1. Insuring Agreement

In return for receiving Your payment of premium when due, We will provide insurance for Your Pet(s) as explained in the below Policy terms and conditions. This agreement also includes the Declarations Page, Your application and any endorsements.

2. Definitions

Defined terms are in bold print throughout the Policy for ease of reading.

a. Accident is a sudden, unpreventable event that causes physical Injury to Your Pet(s).
b. Annual Limit is the maximum amount We will reimburse You for all Covered Expenses during a Policy year. Your Annual Limit is shown on the Declarations Page.
c. Behavioral Problems means a Pet exhibiting abnormal responses to stimuli, not caused by an underlying medical condition, including but not limited to, aggression, anxiety and destructive and/or compulsive behavior.
d. Bilateral Condition is a condition or disease that affects both sides of the body (examples: cruciate ligament and lameness).
e. Coinsurance is Your portion of Covered Expenses after the Deductible is met. Your Coinsurance amount is shown on the Declarations Page.
f. Coverage Period means the time period specified on the Declarations Page beginning on the effective date and ending on the expiration date. All dates are as of 12:01 AM in the time zone of the Policyholder.
g. Covered Expenses means the Reasonable and Customary charges for Medically Necessary Treatments provided by Your Veterinarian during the Policy period that are eligible for reimbursement under this Policy.
h. Declarations Page is the page sent to You with specific information about the Policy regarding Policy period, coverages, limits of liability and premiums.
i. Deductible is the annual amount that must be paid by each Pet before We will pay a claim for Covered Expenses.
j. Illness means physical disease, sickness, infection, condition or failure which is not caused by Injury.
k. Incident means a specifically identifiable Injury. Incident may include multiple diagnosis when they are secondary or related. If an Incident is recurring/chronic it is considered one Incident.
l. Injury means physical damage caused by an Accident.
m. Medically Necessary means medical services, supplies or care provided to treat covered Pet(s) which are:
   i. consistent with Symptoms or diagnosis.
   ii. accepted as good veterinary practice standards.
   iii. not for the ease or the request of the Pet(s) owner, Veterinarian or other providers.
   iv. consistent with proper supply or level of services which can be safely provided to the Pet(s).

n. Medical Waste Fees mean the charges associated with the disposal of medical waste, surgical or chemotherapeutical waste.

o. Onset means the beginning or first appearance of the signs or Symptoms of an Injury.
p. Per Incident Limit is the maximum We will reimburse You for a Covered Expense over the life of Your Pet(s) for each Incident with an Onset date within the Coverage Period. Your Per Incident limit is shown on the Declarations Page.

q. Pet(s) refers to the animal(s) listed on the Declarations Page.
r. Pet Ambulance means a Pet medical transportation service vehicle equipped with stretchers, hydraulic tables, oxygen and a driver and/or veterinary technician.
s. Pet Original Start Date means the effective date when the Pet was first covered by a Policy administered by Us or Our authorized administrator, unless otherwise stated on the Declarations Page.

t. Policy means the terms and conditions and most recent Declarations Page which includes any forms and endorsements that apply.
u. Pre-existing Condition means any Injury which occurred, reoccurred, existed or showed Symptoms, whether or not diagnosed by a Veterinarian, prior to the Pet Original Start Date, Coverage Period or during the Waiting Period.
v. Prescription Medication means any medicine that is dispensed only with a written prescription from a Veterinarian.
w. Preventive Care means Treatment intended for the prevention of an Injury.
x. Reasonable and Customary Charges means typical fees or the cost that Veterinarians charge in Your geographic area based on available veterinary fee information and proprietary data.
y. Symptoms means the first departure from normal function or feeling which is noticed by You or Your Veterinarian, reflecting the presence of an Injury.
z. Treatment means any test, x-rays, medication, surgery, hospitalization, nursing and care provided or prescribed by a Veterinarian.
aa. **Veterinarian** means a licensed physician for animals and a provider of veterinary medicine. **Veterinarian** shall not include **You** or a member of **Your** immediate family.

bb. **Waiting Period** means a period of time specified in the **Policy** that must pass before some or all of the coverage begins. The **Waiting Period** applies to the **Pet Original Start Date** and any coverage increases but does not apply to **Your** annual renewal, provided **You** maintain continuous coverage with **Us**. The **Waiting Period** begins as of the Effective date of the **Coverage Period**.

c. **We/Us/Our** (also **Insurer**) means the company providing the insurance.

d. **You/Your** (also **Policyholder**) means the person named in the **Declarations Page**.

3. **What is Covered**

   After satisfying the annual **Deductible** indicated on the **Declarations Page**, **We** will reimburse **You** in accordance with **Your** plan, less any limitations and exclusions, the amount after **Coinsurance** for eligible **Covered Expenses** that are **Medically Necessary** to treat or diagnose a current covered **Incident** showing **Symptoms** during the **Policy** period but after the **Waiting Period**, including but not limited to:

   a. Laboratory tests, x-rays, ultrasound, MRI and CT scans;
   b. Surgery;
   c. Hospitalization;
   d. **Prescription Medication** that is prescribed by a **Veterinarian**;
   e. Extractions to permanent broken teeth due to an **Accident**;
   f. Hydrotherapy and Physical Therapy;
   g. Emergency ground **Pet Ambulance** transportation up to the maximum benefit for this coverage as specified on the **Declarations Page**; and
   h. Euthanasia (when advised by a **Veterinarian** to alleviate suffering).

Regardless of the number of claims made during the period of insurance, **Our** total liability of insurance for each **Pet** for all **Covered Expenses** will not exceed the amount shown on the **Declarations Page** under the Annual Maximum, subject to **Coinsurance** and **Deductible** requirements and **Per Incident Limits**.

4. **Waiting Periods for Coverage**

   There is a two (2) day **Waiting Period** per **Pet** before **We** will cover an **Accident**.

   **Waiting Periods** are waived for subsequent renewals provided **You** maintain an active **Policy**, with no gap in coverage, annually renewed and continuously in-force.

5. **Exclusions**

   a. **Illness** regardless of cause.
   b. **Pre-existing Conditions** including, but not limited to:
      i. **Bilateral Condition**, presenting on one side of the body. For example, a cruciate tear in the left leg that showed **Symptoms** prior to the **Coverage Period** or during a **Waiting Period**, a subsequent cruciate tear in the right leg will be considered **Pre-existing**.
   c. **Physical examination**; including costs and/or fees for telephone consultation unless you purchase Optional ExamPlus Coverage;
   d. **Treatments** or diagnostics of an **Injury** or service excluded by the **Policy** as well as secondary complications from such excluded **Injury** or service.
   e. Intentional, neglectful or preventable acts caused by **You**, a member of **Your** household, or any other person that has care, custody, or control of **Your Pet(s)**, that result in **Injury** to **Your Pet(s)**.
   f. Elective cosmetic, grooming, bathing and nail clipping, including any **Injury** that results from these services.
   g. Any conditions related to teeth (except **Medically Necessary** extractions for permanent broken teeth due to an **Accident**). The cost of dental cleaning unless **You** purchase Optional DefenderPlus Coverage.
   i. **Preventive Care** including, but not limited to, wellness exams, preventative **Treatment**, diagnostic procedures, vaccinations, flea control and other parasite prevention, unless you purchase Optional Defender/DefenderPlus Coverage.
   j. Spaying or neutering (including preventative sterilization surgery, such as for **Treatment** for cryptorchidism, chimerism or chromosomal abnormalities), unless you purchase Optional DefenderPlus Coverage.
   k. All diets, **Pet** food, whether prescribed or not.
l. More than one Injury for the life of a Pet arising from a repetitive and specific activity or similar activity that has previously occurred and displayed the propensity for this activity to happen again and cause Injury to Your Pet(s). Examples include, but are not limited to: foreign body ingestion, dog fights and toxin ingestion.

m. Internal or external parasites, and any secondary Injury that may arise, including, but not limited to, fleas, ticks, giardia, heartworms and roundworms.

n. Air ambulance and non-emergency Pet Ambulance transportation.

o. Experimental, investigational Treatment, organ and tissue transplants or prosthesis.

p. Sales tax, medical waste, veterinary administrative, shipping and postage fees.

q. The cost of disposing of the remains of Your Pet(s) unless You have purchase the Optional SupportPlus Coverage.

r. Cost of Treatment for any Injury arising from Your decision to not follow Your Veterinarian's advice.

s. House calls, travel time, boarding and/or transportation.

t. Treatment or diagnostics related to Behavioral Problems.

u. Conditions resulting from activities related to training or participating in track or sled racing, guard security, law enforcement (unless authorized in advance by Us), working or organized fighting.

v. Injury caused by: a) enemy attack by armed forces, with or without a state of war, including actions taken in resisting the attack; b) insurrection; c) rebellion; d) revolution; e) invasion; f) civil war; g) illegal acts; h) usurped power; i) nuclear radioactive contamination; j) pandemic conditions; k) chemical, biological, biochemical or electromagnetic weapon; l) acts of foreign enemies; m) strikes; n) riots; o) civil commotion; p) epidemic; or q) avian or swine influenza or any mutant variation.

w. Luxating Patella and Cruciate Ligament conditions, this includes any associated meniscal Injuries or another condition secondary to cruciate ligament Injury, tear or rupture.

6. Optional Coverages

If chosen by You, and shown as applicable on the Declarations Page, the following optional coverages apply separately to each Pet per Policy year.

Defender/DefenderPlus

We will reimburse You, if shown on the Declarations Page, for the Preventive Care listed below that Your Pet(s) receives from a licensed Veterinarian during the Policy period. Benefits will not exceed the maximum benefits shown below. Coinsurance and Deductible requirements do not apply to wellness benefits.

Our total liability of each Pet for each Policy Year is shown in the Maximum Allowable Limits per Policy year.

Benefit Schedule

<table>
<thead>
<tr>
<th>Preventive Benefit</th>
<th>Defender</th>
<th>DefenderPlus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spay/Neuter or Teeth Cleaning</td>
<td>$0</td>
<td>$150</td>
</tr>
<tr>
<td>Rabies Vaccine</td>
<td>$15</td>
<td>$15</td>
</tr>
<tr>
<td>Flea/Tick Prevention</td>
<td>$50</td>
<td>$65</td>
</tr>
<tr>
<td>Heartworm Prevention</td>
<td>$30</td>
<td>$30</td>
</tr>
<tr>
<td>Vaccination/Titer</td>
<td>$30</td>
<td>$40</td>
</tr>
<tr>
<td>Wellness Exam</td>
<td>$50</td>
<td>$50</td>
</tr>
<tr>
<td>Heartworm test or FELV screen</td>
<td>$25</td>
<td>$30</td>
</tr>
<tr>
<td>Blood, fecal, parasite exam</td>
<td>$50</td>
<td>$70</td>
</tr>
<tr>
<td>Microchip</td>
<td>$20</td>
<td>$40</td>
</tr>
<tr>
<td>Urinalysis or ERD</td>
<td>$15</td>
<td>$25</td>
</tr>
<tr>
<td>Deworming</td>
<td>$20</td>
<td>$20</td>
</tr>
</tbody>
</table>

SupportPlus Coverage

We will reimburse You, if shown on the Declarations Page, for the cost of final expenses for necropsy, cremation and urns upon the death of each Pet covered for such costs incurred after the Waiting Period and during the Coverage Period up to a maximum benefit of $300 subject to the Annual Maximum amount. Coinsurance and Deductible provisions do not apply to SupportPlus Coverage.

ExamPlus Coverage

We will reimburse You, if shown on the Declarations Page, for the Covered Expenses that occur during the Coverage Period subject to Policy limits and exclusion including, but not limited to, Coinsurance, Deductible and Annual Limit for Physical examination; including costs and/or fees for telephone consultation; to diagnose a current covered Injury. This endorsement does not provide coverage for annual wellness office exams.

7. General Conditions

a. This Policy only applies to losses that occur and are treated within the United States, its territories and possessions, and Canada. No coverage exists for an Incident or Treatment that occurs outside of the above territories.

b. If a claim arises under this Policy and there is any other insurance providing Coverage to Your Pet(s), this Policy is excess insurance. This Policy will only apply to any claim costs once all other valid and collectible insurance has been exhausted, and then only for the excess amount not covered by the other insurance, always subject to the terms and conditions of this Policy.

c. We will not insure Your Pet under more than one Pet insurance Policy with Us during any Policy period. If We find that an insured has more than one such Policy with Us, coverage will be provided under the Policy that has been in force for the longer period of time.

d. Your Pet(s) must receive an annual physical exam, as well as all prescribed vaccines as advised by Your Veterinarian.

e. You must follow and carry out the Veterinarian’s advice and show reasonable care to protect the Pet(s) from harm. The examining Veterinarian for the purposes of medical information cannot be You or a member of Your immediate family.
f. You are the owner of Your Pet(s).
g. Coverage for Your Pet(s) will cease if ownership is changed.
h. If any Policy wording conflicts with the laws of the state in which this Policy is issued, the wording will be changed to meet the laws of that state.
i. Authorized representatives must be added by the Policyholder. Any authorized representative may cancel or change the Policy. The action of any authorized representative will be binding.
j. Continuing coverage for a covered Incident from a preceding Policy is subject to the terms and conditions of this Policy.
k. By accepting the terms of this insurance as evidenced by the payment of premiums, it is agreed that this Policy, endorsements and any other notices may be delivered to You by electronic mail via the internet at Our option.
l. Your Policy will become legally binding once You have paid Your premium. The premium is due when You take out a new Policy and when You renew an existing Policy. Your Policy is an annual contract of insurance with a monthly and annual payment option. Premiums must be paid in full and on time to maintain coverage.
m. This Policy will automatically renew unless We receive notice from You before the renewal date. Premiums may increase at renewal for: Pet age, veterinary cost inflation, actuarial changes, address changes, Annual Maximum increase and other Policy parameters.

n. If You wish to make changes to Your coverage, please contact Us. Any change is subject to underwriting and Our approval. Certain changes may result in a new enrollment, which would terminate Your existing Policy and reset the Waiting Period and the determination of Pre-existing Conditions.

8. Cancellation and Nonrenewal

a. You may cancel this Policy at any time by providing to Us advance notice of cancellation or Your intent to not renew.
b. We may cancel this Policy by mailing or delivering to You written notice of cancellation at least:
   i. Ten (10) days or as applicable by state law before the date of cancellation if We cancel for nonpayment of premium.
   ii. Thirty (30) days or as applicable by state law before the date of cancellation if We cancel for any other reason.
c. We will mail or deliver Our notice of cancellation or nonrenewal to Your last mailing address known to Us.
d. Notice of cancellation will state the effective date of cancellation. Insurance coverage under this Policy will end on that date.
e. We may elect to nonrenew this Policy on the expiration date shown on the Declarations Page. We may do so by mailing to You written notice, stating the reason for nonrenewal, at least forty-five (45) days or as applicable by state law prior to the expiration date of Your Policy.
f. If notice of cancellation or nonrenewal is mailed, proof of mailing will be sufficient proof of notice.
g. If either You or We cancel the Policy, We will refund You any unearned premium.
h. We will automatically renew Your Policy at expiration unless You are otherwise notified of a nonrenewal.
i. We may change the premium, Coinsurance amounts, annual Deductibles and Policy terms and conditions at renewal. You will be notified of all changes in writing at least thirty (30) days before the renewal date.
j. This Policy may be voided:
   i. If You have concealed or misrepresented any material fact or circumstance concerning this insurance or the Pet(s) covered.
   ii. In the case of fraud or attempted fraud by You concerning any matter relating to this insurance or the Pet(s) covered.
k. The first time You enroll Your Pet(s) in one of Our Policies You have thirty (30) days from the effective date to cancel and receive Your paid premium back in full, as long as You have not filed a claim.
l. After the first thirty (30) days of the Policy period, We will compute any refund due on a daily pro-rata basis.

9. Claims Conditions

a. In the event You incur a loss You must notify Us by providing the following:
   i. A completed claim form with Us, as soon as practicable.
   ii. Invoices from Your treating Veterinarian listing the services performed, products provided and the itemized charges for Treatment, including packages and/or discounts.
   iii. A payment receipt when submitting a handwritten invoice. If payment receipt is not provided the invoice will be verified with Your Veterinarian prior to claim processing.
b. We reserve the right to ask for information from any Veterinarian that has ever seen Your Pet(s) in order to assess its health.
c. We, at Our expense, have the right to have any covered Pet(s) examined by a Veterinarian of Our choice as often as reasonably necessary while a claim is pending.
d. If You disagree with the decision made by Us, You have the right to an appeal. Any claim submitted for reconsideration must be submitted within sixty days (60), or as soon as reasonably practicable, of the decision and must be in writing on a Claims
Redetermination Request Form. If the appeal is regarding a disagreement over medical facts, rather than Policy coverage or terms, We may, at Our own discretion, consult with an impartial Veterinarian selected by Us, who is independent and not controlled by Us, to conduct a review. Any such redetermination by the impartial Veterinarian will be binding on Us.

e. If We pay a claim contrary to this Policy’s terms and conditions, that payment does not waive Our rights to apply those terms and conditions to any paid or any future claim. We also have the right to stop payment or recover from You any claim amount paid incorrectly.

f. If You or anyone acting on Your behalf submits a fraudulent claim, all pending and future benefits under the Policy will be lost with respect to the Policy.

g. No action can be taken against Us unless You have complied with all of the terms and conditions of this Policy, and ninety-one (91) days has elapsed after proof of loss is filed and the amount of loss is determined as provided in this Policy. You will have thirty-six (36) months from the date the claim is denied to take legal action against Us with respect to recovery of a claim under this Policy.

h. It is hereby mutually agreed that any dispute or difference of agreement arising between Us and the Policyholder with respect to this agreement shall be submitted to arbitration under rules of the American Arbitration Association (AAA). The place of Arbitration will be North Carolina unless the laws of the state of the insured dictate otherwise.

i. You must cooperate with Us in the investigation or settlement of any claim.

j. Any Injury where a final diagnosis has not been made will be pended as ineligible until We receive written documentation from Your Veterinarian with the definitive diagnosis.

Send Correspondence to:
AKC Pet Insurance
PO Box 37940
Raleigh, NC 27627

The Company has caused this Policy to be executed, attested and countersigned by an authorized representative of the Company.

David Kettig
President

Loan Nisser
Secretary