

EQUINE CARE, CUSTODY OR CONTROL COVERAGE FORM

I. COVERAGE

- A. Subject to limits of liability, exclusions, conditions, and other provisions contained herein and in the policy to which this form is attached, the Company agrees to pay on behalf of the Insured all sums which the Insured shall become legally liable to pay as damages because of death, injury or theft of non-owned horses in the care, custody, or control of the Insured which occurs during the term of the policy while on the Insured's premises stated in the policy declaration page attached hereto. In addition, this policy extends to include only incidental transit of boarded horses to or from the Insured's premises stated herein up to a radius of 100 miles for the purpose of breeding, boarding, showing or training.
- B. The Company's limit of liability shall not exceed the following:
1. Maximum Limit per horse as stated in Item F of the Declarations.
 2. Maximum Limit for all damages in any one occurrence, regardless of the number of animals involved, as stated in Item F of the Declarations.
 3. Subject to the limits stated in (1) and (2) above, the total limit of the Company's liability for all losses occurring during the policy period shall not exceed the limit as stated in Item F of the Declarations.
- C. Defense, Settlement, Supplementary Payments:

If claim is made or suit is brought against the Insured for damages alleging any injury, death or theft to which this coverage applies, the Company shall:

1. Defend any suit against the Insured, even if suit is groundless, false or fraudulent. The Company may make such investigation, negotiation and settlement of any claim or suit as it deems expedient; **the Company's duty to defend ends when we pay or tender an amount equal to our maximum Limit of Liability;**
2. Pay all premiums on appeal bonds required in any such suit and pay premiums on bonds to release attachments in any such suit; this obligation to pay premiums applies only to bonds with an amount not in excess of the applicable limit of liability of this policy; in addition, the Company shall have no obligation to apply for or furnish any such bonds;
3. Pay all expenses incurred by the Company, all costs taxed against the Insured in any such suit and all interest occurring after entry of judgment until the Company has paid, tendered or deposited in court such part of such judgment as does not exceed the limit of the Company's liability thereon;
4. Reimburse the Insured for all reasonable expenses, other than loss of earnings, incurred at the Company's request.

II. EXCLUSIONS

This Coverage Extension does not insure against:

- A. Losses arising out of professional care or treatment of the animal by veterinarians, medical assistants, farriers, therapists, or persons providing healthcare or medication.
- B. Losses arising from the insured's activities as a commercial hauler.
- C. Liability assumed by the Insured under any contract or agreement.
- D. Misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other party of interest, the Insured or the Insured's employees, servants, or agents, or others to whom the property may be entrusted.
- E. Loss, injury or damage caused by or resulting from:
 - 1. Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack by: (a) any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval, or air forces; or (b) military, naval or air forces; (c) an agent of any such government, power, authority or forces;
 - 2. Any weapon of war employing atomic fission or radio-active force whether in time of peace or war;
 - 3. Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating, or defending against such an occurrence, seizure, or destruction under quarantine or customs regulations, confiscation or by order of any governmental or public authority or risks of contraband or illegal transportation or trade.

III. ADDITIONAL CONDITIONS

It is a condition precedent to any liability of this Company that:

- A. Except as stated in writing by the owner of the animal(s), it is warranted by the Insured that each animal in the Insured's care, custody, or control is in sound health and free from any illness, disease, lameness, injury or physical disability whatsoever.
- B. No animal(s) is (are) used at any time during this period of boarding, training and/or breeding for any purpose for which the owner(s) of said animal(s) did not intend, and any breach of this condition shall render the Insured's claim excluded from coverage and release this Company from all liability under this policy.

- C. In the event of injury, death or theft to any animal(s) in the Insured's care, custody, or control, the Insured shall immediately give notice to the company.
- D. In the event of injury to any animal(s) in the Insured's care, custody, or control, the Insured shall immediately and at its own expense secure the services of a licensed veterinarian, and give proper care and to use every possible means to save the life of the animal.

COMMON POLICY CONDITIONS

All coverage parts included in this policy are subject to the following conditions:

- (1) **Our right and duty to defend ends when we have paid the aggregate limit of insurance in the payment of judgements or settlements.**
- (2) If you have any other insurance or benefits that provide liability insurance coverage, we will pay only the excess over what you received or should have received from those coverages. We will pay only the excess regardless of whether you can collect on the other policies or not.
- (3) Terms of this policy which are in conflict with the statutes of those states wherein certain provisions and coverages included under this Policy are not permitted are hereby amended to cover only those provisions and coverages as apply and conform to such statutes.
- (4) No action shall lie against the Company unless as a condition precedent thereto the Insured shall have fully complied with all terms of this Policy. In the event of the bankruptcy or insolvency of the Insured, the Company shall not be relieved of any payment hereunder as would have been payable but for such bankruptcy or insolvency.
- (5) Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver of a change in any part of this Policy or stop the Company from asserting any right under the terms of this Policy, nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.
- (6) No interest in this Policy may be assigned without the written consent of the Company.
- (7) The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- (8) We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (a) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
 - (b) 30 days before the effective date of cancellation if we cancel for any other reason.

- (9) We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- (10) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- (11) If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- (12) If notice is mailed, proof of mailing will be sufficient proof of notice.
- (13) This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.
- (14) The first Named Insured shown in the Declarations:
 - (a) Is responsible for the payment of all premiums, and
 - (b) Will be the payee for any return premiums we pay.
- (15) Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.
- (16) If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative.

DUTIES IN THE EVENT OF A CLAIM

In case of accident or occurrence regardless of the merits of such allegations, the Insured will perform the following duties. You will assist us by seeing that these duties are performed.

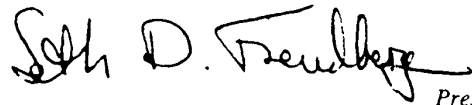
- (1) Give immediate notice to us of:
 - (a) The identity of the policy and the insured.
 - (b) Information on the time, place and circumstances of the alleged accident or occurrence; and
 - (c) Names and addresses of any claimants and witnesses.
- (2) Promptly forward to us every notice, demand, summons or other process relating to the claim, and cooperate fully with the Company's investigation.
- (3) At our request, help us:
 - (a) To make settlement;
 - (b) To enforce any right of contribution or indemnity against any person or organization who may be liable to an insured.
 - (c) With the conduct of suits and attend hearings and trials; and
 - (d) To secure and give evidence and obtain the attendance of witnesses;

- (4) The insured will not voluntarily make payment, assume obligation or incur expense in regard to any allegation or claim without the company's written authorization.
- (5) The Company reserves the right to settle claims at their discretion.

In witness, the Company has caused this policy to be executed and attested but this policy shall not be valid unless the declaration page is signed by an authorized representative of the Company.



Secretary



President