

EQUESTRIAN AUSTRALIA

A guide to Syndicates

What is a syndicate and why should I become involved?

A syndicate is when two or more like-minded people come together to share the 'ownership' of a horse.

People join or create syndicates for various reasons, but the most common one is in order to share costs whilst being able to enjoy all the fun and excitement of owning a horse in a superb Olympic sport, which takes place in so many fantastic venues around the world.

Australia as a nation has been extremely successful on the world stage winning many team and individual gold medals at Olympic and Paralympic Games, and there are many highly talented riders enjoying large amounts of success right at the top of the sport.

So what are the options?

There are several options, some of which are listed below, and all come down to personal choice:

1. Purchasing a horse with others and sharing all the costs
2. Sharing the cost of running a horse which is owned by a third party where there is no capital outlay (the horse remains in the ownership of someone else but you have all the fun of being part of the 'team'). The running costs for the horse are then covered by the members of the joint ownership/syndicate.
3. Partnering with the owner of the horse (which could be the rider) and sharing the running costs.
4. Buying a 'share' in a horse which requires a capital investment and then covering agreed running costs.

What are the benefits?

The benefits of being a member of a syndicate or a joint owner can and will vary, and much depends on the number of syndicate members, the level of competition, and the aims and ambitions of the syndicate.

Australian riders are very good at regular communication with their owners, such as sharing the horse's progress, how their horses are being maintained, and also involving them in the key decisions such as where and when the horse will compete.

In addition there will be passes to events, yard visits, behind the scenes experiences, course walks, and other experiences on top of the fun and the opportunity to be involved in the sport with friends and associates.

If the horse is competing within Australia, the owners of horses are required to be members of Equestrian Australia (EA), as per the below excerpt from the General Regulations. Full details can be found on each respective state branch website, which you can link through to from www.equestrian.org.au

Article 139 – Owners and Lessees

1. All individual owners, including part-owners and syndicates, must be a current member to the respective EA State Branch. Commercial Group affiliates may register a horse under a business name but forfeit the rights of an individual member. EA Clubs and Sport Affiliates are not eligible to register or be part owners of a horse. The Primary Owner is the owner who is to receive any information relating to the horse, i.e. its registration papers, competition licence etc. Usually the rider or the owner with the largest ownership share is the primary owner.
2. EA accepts registrations on the understanding that the Person or Body making the registration is the bona fide owner, part-owner or lessee of the horse. EA will accept no responsibility on cases of disputed ownership, which must be settled by the parties concerned.

If competing in the UK owners are required to be members of British Eventing, up to date details of which can be found on the British Eventing website as per the below link.

<https://www.britisheventing.com/asp-net/membership/>

In the UK it is worth considering joining the Event Horse Owners Association (EHOA), to meet up with like-minded people and to allow use of owner's facilities that they or the event organiser provide at a number of events.

Some key points to be considered:

- Expect a clear and in writing agreement on all running costs for the horse at the outset. These will vary from one rider to the next but need to include items such as training, feed & stabling, farrier fees, travel to events, registration and entry fees, veterinary fees including vaccinations, horse equipment, insurance and so on.
- The relationship is between you, syndicate members, and the rider. Riders are generally very busy riding and will prefer to have just one designated/agreed point of contact and this person should then share all information with their syndicate colleagues
- Be clear on what expectations you have of the rider, and ensure that these are clearly set out at the beginning of the relationship

- Suitable contracts need to be drawn up between the syndicate members and also with the rider – see the check list below of some of the points to cover
 - Good reputable legal advice is essential
 - You need to fully be aware and understand that horses can go lame and riders can get injured; therefore is the horse to be insured, how much for and do you want loss of use?
 - Who will manage the syndicate and who will pay for any administration costs?
 - What equine costs are to be paid for, and then who is responsible for covering what costs, and when?
 - Is the rider paying for anything?
 - Who is the point of contact with the rider?
 - Are there equal shares in the syndicate?
 - How are the finances of the syndicate to be managed, for example who is in charge and are there cheque signatories?
 - What happens if there is a very tempting offer on the horse - who decides if the horse can be sold, and then who determines the break down of the funds received?
 - What happens if someone wishes to withdraw from the syndicate?
 - What colours should the rider wear whilst riding the horse, their own or colours determined by the syndicate?
 - What is the syndicate to be called?
 - Event passes -not all events will issue an indefinite number of passes and so what member of the syndicate will manage this, and decide which members attend which events?
 - Prizes - who will receive the prize money? Who will receive the rosette? When should prize money be distributed and by whom?

Where to get advice

The best independent advice is to be gained from those who are, or have been, part of a syndicate.

With regard to any legal documentation such as contracts, suitable legal advice must be obtained. Equestrian Australia cannot be held responsible for any action taken or not taken on the basis of the above information which is provided for guidance only and is not necessarily exhaustive, nor is it to be taken as such.