

LOSS OF USE ENDORSEMENT PLAN B

In consideration of the additional premium paid in respect of each horse to be insured for this coverage, such premium to be shown in the declarations or in accordance with endorsements to the policy to which this wording applies, the Company agrees to payment for Loss of Use in accordance with the following:

If, during the currency of the policy, the animal covered hereon shall be injured by a visible, external, accidental and violent means, and if, as a direct and proximate result of such injury the said animal shall become totally and permanently unfit for the use as specified in the declarations (with the exception of breeding or cosmetic conditions of any nature), but does not require destruction for humane reasons, then subject to the terms and conditions hereinafter appearing, the Insured may elect to make a claim under this endorsement.

LIMIT OF INSURANCE: The maximum indemnity percentage of the value of the horse at the time of such condition or the maximum indemnity percentage of the limit of liability as stated in Item J of the Declarations or any endorsements of the policy, whichever is the lesser sum.

For the purpose of this endorsement only, the date of claim shall be taken as the date on which the injury giving rise to a possible claim under this endorsement occurred.

CONDITIONS

It is a condition precedent to any liability of the Company that the Insured shall comply with the following conditions, and any failure by the Insured, his servants, or agents, so to do shall render the Insured's claim null and void and release the Company from liability in connection therewith.

1. The condition giving rise to a claim herein may not be a result of an injury, illness or disease which existed prior to the effective date of the policy.
2. Immediate notice shall be given by telephone in accordance with condition 7(d) of the policy of any accident or injury occurring within the policy term giving rise to a claim under this endorsement.
3. The Insured shall provide the Company within 14 days of any accident or injury with a full narrative veterinary report by a licensed veterinarian, which shall include a description of the condition, treatment rendered, and the veterinarian's opinion as to the animal's fitness for use as described in the application form and/or declaration pages of the policy.
4. The Company shall have the opportunity to appoint its own veterinarian to examine the animal after notice to the Company.
5. Upon payment by the Company of a claim under either this endorsement or the policy to which it is attached, all coverages with respect to that animal on which the claim is paid shall terminate without return of premium.

6. Upon payment of a claim under this endorsement, the Company shall have the right to take unimpaired title to, and possession of, the animal in respect of which a claim has been paid, together with all documents relating thereto.
7. If at the time of an incident giving rise to a claim under this endorsement the Insured has any other insurance covering loss of use or economic destruction in force in respect of the animal, whether or not such insurance is valid or collectible, the Company shall be released from all liability in connection with such animal unless the agreement of the Company to such other insurance is endorsed on the policy to which this endorsement is attached.
8. In the event the parties to this insurance and/or their appointed veterinarians fail to agree as to whether the condition of the animal on which a possible claim is made is such as to cause the loss of use, as described in the declarations herein, at the expiry of three months from the date of claim, but no later than the expiry date of the policy the matter shall be referred to a fully qualified licensed veterinarian, mutually agreed upon by the parties hereto for mediation, and the aforesaid mediator is hereby empowered either to decide immediately as to the condition of the animal, or to fix upon a further period of time at the expiry of which he shall make his decision. However, such decision must be rendered on or before the expiry date of the policy. By acceptance of this endorsement, the parties hereby bind themselves to accept any decision of the mediator as authoritative and binding on both parties.
9. The provisions of this endorsement are only applicable to claims for indemnity in respect of loss of use and shall not in any way vary or extend the policy provisions applicable to claims for indemnity in respect of all risks of mortality, and it is understood that upon expiry of the policy, all liability shall cease, and the granting of renewal or extension of the aforementioned policy shall be solely at the discretion of the Company and at such terms and upon such conditions as it may offer.

In the event that mortality coverage on any horse to which this endorsement applies expires or is cancelled or deleted, this coverage shall automatically terminate.

This endorsement is subject otherwise to the terms, conditions, exclusions and limitations of the policy to which this endorsement is attached.