

GRANT CONDITIONS

The offer of a grant is subject to the following conditions:

A. GENERAL CONDITIONS

1. The Grant must be used to purchase the Art Fund-assisted Object. Applications will not be considered for works which have already been purchased, or for which a contractual commitment to purchase has been made.
2. Art Fund-assisted Objects must not be sold, pledged, charged or otherwise disposed of without the prior written consent of the Art Fund which will only be granted in exceptional circumstances, and must not be treated as part of the general assets of the Beneficiary.
3. The Beneficiary must give the Art Fund 60 days prior notice of its wish to sell or otherwise dispose of an Art Fund-assisted Object. If the Art Fund-assisted Object is disposed of with the consent of the Art Fund, the Beneficiary will, unless otherwise agreed, immediately pay to the Art Fund a proportion of the proceeds of the sale of the Art Fund-assisted Object being equal to the proportion which the Grant bore to the cost of the Art Fund-assisted Object, as published in the Annual Review produced by the Art Fund ('the Cost of the Art Fund-Assisted Object').
4. The Beneficiary may not assign, transfer, charge or otherwise deal in any of its rights or sub-contract, transfer or otherwise dispose of any of its obligations under this agreement in relation to any Art Fund-assisted Object without the prior written consent of the Art Fund. Notwithstanding the aforementioned the Beneficiary may grant other parties non-exclusive licences of its rights in relation to the Art Fund-assisted Object without the prior written consent of the Art Fund.
5. The Art Fund cannot accept responsibility for establishing or verifying the provenance of Art Fund-assisted Objects. The Beneficiary shall take all reasonable steps to establish and verify the provenance of the Art Fund-assisted Object.
6. On the first anniversary of the date of payment of the Grant, the Beneficiary will complete and return to the Art Fund the evaluation form supplied with the Grant.

B. CARE OF THE ART FUND-ASSISTED OBJECT(S)

7.
 - a) The Beneficiary will take due and proper care of all Art Fund-assisted Objects and maintain and keep them in clean and good repair in a physically secure environment free from injury and from deterioration from their condition when acquired (otherwise than by reasonable use and wear).
 - b) The Beneficiary will keep all Art Fund-assisted Objects on permanent public display or readily accessible to the public in a reserve collection.
 - c) The ownership of Art Fund-assisted Objects may not be changed without the prior written consent of the Art Fund.
 - d) The Beneficiary must obtain the prior written consent of the Art Fund before relocating or loaning Art Fund-assisted Objects to another public collection in the United Kingdom for a period of more than 3 years.
 - e) The Beneficiary may not loan Art Fund-assisted Objects to institutions outside the United Kingdom, except for temporary exhibitions lasting for a maximum period of one year at any one venue.
8.
 - a) In the event of damage to an Art Fund-assisted Object, the Beneficiary will promptly apply either the insurance proceeds or its own funds in the repair of the Art Fund-assisted Object to the extent that it can (in the reasonable opinion of the Beneficiary) be repaired.
 - b) In the event of loss, destruction or irreparable damage to an Art Fund-assisted Object in respect of which the Beneficiary receives the proceeds of an insurance claim or of a Government Indemnity, or any other form of compensation (the 'Proceeds'), the Beneficiary will pay to the Art Fund from the Proceeds a proportion of the market value of the Art Fund-assisted Object immediately before its loss, destruction or irreparable damage, being equal to the proportion which the Grant bore to the Cost of the Art Fund-assisted Object. The market value of the Art Fund-assisted Object immediately before its loss, destruction or irreparable damage shall be determined by a valuer to be appointed:
 - i) with the mutual agreement of the Art Fund and the Beneficiary; or
 - ii) if the Art Fund and the Beneficiary are unable to agree on the appointment of a valuer, by a single arbitrator to be appointed by the Art Fund and the Beneficiary, or, in default of agreement, by the Chairman for the time being of the Chartered Institute of Arbitrators.
 - c) The Beneficiary will promptly and diligently pursue any insurance claim.
 - d) If the proportion of any sums due to the Art Fund under condition 8(b) is not paid to the Art Fund within 60 days of receipt of the Proceeds, interest shall be payable to the Art Fund on a daily basis at a rate equal to the then base rate of the Art Fund's clearing bank.

C. ACKNOWLEDGEMENT OF THE ART FUND'S CONTRIBUTION

9.
 - a) The contribution of the Art Fund to the acquisition of an Art Fund-assisted Object must be acknowledged in full (ie. not abbreviated to AF or NACF) on the display label (with specific reference to named legacies and donations where requested by the Art Fund) together with the Art Fund's logo where possible which is available to download on the Art Fund's website located at www.artfund.org/logos. This condition also applies when the Art Fund-assisted Object is on loan to another institution or in a temporary exhibition in accordance with conditions 7(d) and 7(e) above. The contribution of the Art Fund must also be acknowledged on all museum-produced merchandise and catalogue reproductions of Art Fund-assisted Objects (both printed and electronic, including the Internet).
 - b) The Beneficiary will not use the Art Fund's name or logo in a way which may adversely affect the image of the Art Fund or cause any negative publicity or otherwise damage or injure the reputation and standing of the Art Fund.
10. The Beneficiary will arrange for the Art Fund's literature and posters to be prominently displayed at all times in the main foyer of the premises where the Art Fund-assisted Object is displayed, the size, design and location of the display panels to be mutually agreed. Supplies of the Art Fund's literature must be requested from the Art Fund whenever necessary.
11. The Beneficiary will grant free entry to its permanent collections to bearers of valid membership cards of the Art Fund (which are called the National Art Pass). In the

case of temporary exhibitions, either free entry or half-price entry will be granted. The Beneficiary will display the National Art Pass admission tariffs (including free entry) on its admission tariff boards, on its website and at all other ticket sales points. If the Beneficiary sells entrance tickets online, the National Art Pass admission tariffs will be displayed with all other admission prices on the online tariff board and tickets at these prices will be available at the point of sale.

12. The Art Fund will communicate the special National Art Pass tariff to its members and will provide an information pack for the Beneficiary's "front of house" staff. The Beneficiary will ensure that new and existing staff are briefed regularly about the Art Fund/National Art Pass admission arrangement.
13. The Beneficiary will display a hypertext link which shall link directly to the home page of the Art Fund website located at <http://www.artfund.org> (as such URL may be modified from time to time) on the websites relevant to the Art Fund-assisted Object owned or operated by the Beneficiary, where applicable. Links must only be to the Art Fund home page and must not be used to falsely portray any endorsement or affiliation between the Art Fund and the Beneficiary.
14. If the amount of the Grant is £50,000 or more, the Beneficiary will undertake to give the Art Fund an opportunity to organise a special event or promotion for the Art Fund in the premises where the Art Fund-assisted Object is displayed, if the Art Fund so wishes. The Art Fund will be willing to meet any costs arising from such an event, but must not be charged a fee.
15. The Art Fund must approve in advance any display panels, print material, press releases or related publicity for all acquisitions of Art Fund-assisted Objects. The Art Fund may publicise the amount and purpose of a grant in whatever way it thinks fit, other than in relation to grants for the purchase of objects coming up at auction or in other cases in which the Art Fund agrees that it would be appropriate to waive this right. The Art Fund will publish the cost of all Art Fund-assisted Objects unless the Beneficiary can satisfy the Art Fund that there is a valid reason why such information should be withheld.

D. SUPPLY OF IMAGES

16.
 - a) The Beneficiary shall as soon as possible but in any event no later than 30 days after the acquisition of the Art Fund-assisted Object deliver to the Art Fund free of charge: a professional quality, high-resolution digital TIFF (minimum 25MB file size) including a colour bar and a grey scale for each Art Fund-assisted Object (together 'the Images'), such Images to be of a quality satisfactory to the Art Fund.
 - b) The Beneficiary shall deliver to the Art Fund such further Images of a quality satisfactory to the Art Fund as the Art Fund may request from time-to-time.
 - c) The Beneficiary grants the Art Fund a non-transferable, non-exclusive, royalty free, irrevocable licence to use the Images throughout the world for the purposes of the Art Fund, including merchandising. If the Beneficiary is not the Owner of the copyright in the Art Fund-assisted Object and the Art Fund-assisted Object is within copyright protection, it is agreed that the Art Fund will be responsible for obtaining the additional consent from the owner of the copyright of the Art Fund-assisted Object and complying with any conditions imposed in relation to such consent.
 - d) If the Beneficiary does not own the copyright in the Art Fund-assisted Object and/or a third party has rights in the Art Fund-assisted Object, then the Beneficiary shall notify the Art Fund that it is not the copyright owner and/or provide details of any third party rights as soon as possible after the receipt of the grant but in any event no later than 30 days after the acquisition of the Art Fund-assisted Object, and the Art Fund shall then be responsible for clearing any rights and respecting any conditions of which it has notice.
 - e) Supply of images to third parties. The Beneficiary will not charge any copyright fee when it supplies images of the Art Fund-assisted Object to third parties to be reproduced in academic, educational or scholarly publications, provided that (a) the print run for the publication (including any reprints) does not exceed 3,000, and (b) images are reproduced inside the publication and not on the book jacket or outside cover.
 - f) The Beneficiary represents and warrants to the Art Fund that:
 - i) subject to clause 16(d) above, it is the sole, legal and beneficial owner or exclusive licensee of the copyright in the Images and has the full, unfettered right to grant the licence under clause 16(c);
 - ii) it has not previously assigned or otherwise encumbered its rights in any of the Images or any similar images or other representations of the Art Fund-assisted Object so as to prevent or limit the granting of the licence granted in clause 16(c);
 - iii) the Images are original; and
 - iv) it has not done and will not do anything to prejudice the grant of the licence granted in clause 16(c).
 - g) Subject to clause 16(d), the Beneficiary undertakes to use best endeavours to ensure that use by the Art Fund of the Images as supplied by the Beneficiary will not infringe any third party rights, including any moral rights. The Beneficiary shall inform the Art Fund at once if it becomes unable to comply with this clause 16(g).
 - h) The Beneficiary will keep the Art Fund indemnified against all losses and all actions, claims and proceedings, including all damages and costs arising out of the breach of any of the warranties in condition 16(f) and out of any claims brought by third parties in respect of their actual or alleged intellectual property rights.

E. BREACH OF ANY CONDITION

17. If any of the above conditions is breached in a material respect and (if capable of remedy) such breach is not remedied within 60 days, the Art Fund reserves the right at its sole discretion to require that all or some of the grants made by the Art Fund to the Beneficiary (whether or not for the purpose of acquiring the Art Fund-assisted Object) are repaid. The Art Fund shall exercise this right by specifying in a notice in writing to the Beneficiary the grants which are to be repaid. Any grant which is specified in the notice and is not repaid within 60 days of the date of the notice will bear interest charged on a daily basis at the then base rate of the Art Fund's clearing bank.