

Figure 4. Sample Standard Loan Agreement

For Military Department Use

By this agreement, made as of [insert date] between the United States of America, hereinafter called "the Government," represented by [insert name and title of government representative] and _____, called "the Borrower" incorporated and operating under the laws of the State of _____ and located at _____;

and, pursuant to section 2572 of Title 10, U.S.C., the government hereby loans to _____ the following property: _____ for the period commencing [insert date] and ending [insert date] with an option for annual renewal.

The Borrower has applied in writing by letter dated [insert date] for the loan of the above property, and hereby agrees to accept it on an "as is where is" basis, to be responsible for all arrangements and to assume and pay all costs, charges and expenses incident to the loan of this property, including the cost of preparation for transportation from _____ to _____, of disassembly, packing, crating, handling, transportation, and other actions incidental to the movement of the loaned property to the Borrower's location, [location of property (destination)].

The Borrower will obtain no interest in the loaned property by reason of this agreement and title will remain in the lender at all times.

The Borrower agrees to use the loaned property in a careful and prudent manner, not, without prior permission of the government, to modify it in any way which would alter the original form, design, or the historical significance of said property, to perform routine maintenance so as not reflect discredit on the government, and to display and protect it according to the instructions set forth in Table [#], incorporated herewith and made part of the loan agreement.

The Borrower agrees to accept physical custody of the property within [period of time], after execution of this agreement, to receipt to the government for said property on assuming custody of it to place it on exhibit within [period of time], and to report annually to the Government on the condition and location of the property.

The Borrower agrees not to use the loaned property as security for any loan, not to sell, lease, rent, lend, or exchange the property for monetary gain or otherwise under any circumstances without the prior written approval of the lender.

The Borrower agrees to indemnify, hold harmless, and defend the Government from and against all claims, demands, action, liabilities, judgments, costs, and attorney's fees, arising out of claims on account of, or in any manner predicated upon personal injury,