

Sally Freitag and Cherie Summers

Loans are made between museums or from private individuals to museums for several reasons.

- Loans for exhibition are the most common type of loans. Objects are borrowed for specific periods of time for a specific purpose.
- Loans for traveling exhibitions are similar to one-exhibition loans, but the issues are multiplied by the number of venues.
- Exchange loans are made for two reasons. They may be for the mutual benefit of the museums, or a lending institution may request a loan to fill the resulting gap in its permanent exhibition from a museum borrowing an important work.
- Study loans are made between museums or between museums and individuals. The latter type of study loan is more common in science and archaeology museums than in art or history museums.
- Promised gifts in the museum's custody are loans until title has passed to the museum.
- The donor's remaining interest in a partial gift (also called fractional interest gift) should be treated as a loan whenever the object is in the museum's custody.
- Long-term loans from individuals to a museum or from one museum to another are common. The former was standard fare for many museums in the early and middle decades of the 20th century but is less common today.
- Unsolicited objects are often received for loan or acquisition. The sender should be notified immediately that the unsolicited parcel will be returned at the sender's expense in the same manner that it was packed and shipped. The sender also should be notified that he/she will be required to carry and pay for any insurance desired.

- Property with unidentified sources in the museum's custody should be treated as a loan until it has been identified. (See chapter on Old Loans.)

Loans should be requested and made with great care. A written loan policy should include sections on both incoming and outgoing loans. It should be supplemented by written procedures that are implemented as thoroughly as possible.

APPROVAL PROCESS: INCOMING LOANS

Museums differ in their administrative policies regarding internal approvals needed to request a loan. If the borrowed object is to be exhibited, the director, curator, and/or project manager must normally approve. Long-term loans or loans of promised gifts may require the approval of a committee within the museum or may follow the acquisitions procedure. The department that controls the budget required to pay for the loan arrangements must be consulted.

Customary protocol for requesting loans calls for the director, curator, or project manager of the borrowing institution to send the prospective lender a detailed letter describing the purpose of the exhibition and the objects desired. This "loan request" should contain the following key information:

- Title of the exhibition and/or purpose of the loan
- Length of the loan period
- Location(s) of the exhibition with dates

The borrower's responsibility to pay for all expenses incurred in preparing a loan (e.g., packing, shipping, insurance) should be acknowledged at this time. The deadline for the lender's response should be noted to allow sufficient time for the loan approval. A copy of this letter, which

is normally addressed to the director or curator if the lender is an institution, must be forwarded to the registrar as soon as possible so he or she can begin processing the loan and respond to the lender's queries.

APPROVAL PROCESS: OUTGOING LOANS

When a request for a loan is received, the lending institution's approval procedure for outgoing loans should involve the following "key players":

- The curator should approve the project in general and indicate the availability of the loan based on any unannounced projects he or she may know about.
- The conservator or registrar examines the condition of the object(s) to be loaned.
- The registrar also checks for other commitments during the period in question and checks for any other legal restrictions, such as donor's restrictions or possible U.S. Customs or Fish and Wildlife restrictions.
- Final approval by the director and/or the board of trustees is required in many institutions after the various departments have submitted their input.

In general, there should be good communication within the lending institution from the time a loan is requested until it is returned. It is critical that the curator, registrar, conservator, and director all keep one another apprised of any pertinent information. It is up to the registrar to coordinate the process and to make certain that the object and the borrowing institution are evaluated.

In evaluating the object's condition, the following questions should be considered:

- Is the object able to withstand the rigors of travel and additional handling?
- Is the object too fragile to be displayed safely?
- Should special restrictions be placed on light levels or general environmental exposure?
- Has the object recently traveled extensively or been subjected to long periods of light exposure?

Many objects, such as works on paper, photographs, or latex materials, may require limitation of the length of time they can be exposed to light and adverse climate conditions during packing, display, and shipping. If your museum does not have an in-house conservator, it is advisable to seek professional advice from a freelance conservator in deciding whether the object can travel safely.

The borrower's current facility report must be considered when evaluating a loan request. The standard facility report developed by the Registrars Committee of the American Association of Museums (RC-AAM) is often used by American museums; some institutions, especially foreign museums, may submit their own forms. The RC-AAM form is extremely thorough in the questions contained and is recommended as a standard. Accuracy and honesty are essential in filling out the facility report, and information on the form should be updated on a regular basis or as changes occur. The borrower must be prepared to meet certain minimum museum standards to secure loans. The lender wants assurance that the borrower has a history of professional and responsible care of museum artifacts. Because information could be checked by the lender, false answers may jeopardize the loan or future exchanges. When reviewing the borrower's facility report, the lender should question any unclear answers and work with the borrower to improve unacceptable conditions if at all possible. Although not applicable to foreign institutions, AAM Accreditation can indicate that a borrowing institution has met certain minimum standards.

Shortly after the loan request has been received, the borrower should be given preliminary notification of all standard loan terms and fees normally required by the lending museum. Standard protocol between museums and collectors normally calls for the borrower to pay all expenses relating to temporary and long-term loans, incoming gifts, study or research loans, or any other loans of primary benefit to the museum. The lender may be asked to pay costs associated

with loans of benefit to the lender, such as loans deposited for private conservation, photography, consideration for purchase, or exchange. Responsibility for costs should be discussed prior to the loan or prior to any charges being incurred. Museum collections management policies or manuals should clearly designate which museum personnel have authority to approve these costs.

Loan costs include the cost (materials and labor) of any crate, preparation, display case, base or mount, conservation, shipping, courier, and loan fee. Prior to the actual loan contract or loan agreement, the lender may ask the borrower to sign a preliminary form acknowledging unusual loan conditions such as special environmental requirements. The borrower can, after reviewing the costs and special conditions, decide if it is in a position to proceed with the loan request. Some museums have preprinted forms stating their general conditions of loan, including care of the loan, insurance, courier costs, publications, publicity, conservation, rights and reproduction of items being requested, etc. The borrower is normally responsible for all costs incurred in the loan arrangements unless otherwise discussed and agreed. Some institutions have reciprocal agreements with other museums to waive certain costs, such as loan fees. In cases where the loan fee makes the loan impossible for the borrower, the lender may be willing to try to negotiate a fee reduction.

The delicate condition or high value of some objects may dictate special loan conditions. It is important that these conditions be justified and essential in protecting the object. All costs or requirements must be clearly stated with as much notice given as possible so that the borrower can budget adequately. These costs can include a special frame, base, mount or environment, a courier or supervisor, or an insurance premium.

The lender may stipulate that a courier must accompany his or her loan during all transits. The lender may accept another museum professional to act on his or her behalf as a courier in consolidated shipments or may agree to his or her own courier in transit to the first venue and its return from

the last venue in the case of exhibition tours. It is normally the responsibility of the borrower to arrange and pay for costs related to the courier, including transportation, lodging, and per diem. The loan agreement may stipulate the amount of per diem to be allotted. If not, the amount should be negotiated in advance. The courier may receive the per diem in cash upon arrival, or the lender may bill the borrower later for reimbursement of expenses. Arrangements should be clear and in writing. (See chapter on Couriers and the Statement of Courier Practice.)

Final approval or denial of a loan should be communicated in writing in a timely fashion once all in-house and board of trustees approvals have been received. Should a loan be denied, the reason(s) should be clearly stated so the borrower can address any aspects of his or her facility or methods needing improvement. If the loan is approved, the approval letters and the completed loan agreement forms are then signed and returned to the borrower. Special conditions of the loan are restated on the loan form. In-house records should be "flagged" or "coded" to indicate the object is reserved.

LOAN DOCUMENTATION

Either the borrower or lender can issue the final loan agreement; it is usually done by the borrower. If the lender and borrower both have loan contracts, they can sign each other's forms. In the event of a controversy over which form to use, the lender's form normally controls; however, it should be clearly stated which form overrides the other in the case of conflicting loan terms. All special requirements or charges must be approved by the borrower before the lender begins to prepare the loan. The borrower must decide if the lender's special requirements can be met, both physically and financially. Further negotiations between museums may be necessary.

The loan contract or loan agreement is a legal agreement between the lending and borrowing institutions. This document protects both parties by specifying all conditions to be agreed upon. The signed loan agreement overrides all other

THE SAMPLER MUSEUM
123 Any Street, Any Town, USA 00000
Telephone 000-000-0000 FAX 000-000-0001

OUTGOING LOAN AGREEMENT

AGREEMENT The Sampler Museum hereby lends to the borrower identified below the object(s) described herein for the purposes and subject to the terms and conditions set forth.

BORROWER Borrower:
Address:
Telephone: FAX:
Contact: Title:

OBJECT Accession Number:
Artist/Maker:
Object/Title:
Medium:
Date of Work:
Dimensions of actual object: with frame or mount:
Weight (if applicable):
Credit Line (for use in exhibit label and catalog):

EXHIBITION Period of Loan:
Exhibition Title:
Venue(s) and Date(s):

INSURANCE Insurance value (in U.S. dollars):
_____ To be carried by borrower
_____ To be carried by The Sampler Museum, premium billed to borrower

SHIPPING/
PACKING Unless otherwise specified, all objects will be released from and returned to:
The Sampler Museum, Receiving Entrance, 123 Any Street, Any Town, USA

DISPLAY Temperature range: Humidity range: Light levels:
Special display requirements:

SIGNATURE The borrower acknowledges that he/she has full authority and power to enter into this agreement, that he/she has read the conditions above and on the back of this form and that he/she agrees to be bound by them.

Signature: _____ Date: _____
The Sampler Museum

Signature: _____ Date: _____
Borrower

Please sign white original and return to The Sampler Museum Registrar. The copy is for your files.

documents and understandings, whether written or verbal. The loan contract is completed by the registrar and is signed before any preparation of the objects begins or costs are incurred. Institutions differ on who signs this form—director, curator, or registrar. Should someone other than the registrar sign the contract, the registrar should review it first. Most museums have a general loan contract containing certain standard clauses. To this, an addendum can be made addressing any special clauses desirable for individual loans.

Many museums have a standard contract for outgoing loans in addition to a separate contract for incoming loans. Occasionally, museums will tailor a unique loan contract for a particular exhibition. When developing a standard or special loan contract, it should be reviewed by legal counsel as well as by the museum's insurance broker.

The borrower should never commit itself to conditions that it cannot uphold or that cannot be supported under the terms of its insurance policy. Approving special requirements placed by the lender may require various internal approvals. Unanticipated loan fees and unexpected requests may have such an impact on the budget that the loan must be withdrawn.

The lender signs and returns the loan contract with an accompanying letter calling special attention to any changes, which should then be countersigned by the borrower.

INSURANCE

It is standard loan protocol for the borrower to accept responsibility for insuring loans. A few museums have administrative policies stipulating that they, as lender, must continue their own coverage in effect when making outgoing loans. The borrower is normally billed for the cost of the insurance premium, which should be agreed upon in the early stages of the loan negotiation.

In accepting the borrower's coverage, lenders are advised to review a copy of the borrower's current insurance policy to ensure the coverage is indeed adequate. Key areas to look for are:

- Limits of coverage
- Deductibles
- Exclusions
- Property insured
- Policy terms
- Terms of cancellation

Coverage should be "all risk," not based on "named perils" that are less inclusive. Coverage should be "wall-to-wall" or "nail-to-nail," meaning that the loan object is insured from the moment it is picked up to the moment it is examined upon return to the lender.

A certificate of insurance from another institution acts as evidence of coverage only. Even with this certificate in hand, the borrower has no real assurances that the policy has not been amended or canceled. The certificate should name the lender as "additional insured" and must be issued to the lender before the object is released for shipment. If the lender prefers to maintain his or her own coverage, the borrower should request an insurance certificate or waiver of subrogation from the lender. (See chapter on Insurance.)

Insurance values for each object are determined by the lender. The assigned values should reflect the "fair market value"—the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts; auction values are commonly used as the basis for insurance values. The borrower should question an exceptionally high value or value that seems out of line with other similar objects. All values should be confirmed internally by the curator. It is the lender's responsibility to keep the value of the loan updated.

If a lender should insist on a specific situation the borrowing institution believes may be hazardous to the loan object, e.g., installing the object without a barrier, using push pins to mount the work, displaying an artwork in harsh light, or allowing the general public to touch the object, the lender should be asked to sign a "hold harmless" agreement.

OUTGOING LOAN CONDITIONS

CARE AND PRESERVATION

Objects borrowed shall be given proper care to insure against loss, damage or deterioration. The borrower agrees to meet any special requirements for installation and handling. The Sampler Museum (the "Museum") certifies that the objects lent are in condition to withstand ordinary strains of packing, transportation and handling. The Museum is to be notified immediately, followed by a full written and photographic report, if damage or loss is discovered. If damage occurred in transit, the borrower will also notify the carrier and will save all packing materials for inspection. No object may be altered, cleaned, repaired or fumigated without the written permission of the Museum, nor may framing, matting, mounting or glazing be changed without written permission; nor may objects be examined by scientific methods without written permission. Objects must be maintained in a fireproof building under 24-hour physical and/or electronic security and protected from unusual temperatures and humidity; excessive light and from insects, vermin, dirt or other environmental hazards. Objects will be handled only by experienced personnel.

PACKING AND TRANSPORTATION

Packing and transportation arrangements for the loan must be approved by the Museum. The borrower agrees to meet any special requirements for packing and shipping. Unpacking and repacking must be performed by experienced personnel. Repacking must be done with either original or similar materials and boxes and by the same methods as the object was received.

INSURANCE

Objects shall be insured at the borrower's expense for the value stated on the face of this agreement under an all-risk wall-to-wall policy subject to the following standard exclusions: wear and tear, insects, vermin, gradual deterioration or inherent vice; repairing, restoration or retouching processes; hostile or warlike action, insurrection, or rebellion; nuclear reaction, nuclear radiation or radioactive contamination. The Museum shall determine whether the borrower insures the objects or whether the Museum insures them and bills the borrower for the premium. If the borrower is insuring the objects, the Museum must be furnished with a certificate of insurance or a copy of the policy made out in favor of the Museum prior to shipment of the loan. The Museum must be notified in writing at least 30 days prior to any cancellation or meaningful change in the borrower's policy. Any lapses in coverage, any failure to secure insurance and/or inaction by the Museum will not release the borrower from liability for loss or damage.

REPRODUCTION AND CREDIT

The Museum will make available, through an outside service, photographs of objects lent, which may be used for catalog, routine non-commercial educational uses, publicity and registrarial purposes. No further use of such photographs can be made and no other reproduction of objects lent can be made without the written permission from the Museum. Each object will be labeled and credited to the Museum in the exact format provided on the face of this contract, both for display labels and publication credits.

COSTS

The borrower will assume responsibility for all expenses incurred by the Museum in work by conservators to prepare the object for loan, in packing, crating, transportation, couriers, insurance, photography and any and all other related costs. The Museum will make every effort to provide the borrower with estimates in advance of all applicable costs.

CANCELLATION/RETURN/EXTENSION

The loan is made with the understanding that the object will be on view during the entire exhibition period for which it has been requested. Any intention by the borrower to withdraw the loan from the exhibition at any time must be communicated to the Museum immediately. The Museum reserves the right to recall the loan or cancel the loan for good cause at any time, and will make effort to give reasonable notice thereof. Objects lent must be returned to the Museum by the stated return date. Any extension of the loan period must be approved in writing by the Museum Director or his designate and covered by written parallel extension of the insurance coverage.

INTERPRETATION

In the event of any conflict between this agreement and any forms of the borrower, the terms of this agreement shall be controlling. For loans to borrowers within the United States, this agreement shall be construed in accordance with the laws of the State of Any State.

ADDITIONAL CONDITIONS FOR INTERNATIONAL LOANS

Government regulations will be adhered to in international shipments. Unless otherwise stated in writing, the borrower is responsible for adhering to its country's import/export requirements. The borrower will protect objects from possible damage during its customs inspections and will make every effort to ensure that customs examinations are made only the borrower's premises. If the nature of the material to be exported falls within the types addressed by the UNESCO Convention, its status in the importing country should be verified before this loan agreement is signed by the borrower. The Museum requires a declaration of immunity from seizure if available. The provisions of this loan agreement are subject to the doctrine of *force majeure*. If U.S. Government Indemnity is secured, the amount payable by indemnity is the sole recovery available to the Museum in event of loss or damage, and objects will be insured in U.S. dollars at their value as of the application date. Current fluctuations affecting value of claims at a later date are not recognized under indemnity.

PACKING AND SHIPPING ARRANGEMENTS

Packing and shipping arrangements must be mutually agreed upon between the lending and borrowing registrars. The borrowing registrar normally contacts the lender to discuss considerations for packing, shipping methods and scheduling, and courier needs. The borrowing registrar may wish to consolidate the loan with other loans. The lending registrar must clearly convey specific requirements such as object fragility, special needs, courier schedule, and preferred mode of transportation, stating them in the loan agreement. Frequently, the borrowing registrar will contact the lending registrar many months in advance to obtain an estimate for packing and any preparation, insurance, or courier costs in order to prepare a budget for the loan.

The packing method to be utilized is determined by many factors, including the travel distance, route, type of conveyance, size, media, fragility, and value. Whether soft-packing for short trips or crating for longer trips or for extra safeguards, the same packing principles apply, that is, the need to protect the object from shock, vibration, and rapid changes in temperature or humidity. The packing technique should be simple enough for the average borrower to understand easily.

Instructions for unpacking and repacking should accompany the shipment, in the form of diagrams, photographs, or video tape. Appropriate packing materials should be used. (See chapter on Packing and Crating.)

If the lender has the facility, staff, and time to do their own packing, they will do so and normally bill the borrower for expenses. Packing charges can be based either upon an exact record of the hours worked and the actual cost of materials used, or upon a system of flat rates to cover different sizes of boxes or special packing jobs. If a crate or packing material already exists for the loan object, the lender may pro-rate the cost of this existing material or may not charge the borrower at all. If the lender does not have a suitable crate or the capa-

bility to produce one, a commercial packer must be engaged, either by the lender or the borrower; it should be approved by both registrars. Any special packing, handling, or shipping instructions that the lender might have must be communicated to the commercial packer. The commercial packer might bill the borrower directly, or occasionally the lender will pay and expect reimbursement from the borrower.

The borrowing museum generally makes arrangements for transporting the loans, again subject to the lender's approval; it is responsible for all shipping costs. The registrar discusses such factors as preferred routing, mode of transportation, special rigging needed, consolidations, and possible additional security required. The shipping schedules will determine the deadline for packing and must be negotiated with the lender to make sure both can be met as planned. In general, depending on the nature of the object and the cost to the borrower, the lender should request the most direct route for the shortest amount of time. Consolidated shipments can be the most cost-efficient option for the borrower if the safety of the object is not jeopardized in the process. (See chapter on Shipping.)

Couriers may be required to accompany shipments for a variety of reasons, such as to oversee the transit, to install the object, or to hand-carry the object. The Registrars Committee of the American Association of Museums has established courier guidelines that define and discuss acceptable reasons for requiring a courier. Courier per diem should cover the courier's travel and living costs for the period he or she is attending to the loan. (See chapter on Couriers.)

International loans are generally handled through shipping or forwarding agents in the countries from which the loans are being borrowed. The borrower's registrar or agent contacts the foreign shipping agent for a bid on packing, shipping, and export/import documentation. An agent is selected and approved by the lender. The agent prepares

all necessary documentation for the export; he or she can also arrange packing, delivery to the airport, and airport supervision. Qualified agents can be recommended by the lending institution, by forwarding agents in the U.S., or by other U.S. museums that have negotiated loans with other countries. Some export documentation and licenses take several weeks to prepare; international loans should be arranged far in advance. (See chapter on Import and Export.)

Confirm all packing and shipping arrangements, as well as cost estimates, in writing. Specific deadlines, special requirements, and names and phone numbers of contact persons should be given to vendors and agents.

PROCESSING THE LOAN OUT

The outgoing object must be prepared adequately for travel. A conservator may need to make minor repairs, reattach loose fragments, or touch up small losses. Major conservation treatments required prior to loan should be negotiated with the borrower first, if the borrower will be expected to take responsibility for any of the cost. Generally, the borrower is expected to pay for all preparation expenses, but conservation treatment needed despite the loan is open for negotiation.

The registrar should check the framing, glazing, mounts, hardware, and accompanying vitrines or bases to ensure they are fit to travel. The object must be secured in the frame with mending plates and spacers. Glass should be replaced by UV-filtered Plexiglas for works on paper, textiles, or other light-sensitive media. If glass is not removed, it must be taped with low-tack tape to prevent damage if the glass breaks in transit. Any loose elements must be removed and wrapped separately. Two-dimensional framed objects must be protected with backing boards. Finally, all mounting hardware should be checked to ensure it is adequate for display and has not become "fatigued" from wear. (See chapter on Preparation.)

If a documenting photograph does not already exist in the object file, one should be taken for identification, condition, and insurance purposes.

An outgoing condition report is prepared to document any obvious blemishes, instabilities, old repairs, or pre-existing conditions. A condition report is made for the frames, bases, or any accompanying elements as well. Annotating a photograph, in addition to the written notes, is an effective way of describing the object's condition. A space should be provided on the form for the borrower to add comments or to note any changes. All condition reports should be dated and signed by the person who wrote them. (See chapter on Condition Reporting.)

The lending museum sends a receipt to the borrower, along with a copy of the outgoing condition reports. The receipt, signed by the registrar of the borrowing institution, serves as formal notification of the loan's arrival and provides the lender with the borrower's official acknowledgment of the loan. It is standard for two copies of an outgoing loan receipt to be sent on the same date that the loan is shipped. One copy is returned with the borrower's signature and date the loan arrived. The other copy is retained by the borrower. The outgoing loan receipt should reiterate the conditions under which the loan has been granted. These conditions should be identical to those detailed in the loan agreement form.

Once the loan has been shipped to the borrower, the lending registrar updates internal files and computer systems to indicate the new location of the object. Pertinent departments are notified of the absence of the object and estimated date of its return, e.g., curator, education, information office.

TRACKING OBJECTS ON LOAN

The registrar must establish a system to track the object while it is out of the museum; the estimated return date of the loan or the date it is anticipated to move to the next venue should be included. Loans are occasionally made for extended periods (e.g.,

over a year). It is important that the registrar have an effective system for remembering or "calling up" all loans out. Tracking systems can be manual (e.g., tickler file) or on a computer database. Some museum auditors require annual confirmation of loans that are out and will send letters to borrowing museums to verify the location of objects.

WHEN THE LOAN OBJECT ARRIVES

Upon receipt of the loan object, the registrar of the borrowing institution should carefully check the exterior of the packing case or soft-pack material for signs of damage. The registrar should document any damage in case the contents are affected. A photograph should be taken of any exterior damage to the crate; all packing material should be kept.

When unpacking the loan, the registrar should carefully note how the object was packed so that it can be returned to the lender in the same manner. A photograph of how the object is situated within the case may be helpful in documenting the packing method. The borrowing museum should save the packing materials for reuse; if that is not possible, replacement material should duplicate the original materials. It is generally agreed that an object should be repacked in the same manner in which it arrived. If problems are experienced or if packing materials are inadequate, packing may be changed with lender approval.

The original case or packaging material should be stored in a clean, dry area, preferably in a climate-controlled environment. If an off-site storage facility of non-climate controlled space is used, the case should be brought back into the museum environment in adequate time to acclimatize it prior to repacking.

As soon as the objects are unpacked, they must be inventoried; condition reports should be done promptly. It is important that the contents be assessed to verify that all objects have been received. A written notation and/or photograph should be taken of all removable parts, elements, or

accessories. Each element should be tagged or labeled until the object is installed or returned to the lender.

This condition report prepared by the lender becomes the basis for comparison upon receipt of an incoming object. Condition reports often become key documentation in the event of an insurance claim, and it is important that they be thorough and understandable. The condition report is also referred to at the end of the loan period to check for any changes. Condition report formats vary from museum to museum and according to type of material examined. They should be brief but accurate, and should clearly describe the nature, location, and extent of the object's condition. A photograph of the object's condition upon arrival is a highly recommended addition to the written report. (See chapter on Condition Reporting.)

The lender should be notified immediately if objects or parts of objects have not been received or if the registrar believes an object has been damaged or has experienced a change in condition. If the registrar thinks the damage may warrant an insurance claim or if the lender requests a claim, the museum's insurance agent should be notified immediately. (See chapters on Condition Reporting, Creating Documentation, and Insurance.)

Each loan and each object within that loan must be assigned a unique number and be promptly tagged or labeled. The number may be a "temporary deposit" number or a catalog number in the case of a special exhibition. A temporary label can be used until the final disposition is determined for the object. All labeling or marking methods that are utilized for loans must be reversible. (See chapters on Numbering and Marking.)

Handling and installing the loan must be done in a fashion consistent with the lender's requirements and based on high standards of museum care. Care should be taken to pad and protect each object during movement until it is installed or stored. The borrower must also seek the lender's approval before modifying the loan object in any fashion or before employing the object for a purpose other than that

originally agreed upon. Adding hanging devices or a mount, displaying the object in an outdoor atmosphere, etc., must be discussed in advance. Any hardware that is removed should be saved and returned to the lender with the loan object. Any issues that might arise concerning the safety of the object should also be discussed with the lender. All modifications to the loan, its accessories, or packing should be documented for the file to facilitate their replacement at the end of the loan. (See chapter on Handling.)

Entry records and receipts must be prepared to document the loan transaction properly. If the lending institution sends a receipt, it should be completed and returned by the borrower. If it does not, the borrower should produce a receipt and send it to the lender. Receipts may be done by both institutions. Information should include:

- Name and full address of lender, preferably with telephone and fax numbers
- Purpose of loan, e.g., long-term loan, special exhibition
- Exhibition title
- Pertinent curatorial department responsible for loan
- Arrival date and method of shipment
- Loan numbers assigned to objects
- Name of artist/maker
- Exact title of work or name of object
- Medium or materials
- Dimensions
- Insurance value or name of insurer, if lender is to insure
- Condition
- Location

Receipts must be issued promptly and accurately. The wording on the loan receipt should agree with the conditions stated on the loan agreement form regarding purpose, duration, insurance coverage, and value. Only the registrar should issue receipts and record loan information; this guarantees consistency and proper loan management. (See chapter on Creating Documentation.)

ONGOING LOAN MANAGEMENT

Loans must be tracked and updated by the borrowing museum on a regular basis; an annual inventory can identify expired loans and help the museum avoid problems that could develop. Loan expiration dates should be carefully monitored so that loans are returned to the lender on time. If the object is to remain on loan, the loan contract must be updated and the insurance coverage extended. Insurance values should be reviewed periodically by the lender. If contact has been lost and the lender cannot be found, the loan is regarded as an "old loan." Many states in the U.S. have established laws regarding the disposition of old loans. The registrar should seek legal advice for disposition of unclaimed or old loans within his or her jurisdiction. (See chapter on Old Loans.)

WHEN THE LOAN IS RETURNED

Requests for the return of a loan must agree with the terms of the original loan agreement. All objects should be returned to the lender at the same place from which they were collected unless otherwise stipulated in writing by the lender and agreed to by the museum. In the event of a possible dispute between lenders, such as a divorce or dissolved partnership, the registrar should seek legal advice. A loan should not be returned to one partner without the written consent of the other. If the loan is to be returned to a different location or address, the change of return site should be documented in writing. If the loan is to be returned to a location farther away than the original point of collection, any additional cost associated with the new location can be negotiated, unless this change was a condition of the loan. If someone else imported the object, the registrar should seek proper import documentation. (See chapter on Import and Export.)

When the loan period has expired, the registrar contacts the lender to arrange the return. The return shipment date and method of transit are discussed

with the lender in advance. The object is prepared for the return by inventorying all elements and accessories. If the object was framed or reframed, or if the original hardware was removed, these elements will normally be replaced unless otherwise agreed upon with the lender. An outgoing condition report that refers to the incoming report or any interim reports is made. The registrar must ensure that the object returns in the same condition as it was received. The object is repacked in the same fashion as received unless packing modifications have been approved. Finally, an outgoing receipt is issued; the lender is asked to sign and return a copy after verifying that all objects have been returned in satisfactory condition.

The loan file is closed by noting the destination, date, and method of return. Internal departments should be apprised of the loan return as necessary. All bills for packing, shipping, agents, insurance premiums, and courier costs must be received and processed for payment. In the event that some costs are to be shared by the lender or other museums for a touring exhibition, invoices must be prepared for such costs as shipping, photography, or insurance premiums. If the loan object happens to be acquired by the museum, the registrar accessions and catalogs the object, changing the incoming loan numbers to permanent accessions numbers. (See chapter on Acquisitions and Accessioning.)

PROCESSING LOANS BEING RETURNED

Upon return of the object, the lending registrar unpacks the object as promptly as possible after acclimatization and compares it against the outgoing condition report for any significant changes. If new conditions or damage is apparent or suspected, the borrowing registrar is contacted immediately. The lending registrar ultimately decides whether an insurance claim should be filed. Incoming photographs should be taken if any changes have occurred. If the damage could have occurred during transit, all packing material must be saved and photographed, too. The lending registrar checks

to see that all loan objects as well as all parts or accessories and any installation hardware have returned.

An "incoming receipt" is signed, evidencing the return of the loan in satisfactory condition. Either the borrower or lender can issue this receipt. The lending registrar then notifies all pertinent museum departments of the loan's return. Files and/or computer records are updated as to location of the object. A loan history for the loan object is maintained to document the object's exposure. (See chapter on Managing Files and Records.)

A history file on different borrowers should be kept to document problems or concerns for future reference. This file can include notes on agents or shippers used by the borrower that proved problematic. Loan histories can also be useful in negotiating later loans should the lending museum wish to borrow objects from the borrowing museum in the future.

Shortly after the conclusion of the loan, either the registrar or the museum's business office prepares a final invoice, billing the borrower for all agreed costs related to the loan, e.g., crating, conservation, courier costs not paid directly by the borrower, and any insurance premiums. Timely accounting of these costs is appreciated by both the borrowing and lending institution. Agent's bills should be directed to the borrower, or the lender should be reimbursed for agent's costs as appropriate. Loans can be shipped to borrowers "prepaid" with the borrower later invoiced or can be shipped "collect" to avoid billing.

LOAN ISSUES

Damage: If the object is damaged at any time, the lender must be contacted immediately. Any damage, however slight, must be documented. A conservator should be consulted as to possible remedies for the lender's information. If damage is serious, an insurance claim should be made.

Change of ownership: If the ownership of the object changes or if its status changes, e.g., if it is donated, promised, or placed on extended loan, the

change must be properly documented in writing. A new loan agreement must be signed by lender and borrower.

Change of information: If loan information simply needs to be updated, a new agreement is not required. However, the change in information should be confirmed in writing by the lender or his or her representative.

Loans to third parties: In the case of loans to third parties, (i.e., an object currently on loan to your museum sent for loan to another museum) the owner must provide written permission for the object to be released. The borrower is normally responsible for paying all charges in connection with a third-party loan. There should be a clear understanding of exactly when the borrower's insurance takes effect. If the loan is to return to your museum, its file and loan number can be continued. When the loan finally returns, it is prudent to ask the lender if any information needs to be changed.

Requests for loan extensions: Requests for loan extensions or date or venue changes are normally subject to the same review and approval process as the original loan request. Minor changes in dates can be handled by a simple letter from the borrower countersigned by the lender.

Loans to traveling exhibitions: Several concerns may be raised by loans to traveling exhibitions. Facilities reports for each venue should be reviewed by the lending institution. Large gaps may exist between venues, and it is the borrower's responsibility to inform lenders of the arrangements that will be made to accommodate such lapses: shipments to the next venue may be postponed, or the loans may be stored. No loans should ever be stored at sites other than the exhibition venues without the lender's advance permission. The organizing institution is usually responsible for insuring the tour, processing invoices, and relaying lender requirements to venues unless other arrangements have been separately made with each venue. Should an early release from the traveling

exhibition occur, all parties concerned should be informed in advance. (See chapter on Organizing Loan and Traveling Exhibitions.)

Exchange loans: Exchange loans may be reciprocal loans for long or short periods, or they may be used when an object requested for loan must be replaced at the lender's site for the duration of the loan. They are handled in the same fashion as other outgoing loans, with outgoing and incoming loan contracts to document the transaction. Shipments to and from the same lender can often be consolidated for a savings. Since both institutions benefit, it is important that there be a clear understanding regarding which museum is responsible for which costs.

GENERAL ISSUES OF RECIPROCITY BETWEEN MUSEUMS

In the mid-1990s, the Museum Loan Network (MLN) began as an organization to encourage loans between museums. Both borrowing and lending organizations benefit from participation. Lending museums are given grants to survey their collections, choose objects that might be available for long-term loan, and get estimates for conservation of objects. They prepare information for a database, the MLN directory, which potential borrowers can use for access to brief descriptions of artworks available for long-term loan. Grants to borrowing institutions for conservation help defray their loan costs.

In recent years, the cost of organizing exhibitions has mushroomed. It is incumbent upon museums to work cooperatively to find ways to control loan costs. Without risking the safety and long-term preservation of the object, costs can often be reduced by waiving or consolidating couriers, by waiving loan fees, by invoicing expenses "at cost" only, or by re-using recycled crates. Loans will remain a mainstay of museum exhibitions for the foreseeable future, and it is vital that the process be as efficient as possible.