

Changes of the Auction Market General Insurance from horses traded in 2018 Select Sale

<Foal insurance>

In the foal insurance, the rate of the premium that the Buyer must bear will be changed from 1.8% to 2.0% (the rate borne by the Seller will be changed from 2.7% to 3.0%).

<Foal/yearling insurance>

- (1) **The coverage of a bad habit insurance award will be abolished**
- (2) An accident with loss of racing ability due to **degenerative joint disease (DJD)** will be covered.
- (3) A surgery insurance award will be **“paid on a separate basis”**.
Even if death of the horse or loss of racing ability results in total loss after a surgery insurance award is paid, 100% of the amount insured will be paid without deducting the already-paid surgery insurance award.
- (4) The coverage of an **“arthroscopic surgery in standing position under local anesthesia”** will be added to the surgeries covered by surgery insurance.

Foal insurance (premium rate)

- Policy Period: 25 months from the date of sale to August 1 of the year after the next of the year of the Select Sale (i.e., 4:00 p.m. on August 1, 2020).
- Amount insured: sales value (successful bit amount + consumption tax)
- Premium rate: 5.0% (the Buyer: 2.0% and the Seller: 3.0%)

<If the successful bit amount is 20 million yen>

Amount insured: 21.6 million yen

Breakdowns of the premium: the Buyer: 432,000 yen and the Seller: 648,000 yen

※ The premium rate for a yearling will not be changed.

- Policy Period: from the date of sale to August 1 of the following year of the Select Sale (i.e., 4:00 p.m. on August 1, 2019)
- Amount insured: sales value (successful bit amount + consumption tax)
- Premium rate: 2.8% (the Buyer: 1.4% and the Seller: 1.4%; fifty-fifty between the Buyer and the Seller)

For inquiries, please contact the Japan Racing Horse Association
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