

## **Information and general terms for the Swedish government's exhibition guarantee ordinance**

This document sets out the terms and conditions, information and explanations of the regulations covering the Swedish government's exhibition guarantee. The document contains both additions to the regulations and, to some extent, repetitions of the regulations, with the aim of giving people a clear idea of how the Swedish government's exhibition guarantee works. To provide a full and complete picture of a granted guarantee, this document should, however, be read in conjunction with the Swedish Arts Council's ruling on the granting of an exhibition guarantee, including appendices.

### **Scope of the guarantee**

Under the provisions of the Government Exhibition Guarantee Regulations (1998:200), anyone organising a temporary exhibition which is to take place in Sweden (hereinafter called "the borrower") may be entitled to a government guarantee which covers costs in the event of the loss of or damage to a borrowed object. The guarantee also covers a fall in value of an object as a result of damage. The guarantee may also cover Swedish cultural exhibitions abroad.

The guarantee applies "nail to nail", i.e. from the time the borrowed object leaves its normal location to the time it is returned to that location. Consequently, the guarantee covers, for example, packing of the object by the lender, transport in one or more stages, any storage between transports, unpacking by the borrower, the exhibition, repacking, transport back to the lender and unpacking on the lender's premises. If the object is returned by the borrower and the lender does not return the object to its normal location but, for example, puts it into storage instead, the guarantee ceases to apply at the time when the object is handed over to the lender or a third party appointed by the lender.

### **Exemptions**

The guarantee does not cover normal wear and tear, gradual deterioration or damage resulting from previous repair or restoration.

The guarantee does not cover loss or damage caused by war. In the event of extenuating circumstances, the guarantee will not cover loss or damage caused by natural disasters or similar circumstances.

### **Safety and security requirements**

For the guarantee to be granted, the borrower must meet the safety and security requirements necessary for the exhibition. This applies both to arrangements during the exhibition at the exhibition venue, and transports to and from the exhibition venue. As shown in the decision, the terms for safety and security, as well as the circumstances relating to safety and security, set out in Kammarekollegiet's [the Swedish Legal, Financial and Administrative Agency's] requirement specifications (safety and security requirements for obtaining a government exhibition guarantee), in addition to any special conditions set out by Kammarkollegiet, must be observed and complied with throughout the guarantee period.

### **Claims**

A report of any loss or damage must be submitted to the Swedish Arts Council by the borrower, along with an application for compensation. The claim must contain details of an investigation into the loss or damage, as well as the extent and value of the loss or damage.

The Swedish Arts Council will contact Kammarkollegiet, which will comment on the claim. Kammarkollegiet will then submit the matter, along with its own opinion, to the government for examination.

Neither the borrower nor the lender must carry out any repairs or renovation of the damaged object before the damage has been reported and a written agreement relating to the damage drawn up between the borrower and lender.

### **Compensation**

If an object has been damaged and can be repaired, compensation will be paid for reasonable restoration costs as well as other costs directly related to the damage (e.g. the cost of investigating the damage, and valuation costs). Compensation will also be paid for any loss in value as a result of the damage.

Compensation will also be paid for the full value of an object which has been destroyed, an object which cannot be repaired, or an object which has disappeared.

The compensation for an object cannot exceed the value of the object shown in the decision to grant a guarantee.

The borrower is responsible for ensuring that the value specified in the guarantee application is correct and represents the market value on the date on which the guarantee application is submitted.

If, after loss or damage has been suffered, it emerges that the guarantee value is greater than the actual value of the object (e.g. if it emerges that the object is a copy or that the value specified in the guarantee application exceeds the market value), the calculation of compensation will not be based on the guaranteed value.

All compensation will be paid in SEK to the borrower, not directly to the lender. The exhibition guarantee does not in any way make the lender a party in an agreement with the Swedish Arts Council/the Swedish government.

Any fall in the value of other objects covered by the guarantee as a result of the claim will also be compensated.

If any other compensation is paid to the borrower/lender as a result of the loss or damage, the compensation paid under the guarantee will be reduced by an equivalent amount.

### **Expert**

If the parties cannot agree on the scope of the damage, reasonable cost of restoration, fall in value or the value of the object at different times, this will be determined by an expert appointed by the Swedish Arts Council (the cost of appointing such an expert will be deducted from any guaranteed amount before payment).

The expert must be approved by the borrower.

### **Excess**

The guarantees are subject to an excess on each claim. The excess is:

- SEK 20,000 for guaranteed amounts under SEK 1 million,
- SEK 30,000 for guaranteed amounts between SEK 1 million and SEK 9,999,999,
- SEK 40,000 for guaranteed amounts between SEK 10 million and SEK 19,999,999,
- SEK 50,000 for guaranteed amounts between SEK 20 million and SEK 29,999,999,
- SEK 60,000 for guaranteed amounts between SEK 30 million and SEK 39,999,999,

- SEK 70,000 for guaranteed amounts between SEK 40 million and 49,999,999,
- SEK 80,000 for guaranteed amounts between SEK 50 million and 59,999,999,
- SEK 90,000 for guaranteed amounts between SEK 60 million and 69,999,999,
- SEK 100,000 for guaranteed amounts between SEK 70 million and 79,999,999,
- SEK 110,000 for guaranteed amounts between SEK 80 million and 89,999,999, *and*
- SEK 120,000 for guaranteed amounts of SEK 90 million or above.

### **Reduction of the guaranteed compensation and general requirements for standard of care**

If the conditions in the application change, or if the applicant breaches any of the conditions of the guarantee, this may lead to a reduction in or the complete withholding of the guaranteed compensation for any loss or damage.

If the damage has been caused by an object being handled without due care or the borrower having taken a deliberate risk, the guaranteed compensation paid may be reduced.

If any of the safety and security requirements laid down has been neglected, or a loss has been caused deliberately or through gross negligence on the part of the borrower, no compensation will, in principle, be paid to the borrower.

### **Right of ownership**

A damaged, lost or non-repairable object remains the property of the lender, even if compensation has been paid under the guarantee.

If a lost object is found, the borrower must inform the Swedish Arts Council immediately and, unless otherwise permitted by the Swedish Arts Council, the guaranteed compensation paid, minus the cost of repairing any damage and any loss in value as a result of damage, must be repaid.

### **Limitations**

The right to compensation expires twelve months after the end of the guarantee period, unless a claim has been submitted to the Swedish Arts Council prior to this date.

**Recourse**

To the extent that a claim results in a payment being made under the government guarantee, the rights of the guaranteed party against the party responsible for the loss or damage pass to the Swedish government.

**Other**

Swedish law applies to all matters arising from the Swedish government exhibition guarantee.