

GETTING IT IN WRITING

Ninety-nine percent of horse sale transactions probably go off without a hitch. But, in the remaining one, there is often a lack of written documents.

It is always amazing (especially to attorneys and judges) that many of these handshake deals involve substantial dollar amounts. Most people think nothing of spending a few hundred dollars for an attorney to review a contract for the purchase of a new home, or spending thousands of dollars on title insurance and title company services to protect against problems that may arise in the future as to title. Yet, many race and show horses sell for nearly the price of a

home and rarely are any efforts put into the written documents which would help ensure that the buyer is taking clear title. A few hundred dollars of prevention would save thousands of dollars in litigation when problems arise. Yet that prevention is rarely sought.

We advise clients to “get it in writing,” when doing a horse purchase. Not only will you need a bill of sale and a brand transfer, but in some cases you may wish to have a power of attorney to assist in completing the brand inspection. It may also specify the transfer of veterinary files, breed registrations, and/or federation registrations. If trainers are assisting in the sale, we also recommend an agency

agreement. This agency agreement protects the client from breaches of fiduciary duties and clarifies what duties are owed to the client. It also protects the trainer from claims of lack of authorization as agent, and indemnifies him or her against defects in the chain of title.

It’s just good old-fashioned “horse sense”: When doing a horse purchase, put the terms in writing. **H**

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In Memory of Zane

*To know him was to love him, what was there NOT to love?
He touched us all with his kind eyes and huge heart.
May he gallop across the cross country courses in heaven forever
(his favorite).
He will always be fondly remembered.*

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