

Sale and purchase advice and sample contract.

The following information constitutes guidelines only for people considering entering into a contract. The AANZ's advice is limited to urging the contracting parties to form appropriate wording to express their joint agreement and then to submit those to their own legal advisors if desired.

It is important that both sellers and buyers consider various points prior to entering into an agreement. A greater level of professionalism as well as greater peace of mind will only be achieved when business arrangements are discussed fully and recorded on paper prior to money changing hands. Neither party should feel that it is wrong or embarrassing to ask searching questions and both parties should feel comfortable with the answers given before reaching agreement. Verbal promises are not good enough once difficult issues arise in the future. If the sale/purchase is built on solid ground, neither party should feel uncomfortable about entering into a well-worded agreement. It offers safeguards ON BOTH SIDES.

Below is a list of points to consider:

1. All parties should be clearly identified including
 - Full Name(s)
 - Postal address
 - Residential address if not the same as postal
 - G.S.T. number if buying/selling as a business arrangement
 - Telephone, Fax and e-mail details.
2. Full and detailed descriptions of the animal(s) including
 - Registered name
 - IAR number and indent number
 - Micro-chip number if applicable
 - Colour
 - Sex
 - Date of Birth
 - Copy of both sides of registration certificate
3. The purchase price in numbers and in words.
4. Health certificate from a qualified veterinarian whose name, address and telephone number are clearly legible and dated within an agreed timescale following date of contract.
5. Certificate showing Tb Status of animal(s)
6. Declaration of fertility (or) eligibility to be certified as a stud male and guarantee describing remedial action to be taken in the case of infertility (if applicable) including
 - Any time constraints
 - Refund of purchase price

- Replacement of animal
- Proof of infertility criteria

7. Details of any agistment arrangements or management fees between the contract date and change of ownership.

8. Clear explanation of the various transfer fees and details of costs to be borne by which party.

9. A veterinarian's certificate of pregnancy dated within 14 days of the date of contract.

10. A signed and completed A4 form in the case of pregnant female.

11. If a female is sold pregnant with a live cria guarantee, the details of that guarantee should be clearly defined in writing. Most live cria guarantees cover the possibility that a cria is born but dies within a very short period of time. It is important to specify that period, be it 24 hours, 3 days or 7 days. Make sure that the information is specific, it is not useful to say that the cria must live for 'a few days'. Define the guarantee. It is also useful to include a statement to the effect that the owner of the newly born cria has a responsibility to offer proper care and medical treatment if necessary, to prevent death.

12. Recorded details of the deposit required and a receipt once deposit is paid.

13. If a certified male is being sold/purchased and has already made a number of females pregnant it is possible that the people who bought those services have been given a live cria guarantee by the current owner of the male. Discuss what happens and who bears responsibility for the underwriting of those guarantees once the male changes hands.

14. If the sellers or purchasers are part of joint ownership arrangements, make sure that all parties involved agree to the contract and that they all sign the documents.

This is general advice for the benefit of members of the AANZ and is of a limited nature. Members should take whatever legal advice they feel is necessary.