

## EQUESTRIAN RANCH & ESTATE INSURANCE

The equine industry consists of many exposures that standard home and farm insurance policies exclude or severely restrict. The “horse farm” policies currently available are usually adapted from coverage forms most often used to cover grain or livestock operations. Only one policy, the Ranch & Estate program from American Equine Insurance Group, has been designed from the ground up as a “true” equestrian insurance package.

Let’s face it, many companies offer farm policies for horse operations. The trouble is – their application is thirty pages long. When you finally finish telling them how many hog fountains and farrowing crates you don’t own, the quote you receive sends you into cardiac arrest.

Whether you own or rent your farm, the modular design of our ranch and estate program allows us the ability to offer the coverages you need at a price that won’t break the bank. We can cover everything from the most modest tenant farm operation to the most exclusive estate, with pricing that most closely reflects that of a comprehensive homeowners policy.

We keep the underwriting process simple as well, allowing you more time to spend working on your business or out with your horses. The property section of our farm application is only five pages long, with an additional three pages to address your liability exposures. We’ll need photos of your buildings at some point as well.

The coverage detailed in this flier is placed with United National Group. United National and her affiliated companies are multi-line insurance companies licensed in all states on an admitted and non-admitted basis. The United National Group of companies are rated A (Excellent) by A.M. Best Co., an independent rating firm that ranks insurance company strength by their selection of risk, investment portfolio, business plan and financial stability.

### RANCH & ESTATE COVERAGES EXPLAINED

The AEIG Ranch & Estate program utilizes forms developed in conjunction with AAIS and insures the usual and unique property exposures of most horse farm owners, whether your operations are primarily personal, commercial or both. It provides insurance coverages for dwellings and related coverages, farm buildings including barns, arenas and farm personal property including tack and related equipment.

The program allows you to choose coverage forms, deductibles, and loss settlement options for most classes of property.

In addition to providing coverage for the structure and household property, the following related coverages are provided for a dwelling insured under Coverage A

**Related Private Structures at 10% of the Residence Limit.** Additional coverage that applies to structures that are used in conjunction with the residence.

**Additional living costs at 20% of the Residence Limit.** Additional coverage for increased costs to maintain a normal standard of living if the residence is made unfit for use because of an insured peril.

The program also offers options that enhance the principal coverages:

**Elite Form** – available for owner-occupied dwellings insured for \$150,000 or more, this form provides special perils coverage on the residence and household property. Some of the enhancements of this form include replacement value loss settlement on household property, additional living costs at actual loss sustained, increased special limits for certain classes of personal property and care, custody or control at limits of \$5,000/\$25,000 (increased limits available for an additional premium).

**Extra Expense Coverage for Farm Barns, Buildings and Structures** – reimbursement for increased costs to continue your equestrian operation if an insured building is made unfit for use because of an insured peril.

**Scheduled Personal Property Coverage** for jewelry, fine arts and other eligible types of property, with values greater than the special limits provided under coverage C.

Tack and related equipment is covered at 100% of the coverage limit while the property is away from the farm location.

## LIABILITY COVERAGES AVAILABLE

The Ranch & Estate coverage can be combined with the Equine Commercial General Liability coverage and Care, Custody or Control coverage, plus other coverage options. Comprehensive personal liability, at limits equal to the each occurrence limit, can be written if the principal residence is owner-occupied. Coverage includes defense costs and will pay claims for which you are legally liable up to the policy limits.

### **Equine Personal Liability (EPL)**

Available to a horse owner or the lessee of a horse, this coverage is designed to provide coverage for bodily injury or property damage to third parties caused by your personally owned or personally leased horse when used for personal or pleasure purposes. This coverage can be written as an individual policy or it can be added to a CGL policy.

Equine Personal Liability policies automatically include your spouse and your children of any age when written as an individual policy.

Coverage is provided in the event you are sued by a third party who has been injured or whose property has been damaged. The policy covers defense costs and pays claims for which you are legally liable up to the policy limits.

### **Equine Commercial General Liability (CGL)**

Available to professionals breeding, boarding, training, instructing, and/or operating any eligible equine facility, this policy provides coverage for bodily injury or property damage to third parties arising from declared commercial equestrian activities.

The policy can be extended to provide *on premises* coverage for independent trainers or instructors, while acting within the scope of their duties at your operation. Independent instructors and trainers should obtain their own CGL coverage for activities outside of your operation.

Should a clinician need coverage for an event at your facility, the clinician can be added to your CGL policy as Independent Trainer or Instructor.

If you have a CGL policy, your spouse is automatically covered by the policy. If you have children that are of legal age, they need to be listed as an Additional Insured on your policy for coverage to apply unless they are an employee of your operation. Employees are insured while working within their job description.

Only activities which are declared on the application and accepted by the company are eligible for coverage. Undeclared activities are not covered.

Note: The Commercial Equine Liability policy described above excludes coverage for nonowned animals in your care. A Care, Custody or Control policy is necessary to cover this exposure.

### **Race Horse Owner's and Trainer's Equine Commercial General Liability (RHO&T CGL)**

This policy is designed for race horse owners, race horse trainers and race horse owners or trainers who have related activities such as breeding or sales. Equine activities which are declared on the application and accepted by the company are eligible for coverage. Undeclared activities are not covered.

Race Horse Owner's Equine Personal Liability Coverage is also available as an addition to the standard Equine CGL policy.

### **Care, Custody or Control (CCC)<sup>1</sup>**

CCC coverage protects you in the event you or an employee of your operation are found legally liable for the death, injury or theft of a horse that is in your Care, Custody or Control. Incidental transit coverage within the continental U.S. and Canada is included with the CCC coverage.

Note that Commercial General Liability policies do not provide coverage for other people's horses in your care.

CCC coverage limits are on a per horse / per year basis. This coverage can be written as an individual policy, or this coverage can be added to a CGL or RHO&T CGL policy.

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<sup>1</sup> Care, Custody or Control doesn't apply to horses you own or lease, nor is it available for commercial livestock haulers.

## LIABILITY COVERAGE COMPONENTS

**Double Aggregate** - Doubles the amount of coverage that is available during the policy period, but does not increase the occurrence limit.

**Triple Aggregate** - Triples the amount of coverage that is available during the policy period, but does not increase the occurrence limit.

**Excess Policy Limits** - Excess limits are available from \$1 million to \$5 million over commercial liability policies. This coverage is only available where the primary policy limit is \$1 million per occurrence, and either \$2 million or \$3 million aggregate.

**Fire Damage Coverage** - This coverage is included in all CGL policies and provides a separate lower coverage limit for property damage caused by a fire to premises you rent or temporarily occupy.

**Medical Payments Coverage** - This coverage is included in all liability policies. Medical Payments coverage provides coverage for bodily injury of third parties, and pays for medical expenses as a result of an accident or incident, regardless of fault.

**Equine Professional Liability Coverage** - Available only as an addition to a CGL policy, Equine Professional Liability provides coverage for damages arising from legal liability resulting from any negligent act, error or omission arising out of your professional equine activities.

**Products and Completed Operations Coverage** - This coverage is available as an addition to a CGL policy and provides coverage for instances where a product you are responsible for causes bodily injury or property damage. For example, this coverage would protect you if you were selling food at a hosted event, and a third party became ill from the food.

**Personal and Advertising Injury Coverage** - Available as an addition to a CGL policy, Personal Injury includes non-bodily-injury for false arrest, malicious prosecution, or wrongful eviction, but only when done in the course of your business. Advertising injury includes slander or libel based on publication of material, invasion of privacy and copyright infringement.

**Additional Insureds (AI)** - Individuals or other parties that give you permissive use of a structure or property such as land owners and / or owners of facilities you lease can be added as Additional Insureds to your policy, subject to underwriting approval.

**Independent Trainers / Instructors** - Independent Trainers and Riding Instructors who utilize your facility can be provided coverage for On Premises activities by including them on your CGL application.

If any Independent Trainers or Instructors require coverage for Off Premises activities, they must complete their own CGL application. We will provide a quote to cover your On Premises Training or Instruction activities, and a separate quote for your Independent Trainer or Instructor's activities.

If your Independent Trainer or Instructor has coverage elsewhere, please send proof of coverage listing you and your business as an Additional Insured.

### Eligibility Guidelines

The Equestrian Ranch & Estate program is specifically designed for private and commercial equestrian properties in which the facility is used for equestrian activities and incidental farming.

The Ranch & Estate program is available in all Continental United States except Texas, Florida, Louisiana and California, and may be occupied by the owner, tenant or a co-owner with a 50% or more financial interest in the venture.

Commercial operations may include any of the following

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|--------------------------|--------------------------------|----------------|
| -Individual Horse Owners | -Race Horse Owners & Trainers  | -Boarding      |
| -Riding Instruction      | -Training                      | -Breeding      |
| -Clinics                 | -Lessees of Leased Horses      | -Horse Clubs   |
| -Equestrian Day Camps    | -Individual Riding Instructors | -Equine Events |