

Loaning horses

It can often seem an attractive option to loan a horse rather than buying a horse or pony of your own because you do not have the initial costly outlay and you always have the option of returning the horse if it doesn't work – well that's the theory at least!

Before embarking on loan, you should consider the following:

- **agreement** - it is vital that agreement between the owner and the loanee is accurately recorded in a written loan agreement. The agreement needs to be comprehensive and will provide evidence at a later date if there is a dispute of the loan of the horse.
- **contents of agreement** - the agreement will need to have the name of the parties, description and name of the horse, address where horse will be kept, details relating to care, veterinary practice, farrier, length and time of the loan period, notice requirement, insurance. This is not an exhaustive list and bespoke loan agreements are available.
- **insurance** - if you have a horse on loan you will need to decide who is responsible for insuring the horse and paying the premiums. This should be covered in the loan agreement. Insurance is always recommended as you could be left with paying a large veterinary bill if insurance was not taken out and agreed with the parties at the outset of the loan.
- **schooling/training and improvements** - if you have a horse on loan and spend a large amount of time and money schooling and training the horse you will not be able to recoup your expenses once the horse is returned unless an agreement was reached at the outset of the loan.
- **ownership** - loaning a horse or pony generally means that you are 'borrowing/lending' that animal. It does not usually infer any rights of ownership. Remember that even if you do not 'own' the horse you will still be responsible for the welfare of the animal and you could also be liable if there is an accident involving the horse while he is in your care and possession.
- **passports** - the Horse Passport (England) Regulations 2004 state that all equine must have a passport. It is important that the horse's passport accompanies him when he is on loan. As the owner of the horse it is worth photocopying the entire passport to keep with your records in case you need to refer to it in the future. A horse's passport is only a form of identity it does not prove ownership, so by giving the passport to the borrower you are not transferring title to the horse unless this has been expressly agreed.
- **theft** - even if the horse has been on loan for several years the horse will always remain the property of the owner. If you did sell a loan horse without the consent of the owner you may have committed the offence of theft, pursuant to the Theft Act 1968. This may seem obvious but situations can occur where the borrower loses contact with the owner, so sells the horse; the owner suddenly locates the borrower to see their horse and is horrified that he has been sold. It is therefore important that both parties notify each other if they move or their contact details change.

Contact

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