NEMO
Network of European Museum Organisations

Standard Loan Agreement (Draft Version, 21 July 2006)

LOAN AGREEMENT

Draft

This Loan Agreement is made and entered into on the attached **Loan Conditions** by

Lender's name: _____

Address: _____

_____

_____

and

Borrower's name: _____

Address: _____

_____

_____

a) Exhibition

- Title
- Dates
- Tour venues (with dates)

b) Duration of Loan(s)

- Dates

c) Loan(s)

- Artist

- Title and date
- Material and technique
- Dimensions with/without frame in cms
- Inventory number
- Credit line

d) Insurance

- Insurance value:
    - insurance to be taken out by borrower
    - insurance to be taken out by lender
    - to be covered by XY indemnity

e) Costs

- Insurance premium (if covered by lender)
- Loan fee
- Administration cost
- Framing/glazing/ preparation
- Other cost

f) Special requirements

- Courier
    - yes
    - no
- Courier conditions and costs (fares, per diems, etc.):

_____

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- Other requirements (packing and shipping, barriers, stanchions, etc.):

_____

_____

g) Pick up and return address

_____

_____

_____

_____

h) Contact person

Name:

_____

Telephone:

_____

Fax:

_____

Email:

_____

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Lending institution | Borrowing institution

_____ | _____

Date _____ | Date _____

Lender's signature | Borrower's signature

Loan conditions

General conditions

Version A

The Lender lends the work(s) listed on the loan agreement (the attachment to the loan agreement). The loans may be used for the purpose and duration mentioned in the loan agreement only. The loans may be recalled by the Lender at any time. They are to be returned to the Lender at the end of the exhibition without delay and special request.

The Borrower has to bear all costs of this (these) loan(s). He is not entitled to lend the work(s) to third parties.

The loan(s) may be terminated by either party on receipt of at least three months written notice.

Version B

The Lender lends the work(s) listed on the loan agreement (the attachment to the loan agreement). The loans may be used for the purpose and the duration mentioned in the loan agreement only. The loans are to be returned to the Lender at the end of the exhibition without delay and special request. If the Borrower is in breach of any of the terms of the agreement the Lender may annul the contract at once without formality, send for the objects at the expense of the Borrower and, if necessary, claim compensation.

The Lender reserves the right to refuse to lend objects, to withdraw loans from an agreed loan list, or to recall objects on loan at any time without being required to provide reasons for such actions.

The Borrower must bear all costs of this (these) loan(s). He is not entitled to lend the work(s) to third parties. He may neither alter nor photograph, copy or restore the objects unless given permission by the Lender in writing. He undertakes to exhibit or store the objects with due care according to the conditions of the Lender.

The Lender and Borrower undertake to treat with confidentiality any contracts made with each other or with any Third Party relating to the Loan Agreement.

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Where there is a discrepancy between the Lender's Loan Agreement and Conditions of Loan and the Borrower's, the Lender's Conditions shall apply.

The loan(s) may be terminated by either party on receipt of at least three months written notice.

Costs

All costs arising in connection with the loan(s) shall be borne by the Borrower, including:

- handling/ loan fee
- restoration costs
- glazing, framing, preparation etc.
- photography
- insurance
- packing
- transports
- courier costs
- other costs: _____

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Insurance

Version A (Borrower insures)

The loan(s) shall be insured by the Borrower on a nail to nail basis against all risks, including transit. The insurance certificate or a signed copy shall be presented to the Lender by the Borrower in advance to initiation of transport procedures. Should the insurance documents not conform to the required risk cover the Lender has the right to withhold transferring the loan(s) until insurance documents are rectified accordingly by the Borrower. In the case of loss or damage the Lender must be notified immediately.

Version B (Borrower insures)

The loan(s) shall be insured by the Borrower on a nail to nail basis against all risks, including transit. The insurance certificate or a signed copy, naming the Lender as the beneficiary, shall be presented to the Lender by the Borrower in

advance to initiation of transport procedures. Should the insurance documents not conform to the required risk cover the Lender has the right to withhold transferring the loan(s) until insurance documents are rectified accordingly by the Borrower.

The insurance policy shall include coverage against all risk of physical loss or damage from any cause, whilst in transit and on location in the gallery, with the value stated in Euros. Valuation of the loan(s) is made by the Lender. This is an Agreed Value and cannot be disputed in the case of damages.

In the case of loss or damage the Lender must be notified immediately. The damage must be recorded in a condition report accompanied by photographs.

In the case of total loss the Agreed Value has to be paid. In the case of damages the restoration cost as well as the depreciation will be assessed by the Lender.

Should there be a considerable fluctuation of values in the (art) market the Lender may set a new insurance value. He must inform the Borrower in writing. This value becomes effective seven days later.

Version C (Lender insures)

The loan(s) shall be insured by the Lender on a nail to nail basis against all risks, including transit. The insurance certificate or a signed copy shall be presented to the Borrower in advance to initiation of transport procedures. Should the premium not be paid by the time the loan(s) are due to leave the Lender's premises, the Lender has the right to withhold transferring the loan(s) until payment has been received. In the case of loss or damage the Lender must be notified immediately.

Version D (Lender insures)

The loan(s) shall be insured by the Lender on a nail to nail basis against all risks, including transit. The insurance certificate or a signed copy shall be presented to the Borrower in advance to initiation of transport procedures. Should the premium not be paid by the time the loan(s) are due to leave the Lender's premises the Lender has the right to withhold transferring the loan(s) until payment has been received.

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In the case of loss or damage the Lender must be notified immediately. The damage must be recorded in a condition report accompanied by photographs.

Should there be a considerable fluctuation of values in the (art) market the Lender may set a new insurance value. He must inform the Borrower in writing. This value becomes effective seven days later.

Version E (Borrower's indemnity)

The loan(s) shall be insured under the Borrower's State/Government Indemnity on a nail to nail basis against all risks, including transit. The Certificate of Indemnity, naming the Lender as the beneficiary, shall be presented to the Lender by the Borrower in advance to initiation of transport procedures. Should the indemnity documents not conform to the required risk cover the Lender has the right to withhold transferring the loan(s) until they are rectified accordingly by the Borrower. In the case of loss or damage the Lender must be informed immediately.

Version F (Borrower's indemnity)

The loan(s) shall be insured under the Borrower's State/Government Indemnity on a nail to nail basis against all risks, including transit. The Certificate of Indemnity, naming the Lender as the beneficiary, shall be presented to the Lender by the Borrower in advance to initiation of transport procedures. Should the indemnity documents not conform to the required risk cover the Lender has the right to withhold transferring the loan(s) until they are rectified accordingly by the Borrower.

The indemnity must include coverage against all risk of physical loss or damage from any cause, whilst in transit and on location in the gallery, with the value stated in Euros and the standard exclusions only. Valuation of the loan(s) is made by the Lender. This is an Agreed Value and cannot be disputed in the case of damages.

In the case of loss or damage the Lender must be notified immediately. The damage must be recorded in a condition report accompanied by photographs and sent to the Lender within 3 days. The Borrower will cover the necessary cost of inspection by the Lender's staff.

In the case of total loss the Agreed Value has to be paid. In the case of damages the restoration cost as well as the depreciation will be assessed by the Lender.

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Should there be a considerable fluctuation of values in the (art) market the Lender may set a new insurance value. He must inform the Borrower in writing. This value becomes effective seven days later.

Packing and transportation

Version A

The transport of the loan(s) to and from the final destination is to proceed at the cost and liability of the Borrower. The choice of transport agent must be agreed between the Lender and the Borrower. The works must be repacked in the same or similar materials as received unless otherwise authorized by the Lender.

The loan(s) must be couriered by a member of the Lender's staff (see "Courier")

Version B

The transport of the loan(s) to and from the final destination is to proceed at the cost and liability of the Borrower. The choice of transport agent must be agreed between the Lender and the Borrower. Any transport company used must have experience in the transportation of delicate and valuable objects with employees trained in the handling of such material.

The removal, packing, unpacking and transports must be supervised by experienced members of the agents' staff in cooperation with members of the Lender's and/or Borrower's staff. Vehicles should provide appropriate protection against vibration and shock and extremes in relative humidity and temperature conditions. For the return transport the works must be repacked in the same or similar materials as received unless otherwise authorized by the Lender.

- The loan(s) must be couriered by a member of the Lender's staff (see "Courier")

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Couriers

Version A

The loan(s) must be couriered to and from XY by a member of the Lender's staff.
The Borrower is responsible for all expenses derived from the courier's travel, including per diems and hotel accommodation in a good middle-class hotel.

Version B

The loan(s) must be couriered to and from XY by a member of the Lender's staff.
The Borrower is responsible for all expenses derived from the courier's travel, including per diems and hotel accommodation in a good middle-class hotel.
The per diem is XY Euros per day for XY days.

For trips within Europe a minimum of 2 nights (3 days per diem) shall be calculated. For intercontinental journeys a minimum of 3-4 nights (4-5 per diems) shall be calculated. If the installation makes it necessary to extend the courier's stay, the Borrower will cover the expenses.

When travelling overseas with the loan(s) the courier must travel business class and an extra seat must be booked when the work travels with the courier in the cabin.

Special agreements:
_____

Care of objects and installation

Version A

The Borrower shall secure constant and adequate protection of the loan(s). The objects should be maintained in the condition in which they were received and the Borrower should exercise the same care for the objects as for his own property.

The Borrower may not make any changes to the condition of the property on loan without written consent from the Lender.

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The Lender shall prepare a condition report which is to accompany the object and which must be completed by the Borrower. Should any changes in the condition of the loan(s) be noted the Lender must be contacted without delay.

Version B

The Borrower shall secure constant and adequate protection of the loan(s). The objects should be maintained in the condition in which they were received and the Borrower should exercise the same care for the objects as for his own property.

Works packed in climate-controlled crates must be stored for acclimatisation for at least 24 hours. Empty crates shall be stored in a secure climate and temperature controlled indoor storage area.

The Borrower may not make any changes to the condition of the property. Framed objects my not be unframed, removed from mounts or protective devices, cleaned or altered in any way without prior written consent by the Lender.

The property on loan may not be placed in the direct vicinity of heating and humidifying or dehumidifying units or equipment and protected at all times against direct sunlight, strong artificial light, heated and cold air sources.

The courier must have the opportunity to supervise the installation of the loan(s). Likewise, at the end of the exhibition period, the courier must have the opportunity to supervise the de-installation and packing of the loan(s).

The Lender shall prepare a condition report which is to accompany the object and must be completed by the Borrower. Should any changes in the condition of the loan(s) be noted the Lender must be contacted without delay.

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Environment

In the exhibition galleries a stable climate with the following conditions has to be maintained:

Temperature: 20° +/- 2° C

Relative humidity: 50% +/- 5%

Light intensity: paintings _____

drawings _____

others_____

Additional conditions: _____

Security and Safety

Version A

The Borrower agrees to safeguard the loan(s) under the best possible conditions of control and security during the entire time they are on his premises.

Smoking, eating and drinking shall be prohibited in the exhibition areas.

The Lender reserves the right to inspect the loan(s) whilst they are on exhibition.

- The Borrower is to pay the cost of such an inspection.

The Borrower provides the Lender with a Facility Report prior to the signing of the Loan Agreement.

Version B

The Borrower agrees to safeguard the loan(s) under the best possible conditions of control and security during the entire time they are on his premises.

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The Borrower will provide security by means of guards, barriers, plinths, showcases, electronic devices etc. in order to keep the loan(s) secure whilst on his premises and to ensure that the public does not touch or otherwise damage the work(s). The Borrower must ensure that the exhibition venue complies with fire safety regulations and that museum guards are fully prepared for action in the event of danger.

Smoking, eating and drinking shall be prohibited in the exhibition areas.

The Lender reserves the right to inspect the loan(s) whilst they are on exhibition.

- The Borrower is to pay the cost of such an inspection.

The Borrower provides the Lender with a Facility Report prior to the signing of the Loan Agreement so as to enable the Lender to assess the environment, security and logistical implications of lending to this venue.

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Reproductions and publicity

Version A

Loaned objects must not be photographed, filmed, videoed, televised or copied in any way without prior written agreement by the Lender.

The press and museum may photograph the loan(s) as part of the exhibition or to document a general view. Works may be filmed for exhibition publicity.

Photographic material can be obtained from
_____.

The Borrower must provide the Lender with X copies of the exhibition catalogue.

Version B

Loaned objects must not be photographed, filmed, videoed, televised or copied in any way without prior written agreement by the Lender. Reproductions supplied by the Lender – photographs, transparencies or digital images – may be published in the exhibition catalogues or exhibition promotion material only unless otherwise agreed with the Lender. Published reproductions must credit the title, artist and owner of the work.

Photographic material can be obtained from
_____ .

The press and museum may photograph the loan(s) as part of the exhibition or to document a general view. Works may be filmed for exhibition publicity.

The Borrower must provide the Lender with copies of any publication, brochure or publicity material. X copies of the catalogue must be sent to the Lender.

Acknowledgements

Version A

The credit line should read:

_____

Version B

The Lender must be acknowledged in displays, exhibition labels, notices, literature, publicity material and catalogues as follows:

_____

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Sponsors

The Lender reserves the right to approve or refuse sponsors for exhibitions presenting his loan(s).

Withdrawal, termination

Version A

The Lender may terminate the Loan Agreement, or terminate the provisions of any part of the Loan Agreement, by written notice to the Borrower with immediate effect if the Borrower is in default of any obligation under the Loan Agreement.

Version B

The Lender may terminate the Loan Agreement, or terminate the provisions of any part of the Loan Agreement, by written notice to the Borrower with immediate effect if the Borrower is in default of any obligation under the Loan Agreement.

Upon the occurrence of an event of default, all rights of the Borrower under this agreement will immediately cease and terminate. The Borrower shall immediately move the loan(s) to a location specified by the Lender. The Lender may recover from the Borrower all reasonable costs, including legal fees and expenses.

Immunity from Seizure

Version A

The Borrower must obtain Immunity from Seizure for the loan(s) whenever the laws of the exhibition venue(s) provide for such protection.

Version B

The Borrower must obtain Immunity from Seizure for the loan(s) whenever the laws of the exhibition venue(s) provide for such protection.

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A document containing a legally binding promise of immunity protection issued by the competent authority must be sent to the Lender before authorization to begin packing and shipping arrangements can be given.

Governing law and jurisdiction

Version A

All aspects of this agreement shall be covered by XY law. Place of jurisdiction is XY.

Version B

All aspects of this agreement shall be covered by XY law. Place of jurisdiction is XY.
Any disputes or differences between the Lender and the Borrower arising out of this agreement shall be settled by means of negotiation and arbitration. Should this fail they are to be decided by the current laws and statutes of XY court.

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