



# Lloyd's Equine Policy

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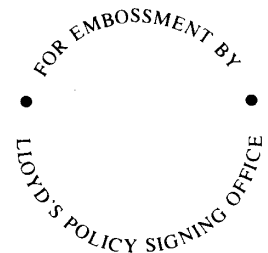
**The Insured**, with the view to effecting an insurance as hereinafter provided, has presented a written application, bearing the date stated in the Schedule, which is agreed to be the basis of this contract and to be considered as incorporated in this Policy.

**The Members** of each syndicate whose syndicate number is shown in the definitive list of Lloyd's participations attached (herein referred to as 'the Underwriters') agree to insure the insured against loss as provided by the terms of this Policy.

**Each member** of a syndicate (rather than the syndicate itself) has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this Policy. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

This Policy is signed by the General Manager of Lloyd's Policy Signing Office on behalf of each of the subscribing Members.

LLOYD'S POLICY SIGNING OFFICE  
*General Manager*



The INSURED is requested to **read this Policy** and, if it is incorrect, return it immediately for alteration.  
**In all communications** the Policy Number appearing in line one of the Schedule should be quoted.

Words and terms appearing in all capital letters (other than headings) are defined in the GLOSSARY below.

The use of the word “his” “him” or “he” means: his, him, he, her, she, their, them or they, as applicable.

## GLOSSARY

As used herein:

1. FAIR MARKET VALUE means:  
  
The price at which ownership of the HORSE 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 relevant facts.
2. HORSE means:  
  
Whole or part interest of the HORSE or HORSES specified in the Schedule.
3. HUMANE DESTRUCTION means:
  - a) that the HORSE incurs an injury or is afflicted with an excessively painful disease, and a VETERINARIAN appointed by the Underwriters 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 VETERINARIAN appointed by the INSURED 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 VETERINARIAN by the Underwriters.
4. INSURED means:  
  
The person(s), partnership, corporation or organization specified in the Schedule.
5. VETERINARIAN and/or VETERINARY SURGEON means:  
  
A veterinary surgeon experienced in equine practice and permitted by local law to practise veterinary medicine.
6. POST-MORTEM means:  
  
A post-mortem, which shall include a necropsy examination, made by a VETERINARIAN including, but not limited to establishing the identity, the cause of death or the reason for the HUMANE DESTRUCTION of the HORSE.

## INSURING AGREEMENT

The Underwriters 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, and subject to written notice of such accident, injury, illness or disease having been given immediately to the Underwriters and in any event before the expiration of this Insurance, the Underwriters will indemnify the INSURED 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 the Underwriters' liability specified in the Schedule.

## INSURED'S AGREEMENT

The INSURED agrees to adhere to all of the terms and conditions of this Insurance and agrees that failure to satisfy any terms and conditions of this Insurance or make any claim knowing the same to be false or fraudulent, as regards amount or otherwise may, subject to the provisions of the *Insurance Contracts Act 1984* or amendment thereto permit the Underwriters to:

- a) refuse to pay, or otherwise reduce their 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.

The Underwriters will not invoke this exclusion:

- a) where the Underwriters 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 directly or indirectly 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 VETERINARIAN 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 VETERINARIAN (or experienced personnel directed by him) and certified by that VETERINARIAN to have been of a preventative nature or necessitated by accident, injury, illness or disease occurring during the period of this Insurance. As used in this Insurance, medication includes any drug, hormone, vitamin, protein or other substance other than unadulterated food or drink; or
  - c) malicious or willful injury or criminal or intentional acts or omissions by the INSURED, his family, representatives, agents, employees, VETERINARIANS, bailees or other persons who have care, custody or control of the HORSE or who have acted with the INSURED's consent; or
  - d) failure by the INSURED, his 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 Schedule.
3. This Insurance does not cover death or HUMANE DESTRUCTION directly or indirectly caused by, happening through, in consequence of or contributed to by one or more of the following:
  - a) nuclear reaction, nuclear radiation or radioactive contamination; or
  - b) confiscation or nationalization or requisition 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
  - c) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, strikes, riots or civil commotion;

In any claim, and in any action, suit or proceeding to enforce a claim for death or HUMANE DESTRUCTION under this Insurance, the burden of proving that the death or HUMANE DESTRUCTION does not fall within Exclusion 3(a), (b), or (c) shall be upon the INSURED.

#### **IMPORTANT NOTE**

Subject to the provisions of the Insurance Contracts Act, 1984 or any amendment thereto, the Underwriters may refuse to pay a claim or otherwise reduce their liability if the INSURED fails to comply with or breaches any of the conditions of this Insurance.

#### **CONDITIONS**

1. It is a condition of this Insurance that at the commencement of this Insurance the HORSE is, with the exception only of those conditions known to the INSURED which have been completely and accurately disclosed to and accepted in writing by the Underwriters, in sound health and free from any illness, disease, lameness, injury or physical disability whatsoever of which the INSURED is 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. The Underwriters' acceptance of a Veterinary Certificate, or Declaration of Health where such declaration has been accepted by the Underwriters as a satisfactory substitute for a Veterinary Certificate, submitted in connection with the INSURED's application for Insurance or any extension of or addition to coverage on the HORSE shall neither remove nor reduce the requirement of full compliance with Condition 1 in respect of the HORSE. However, if the Underwriters have accepted a Veterinary Certificate, or Declaration of Health where such declaration has been accepted by the Underwriters as a satisfactory substitute for a Veterinary Certificate, then the burden of proving that the HORSE was not in sound health or free from any illness, disease, lameness, injury or physical disability whatsoever at the commencement of cover for the HORSE under this Insurance shall be upon the Underwriters.
3. It is a condition of this Insurance that, at the commencement of this Insurance (or on any increase, addition or other extension to coverage), and during, this Insurance, the INSURED is the sole owner of the HORSE. This Insurance shall cease to cover the HORSE immediately when the INSURED sells the HORSE or parts with any interest in the HORSE, whether temporarily or permanently.
4. If, during the period of this insurance, the INSURED elects to have the HORSE castrated or spayed, the INSURED shall notify the Underwriters of his election to do so not less than seven (7) days prior to the HORSE being operated upon for castration or spaying. The Underwriters may on receipt of this notification cancel this insurance, in accordance with the provisions of Condition 13b).
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 the Underwriters' limit of liability specified in the Schedule exceeds the highest amount bid in such public auction for the INSURED's interest in the HORSE as specified in the Schedule, the INSURED shall within five (5) days thereafter inform the Underwriters in writing and shall substantiate to the Underwriters' satisfaction any limit of liability which exceeds the highest amount bid in such public auction, so that the Underwriters may determine whether they will cancel this Insurance, in accordance with the provisions of Condition 13b).
6. It is a condition of this Insurance that the INSURED shall inform the Underwriters in writing not less than five (5) days before any HORSE is to be taken outside the geographical limits stated in the Schedule or endorsed thereto.
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, the INSURED shall immediately, at his own expense, employ a VETERINARIAN and, if required by the Underwriters, allow removal of the HORSE for treatment; and
  - b) in the event of the death or HUMANE DESTRUCTION of the HORSE, the INSURED shall immediately at his own expense arrange for a POST-MORTEM to be done by a

VETERINARIAN and submit a copy of the report to the Underwriters as soon as possible after the death or HUMANE DESTRUCTION of the HORSE; and

- c) in the event of either 7a) or b), the INSURED shall immediately give notice to the person or persons specified for the purpose of notification in the Schedule, who will instruct a VETERINARIAN on the Underwriters' behalf, if deemed necessary;
  - d) the Underwriters have the right to have a POST-MORTEM carried out by their VETERINARIAN at their own expense.
8. After receiving permission from the Underwriters, the INSURED shall arrange for the removal and disposal of the remains of the HORSE at his own expense. The Underwriters are entitled to receive any money recoverable by the INSURED in excess of the removal and disposal costs if the remains are sold.
9. It is a condition of this Insurance that the INSURED shall file with the Underwriters 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 the INSURED shall at all times cooperate with the Underwriters and their representatives in the adjustment and investigation of any claim or potential claim by:
- a) providing the Underwriters and their representatives with access to any person(s), information, records and documents they may require; and
  - b) the INSURED, his family, representatives, agents, employees, bailees or other persons having care, custody or control of the HORSE submitting to examinations under oath, if required by the Underwriters.
11. If at the time of death or HUMANE DESTRUCTION of the HORSE the INSURED has any other insurance in force in respect of the HORSE, which such other insurance is specified in the Schedule, the Underwriters shall only be liable under this Insurance for the amount by which the FAIR MARKET VALUE exceeds the amount of indemnity available under the other insurance, if at all, arising from the death or HUMANE DESTRUCTION of the HORSE.
12. If the Underwriters make any payment under this Insurance, then the Underwriters shall be subrogated, to the extent of such payment, to all rights and remedies of the INSURED against any party and shall be entitled at their own expense to sue in the name of the INSURED.
- The INSURED shall execute all documents and give to the Underwriters all such assistance as the Underwriters may require to secure such rights and remedies. The INSURED shall do nothing to jeopardise or extinguish the rights against a third party or parties to which the Underwriters are subrogated, and shall take all necessary steps to preserve such rights.
- Any sums or property received by the INSURED that are due to the Underwriters under their rights of subrogation shall be held on trust for the Underwriters and shall, subject in respect of a recovery of the HORSE to Additional Theft Condition f) below, immediately be paid and/or delivered to the Underwriters following receipt.
13. Cancellation
- a) This Insurance may be cancelled on a short rate basis as set out below at the written request of the INSURED stating at what date thereafter such cancellation is to be effective.

Short Rate Scale (being the Underwriters' retained premium)

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

Plus the Underwriters to retain in full any premium for additional risks including but not limited to surgery, transit and foals.

- b) This Insurance may be cancelled by the Underwriters on any of the grounds set forth in the Insurance Contracts Act, 1984 or any amendment thereto by giving written notice to the INSURED at its last known address to take effect from a date at least five (5) days after the giving of the notice. In such case the Underwriters shall return the paid premium less the earned portion calculated on a pro rata basis from the date of such cancellation. Plus the Underwriters to retain in full any premium for additional risks including but not limited to surgery, transit and foals.
  - c) If a loss is paid on the HORSE whether by settlement, compromise or otherwise, no return of premium shall be allowed in respect of the HORSE.
14. Provided that coverage under this Insurance has been admitted in writing by the Underwriters and the only dispute between the INSURED and the Underwriters is the FAIR MARKET VALUE of the HORSE, and the INSURED agrees to arbitration, then the dispute shall be submitted to and resolved by three arbitrators selected by mutual agreement between the INSURED and the Underwriters, or failing mutual agreement within a reasonable period, by the president for the time being of the Federation of Bloodstock Agents Australia Limited or his nominee.

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. The INSURED, however, may not initiate such arbitration against the Underwriters unless the INSURED has first complied with all of the terms and conditions of this Insurance and has given written notice to the Underwriters of his 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 the INSURED and the Underwriters 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 the INSURED and the Underwriters, subject to the final apportionment by the Arbitrators in the award. Legal costs and witness fees shall be paid by the party incurring them.

The INSURED and the Underwriters 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 the INSURED and the Underwriters and may be entered in Court of competent jurisdiction, as provided for by the *Commercial Arbitration Act, 1984 (NSW)*.

15. The Underwriters accepting this Insurance agree that:
- (i) if a dispute arises under this Insurance, this Insurance will be subject to Australian law and practice and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;



- (ii) any summons notice or process to be served upon the Underwriters may be served upon:

*Lloyd's Underwriters' General Representative in Australia  
Suite 2, Level 21  
Angel Place  
123 Pitt Street  
Sydney NSW 2000*

who has authority to accept service and to appear on the Underwriters' behalf;

- (iii) if a suit is instituted against any of the Underwriters, all Underwriters participating in this Insurance will abide by the final decision of such Court or any competent Appellate Court.
16. The INSURED may not bring legal action against the Underwriters unless the INSURED has 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.
  17. Terms of this Insurance which are in conflict with the laws of the state or country in which this Insurance is issued are hereby amended to conform to such laws.

## 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.

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

### ADDITIONAL EXCLUSIONS

This Insurance does not cover any loss directly or indirectly arising from mysterious disappearance, escape or voluntary parting of possession of or title to the HORSE as a result of the INSURED, 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 commencement date of this Insurance there has been no theft or attempted theft of the INSURED's equine property, or threat against the INSURED or the INSURED's 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 the Underwriters 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 the INSURED will immediately report the theft of the HORSE to the Underwriters and to the local Police and follow strictly their recommendations.
- d) Should the INSURED pay or promise to pay a ransom or give similar assurances of any such nature to any third party the Underwriters shall be released from all liability under this Insurance.
- e) In the event of a loss under this Insurance, the Underwriters will indemnify the INSURED in respect of the FAIR MARKET VALUE of the HORSE at the time of the theft, up to but not exceeding the limit of the Underwriters' liability specified in the Schedule.
- f) In the event of any payment under this Insurance, the Underwriters reserve the right to take title and possession of the HORSE if the HORSE subsequently is recovered.
- g) 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.

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The participating syndicates referred to in the Policy follows:-

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**LLOYD'S**

One Lime Street London EC3M 7HA