



AMERICAN EQUINE INSURANCE GROUP

EQUINE PERSONAL LIABILITY WORDING

In consideration of the payment of the Premium stated in the Declarations and subject to all of the terms, conditions, limitations, and definitions of this Policy, the Company agrees:

To pay on behalf of the Named Insured who is the legal owner of a personally owned horse all sums which the Named Insured shall become legally obligated to pay to Third Parties as damages because of Bodily Injury or Property Damage directly caused by the named personally owned horse as a result of incidents occurring during the period of this policy. The Company's limit of liability hereunder for all and any Third Party claims for which the Insured becomes legally liable will not exceed the limit stated in the declarations for any one occurrence or in the aggregate.

Coverage is afforded only to the Named Insured being the legal owner of the horse for an equine related claim and only when the horse is being used by the Named Insured or being used or cared for at the Insured's direction regardless of location for non-commercial purposes. However, in the event that a suit is filed, coverage is only provided if such suit is filed in the United States.

Coverage is afforded to newly acquired horses, however coverage will not extend beyond 14 days from acquisition date unless the Company is advised in writing and issues an endorsement evidencing coverage.

COMMON POLICY CONDITIONS

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

- (1) 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.
- (2) Our right and duty to defend ends when we have paid the aggregate limit of insurance in the payment of judgements or settlements.
- (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.

EXCLUSIONS

No coverage applies hereunder for bodily injury or property damage:

- A. To persons boarding, training, hired, or employed by the Named Insured or retained in any capacity including but not limited to: Farriers, Veterinarians, Auctioneers or their associates, staff or employees.
- B. Pertaining to Commercial use or such services provided by the Named Insured.
- C. As a result of hiring or leasing of the named horse.
- D. For incidents occurring prior to the inception of this policy or after expiration.
- E. For incidents while the named horse is being used or prepared for use in conjunction with a carriage, buggy or similar vehicle.
- F. Arising out of unauthorized breeding.
- G. For liability arising out of oral or written contracts or agreements entered into by named Insured.
- H. For any obligation which the Insured or any carrier as his insured may be held liable under any workman's compensation, unemployment compensation, or disability benefits law or similar law.

- I. To property owned, rented, occupied, or leased to the Insured.
- J. To property used by the Insured or property in the care, custody or control of the Insured or as to which the Insured has physical or contractual control.
- K. Any liability assumed under contract, written or oral agreement.

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, except at the insured's own cost, voluntarily make payment, assume obligation or incur expense in regard to any allegation or claim.
- (5) The Company reserves the right to settle claims at their discretion.

DEFINITIONS

- (1) Bodily Injury means herein actual injury or death arising out of such physical injury caused by the personally owned horse.
- (2) Incident or occurrence herein means a specific accident directly involving the personally owned horse.
- (3) Property damage herein means physical damage to tangible property caused by the personally owned horse.
- (4) Named Insured means the legal owner of the personally owned horse including the legal owner's spouse and children.
- (5) Personally owned horse means the named horse shown on the Declarations Page Item I or by endorsement which is being used for either personal or pleasure purposes.

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.