



## Art & Finance Germany

### Financial Crime Advisory for Art Market Participants

In January 2020, the European Union (EU) has implemented the fifth anti-money laundering directive (also referred to as AMLD5) with wide-reaching implications for the art market, a market place, which traditionally relies on trust and discretion.

Members of the Art Market community (e.g. dealers, galleries, auction houses and intermediaries) now have to perform thorough due diligence ahead of transactions and we understand the business pressure caused by these regulatory challenges.

Deloitte is at the forefront of the fight against financial crime and assists clients with developing, implementing and remediating all aspects of Financial Crime Risk Management programs, as well as investigating financial crimes.

Moreover, Deloitte globally supports collectors, auction houses, art galleries and dealers as well as museums, artists and private banks with Art & Finance services – ranging from art-secured lending, tax and customs to due diligence concerning provenance and authenticity.

Under the umbrella of the global Deloitte Art & Finance initiative, professionals from Deloitte Germany have teamed up to support the members of the German Art Market community in understanding and implementing the new financial crime regulations.

We believe that with our expertise and capability, while being discrete and flexible, we can be highly beneficial for art professionals in being compliant while maintaining the focus on the day-to-day running of their art businesses. ➔

“Persons trading or acting as intermediaries in the trade of works of art, including when this is carried out by art galleries and auction houses, where the value of the transaction or a series of linked transactions amounts to EUR 10,000 or more”.

**AMLD5, Directive (EU) 2018/843, Article 1 §1 (i)**

Deloitte Germany provides a wide range of Financial Crime Advisory, Corporate Intelligence and Legal services to help the members of the Art Market community to prevent and detect financial crime and meet regulatory obligations on an ongoing basis.

**Fig. 1 – Our Services**

Financial Crime Advisory	Corporate Intelligence Services (CIS)	Legal Services
<ul style="list-style-type: none"> <li>• Anti-Money Laundering (AML) training</li> <li>• Advice on the implementation of regulatory requirements</li> <li>• Fraud risk assessments</li> <li>• Detection of and prevention against money laundering activities</li> <li>• Implementation of fraud, corruption and fraudulent acts prevention measures</li> <li>• Design and implementation of AML systems</li> <li>• AML compliance program assessments</li> <li>• Internal audit/control testing</li> <li>• Remediation of projects in order to update KYC documentation</li> </ul>	<ul style="list-style-type: none"> <li>• Provenance research (i.e. tracing back the origins of artefacts)</li> <li>• Background checks on existing and potential business partners (e.g. client portfolios or intermediaries)</li> <li>• Background checks on potential executives and applicants (Pre-Employment Screenings)</li> <li>• Know Your Customer (KYC) checks, including beneficial ownership research</li> <li>• Compliance database screening (sanctions and terrorist financing, Politically Exposed Person (PEP) relationships and networks)</li> <li>• Discrete inquiries within the art market to assess the reputation of buyers, sellers, dealers, and other relevant parties</li> </ul>	<ul style="list-style-type: none"> <li>• Art investments and art transactions (sale and purchase agreements, consignment agreements etc.)</li> <li>• Art finance, in particular art-secured loans including all relevant legal documentation from lenders' and borrowers' side (loan and security agreements as well as relevant side agreements); advice on related insurance matters and regulatory questions</li> <li>• Intellectual property law, especially trademark law and copyright</li> <li>• Import and export law</li> <li>• Litigation</li> </ul>

## Contact us



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