**LOAN AGREEMENT**

Between the Lender:

**Petőfi Literary Museum**

Address: H-1053 Budapest, Károlyi u. 16.

Represented by: Gergely Prőhle director-general

Contact person: xx

E-mail: xxxx

and the Borrower:

**Olomouc Museum of Art**

Address: 771 11 Olomouc, Denisova 47, Czech Republic.

Represented by: Michal Soukup, director

Contact person: xx

E-mail: xxxx

**1. Subject of the contract**

(1) The Lender lends and the Borrower borrows the objects listed in the Catalogue and Condition Report (Annex 1) (hereinafter referred to as Works of Art) from xxxx until xxxx for the exhibition specified in (2). The duration of delivery and return of objects will also be included in this period.

(2) Title of the exhibition: xxx

Place of exhibition: xxxx

Duration of the exhibition: xxxx

(hereinafter referred to as: Exhibition).

(3) The Borrower may only use the Works of Art for the purpose and period specified in (1). Upon expiration of the loan period, the Borrower shall furnish the Works of Art without delay to the Lender.

1. The Lender receives the following documents before forwarding the Works of Art

* a Facility Report containing:

a) ground plan, technical data and fire safety standards of the exhibition space;

b)specifications for the protection of the works of art;

c) security specifications of the exhibition space and the exhibited objects.

* Loan agreement, signed by both parties
* Valid insurance contract according to Section 3.

1. If extension of the loan period is necessary, Parties may agree on this. The change of the loan period shall be agreed in writing and in due time before the end of the contract, at least **45 days** before the scheduled end of the loan period.The Lender is entitled but not obliged to extend the duration of the loan. Lender may only authorize the extension of the duration of the loan by a written contract amendment. All costs relating to the extension of the duration of the loan shall be covered by the Borrower.
2. The Borrower cannot give, let or lend the Works of Art to any third party in any way. Without prior written permission of the Lender, the Borrower may not restore or modify the Works of Art, or make photograph or any other reproduction.The Borrower is obliged to act with the utmost professional diligence when moving the Works of Art. Unless otherwise provided by the Parties, the Works of Art shall remain in the condition that the Borrower has received them.

**2. Expenses**

1. The Borrower covers all expenses related to the loan, especially the expenses of packing, crating, transportation, courier, administration and insurance.

**3. Insurance**

(1) The Borrower must insure the Works of Art on its own expense for the given value against all risk of loss and damage “from nail to nail” while in transport and on location during the entire period of loan. The insurance must cover “All Risks” and extend the whole the insurance value specified in Annex 1 which covers the reimbursement of damages caused by natural disasters as well.

(2) Name of the insurance company: Generali

**4. Crating and transport**

(1) The Lender may specify the type of materials used for packing, the way of crating, and may request information on the route of delivery and return of the Works of Art.The Borrower shall cover all costs of crating, transportation and insurance, including the escort by the Borrower’s expert if it’s agreed by the Parties.The Parties shall act as diligently as possible during the transportation, keeping with the general requirements of the protection of artworks.

(2) The name of the transport company: Olomouc Museum of Art

Contact person: xxx

E-mail: xxx

**5. Obligations and responsibilities of the Lender**

(1) The Borrower undertakes to take care for the Works of Art in all respects with due diligence, to protect them against all damage and not to endanger them in any way.The Borrower undertakes not to modify the Works of Art, in particular, not to make any modification of the consistency (on the frame, on the base, etc., not even for fixing purposes), as well as restoration, unless the Lender has given his written consent in advance.The cleaning of the Works of Art is limited to professional dust removal with complete caution.

(2) The Borrower must notify the Lender’s contact person in writing (by e-mail) and by telephone in case of any change in the Works of Art or threat of damage, destruction, loss, etc., and must reduce the damage as possible at the same time.In case of threatening or already incurred damage, Borrower must take all necessary measures to prevent the damage, to identify the person causing it and to ensure indemnity claims. The Lender's experts may travel to the spot to assess the damage. All costs incurred will be covered by the Borrower.

(3) In case of a damage related to the Works of Art, the Borrower may only make emergency measures before the Lender's decision, to prevent the increase of the damage or injury threat.Any modification or destruction of the Works of Art must be recorded immediately in minutes with photographs.

(4) In case of loss due to crime or complete destruction of the Works of Art or, if the Borrower can not return them to the Lender for any reason, the amount of the insurance value specified in Annex 1 shall be reimbursed to the Lender.

(5) In case of repairable damage, the Works of Art must be immediately returned to the Lender and the restoration costs and the depreciation of the Works of Art (which may reach the maximum amount of the insurance value) must be reimbursed by the Borrower.The damaged Works of Art will remain in the collection of the Lender. When returning the Works of Art to the Lender, the Parties shall record the state of the Works of Art in minutes.The extent of damage occurring during the rental period or the transportation is determined by a professional committee, the Borrower is liable to reimburse the specified amount to the Lender.

**6. Environment**

(1) A stable climate must be maintained in the exhibition space 24 hours a day under the following conditions:

Temperature: 18-24 ˚C

Relative humidity: 40-50 %, the change can not be higher than 5 % within an hour

Luminosity: painting: approximately 150-200 lux

graphics: paper-based artworks can be enlightened only by artificial light and the luminosity can not exceed 50 lux.

(2)The Works of Art should not be placed directly by heat sources, humidifying or dehumidifying equipment, and must be permanently protected from direct sunlight, artificial light, heat sources and cooling systems.

**7. Security and guarding**

(1) The Borrower is obliged to keep the Works of Art in accordance with the generally accepted safety requirements of museums.The Borrower will ensure that a caretaker is present in the exhibition space during the general opening and working hours, and a detector alarm system protects all entrances during the night hours or when the building is closed.

(2) The Borrower declares that the exhibition space is in compliance with the fire regulations and that smoking, eating and drinking it is strictly forbidden where the Works of Art are placed during this contract.

**8. Termination of the contract**

(1) The Borrower may offer the return of the Works of Art at any time, and the Lender may not refuse the return of objects without a good cause. The costs of returning the Works of Art before the loan period’s expiration are borne by the Borrower without reimbursement of any of his expenses.

(2) Lender may immediately terminate the present contract if the Borrower does not use the Works of Art as defined in the present contract, or lets it to a third party without permission, orthere is a risk that the Borrower will not return the Works of Art in integrity. In this case, all costs of returning the Works of Art to the Lender is covered by the Borrower.

(3) The Lender may denounce this contract with a notice period of 1 month by the last day of the calendar month if:

* the specific purpose of the loan has become impossible
* the Lender needs the Works of Art for a reason not foreseen when signing the present contract.

**9. Naming of the Lender**

The Borrower is obliged to indicate the name of the Lender in connection with the loan in the Exhibition, in the Exhibition catalogue and all other publications related to the Exhibition, as follows: “Petőfi Literary Museum–Kassák Museum” in English and “Literaturmuseum Petőfi–Kassák Museum” in German.

**10. Reproductions**

The Lender authorizes the release and use of photographs and other reproductions of the Works of Art as follows:

1. The Lender authorizes free utilization of the reproduction of the Works of Art in a leaflet, poster, promotion or museum educational materials related to the exhibition strictly without any commercial purpose, indicating the name of the Lender as per Section 9.
2. In case of reproduction for commercial purposes (exhibition catalogue or any other record to be sold) the Borrower must immediately notify the Lender and pay license fee determined by the Lender. The Borrower sends two copies of the exhibition catalogue, posters and other publications to the Lender free of charge.

**11. Closing provisions**

(1) Amendments and supplements to this contract may only be made in writing. No additional agreements have been made between the parties.

(2) Parties note that the Lender will obtain the necessary authority permits for the loan of the work of art. Present contract will come into force as soon as the permits are issued. The Lender informs immediately the Borrower about the issuing of the permits.

1. Parties agree that they settle any possible disputes relating to the present contract primarily by negotiations. In case of litigation, Parties stipulate the authority of the Hungarian Law and Hungarian court.
2. Present contract is made in two copies in English and in Hungarian. In case of disagreement on the interpretation, the Hungarian text of the contract is applicable.
3. By signing the present contract, the Borrower declares its agreement with all the provisions of the contract.

Budapest, 17 May 2018

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| ………………………………  Lender  Gergely Prőhle director-general  Petőfi Literary Museum | ………………………………  Borrower  Michal Soukup, director  Museum of Art Olomouc |
| ………………………………  Lender  Istvánné Balázs financial manager  Petőfi Literary Museum |  |

**Annexes:**

1. **Facility Report**
2. **Catalogue and Condition Report**
3. **Valid insurance contract**

**ANNEX 2.**

**Catalogue and Condition Report**