



# Horse Policy







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## Your Policy

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In 1905, FMG was formed as a Mutual by farmers to ensure value for money and competitive service for farmers. Today we continue to uphold those values and work for rural New Zealand to help us improve our products and services to give our customers added value.

FMG is totally committed to rural communities, and we are specialists in our field – something we are especially proud of. The products we develop are in direct response to the understanding we have of the rural sector, the issues and challenges our customers face, as well as their changing insurance needs.



Thank you for choosing your  
FMG Horse Policy.

Your policy is made up of:

- Your proposal
- This policy document
- Your policy certificate

FMG provides this product to you as an agent for Quadrant Insurance Group Limited (Quadrant). Quadrant is the leader in providing comprehensive 'stand alone' or specially packaged equine insurance protection solutions to New Zealanders who put a premium on horses as sources of enjoyment or income.

Lloyd's Underwriters' Non-Marine Association Ltd (Lloyd's) are the Underwriters of this policy. Lloyd's insurance market has received a Claims Paying Rating of A (Strong) FINANCIAL SECURITY from Standard and Poor's on 23rd April 2007.

## Introduction

Please read your policy with the conditions and attachments to ensure that the cover meets your requirements. Should there be any alterations necessary, please contact your FMG Client Business Manager or Quadrant immediately. Under this policy, you, we and the Underwriters all have responsibilities to ensure everything runs smoothly. These are detailed as follows, and if there is anything you don't understand, again please contact FMG or Quadrant.

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## Your Responsibilities

This policy has been provided to you based on your disclosure to us and the Underwriters.

If there is any important information which could relate to the cover provided under this policy, you need to let us know. Please be aware that disclosure of relevant information will not necessarily affect your right to cover but not informing us might result in no insurance at all. It is important that you:

- Please tell us anything relevant before the cover starts, even if we don't specifically ask about it;
- Please update your information with us should anything about your circumstances change.

You are **particularly** requested to advise anyone having care, custody or control of the animal(s) of the following requirements:

- Call FMG or Quadrant immediately when an animal is injured or becomes sick;
- Report any death immediately to FMG or Quadrant and make arrangements for a post-mortem and autopsy examination.

Please do **not**:

- Have any animal operated on (including castration) without notifying us;
- Put any animal down (unless on the grounds of indisputable humane destruction) without notifying us;
- Have the animal removed prior to the performance of a post-mortem and autopsy examination;

- Place any other insurance on the animal without prior notification to us;
- Change the use(s) of your animal(s) as detailed on your policy certificate without prior notification to us.

Cover under your policy will not commence until you have paid, or have agreed to pay, the premium (including any Government charges) for the period of insurance. If your premiums are not paid on time, your insurance could be cancelled and you will not be insured.

This policy has been designed to meet your needs; however, it is important to check that it is right for you. It is essential that you:

- Tell us of any errors in your documentation;
- Contact us if there is anything you don't understand and would like explained more fully; and
- Keep this policy in a safe place.

This policy contains some exclusions and these are detailed throughout the policy document. There is also a section called General Exclusions which applies to the wording in its entirety. It is important that you read these and are aware of them.

This policy also contains certain conditions and obligations that you must meet. If you don't, the Underwriters may decline any claim you make. Any other person that is entitled to claim under this policy must also meet these conditions and obligations.

Throughout this document certain important words are in bold type; please refer to the Definitions section for the specific meaning of these words.

## The Underwriters' Responsibilities

Your policy certificate is issued in accordance with the limited authorisation granted under Contract No. ZLB1919 to Quadrant by certain Underwriters at Lloyd's, whose syndicate numbers and proportions can be ascertained from Quadrant's office and who hereby agree to pay in respect of claims which shall be substantiated under this insurance, to the extent and manner provided in this insurance.

The Lloyd's policy wordings for the covers contained in this document are available on the Quadrant website: [www.qig.co.nz](http://www.qig.co.nz)

Your policy certificate is also issued in consideration of the premium specified on it, and a written proposal, bearing the date stated in the schedule, which is agreed to be the basis of this contract and to be considered as incorporated in your policy certificate.

The Underwriters hereby bind themselves severally and not jointly, each for his own part and not one for another, and therefore each of the Underwriters (and their Executors and Administrators) shall be liable only for his own share of his Syndicate's proportion.



## Our Responsibilities

FMG is a member of the Insurance Council of New Zealand and, as such, we have committed to being a fair insurer in accordance with the Council's Fair Insurance Code. For a copy of the code, please call us on 0800 366 466.

As you will be aware, the proposal you completed contains personal information relating to you and/or your business. We collect this information to enable the Underwriters to fully evaluate your proposal and we and/or the Underwriters may require further information from you later on if you make a claim. The proposal you completed also authorised us to collect relevant information about you and/or your business from third parties, such as other insurers and insurance brokers.

However, we fully understand the importance of protecting your personal, commercial and financial information. We also respect your right to privacy and therefore will not share your information with anyone else unless you have authorised us to do so.

Your information will be held securely by us, within our organisations, and you are entitled to access and correct the information you have provided, as set out in the Privacy Act 1993.

### How you can contact Quadrant

- Call us on **0800 378 467**
- Fax us on **0800 256 637**
- Visit our website [www.qig.co.nz](http://www.qig.co.nz)
- Call our 24-hour claims hotline on **021 765 407**

## Your Feedback

Your feedback enables us to identify opportunities to make our products and services even better. If you have any feedback – good or bad – we would like to hear from you.

If you have a concern about something that has happened, tell us and we will investigate the issue quickly and inform you of the outcome, either by phone, in writing or by visiting you at a convenient time.

Similarly, if you have received exceptional service, we need to know about it in order to congratulate our team – so please let us know.

### How you can contact FMG

- Call us on **0800 366 466**
- Contact your local Client Business Manager
- Write to us at FMG, PO Box 1943, Palmerston North, New Zealand
- Visit our website [www.fmg.co.nz](http://www.fmg.co.nz)
- Email us at [contact@fmg.co.nz](mailto:contact@fmg.co.nz)
- Fax us on **0800 366 455**

## Summary of Benefits

### Section 1 – Horse Plus (Equestrian, Sport & Other Breeds aged 1-16 years)

<b>What you are insured for</b>	The base level of protection for which you are covered.
	<ol style="list-style-type: none"><li>1. Death or humane destruction of your horse caused by accident, injury, illness or disease</li><li>2. Agreed Value</li></ol>
<b>Additional Benefits</b>	You are automatically insured for the following benefits:
	<ol style="list-style-type: none"><li>1. Theft and Unlawful Removal of Your Horse</li><li>2. Major Veterinary Costs</li><li>3. Sea Transit within New Zealand</li><li>4. Air Transit within New Zealand</li><li>5. Twelve Month Cover Extension</li><li>6. Life Saving Operations Conducted by Veterinary Surgeons</li></ol>
<b>Optional Benefits</b>	These benefits are not automatically included. They need to be purchased additionally to supplement your cover.
	<ol style="list-style-type: none"><li>1. Air/Sea Transit to All Countries Outside New Zealand</li><li>2. Stallion Permanent Disability</li><li>3. Foal Cover from 24 Hours</li><li>4. Non Life Saving Operations Involving General Anaesthetic Conducted by Veterinary Surgeons</li></ol>

# Your Policy: Section 1 Horse Plus



## What you are insured for

1. The **Underwriters** agree that, subject to the following terms and conditions and where this **policy** is shown on your **policy certificate**, in the event of the death or **humane destruction** of the **horse**:

- (a) During the **period of insurance**; or
- (b) For **policies** with an annual period or longer only, within ninety (90) days after the expiry of this **policy** as a result of any accident, injury, illness or disease occurring during the **period of insurance**, and subject to immediate written notice of such accident, injury, illness or disease having been given to the **Underwriters** before the expiry of this **policy**,

the **Underwriters** will indemnify the **insured** in respect of the **fair market value** of the **horse** at the time 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 your **policy certificate**.

2. Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, it is understood and agreed that provided the **Underwriters** have accepted and agreed to a valuation for the **horse**, then the **Underwriters'** limit of liability specified in the **policy certificate** shall be accepted as the agreed value of the **horse**.

However, in the event that at any time during the **period of insurance** the **horse** is:

- (a) Entered or raced in any claiming race where the claiming price is less than the **Underwriters'** limit of liability specified in the **policy certificate**, then the **Underwriters'** limit of liability shall automatically be reduced to a sum insured not exceeding the lowest amount for which the **horse** could have been claimed or sold in such race; or
- (b) Entered into a public auction but not sold and the **Underwriters'** limit of liability specified in the **policy certificate** exceeds the highest amount bid at such public auction for the **horse**; then the **insured** will inform the **Underwriters** in writing within seven (7) days and shall substantiate any limit of liability which exceeds the highest bid at such public auction or the **Underwriters'** limit of liability specified in the **policy certificate** shall

automatically be reduced to the lowest value at which the **horse** was appraised; or

- (c) Appraised at a value lower than the value accepted and agreed by the **Underwriters** for the **horse**, then the **Underwriters'** limit of liability specified in the **policy certificate** shall automatically be reduced to the lowest value at which the **horse** was appraised.

In the event that the **Underwriters'** limit of liability specified in the **policy certificate** is reduced under either (a), (b) or (c) above, the **insured** shall be entitled to a return of premium on the amount by which this **policy** is reduced, calculated on a pro rata basis from the date of such reduction.

## Additional Benefits

### 1. Theft and Unlawful Removal

This **policy** also covers the following losses which occur during the **period of insurance**:

- (a) Theft of the **horse**; or
- (b) Death or **humane destruction** directly resulting from theft of the **horse**; or
- (c) Death, **humane destruction** or permanent loss of possession directly resulting from unlawful removal of the **horse**; or
- (d) Malicious or wilful castration or spaying by or on behalf of those responsible for such unlawful removal of the **horse**.

### 2. Major Veterinary Costs

- (a) This **policy** is extended to indemnify the **insured** for veterinary costs incurred in treating the **insured horse** for an injury or illness suffered during the **period of insurance** for a maximum period of 12 months from the onset of the injury or illness.
- (b) Maximum indemnity is \$10,000 or 50% of the sum insured in the aggregate, whichever is the lesser.
- (c) However, the **insured** shall for each and every occurrence requiring veterinary care, bear the first \$1,000 or 10% of the sum insured, which ever is the greater, up to a maximum of \$2,000.
- (d) This benefit does not apply to any **horse**:
  - (i) under twelve months old or over 16 years of age;
  - (ii) outside New Zealand;
  - (iii) insured for less than twelve months;

or to:

- (iv) costs incurred through breeding, foaling or fertility problems;
  - (v) any sickness or disease contracted or manifesting within 14 days of inception of cover on the insured **horse**.
- (e) It is warranted that the **Underwriters** be immediately advised of any injury or illness likely to result in a claim under this benefit.

### 3. Sea Transit

- (a) This **policy** extends during transit to cover all risks of death, jettison and/or washing overboard, theft and/or non delivery, including destruction for humane reasons.
- (b) In addition to the indemnity provided by the Policy, this **policy** shall pay general average and salvage charges, special charges and sue and labour and all extra expenses for which the **insured** shall be liable in consequence of delay and/or accident to vessel or craft and/or any other cause to ensure completion of the venture.
- (c) The **insured** shall not be prejudiced by any agreement exempting lightermen and/or shipowners from liability.
- (d) This **policy** shall remain in force during:
  - (i) deviation, delay beyond control of the **insured**, forced discharge, reshipment and transshipment;
  - (ii) any other variation or failure of the venture arising from the exercise of a liberty granted to the shipowners or charterer under the contract of affreightment.
- (e) It is warranted free of claim for injury from any cause whatsoever, inoculation and its after-effects, prohibition of import or export, or failure to pass tests or slaughter by the order of any government or public or local authority or any person or body having jurisdiction in the matter or control of infectious disease.
- (f) It is a condition of this policy that the **insured** shall act with reasonable dispatch in all circumstances within their control.
- (g) It is warranted the animal(s) insured shall be in sound health and free from any injury or physical disability whatsoever at the time of commencement of the insured transit.

### 4. Air Transit

Notwithstanding anything contained herein to the contrary this **policy** extends to cover the **stock** described in the **policy certificate** hereto:

- (a) Whilst on board or being loaded into or unloaded from an aircraft licensed for passenger and/or cargo carrying, from aerodrome to aerodrome whilst being transported between the places described in the **policy** to which this benefit is attached.
- (b) It is understood and agreed that the **stock** is also covered against the risk of jettison, theft, maintenance due to an accident or mishap or to a forced landing or mechanical breakdown of the aircraft carrying the said **stock** and slaughter of the **stock** by authorities for the safety of the aircraft, passengers or crew.
- (c) It is warranted that the said **stock** is not loaded on any aircraft with any other stock to which they may have a natural antipathy.
- (d) It is a condition that all claims are subject to confirmation by a responsible official giving particulars and apparent cause of death.

The following exclusions also apply:

- (a) Wilful misconduct or negligence of the **insured**, your employees or agents;
- (b) The **insured**, your employees or agents having caused or suffered anything to be done whereby the risk hereby insured against are or may be increased;
- (c) An accident occurring beyond the geographical limits specified in the insurance hereto;
- (d) Any breach of law by the **insured**;
- (e) The omission or failure of the **insured**, your employees or agents, to comply with any or instruction of the pilot or other person in supreme authority and control of the aircraft;
- (f) Prohibition of import or export or failure to pass tests;
- (g) War, civil war, insurrections, riots, strikes, civil commotions, military or usurped power, seizure, capture, arrests, restraints, and detainments of all kings, princes and people of what nation, condition or quality whatsoever.

# Your Policy: Section 1 Horse Plus



All other policy terms and conditions remain unaltered.

## 5. Twelve Month Cover Extension

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the renewal of this **policy** with the existing **Underwriters** and of the additional premium paid, it is understood and agreed that the 90 day extension period referred to under 'What **you** are insured for' shall be further extended until such time as the accident, injury, illness or disease is no longer threatening, but in any case not exceeding a further period of 275 days after the expiration of the original 90 days extension.
- (b) In the event of the **horse** being over 13 years of age at the expiration of the original 90 days extension period, then the **Underwriters'** limit of liability as specified in the **policy certificate** shall be reduced by the following:
- (i) 25% if a 14 year old;
  - (ii) 33% if a 15 year old;
  - (iii) 40% if a 16 year old; and
  - (iv) 50% if a 17 year old.
- (c) This benefit shall not apply to the **horse**, if, at the expiration of the original 90 days extension period, the **horse** is 18 years old or over.

## 6. Life Saving Operations Conducted by Veterinary Surgeons

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, it is agreed that the **policy** is extended to indemnify the **insured** in the event of any surgical operation conducted by a **veterinary surgeon** and certified by him to have been necessitated solely by accident, injury, illness or disease occurring during the **period of insurance** and to have been carried out in an emergency attempt to save the **horse's** life.

## Optional Benefits

### 1. Air/Sea Transit to All Countries Outside New Zealand

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** as outlined in the Sea Transit and Air Transit Additional Benefits during transit to all countries outside New Zealand.

### 2. Stallion Permanent Disability

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** in the event of the **stallion** becoming, during the **period of insurance** and any applicable extension period, totally and permanently:
- (i) **impotent**; or
  - (ii) **infertile**; or
  - (iii) incapable of **servicing mares**
- as a result of an accident, illness or disease sustained or contracted during the **period of insurance**.
- (b) Such indemnity shall be limited to the **fair market value** of the **stallion** immediately prior to the accident or first manifestation of the illness or disease giving rise to the loss, but shall not exceed the **Underwriters'** limit of liability specified in the **policy certificate**.

The following additional conditions apply:

- (a) The **insured** shall give immediate notice to the person or persons specified in the **policy certificate** in accordance with General Condition 6(c) of the policy, in the event of any indication of the **stallion** being **impotent, infertile** or incapable of **servicing mares**.
- (b) In the event of any uncertainty or dispute as to whether an accident sustained or illness or disease contracted by the **stallion** has caused the **stallion** to be totally and permanently **impotent, infertile** or totally and permanently incapable of **servicing mares**, it is

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agreed that the uncertainty or dispute shall be referred to a panel of three **veterinary surgeons**. Two **veterinary surgeons** shall be appointed, one by the **insured**, and one by the **Underwriters**, and a third shall be mutually agreed upon by the two appointed **veterinary surgeons**. The decision of this panel in the matter shall be final and binding on both the **insured** and the **Underwriters**. The fees of the appointed **veterinary surgeons** shall be paid by the party making the appointment, and the fee of the mutually agreed **veterinary surgeon** shall be apportioned equally between the **insured** and the **Underwriters**.

- (c) In the event of a claim for 100% interest in the **stallion**, the **Underwriters** shall, if they so elect, take undisputed ownership of the **stallion**. Failure or inability to deliver undisputed ownership of the **stallion** live to the **Underwriters** as salvage will void the Stallion Permanent Disability Optional Benefit and relieve the **Underwriters** of all liability.
- (d) In the event of a claim for less than 100% of each and every one of the shares in the **stallion**, or for less than 100% ownership interest in the **stallion** if not syndicated, the **Underwriters** shall, if they so elect, take undisputed title to and possession of any interest in the **stallion** for which claims have been made. It is understood and agreed that payment of a claim under this **policy** entitles the **Underwriters** to all rights under the Syndicate, Partnership, Joint ownership or other similar agreement. Failure or inability to deliver title to and possession of any undisputed interest in the **stallion** for which claims have been made will void the Stallion Permanent Disability Optional Benefit and relieve the **Underwriters** of all liability.

The following exclusion also applies:

- (a) This benefit shall not indemnify the **insured** for any loss arising from the death, theft or humane destruction of the **stallion**.

### 3. Foal Cover from 24 Hours

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid and special health requirements met, it is agreed that the **policy** is extended to indemnify the **insured** as outlined in 'What you are insured for' in the event of the death or **humane destruction** of an insured foal from 24 hours of age.

### 4. Non Life Saving Operations Involving General Anaesthetic Conducted by Veterinary Surgeons

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** for any loss arising directly or indirectly as a result of operations or surgery, either under local or general anaesthesia.
- All other terms and conditions remain unaltered.

# Your Policy: Section 1 Horse Plus

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## Summary of Benefits

### Section 2 – Horse Deluxe (Equestrian, Sport & Other Breeds aged 3-10 years)

<b>What you are insured for</b>	The base level of protection for which you are covered.
	<ol style="list-style-type: none"><li>1. Death or humane destruction of your horse caused by accident, injury, illness or disease</li><li>2. Agreed Value</li></ol>
<b>Additional Benefits</b>	You are automatically insured for the following benefits:
	<ol style="list-style-type: none"><li>1. Theft and Unlawful Removal of Your Horse</li><li>2. Major Veterinary Costs</li><li>3. Sea Transit within New Zealand</li><li>4. Air Transit within New Zealand</li><li>5. Twelve Month Cover Extension</li><li>6. Economic Slaughter and Permanent Loss of Use</li><li>7. Life Saving Operations Conducted By Veterinary Surgeons</li></ol>
<b>Optional Benefits</b>	These benefits are not automatically included. They need to be purchased additionally to supplement your cover.
	<ol style="list-style-type: none"><li>1. Air/Sea Transit to All Countries Outside New Zealand</li><li>2. Non Life Saving Operations Involving General Anaesthetic Conducted by Veterinary Surgeons</li></ol>

# Your Policy: Section 2 Horse Deluxe



## What you are insured for

1. The **Underwriters** agree that, subject to the following terms and conditions and where this **policy** is shown on your **policy certificate**, in the event of the death or **humane destruction** of the **horse**:

- (a) During the **period of insurance**; or
- (b) For **policies** with an annual period or longer only, within ninety (90) days after the expiry of this **policy** as a result of any accident, injury, illness or disease occurring during the **period of insurance**, and subject to immediate written notice of such accident, injury, illness or disease having been given to the **Underwriters** before the expiry of this **policy**,

the **Underwriters** will indemnify the insured in respect of the **fair market value** of the **horse** at the time 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 your **policy certificate**.

2. Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, it is understood and agreed that provided the **Underwriters** have accepted and agreed to a valuation for the **horse**, then the **Underwriters**' limit of liability specified in the **policy certificate** shall be accepted as the agreed value of the **horse**.

However, in the event that at any time during the **period of insurance** the **horse** is:

- (a) Entered or raced in any claiming race where the claiming price is less than the **Underwriters**' limit of liability specified in the **policy certificate**, then the **Underwriters**' limit of liability shall automatically be reduced to a sum insured not exceeding the lowest amount for which the **horse** could have been claimed or sold in such race; or
- (b) Entered into a public auction but not sold and the **Underwriters**' limit of liability specified in the **policy certificate** exceeds the highest amount bid at such public auction for the **horse**; then the **insured** will inform the **Underwriters** in writing within seven (7) days and shall substantiate any limit of liability which exceeds the highest bid at such public auction or the **Underwriters**' limit of liability specified in the **policy certificate** shall automatically be reduced to the lowest value at

which the **horse** was appraised; or

- (c) Appraised at a value lower than the value accepted and agreed by the **Underwriters** for the **horse**, then the **Underwriters**' limit of liability specified in the **policy certificate** shall automatically be reduced to the lowest value at which the **horse** was appraised.

In the event that the **Underwriters**' limit of liability specified in the **policy certificate** is reduced under either (a), (b) or (c) above, the **insured** shall be entitled to a return of premium on the amount by which this **policy** is reduced, calculated on a pro rata basis from the date of such reduction.

## Additional Benefits

### 1. Theft and Unlawful Removal

This **policy** also covers the following losses which occur during the **period of insurance**:

- (a) Theft of the **horse**; or
- (b) Death or **humane destruction** directly resulting from theft of the **horse**; or
- (c) Death, **humane destruction** or permanent loss of possession directly resulting from unlawful removal of the **horse**; or
- (d) Malicious or wilful castration or spaying by or on behalf of those responsible for such unlawful removal of the **horse**.

### 2. Major Veterinary Costs

- (a) This **policy** is extended to indemnify the **insured** for veterinary costs incurred in treating the **insured horse** for an injury or illness suffered during the **period of insurance** for a maximum period of 12 months from the onset of the injury or illness.
- (b) Maximum indemnity is \$10,000 or 50% of the sum insured in the aggregate, whichever is the lesser.
- (c) However, the **insured** shall for each and every occurrence requiring veterinary care, bear the first \$1,000 or 10% of the sum insured, whichever is the greater, up to a maximum of \$2,000.
- (d) This extension does not apply to any **horse**:
  - (i) under twelve months old or over 16 years of age;
  - (ii) outside New Zealand;
  - (iii) insured for less than twelve months;or to:

- (iv) costs incurred through breeding, foaling or fertility problems;
- (v) any sickness or disease contracted or manifesting within 14 days of inception of cover on the insured **horse**.
- (e) It is warranted that the **Underwriters** be immediately advised of any injury or illness likely to result in a claim under this benefit.
- (f) It is warranted that, with regard to recreational **horses**, the indemnity granted by this benefit shall cease immediately should a claim be admitted under the Economic Slaughter and Permanent Loss of Use Additional Benefit.

### 3. Sea Transit

- (a) This **policy** extends during transit to cover all risks of death, jettison and/or washing overboard, theft and/or non delivery, including destruction for humane reasons.
- (b) In addition to the indemnity provided by the Policy, this **policy** shall pay general average and salvage charges, special charges and sue and labour and all extra expenses for which the **insured** shall be liable in consequence of delay and/or accident to vessel or craft and/or any other cause to ensure completion of the venture.
- (c) The **insured** shall not be prejudiced by any agreement exempting lightermen and/or shipowners from liability.
- (d) This **policy** shall remain in force during:
  - (i) deviation, delay beyond control of the **insured**, forced discharge, reshipment and transshipment;
  - (ii) any other variation or failure of the venture arising from the exercise of a liberty granted to the shipowners or charterer under the contract of affreightment.
- (e) It is warranted free of claim for injury from any cause whatsoever, inoculation and its after-effects, prohibition of import or export, or failure to pass tests or slaughter by the order of any government or public or local authority or any person or body having jurisdiction in the matter or control of infectious disease.

- (f) It is a condition of this policy that the **insured** shall act with reasonable dispatch in all circumstances within their control.
- (g) It is warranted the animal(s) insured shall be in sound health and free from any injury or physical disability whatsoever at the time of commencement of the insured transit.

### 4. Air Transit

Notwithstanding anything contained herein to the contrary this **policy** extends to cover the **stock** described in the **policy certificate** hereto:

- (a) Whilst on board or being loaded into or unloaded from an aircraft licensed for passenger and/or cargo carrying, from aerodrome to aerodrome whilst being transported between the places described in the **policy** to which this benefit is attached.
- (b) It is understood and agreed that the **stock** is also covered against the risk of jettison, theft, maintenance due to an accident or mishap or to a forced landing or mechanical breakdown of the aircraft carrying the said **stock** and slaughter of the **stock** by authorities for the safety of the aircraft, passengers or crew.
- (c) It is warranted that the said **stock** is not loaded on any aircraft with any other stock to which they may have a natural antipathy.
- (d) It is a condition that all claims are subject to confirmation by a responsible official giving particulars and apparent cause of death.

The following exclusions also apply:

- (a) Wilful misconduct or negligence of the **insured**, your employees or agents;
- (b) The **insured**, your employees or agents having caused or suffered anything to be done whereby the risk hereby insured against are or may be increased;
- (c) An accident occurring beyond the geographical limits specified in the insurance hereto;
- (d) Any breach of law by the **insured**;
- (e) The omission or failure of the **insured**, your employees or agents, to comply with any or instruction of the pilot or other person in supreme authority and control of the aircraft;

# Your Policy: Section 2 Horse Deluxe



- (f) Prohibition of import or export or failure to pass tests;
- (g) War, civil war, insurrections, riots, strikes, civil commotions, military or usurped power, seizure, capture, arrests, restraints, and detentions of all kings, princes and people of what nation, condition or quality whatsoever.

All other policy terms and conditions remain unaltered.

## 5. Twelve Month Cover Extension

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the renewal of this **policy** with the existing **Underwriters** and of the additional premium paid, it is understood and agreed that the 90 day extension period referred to under “What **you** are insured for” shall be further extended until such time as the accident, injury, illness or disease is no longer threatening, but in any case not exceeding a further period of 275 days after the expiration of the original 90 days extension.
- (b) In the event of the **horse** being over 13 years of age at the expiration of the original 90 days extension period, then the **Underwriters’** limit of liability as specified in the **policy certificate** shall be reduced by the following:
  - (i) 25% if a 14 year old;
  - (ii) 33% if a 15 year old;
  - (iii) 40% if a 16 year old; and
  - (iv) 50% if a 17 year old.
- (c) This benefit shall not apply to the **horse**, if, at the expiration of the original 90 days extension period, the **horse** is 18 years old or over.

## 6. Economic Slaughter and Permanent Loss of Use

In consideration of the premium charged it is hereby understood and agreed that this insurance is extended as follows:

- (a) Notwithstanding General Exclusion 1 of this **policy**, if during the **period of insurance** a **horse** in the opinion of the **insured’s** and the **Underwriters’ veterinary surgeon** is rendered permanently incapable of fulfilling the purpose for which it is kept or employed as stated in the **policy certificate**, and such incapacity justifies the destruction of the **horse** for economic reasons, this **policy** shall, subject to confirmation of destruction during the **period of insurance** by the **veterinary surgeon** specified by the **Underwriters**, indemnify the **insured** up to but not exceeding the limit of the **Underwriters’** liability specified in the **policy certificate** in respect of such **horse**. It is a condition precedent to the **Underwriters’** liability under this benefit that the incapacity referred to above results directly from an accident sustained or illness or disease contracted during the **period of insurance** and advised to the **Underwriters** in accordance with General Condition 6.
- (b) Any disagreement between the **insured’s** and the **Underwriters’ veterinary surgeons** over any permanent incapacity of the **horse** shall be referred to an independent **veterinary surgeon** agreed upon by both parties who will act as arbitrator and whose decision shall be binding on both the **insured** and the **Underwriters**. The costs of such arbitration shall be shared equally by the **insured** and the **Underwriters**.
- (c) Should a **horse** have sustained during the **period of insurance** an accident or contracted an illness or disease, which has been immediately advised to the **Underwriters**, but such accident, illness or disease does not manifest itself as a permanent incapacity until after the expiry date of this **policy**, claims shall be considered under this benefit providing the permanent incapacity as agreed by both **veterinary surgeons** shall have arisen within 12 months from the date of occurrence of the accident, illness or disease. It is further understood and agreed that subject to the above terms and conditions, should the **insured** elect and the **Underwriters** agree, this **policy** will pay 50% (fifty percent) of the sum insured or **actual** cash value, whichever is the lesser, set forth in the **policy certificate** for the **horse** in the event of the **insured** electing to keep the **horse** for personal pleasure purposes and in retirement from any competition use. The **Underwriters’** liability in respect of the **horse** concerned shall cease immediately such payment is made.

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- (d) In the event of accident, illness or disease occurring within the **period of insurance** the **Underwriters** shall have the option of removing the said **horse** for examination and/or treatment by the **Underwriters'** appointed **veterinary surgeons**.
- (e) It is agreed that in the event of settlement by the **Underwriters** under this **policy** of a claim for 75% (seventy five percent) of the sum insured or **actual** cash value, whichever is the lesser, the **Underwriters** shall if they so elect take undisputed ownership of the **horse** in question and all papers pertaining to it.
- (f) This benefit does not cover:
- (i) any loss as a result of blemishing;
  - (ii) any loss due to a **horse's** inability to breed other than as a direct result of or directly arising out of an accident, illness or disease; or
  - (iii) any loss as a result of a **horse** being barred from participating in shows by virtue of the regulation laid down by the Hunter Improvement Society (and/or affiliated societies) in respect of **horses** suffering from a wind condition or which have been operated on for such conditions.

## Optional Benefits

### 1. Air/Sea Transit to All Countries Outside New Zealand

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** as outlined in the Sea Transit and Air Transit Additional Benefits during transit to all countries outside New Zealand.

### 2. Non Life Saving Operations Involving General Anaesthetic Conducted by Veterinary Surgeons

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** for any loss arising directly or indirectly as a result of operations or surgery, either under local or general anaesthesia.  
All other terms and conditions remain unaltered.

## 7. Life Saving Operations Conducted by Veterinary Surgeons

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, it is agreed that the **policy** is extended to indemnify the **insured** in the event of any surgical operation conducted by a **veterinary surgeon** and certified by him to have been necessitated solely by accident, injury, illness or disease occurring during the **period of insurance** and to have been carried out in an emergency attempt to save the **horse's** life.

# Your Policy: Section 2 Horse Deluxe

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## Summary of Benefits

### Section 3 – Horse Standard (Thoroughbreds & Standardbreds aged 1-16 years)

<b>What you are insured for</b>	The base level of protection for which you are covered.
	<ol style="list-style-type: none"><li>1. Death or humane destruction of your horse caused by accident, injury, illness or disease</li></ol>
<b>Additional Benefits</b>	You are automatically insured for the following benefits:
	<ol style="list-style-type: none"><li>1. Theft and Unlawful Removal of Your Horse</li><li>2. Major Veterinary Costs</li><li>3. Sea Transit within New Zealand/Australia</li><li>4. Air Transit within New Zealand/Australia</li><li>5. Life Saving Operations Conducted by Veterinary Surgeons</li></ol>
<b>Optional Benefits</b>	These benefits are not automatically included. They need to be purchased additionally to supplement your cover.
	<ol style="list-style-type: none"><li>1. Air/Sea Transit to All Countries Outside New Zealand/Australia</li><li>2. Stallion Permanent Disability</li><li>3. Foal Cover from 24 Hours</li><li>4. Non Life Saving Operations Involving General Anaesthetic Conducted by Veterinary Surgeons</li><li>5. Stallion Loss of Income</li></ol>

# Your Policy: Section 3 Horse Standard



## What you are insured for

1. The **Underwriters** agree that, subject to the following terms and conditions and where this **policy** is shown on **your policy certificate**, in the event of the death or **humane destruction** of the **horse**:

- (a) During the **period of insurance**; or
- (b) For **policies** with an annual period or longer only, within ninety (90) days after the expiry of this **policy** as a result of any accident, injury, illness or disease occurring during the **period of insurance**, and subject to immediate written notice of such accident, injury, illness or disease having been given to the **Underwriters** before the expiry of this **policy**,

the **Underwriters** will indemnify the insured in respect of the **fair market value** of the **horse** at the time 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 **your policy certificate**.

## Additional Benefits

### 1. Theft and Unlawful Removal

This **policy** also covers the following losses which occur during the **period of insurance**:

- (a) Theft of the **horse**; or
- (b) Death or **humane destruction** directly resulting from theft of the **horse**; or
- (c) Death, **humane destruction** or permanent loss of possession directly resulting from unlawful removal of the **horse**; or
- (d) Malicious or wilful castration or spaying by or on behalf of those responsible for such unlawful removal of the **horse**.

### 2. Major Veterinary Costs

- (a) This **policy** is extended to indemnify the **insured** for veterinary costs incurred in treating the **insured horse** for an injury or illness suffered during the **period of insurance** for a maximum period of 12 months from the onset of the injury or illness.
- (b) Maximum indemnity is \$10,000 or 50% of the sum insured in the aggregate, whichever is the lesser.
- (c) However, the **insured** shall for each and every occurrence requiring veterinary care, bear the first \$1,000 or 10% of the sum insured, which ever is the greater, up to a maximum of \$2,000.

(d) This extension does not apply to any **horse**:

- (i) under twelve months old or over 16 years of age;
  - (ii) outside New Zealand;
  - (iii) insured for less than twelve months;
- or to
- (iv) costs incurred through breeding, foaling or fertility problems;
  - (v) any sickness or disease contracted or manifesting within 14 days of inception of cover on the **insured horse**.

(e) It is warranted that the **Underwriters** be immediately advised of any injury or illness likely to result in a claim under this benefit.

### 3. Sea Transit

(a) This **policy** extends during transit to cover all risks of death, jettison and/or washing overboard, theft and/or non delivery, including destruction for humane reasons.

(b) In addition to the indemnity provided by the **Policy**, this **policy** shall pay general average and salvage charges, special charges and sue and labour and all extra expenses for which the **insured** shall be liable in consequence of delay and/or accident to vessel or craft and/or any other cause to ensure completion of the venture.

(c) The **insured** shall not be prejudiced by any agreement exempting lightermen and/or shipowners from liability.

(d) This **policy** shall remain in force during:

- (i) deviation, delay beyond control of the **insured**, forced discharge, reshipment and transhipment;
- (ii) any other variation or failure of the venture arising from the exercise of a liberty granted to the shipowners or charterer under the contract of affreightment.

(e) It is warranted free of claim for injury from any cause whatsoever, inoculation and its after-effects, prohibition of import or export, or failure to pass tests or slaughter by the order of any government or public or local authority or any person or body having jurisdiction in the matter or control of infectious disease.

- (f) It is a condition of this policy that the **insured** shall act with reasonable dispatch in all circumstances within their control.
- (g) It is warranted the animal(s) insured shall be in sound health and free from any injury or physical disability whatsoever at the time of commencement of the insured transit.

#### 4. Air Transit

Notwithstanding anything contained herein to the contrary this **policy** extends to cover the **stock** described in the **policy certificate** hereto:

- (a) Whilst on board or being loaded into or unloaded from an aircraft licensed for passenger and/or cargo carrying, from aerodrome to aerodrome whilst being transported between the places described in the **policy** to which this benefit is attached.
- (b) It is understood and agreed that the **stock** is also covered against the risk of jettison, theft, maintenance due to an accident or mishap or to a forced landing or mechanical breakdown of the aircraft carrying the said **stock** and slaughter of the **stock** by authorities for the safety of the aircraft, passengers or crew.
- (c) It is warranted that the said **stock** is not loaded on any aircraft with any other stock to which they may have a natural antipathy.
- (d) It is a condition that all claims are subject to confirmation by a responsible official giving particulars and apparent cause of death.

If **you** have selected the Air Transit Additional Benefit, paid the additional premium and it has been noted on **your policy certificate**, the following exclusions also apply:

- (a) Wilful misconduct or negligence of the **insured**, your employees or agents;
- (b) The **insured**, your employees or agents having caused or suffered anything to be done whereby the risk hereby insured against are or may be increased;
- (c) An accident occurring beyond the geographical limits specified in the insurance hereto;

- (d) Any breach of law by the **insured**;
- (e) The omission or failure of the **insured**, your employees or agents, to comply with any or instruction of the pilot or other person in supreme authority and control of the aircraft;
- (f) Prohibition of import or export or failure to pass tests;
- (g) War, civil war, insurrections, riots, strikes, civil commotions, military or usurped power, seizure, capture, arrests, restraints, and detainments of all kings, princes and people of what nation, condition or quality whatsoever.

All other terms and conditions remain unaltered.

#### 5. Life Saving Operations Conducted by Veterinary Surgeons

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, it is agreed that the **policy** is extended to indemnify the **insured** in the event of any surgical operation conducted by a **veterinary surgeon** and certified by him to have been necessitated solely by accident, injury, illness or disease occurring during the **period of insurance** and to have been carried out in an emergency attempt to save the **horse's** life.

### Optional Benefits

#### 1. Air/Sea Transit to All Countries Outside New Zealand

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** as outlined in Additional Benefits 3. and 4. during transit to all countries outside of New Zealand.

#### 2. Stallion Permanent Disability

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this Optional Benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** in the event of the **stallion** becoming, during the **period of insurance** and any applicable extension period,

# Your Policy: Section 3 Horse Standard



totally and permanently:

- (i) **impotent**; or
- (ii) **infertile**; or
- (iii) incapable of **servicing mares**

as a result of an accident, illness or disease sustained or contracted during the **period of insurance**.

- (b) Such indemnity shall be limited to the **fair market value** of the **stallion** immediately prior to the accident or first manifestation of the illness or disease giving rise to the loss, but shall not exceed the **Underwriters'** limit of liability specified in the **policy certificate**.

The following additional conditions apply:

- (a) The **insured** shall give immediate notice to the person or persons specified in the **policy certificate** in accordance with General Condition 6(c) of the policy, in the event of any indication of the **stallion** being **impotent, infertile** or incapable of **servicing mares**.
- (b) In the event of any uncertainty or dispute as to whether an accident sustained or illness or disease contracted by the **stallion** has caused the **stallion** to be totally and permanently **impotent, totally and permanently infertile** or totally and permanently incapable of **servicing mares**, it is agreed that the uncertainty or dispute shall be referred to a panel of three **veterinary surgeons**. Two **veterinary surgeons** shall be appointed, one by the **insured**, and one by the **Underwriters**, and a third shall be mutually agreed upon by the two appointed **veterinary surgeons**. The decision of this panel in the matter shall be final and binding on both the **insured** and the **Underwriters**. The fees of the appointed **veterinary surgeons** shall be paid by the party making the appointment, and the fee of the mutually agreed **veterinary surgeon** shall be apportioned equally between the **insured** and the **Underwriters**.
- (c) In the event of a claim for 100% interest in the **stallion**, the **Underwriters** shall, if they so elect, take undisputed ownership of the **stallion**. Failure or inability to deliver undisputed ownership of the **stallion** live to the **Underwriters** as salvage will void the Stallion Permanent Disability Optional

Benefit and relieve the **Underwriters** of all liability.

- (d) In the event of a claim for less than 100% of each and every one of the shares in the **stallion**, or for less than 100% ownership interest in the **stallion** if not syndicated, the **Underwriters** shall, if they so elect, take undisputed title to and possession of any interest in the **stallion** for which claims have been made. It is understood and agreed that payment of a claim under this policy entitles the **Underwriters** to all rights under the Syndicate, Partnership, Joint ownership or other similar agreement. Failure or inability to deliver title to and possession of any undisputed interest in the **stallion** for which claims have been made will void the Stallion Permanent Disability Optional Benefit and relieve the **Underwriters** of all liability.

The following exclusion also applies:

- (a) This benefit shall not indemnify the **insured** for any loss arising from the death, theft or humane destruction of the **stallion**.

### 3. Foal Cover from 24 Hours

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid and special health requirements met, it is agreed that the **policy** is extended to indemnify the **insured** as outlined in 'What you are insured for' in the event of the death or **humane destruction** of an insured foal from 24 hours of age.

### 4. Non Life Saving Operations Involving General Anaesthetic Conducted by Veterinary Surgeons

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** for any loss arising directly or indirectly as a result of operations or surgery, either under local or general anaesthesia.
- All other terms and conditions remain unaltered.

## 5. Stallion Loss of Income

- (a) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to:
- (i) indemnify the **insured** for the **actual** loss of income from paid or contracted stud fees in the event that the **insured stallion** fails to serve or complete service of the booked mare(s) for which the **insured** has sold their breeding rights/nominations, due to any physical cause excluding death of the **insured stallion** during the **period of insurance** shown in the **policy certificate**; and
  - (ii) provided that the **insured stallion** shall have been certified by a qualified **veterinary surgeon** as unfit for a period of at least 20 consecutive days, indemnify the **insured** for the **actual** loss of income where your **insured stallion** is unable to serve or complete service as a result of movement restrictions imposed during the **period of insurance** on the recommendation of the Thoroughbred Breeders' Association or other competent authority, arising out of any infectious or contagious disease outbreak.
- (b) Subject to all of the terms, conditions and exclusions of the **policy** to which this benefit is attached, and in consideration of the additional premium paid, it is agreed that the **policy** is extended to indemnify the **insured** in the event of the **insured stallion** failing to be available to cover the **insured's** own mare(s) which have been declared and accepted by the **Underwriters** prior to the commencement of the insured **covering season**, as a result of any of the following:
- (i) The temporary total disablement of the **insured stallion**;
  - (ii) The permanent total disablement of the **insured stallion**; and
  - (iii) The **insured stallion** being unable to cover as a result of movement restrictions being imposed on the recommendation of the Thoroughbred Breeders' Association or other competent authority, arising out of any infectious and/or contagious disease outbreak.

The Underwriters' liability for any loss under this section shall be limited in respect of any mare to the lowest stud fee payable by any outside mare, less any discounts that might be available.

The following additional conditions apply:

- (a) It is a condition precedent to any liability of the **Underwriters** hereunder that, unless specifically agreed by the **Underwriters** in writing to the contrary, the **insured stallion** shall, at the commencement of the **covering season** be booked to cover a minimum of 20 mares. Such booked mares may be either mares owned by third parties or the **insured's** own mares, but in either case, the **syndicate manager** and/or the **insured** shall upon request produce to the **Underwriters'** satisfaction all records evidencing the commitment between the **insured** and the owner(s) of the booked mare(s) in respect of the **insured stallion**.
- (b) It is a condition precedent to any liability of the **Underwriters** hereunder that, as soon as it appears that a loss may arise under this **policy**, the **insured** shall use due diligence and dispatch to mitigate **your** loss, which may include obtaining the services of (an)other stallion(s) or rebooking mares to (an)other stallion(s) in which the **insured** has an interest for the whole or remaining **covering season** insured by this **policy**.  
It is agreed that, should the **insured** be successful in obtaining the services of another stallion, whether it is one of **your** other stallions or a new stallion purchased out of insurance proceeds, the liability of the **Underwriters** shall be limited to the difference between the income **actually** derived from the substitute stallion and the income which would have been derived from the **insured stallion** in respect of booked mares, and any claim payable hereunder shall be adjusted accordingly.
- (c) The **Underwriters** reserve the right to request from the **insured** and/or the **syndicate manager** and/or the **stallion manager** all documents in their possession which evidence the steps taken by the **insured** to mitigate **your** loss. Failure to produce all relevant records within a reasonable period at the **insured's** own cost shall entitle the **Underwriters** to avoid or limit their liability under this **policy**.

# Your Policy: Section 3 Horse Standard



- (d) The **insured** shall give immediate notice to the persons named in the **policy certificate** and cooperate with the **Underwriters** in doing all things reasonably required by them:
- (i) in the event of there being evidence of any accident, sickness or incapacity which may affect the **insured stallion's** covering programme, in which event the case shall immediately be referred by the **insured** or your **veterinary surgeon** to a **veterinary surgeon** appointed by the **Underwriters**; and
  - (ii) as soon as **you** become aware that the **insured stallion** is unable to be used as a result of movement restrictions being imposed by reason of any outbreak of infectious or contagious disease.

The following additional exclusion applies:

- (a) The calculation of **actual** loss under this **policy** shall disregard the following sources of income:
- (i) own mares or partnership mares where no stud fee is payable; and
  - (ii) foal sharing mares; and
  - (iii) mares returning on 'free' returns; and
  - (iv) mares covered by the **insured stallion** during two oestral periods in the insured season but not in foal; and
  - (v) commissions/bonuses/dividends and any other income which the **insured** may earn under the terms of any syndicate management agreement or agreement for standing the **insured stallion** at any stud, or any other agreement; and
  - (vi) any other income or profit which is not otherwise the actual stud fee which the **insured** is contractually entitled to receive from the mare owners.

All other terms and conditions remain unaltered.

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## What you need to know

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 shall release the **Underwriters** from all liability for individual claims or from this insurance entirely as stated in General Condition 11.

## General Exclusions

These exclusions apply to all of the FMG **Horse** Policies unless indicated otherwise below. Please note that exclusions specific to any of the **Horse** Policies are included in each Policy.

Notwithstanding anything to the contrary contained within this **policy** or any endorsement thereto, the **policy** does not cover:

1. Intentional slaughter 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.
2. 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 **veterinary surgeon** and certified by him to have been necessitated solely by accident, injury, illness or disease occurring during the **period of insurance** and to have been carried out in an emergency attempt to save the **horse's** life; or
  - (b) The administration of any medication unless by a **veterinary surgeon** (or experienced personnel directed by him) and certified by that **veterinary surgeon** to have been of a preventative nature or necessitated by accident, illness or disease occurring during the **period of insurance**. As used in this **policy**, medication includes any drug, hormone, vitamin, protein or other substance other than unadulterated food or drink; or
  - (c) Malicious or wilful injury or intentional acts or omissions by the **insured**, your family, representatives, agents, employees, bailees or other persons who have care, custody or control of the **horse**; or
  - (d) Failure by the **insured**, your family, representatives, agents, employees, bailees or other persons who have care, custody or control of the **horse** to provide proper care and attention for the **horse** at all times; or
  - (e) The use of the **horse** for any purpose other than that specified in the **policy certificate**.
3. 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) Radioactive contamination; or
  - (b) Confiscation or nationalisation 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.
4. In any claim, and in any action, suit or proceeding to enforce a claim for death or **humane destruction** under this **policy**, the burden of proving that the death or **humane destruction** does not fall within 3 (a), (b), or (c) above shall be upon the **insured**.
5. Any loss arising from:
  - (a) Mysterious disappearance, escape or voluntary parting of possession of or title to the **horse** as a result of the **insured**, or others to whom the **horse** has been entrusted, being induced by fraud, trickery or similar false pretences; or
  - (b) Consequential loss.
6. Loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

# What you need to know



## 7. Terrorism

- (a) Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- (b) For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious ideological or similar purposes including the intention to influence and government and/or to put the public, or any section of the public, in fear.
- (c) This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.
- (d) If the **Underwriters** allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this **policy** the burden of proving the contrary shall be upon the **insured**.
- (e) In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

- 8. Death or **humane destruction** directly or indirectly caused by, happening through, in consequence of or contributed to by Avian Influenza or any mutant variation thereof.

## General Conditions

These conditions applying to **your** FMG Horse Policy are important and must all be met before a claim under **your** policy is accepted. Please note that the conditions specific to each FMG Horse Policy are included at the end of each Policy.

1. At the commencement of this **policy** the **horse** must be, with the exception only of those conditions 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. 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 policy; 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** proposal for insurance or any extension of or addition to coverage on the **horse** shall neither remove nor reduce the requirement of full compliance with General Condition 1. above 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 **policy** shall be upon the **Underwriters**.
3. At the commencement of this **policy** (or any increase, addition or other extension to coverage), the **insured** must be the sole owner of the **horse**. This **policy** 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.

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4. In the event of the **horse** being operated upon for castration or spaying, this **policy** shall cease to cover such **horse** at midnight, local time, immediately prior to the day of such operation. The **insured** shall be entitled to a pro rata return of premium on the **horse**.
5. During the entire **period of insurance**, the **horse** shall remain within the geographical limits stated in the **policy certificate**.
6. In the event of:
- (a) Any illness, disease, lameness, injury, accident or physical disability whatsoever of or to the **horse**, the **insured** shall immediately at **your** own expense employ a **veterinary surgeon** and shall, if required by the **Underwriters**, allow removal of the **horse** for treatment; and
  - (b) The death or **humane destruction** of the **horse**, the **insured** shall immediately at **your** own expense arrange for a **post-mortem** to be done by a **veterinary surgeon** to establish the cause of death 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) Either (a) or (b) above, the **insured** shall immediately give notice by telephone or fax to the person or persons specified for the purpose in the **policy certificate**, who will instruct a **veterinary surgeon** on the **Underwriters'** behalf, if deemed necessary.
- The **Underwriters** reserve their rights to have a **post-mortem** carried out by their **veterinary surgeon**.
7. After receiving permission from the **Underwriters**, the **insured** shall arrange for the removal and disposal of the remains of the **horse** at **your** 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.
8. The **insured** shall file with the **Underwriters** a detailed Claim Form and Release within sixty (60) days after the death, theft or **humane destruction** of the **horse**.
9. The **insured** shall at all times co-operate with the **Underwriters** and their representatives in the investigation and adjustment of any actual or potential claim by:
- (a) Providing immediately upon request by the **Underwriters** or their representatives access to any person(s), copies and originals of all veterinary records whether held by the **insured**, or by **veterinary surgeons** or other third parties; and
  - (b) Providing immediately upon request by the **Underwriters** or their representatives all information relating to the condition, history, performance, value or otherwise of the **horse** which **Underwriters** or their representatives may reasonably require; and
  - (c) The **insured**, **your** 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** or their representatives.
- If there is any lack of such co-operation causing prejudice to the **Underwriters**, any claim by the **insured** will be diminished or extinguished to the extent of that prejudice.
10. If the **Underwriters** make any payment under this **policy**, 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 **Underwriters'** rights of subrogation.



# What you need to know

## IMPORTANT NOTE

Any breach of any of the above General Conditions 1 through 10 and/or any one or more of the Additional Conditions set forth in any endorsement to this policy, whether the **insured** has personal knowledge of such circumstances or events or such knowledge is confined to **your** family, representatives, agents, employees, bailees or other persons who have care, custody or control of the **horse**, shall render the **insured's** claim null and void and release the **Underwriters** from all liability.

- 11. This **policy** is null and void and the **Underwriters** are released from all liability hereunder if the **insured** has:
  - (a) Concealed, misrepresented, omitted and/or failed to disclose any material fact or circumstance relating to this **policy**; and/or
  - (b) Made any claim knowing the same to be false or fraudulent, as regards amount or otherwise.

### 12. Cancellation

- (a) This **policy** 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 additions in full for extra risks such as breeding, jumping, foals and the like.

- (b) This **policy** may be cancelled by the **Underwriters** at any time by mailing written notice to the **insured's** address as shown in the **policy certificate**, stating a date at least five (5) days from the date of the notice, when cancellation will be effective. 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.

If the period of limitation relating to the giving of such notice is prohibited or made void by any law controlling the construction hereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

- (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**.

13. Where the **Underwriters** shall have admitted in writing the validity of a claim but there remains a dispute between the **Underwriters** and the **insured** as to the **fair market value** of the **horse** consequently payable hereunder, then that dispute is to be resolved by Arbitration, as follows:

- (a) There shall be a sole arbitrator who shall be disinterested, being the person selected by the **insured** from a list, current at the time of selection and as maintained by the **Underwriters**, of a minimum six individual members of the Federation of Bloodstock Agents (G.B.) Ltd, a copy of such list being at all times available to the **insured** and **FMG**;
- (b) Within 28 days of notification by the **insured** to the **Underwriters** of the appointment of the selected Arbitrator, the **insured** and the **Underwriters** shall each submit to the Arbitrator and to each other such evidence and submissions on value as they wish to make, each then having a further 14 days to respond thereto;
- (c) Thereafter the Arbitrator shall proceed to determine by way of award the **fair market value** of the **horse**;
- (d) The **insured** and the **Underwriters** agree unconditionally to accept the award of the Arbitrator, and that there is no appeal (other than as cannot be excluded by agreement), payment to be made in the amount of the **fair market value** thus awarded by the **Underwriters** to the **insured** within 21 days of the award;
- (e) If the **Underwriters** and the **insured** have each provided the other prior to the arbitration with a figure which they would respectively be prepared to pay or accept, then the party whose figure is furthest from the **fair market value** as awarded by the Arbitrator will pay all fees and expenses of the Arbitrator; in the event of no such figures having been provided then those fees and expenses will be divided equally, the **insured's** proportion (if any) being deducted from the amount payable by the **Underwriters** to the **insured** pursuant to the award.
- (f) This Arbitration Clause is exclusive, so that neither

## Additional Conditions

1. Prior to the commencement date of this **policy** there must have 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.
2. No liability arises under this **policy** for loss of the **horse** by theft or unlawful removal until 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.
3. The **insured** must immediately report any theft or disappearance of the **horse** to **FMG** and to the local Police and follow strictly their recommendations.
4. 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 **policy**.
5. In the event of a loss under this **policy**, the **Underwriters** will indemnify the **insured** in respect of the **fair market value** of the **horse** at the time of the loss, up to but not exceeding the limit of the **Underwriters'** liability specified in the **policy certificate**.
6. In the event of any payment under this **policy**, the **Underwriters** reserve the right to take title and possession of the **horse** if the **horse** subsequently is recovered.
7. 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 **policy**.

# What you need to know



## Definitions

**Actual** means that which is determinable and existing in fact and shall not include anticipated or arising in the future.

**Booked** means written/registered/listed/named in the **insured's** records or stud books for the **insured stallion** for the **covering season** insured under this **policy**, provided that, where the **insured** has failed to make an entry in **your** books or records for a mare, the **Underwriters** may, at their sole discretion, allow income to be recovered in respect of such mare, having satisfied themselves that a bona fide agreement existed between the **insured** and the mare owner prior to the event giving rise to a claim hereunder.

**Complete service** means that the **insured stallion** must be available to the booked mare(s) for 75 days from her first service or until the end of the **covering season** insured under this **policy**, whichever period is the shorter.

**Cover**, in respect of the Stallion Loss of Income Optional Benefit only, means successfully to mount the mare and achieve intromission and ejaculation under normal stud practice over two oestral periods unless tested in foal to first covering.

**Covering season** means the Southern Hemisphere covering season commencing 1st September and finishing 31st December.

**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.

**FMG** means Farmers' Mutual Association, Farmers' Mutual Group or FMG Insurance Ltd as shown on the **policy certificate**.

**Horse** means whole or part interest of the **horse** or **horses** specified in **your policy certificate**.

**Humane destruction** means:

- (a) That the **horse** incurs an injury or is afflicted with an excessively painful disease, and a **veterinary surgeon** 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 **veterinary surgeon** 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 **veterinary surgeon** by the **Underwriters**.
- (c) For the purposes of this insurance 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.

**Impotent** means the failure of the **stallion** to achieve intromission.

**Income** is limited to the stud fee fixed/agreed in writing by the **insured** and/or the **syndicate manager** and/or the **stallion manager** in respect of the **insured stallion** prior to or during the **covering season** and in any event prior to the **insured stallion's** unavailability.

**Infertile** means sterile.

**Insured** means the person(s), partnership, corporation or organisation specified in **your policy certificate**.

**Insured stallion** means the **stallion** insured by the stallion owner/**syndicate manager** under this **policy** and named in the **policy certificate**.

**Period of insurance** means the period shown on **your policy certificate**.

**Policy** means the complete contract between **you** and the **Underwriters** including the latest **policy certificate**, policy wording, proposal and any supplementary information.

**Policy certificate** means the attachment or schedule which forms part of this **policy** and shows **your policy**

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number, together with important details of cover. If **your policy** is altered, **you** will be issued with a replacement **policy certificate**.

**Post-mortem** means a post-mortem, which shall include a necropsy examination, made by a **veterinary surgeon** to establish the cause of death or the reason for the **humane destruction** of the **horse**.

**Serving mares** means achieving intromission.

**Stallion** means whole or part interest of the **stallion** or **stallions** specifically listed in the **policy certificate** for coverage under the Stallion Permanent Disability Optional Benefit.

**Stallion manager** means the manager appointed by the **insured** or the **syndicate manager** to be responsible for the day to day care of the **insured stallion**.

**Stock** means **horse(s)**.

**Syndicate manager** means the manager appointed in any syndicate agreement relating to the **insured stallion** to conduct the affairs of the syndicate.

**Underwriters** means Lloyd's Underwriters' Non-Marine Association Ltd (Lloyd's).

**Veterinary surgeon** means experienced in equine practice with a currently valid license, issued by the appropriate governing agency, allowing him to practice veterinary medicine.

**We/us/our** means both Farmers' Mutual Group (FMG) and Quadrant Insurance Group Limited (Quadrant).

**You/your/yourself** means the **insured**.

# What you need to know

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We're easy to contact  
Call us on 0800 366 466

Write to us at PO Box 1943,  
Palmerston North, New Zealand.

Email us [contact@fmg.co.nz](mailto:contact@fmg.co.nz)

Visit our website [www.fmg.co.nz](http://www.fmg.co.nz)

Or contact your local FMG branch.

INSURANCE - INVESTMENT - FINANCE

FMG1179-1107 (ADP0838)