

Sample Loan Agreement

The sample loan agreement below is a GUIDE only to the sort of agreement that may be made between the owner of a horse and the person agreeing to take it on loan. When amended and completed with your own particulars and signed by both parties it will form a legally binding agreement. However, if you are lending out a valuable horse and/or if the person to whom you are lending it is unknown to you, you are strongly advised to take up references and to ask your legal adviser to check the completed document.

NOTE

Plain text should be included; bold italics shows where amendments are needed; italics only are sample clauses you may wish to include.

The AGREEMENT

This agreement is made on the (***Insert DATE***) between the parties (***Insert Owner's Name & Address***) (hereafter referred to as the OWNER) and (***Insert Borrower's Name and Address***) (hereafter referred to as the BORROWER) for the loan of (***insert description and name of horse*** - e.g. *16.2 hand high bay gelding aged 15 years approx. with white blaze and white sock, off hind, known as Tumbledown - also identified in the diagram/photograph attached*) (hereafter referred to as the HORSE.) The HORSE is to be used as (***a companion/riding horse/child's pony as appropriate***) and not for hire or reward.

(1) The loan period will start on (***Insert DATE***) and continue for a period of 12 months until (***Insert DATE***) when the loan agreement may be:

- 1.1) Extended for a period of time to be agreed between the parties or
- 1.2) The HORSE is to be returned to the OWNER. (***Delete or amend if required.***)

(2) The Loan may be terminated on or before this date if:

- 2.1) The BORROWER no longer wishes to loan the HORSE. The BORROWER will inform the OWNER in writing, no less than 30 days before the HORSE (and all associated equipment as detailed in Section 12) will be returned in a good condition to the OWNER.
- 2.2) The OWNER believes the HORSE is not being treated or looked after in the correct manner. The OWNER may at his own discretion give the BORROWER a specific period of time during which the BORROWER must rectify any reasonable issues that the OWNER may have. The OWNER hereby reserves the right to remove the HORSE at his own expense from the BORROWER with no notice whatsoever.

(3) The HORSE is to be kept at (***insert livery yard/farm/borrower's premises as applicable***) unless it is agreed by the OWNER in writing that the HORSE may be moved to alternate accommodation.

(4) It is understood by the BORROWER that the HORSE (***insert conditions of care - for example*** - must be stabled in the winter at night, requires restricted grazing in the summer, requires his hay soaked or anything similar)

(5) The BORROWER will allow the OWNER access to the HORSE at the address specified in (3) at any reasonable time in order that OWNER may check that the horse is in good health.

(6) It is understood by the **LOANER** that the HORSE..... (***examples - insert own particulars as applicable***)

- cribs and must wear a crib collar at all times except when being ridden,
- has COPD & can't be bedded down on straw,
- is allergic to penicillin,
- turns into a lunatic if galloped in company - particularly out hunting,
- throws itself in front of large or noisy lorries, buses and other vehicles without warning,

(or anything else the BORROWER needs to know to safeguard both the horse's health and well-being and his own.)

(7) The BORROWER is responsible for ensuring prompt and required veterinary treatment by a registered and qualified veterinarian which includes routine and timely vaccinations for flu and tetanus (& *anything else your horse is vaccinated against*) for the HORSE at all times and the liability for payment of the aforesaid veterinary treatment lies solely with the BORROWER. The BORROWER will notify the OWNER if the horse suffers any serious illness or injury and will notify the owner in advance if possible of any requirement for the HORSE to have surgery or general anaesthetic.

(8) It is understood by the BORROWER that he is responsible for ensuring that the HORSE is fully insured for veterinary treatment, third party liability, travelling, saddlery and tack, etc at all times for its full value and the liability for payment of the aforesaid insurance lies solely with the BORROWER. If the BORROWER fails to insure the HORSE and its effects the BORROWER assumes full liability for any loss or damage, including 3rd party legal liability. (*The OWNER may have to arrange the insurance and reclaim the premium from the BORROWER, **consult your insurer.***)

(9) It is understood by the BORROWER that he is responsible for ensuring that the HORSE is suitably shod at all times and the liability for payment of the aforesaid shoeing lies solely with the BORROWER.

(10) It is understood by the BORROWER that that at NO TIME is he the registered OWNER of the HORSE and under no circumstances whatsoever is he permitted to Loan, Lease or Sell the HORSE to any third parties.

(11) The horse is not permitted to take part in any of the below mentioned activities under any circumstances whatsoever: (***add or delete as required***)

11.1) POLO

11.2) HORSEBALL

11.3) DRAGHUNTING

11.4) Any other activities of any kind not covered under the INSURANCE

11.5) (Or anything you don't want the horse to do - ensure they are listed)

11.6) (If a mare or stallion, you will want to add details about breeding use.)

(12) The following pieces of equipment will be supplied by the OWNER to the BORROWER and it is understood and agreed by the BORROWER that all items are in good working order and free from any defects not specified below. The BORROWER agrees that at the time of termination of the contract, all the equipment listed below will be returned to the OWNER in good working order.

- 12.1) Saddle (*state make, size, colour, condition, approx. value and any security marks*)
- 12.2) Bridle (*state make, size, bit, colour, condition, approx. value and any security marks*)
- 12.3) Rugs (*State quantity, size, type, colour, repairs etc*)
- 12.4) (*Anything else that you give with the horse but it MUST be listed specifically to ensure any chance of seeing it again.*)

(13) It is understood by the BORROWER that horse care and riding carry their own inherent risks and at no time can the OWNER of the horse be held responsible for anything at any time (*except as detailed below.*)

For example (add/delete as appropriate)

- 13.1) *If the BORROWER is going on holiday and the owner has agreed to look after the horse*
- 13.2) *If you have agreed to go 50/50 on vaccinations/shoeing*
- 13.3) *If the horse trashes his rugs in the fields (as rugs normally aren't covered under saddlery and tack insurance)*

(14) The OWNER agrees that if a VETERINARY SURGEON advises IMMEDIATE slaughter of the HORSE to prevent further suffering in the case of severe injury and the OWNER cannot quickly be contacted the BORROWER may give permission to the VETERINARY SURGEON on the OWNER'S behalf.

Signed

..... (THE OWNER'S NAME PRINTED HERE)

Witnessed by

..... (Witness's name & address here)

..... (THE BORROWER'S NAME PRINTED HERE)

..... (Witness's name & address here)

Witnessed by

(If you want witnesses (and it's a sensible idea, there should be two - one should be known to either party. They should witness the signature and their addresses should be included. The OWNER and the BORROWER should each retain a signed copy of the agreement.