



STANDARD LEASE AGREEMENT

(Part XV of the Rules of Racing)

PURPOSE

The purpose of this Agreement (“Agreement”) is to provide a set of standard terms which will govern the rights and obligations of a legal entity who is the legal owner of a Horse (“Lessor”) and who wishes to lease the Horse, or a portion thereof, to another party (“Lessee”) for the purposes of racing.

1. APPLICATION

1.1 From 1 November 2020 this Agreement applies to all Lessees and Lessors, except where:

- (a) an agreement between a Lessee and lessor, which has been signed by both parties, already exists.
- (b) a Lessee and a Lessor enter into a separate written agreement in respect of the lease of the horse, provided that a copy of such agreement, signed by the Lessee and the Lessor, has been provided to NZTR.

1.2 Pursuant to the Rules of Racing, this Agreement applies from the Commencement Date until it is terminated in accordance with this Agreement.

1.3 The terms of this Agreement can be excluded or varied by agreement in writing by the Lessee and the Lessor, except that such exclusion or variation cannot exclude or limit the operation of any provision of this Agreement which embodies or mirrors a requirement of the Rules of Racing.

1.4 This Agreement is governed by the laws of New Zealand.

1.5 This Agreement binds the Lessee and the Lessor.

1.6 Termination of this Agreement will not affect any provisions of this Agreement which are intended to continue in effect between the parties after termination and is without prejudice to any rights or claims that one party may have against the other arising out of, or in respect of, any breach or non-performance by that other party of any of its duties or obligations under this Agreement prior to termination.

1.7 The Lessee and Lessor agree at all times to comply with the Rules of Racing, as amended from time to time.

- 1.8 In the event of any conflict or inconsistency between this Agreement and the Rules of Racing, the Rules of Racing prevail to the extent of the conflict or inconsistency.
- 1.9 Words or phrases in this Agreement have the meaning given to them in the Dictionary which is Schedule 1 to this Agreement and forms part of this Agreement.
- 1.10 In this Agreement headings and bold typing are included for convenience only and do not affect interpretation and, unless the context otherwise requires:
- (a) a reference to a word includes the singular and the plural of the word and vice versa;
 - (b) a reference to a gender includes any gender;
 - (c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
 - (d) a term which refers to a person includes a person in any capacity, a body corporate, an unincorporated body (for example, some joint ventures, a society or association), a trust, or a partnership.

2. RELATED DOCUMENTS

Where this Agreement is for the lease of a portion of a Horse, the parties are subject to the NZTR Co-Owner Agreement or any other Co-Owner contract in effect. In such event, the Lessee's rights and obligations are limited to those of a Co-Owner as provided for in the Co-Owner Agreement.

3. OBLIGATIONS AND RIGHTS OF THE LESSEE

- 3.1. Subject to the provisions of this Agreement and except where the Lessee is a Co-Owner, the Lessee shall, during the term of the Lease Agreement, have absolute discretion and control in and over all matters connected with the training of the Horse and with the nomination and acceptance of the said horse for racing including declaring forfeit or scratching it from any engagements. Where the Lessee is a Co-Owner, decisions regarding the training and racing of the Horse must be taken in accordance with the Co-Owner Agreement or any other Co-Owner contract in effect.
- 3.2. Notwithstanding 3.1 above, the Lessee may not export the Horse to race in another country, or for any other reason, unless written permission has been obtained from the Lessor.
- 3.3. For the duration of this Agreement the Horse shall be raced in the name of:
- (a) the Lessee or where the whole Horse is leased in terms of this Agreement, or
 - (b) the Lessee and the other Co-Owners where only a portion of the Horse is leased in terms of this Agreement
- 3.4. The Lessee shall not do, permit or suffer any act or thing whereby the Horse may be liable for disqualification in any manner whatsoever,
- 3.5. The Lessee shall, at the termination of this Agreement or any extension thereof, return the Horse to the Lessor at such address as is mutually agreed by both parties. All costs and expenses incurred in returning the Horse to the Lessor shall be borne by the Lessee.

- 3.6. The Lessee shall at all times maintain the horse in sound health and fitness. The Lessee, at their own expense, shall provide all necessary veterinary surgeons attendances, treatments and medicines as may be required for the horse.
- 3.7. The Lessee shall take every reasonable precaution to prevent the Horse from being injured or destroyed, provided that the Lessee shall not be liable to the Lessor in respect of any injury or destruction unless such injury or destruction shall have occurred as a result of the neglect or default of the Lessee or their agent.
- 3.8. The Lessee shall pay to the Lessor the percentage of prizemoney and all other amounts as provided for in the Lease Registration Form submitted to NZTR. All monies payable by the Lessee to the Lessor shall be paid within 28 days after the date for payment of the stakes by NZTR. Unless otherwise agreed, any bonuses which are not part of the advertised stakes for a race, are not considered to be prizemoney and therefore no percentages are payable thereon.
- 3.9. The Lessee shall not, without prior written consent of the Lessor, permit the horse to be gelded or used for any purpose other than for flat racing.
- 3.10. The Lessee shall ensure that the Horse is properly and skilfully trained for purposes of flat racing and shall provide all proper accommodation, food and equipment in accordance with the standards usually provided for the training of racehorses.
- 3.11. The Lessee shall not sub-lease all or any part of the Horse or include any other party as the Lessee of the Horse without the written consent with the Lessor. Should written consent be given by the Lessor, the Lessee shall submit the changes to NZTR on the correct form and pay all fees associated with such changes.

4. OBLIGATIONS AND RIGHTS OF THE LESSOR

- 4.1. The Lessor or their agent with or without a veterinary surgeon shall, at all reasonable times, have the right to inspect the horse and to enter any stable, premises or property for the purpose of such inspection.
- 4.2. The Lessor may not sell or otherwise dispose of the Horse unless the new Owner agrees to the continuation of this Agreement on the same terms and conditions.
- 4.3. Unless otherwise expressed in writing by the Lessor, there is no restriction on the racing of the Horse at any local or overseas venue, provided that such venues are recognised and licensed by the Racing Authority of the country, State or territory in which the venue is located.

5. TERMINATION

- 5.1. Unless otherwise terminated as provided for in this Agreement, this Agreement will terminate at midnight on the date specified on the Lease Registration Form submitted to NZTR.
- 5.2. This Agreement will terminate automatically if the Lessee is disqualified under the Rules of Racing. The right of the Lessor to take possession of the Horse in the event that the Lessee is disqualified shall not be enforceable pending the hearing of any appeal by the Lessee against such disqualification.

- 5.3. The Lessee may terminate this Agreement at any time giving 30 days notice in writing to the Lessor of their intention to do so and upon returning and delivering the said leased horse in such state and condition as aforesaid free of expense to the Lessor in the same manner as provided for in 2.4 and upon paying to the Lessor the amount of any forfeit for which the Lessee may be liable in respect to the horse so returned.
- 5.4. The Lessor shall not be entitled to terminate this Agreement before the date specified on the Lease Registration Form except on good cause shown. Where the Lessor wishes to terminate this Agreement because of a concern for the welfare of the Horse, a written report must be obtained from a veterinarian confirming that, in the opinion of the veterinarian, the Horse is not being cared for to an acceptable standard.
- 5.5. This Agreement shall not automatically terminate on the death of Lessor, except that the lease will be transferred automatically into the name of the executor or the heir.
- 5.6. This Agreement shall not automatically terminate on the death of the Lessee, provided that the executor of the estate or their heir agrees to continue to race the Horse, in which case, the lease will be transferred into the name of the estate or heir.

6. DISPUTES

- 6.1. In the event of any dispute arising between the parties hereto concerning, or in relation to, this Agreement, the dispute shall be referred an arbitrator to be mutually agreed by both parties, under the provisions of the Arbitration Act (1996).

SCHEDULE 1 – DICTIONARY

Agreement means this NZTR Lease Agreement.

Commencement Date means the date on which the Horse is leased by the Lessor to the Lessee.

Co-Owner for the purpose of this Agreement, means a person who owns or leases the Horse together with at least one other person and is registered or is intended to be registered with NZTR as an Owner or lessee.

Co-Owner Agreement means the NZTR Co-Owner Agreement as amended from time to time.

Horse means the Thoroughbred horse/s owned by the Owner or Co-owners together and where applicable raced by them together and trained by the Trainer, and which is/are the subject of this Agreement.

Lease Registration Form means the form submitted to NZTR for the purposes of registering the lease. This form is also known as a SR16 form.

Lessee means the party taking contractual rights from the Lessor to race the Horse.

Lessor means the Owner of the Horse who leases the Horse to the Lessee.

Owner, for the purpose of this Agreement, means the person who is the legal owner of the Horse.

NZTR means New Zealand Thoroughbred Racing and any successor entity substantially carrying out its functions.

Racing Authority means the organisation which regulates flat horseracing in a country, State or territory. In New Zealand the Racing Authority is NZTR.

Rules of Racing means the Rules of Racing promulgated by NZTR as amended from time to time.