

VALUE SUBSTANTIATION

As a result of the continuing economic changes in the equine marketplace, it is extremely important to establish with your agent the basis on which the requested amount of insurance is calculated.

One of the major underwriting factors is accurate value determination. Because an animal's value fluctuates (based on its successes and failures in breeding or performance) it is essential that we have a clear understanding of how the current value has been determined.

It is not our intention to cut values "to the bone," leaving you, the horse owner, with insufficient coverage. However, the reality is that some people have invested more money in a horse than they could sell that animal for, and thus the insurance policy might be the last resort to recover the money.

A few simple rules can avoid either conflict or fraud. The following is a guide to the specific facts which should be considered.

STALLIONS

Current stud fee, number of mares serviced last season and number of mares booked this season. The stallions' performance record and/or winnings will also apply.

BROODMARES

We should know who she was bred to last year and the stud fee, as well as who she will be bred to this year and the stud fee. You should also list the sale prices of the best foals, their performance records and the mare's performance record.

FOALS/YEARLINGS

For this age group of animals, we would like to know the name of the dam, the sire, the stud fee, the date of birth and any related show or training information.

SHOWING

You should provide the points earned, the performance record, the winnings in the last twelve (12) months and in total. The level of competition will be most helpful when we are evaluating the records of animals involved.

RACING

You should list the performance record, the amount of winnings in the last twelve months, total winnings, and the current location of the animal.

GENERAL

We would like to know the name of the trainer, the name of the training facility and its location and any other information that will support the requested insurance amount.

This document is intended as a general guideline. It would be impossible to list all of the factors relating to a particular animal's value, but we feel the owner is in the best position to answer the questions. The problem arises when the Company questions the value of the animal after the owner thought they had "closed the deal."

You should review the wording of the policy in regard to value because in the event of a loss, this is the basis of indemnity upon which the claim will be adjusted. In the final analysis it is better for both agent and insured to deal with the question of value up front rather than later in an atmosphere of suspicion and aggravation.

VALUE SUBSTANTIATION SUPPORT FORM

Name of Insured: _____ Phone Number: _____

Address: _____

Name of Horse: _____ Breed: _____ Height: _____ Sex: _____ Date of Birth: _____

Horse's Use/Level: _____

Purchase Price: _____ Purchase Date: _____ Current Fair Market Value to be Insured: _____

Please note that you need only provide as much documentation as needed to substantiate the Current Fair Market Value.

PERFORMANCE RECORD *(Attach separate sheet if necessary or include association records. Also include show ratings / level where applicable.)*

Show / Competition	Date	Class / Division	# of Horses	Placing	Winnings (\$)	Points

Other additional information: _____

TRAINING RECORD *(For training fees, include training charges only. Do not include board, vet, farrier, or other charges.)*

Name of Trainer / Location	Dates in training	Charge per month	In training for (Use and/or Competition)

Other additional information: _____

STALLION QUESTIONS *(Attach separate sheet if necessary.)*

Current Stud Fee	Mares bred last full season	Mares booked for current season	Bookings for next season	Average sale price of foals

Production record. Include offspring performance records. _____

BROODMARE QUESTIONS *(Attach separate sheet if necessary.)*

If in foal, Stallion bred to	Due Date	Stud Fee Paid	Average sale price of foals

Production record. Include offspring performance records. _____

FOAL / YEARLING QUESTIONS

Sire	Dam	Stud Fee

Sale prices and/or performance records of full / half siblings: _____

I understand and agree that the proposed insured amount for the above named horse is a current fair market value. I understand this determination is solely my responsibility.

Signature of owner(s) of above named animal _____ Date _____