



# Horse Sense



SUMMER ISSUE 2010

## Common Myths Regarding Equine Insurance

### **There is no need for insurance when a Waiver of Liability is used for everyone**

Having a waiver of liability does not eliminate the need for proper insurance. Even when a Waiver is used, you can still be sued. Also, should a lawsuit be brought against you, without insurance you are responsible for paying your own legal fees and for paying any settlement or judgment. By comparison, when a lawsuit or claim is covered by insurance, the insurance company will handle the legal fees and also pay the demand, claim and/or judgment to a specific dollar amount.

### **"My horse got sick and had to be put down. Now I can call my insurance company."**

A common myth is that you should only notify the insurance company *after* your horse dies. This is extremely untrue. Most insurance companies require immediate notification of a horse's lameness, illness or injury. Those who fail to comply with this are at risk of losing their mortality insurance coverage. We have sent you a bright orange stall card with a number to call in case of claims.

### **"I have been sued for negligently caring for a horse that I board in my barn, but my Commercial General Liability insurance should cover this"**

Most General Liability policies do not cover this. Usually, General Liability policies only cover injuries affecting humans and incidental property damage. If an accident or injury only affects a horse (which is personal property), most policies do not cover the risk. It would cover it IF the extra insurance, called "care, custody, and control" was purchased.

### **"My horse is sore, but I can still recover 100% of the value of my horse with a Loss of Use policy."**

Loss of Use is an endorsement that reimburses the insured between 50% to 60% of the horse's value if the horse becomes permanently disabled for the discipline for which it is insured. If a horse becomes temporarily disabled, this policy generally will not respond.

## *The Facts of Life... Disability & Health Insurance*

### **Do you have a plan for the unexpected?**

If you were unable to earn an income, what would happen to your lifestyle?

What would happen to your children's, spouse's and horse's lifestyle?

How many lives are counting on your ability to bring home a paycheck?

If you were injured, would you be able to continue to support your family?

What would happen to you if you fell off your horse TOMORROW and were unable to work?



**TAKE THE TIME TO THINK ABOUT THESE QUESTIONS. YOU SHOULD ALWAYS EXPECT THE UNEXPECTED. FOR THE SAKE OF YOUR FAMILY AND ANIMALS, YOU MUST MAKE A PLAN B.**

**Call about our life & disability lines. After an accident is not the time to wish you had disability coverage, or unfortunately, life coverage. A personal income protection plan is a wonderful way to help you sleep better at night.**

## Corinthian Spotlight

This Issue's Spotlight is shining on...

**SCOTT LOMBARD**  
Principal



**Scott Lombard is a principal of Corinthian Insurance. When not in the office, Scott can be found at the farm, at his daughter's lacrosse games, taking a walk or a bike ride...or even practicing yoga.**

**Scott was born and raised on a farm in Medway, Massachusetts, which is now known as Saddle Rowe. He has been surrounded by horses and equine activities for his whole life and still helps his sisters on the farm.**

**He loves to eat healthy food, but occasionally can be pressured into eating chocolate cake at our office parties. Don't tell Scott, but we've recently found the hidden stash of candy he keeps in his drawer.**



## Advice Column

Please use the opportunity to ask general questions and get detailed answers from us. We know a lot about horses, farms, and the whole Equine business in general. Send us questions about coverages, horse concerns, and other horse or insurance related questions.

**Q: My basement is flooded. Am I covered under my homeowner's policy?**

**A:** *Depending on how the basement became flooded, you can face disappointing answers when asking this question. A homeowner's policy does not cover flooding if it is due to groundwater. There is a separate flood policy for that. However, a homeowner's policy covers some water damage if it is due to malfunctions: example a gutter malfunction or a sump pump malfunction. Most of the time, you are better off getting a flood policy.*

**Q: Am I insured to transport other people's (non-owned) horses**

**A:** *Normally no. If you own a commercial equine business, such as a boarding business, you can occasionally transport a non-owned horse, but only if you have care, custody or control insurance.*

**Q: I have Commercial Equine Liability coverage, are my personally owned horses covered?**

**A:** *Yes, your horses are covered for third party liability-in the case which they cause bodily injury or property damage to others. The horses themselves are not covered for any medical expenses-including sickness, disease or death. You would need a Mortality policy for that.*

### Tell Others About Us and Win!!

Do you like money and free stuff? All you have to do is refer us to others that you know. Mention Corinthian to a friend, relative and colleague in need of insurance (ranging from Mortality, Liability, Farm owners, Life, Disability, Automobile, Homeowners, and more). Word of mouth is the best way to impress and attract new clients!

Don't forget to tell them to **mention your name** when they call in so we can enter you in our drawing for prizes!

Thank you in advance.

*Congratulations* to Monique Gregg for winning the Referral Contest this season! Thanks for all of your help!

## Breed of the Issue

This season's random "Breed of the Issue" is...

# Appaloosa



The Appaloosa horse was the result of selective breeding by the Nez Percé Indians of North America. The name "Appaloosa" came from the Palouse River that runs through the western side of the United States. In 1876, the US Army almost wiped out the Nez Percé Indians and the Appaloosa breed but they survived and are now one of the most popular breeds.

The modern Appaloosa has 5 recognizable patterns; leopard, snowflake, blanket, marble, and frost. It usually has a sparse tail, a white sclera encircling the eye (white around the eyeball-comparable to humans) and mottled skin around the muzzle.



## Meet Einstein

Einstein, born on April 22, 2010 could possibly be the new record holder for the world's smallest horse, weighing in at nearly 6 pounds. He is a pinto stallion and does not suffer from any form of dwarfism. Turns out, he is just really, really small.



He was foaled at Tiz A Miniature Horse Farm in Barnstead, New Hampshire. Einstein worried the staff so much that they stayed with him for four hours after he was born and wrapped him in a dog blanket to keep him warm.



## History: *Horses of the Americas*

It is said that horses were reintroduced to North and South America in the sixteenth century. However, it is thought that Horses existed in these continents before then, but were hunted to extinction and disappeared for about 8,000 years. They were re-introduced to the Americas by the Spaniards. Hernán Cortés landed in Mexico in 1519 and brought an army and 16 horses. Of these horses, 11 were stallions and 5 were mares. Cortés' horse, **El Morzillo** (The Black One) was injured and left in the care of the American Indians. Unfortunately, the horse died. The Indians created a statue of the horse and worshipped him as Tziunchan-The God of Thunder and Lightening, with fear of the white man. By 1697, the horse was firmly re-established in the American continents.

## Replacement Cost VS. Market Value-Home Insurance Valuations

Joe Lombard

One of the biggest questions that consumers have regarding homeowner's insurance revolves around the amount of insurance to place on their dwelling (home).

"My home is only worth \$120,000. Why does my insurance company want me to insure it for \$275,000?"

When purchasing a house, the mortgage company requires that the homeowner obtains insurance prior to closing. Most consumers assume that the amount of dwelling coverage will be equal to the amount that they paid for their house. This is incorrect in most cases.

There are different methods to determine the value of a house. **Market Value** is the price that was paid for your house. **Replacement Cost** is the price or cost that it will take to rebuild your house in the same spot, the same size, and the same quality of construction, at today's costs. Insurance companies use the replacement cost valuation. These can be two completely different numbers.

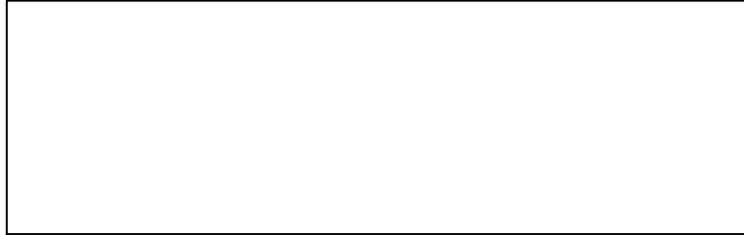
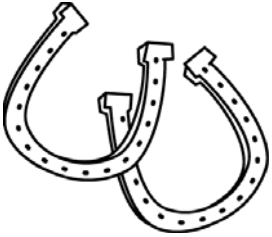
For example, a home purchased in a depressed city neighborhood may have a market value of \$120,000. The same exact house, located in a nice suburb, may have a market value of \$285,000. However, the cost to rebuild the house after a loss will be the same in either location. The insurance company is looking to insure the home for the full replacement value, not the current market value. Remember, they are going to pay to build you a new home, not buy one for you down the street.

For insurance purposes, you should insure your home to 100% of its replacement cost. This will ensure the ability to rebuild the entire house, the way it is now, in the event of a total loss. One thing to remember, you're not insuring the land so leave this out of the replacement cost valuation of the dwelling.

Consult with your insurance agent and explain your home in detail regarding: square footage, number of bedrooms, bathrooms, kitchen, basement, fireplace, etc/ Insurance companies use a formula to generate the correct replacement cost. The coverage amount and the premium might be a bit higher, however you will be properly insured. After a claim occurs is NOT the time to find out that your insurance is not adequate. Having 100% replacement cost on the dwelling takes away this possibility.

	Home in Thriving Suburb	Home in Depressed Neighborhood
Square Footage	2,500	2,500
Year Built	1920	1920
Market Value	\$285,000	\$120,000
Cost to replace/ rebuild the home	<b>\$275,00</b>	<b>\$275,00</b>

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**“We had our pony insured with a different company. We happened upon Corinthian with the purchase of our second horse; his previous owner was a client of Joe’s. Wish I had known about Corinthian earlier! Our medical/surgical/ mortality coverage is now of better standards, all processes are much easier/faster and A LOT less paper work, that used to give me headaches!”**

**–Randie & Jane Chiavelli, winners of the Spring Issue’s Referral Contest.**

### **Tips from Horse Show Judge Joe Lombard**

1. Always wear your best outfit. Make sure clothes fit properly and are meticulously clean.
2. Always keep the horse’s mane and tail well groomed (no hay shavings, etc.) If braiding is required it should be proper. Hooves should be properly shod.
3. Enter the ring properly at whatever gait pertains to your discipline. Always be alert –you’re showing your self as well as your horse.
4. Always enter the ring with confidence. You must maintain a positive attitude and let it show.
5. When you are showing a horse in hand, model conformation.. Move and stand with a lot of energy and pizzazz.
6. Always ride your horse as if you were in a show ring. This will teach your horse that every time you work him or her you mean business and they will develop this attitude similar to a valuable employee with excellent work ethics.
7. Teach your horse ground manners before mounted work, this is very important in creating a well trained animal completely.

### **TRACTOR MAINTENANCE**

Whether your tractor is doing vigorous work during the harsh winter season, or sitting in a shed through the long season, it should be an important item on the cleaning checklist.

- Make sure there are no loose or damaged parts, or anything in need of repair. Look that nuts, bolts and screws are tight, if not tighten them or replace them.
- Make sure there are no fluid leaks or that there are no cracks in the belt.
- Check the condition of the battery. Voltage meter reading should be nine volts or higher. Anything lower indicates you need a new battery.
- Check tires for air pressure and condition. Replace any worn out tires.
- Tighten the Wheel Lugs. (check manual)
- Change the engine oil and filter.
- Change the fuel filter.
- Put in new spark plugs.
- Replace engine & air conditioning air filters.
- Lubricate. Check the manual for type of lubrication and locations to lubricate. Use on nuts, bolts and joints to prevent rust.