



**BY**  
**INVITATION ONLY**

# WHITE PAPER

## BENEFITS SUMMARY

### **High-hazard & catastrophic equine risks**

High-value professional sporthorses are notoriously difficult and expensive to insure. Particularly with respect to the most acute risks - mortality (death) and total loss of use.

### **Mortality risk**

The scheme will, subject to its terms (set annually by members), respond to mortality risks.

### **Loss of Use**

The scheme will, again subject to its terms also respond to catastrophic loss of use risks.

### **Indemnity limits**

The scheme is principally designed for federated sporthorses owned by professional owners, with indemnity being provided up to a maximum of £350,000 for any one horse.

### **Payment of claims**

All indemnity afforded by the scheme is administered by the board on trust for all members jointly and severally. Indemnity claims are validated (at face value meeting scheme criteria) then put to a members vote. With unfettered final authority on which claims are paid (within 3 months of the end of each annual period, 1 April - 31 March) the scheme operates on the core principles of trust and good faith by and between all members.



### **Premium and cost**

Uniquely, aside from a notional monthly membership fee, payable per owner and per horse registered in the scheme risk pool to cover operational costs and expenses, there are no other up front costs or premiums to pay.

Each member only pays for authorised claims, pro-rata to the value of their horse(s) declared value in the risk pool, with a upper limit of 2.5% of the value thereof. This avoids any catastrophic costs to any individual member. If there's no claims, then there's no 'premium' to pay.

### **Cost effectiveness**

Unlike typical Lloyd's and commercial insurance, where around 50% of the premiums cover commissions and operating costs, the scheme has nominal operating costs, covered by small membership fee's and is run as a community.