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# State Indemnity for Art Exhibitions

## Guide for applicants

*1 August 2009*  
*State Indemnity Board*

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# State indemnity scheme for art exhibitions and the application procedure

## 1. CONTENT OF THE ACT AND THE DECREE

The purpose of the state indemnity scheme is to promote high-standard international and Finnish exhibitions and cultural exchange. It is based on the Act on State Indemnity for Art Exhibitions (411/1986, 639/1991 and 382/2009) and the Decree on State Indemnity for Art Exhibitions (445/1986, 640/1991 and 528/2009) supplementing the Act.

The **Act** contains provisions on the scope of application of the state indemnity scheme, the general conditions for granting state indemnity, the subsidiarity of state indemnity, the granting procedure, the damage to be compensated and the right of recourse.

The **Decree** contains provisions on the composition and tasks of the State Indemnity Board, the application and compensation procedures and the deductible to be borne by the organiser.

Respective roles of the Ministry of Education and the State Indemnity Board:

The **Ministry of Education** receives applications, obtains the State Indemnity Board's opinion on applications, submits state indemnities in excess of 50 million euro to the Cabinet Finance Committee, decides whether to grant state indemnity, receives claims for compensation, obtains the Board's opinion on claims, decides on compensation, and sees to the exercise of the right of recourse.

The **State Indemnity Board** is an expert body chaired by a Ministry of Education official. It issues opinions on all applications and claims, and, where necessary, imposes conditions and limitations on the granting of indemnity.

## **2. GUIDING PRINCIPLES**

The state indemnity is largely based on advanced risk management. The guiding principle is that damage is prevented by means of detailed safety regulations and good contractual practice. The onus of carefulness resting on the organiser stems from the nature of the scheme: the exhibition organiser avoids paying insurance premiums, and possible damage is paid from state funds. On the other hand, exhibits are often unique cultural property the loss of which cannot be compensated with money.

### **2.1. The Act minimises the cost of exhibition insurance**

The purpose of the Act is to free major exhibitions from high commercial insurance premiums, which could prevent their organisation. Another aim is to promote art and cultural exchanges between Finland and other countries. In this way the state indemnity scheme facilitates international and Finnish exhibitions of a high standard and promotes cultural exchange.

### **2.2. Exhibitions of great national or international importance are eligible for state indemnity**

The Act applies to exhibitions of art and cultural history. The general condition is always that the exhibition is of particular significance in terms of art or cultural history or that it promotes international cultural exchange. Exhibitions of a commercial nature are not eligible for indemnity.

Only exhibitions organised by Finnish public corporations and other non-profit organisations may be approved for indemnification. State indemnity is available for exhibitions organised in Finland and abroad.

### **2.3. State indemnity is discretionary**

State indemnity is granted on the basis of a case-by-case consideration of expediency. It is based on general cultural and art policy considerations, as well as the security arrangements and risks involved in the mounting of the exhibition.

Since the aggregate state indemnity commitment may not exceed 1000 million euro at any one time, this may be a reason for refusing indemnification.

### **2.4. State indemnity may be granted as partial coverage, and indemnification may be subject to conditions and limitations**

State indemnity may be restricted to cover only part of the exhibition, part of the exhibition period, part of the exhibition venue or part of shipping. The decision indicates the start and closing dates of state indemnity.

The decision may impose various conditions on the applicant, often in regard of security arrangements. As a general rule, failure to observe these conditions means that consequent damages will not be compensated. State indemnity may also be granted for only part of the proposed insurance value, in which case the exhibition organiser must take out insurance on the uncovered liability.

#### **2.5. The amount of state indemnity may not exceed the insurance value of the exhibits**

In the event of damage, the insurance value is the absolute limit for compensation. Even if the value of a lost or damaged object should exceed its insurance value at the time of damage, compensation paid from state indemnity will not exceed the agreed valuation.

In the event it is discovered after the damage that the actual value of the object does not correspond with the insurance value, the insurance value will not be considered as basis for compensation.

In cases where the insurance valuation is given in a foreign currency, the applicable exchange rate is the European Central Bank reference rate prevailing at the time.

#### **2.6. The object of indemnification and the applicant**

State indemnity is granted against damage to exhibits on the exhibition organiser's application and on the basis of information supplied by the organiser. Compensation is paid to the exhibition organiser – not directly to the owner or lender. Any conditions imposed in the indemnification decision and the consequences of their non-observance relate to the exhibition organiser.

State indemnity does not create a direct contractual relationship between the lender and the State of Finland.

#### **2.7. State indemnity is subsidiary to insurance and other guarantees.**

In case the exhibition organiser takes out a commercial insurance on the exhibits, the insurance takes precedence over state indemnity. This means that damage is primarily compensated from insurance or security, and only secondarily from state indemnity insofar as full compensation for damage cannot be obtained from other insurance. Finnish state indemnity is also subsidiary to indemnity provided by another state.

When applying for state indemnity, the exhibition organiser must declare any other insurance covering the exhibits. This obligatory notification con-

cerns insurances known to the exhibition organiser as well as those taken out in addition to state indemnity.

## **2.8. The exhibition organiser bears a deductible**

The excess/deductible increases incrementally: the lowest is 20,000 euro (for insurance value below 50 million euro), the next 40,000 euro (for insurance value between 50 and 100 million euro), the next 60,000 euro (for insurance value between 100 and 200 million euro), the next 100,000 (for insurance value between 200 and 500 million euro) and the highest 200,000 euro (for insurance value in excess of 500 million euro).

The purpose of the excess/deductible borne by the exhibition organiser is to emphasize their primary overall responsibility. Similarly, it is appropriate that the primarily responsible exhibition organiser, possibly together with an insurance company, should undertake to handle and recompense minor, more frequently occurring breakages. The state indemnity scheme covers more serious damage. The amount of the deductible is indicated in the indemnification decision. Exhibition organisers almost invariably take out insurance to cover the deductible.

The Ministry of Education charges a fee for its decision in accordance with the decision on fees for the Ministry of Education's services.

## **2.9. Damage compensated from state indemnity**

State indemnity provides compensation for:

- repair costs, mainly the cost of conservation and its documentation
- other direct costs due to damage, such as inspection and appraisal of damage
- depreciation or
- the value of a destroyed or lost object.

The exhibition organiser has a duty to immediately notify the Ministry of Education of any damage or loss. This duty concerns all damage, including one seemingly within the deductible borne by the exhibition organiser. The notification form can be found at the Ministry of Education web site [www.minedu.fi](http://www.minedu.fi).

The claim for compensation, addressed to the Ministry of Education, must include an account of the damaging event, the amount of damage and the party who has suffered damage. The essential principle in the Act is that it is the exhibition organiser's duty to inspect the damage and give an opinion as to the amount of damage, for instance by consulting experts at their own expense.

The Ministry must obtain the Board's opinion regarding the claim. According to the Act, the Ministry of Education makes the decision on the compensation.

If the Ministry of Education and the Board find that the claim is payable from state indemnity under the Act, the deductible will be subtracted from the compensation paid to the applicant. When compensations are denominated in a foreign currency, the general rule is to use the exchange rate of the date on which the damage occurred.

### **3. STATE INDEMNITY AND COMMERCIAL EXHIBITION INSURANCE**

The undeniable advantage of state indemnity over commercial exhibition insurance is its price. On the other hand, it has the disadvantage of a more laborious application procedure.

How does the state indemnity scheme work in the event of a compensation, compared to a typical commercial insurance?

The terms of state indemnity and commercial insurance are similar as far as the essential principles of compensation for damage are concerned. In the event of damage, the situation for the damaged party (the owner of the object) is mostly the same whichever scheme pays the compensation. In practice, the damage compensated is determined in the same way. For example, the so-called principle of prohibition of unjust enrichment applies under both schemes. According to it, only real damage is compensated, regardless of any insurance value declared by the applicant which proves to be incorrect. The principles governing the duty to prevent and limit damage and to observe agreed safeguards are similar.

The most important difference is that an insurance company usually pays compensation directly to the damaged party, while state indemnity is always paid to the exhibition organiser. Therefore, a lender who has suffered damage can only claim compensation from the exhibition organiser. The lender nearly always secures their position in the exhibition contract by setting terms that obligate the exhibition organiser to compensate all damage to the exhibit.

In the case of state indemnity, compensation is not payable in respect of loss or damage caused by failure to observe the security arrangements set out in the application or the conditions and limitations specified in the indemnification decision. Under most insurance contracts, the outcome is the same when a policy holder or an insured party fails to take security measures stipulated in the insurance contract. In both cases, this conduct is considered comparable to deliberate damage. Another principle is that compensation is not paid, at least not in full, if the damage is due to gross negligence on the part of the insured party.

The Act on State Indemnity for Art Exhibitions contains no provisions excluding damage caused by war, earthquakes or terrorism, while non-Finnish exhibition insurances often contain such exclusion clauses. All special limitations and conditions imposed on the applicant are set out in the indemnification decision. For the time being, it has not been seen necessary to limit coverage in this way. In this respect, state indemnity coverage may be even broader than commercial insurance.

If exhibits are covered by commercial insurance or by the indemnity of another country or other public corporation, this insurance or indemnity always has precedence over state indemnity. Sometimes the owner of exhibits has insured the object and wants to keep this insurance in effect. An object thus insured can have subsidiary cover under state indemnity, and in the event of damage compensation is primarily claimed on the insurance. However, if the damage or loss is not covered by the terms of the insurance, compensation may be claimed from state indemnity.

If the exhibition organiser has taken out a commercial exhibition insurance in order to cover the excess/deductible, the contract usually provides not only for insurance cover, but also for the insurance carrier's security inspections and advice, as well as help in determining damage after it has occurred.

#### **4. CHECKLIST FOR STATE INDEMNITY APPLICATION**

- **Check and make sure that the exhibition meets the criteria for state indemnity (notably that the applicant must be a Finnish non-profit or other public utility organisation and the exhibition must be non-commercial and of particular artistic or cultural-historical significance).**
- **Your application should arrive at the Ministry of Education no later than 3 months before indemnity is required, and it must contain all the information needed to process the application. Note that if you need the indemnification decision in advance, for instance at the request of the lender, the application must be submitted at a correspondingly earlier date.**
- **If the insurance value of the exhibition exceeds 50 million euro,**
  - **you should notify the Ministry of Education in advance, no later than 6 months before the exhibition opens.**
  - **A police escort must be arranged for the transport**
- **Start negotiations on an exhibition contract with the lender as early as possible. Check the requirements of the state indemnity scheme concerning the terms of the contract. Negotiate a contract for transport and, if necessary, for conservation services.**

- **Try to negotiate realistic insurance values in time. Please note that in some countries you need approval from authorities for the export licence. This may influence the valuations.**
- **Invest in safety and security during handling and transportation because damage through breakage nearly always occurs in transit, packing or unpacking. If the consignment is especially valuable, request a police escort in time, at least one month before the transportation.**
- **Get a recent inspection record of the intruder detection system - issued at most one year prior to the end of the exhibition.**
- **Get a recent fire inspection record – issued at most one year prior to the end of the exhibition – and an inspection record of fire extinguishers – issued at most two years prior to the end of the exhibition.**
- **Get an inspection record of the automatic fire alarms, if any, in the exhibition venue – issued at most three years prior to the end of the exhibition – and of the automatic fire extinguisher equipment – issued at most two years prior to the end of the exhibition.**
- **Enclose a budget estimate for the exhibition with the application.**
- **Make the application carefully, following the instructions, in order to "get it right the first time", and date all appendices.**
- **Do not disclose information about the exhibition security arrangements or insurance values to outsiders.**

## **5. APPLICATION PROCEDURE**

Applying for state indemnity requires very careful consideration of the information requested in the application form and thorough familiarity with this guide.

State indemnity is granted on the exhibition organiser's application. The application, which is submitted on the form available at [www.minedu.fi](http://www.minedu.fi), should be addressed to the Ministry of Education (P.O. Box 29, FI-00023 Government).

### **5.1. Application form**

A meticulously completed form will expedite the processing of the matter. The idea is to get an application right at the first go, thereby allowing the organiser to concentrate on the exhibition itself. Incomplete and unclear applications need to be processed several times, causing delays for both the applicant and the Ministry of Education. This means long uncertainty about indemnification.

## **5.2. Deadlines – three and six months**

According to the Decree, the application must be submitted to the Ministry of Education no later than three months before the indemnity is required (note: before the beginning of the state indemnity period and not the opening of the exhibition). The indemnification process takes at least three months after the arrival of the application. This means that if the application is not submitted in time, the applicant must take out commercial insurance to cover the period for which state indemnity cannot be granted.

Should you need a decision (e.g. one month) before the beginning of the indemnification period, you should indicate this on the application form and submit the application at a correspondingly earlier date.

The Ministry of Education requests that the exhibition organiser give a written advance notice of an exhibition valued at over 50 million euro at least six months before the state indemnity is required. Such an advance notice does not guarantee that state indemnity will completely cover the proposed insurance value, but it makes it easier for the Ministry of Education to anticipate the situation so that the maximum limit of aggregate state indemnity commitments will not prevent indemnification.

## **5.3. Supplementing the application**

For the latest submission date to have any significance, the application and its appendices should be as complete as possible, so that they provide all the information needed for a decision on indemnification. However, certain essential information regarding major exhibitions in particular, such as the final list of works, the lenders and the overall insurance value, are not always available at the time the application is to be submitted. In such a case, the applicant should provide a maximum insurance amount and a list of works projected to be included, as well as the date by which the definite amount and list will be provided.

If all the exhibition contracts of identical content have not yet been signed at the time of application, it is enough to enclose one model contract and to indicate that an identical contract will be made with the other lenders. However, all contracts and the missing information must reach the Ministry by the date indicated by the applicant and before the date when the state indemnity is to enter into force. If the contracts are identical, it is sufficient

to include one copy of a contract and a list of lenders with whom identical contracts have been concluded.

#### **5.4. Minor changes and the state indemnity**

The times and details of transport may change for valid reasons at a very late stage and even after indemnity is granted. If there are no changes in the submitted transport plan itself and only transport dates are affected, the Ministry of Education need not be notified.

The Ministry of Education must be notified if the duration of the exhibition is prolonged and it runs longer than the state indemnity period. Extending the indemnification period requires an additional application.

Minor decreases in the insurance amount, for example if one or two listed works are not included in the exhibition or if a work is replaced by another, and the insurance amount slightly decreases as a consequence, it is sufficient to notify the Ministry in writing. On the other hand, even a small increase in an indemnified insurance value will require an additional decision.

#### **5.5. Confidentiality of the procedure**

The application is public, but the indemnification value is confidential. The information given on the application form concerning security arrangements, insurance values and ownership of the works will be treated as confidential information by the Ministry of Education and the State Indemnity Board. For security reasons, the applicant should also ensure that as few people as possible are privy to such information. For security reasons, this information should not be sent via e-mail.

## **6. INSURANCE VALUE**

The amount of state indemnity cannot exceed the insurance value of the exhibits.

The insurance valuation of exhibits of artistic nature or of cultural-historical importance is sometimes an estimate provided by the lender at the applicant's request. This does not always mean that the exhibit is in fact insured or even insurable for the value given. Insurance values given by the lender tend to be maximum amounts. The exhibition organiser should appraise the given value judiciously.

The relation of insurance value to current market value, for example, is sometimes problematic. However, it is in the exhibition organiser's own interest to verify the accuracy of the insurance values they approve and pre-

sent to the Ministry of Education and find out whether an art insurance company would insure the exhibit for the value in question.

For some unique exhibits it is impossible to give a relevant monetary value. In such cases the only valuation applicable in the event of damage is probably a jointly agreed, realistic insurance value.

As it would be impossible to verify the value of every exhibit on the basis of a written application, the Ministry of Education does not take a position on the insurance values provided by the applicant in the indemnification process. This means that the applicant is responsible for the accuracy of the values. However, the Ministry may request further clarification in cases of obviously incorrect valuation.

In compensation, the principle is always that only real damage is compensated. In the event of damage or loss, the compensation will not exceed the amount needed to cover it. By way of example, if a work of art considered authentic is damaged and in the course of conservation proves to be a copy, the insurance value of an authentic work will no longer be the basis for compensating any depreciation.

If there are grounds to suspect that the insurance value given for a work in the indemnity application does not correspond to the current market value of the work, but the applicant or the owner still considers it accurate, the juridical rules concerning burden of proof will apply. *A priori*, the burden of proof rests with the party claiming that the work has been fraudulently or inexpertly over-valued.

## **7. EXHIBITION CONTRACT**

The state indemnity scheme requires that a written contract be made with every lender. The contracts or a contract model must be enclosed with the application.

Exhibition agreements are often international contracts of great financial consequence containing complex obligations. They should be drawn up with professional assistance: e.g. municipal lawyers can inspect individual contracts and offer further guidance in contractual matters.

Injudicious use of model contracts may be risky. Each exhibition contract should be considered and drawn up individually, and it would therefore not be practical to give a universal model of a comprehensive exhibition contract here. However, simple loans are so similar that the contract model used by the major Finnish art museums is applicable for the purpose.

In state indemnity terms, of particular importance are contractual points setting out the inspection of the condition of the work, transfer of the liability for risk, damage and loss to be compensated, and the procedure to

be followed in the event of damage or loss. The wording used in this model contract is sufficiently explicit and precise. Its use will in most cases make further clarifications unnecessary.

The contract must indicate that the lender accepts state indemnification instead of commercial insurance. It is also important that the exhibition organiser compares the exhibition contract terms with the conditions and rules of state indemnity. Should these be contradictory, e.g. the contract gives the exhibition organiser a more inclusive liability for compensation than the state indemnity, the organiser is responsible for this compensation. For example, if a museum signs a contract stipulating that in case of damage to an exhibit, the museum must compensate the lender for the delay in the return of the exhibit, as well as for the restoration etc., that compensation is not covered by state indemnity.

For the contract to be appropriate and not to cause any problems in compliance, the organiser should use their own experts in the drafting of it and make sure that those mounting the exhibition have sufficient knowledge of the terms of the contract.

The contract or one of its appendices must always include the following points:

- the insurance value given by the lender or agreed by the borrower and lender together
- inspection of the condition of the exhibits on arrival at the exhibition (sometimes before the loan period) and on return, as well as the method of documentation
- when the exhibition organiser's liability for damage starts and ends (if terms like 'from nail to nail' are used, it is important to ascertain that the parties agree on the precise meaning of the terms)
- who is responsible for arranging the transport and concluding the necessary contracts (it is often advisable that the party liable for damage also assumes responsibility for all arrangements during the liability period)
- valid insurance coverage for the exhibits and its precedence/subsidiarity in respect of state indemnity
- damage and loss to be compensated, for instance in the following form:

*State indemnity shall cover reasonable conservation costs and other direct costs incurred from damage to the object and possible residual depreciation in the value of the object after conservation or the whole value of a lost object. The compensation for damage*

*or loss shall be paid to the borrower. In partial damage, the indemnity shall cover real and reasonable conservation costs.*

*Depreciation owing to residual damage in the object after conservation shall be recompensed. If the parties do not reach agreement as to the amount of depreciation, it shall be determined by an independent expert approved by both parties. (See appendix X: Act and Decree on of State Indemnity for Art Exhibitions.)*

- the lender's duty to immediately notify the Ministry of Education of any damage to an object during the return transit or unpacking (lest they forfeit their right to claim compensation) and to submit a substantiated claim within a given reasonable period of time
- International contracts must also have a clause setting out which country's legislation will apply to the contract and where and how contractual disputes will be settled. It is possible to use arbitrators in the settling of disputes.
- a reference to the Act and the Degree on State Indemnity for Art Exhibitions, which must be attached to the contracts.

## **8. TRANSPORT**

Only the services of a specialist art transportation company or the museums' own transport equipment and personnel may be used for transport. Make sure that the transport contract contains provisions on the use of appropriate equipment and the manner in which the transported objects are to be handled (e.g. who is allowed to handle the objects, and an absolute prohibition on unpacking the objects without the presence of a courier or some other named person). The transport company must also make sure that any subcontractors it uses are reliable and aware of the terms of the transport contract. The transport company must immediately report any damage incurred.

The more valuable the transport and the more difficult the transport conditions are, the more detailed should be the contract clauses concerning communication during transport and other safety regulations, as regards for instance regular oral communication and the use of GPS. A police escort is required in Finland if the value of the transport is over 50 million euro. The escort must be organised at least one month before the transport. For more detailed instructions and contact information, please see the letter of the Ministry of the Interior at [www.minedu.fi](http://www.minedu.fi).

Experience gained from the state indemnity scheme and damage statistics show that risks are at their greatest during transit and during packing, unpacking and placing of the objects. Extreme care needs to be applied to all

arrangements related to transport in order to eliminate or minimise security risks.

As a general rule, a courier knowledgeable about the handling of art objects must be present during the transport. The courier's role is to personally supervise security at all stages of transport, making sure that art objects are handled appropriately. The courier also has a duty to give advice in potentially risky situations in order to prevent and minimise damage. The best courier is a professional conservator familiar with international art transportation. His/her skill requirements depend on the nature of the works of art, the value of the shipment, the means of transport and the competence of the transport company personnel. The application must mention the courier's name and occupation. If a shipment has a value of under 40,000 euro, an exception may be made regarding the courier requirement.

The transport plan to be enclosed with the application for state indemnity must be processed as confidential and the information given in it may not be disclosed to outsiders at any point. The transport plan must indicate:

- the transport route, including rest breaks, if any
- the transport schedule (without the dates and times)
- the consignments
- the means of transport (e.g. name of the airline company, the sea line and, in land transport, the vehicle, which must be equipped with air suspension and for the transport of art)
- the transport company and the security arrangements during transit
- the courier, if any, and the party he/she represents (at least two people must be present during transit, unless it is a single shipment of low insurance value within Finland)
- possible special security guard arrangements in Finland (consignments valued at 50 million euro or more) and abroad.

The transport plan must specify who will load and unload objects, under whose responsibility, and who possibly supervises the situation. If necessary, a description of the packing methods and materials may be requested.

## **9. CONDITION INSPECTION AND USE OF CONSERVATION SERVICES**

The state indemnity is not in effect during actual conservation, whereas minor measures relating to the care and protection of objects of art are covered.

With a view to resolving damage, it is vital that the condition of objects is inspected properly and that the inspection is recorded.

The indemnity application must always contain a detailed account of how condition reports will be drawn up, including:

- the name and field of expertise of a professional conservator (for works of art, an art conservator; for cultural objects, an objects conservator, etc.)
- when and in whose presence condition reports are written; inspections (those marked with an asterisk (\*) are always compulsory):

In the lending museum, prior to packing, by a conservator or a registrar

\* On arrival at the exhibition venue, after unpacking, by the exhibition conservator and/or the courier representing the indemnity applicant. This obligatory basic inspection concerns all works and this condition report is the binding document regarding the condition of the work; any claims for compensation will be based on it.

\* In the borrower's premises, after the exhibition has ended and prior to repacking, by the applicant's conservator in the presence of the lender's courier

After the object has been returned to the lender.

The condition reports must be dated and comparable with each other. They must record the condition of the object on arrival at the exhibition venue and any changes that have occurred, the condition of the object on leaving the exhibition and its condition on return to the lender.

The condition on return is usually inspected by the lender's own conservator. If this inspection cannot be otherwise arranged, it is possible, for example, to agree with the lender that the object is considered to have been returned in the condition recorded in the initial inspection report before despatch, unless the lender notifies of damage in writing immediately after unpacking.

In case the applicant has no conservation services of their own, these must be procured from a professional conservator knowledgeable about the objects in question. Provided the contract is in writing and sufficiently detailed, there should be no uncertainty about the scope of the assignment or responsibilities. The contract must be enclosed with the application for state indemnity.

Appropriate use of conservator services already during the planning of an exhibition may preclude risk of damage to exhibits. If it is not patently obvious that the exhibits are movable and transportable, they must be assessed by a conservator knowledgeable about such objects. The conservator selects the objects fit for transportation and determines the appropriate method of handling, packing and transporting.

A conservator should also be heard in the planning and design of display cabinets, plinths and exhibition structures. Exhibition designers usually do not have sufficient knowledge about safe storage and display of objects. It is often too late to ask for a conservator's opinion when expensive solutions have already been made.

## **10. STRUCTURAL PROTECTION, FIRE SAFETY AND CRIME PROTECTION**

### **10.1. Exhibition venue**

State indemnity is only granted for an exhibition venue which is intended for permanent exhibition activities and whose structures and general standard of security satisfy the criteria for museums.

Premises are considered to be "intended for permanent exhibition activities" when they satisfy the following requirements, among others:

- 1) An up-to-date rescue plan is in place. The personnel are familiar with the plan, have been given security training and training in regard of the salient points of the rescue plan. The security organisation has been appointed and trained for their job.
- 2) The intruder detection system in the premises is of class 4 according to the guidelines of Federation of Finnish Financial Services (FK), and the system is operational before the exhibition opens.
- 3) The exhibition venue is equipped with an automatic fire alarm and/or automatic fire extinguisher system.
- 4) The exhibition venue is equipped with a recording camera surveillance system conforming to the FK's guidelines
- 5) The exhibition venue must be protected at least to the extent described in FK's guidelines.

The FK guidelines are found at [www.vahingontorjunta.fi](http://www.vahingontorjunta.fi).

If the applicant has already provided the museum floor plan and elevation for the Ministry of Education and no structural changes have been made, the plans need not be attached to every application. It is sufficient to refer to the date when the plans were submitted and to indicate that no changes have been made.

An account of exhibition-specific structures must always be presented. The floor plan of the exhibition space proper, with these structures marked, must be enclosed with the application.

## **10.2. Fire Safety**

The Rescue Act and the Government Decree on Rescue Services stipulate the maintenance of the buildings and the operational safety of equipment. Under the Act on rescue service equipment, which came into force in 2007, automatic fire alarms and fire extinguisher systems must be designed and installed so as not to cause danger for people, property or the environment. The purpose of the equipment and its use must be taken into consideration in its instalment. This equipment must be serviced and inspected to ensure that it fulfils the stipulated criteria throughout its operating life. Hand extinguishers must be serviced and inspected in a way that guarantees security and reliability.

An exhibition venue is an assembly facility, and as such must undergo a fire inspection once a year. A fire inspection may be carried out only by a rescue officer of the regional rescue department, usually a fire inspector. Fire safety equipment inspections can be carried out by inspection bodies approved by the Safety Technology Authority.

The rescue plan must be up to date. Advice on devising a rescue plan is available in the booklet *Pelastussuunnitelma, opas yritykselle ja laitokselle* published by the Finnish National Rescue Association (SPEK).

The borrower must provide an account of the fire safety of the exhibition venue and of temporary storage spaces, containing:

- 1) A general description of the fire safety equipment and arrangements in the exhibition venue and in temporary storage spaces. It is not necessary for the applicant to present this description with every indemnity application. Unless there have been changes in the arrangements, the applicant need only indicate the date when the description was submitted to the Ministry of Education. A new description must be submitted if the arrangements have changed.
- 2) A fire inspection record which is at most one year old at the end of the exhibition
- 3) A fire extinguisher inspection record which is at most two years old at the end of the exhibition

- 4) An inspection record of any automatic fire alarm system; the record may be at most three years old at the end of the exhibition
- 5) An inspection record of any automatic fire extinguisher equipment; the record may be at most two years old at the end of the exhibition.
- 6) The rescue plan. It is not necessary to present the rescue plan with every application; it is sufficient to submit it once and later refer to this date. Any changes to the rescue plan must be notified. The rescue plan is inspected by a rescue authority of the regional rescue department in connection with fire inspections.

The inspections listed above are statutory and must cover the whole building.

### **10.3. Crime Protection**

- 1) The applicant must provide the Ministry of Education with a general description of crime protection in the exhibition venue and temporary storage spaces. A new description must be submitted to the Ministry if the arrangements have changed.
- 2) Every application must include an exhibition-specific inspection record of an intruder detection system – the record may be at most one year old at the end of the exhibition. If the exhibition comprises small objects, they must be enclosed in locked showcases.

A model inspection record can be found at [www.minedu.fi](http://www.minedu.fi).

The camera surveillance must cover the exhibition venue in its entirety, without leaving blind spots. There should be at least two trained security guards for the supervision of persons. One of them should tour the premises and the other should watch the electronic surveillance monitors. The exhibition venue structure may require more than two guards. The ticket clerk is not a security guard.

#### **10.4. Storage**

If works are stored in the storage spaces of the applicant museum before the exhibition opens or after it ends, these spaces must also be included in the accounts of fire safety and crime protection.

In case temporary storage takes place in other spaces, an account of their fire safety and crime protection must be presented, with the same information as for the exhibition venue, that is: inspection records and a general description, see 10. and 10.3.

#### **10.5. Exhibitions organised in museums outside Finland**

All the documents listed above are not available in exactly the form described above from foreign museums which house exhibitions for which state indemnity is applied. In such a case, the applicable procedure is the established practice of that country's major museums which organise international exhibitions. If necessary, the State Indemnity Board will provide more detailed instructions on the documents to be obtained.

### **11. FOLLOW-UP**

After the exhibition ends, the organiser must send the follow-up form attached to the indemnification decision and two copies of the exhibition catalogue to the Ministry of Education. This will enable the Ministry to verify that the exhibition was realised as planned. The information contained in the form will also be used in the further development of the state indemnity scheme.

### **12. SORTING OUT AND COMPENSATING DAMAGES**

All damage to exhibits must always be reported to the Ministry of Education.

The damage report form is available at [www.minedu.fi](http://www.minedu.fi). It is also important to report damages estimated to remain within the excess/deductible, since the damage may later prove to be larger than estimated. Major damage must be reported immediately, e.g. by telephone, so that the Ministry may decide on any urgent measures to be taken in order to limit and assess the damage.

How to act in the event of damage or loss:

- 1) Prevent further damage and limit the damage

- 2) Make sure that the damage is inspected and documented swiftly and expertly
- 3) Report all damage to the Ministry of Education immediately
- 4) Have the damage assessed by an expert (details depend on the contract and the case)
- 5) Arrange for conservation
- 6) Have the final damage valued by an expert
- 7) Submit a claim for compensation to the Ministry of Education.

In case an exhibit (e.g. one lost or stolen) is recovered after being fully compensated, the indemnee must immediately contact the Ministry of Education in order to agree on how to return the compensation sum.

### 13. WHERE TO FIND HELP AND ADVICE

Many exhibitions involve issues which need to be discussed separately and which this guide has not taken up.

Questions relating to applications and damage may be addressed either to the Ministry of Education or the Board secretary.

Before the application is submitted, questions should be addressed primarily to the official at the Ministry of Education responsible for state indemnity matters. After the application has been submitted, the matter will be transferred to the State Indemnity Board, and the person to contact is the Board secretary.

At the time these guidelines are issued, state indemnity matters are handled at the Ministry of Education by

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We recommend the use of email for communication.