



KATHERINE
TOWN COUNCIL

COUNCIL POLICY

POLICY DEED OF AGREEMENT FOR ARTWORK ON LOAN

Type:	Council Policy		
Owner:	Chief Executive Officer		
Responsible Officer:	Manager Community Relations		
Approval Date:	25/02/2025	Next Review:	01/02/2029
Records Number:	230155	Council/CEO Decision:	CEO
Legislation Reference:			

1 PURPOSE

This policy outlines the terms and conditions for the incoming and outgoing loan of artwork, ensuring that all artworks are protected, secured, and properly handled during the loan period. It is designed to provide clear guidelines for both parties involved in the loan process.

2 SCOPE

This policy applies to all loans of artwork involving Katherine Town Council, including loans to and from external institutions, galleries, or individuals.

3 DEFINITIONS

Artwork: Any object, piece, or work of art, including but not limited to paintings, sculptures, photographs, prints, and other visual works, that is the subject of a loan agreement.

Lender: Katherine Town Council that owns or controls the artwork and is responsible for loaning it to another party under the terms of the Deed of Agreement.

Borrower: The individual, institution, gallery, or organisation that temporarily receives the artwork from the lender under the terms of the Deed of Agreement.

Deed of Agreement: A legally binding document that formalises the terms and conditions under which the artwork is loaned, outlining the responsibilities and obligations of both the lender and the borrower.

Loan Period: The agreed-upon duration for which the artwork will be loaned, starting from the date the artwork is released to the borrower until the artwork is returned to the lender.

Condition Report: A detailed document that describes the state of the artwork before and after the loan, including any pre-existing damage or imperfections, and the condition upon return.

Insurance: The coverage that protects the artwork from damage, loss, theft, or other risks during the loan period, including transportation, storage, and display.

Transportation and Handling: The process of moving and taking care of the artwork during transit.

Display and Security: The conditions under which the artwork is displayed, stored, or otherwise kept while in the borrower's possession.

Copyright and Intellectual Property Rights: The legal rights held by the lender as the creator or owner of the artwork, which protect the artwork from unauthorised reproduction, distribution, or use. These rights are retained by the lender unless explicitly stated otherwise.

Discrepancies or Damage: Any differences in the artwork's condition or any new damages noted during the return inspection that were not present during the initial condition report.

4 DETAILS

Katherine Town Council has borrowed artwork from the Katherine Prize Art Exhibition, individual artists, external institutions, and galleries. Additionally, the Council has loaned artwork to individual artists, institutions, and galleries.

The artwork collection dates back to 1976 and holds significant value, both artistically and historically.

TERMS AND CONDITIONS

All loans of artwork must be formalised through a legally binding Deed of Agreement signed by both the lender and the borrower. This agreement must specify the following essential terms:

- **Loan Period and Purpose:** The duration of the loan and the specific purpose for which the artwork is being loaned.
- **Location:** The physical location where the artwork will be displayed, stored, or otherwise kept during the loan period.
- **Transportation and Handling:** The borrower must engage a contractor to professionally handle the transportation and ensure compliance with recognised industry standards for the packing, handling, and movement of artwork. The borrower assumes full responsibility for any damage or loss resulting from improper handling or negligence.
- **Condition Reporting:** A condition report must be prepared, included and signed by both parties before the loan and upon the artwork's return. Any pre-existing damage must be documented, and any new damage will be the responsibility of the borrower.

INSURANCE AND LIABILITY

The borrower must insure the artwork for its full market value throughout the loan period. A valid certificate of insurance must be submitted to the lender before the artwork is released.

Insurance must cover all risks, including but not limited to theft, loss, damage, and acts of nature, during transportation, storage, and display.

The borrower assumes full liability for any damage or loss that occurs while the artwork is in their possession, including during transit, unless such damage is solely attributable to the lender's negligence.

DISPLAY AND SECURITY REQUIREMENTS

The artwork must be displayed in a secure and environmentally controlled space with appropriate temperature, humidity, and lighting levels to ensure its preservation.

Security measures must be in place to prevent theft, damage, or unauthorised access.

The borrower is prohibited from altering, restoring, or repairing the artwork without the lender’s prior written consent.

COPYRIGHT, REPRODUCTION, AND PUBLICITY

The lender retains all copyright and intellectual property rights to the artwork unless otherwise agreed to in writing. The borrower is prohibited from reproducing, photographing, or publishing images of the artwork for any purpose, including promotional or commercial use, without the lender’s prior written consent.

In any permitted publications or exhibition materials, the borrower must provide proper credit and acknowledgment to the lender as the rightful owner of the artwork.

RETURN OF ARTWORK

The artwork must be returned to the lender on the agreed-upon date and in the same condition as documented in the pre-loan condition report. The lender reserves the right to inspect the artwork upon its return and to report any discrepancies or damage. If the artwork is returned late, the borrower may be subject to penalties as outlined in the Deed of Agreement.

BREACH OF AGREEMENT

In the event of a breach of the terms and conditions outlined in this policy or the Deed of Agreement, the lender reserves the right to terminate the loan immediately. The lender may pursue legal remedies, including but not limited to compensation for damages and recovery of legal costs.

DISPUTE RESOLUTION

Any disputes arising from the loan agreement shall be resolved through negotiation, failing which the matter may be submitted to arbitration or litigation in accordance with the applicable laws.

5 ASSOCIATED POLICIES/DOCUMENTS

- SOP - Incoming and Outgoing Artwork Loan
- Deed of Agreement – Incoming and Outgoing Artwork Loan
- Register Deed of Agreement for Artwork on Loan

6 REFERENCES AND RELATED LEGISLATION

Revision History

Version	Approval date	Details of change	Responsible officer
1	16/02/2025	Created	Manager Community Relations
2			
3			