

Stallion Infertility

By Robert A. Hoffa, Esq.

Its breeding season. Your stallion is booked full and the mares are going to begin arriving shortly. You believe you have everything taken care of to ensure a successful breeding season. Unfortunately, testing reveals that your four (4) year old stallion is infertile. Is there any way you could have protected yourself from the loss of revenue as a result of this unfortunate situation? If you carry animal mortality insurance on your stallion there is an option of adding stallion infertility extension. The stallion infertility extension provides that your horse is insured, normally at an agreed upon value established between you and the insurance company, if he becomes totally and permanently impotent, infertile or incapable of serving mares as a result of an accident, illness or disease incurred during the policy period.

As with all policies of insurance there are conditions with which you must comply in order to maintain coverage. Normally these include immediately notifying the insurance company when you become aware of the accident, illness or disease which caused the infertility and secondly, to secure appropriate treatment by a licensed veterinarian. In other words, if you do not comply with these terms the insurance company has the option of denying coverage.

In order for the insurance company to make payment it must be determined that there is a total and permanent infertility to the horse. The key words are "as a result of an accident, illness or disease." In other words you must be able to attribute the impotence, infertility or incapability of serving mares to a specific accident, illness or disease. If you are unable to do so, this extension will not protect your loss.

The endorsement to the policy is very clear if there is a dispute as to the nature of the injury being total and permanent. Then you, as the insured, have a right to have your own veterinarian, at your expense, examine the horse to determine whether the injury is total and permanent. Likewise the insurance company has an opportunity to have the horse examined by its own veterinarian at its own expense. If the two (2) veterinarians can not agree that the injury is total and permanent, the veterinarians then select a third person known as an "arbitrator." Each of the parties bear equally in the expenses of the neutral arbitrator. The decision of two (2) of the three (3) parties is binding on both you the insured and the insurance company as well.

This method of resolving disputes without the need to retain attorneys and proceed through the court system is much more efficient, quicker and actually less costly than the litigation process. Normally these arbitration hearings occur much quicker than a court hearing and are binding on all parties so there can be no appeal from a decision of the panel. Likewise, there is no need to retain experts for expert testimony as it is a panel of veterinarians that are making the final decision.

Exclusions in insurance policies are what the insurance company will not cover. One exclusion is that it will not apply to any animal that is eighteen (18) years of age or older. The second exclusion is that it will not cover the death of a horse for any cause. This second exclusion is of little consequence in that the stallion infertility extension is part of an animal mortality policy. If there is a death of the horse the provisions of the animal mortality policy will be applicable.

There is one provision in the stallion infertility extension which you should be made aware of prior to seeking recovery on this policy. That is, the insurance company reserves the right in its discretion to obtain ownership of the stallion or shares if one hundred (100%) percent of the agreed value is paid to you the horse owner. While that does exist, the insurance company may waive their right to ownership if the horse is castrated and his registration papers reflect a gelding as opposed to being a stallion.

As with all insurance policies this document acts as a contract between you and the insurance company. Read the details and the provisions which tell you what you must do in order to proceed with the claim. Failure to follow the terms of the contract may result in your jeopardizing any coverage that is available to you.

About the Expert

Robert A. Hoffa is an Attorney with offices in Newtown, Pennsylvania. His clientele includes equine associations, trainers and breeders throughout the United States. In addition, Mr. Hoffa is actively involved in the reining and cutting horse industry. Mr. Hoffa has been a Guest Lecturer at Salem Teikyo University for their Equine Law Classes, as well as a Guest Speaker at Equine Affaire, Columbus, Ohio. Mr. Hoffa can be reached at (215) 579-7771.