative for humane reasons; or
- b) that the HORSE incurs an injury and a VETERINARY SURGEON appointed by YOU shall first have given a certificate that the suffering of the HORSE is incurable and so

excessive that immediate destruction is imperative for humane reasons without waiting for the appointment of a VETERINARY SURGEON by US.

8. MEDICATION means:

Any drug, hormone, vitamin, protein or other substance other than unadulterated food or drink

9. POST-MORTEM means:

A necropsy examination, made by a VETERINARY SURGEON including, but not limited to establishing the identity, the cause of death or the reason for the HUMANE DESTRUCTION of the HORSE.

10. SADDLERY AND TACK means:

Saddles, leathers, irons, bridles, harnesses, rugs and other riding tack restricted to those items that would ordinarily be attached to the HORSE whilst being used for the activities stated in the schedule.

11. VETERINARY SURGEON means:

A veterinarian experienced in equine practice and permitted by local law to practice veterinary medicine.

12. WE/US/OUR means:

Certain Underwriters at Lloyd's and/or Fitton Insurance Brokers Australia Pty Ltd acting as Underwriting Administrators on behalf of Certain Underwriters at Lloyd's.

13. YOU/YOUR means:

The person(s), partnership, corporation or organization named as the Insured in the Schedule.

GENERAL CONDITIONS

1. Material Changes

YOU must, during the period of this Insurance, notify US as soon as possible if YOU become aware of any material, significant or substantive changes in the information YOU have provided to US at any time before or during any period of insurance. All notifications must be made in writing, by email, or by telephone.

Changes to the information YOU have provided could result in YOU having to pay an additional premium or in US amending the terms of this insurance. A failure to inform US could negatively impact on any later claim under this insurance.

If YOU want to increase the sum insured on the HORSE; add a horse to this insurance or extend/add to this insurance, YOU must:

- confirm that the horse is in sound health and free from any illness, disease, disability or physical abnormality whatsoever, or
- tell US about any illness, disease, disability or physical abnormality whatsoever affecting the horse and any such disclosure will be reviewed by US before WE agree to make any changes to this insurance.

Any changes to this insurance will be confirmed by US in writing.

2. Fraudulent Claims

In all cases, where a claim is made fraudulently under:

- This insurance; or
- The Insurance Contracts Act 1984 (Cth) against US by a person other than YOU,

WE may refuse payment of the claim to the extent permitted by law. Under section 56(2) of the Insurance Contracts Act 1984 (Cth) a court may, if only a minimal or insignificant part of the claim is made fraudulently and non-payment of the remainder of the claim would be harsh and unfair, order US to pay, in relation to the claim, such amount (if any) as is just and equitable in the circumstances (refer to the Insurance Contracts Act 1984 (Cth) for full details).

Some terms allow US to refuse or reduce a claim because of pre-existing defects or imperfections in a HORSE existing before this insurance was entered into. Where:

- a claim is made in respect of a loss that occurred as a result, in whole or in part, of a defect or imperfection the horse; and
- at the time when the contract was entered into YOU were not aware of, and a reasonable person in the circumstances could not be expected to have been aware of, the defect or imperfection,

WE may not rely on any provision included in this insurance that has the effect of limiting or excluding OUR liability under this insurance by reference to the condition, at a time before this insurance was entered into (refer to the Insurance Contracts Act 1984 (Cth) for full details).

3. Cancellation

This insurance has a cooling off period of fourteen (14) days from either:

- The date YOU receive this insurance documentation; or
- The start of the period of insurance,
- Whichever is the later.

If YOU cancel this insurance within the cooling off period, YOU are entitled to a full refund of the premium paid, provided YOU have not made a claim.

YOU can cancel this insurance at any time by writing to US. Provided YOU have not made a claim, YOU will be entitled to a refund of the premium paid, subject to a deduction for any time for which YOU have been covered. This will be calculated on a pro rata basis. For example, if YOU have been covered for six (6) months, the deduction for the time YOU have been covered will be half the annual premium.

This Insurance may be cancelled by US on any of the grounds set forth in the Insurance Contracts Act, 1984 or any amendment thereto by giving written notice to YOU at YOUR last known address to take effect from a date at least five (5) days after the giving of the notice. WE will only do this for a valid reason such as:

- Non-payment of premium;
- A change in risk occurring which means that we can no longer provide YOU with insurance cover;
- Non-cooperation or failure to supply any information or documentation WE request.

If this insurance is cancelled by US, provided YOU have not made a claim, YOU will be entitled to a refund of the premium paid, subject to a deduction for any time for which YOU have been covered and any applicable fee to cover OUR administration costs. This will be calculated on a proportional basis. For example, if YOUR period of insurance is twelve (12) months and YOU have been covered for six (6) months, the deduction for the time YOU have been covered will be half the annual premium, plus our administration fee.

If this Insurance is cancelled by either party, WE will retain in full any premium for additional risks as covered under any optional extensions, including but not limited to surgery, veterinary fees, transit and foals.

If a loss is paid on the HORSE whether by settlement, compromise or otherwise, there shall be no return of premium in respect of the HORSE.

4. Claims Procedures

In the event of a claim or possible claim under this insurance:

- a) YOU must notify US as soon as possible after the date of occurrence or discovery of a loss or possible loss by giving full details of what has happened, without diminishing YOUR obligations under Condition 7 of Section 1 of this insurance.
- b) YOU must provide US with written details of what has happened within 30 days of the event and provide any other information and assistance WE may reasonably require.
- c) YOU must inform the Police as soon as reasonably possible following malicious acts, violent disorder, riots or civil commotion, theft, attempted theft or lost property.

Failure to comply with the above may impact adversely upon any claim under this insurance.

WE reserve the right to instruct loss adjusters and any other investigative services to assist US with the assessment of any claim.

5. Subrogation

WE are entitled to:

- i. take full responsibility for conducting, defending or settling any claim in YOUR name;
- ii. take any action WE consider necessary to enforce OUR rights or YOUR rights under this insurance;
- iii. for which WE will pay the cost.

6. Reasonable Care

YOU shall use diligence and do all things reasonably practicable to:

- a) avoid or diminish any loss of or damage to the property insured.
- b) employ only competent employees and to act in accordance with all statutory obligations and regulations.
- c) make good or remedy any defect or danger which becomes apparent or take such additional precautions as the circumstances may require.

7. Service of Suit

WE, when accepting this Insurance, agree that:

- (i) if a dispute arises under this Insurance, this Insurance will be subject exclusively to Australian law and practice and WE will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- (ii) any summons notice or process to be served upon US may be served upon:

Lloyd's General Representative in Australia
Suite 1603, Level 16
1 Macquarie Place
Sydney NSW 2000
Telephone: (02) 8298 0783
[Email: ldraustralia@lloyd's.com](mailto:ldraustralia@lloyd's.com)

who has authority to accept service and to appear on OUR behalf;

- (iii) if a suit is instituted against any of US, all Underwriters participating in this Insurance will abide by the final decision of such Court or any competent Appellate Court.

8. Legal Rights

YOU may not bring legal action against US unless YOU have first complied with all the terms and conditions of this Insurance and commenced such legal action within twelve (12) months from the date of loss of the HORSE. In the event any portion of this condition is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

9. Law and Jurisdiction

This Insurance will be subject exclusively to Australian law and practice and WE will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Any terms of this Insurance which conflict with the laws of the state or country in which this Insurance is issued will conform to such laws.

10. Breach of Contract

Subject to the provisions of the Insurance Contracts Act, 1984 or any amendment to it, WE may refuse to pay a claim or otherwise reduce OUR liability if YOU fail to comply with or breach any of the conditions of this Insurance.

11. Third Party Interests

YOU and WE are the only parties to this Insurance; no insurance is provided in relation to the interest of any persons not shown in the Schedule as being entitled to benefit under this insurance.

Nothing in this Insurance is intended to give any person any right to enforce any term of this insurance which that person would not have had but for the Insurance Contracts Act 1984 (Cth).

Any person entitled to any benefit under this Insurance:

- Has, in relation to their claim, the same obligations to US as they would have if they were YOU; and
- May discharge YOUR obligations in relation to any loss.

GENERAL EXCLUSIONS

This Insurance does not cover:

- a) death or HUMANE DESTRUCTION of the HORSE;
- b) loss, destruction of or damage to any property whatsoever or any cost or expense whatsoever resulting or arising therefrom; or
- c) any legal liability of whatsoever nature

in any way caused by, happening through, in consequence of, contributed to, by or arising from:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from combustion of nuclear fuel
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
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 isotope, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
5. any chemical, biological, bio-chemical, or electromagnetic weapon
6. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, strikes, riots, civil commotions or confiscation or nationalisation or requisition or by or under the order of any government or public or local authority or any person or body having or claiming jurisdiction in the matter: or
7. any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This insurance also excludes loss, damage, cost or expense of whatsoever nature in any way caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

8. any component building material that must be removed encapsulated, otherwise abated because its presence or release is a hazard to human health
9. pollution or contamination except (unless otherwise excluded) loss or damage or consequential loss caused by:
 - a) pollution or contamination which itself results from a peril hereby insured against; and/or
 - b) any peril insured against which itself results from pollution or contamination.

11. the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto
12. any unlawful act or behaviour
13. any false or exaggerated claim or any claim involving YOUR dishonesty - in such event YOUR certificate will end and WE will not make any payments;
14. Avian Influenza or any mutant thereof
15. Coronavirus disease (COVID-19);
 - b) Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);
 - c) any mutation or variation of SARS-CoV-2;
 - d) any fear or threat of a), b) or c) above.
16. any CYBER INCIDENT
17. In respect of HORSES that:
 - a) are located in the State of Queensland, and/or;
 - b) visit the State of Queensland at any time during the period of this Insurance, and/or;
 - c) have visited the State of Queensland in the twelve months prior to cover attaching under this Insurance;

WE will not cover any loss in any way caused by, happening through, in consequence of or contributed to by:

1. Hendra Virus unless YOU provide to US verification from a VETERINARY SURGEON that the vaccination status of the HORSE is current and up to date against such virus in accordance with the vaccine manufacturers' recommendations; or
2. any cause, where an attending VETERINARY SURGEON declined to treat the HORSE because of the failure of YOU to provide to the VETERINARY SURGEON verification that the vaccination status of the HORSE is current and up to date against Hendra Virus in accordance with the recommendations of the vaccine manufacturer.

SECTION 1

ALL RISKS OF MORTALITY

INSURING AGREEMENT

WE agree that, subject to the following terms, conditions and exclusions, in the event of the death or HUMANE DESTRUCTION of the HORSE:

- a) during the period of this Insurance; or
- b) for insurances with an annual period or longer, within ninety (90) days after the expiration of this Insurance;

as a result of any ACCIDENT, injury, illness or disease first occurring and first manifesting itself during the period of this Insurance, WE will pay YOU in respect of the FAIR MARKET VALUE of the HORSE at the time of first manifestation of the ACCIDENT, injury, illness or disease causing its death or HUMANE DESTRUCTION, up to but not exceeding the limit of OUR liability specified in the Schedule. Written notice of such ACCIDENT, injury, illness or disease must have been given to US as soon as reasonably practical and in any event before the expiration of this Insurance,

YOUR AGREEMENT

YOU agree to adhere to all of the terms and conditions of this Insurance and agree that failure to satisfy any terms and conditions of this Insurance or make any claim knowing the same to be false or fraudulent, may, subject to the provisions of the *Insurance Contracts Act 1984* or amendment thereto, permit US to:

- a) refuse to pay, or otherwise reduce OUR liability, in respect of a claim;
- b) cancel this Insurance.

EXCLUSIONS

1. This Insurance does not cover intentional slaughter of the HORSE whether by or under the order of any government or public or local authority or any person or body having or claiming jurisdiction in the matter or otherwise.

This exclusion will not apply:

- a) where WE shall have expressly agreed to the destruction of the HORSE; or
 - b) in the case of HUMANE DESTRUCTION; or
 - c) where the HORSE is destroyed, whilst on board an aircraft, and such destruction is carried out by or on the order of the responsible authority at the time and later confirmed by a sworn statement by said authority that in his opinion the HORSE was so uncontrollable as to have been a danger to the safety of the aircraft, crew, passengers or cargo.
2. This Insurance does not cover death or HUMANE DESTRUCTION in any way caused by, happening through, in consequence of or contributed to by one or more of the following:
 - a) any surgical operation unless conducted by a VETERINARY SURGEON and certified by him to have been necessitated solely by ACCIDENT, injury, illness or

disease occurring during the period of this Insurance and to have been carried out in an emergency attempt to save the HORSE's life; or

- b) the giving of any MEDICATION unless by a VETERINARY SURGEON (or experienced personnel directed by him) and certified by that VETERINARY SURGEON to have been of a preventative nature or necessitated by ACCIDENT, injury, illness or disease occurring during the period of this Insurance.
- c) malicious or willful injury or criminal or intentional acts or omissions by YOU, YOUR family, representatives, agents, employees, veterinarians, bailees or other persons who have care, custody or control of the HORSE or who have acted with YOUR consent; or
- d) failure by YOU, YOUR family, representatives, agents, employees, bailees or other persons who have care, custody or control of the HORSE to provide proper care and attention to the HORSE at all times; or
- e) the use of the HORSE for any purpose other than that specified in the

IMPORTANT NOTE

Subject to the provisions of the Insurance Contracts Act, 1984 or any amendment thereto, the WE may refuse to pay a claim or otherwise reduce OUR liability if the YOU fail to comply with or breach any of the conditions of this Insurance.

CONDITIONS

1. It is a condition of this Insurance that at the start of this Insurance the HORSE is, with the exception only of those conditions known to YOU which have been completely and accurately disclosed to and accepted in writing by US, in sound health and free from any illness, disease, lameness, injury or physical disability whatsoever of which YOU are aware or a reasonable person in the circumstances could be expected to be aware of.

This condition shall also apply in respect of:

- a) any additional sums insured on the HORSE already insured; and/or
- b) any HORSE added to this Insurance; and/or
- c) any other extension of or addition to coverage.

In any of the above cases (a), (b) or (c), this condition must be satisfied as of the date of such increase, addition or other extension of or addition to coverage.

2. If YOU submit a Veterinary Certificate or a Declaration of Health, YOU must also comply with Condition 1 by telling US about the health of the HORSE. However, if we accept a Veterinary Certificate or a Declaration of Health then the burden is on US to prove that the HORSE was not in sound health and free from any illness, disease, lameness, injury or physical disability whatsoever at the start of the period of insurance for the HORSE
3. It is a condition of this Insurance that, at the start of this Insurance (or any increase, addition or other extension to coverage), YOU are the sole owner of the HORSE. In the event of

YOUR interest in the HORSE terminating or reducing, the limit of liability under this insurance in respect of the HORSE shall cease or reduce proportionately.

4. If, during the period of this Insurance, YOU decide to have the HORSE castrated or spayed, YOU shall notify US of YOUR decision to do so not less than seven (7) days prior to the HORSE being operated upon for castration or spaying. WE may on receipt of this notification cancel this insurance in accordance with the provisions of General Condition 3.
5. In the event that at any time during the period of this Insurance the HORSE is entered but not sold in a public auction and OUR limit of liability specified in the Schedule exceeds the highest amount bid in such public auction for YOUR interest in the HORSE as specified in the Schedule, YOU shall within five (5) days thereafter inform US in writing and shall substantiate to OUR satisfaction any limit of liability which exceeds the highest amount bid in such public auction, so that WE may determine whether WE will cancel this Insurance, in accordance with the provisions of General Condition 3.
6. It is a condition of this Insurance that YOU shall inform US in writing not less than five (5) days before any HORSE is to be taken outside the geographical limits stated in the Schedule or any ENDORSEMENT.
7. It is a condition of this Insurance that:
 - a) in the event of any illness, disease, lameness, injury, ACCIDENT or physical disability whatsoever of or to the HORSE, YOU shall, as soon as reasonably practical, at YOUR expense, employ a VETERINARY SURGEON and, if required by US, allow removal of the HORSE for treatment; and
 - b) in the event of the death or HUMANE DESTRUCTION of the HORSE, YOU shall as soon as reasonably practical at YOUR expense arrange for a POST-MORTEM to be done by a VETERINARY SURGEON and submit a copy of the report to US as soon as possible after the death or HUMANE DESTRUCTION of the HORSE; and
 - c) in the event of either 7a) or b), YOU shall, as soon as reasonably practical, give notice to the person or persons specified for the purpose of notification in the Schedule, who will instruct a VETERINARY SURGEON on OUR behalf, if deemed necessary;
 - d) WE have the right to have a POST-MORTEM carried out by OUR VETERINARY SURGEON at OUR expense.
8. After receiving permission from US, YOU shall arrange for the removal and disposal of the remains of the HORSE at YOUR expense. WE are entitled to receive any money recoverable by YOU in excess of the removal and disposal costs if the remains are sold.
9. It is a condition of this Insurance that YOU shall file with OUR representative a completed claim form and release within sixty (60) days after the death, or HUMANE DESTRUCTION of the HORSE.
10. It is a condition of this Insurance that YOU shall at all times cooperate with US and OUR representatives in the adjustment and investigation of any claim or potential claim by:
 - a) providing to US and OUR representatives access to any person(s), information, records and documents WE may require; and
 - b) YOU, YOUR family, representatives, agents, employees, bailees or other persons having care, custody or control of the HORSE submitting to examinations under oath, if required by US.

11. If at the time of death or HUMANE DESTRUCTION of the HORSE the YOU have any other insurance in force in respect of the HORSE, which such other insurance is specified in the Schedule, the WE shall only be liable under this Insurance for the amount by which the FAIR MARKET VALUE exceeds the amount of coverage available under the other insurance, if at all, arising from the death or HUMANE DESTRUCTION of the HORSE.
12. If WE make any payment under this Insurance, then WE shall be subrogated, to the extent of such payment, to all YOUR rights and remedies against any party and shall be entitled at OUR expense to sue in YOUR name.

YOU shall execute all documents and give to US all such assistance as WE may require to secure such rights and remedies. YOU shall do nothing to jeopardise or extinguish the rights against a third party or parties to which WE are subrogated and shall take all necessary steps to preserve such rights.

Any sums or property received by YOU that are due to US under OUR rights of subrogation shall be held on trust for US and shall, subject in respect of a recovery of the HORSE to Additional Theft Condition f) below, immediately be paid and/or delivered to US following receipt.

13. Provided that coverage under this Insurance has been admitted in writing by US and the only dispute between YOU and US is the FAIR MARKET VALUE of the HORSE, and YOU agree to arbitration, then the dispute shall be submitted to and resolved by a sole Arbitrator selected by YOU from a list supplied by us of a minimum 6 individuals with relevant equine valuation expertise, current at the time of selection and as maintained by US.
Such arbitration will be the exclusive remedy available to the parties in order to resolve a dispute as to the FAIR MARKET VALUE of the HORSE. YOU, however, may not initiate such arbitration against US unless YOU have first complied with all of the terms and conditions of this Insurance and have given written notice to US of YOUR intention to arbitrate within twelve months from the date of loss of the HORSE.

Such arbitrations proceeding shall be held at venues mutually agreed between YOU and US or failing mutual agreement as agreed by the Arbitrators.

All administrative fees and expenses of the Arbitration and the Arbitrators' fees shall be shared equally between YOU and US, subject to the final apportionment by the Arbitrators in the award. Legal costs and witness fees shall be paid by the party incurring them.
YOU and WE shall both be entitled to conduct and obtain discovery as provided for by the *Uniform Civil Procedure Rules, 2005* (NSW) prior to any hearings conducted by the Arbitrators. Any disputes arising out of or in connection with such discovery shall be submitted to the Arbitrators for determination.

Any award rendered by the Arbitrators shall be final and binding upon YOU and US and may be entered in Court of competent jurisdiction, as provided for by the *Commercial Arbitration Act, 1984* (NSW).

ADDITIONAL COVERAGE: THEFT

This Insurance also covers the following losses which occur during the period of this Insurance:

- (i) theft of the HORSE; or
- (ii) death or HUMANE DESTRUCTION of the HORSE directly resulting from theft of the HORSE.
- (iii) death, HUMANE DESTRUCTION or permanent loss of possession directly resulting from unlawful removal of the HORSE; or
- (iv) malicious or wilful castration or spaying of the HORSE by or on behalf of those responsible for such unlawful removal of the HORSE.

BUT, IN ADDITION TO THE PRECEDING TERMS, CONDITIONS AND EXCLUSIONS, THIS INSURANCE IS SUBJECT TO THE FOLLOWING:

ADDITIONAL EXCLUSION

This Insurance does not cover any loss in any way arising from mysterious disappearance, escape or voluntary parting of possession of or title to the HORSE as a result of YOU, or other persons who have care, custody or control of the HORSE, being induced by fraud, trickery or similar false pretences.

ADDITIONAL CONDITIONS

- a) It is a condition of this Insurance that prior to the start date of this Insurance there has been no theft or attempted theft of YOUR equine property, or threat against YOU or YOUR equine property whether insured hereunder, insured elsewhere or uninsured.
- b) No liability arises under this Insurance for loss of the HORSE by theft until ninety (90) days after the incident is reported to US and then only in the event that the HORSE has not been recovered during that period.
- c) It is a condition of this Insurance that YOU will, as soon as reasonably practical, report the theft of the HORSE to US and to the local Police and strictly follow their recommendations.
- d) Should YOU pay or promise to pay a ransom or give similar assurances of any such nature to any third party, WE shall be released from all liability under this Insurance.
- e) In the event of a loss under this Insurance, WE will pay YOU in respect of the FAIR MARKET VALUE of the HORSE at the time of the theft, up to but not exceeding the limit of OUR liability specified in the Schedule.
- f) In the event of any payment under this Insurance, WE reserve the right to take title and possession of the HORSE if the HORSE subsequently is recovered.

In the case of a mare, no coverage is afforded for any embryo within the mare or for any of her foals, unless such embryo or foal is separately insured under this Insurance.

THIS INSURANCE IS SUBJECT TO THE FOLLOWING CLAUSES:

FULL PREMIUM IF LOSS (F.P.I.L.) CLAUSE

Subject to the Insurance Terms, Conditions and Exclusions, in the event of loss(es) in respect of any HORSE added to the Schedule of the HORSE Insured after inception of the Insurance at pro rata additional premium, or if pro rata premium was paid in respect of the HORSE originally included on the Schedule, YOU agree to pay the difference between the actual premium paid hereon in respect of such HORSE and the full annual premium calculated at the full annual rate on the amount insured in respect of such HORSE.

LIVESTOCK CLAUSE (AVIATION)

This Insurance extends to include the HORSES described in the Schedule:

From commencement of transit at place of origin to Airport thence whilst on board or being loaded into or unloaded from an Aircraft licensed for Passenger and/or Cargo carrying, from Aerodrome to Aerodrome, while being transported between the places described in the Insurance to which this Clause is attached.

It is understood and agreed that the HORSES are also insured against the risk of Jettison, Theft, Maintenance due to an ACCIDENT or Mishap to or a forced Landing or Mechanical Break-down of the Aircraft carrying the HORSES.

The HORSES will not be loaded on any aircraft with any other HORSES to which they may have a natural antipathy.

The HORSES must be in a good health at the commencement of risk with liberty to be exercised only under control at any port of call.

Claims are subject to confirmation by a responsible Official giving particulars and apparent cause of death.

Exclusions (Applicable to this Clause):

- (a) Wilful misconduct by YOU, or YOUR Servants or Agents.
- (b) YOU, or YOUR Servants or Agents, having caused or suffered anything to be done whereby the risk hereby insured against is or may be increased.
- (c) An ACCIDENT occurring beyond the Geographical Limits specified in this Insurance.
- (d) Any breach of Law by YOU, or YOUR Servants or Agents.
- (e) YOUR omission or failure, or that of YOUR Servants or Agents, to comply with any order or instruction of the Pilot or other person in supreme authority and control over the Aircraft.
- (f) Prohibition of Import or Export or failure to pass Tests.
- (g) War, insurrections, riots, strikes, civil commotions, military or usurped power, seizure, capture, arrests, restraints and detentions of all kings, princes and people of what nation, condition or quality whatsoever.

LIVESTOCK TRANSIT CLAUSE
(applicable to sea transits)

Subject to the Insurance Terms, Conditions and Exclusions:

1. This Insurance extends during transit to cover All Risks of death, Jettison and/or washing overboard, Theft and/or non-delivery, including HUMANE DESTRUCTION.
2. In addition to the indemnity provided by the Policy this Insurance shall pay General Average and Salvage Charges, Special Charges and Sue and Labour and all Extra Expenses for which YOU shall be liable in consequence of delay and/or ACCIDENT to vessel or craft and/or any other cause to ensure completion of the venture.
3. YOU will not be prejudiced by any agreement exempting Lightermen and/or Shipowners from liability.
4. This Insurance shall remain in force during:
 - (a) Deviation, delay beyond YOUR control, forced discharge, reshipment and trans-shipment.
 - (b) Any other variation of failure of the venture arising from the exercise of a liberty granted to the Shipowners or Charterer under the Contract of Affreightment.
5. It is a condition of this Insurance that YOU shall act with reasonable speed in all circumstances within YOUR control.

This Insurance is warranted free of claim for injury from any cause whatsoever, inoculation and it's after effects, prohibition of import or export, failure to pass tests or slaughter by the order of any Government or Public or Local Authority or any person or body having jurisdiction in the matter or control of infectious disease.

The HORSE(S) must be in sound health and free from any injury or physical disability whatsoever at the time of commencement of the insured transit.

FALL OF HAMMER EXTENSION CLAUSE

Subject to all of the terms, conditions and exclusions of the Insurance to which this clause is attached, notwithstanding:

1. That this Insurance may terminate or be cancelled at the Fall of Hammer at Public Auction, this Insurance shall remain in force until such time as the Sale Contract is satisfied within the terms of the Auctioneer's Conditions of Sale.
2. The Fall of Hammer Sale Price, indemnity hereunder shall be strictly limited to:
 - (i) THE FAIR MARKET VALUE at the time of loss (taking account of any defect, physical or otherwise, that caused the frustration of the Sale Contract) or
 - (ii) The Limit of the Underwriters' Liability hereonwhichever is the lesser.

This Extension shall automatically cease at not more than Ten (10) days after the day of Fall of Hammer unless otherwise agreed to the by US, within that period.

TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any ENDORSEMENT thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature in any way caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this ENDORSEMENT an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This ENDORSEMENT also excludes loss, damage, cost or expense of whatsoever nature in any way caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

In the event any portion of this ENDORSEMENT is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

AVIAN INFLUENZA EXCLUSION (For attachment to L.E Mortality Forms)

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 in any way caused by, happening through, in consequence of or contributed to by Avian Influenza or any mutant variation thereof.

LMA 5049

**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

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.

CL 370 10/11/2003

WOBLER SYNDROME EXTENSION ENDORSEMENT

Definitions

Wherever words appear in bold (other than headings), they will have the meanings shown in the "Definitions" section of the insurance or as shown below.

Wobbler syndrome means a **horse** that is suffering from cervical vertebral malformation and/or spinal cord compression and/or cervical compressive myelopathy.

Grade Levels are defined as:

Grade 0 means neurologically normal.

Grade 1 means neurological defects barely detectable at normal gaits; exacerbated by excitatory tests.

Grade 2 means neurological defects readily seen at walk.

Grade 3 means neurologically worse defects and a **horse** may stumble or fall with manipulation.

Grade 4 means **horse** may fall at normal gaits.

Grade 5 means recumbent.

What is covered

Subject to all the terms and conditions of the insurance to which this Extension relates and subject to the additional important conditions below, **we** will pay **you** up to the limit stated in the **schedule**, in the event of the **horse** being diagnosed during the **period of insurance** as suffering from the condition known as **wobbler syndrome** of a minimum level of **Grade 3**, which is chronic and progressive in nature. The additional important conditions below describe the requirements for diagnosis.

We will also pay for death or destruction for humane reasons of the **horse** caused by, or contributed to by, a surgical operation conducted by a **veterinary surgeon** and certified by the **veterinary surgeon** to have been necessary due to radiographic and/or myelographic evidence confirming wobbler syndrome, where chronic in nature and progressive and of a minimum level of **Grade 3**.

Additional conditions

1. The diagnosis of **wobbler syndrome** must be supported by an up to date negative test for Equine Protozoal Myelitis and, where required by **us**, radiographic and/or myelographic evidence confirming **wobbler syndrome** and the diagnosis must be certified by both **your** and **our veterinary surgeon** to be chronic in nature and progressive and of a minimum level of **Grade 3**.
2. In the event of any uncertainty or dispute between **your** and **our veterinary surgeon** as to whether the **wobbler syndrome** condition confirmed by radiographic and/or myelographic evidence is chronic in nature and progressive and of a minimum level of **Grade 3**, then a third **veterinary surgeon** mutually agreed upon by the two appointed **veterinary surgeons** will provide an independent opinion.

We agree unconditionally to accept the opinion of the third **veterinary surgeon**. However, **you** are under no obligation to accept that opinion. Should **you** not accept the opinion of the third **veterinary surgeon**, then **you** have the right to follow the complaints process detailed in the insurance.

The fees of the appointed **veterinary surgeon** will be paid by the party making the appointment and the fee of the mutually agreed **veterinary surgeon** will be shared equally between **you** and **us**.

3. In the event that **we** pay a claim under this Extension, then undisputed title and ownership of **your** interest in the **horse** will pass to **us** if required by **us**.

LMA5247A

EQUINE 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 90 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 275 days after the expiration of the original 90 days extension.

In the event of the HORSE being over 13 years of age at the expiration of the original 90 days extension period, then OUR limit of liability as specified in the Schedule shall be reduced by the following:

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

This extension clause shall not apply to the HORSE if, at the expiration of the original 90 days extension period, the HORSE is 18 years old or over.

SECTION 2

EQUINE ECONOMIC SLAUGHTER AND PERMANENT LOSS OF USE

Subject to all of the terms, conditions and exclusions of this Insurance and to the following additional conditions and exclusions, and in consideration of the premium paid as stated in the Schedule, and notwithstanding Exclusion 1 of Section 1 of this Insurance, if during the period of this Insurance a HORSE in the opinion of YOUR and OUR VETERINARY SURGEON is rendered permanently incapable of fulfilling the purpose for which it is kept or employed as stated in the Schedule, and such incapacity justifies the destruction of the HORSE for economic reasons, this Insurance shall pay YOU up to, but not exceeding 75% (seventy five per cent) of whichever is the lower of the FAIR MARKET VALUE or the limit of liability specified in the Schedule in respect of such HORSE.

WE shall have the right, if WE so decide, to take undisputed ownership of the HORSE and all papers pertaining to it. In the event of OUR not deciding to take ownership of the HORSE, a certificate of destruction is required to be attached to the Claim Form and Release before WE will agree to make any payment under this Insurance.

ADDITIONAL CONDITONS

1. It is a condition under this Section that the permanent incapacity referred to in paragraph 1 results from an ACCIDENT, injury, illness or disease first occurring and first manifesting itself during the period of this Insurance, and that in accordance with Section 1, Condition 7c) of this Insurance. written notice of such ACCIDENT, injury, illness or disease shall be given to US as soon as reasonably practical and in any event before the expiration of this Insurance.
2. Following notification in accordance with Additional Condition 1) above, in the event that such ACCIDENT, injury, illness or disease has not resulted in a permanent total incapacity until after the expiry date of this Insurance, claims shall be considered under this ENDORSEMENT providing the permanent total incapacity as agreed by two VETERINARY SURGEONS, one appointed by YOU and one appointed by US, shall have arisen within 12 (twelve) months from the date of such occurrence and manifestation.
3. Following notification in accordance with Additional Condition 1) WE shall have the option of removing the HORSE for examination and/or treatment by OUR appointed VETERINARY SURGEON.
4. Any disagreement between YOUR and OUR VETERINARY SURGEON over the permanent incapacity of the HORSE shall be referred to an independent VETERINARY SURGEON agreed upon by both parties who will act as Arbitrator and whose decision shall be binding on both YOU and US. The fees of the appointed VETERINARY SURGEON shall be paid by the appointing party, and the fee of the mutually agreed Arbiter VETERINARY SURGEON shall be apportioned equally between YOU and US.
5. In the event of US being liable to cover YOU under the terms of this Section, and in the event YOU decide to keep the HORSE for personal pleasure purposes only and in retirement from any competition use, then in place of the claim otherwise payable hereunder, WE will pay 60% (sixty per cent) of whichever is the lower of the FAIR MARKET VALUE or the limit of liability specified in the Schedule in respect of such HORSE, OUR liability in respect of such HORSE ceasing immediately such payment is made.

In the event YOU decide to keep the HORSE for personal pleasure purposes and following acceptance of a claim under this Section and prior to settlement, YOU shall at YOUR own expense have the HORSE marked in accordance with OUR requirements and produce to US the appropriate certification that the marking has been carried out.

ADDITIONAL EXCLUSIONS

This Section shall not cover YOU for any loss:

- a) as a result of blemishing;
- b) due to inability of the HORSE to breed;
- c) as a result of a HORSE being barred from participating in shows by virtue of competition regulations, such exclusion being applicable only with respect to any HORSE 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.

SECTION 3

VETERINARY FEES

ADDITIONAL DEFINITIONS

ALTERNATIVE TREATMENT means:

Treatment carried out by a VETERINARY SURGEON or on the recommendation of a VETERINARY SURGEON, by a therapist or farrier who holds a nationally recognised qualification in their subject. For the purposes of this Insurance, ALTERNATIVE TREATMENT includes but is not limited to the following treatments: Acupuncture, Chiropractic Manipulation, Homeopathy, Hydrotherapy, Laser Therapy, Nutraceuticals, Osteopathy, Physiotherapy, and Remedial/Corrective Farriery.

Subject to all of the terms, conditions and exclusions of this Insurance and to the following additional conditions and exclusions and in consideration of the premium paid as stated in the Schedule per HORSE, this Insurance will reimburse YOU up to the limit stated in the Schedule for necessary, reasonable and customary veterinary fees or ALTERNATIVE TREATMENT incurred during the period of this Insurance and always limited to the total amount payable under this ENDORSEMENT and not to exceed the limit of OUR liability specified for the HORSE in the Schedule.

It is a condition of this Section that the veterinary fees or ALTERNATIVE TREATMENT referred to above are the direct result of an ACCIDENT, or an illness or disease first occurring and first manifesting itself during the period of insurance and advised to US as soon as reasonably practical and in any event before the expiration of this Insurance. Claims shall be recoverable under this Section provided the veterinary fees or ALTERNATIVE TREATMENT agreed by both YOUR and OUR VETERINARY SURGEON shall have arisen within twelve months from the date of first occurrence of such ACCIDENT, illness or disease.

For the purpose of this Section only, YOU must, within 45 (forty-five) days from the date the injury or illness first occurred, provide US with:

- a) a completed claim(s) form, satisfactory to US;
- b) a clinical report, signed by the VETERINARY SURGEON, describing the nature of the HORSE'S ACCIDENT, illness or disease and the procedures performed (showing consultation, drugs, mileage and the like);
- c) a clinical history; and
- d) copies of all invoices available to date in respect of which the claim is being made.

FAILURE TO COMPLY WITH THE ABOVE WILL PREJUDICE YOUR ABILITY TO MAKE A CLAIM

ADDITIONAL CONDITIONS

1. If the veterinary fees or ALTERNATIVE TREATMENT incurred are in OUR or OUR VETERINARY SURGEON'S opinion higher than the fees usually charged by a general or referral practice, WE reserve the right to request a second opinion from OUR VETERINARY SURGEON and have the right to pay only the fees usually charged by a general or referral practice in a similar area.

2. If the veterinary treatment or ALTERNATIVE TREATMENT the HORSE receives is, in OUR or OUR VETERINARY SURGEON'S opinion, not required or may be excessive when compared with the treatment that is normally recommended to treat the same injury, illness or disease by general or referral practices, WE reserve the right to request a second opinion from OUR VETERINARY SURGEON and have the right to pay only the cost of the treatment that was necessary to treat the injury, illness or disease, as advised by OUR VETERINARY SURGEON.

ADDITIONAL EXCLUSIONS

1. This Section does not cover:

- a) Veterinary treatment unless performed by a VETERINARY SURGEON.
- b) Livery.
- c) Transport of the HORSE.
- d) POST-MORTEM fees or cost.
- e) Euthanasia of the HORSE.
- f) The disposal of the carcass.
- g) The proportion of bills for hospitalisation following surgery which relates to livery.
- h) Non-medical charges including but not limited to post and packaging, completion of claim(s) form(s) and reports.
- i) Behavioural problems unless established and certified by the attending VETERINARY SURGEON to have been caused by the direct result of an ACCIDENT, or an illness or disease first occurring and first manifesting during the period of this Insurance
- j) Vices.
- k) Wolf Teeth, routine dentistry and congenital abnormalities.
- l) Routine costs for pregnancy and/or foaling.
- m) The cost of treatment that is not veterinary treatment that could be carried out by YOU, unless the attending VETERINARY SURGEON confirms that a VETERINARY SURGEON must carry this out regardless of YOUR personal circumstances. This includes the use of horse walkers.
- n) The costs of routine farriery or remedial farriery once the HORSE has returned to soundness.
- o) After Care, except where surgery has been performed and then limited to 50% of the cost of surgery and shall not extend more than fifteen days from the time of surgery.
- p) Gastric Ulcers, 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 confirmed 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 sixty (60) days during the period of this insurance. Coverage under this ENDORSEMENT is limited to one endoscopy unless otherwise agreed by US.

- q) Any elective or voluntary surgery or medical treatment including, but not limited to, castration, Caslick's operation, periosteal elevation, transphyseal bridging, bone cyst, bone chip, complication(s) arising from any elective or voluntary surgery or medical treatment or any subsequently related treatment.
2. Referrals carried out as a second opinion or referrals to a specialist veterinary centre or hospital unless authorised by US and OUR advising VETERINARY SURGEON in writing prior to the commencement of treatment. OUR prior authorisation may be waived if the treatment is being carried out in an emergency to attempt to save the HORSE's life in which case verbal advice must be given to the person or persons specified for the purpose of notification in the Schedule.
 3. Any claim other than those arising from an ACCIDENT, external injury only arising within 14 (fourteen) days of inception, or within 14 (fourteen) days of the date of the HORSE being added to this Insurance.
 4. Fees for ALTERNATIVE TREATMENT, unless authorised by US and OUR VETERINARY SURGEON in writing prior to the start of treatment and up to a maximum of AUD 500.

DEDUCTIBLE

WE will not pay the DEDUCTIBLE amount stated in the Schedule of each and every claim.

SECTION 4

LIFE SAVING SURGICAL FEES EXTENSION

Subject to all of the terms, conditions and exclusions of this Insurance and to the following additional conditions and exclusions and in consideration of the additional premium paid as stated in the Schedule per HORSE, this Insurance extends to:-

- a) reimburse YOU for reasonable and customary fees for surgical procedures to save the life of the HORSE; and
- b) pay for reasonable and customary after care while the HORSE is kept on the premises where such life-saving surgery is performed subject always to the total amount payable under this ENDORSEMENT in respect of the HORSE not exceeding AUD 10,000 or the FAIR MARKET VALUE of the HORSE at the time of life saving surgical procedure (up to but not exceeding the limit of OUR liability specified for the HORSE in the Schedule) whichever sum is the lesser.

ADDITIONAL CONDITIONS

The following are Additional Conditions under this Section:

- a) YOU shall provide to US within 21 days a report signed by the treating VETERINARY SURGEON describing the surgery performed and describing HORSE's condition.
- b) YOU shall provide to US copies of all invoices for which the claim is made.
- c) After Care shall be limited to 50% of the cost of surgery and shall not extend more than fifteen (15) days from the time of surgery.

ADDITIONAL EXCLUSIONS

This Section does not cover:

- a) any surgery not performed by a VETERINARY SURGEON in a school of veterinary medicine or surgical clinic.
- b) Conditions existing, diagnosed or treated prior to the commencement of coverage under this insurance.
- c) Any examination, medical treatment or medication unless it is given in conjunction with the insured surgical procedure being claimed
- d) Operations not performed under general anaesthesia.
- e) Any elective or voluntary surgical procedure.
- f) Euthanasia.
- g) POST-MORTEM surgical operations.

DEDUCTIBLE

WE will not pay the DEDUCTIBLE amount stated in the Schedule of each and every claim

SECTION 5

SADDLERY AND TACK

Subject to all of the terms, conditions and exclusions of this Insurance and to the following additional conditions and exclusions, and in consideration of the premium paid as stated in the Schedule, it is agreed that WE will pay YOU against physical loss of or damage to the insured SADDLERY AND TACK occurring during the period of this Insurance within the geographical limits for the FAIR MARKET VALUE up to but not exceeding in respect of each item the Sum Insured specified in the Schedule.

CONDITIONS

- 1) If YOU are underinsured, which means the value of the insured SADDLERY AND TACK is more than the specified Sum Insured, then WE will only pay a proportion of the claim. For example, if the said Sum Insured only covers one half of the value of the insured SADDLERY AND TACK WE will only pay one half of the cost of repair or replacement of the lost, damaged or destroyed insured SADDLERY AND TACK.
- 2) WE shall be entitled at OUR sole option to repair or replace or pay for any item of insured SADDLERY AND TACK or any part thereof lost or damaged whether wholly or in part.
- 3) In the event of the total loss or destruction of any item of insured SADDLERY AND TACK the basis of settlement shall be the cost of replacing the item new, provided that the item is substantially the same as but not better than the original item when new and that YOU incur the cost of replacement.
- 4) This Insurance does not cover any loss or damage which is insured by or would, but for the existence of this Insurance, be insured by any other existing insurance or insurances except in respect of any excess beyond the amount which would have been payable under such other insurance or insurances had this Insurance not been effected.
- 5) In the event of theft or attempted theft of any item of insured SADDLERY AND TACK YOU must notify a local police station as soon as reasonably practical.
- 6) Any claim is supported by proof of purchase and/or valuation, if requested.
- 7) If an item of insured SADDLERY AND TACK is part of a set or pair, WE will not pay more than the value of any part that may be lost or damaged, nor more than a proportionate part of the insured value of the pair or set. No account will be taken of any special value which the part lost or damaged has to a pair or set.

EXCLUSIONS

This Section does not cover:

1. Loss, damage or deterioration of any item of insured SADDLERY AND TACK in any way caused by:
 - a) damp, mildew, oxidisation, moth, vermin, any gradually operating cause, wear and tear or mechanical or electrical faults or breakdown, scratching or denting.

- b) the actual process of dyeing, cleaning, repair, restoration, alteration, renovation, normal upkeep or making good.
 - c) climatic or atmospheric conditions or extremes of temperature unless such loss or damage would be covered under an ordinary fire insurance.
 - d) change in the water table level.
2. Loss damage or deterioration to saddle trees or clippers.
 3. Breakage of articles of a brittle nature (unless such breakage is caused by burglars, thieves or fire or breakage of glass).
 4. Loss from unattended vehicles unless from a locked luggage boot, concealed luggage compartment or glove compartment and following forcible and violent entry to the vehicle.
 5. Loss, damage or deterioration occurring whilst the insured SADDLERY AND TACK is being used in connection with any business or profession or used for hire and reward.
 6. Loss or damage of any item of SADDLERY AND TACK at the premises by theft or any attempt thereat unless following forcible and violent entry to or exit from the securely locked premises.
 7. Unexplained disappearance.
 8. Any article with a value greater than AUD 1,000 unless specified in the Schedule.

DEDUCTIBLE

WE will not pay the DEDUCTIBLE amount stated in the Schedule, of each and every claim.

OPTIONAL WORDINGS APPLICABLE TO CLASS OF BUSINESS B – EQUESTRIAN

SURGICAL OPERATIONS EXTENSION ENDORSEMENT

(For attachment to L.E. Mortality Forms)

Subject to all of the terms, conditions and exclusions of the Insurance to which this ENDORSEMENT is attached, further subject to the Additional Conditions and terms contained in this ENDORSEMENT and in consideration of an additional premium that may be charged, the Insurance is extended to cover death or HUMANE DESTRUCTION of the HORSE in any way from a surgical operation.

ADDITIONAL CONDITIONS

The following are Additional Conditions under this ENDORSEMENT:

1. with the exception of those surgical operations performed in an emergency attempt to save the life of the HORSE, WE must be advised of and consent to any surgical operation to be performed on the HORSE in advance of the surgical operation being performed;
2. the surgical operation must be performed by a VETERINARY SURGEON qualified to perform the procedure;
3. with the exception of those surgical operations performed in an emergency attempt to save the life of the HORSE, any surgical operation under general anesthesia must be performed at a veterinary clinic, unless certified by a VETERINARY SURGEON that it is in the best interests of the HORSE not to be moved to a clinic; and
4. in the event that the HORSE manifests any illness, disease, lameness, disability or complication of any kind during or after any surgical operation, YOU must, as soon as reasonably practical and in any event before the expiration of this Insurance, give notice of such event to the person or entity specified for the purpose of notification in the Schedule, whether or not the surgical operation was advised to the US in accordance with Additional Condition 1. Advising US of a surgical operation as required by Additional Condition 1 of this ENDORSEMENT shall not constitute satisfaction of this Additional Condition.

ADDITIONAL TERMS FOR GELDING

Notwithstanding any condition or exclusion of the Insurance to which this ENDORSEMENT is attached and subject to the Additional Conditions of this ENDORSEMENT, in the event that WE are advised in writing of and consent to a surgical operation for the gelding of a HORSE in advance of such surgical operation, the Insurance shall not cease automatically in respect of such HORSE. However, where the Insurance to which this ENDORSEMENT is attached is subject to any agreed value clause or provision such agreed value clause or provision shall automatically cease to apply to such HORSE immediately upon the start of any surgical operation for gelding and OUR liability shall revert to FAIR MARKET VALUE.

Words and terms appearing in all capital letters (other than headings) are defined in the L.E. Equine Insurance Form, of which this Endorsement is part.

LMA5074
4 September 2007

**EQUINE AGREED VALUE EXTENSION ENDORSEMENT
(FOR ATTACHMENT TO MORTALITY FORMS)**

ADDITIONAL DEFINITIONS (in the context of this ENDORSEMENT):

AGREED VALUE means:

the limit of OUR liability specified in the Schedule provided that the WE have:

1. accepted in writing a written valuation of the HORSE; or
2. accepted in writing a valuation of the HORSE without the requirement of a written valuation; or
3. accepted in writing the purchase price of the HORSE bought in a public auction as the value of the HORSE in lieu of a written valuation.

Subject to all the terms, conditions and exclusions of the Insurance to which this ENDORSEMENT is attached and further subject to the Additional Condition contained in this ENDORSEMENT, and in consideration of an additional premium that may be charged, the FAIR MARKET VALUE of the HORSE shall be deemed to be the AGREED VALUE.

However, in the event that at any time during the period of the Insurance to which this ENDORSEMENT is attached the HORSE is:

- a) entered but not sold in a public auction then this ENDORSEMENT shall automatically cease to apply to such HORSE immediately upon the HORSE leaving the sale ring and if a covered loss of the HORSE occurs, WE will pay YOU in respect of the FAIR MARKET VALUE of YOUR interest in the HORSE as specified in the Schedule as of the time of the theft, or as of the time of the ACCIDENT, injury, illness or disease causing its death or HUMANE DESTRUCTION, up to but not exceeding OUR limit of liability specified in the Schedule; or
- b) sold in a public auction but the sale is subsequently rescinded or nullified, this ENDORSEMENT shall automatically cease to apply to such HORSE immediately upon the fall of hammer resulting in that sale and if a covered loss of the HORSE occurs, WE will pay YOU in respect of the FAIR MARKET VALUE of YOUR interest in the HORSE as specified in the Schedule as of the time of the theft, or as of the time of the ACCIDENT, injury, illness or disease causing its death or HUMANE DESTRUCTION, up to but not exceeding OUR limit of liability specified in the Schedule; or
- c) appraised
 - (i) on YOUR behalf and/or a financial lender and the appraised value for YOUR interest in the HORSE as specified in the Schedule is less than OUR limit of liability specified in the Schedule, then from the date(s) of the appraisal(s) OUR limit of liability shall automatically be reduced to the lowest amount at which YOUR ownership interest in the HORSE as specified in the Schedule was so appraised; or
 - (ii) by US on OUR behalf and the appraised value for YOUR interest in the HORSE as specified in the Schedule is less than OUR limit of liability specified in the Schedule, then from the date written notice of the result of the appraisal by US or on OUR behalf is sent to YOUR last known address, OUR limit of liability shall automatically

be reduced to the lowest amount at which YOUR interest in the HORSE as specified in the Schedule was so appraised.

In the event of a) or c) above, YOU shall be entitled to a return of premium based on the amount by which OUR limit of liability has been reduced, calculated on a pro rata basis from the date YOU give written notice of such event to US, via the person or person specified in the Schedule for the purpose of notification. In the event of b) above, YOU shall be entitled to a return of premium representing the difference between the premium amount WE charged for the HORSE being insured at the AGREED VALUE and the premium WE would have charged for the HORSE being insured in the amount that WE settle a claim for the loss of the HORSE, calculated on a pro rata basis from the date YOU give written notice of such event to US, via the person or persons specified in the Schedule for the purpose of notification.

ADDITIONAL CONDITION

It is a condition under this ENDORSEMENT that, in respect of the HORSE to which this ENDORSEMENT applies, in the event:

- i) of any change in the circumstances which were the basis of a valuation or purchase price accepted by US, including but not limited to such circumstances ceasing to exist; or
- ii) of any change in the use of the HORSE where such changed use is not stated in the Schedule in respect of such HORSE; or
- iii) that a Mare stated in the Schedule, for which limit of OUR liability is based on the Mare being "in foal", ceases to be "in foal";

YOU shall, as soon as reasonably practical, give written notice of those circumstances or events to US, via the person or persons specified in the Schedule for the purpose of notification.

Any breach of this Additional Condition, whether YOU have personal knowledge of such circumstances or events or such knowledge is confined to YOUR family, representatives, agents, employees, bailees or other persons who have care, custody or control of the HORSE, shall render this ENDORSEMENT null and void with respect to such HORSE and OUR liability shall be the FAIR MARKET VALUE of YOUR interest in the HORSE as specified in the Schedule at the time of the theft, or the ACCIDENT, injury, illness or disease causing its death or HUMANE DESTRUCTION, up to but not exceeding OUR limit of liability specified in the Schedule.