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It is your responsibility to obtain your own advice in relation to your specific situation and the exact terms of any agreement which are required to record your contractual arrangements.

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This agreement is made.....(date)

Between

(1).....

and

(2).....

COMPETITION HORSE CO-OWNERSHIP DRAFT AGREEMENT

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<p>1. Parties</p> <p>1.1. Co-Owners</p> <p>(a) The Co-Owners agree to be formally bound by the terms of this Agreement for the ownership of the Horse specified in Clause 2 below.</p> <p>(b) The Co-Owners jointly appoint the Rider to be the rider of the Horse.</p> <p>Note: If the Rider is not a Co-Owner a second agreement should be made in conjunction to this Agreement.</p>	<p>1.1. (a)</p> <p>(i) Co-Owner 1: Address:</p> <p>(ii) Co-Owner 2: Address:</p> <p>1.1. (b)</p> <p>'Rider'</p> <p>Name:</p> <p>Address:</p> <p>Note: 1.1.b.</p>
<p>2. The Horse</p> <p>The Co-owners will purchase / have purchased 'The Horse' with the following details:</p> <p>Note: Is the value the cost of purchase? If not, how is it agreed?</p>	<p>(a) Name: (b) Known as: (c) Passport No: (d) Breed: (e) Height: (f) Age: (g) Sex: (h) Colour: (i) Value:</p>
<p>3. Declaration of Co-Ownership</p> <p>The Co-Owners hereby acknowledge, agree and declare that they co-own the Horse in undivided shares, as beneficial owners in common in the following 'Proportions':</p>	<p>(a) As to Co-Owner 1.....%</p> <p>(b) As to Co-Owner 2.....%</p>
<p>4. General Terms</p> <p>Without limiting the scope of this Agreement:</p> <p>4.1. The Co-Owners shall act in good faith and cooperate with each other for the best interests of the Horse and 'Agreed Goals'.</p> <p>4.2. The Co-Owners will not permit anyone to ride, compete, transport or train the Horse other than the Rider and the Rider's coaches and employees namely:</p> <p>4.3. The Co-Owners agree the Horse will be kept at the Stable and will not permit the Horse to be kept at places other than the Stable, the Rider's yard and at competitions or training</p>	<p>4.1 'Agreed Goals' are:</p> <p><i>(Delete any which are not appropriate and add any others)</i></p> <p>(i) Share pleasures of competitions; and (ii) Increase the value of the Horse; and (iii) To support the rider's career; and (iv) Breeding by natural means or by embryo transfer and surrogacy.</p> <p>4.2</p> <p>(a)</p> <p>(b)</p>

<p>locations or veterinary premises unless agreed in writing.</p> <p>4.4. The Horse may only be used for taking part in events and training activities which are consistent with the Agreed Goals.</p> <p>4.5. Except for any notice required by this Agreement, the Parties shall correspond with each other on the Horse as often as necessary using the following contact details:</p>	<p>4.3</p> <p>(a) 'The Stable' address:</p> <p>4.5</p> <p>(a) Email:</p> <p>(b) Text:</p> <p>(c) Other:</p> <p>(d) Telephone:.....</p>
<p>5. Decision-making and Votes</p> <p>5.1. The Co-Owners declare that they shall all take part in the roles and responsibilities of the Horse with each Co-Owner having:</p> <p>5.2. If a Co-Owner is absent or incapacitated, the other Co-Owner shall act in good faith as attorney in respect of the absent Co-owner's vote but not his or her liabilities.</p>	<p>5.1</p> <p>(a) A single equal vote</p> <p>OR</p> <p>(b) A vote of equal weight to that of the Co-Owners proportion. <i>(Delete one that does not apply)</i></p>
<p>6. Liabilities</p> <p>6.1. The Co-Owners agree that they will share all 'Liabilities' (including those arising when the Horse is retired) in the Proportions specified at Clause 3 including (but not limited to) the following:</p> <p>6.2. Co-Owners are liable only for their Proportion of the Liabilities referred to in Clause 6.1 unless there is a provision for Specific Contributions in this clause.</p> <p>6.3. A Co-Owner shall be liable to another Co-Owner for costs properly incurred on their behalf.</p>	<p>6.1 <i>(Delete any not relevant)</i></p> <p>(a) Stabling and daily maintenance of the Horse</p> <p>(b) Fees payable to Rider</p> <p>(c) Coaching / training of the Rider and Horse</p> <p>(d) Insurance premiums</p> <p>(e) Registration fees</p> <p>(f) Transportation of the Horse</p> <p>(g) Event entry fees including starting fees</p> <p>(h) Veterinary care or other medical treatment for the Horse</p> <p>(i) Livery fees</p> <p>(j) Farrier fees</p> <p>(k) Dentist fees</p> <p>(l) Physio fees</p> <p>(m) Any other treatment fees for the Horse</p> <p>together with all other costs incidental to the Horse and costs incurred in the spirit of this Agreement, including those incurred when the Horse retires from training and competition.</p> <p>6.2 'Specific Contributions, if any and where applicable':</p> <p>(i) From the Rider in the amount of £.....for.....</p> <p>(ii) From the Sponsor in the amount of £.....for</p>

<p>7. Managing Duties</p> <p>7.1. The Managing Co-Owner is:</p> <p>7.2. The Managing Co-Owner shall deliver to the other Co-Owners records, accounts and reports:</p> <p>7.3. The Managing Co-Owner shall be responsible for the following;</p> <p>7.4. If no Managing Co-Owner is appointed each Co-Owner shall comply with 7.3 above.</p>	<p>7.1 'Managing Co-Owner' is.....:</p> <p>7.2 Weekly / Monthly / as necessary / as reasonably required</p> <p><i>(Delete any not relevant)</i></p> <p>7.3.1 Keeping records and accounts on behalf of the Co-Owners which the Co-Owners may review on reasonable notice.</p> <p>7.3.2 Acting in accordance to the 'Owners Rules' set out by British Eventing / British Showjumping / British Dressage / EHOA <i>(Delete as appropriate)</i></p>
<p>8. Prizes</p> <p>8.1. <i>The Co-Owners agree that any net prize money earned by the Horse shall be split:</i></p> <p>8.2. <i>Any monies to be given to the Rider should be:</i></p> <p>8.3. <i>The Co-Owners agree that any trophy won by the Horse shall be:</i></p>	<p>8.1 <i>Equally / In the Proportions at Clause 3</i></p> <p><i>(Delete as appropriate or specify an alternative split to reflect the parties agreement)</i></p> <p>8.2 <i>Earnings at rate of [50%, or another value] of prize money. (If appropriate, refer also to Rider agreement).</i></p> <p>8.3 <i>Shared equally over time between Co-Owners and Rider or [auctioned] between the Co-Owners.</i></p>
<p>9. Disputes</p> <p>9.1. Any dispute relating to the appointment of the Rider, the management, handling, career of the Horse or any part of this Agreement shall be settled by appointment of an independent expert ("Expert") If the Co-Owners cannot agree on the Expert one shall be appointed by: XYZ</p> <p>9.2. For the avoidance of doubt, and without limiting the operation of the above Clause 9.1 where there is a dispute the following matters may be settled by the Expert:</p> <p>9.3. [Any appointed Expert shall act in just fairness taking into consideration the facts as represented by the Parties to the best of his or her ability but without liability to any Party.]</p> <p>9.4. The Expert shall act as an Expert and not as an arbitrator. The Expert shall determine the dispute he has been asked to review. The Expert's written decision on the matters referred to them shall be final and binding on the parties in the absence of manifest error or fraud.</p> <p><i>Note: The whole issue around appointing an Expert, who that should be, independence and the scope of the appointment needs</i></p>	<p>9.1 XYZ (insert name of selected expert).</p> <p>9.2 Matters that may be settled by the Expert may be:</p> <p>(a) Appointment of a rider</p> <p>(b) The Horse's Competition Programme</p> <p>(c) Whether the Horse is to undergo elective surgery</p> <p>(d) Whether the Horse be retired or sold</p> <p>(e) Share of net proceeds of disposal including any payment that may be due to the Rider and whether this is based on the sale price achieved or an uplift in value <i>(presumably by reference to the acquisition value specified in 2(i))</i></p> <p>(f) Following retirement, whether the Horse is to be used for breeding purposes or another purpose not stated in this Agreement</p> <p>(g) The welfare of the Horse generally</p> <p>(h) Destruction of the Horse</p> <p>(i) Value or Proportionate Value</p>

<p><i>careful consideration.</i></p> <p>9.5. The Co-Owners agree to share the costs of any dispute (including Expert's fees) as follows:</p>	<p>9.5 Equally / in the Proportions (<i>Delete as appropriate</i>)</p>
<p>10. Sale of a share in the Horse</p> <p>If any Co-Owner wishes or is obliged to sell their share pursuant to this Agreement they (or their executors or personal representatives) shall give an agreed number of months' notice to the other Co-Owners, who for a period of an agreed number of months from the date of deemed receipt of the notice, shall have the option to:</p> <p>10.1. A Co-Owner shall not be allowed to sell their share of the Horse after the Horse has been retired.</p> <p>10.2. The Co-Owner(s) selling the share in the Horse remains liable for his or her share of the Liabilities until the sale completes.</p> <p>10.3. All costs arising from the sale of the selling Co-Owner's share in the Horse shall be a liability of the selling Co-Owner alone.</p> <p>10.4. All costs of any sale of the Horse by all Co-Owners shall:</p>	<p>10.</p> <p>(a) Purchase that share at its current value which will either be agreed or if it cannot be agreed within the 10 days the Co-Owners shall appoint and Expert to determine the value of that share, or:</p> <p>(b) Sell the Horse on the open market, or:</p> <p>(c) Retire the Horse or:</p> <p>(d) Destroy the Horse.</p> <p>(<i>Delete as appropriate</i>)</p> <p>10.4</p> <p>(a) Be shared equally / in the Proportions (?%)</p> <p>(b) The rider receives a percentage of the share of the proceeds (?...%).</p> <p>(<i>Delete as appropriate</i>)</p>
<p>11. Death of a Co-Owner</p> <p>11.1. A deceased Co-Owner's estate remains liable for that Co-Owners Liabilities and any costs payable in accordance with Clause 10 until the Horse's disposal or the sale of the relevant share is completed.</p> <p>11.2. On the death of a Co-Owner, the surviving Co-Owners shall have the option, within six months of the date of death to:</p> <p>11.3. For the purpose of Clause 11.2 the value of the Horse shall be deemed (for estate accounting purposes) at a value of:</p>	<p>11.2 Notify the deceased's executors or administrators that the estate has been deemed to have given a notice under Clause 10.</p> <p>11.3</p> <p>(a) The proper market value as at time of the demise for the Co-Owners</p> <p>(b) The Proportionate Value of the deceased Co-Owners Share.</p> <p>Note: 11.3 – Who decides on value? Remember HMRC will want to be satisfied the value is a true and proper value. Probate value may be different to market value should there be a provision for agents to be approached for valuation</p>

	purposes and, if so, how many.
<p>12. Default in payments</p> <p>12.1. All debts of Co-Owners arising from any Liability shall be paid by the due date or in default:</p> <p>12.2. If the Expert decides a Liability should be paid and a Co-Owner has not paid their share in full, the Co-Owner or Expert may serve a written notice demanding payment within 14 days of both the Liability and the reasonable costs of the Expert which shall not be less than £50 plus VAT.</p> <p>12.3. If 14 days after notice is given pursuant to clause 12.2 the amount due remains unpaid then:</p> <p>12.4. If the defaulting Co-Owner's share is offered for sale, one of the other Co-Owners shall act as the defaulting Co-Owner's attorney for the purposes of the sale.</p> <p><i>Note: 12.4 - this comes with risks for the attorney</i></p>	<p>12.1</p> <p>(a) Be paid by the other party and demanded in writing from the defaulting party</p> <p>(b) Be referred to the Expert</p> <p>12.3 The other Co-Owners may invoke Clause 10.</p> <p><i>Note: Decide whether the non-defaulting Co-Owner(s) may force a sale, recover the costs from the defaulting Co-Owner and then share the balance remaining in the Proportions.</i></p> <p><i>Note: In any event the non-defaulting Co-Owner should have a contractual right to recover the monies due.</i></p>
<p>13. Duration</p> <p>This Agreement shall continue with full force and effect for the Co-Owners and their successors in title to the Horse until terminated in accordance with Clause 14 or succeeded by a new agreement revoking this Agreement.</p> <p>For clarity, this Agreement continues for the period the Horse may be in retirement.</p>	
<p>14. Termination</p> <p>14.1. This Agreement terminates when:</p> <p>(a) All of the Co-Owners agree in writing to terminate the Agreement;</p> <p>(b) When the Horse dies or is sold or disposed of;</p> <p>(c) New co-owners take shares in the Horse in which case either a new agreement will be entered into or this Agreement will be revised to reflect the involvement of the new co-owners.</p> <p>(d) A party is in breach of its obligations in this Agreement and the non-defaulting Co-Owner terminates the Agreement.</p>	
<p>15. Confidentiality</p> <p>15.1. Each Co-Owner agrees with the others that, except when required by law or by any regulatory authority they shall keep secret and confidential and shall not disclose to any</p>	<p>Confidential Information includes Horse / Rider:</p> <p>(a) Value</p> <p>(b) Training techniques</p>

<p>person (including through social media) any Confidential Information:</p> <p>15.2. Each Co-Owner shall not be required to keep secret and confidential, Confidential Information which is in the public domain other than through any breach of this Clause 15.</p> <p>15.3. The Co-Owners shall agree in advance the content of any announcements or press releases relating to the Horse, Rider or Co-Owners.</p>	<ul style="list-style-type: none"> (c) Medical history (d) Rider (e) Trainers (f) Co-Owners (g) Terms of this Agreement (h) Any information relating to the business or private affairs of any of the Co-Owners or the Rider
<p>16. The Small Print</p> <p>16.1. The Co-Owners also agree to be bound by the following Schedule entitled The Small Print as if those terms were included as clauses and provisions of the Agreement.</p> <p>16.2. Any explanatory notes including but not limited to highlighted terms throughout this Agreement or leaflets provided in connection with this Agreement shall not be included as terms of this Agreement.</p>	
<p>17. Other Provisions Agreed by Co-Owners</p>	

SCHEDULE - THE SMALL PRINT

(1) FORCE MAJEURE

Neither Party will be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure result from events, circumstances or causes beyond its reasonable control.

(2) WAIVER

Unless otherwise agreed in writing, no delay, act or omission by the Parties in exercising any right or remedy will be deemed a waiver of that, or any other right or remedy.

(3) VARIATION

No variation of this Agreement will be effective unless it is in writing and signed by the Parties.

(4) NO PARTNERSHIP

This Agreement will not be deemed to create any partnership between the Parties.

(5) ASSIGNMENT

The Parties may not loan, lend, assign, delegate, sub-contract, charge, mortgage or otherwise transfer any right, title or interest in the Horse, nor any right or obligation under this Agreement in whole or in part without the other Parties written consent.

(6) NOTICES

- (a) Notices under this Agreement will be in writing and sent to the address set out in this Agreement or such other address as that Party may have specified to the other in writing in accordance with this clause. They may be given, and will be deemed received:
- i) by first class post: two Business Days after posting;
 - ii) by hand: on delivery; and
 - iii) by email: on receipt, provided it is sent to an address that has been previously notified to the sending Party between the hours of 0800 and 1800 on a Business Day and is clearly marked as containing a notice under this Agreement.
- (b) This clause 6 does not apply to the service of any proceedings or other documents in any legal action or, where applicable any arbitration or other matters of dispute resolution.
- (c) For the purposes of this clause Business Day means a day, other than Saturday, Sunday or public holiday in England, when banks in London are open for business.

(7) SEVERANCE

If any provision of this Agreement is prohibited by law or judged by a court to be unlawful, void or unenforceable, the provision will, to the extent required, be severed from this Agreement and rendered ineffective as far as possible without modifying the remaining provisions of this Agreement, and will not in any way affect any other circumstances of or the validity or enforcement of this Agreement.

(8) RESERVATION OF RIGHTS

The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

(9) THIRD PARTIES

Unless it expressly states otherwise, no term of this Agreement is intended to confer a benefit on a third party who is not a party to it.

(10) GOVERNING LAW AND JURISDICTION

This Agreement and any dispute or claim arising out of, or in connection with, it, its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales and the Parties agree that the courts of that jurisdiction will have exclusive jurisdiction to settle any such dispute or claim.

(11) IN THIS AGREEMENT, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- (a) references to clauses or schedules are to clauses or schedules of this Agreement;
- (b) references to persons include individuals, unincorporated bodies, government entities, companies and corporations;
- (c) the words 'including' or 'includes' mean including or includes without limitation;
- (d) writing includes manuscript, facsimiles, emails, and other permanent forms;
- (e) a reference to a statute or statutory provision is a reference to it as amended, extended, re-enacted or consolidated from time to time; and
- (f) a reference to a statute or statutory provision includes all subordinate legislation made from time to time under that statute or statutory provision.

This agreement has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it

SIGNED by

[NAME - Co-Owner 1]

SIGNED by

[NAME - Co-Owner 2].....