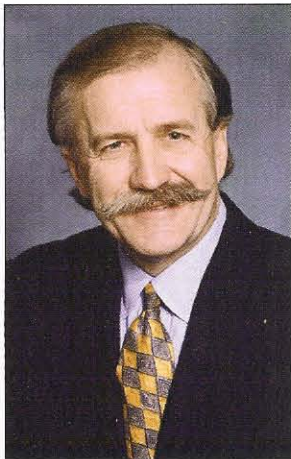


# all-purpose contracts



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**H**ORSEMEN HAVE BEEN ENTERING INTO BINDING CONTRACTS FOR GENERATIONS on nothing more than a handshake. Except in some limited situations, these oral contracts are still recognized in the law as valid and enforceable agreements. Obviously, as long as both parties perform their obligations under the contract there is no dispute and no need to interpret the intentions of the parties. What happens however, when one party fails to fulfill his obligations under the oral contract? Ultimately, a judge or jury would have to figure out what the terms of the contract were and whether one of the parties breached the contract. To avoid the hassles and costs associated with litigation, at least some horsemen have come to heed the advice of lawyers to “get it in writing.” Of course just because you have a written contract doesn’t guarantee that there won’t be a misunderstanding or dispute, but it certainly helps in reducing the probability of such an occurrence. Some of these horsemen have been led to believe that all they have to do is go to a book of legal forms or to a website and use a preprinted form to properly protect their legal rights. Unfortunately this is not the case. There is no such form that will fit all individuals under all circumstances. In other words, there is no “one size fits all” form in any form book or website that will adequately address everyone’s needs.

To be fair, having a form contract downloaded from the internet may be better than having no writing at all, but you should not be of the mistaken impression that you have an “iron clad agreement” in place, because you probably don’t. Keep in mind that every state has its own laws that govern contracts. Although there are certainly similarities in the various state laws, there may be significant differences. As such, a “form” contract drafted by an attorney in Michigan and published nationally may not have the desired legal effect in Ohio, Oklahoma or New Jersey. Look carefully at the formbooks and websites and you will invariably find a disclaimer stating that the forms are not intended as legal advice and use of the forms are at your own risk.

What then should a prudent horseman do? Obviously the ideal would be to have an experienced equine law practitioner review all your legal matters. Just as obviously, this is impractical and even unnecessary. As a general matter, the decision whether to seek legal counsel should be driven by common sense and practical financial considerations. It clearly wouldn’t make sense to retain the services of an attorney when the legal fee is likely to be a significant portion of the overall amount of money at stake. But, as the overall value of the transaction increases, you will probably feel increasingly more comfortable if you retain the services of an experienced attorney. For example, if you are a trainer, it wouldn’t make sense to consult with an attorney for every new customer that engages your services. But, it would make a lot of sense to consult with an attorney initially to develop a standard contract drawn to your specific needs and requirements. Thereafter, the “form” contract can probably be used by you as long as the circumstances remain the same. The same can be done for breeders with their breeding contracts, or boarding stables with their boarding contracts.

As in most things in life, including the horse industry, you generally get what you pay for. So, if you download a free “one size fits all” form contract from the internet and think you have an “iron-clad” contract, think again.

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