

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK, PART 65

IN THE MATTER OF AN APPLICATION FOR A WARRANT
TO SEARCH THE PREMISES LOCATED AT THE
METROPOLITAN MUSEUM OF ART, 1000 5TH AVENUE,
NEW YORK, NEW YORK 10028 (“THE TARGET PREMISES”)

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House & Garden

JUNE 1998 U.S. \$2.95

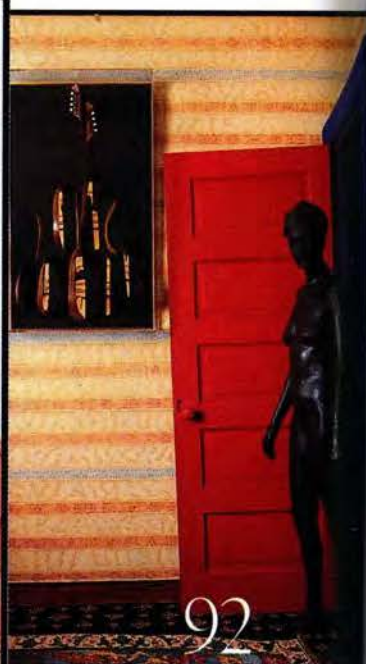
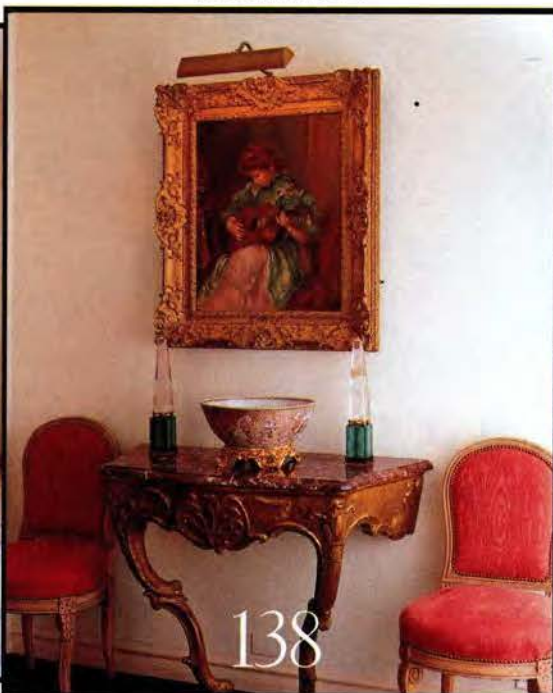
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CLASSIC

John F. Saladino remodels a house

BY WENDY MOON



Saladino designed the media room for meditation, music, and comfort. It's a cozy environment from which to view the Rockies outside and a fine Greco-Roman marble goddess and a Roman bust inside. The Pyrex lamp with shade is by Saladino and available through Pottery Barn. One of the owners' specialties is antiques, including those at left.

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CAL MUSE

to showcase a collection rich in antiquities

PHOTOGRAPHED BY WILLIAM WALDRON STYLED BY PAUL FORTUNE





HOW DO YOU INSTALL an important art collection in a house if the house is at odds with it?

One Colorado couple spent a decade finding the answer. Before they became collectors, they had commissioned a disciple of Frank Lloyd Wright to design a Prairie-style house in the foothills of the Rockies. The flat-roofed house was built in tiers that descend to a lake, but the public rooms had views of neither the water nor the mountains. With rough Colorado limestone walls, the house was, one of the owners says, “all texture.”

After it was completed, the couple began to collect on a truly grand scale: Egyptian, Roman, and Greek antiquities, Japanese screens and textiles, and Art Deco furniture. Unfortunately, they also developed a serious problem: the house was eclipsing the art, and the growing collection demanded an appropriate setting. After going through four decorators, they finally found the ideal candidate: New Yorker John F. Saladino, who had studied art at Yale.

Even in the living room, art is not allowed to overwhelm the viewer. Whether you sit on Saladino's Shelter sofa in Peking brown velveteen from Larsen, a Randolph & Hein sofa, or wicker chairs in front of enormous windows, you never see too much art at once. Among the antiquities are a head of Venus on a side table, a Greco-Roman marble head of a youth on the pedestal between the chairs, and a Cycladic idol and bowl behind the sofa. Elsewhere in the living room, opposite page, Saladino's talent for *mélange* is obvious. A 17th-century Japanese screen from Naga Antiques hangs above a circa 1920 Ruhlmann chair and an antique Italian chest that supports a Roman bronze head.



"It was a huge challenge to make order out of

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The area surrounding the dining table combines East (a Japanese black-lacquered trunk, a kimono rack, and an 18th-century robe, all from Naga Antiques, NYC) with West (an Archaic Greek head of a goddess, a bull's-head sculpture, 17th-century Spanish silver candlesticks). The Saladino chairs are covered in Sabrina leather from Spinneybeck.

ayers and layers of cultural references”

—JOHN F. SALADINO



Saladino immediately recognized the enormity of the job ahead. “Part of the house has to be passive and calm as a background for the art,” he says. “On the other hand, there is a presence shared by the environment and the objects in it.”

Saladino knew he had to “rearrange the whole concept of the house.” He created “a ceremonial entrance, so you descend through layers of rooms” and designed a staircase that serves as a bridge between the public rooms and the private spaces.

“John came in, cleared it up, and made it livable,” the wife says. The biggest changes were in the public areas. Saladino placed the dining room where the original small living room had been, on an island three steps below the entrance hall. He then turned what had been the dining room, several steps further down, into the living room. The felicitous outcome: an L-shaped living room that wraps around the dining area. “This really helps the flow,” the wife says.

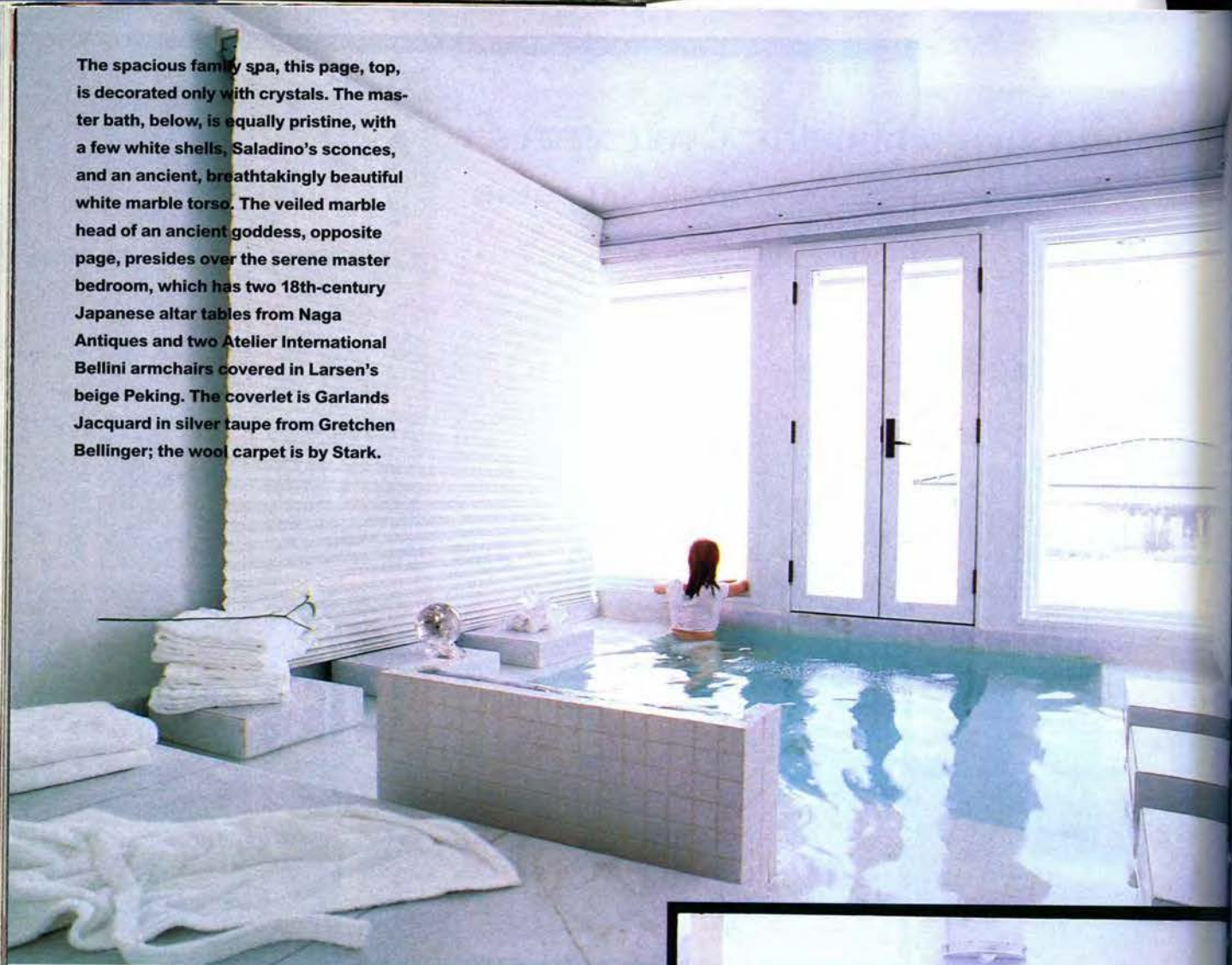
The views improved, too. Saladino

A 16th-century Japanese sculpture of a monk guards antiquities on the dining room bookshelves. Clockwise from top left in the four squares: a Cycladic idol and small figure; an Attic black-figured vessel and a white ground lekythos; a seated Egyptian figure; and a Greco-Roman head.

replaced the doors in the living room with 10-foot-tall windows and monumental glass doors that open directly onto the terrace. The resulting shape is “not unlike a Japanese screen that turns a corner,” Saladino explains. Now, people sitting in the living room look out on two ancient Roman columns as well as the garden and the lake.

After some other adjustments, the space was ready for the art. “Ancient Egyptian, Sumerian, Greek, Etruscan, Italian, Japanese, Chinese, and French Art Deco,” Saladino recites. “It was a huge challenge to make order out of layers and layers of cultural references.” Still, he loved the process. “It’s an intellectual

The spacious family spa, this page, top, is decorated only with crystals. The master bath, below, is equally pristine, with a few white shells, Saladino's sconces, and an ancient, breathtakingly beautiful white marble torso. The veiled marble head of an ancient goddess, opposite page, presides over the serene master bedroom, which has two 18th-century Japanese altar tables from Naga Antiques and two Atelier International Bellini armchairs covered in Larsen's beige Peking. The coverlet is Garlands Jacquard in silver taupe from Gretchen Bellinger; the wool carpet is by Stark.



good working relationships

THE COLLECTION "If you just buy what you love," the wife explains, "the art will all work together." Her first purchase, in the early 1980s, was a Diego Giacometti lamp. Then she and her husband began to buy Japanese screens, antique kimonos, miniature altar tables. In the past seven years, they have amassed a dazzling array of antiquities—Cycladic idols, Etruscan vases, Greek and Roman sculptures. They also specialize in twentieth-century French decorative arts. Among their prizes: an Eileen Gray lacquered chair and a prototype of a Jacques-Émile Ruhlmann metal spoon-back chair.

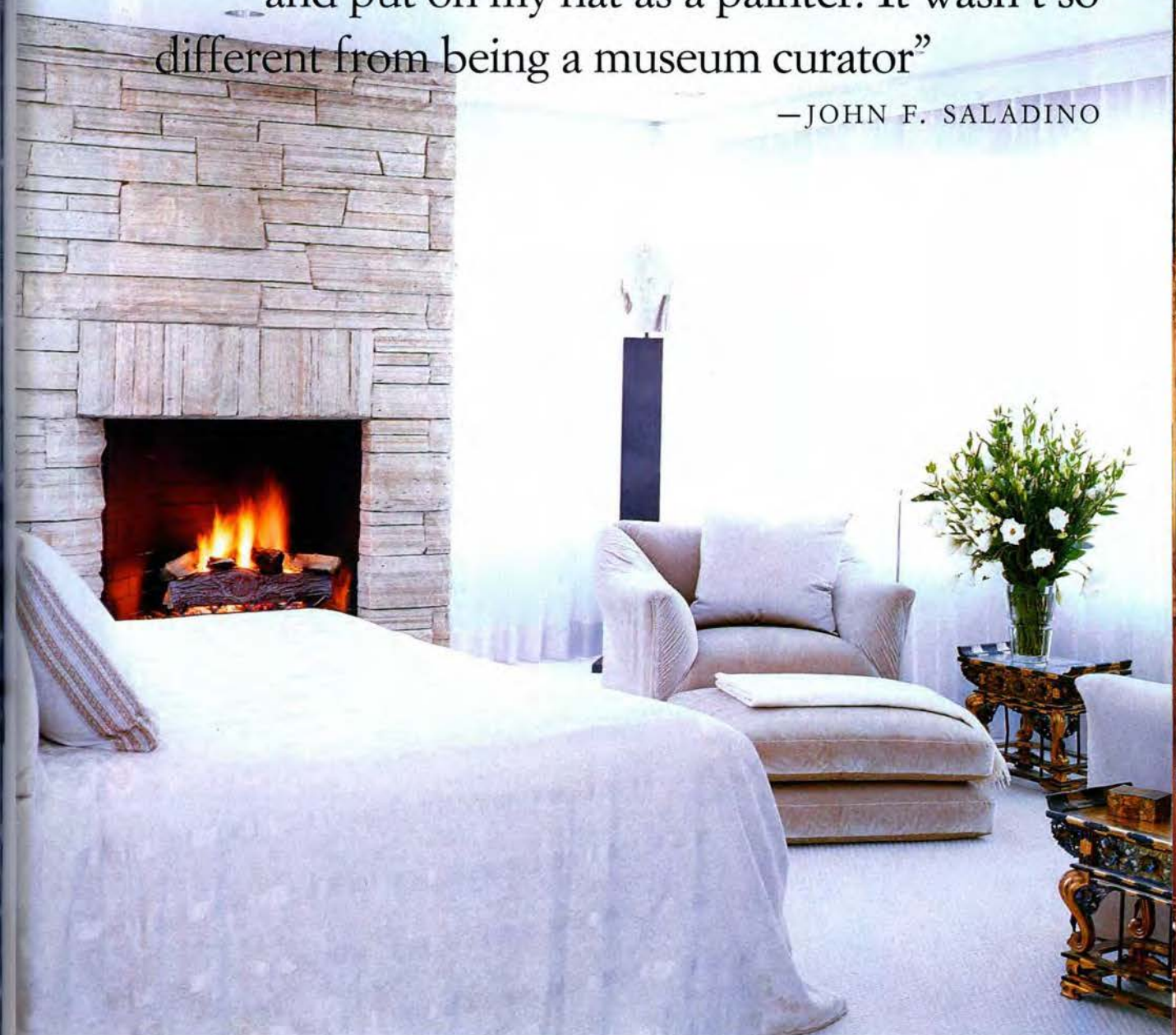
GOOD FORM "We tend to go for form in art," the wife says. "It doesn't matter what culture a piece comes from or when it was made. John Saladino worked to create spaces for us that have a proper relationship to each other. If you put lesser pieces of art in his spaces, it wouldn't work, just as it wouldn't work if you put great art in a lesser space. The thing that is consistent is the appreciation of form."

LIGHTING The owners frequently switch the works of art on view, so they installed a museum lighting system that is flexible enough to adapt to their ever-on-the-move collection. Also, the wife says, "I'm very sensitive to color. I like shades that subtly change with the light and time of day." Knowing this, Saladino restricted the palette to pale blues, soft grays, whites, and beiges.



“Ultimately I had to take off my hat as a designer
and put on my hat as a painter. It wasn’t so
different from being a museum curator”

—JOHN F. SALADINO



house for people with intellect and education. I had calculated everything in my drawings—but later on I saw how to make it better. For example, I placed a Japanese screen between the powder room and the coat closet. There was only an eighth of an inch to spare on either side.”

The couple kept buying, and Saladino kept experimenting. He put a Diego Giacometti armchair with lions’ heads opposite a lamp table covered with an Egyptian Mamluk rug, circa 1500. He made a handsome coffee table from a seventeenth-century Byzantine marble altar—a leap

of faith that, in lesser hands, would have appeared insensitive if not sacrilegious. He mounted a sculpture of a sixteenth-century Japanese Buddhist monk on the dining room wall. “Ultimately I had to take off my hat as a designer and put on my hat as a painter,” Saladino admits. “It wasn’t so different from being a museum curator doing an exhibition, but I also had to provide comfort and a change of palettes with the seasons.”

The overall palette is subtle and quiet. The floors are white oak or stone. The summer slipcovers and rugs are off-white.

The winter colors are earthy browns, beiges, and pale blues and grays. The clients rotate screens and textiles. In the winter, for instance, a terra-cotta Archaic Greek head sits on a faded nineteenth-century Hereke silk rug that is laid over a low wall next to the dining table. In the summer the rug is moved and the head goes into storage.

In the living room, Saladino placed a rare Japanese screen above a seventeenth-century Italian wooden chest and a Jacques-Émile Ruhlmann chair prototype, circa 1920. The Italian chest displays



To the right of the pool, below, is a Frank Lloyd Wright-style pool house with a raised fireplace, a Roman mosaic floor, twin Etruscan pots, and a 1920s bronze A. A. Rateau chair.



a Roman bronze head and an ancient Egyptian bowl. This tableau alone is testimony to Saladino's ability to mix artwork of different centuries and cultures in a seamless whole.

"Even though there's a tremendous amount of art, you never feel the house is cluttered or museumlike," says one of the clients, who likes not seeing too much art from any one vantage point. "The house is amazing in the way it can absorb a great deal of art without overwhelming you."


Saladino designed the garden with a meandering stream and stepping-stones. "I wanted an English brook," he says. He planted, among other things, Siberian irises and blue *Vinca*. Sources, see back of book.

The clients also wanted Saladino, who is an avid gardener, to work outside the house. He designed the garden plantings from scratch—the first he has ever planted for a client with his own two hands. Climate was the biggest headache. "The summer villains are strong winds," he says. "In winter, it's snow and thaws."

The owners wanted the garden to be in bloom all summer, so, Saladino says, "I mixed 80 percent perennials with 20 percent annuals." He emphasized blue and white flowers, the clients' favorites: white nicotianas, white ageratums, purple and white monkshood, variegated Siberian irises, *Crambe cordifolia*, forget-me-nots, white clematises, and white peonies.

He put stepping-stones in the stream that runs down to the lake, creating a

Japanesque pool on the hill above the lake. "I had to run the international gamut in a very small space," Saladino says. Japanese black pines, Norwegian spruces, and ponderosa pines tower over the brook, along with white birches and native cottonwoods. "I wanted the suggestion of shady, deep country," he says. On one side of the property, Saladino created a berm that screens off the view of the neighbor's house and landscaped it to look like an alpine hillside.

The clients are so pleased, they are discussing an addition: a library-cum-gallery for books and antiques. Saladino has begun the drawings. "It's a delight to work with people who love beauty and encourage it in others," he says. "This project is easy. All the art is in the books." 



MAPPING THE SUPPLY: USUAL SUSPECTS AND IDENTIFIED ANTIQUITIES IN 'REPUTABLE' AUCTION HOUSES IN 2013

Cartografiando el suministro: sospechosos habituales y antigüedades identificadas en 'reputadas' casas de subasta en 2013

CHRISTOS TSIROGIANNIS *

ABSTRACT The confiscation of the Medici, Becchina and Symes-Michaelides archives by the Italian authorities (with the cooperation of the French and Swiss) and Greek police and judicial authorities, has led to more than 250 repatriations of antiquities so far. Apart from these successful claims, the main contribution of the on-going research on the archives lies in revealing the fundamental role played by the main members of the international antiquities market (auction houses and galleries) in circulating illicit material *after* the 1970 UNESCO convention (against the illicit traffic in cultural material). It is telling for the current antiquities market, that despite the exposure of the wrongdoings of Sotheby's, Christie's, Bonhams, 'Phoenix Ancient Art', 'Royal Athena Galleries', etc., the same auction houses and galleries continue to rule this market and to sell material depicted in the confiscated archives. This article not only indicates and analyses the cases identified in 2013 in the most 'reputable' auction houses, but also reconstructs and maps the paths by which these antiquities reached and circulated in the market.

Key words: Illicit Antiquities, Auction Houses, Sotheby's, Christie's, Giacomo Medici.

RESUMEN La confiscación de los archivos de Medici, Becchina y Symes-Michaelides por las autoridades italianas (con la cooperación de las francesas y suizas) y la policía griega y autoridades judiciales, ha conducido a más de 250 repatriaciones de antigüedades hasta ahora. Aparte de estas exitosas reclamaciones, la principal contribución de la investigación en curso sobre los archivos es la revelación del fundamental papel jugado por los principales miembros del mercado internacional de antigüedades (casa de subasta y galerías) en la circulación del material ilícito *tras* la convención de 1970 de UNESCO (contra el tráfico ilícito de bienes culturales). Resulta llamativo que el actual mercado de antigüedades, a pesar de la revelación de malas prácticas de Sotheby's, Christie's, Bonhams, 'Phoenix Ancient Art', 'Royal Athena Galleries', etcétera, las mismas casas de subastas y galerías siguen controlando este mercado

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y vendiendo materiales incluidos en los archivos confiscados. Este artículo no solo indica y analiza los casos identificados en 2013 en las más ‘reputadas’ casas de subastas, sino también reconstruye y traza los caminos por los cuales estas antigüedades llegaron y circularon en el mercado.

Palabras clave: Antigüedades ilícitas, Casas de subastas, Sotheby’s, Christie’s, Giacomo Medici.

INTRODUCTION

Last year (2013) I published an article analysing the seven identifications of antiquities I made in Christie’s during 2012, focusing on the main uses of the term ‘confidentiality’ in the international antiquities market: despite advertising their ‘transparency’, the auction houses themselves deny access to researchers regarding the consigners and buyers of antiquities depicted in the confiscated archives (Tsirogiannis, 2013a). The term ‘due diligence’ is similarly mis-applied, and the misleading use of ‘provenance’, which conflates the geographical origins and the collecting history of each lot, is by now well known. The repatriation of a pair of Canosan volute kraters identified at auction in 2012 verifies these points (Tsirogiannis, 2013a:10-11; Bernardini and Lolli Ghetti, 2013:246-249).

The publicity that these cases gained before and after the auctions, might be expected to make the market more careful. However, I soon identified more antiquities in the same auction houses, involving the same members of the market making illicit transactions during the last four decades. This was not a surprise, given the inactivity of state authorities to claim their stolen property and their inability to prosecute the receivers of stolen goods. As I predicted (Tsirogiannis, 2013a:16):

Under the current circumstances, it seems inevitable that the activities of major auction houses in 2013 will produce cases for another report on the appearance of Medici, Becchina and Symes-Michaelides material in the market.

I now present 12 cases identified in six auctions in 2013, from which we may now more confidently identify the emerging patterns of sources and routes of supply for antiquities lacking collecting history. Building on the work of criminologists since the early 1980s (Bator, 1982; Kersel, 2007; Lo, 2010; Campbell, 2013; Levi, 2014; Polk, 2014), a recent article by Mackenzie and Davies mapped the movement of Cambodian antiquities as they passed from looters to middlemen and dealers, identifying the double role that a key individual (a dealer who appears also as a collector) may have in the trade (Mackenzie and Davies, 2014:736). It is the aim of the current article to contribute not only to the classification of the stages in the journey of antiquities through the market, but also to the realisation that another key part of the market (auction houses) may appear also with up to three different identities.

CHRISTIE’S AUCTION OF 2 MAY 2013 IN LONDON

On 2 May 2013 Christie’s offered for sale in London 433 antiquities in 145 lots, numbered 1-145 (although for some reason there is no lot 55: see Christie’s, 2013a:37).

According to the 'provenance' for each of these antiquities given by Christie's, 60 antiquities have no collecting history before 1970 (the year of the UNESCO *Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property*, see UNESCO 1970). In fact, from these 60 antiquities, 42 have no collecting history before 1980, among which 27 have no collecting history even before 1990 and one not before 2001. Only 18 antiquities from this category seem to emerge in the 1970's. In addition, for 36 antiquities it is not clear if they surfaced before 1970, and 150 and 5 groups with an unspecified number of antiquities (but in only 62 lots) appear to have a pre-1970 collecting history. By my calculations from the pre-sale estimations, Christie's anticipated fetching between £1,437,600 and £2,149,500 in total. In the event, although 28 antiquities remained unsold, Christie's sold the remaining 218 for £4,241,775.

Although 150 antiquities and 5 groups of antiquities appear in the catalogue to have a pre-1970 collecting history, a week before the Christie's auction, a British Museum Assistant Keeper and an Egyptian archaeologist identified at least 1 (lot 58) as stolen. Together with five more antiquities (lots 56-57, 59-61), it was withdrawn before the sale. A seventh antiquity was not identified in time and it was sold for 'around £10,000' (Bailey and Gerlis, 2013). Christie's accepted the collecting history given by the consigner, Neil Kingsbury: 'Private collection, UK, acquired Egypt 1940s; thence by descent' (he claimed that he inherited them from his uncle), without the auction house exercising their much-advertised 'due diligence'. The withdrawn antiquities appear to have been excavated a decade ago from the Amenhotep III temple in Thebes, Luxor, and at least one of them was confirmed as having been discovered there in 2000 (Sultan, 2013). It remains unknown when the storage space of the temple was robbed. Kingsbury had consigned more antiquities with fake collecting histories to two earlier auctions at Christie's and Bonhams. Therefore, the number of antiquities with a pre-1970 collecting history in this auction cannot be trusted, as it is certainly lower than Christie's claims.

Christie's spokesman stated about the case (Bailey and Gerlis, 2013):

This case shows how our procedures, our due diligence and the transparent and public nature of our sales combine to make our saleroom highly unattractive to those engaged in the illicit trade.

In fact, the case exposes Christie's inability to exercise *due* diligence, since the objects reached Christie's catalogue and were offered for sale, and their subsequent statement reveals their tendency to take the credit for others' work; once caught offering stolen antiquities, they advertise that it was *their* procedures, *their* due diligence and *their* transparency that made their saleroom unattractive to traffickers. Christie's clients are left unprotected against the possibility of acquiring a stolen antiquity. In recent years Christie's have been caught selling stolen antiquities on different occasions: an alabaster duck-shaped vessel, stolen from an archaeological storeroom in Egypt after its excavation in 1979 surfaced in a Christie's auction in 2006 in New York (Handwerk, 2006; Hope, 2007); a Roman marble head of a woman, stolen in 1990 from the Sabratha museum in Libya, surfaced in 2011 in a London Christie's auction (Bailey, 2011).

We now turn to objects I identified in this auction (fig. 1).



Fig. 1.—Up: The two sides of the hand as it appears in the Symes-Michaelides archive. Down:
The same hand as it appeared in Christie's in 2013.

A western Asiatic copper right hand

Among the 433 antiquities that were offered for sale by Christies in this auction, I identified one antiquity (lot 32), a western Asiatic copper right hand (with remains of silver fingernails) holding a bronze dagger (fig. 1, down). The object is depicted in two professional images from the Symes-Michaelides archive (nos. 1859-1860) which was confiscated in a raid on the island of Schinoussa in 2006 (fig. 1, up). On the back of each photograph is a code number indicating the year that the object was photographed while in the hands of Robin Symes and Christos Michaelides, as well as its number among those that Symes and Michaelides acquired in that year, and the photographic shot number (Tsirogiannis, 2013b). Therefore, the two code numbers '86/4/24' (no. 1859) and '86/4/25' (no. 1860) indicate that the object passed through the hands of Symes and Michaelides in 1986 and it was one of at least four objects that were acquired by the two dealers in that year.

According to Christie's catalogue, the object dates 'circa mid-late 3rd millennium B.C.' and has the following collecting history ('provenance'):

Anonymous sale; François de Ricqlès, Hôtel Drouot, Paris, 5 December 1994, lot 107. Private collection, Switzerland.

Indeed, the object first appears in the 5/12/1994 antiquities auction of Hôtel Drouot in Paris (Hôtel Drouot, 1994). Christie's refuse to make known the names of the buyers and the consigners of the objects in their auctions (Tsirogiannis, 2013a:11), a tactic apparently adopted also by minor auction houses like Hôtel Drouot in Paris, since there was no answer to my written request (19/6/2014) for the disclosure of the object's consigner and collecting history prior to the December 5, 1994 auction, addressed to three different departments of the Hôtel Drouot (Mr. Frédéric Elkaïm, former training director for the Hôtel Drouot, La Gazette Drouot, the weekly magazine of auction sales, and the press office).

The name 'François de Ricqlès' is the link between Hôtel Drouot and Christie's; according to Christie's website¹:

François de Ricqlès débute sa carrière en 1980 au sein de l'Etude Couturier-Nicolay avant d'être habilité Commissaire-priseur en 1988. Il crée son étude et se spécialise autour des ventes d'archéologie, d'art islamique et tribal. Devenant rapidement incontournable dans son domaine de prédilection, il organise en 2001 la vente de la Collection Hubert Goldet (13 700 000€) qui établit un record du monde pour une vente d'Art Primitif.

En 2002, François de Ricqlès rejoint Christie's en qualité de Vice-président. A l'initiative des dispersions les plus exceptionnelles, on lui doit notamment l'historique « vente du siècle » Yves Saint-Laurent et Pierre Bergé, qui bat sous son marteau tous les records existants pour une collection vendue aux enchères (342 000 000€). Il succède à François Curiel en janvier 2010 et devient Président de Christie's France.

1. <http://www.christies.com/features/welcome/french/specialists>.

This information suggests that François de Ricqlès was the auctioneer and not necessarily the consigner/owner of the object in 1994, in Hôtel Drouot, a competitor that Christie's decided to exclude from de Ricqlès' short biography on their website.

As for the term 'Private collection, Switzerland': we know well by now that this term often covers convicted dealers of illicit antiquities (Watson and Todeschini, 2007:82). Therefore, it should not be a surprise that the object appears in two professional images from the Symes-Michaelides archive. This information is missing from the 'Provenance' section given by Christie's, a common occurrence for antiquities lacking a pre-1970 collecting history which are later revealed in the confiscated archive of a dealer (Tsirogiannis, 2013a:3-19). In light of the identification, should we assume that the 'Anonymous' seller and/or the 'Private collection, Switzerland' were Robin Symes and Christos Michaelides, dealing with or even laundering this antiquity, respectively? We know that Giacomo Medici, at least, was laundering looted antiquities by consigning them at auction houses and then buying them back from himself (Watson and Todeschini, 2007:137).

Last but not least, another connection should be mentioned: François de Ricqlès, who auctioned for Hôtel Drouot 1994 an object which appears in the Symes-Michaelides archive, had auctioned in February 2009 two more antiquities, again depicted in the Symes-Michaelides archive (Tsirogiannis 2013b), this time for Christie's in Paris, as part of the famous 'sale of the century' which de Ricqlès led; the auction of the collection of Yves Saint Laurent and Pierre Bergé (Christie's 2009). One of these antiquities re-surfaced at Christie's, London, in October 24, 2013 (see below). The financial success of the Yves Saint Laurent auction and the publicity it gained (a source of pride for Christie's; see again de Ricqlès's bio on Christie's website), must have been part of the reason that de Ricqlès was promoted to Chairman of Christie's France in January 2010.

The western Asiatic copper right hand was estimated at £25,000 - £35,000 and was sold for £32,500. The buyer and the whereabouts of the object remain unknown (fig. 2).

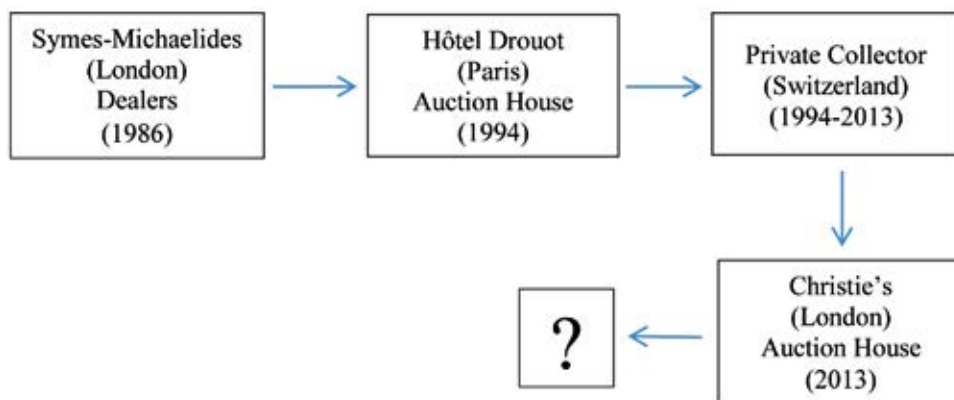


Fig. 2.—The path taken by the western Asiatic copper right hand through the market.

CHRISTIE'S AUCTION OF 6 JUNE 2013 IN NEW YORK

On 6 June 2013 Christie's offered for sale in New York 224 antiquities in 194 lots, numbered 501-694 (Christie's, 2013b). According to the collecting history for each of these antiquities, as given by Christie's, 161 antiquities have no collecting history before 1970. In fact, from these 161 antiquities, 108 have no collecting history before 1980, among which 48 have no collecting history even before 1990. In addition, for 12 antiquities it is not clear if they surfaced before 1970 and only 51 appear to have a pre-1970 collecting history. Christie's estimated to fetch from the sale of all the lots (by my calculations) between \$6,038,000 and \$8,952,000. Although 61 antiquities remained unsold, Christie's sold the remaining 163 for \$8,178,212.

Among the 224 antiquities offered for sale, I identified four antiquities depicted in the confiscated Medici, Becchina and Symes-Michaelides archives. A fifth antiquity was identified from an image published in a Greek magazine in 2006, and a sixth antiquity was spotted in an image in Bruce McNall's book, *Fun While It Lasted* (McNall, 2003) verifying Christie's 'provenance' section of that entry. All the identifications and the relevant images from the three confiscated archives were sent three weeks before the auction (on May 17, 2013) to the Italian public prosecutor Dr. Paolo Giorgio Ferri, to Professor David Gill and to the Italian journalist Fabio Isman. Fabio Isman (with Michele Concina) published the images of the identifications in the Italian website 'Artemagazine' on May 18² and Professor Gill made several posts on his blog 'Looting Matters'. Below, I present and discuss the collecting history of the six identified antiquities and their fate up to August 31, 2014.

An Euboean black-figured amphora

An Euboean black-figured amphora is depicted in a regular image from the confiscated Medici archive (CD 2, racc. 4, pag. 18, foto 6) (fig. 3, left). The vase is presented lying on a red surface on which have been photographed by Medici several other antiquities that later were proven to be illicit. In that image the vase is depicted intact and with soil and salt encrustations on its surface.

The same Euboean black-figured amphora dating 560-550 B.C. (fig. 3, right) first surfaced in an auction in Sotheby's London branch on December 3rd, 1991, as lot 383 (Sotheby's 1991b). The amphora was among 442 lots that were offered for sale. The vase was offered under the title 'Greek, Etruscan and Roman antiquities (Part II)', with no previous collecting history and with an estimation of £3,000-4,000. It was sold for £6,600.

The vase surfaced again in Christie's branch in New York, on June 6, 2013 (lot 540). The collecting history accompanying the amphora was:

2. <http://www.artemagazine.it/archeologia/2389/la-grande-razzia-e-ancora-tra-noi-e-christies-lo-sa/>, although 12 days later (May 30), my name as the one identifying these antiquities was excluded from the revised publication.



Fig. 3.—Left: The amphora as it appears in the Medici archive. Right: The same amphora as it appeared in Christie's in 2013.

Provenance

Anonymous sale; Sotheby's, London, 3 December 1991, lot 383. with Elie Borowski, Jerusalem. *Ancient Greek Vases formerly in the Collection of Dr. Elie Borowski*; Christie's, New York, 12 June 2000, lot 27. with Royal-Athena Galleries, New York, 2001 (*Art of the Ancient World*, vol. XII, no. 172); and 2010 (*1000 Years of Ancient Greek Vases*, no. 31).

Details not given here may be supplied from combining this information with that from the archive. As already stated, it is the standard policy of auction houses not to reveal the consigner and the buyer of any object in an auction, although several consigners and buyers are revealed by the 'provenance' sections of future sales. It has also been shown that in many cases in the past the consigner and the buyer was the same person ('laundering', see Watson and Todeschini, 2007:137). Together with the fact that this object has no collecting history before 1970, the Medici photograph suggests its illicit excavation from a tomb. The appearance of antiquities passing through Medici's hands and subsequently surfacing in Sotheby's London branch auctions is reported throughout Watson and Todeschini (2007). Therefore, it is quite possible that behind the 'Anonymous sale' of the amphora in Sotheby's 1991 auction in London is Giacomo Medici or one of his companies ('Edition Services', etc.).

From the 'Provenance' section in the 2013 Christie's catalogue, it appears also that the buyer of the amphora in 1991 was the notorious antiquities dealer Dr. Elie Borowski, who was involved in the trade of numerous cases of illicit antiquities, falsifying their collecting history. Borowski became the main link between two generations of dealers in the international illicit antiquities network, since in his gallery in Basel, he introduced dealer George Zakos to his future wife Janet, who at the time was working in Borowski's gallery (Apostolides, 2006:116); he also hired the young Becchina to work for him in the 1960s (as testified by former Getty Museum's curator of antiquities Marion True, during her examination by the Italian authorities, 2001:83-84), was supplied by the young Medici even before 1970 (Watson and Todeschini, 2007:166-167), and he started Robin Symes in the antiquities business (Symes' interrogation by the Italian authorities, 2003:196).

In order to fulfil his life-long dream to build a museum in Jerusalem to house the rest of his antiquities, Borowski sold his ancient Greek vase 'collection' (actually his most prized vases from his stock as a dealer) directly to Christie's, as a company, in the late 1980s or early 1990s (International Head of Antiquities, Max G. Bernheimer stated that Christie's acquired the vase collection from Borowski 'about 10 years ago', Christie's, 2000: 9). This is a case of a dealer acting also as collector (MacKenzie and Davis, 2014: 736). By acquiring the Borowski vase collection, Christie's also acquired a second dual identity, that of a collector, transforming the company into a hybrid, that of the auction house/collector.

Furthermore, when on June 12, 2000, in a record sale for an ancient Greek vases collection, Christie's sold the ex-Borowski collection for a total of \$7,053,906, it was the auction house that appeared with three identities in total: a) that of an auction house (as a vehicle through which an antiquity is passing temporarily and being sold), b) that of a collector who, after acquiring the whole stock of a dealer (as Jean Paul Getty did with Jerome Eisenberg's stock in Royal-Athena Galleries in 1971 —Marion True's examination, 2001: 42—, later sells his whole collection in an auction —as the Hunt brothers did in 1990—, Sotheby's, 1990) and c) that of a dealer who is selling his/her merchandise (as Borowski did). The case is a significant example of a market-member's acting with different identities every time, or with a dual identity each time, within the same market, in order to achieve a profitable financial deal.

Among the 157 vases in the sale of the Borowski collection was the same Euboean black-figured amphora (lot 27). The 'Provenance' section stated:

Antiquities, Sotheby's London, 3 December 1991, lot 383.

The amphora was estimated at \$15,000-20,000 (Christie's 2000:23). It was sold for \$10,575.

In 2001 the amphora surfaced in 'Royal-Athena Galleries' in New York (no. 172 in Eisenberg 2001). The owner of the gallery, Dr. Jerome Eisenberg has, like Borowski, been involved in numerous cases of illicit antiquities (Tsirogiannis, 2013a:15). Particularly telling is that in 'Royal-Athena galleries' have surfaced some of the antiquities stolen from the Museum of Corinth in 1990; other antiquities stolen from excavation warehouses in Italy appeared later in Eisenberg's gallery (Godart, De Caro and Gavrili, 2008: 122-123; 184-185). From 2010 to 2012, I identified on sale in 'Royal-Athena Galleries' dozens of

antiquities depicted in the confiscated Medici, Becchina and Symes-Michaelides archives. Although the Italian authorities were notified and the cases were published (Gill, 2013, Isman and Concina, 2013), no authority investigated even one of these cases; moreover, in June 2012 Eisenberg was awarded by the Italian state a medal usually awarded to those who ‘have provided a meaningful contribution to the prestige of Italy’ (International Association of Dealers in Ancient Art, IADAA 2012).

In 2010 the same amphora resurfaced in ‘Royal-Athena Galleries’, as no. 31 of its antiquities catalogue. The vase was described as ‘Ex-Elie Borowski (1913-2003) collection, Basel, Switzerland. Published: J. Eisenberg, *Art of the Ancient World*, Vol. XII, 2001, no. 172’ (Eisenberg, 2010:12). There was no mention of the owner of the amphora in the period 2001-2010. The fact that the object resurfaces in the same gallery in which it last appeared, without any information given for the intermediate period, may mean that the object never left the gallery during that period. On its resurfacing in 2010, this amphora became one of my first identifications in Eisenberg’s gallery, among several other antiquities appearing in the confiscated archives of Medici, Becchina and Symes-Michaelides (Isman, 2011).

The Italian state authorities apparently did nothing, since in 2013, the vase surfaced again in Christie’s, was estimated at £15,000-20,000 and was sold for \$15,000. The Italian authorities were notified long before the auction (my email to Paolo Giorgio Ferrion May 17), but the amphora was sold at its minimum estimated price, and I have not heard from the Italian authorities about any development of the case; the whereabouts of the object are once again unknown (fig. 4).

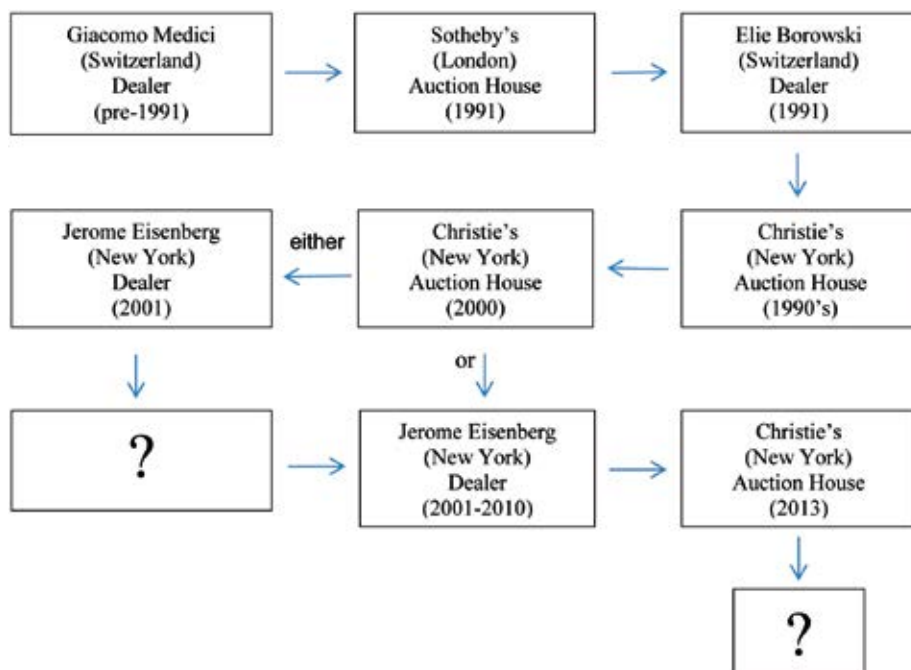


Fig. 4.—The path taken by the Euboean black-figured amphora through the market.

An Archaic East Greek bronze warrior

An Archaic East Greek figure (fig. 5, left) of a bronze warrior dating 540-530 B.C., partly covered by soil encrustations, first surfaced as no. 74 in the collection of the Thétis Foundation in Geneva (Zimmermann, 1987:39, 148). In the same collection was an Archaic Greek bronze boar (no. 72 in Zimmermann, 1987:37-38) that I identified in Christie's auction of June 8, 2012 in New York as matching an image in the confiscated Medici archive (Tsirogiannis, 2013a:6-8) (fig. 5, right). It appears that the two antiquities have a parallel collecting history, at least in part.

The same figure of a warrior was offered for sale in Sotheby's antiquities auction in London on May 23, 1991, as lot 77 (Sotheby's 1991a:47). The figure was then presented as 'An East Greek Bronze Figure of a Running Hero', characterised as 'probably Perseus', standing on the same (very dusty) wooden black base and measuring '9.5 cm. (3 3/4in.)' in height (it is not clear if this measurement included the base or not). Additionally: 'It is suggested that the figure probably decorated a bronze tripod'; the authority who made that suggestion is not given. The only collecting history given was:

Literature: Zimmermann, *Thétis*, p. 39, no. 74.

The figure was estimated at £8,000-12,000 and was finally sold for only £7,700. In the same auction the bronze boar was also offered for sale at £6,000-£8,000 and was sold for £14,300.



Fig. 5.—Left: The figure as it appears among other antiquities in the Geneva Free-Port, in the image that Medici himself delivered to Nikolas Zirganos. Right: The same figure as it appeared in Christie's in 2013.

Like Christie's, Sotheby's have a 'confidentiality' policy, according which they do not disclose the names of objects' consigner/owner or buyer (Tsirogiannis, 2013a:7). Therefore, it is not possible to discover from Sotheby's the name of the person who acquired the figure of the warrior in the auction of May 23, 1991. However, in my publication on identifications in Christie's auction house in 2012, I referred to the figure of the bronze warrior in proving that the buyer of the bronze boar was Giacomo Medici. It was a surprise to see the figure of the bronze warrior resurfacing a year later (2013) in the same auction house. I am reproducing here the relevant part of my article, on the bronze boar, since the story is repeated:

The same figure is depicted in one of Medici's regular (non-Polaroid) images, among 11 other figures and vases against a red background, equally divided in two shelves of what appears to be a case for exhibiting antiquities. The image was produced by Giacomo Medici in his warehouse in the Free Port of Geneva (Zirganos, 2006a:24), the same one that was raided in 1995 by the Swiss and Italian authorities, who there discovered thousands of antiquities and the famous Medici archive with its thousands of images (Watson and Todeschini, 2007:21-23, 54). The image depicting the boar was delivered, among several other images, to the Greek journalist Nikolas Zirganos by Medici himself, during an interview that took place in late January 2006 in Rome; these images were subsequently published by the Greek magazine *Epsilon* on 19th February 2006 (Zirganos, 2006a:22-34). The boar appears at the right corner of the top shelf. Although the print of the previously existing label is still visible on one of the wooden base's long sides, a white thread tied tightly around the boar's right front foot ends in a small paper label which is not readable. A ruler is depicted in front of the objects on the lower shelf. In the caption of the image Zirganos wrote (my translation from the original Greek text):

One of the images that Medici used to send to potential buyers. The ruler helped them to estimate the scale of the antiquities.

The image proves that the boar was once owned by Medici in Geneva before 1995, since it was not found during the 1995 raid by the Swiss and Italian authorities. It is not known whether the Medici image pre-dates the 1987 Zimmermann publication or was produced after the Sotheby's 1991 auction, since there is no date on the image. However, the appearance of another figure on the same shelf, also published in Zimmermann and auctioned by Sotheby's in 1991, suggests that the Medici image was produced after the Sotheby's 1991 auction and that Medici was the buyer of both figures.

The other '[...] figure on the same shelf, also published in Zimmermann and auctioned by Sotheby's in 1991' is, of course, the bronze warrior. Like the figure of the boar, the bronze figure of a 'Hero' is depicted with a white thread, tied tightly around the 'Hero's right forearm and ending in a small paper label (not readable). It is highly probable that these are Sotheby's labels, immediately after the 1991 auction.

Twenty two years after this 1991 auction in London, the figure of the warrior reappeared in Christie's New York branch (Christie's, 2013b:24-25, lot 543). The object was now offered not as 'An East Greek Bronze Figure of a Running Hero' but as 'An Archaic East Greek bronze warrior'. It was depicted with the same soil encrustations, on the same wooden black base, but the measurements given were now '3 15/16 in. (8.4 cm.) high', that is, 1.1 cm

less. A comparison of the object's images in the two auction catalogues verifies that the object remained intact and on the same metal rod on the same base over the last 22 years; we may deduce from the proportions of the object and its metal support that Sotheby's in 1991 measured the object from the base of the rod to the highest point, whereas Christie's in 2013 measured from the bottom of the leg upwards. The only collecting history given in Christie's 2013 catalogue was:

PROVENANCE:

Thétis Foundation, Geneva, acquired prior to 1987.

Thétis Foundation; Sotheby's, London, 23 May 1991, lot 77.

PUBLISHED :

J.-L. Zimmermann, *Collection de la Fondation Thétis, Développements de l'art grec de la préhistoire à Rome*, Geneva, 1987, pp. 39 and 148, no. 74.

The figure was estimated at \$30,000-50,000, but remained unsold and, thus, does not appear in the 'Auction Results' on Christie's website. It is most probable that the object was returned to its consigner, according to Christie's policy for objects left unsold.

Several issues need to be clarified. Most have been extensively discussed in my 2013a article (p. 8) in relation to the identification of the bronze boar. The pattern is repeated: Anonymous, to Thétis Foundation, to Sotheby's, to Medici, to Christie's, to anonymous (fig. 6). It is again the identification of the object in the confiscated archive

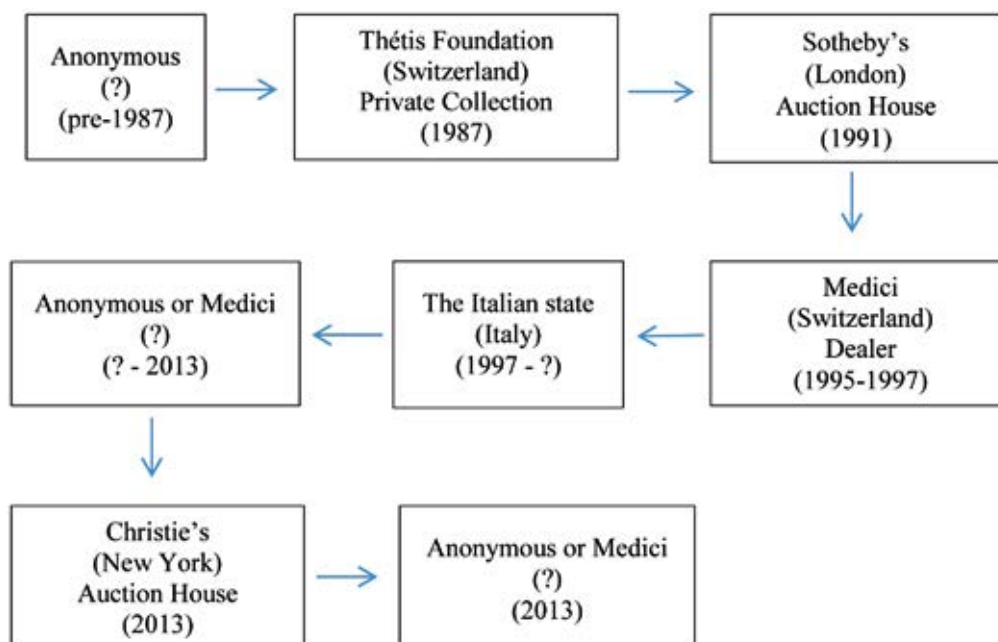


Fig. 6.—The path taken by the Archaic East Greek figure of a bronze warrior through the market.

that determines Medici's involvement in the route that the object followed from at least 1987, if not earlier, to 2013. It is the identification of the object that reveals that Christie's, at least, despite advertising 'the transparency of the public auction system' (Gill, 2009), hid the information that both bronzes have passed through Medici's hands. It is not known if Medici was the one who before 1987 supplied Thétis Foundation with these two bronzes or other antiquities, once forming part of the collection. It is not known who is behind Thétis Foundation.

A further issue emerges from the fact that antiquities dealer Mr Kevin R. Cheek in the photograph section of his book, *Into the Antiquities Trade* (Cheek, 2003: 122) includes the image of the 'Hero' figurine with its Sotheby's 1991 entry; he states that the object was confiscated from Medici during the 1995 raid in the Geneva Free-Port and that the same object is discussed by Peter Watson at his book *Sotheby's: Inside Story*. This appears only in the hardback edition of Watson's book (Watson, 1997), which contains an appendix of documents and several images that do not appear in the paperback edition of the following year. Among these extra images there is a black-and-white version of the Medici image that appeared in colour in Zirganos' 2006 publication (see the extract of Tsirogiannis, 2013a above), with the caption:

A few of the ten thousand antiquities sequestered in one of four warehouses sealed by police in Geneva Freeport in January 1997.

This raises the question how, if the two bronze figurines were found during the raid at the Geneva Freeport in 1995, officially confiscated in 1997 and so made part of the Italian state's cultural heritage, did it come to surface in Christie's auction in June 2013? Medici received back from the Carabinieri the images of his photographic archive. It appears that Medici also received about 100 antiquities which have never been claimed by the Italian or other states. According to archaeologists Dr. Daniela Rizzo and Maurizio Pellegrini, who put together the list of these 100 objects returned to Medici, the bronze warrior and the boar were among them. Therefore, it is highly probable that it is Medici himself or someone connected to him who consigned these two objects to Christie's, regardless of all the revelations in recent years about Medici's laundering illicit antiquities through auction houses. This is a proof that the situation in the antiquities market is even worse than pre-1995.

An Attic Black-figured column-krater

According to Christie's, an Attic Black-figured column-krater attributed to the Bucci Painter and dating c. 530 B.C. first appeared in the Freiburg art market in 1988. Two years later (1990) the antiquity appeared on sale in 'Royal-Athena Galleries' in New York (Eisenberg, 1990a: no. 35). The object was acquired by the businessman and collector John Kluge and his wife Patricia, before reappearing at 'Royal-Athena Galleries' in 2010 (Eisenberg, 2010: no. 50). The krater was put on sale by Christie's in their 6 June, 2013 antiquities auction in New York, as 'The property of a Midwest private collector' (lot 546). Christie's added in the 'Provenance' section that the krater has an entry (no. 44199)

in the Beazley Archive Database, which confirms the information supplied by Christie's regarding the collecting history of the krater.

However, the krater appears also in the confiscated Becchina archive. In 1984 a Mr. E. Crisafulli, resident of Palermo, sent a letter to Gianfranco Becchina asking if Becchina was 'interested in anything or everything you [he] saw'³. Becchina replied on December 11, 1984 that he 'after his vacation will pass by Palermo to discuss various possibilities'. The two letters are followed in the archive by handwritten notes of the telephone numbers for E. Crisafulli and Xeroxes of both sides (where required) of 22 vases. The fifth vase in the sequence is the Bucci Painter krater under discussion, which appears in two Xeroxes of a single image, for each of the two sides of the vase (fig. 7, left). On the top left corner of one copy is written in blue pen: '(NO)'. On the top right corner of the same copy is written in blue pen: '(5)'. The second Xerox is a photocopy of the first (Becchina, CD1, Raccoglitore 5, images nos. DSCF 1447-1448). The same markings, with the addition of 'BIS' under the number '(5)', appear on the Xerox (and *its* copy) depicting the reverse side of the krater (nos. DSCF 1478-1479). No. 5 is excluded from a handwritten note entitled 'oggetti comperati' ('objects bought'), listing

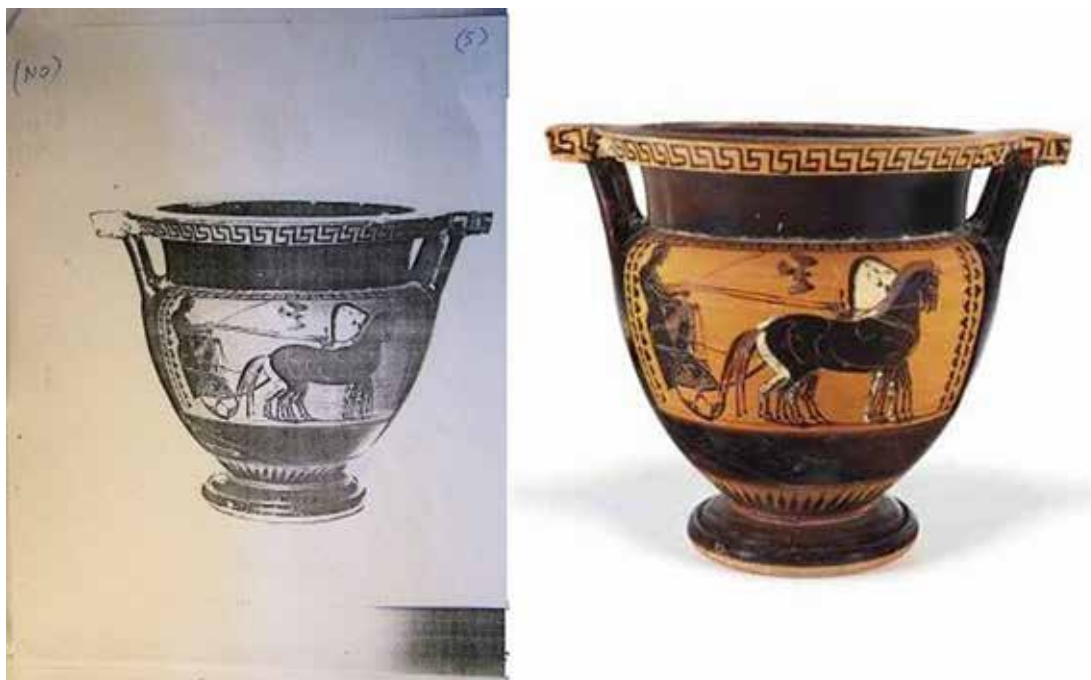


Fig. 7.—Left: The krater as it appears in the Becchina archive. Right: The same krater as it appeared in Christie's in 2013.

3. I am grateful to Ms. Sofia Cecchi for translating the letter from Italian to English and for her overall help.

the numbers of the seven objects that were finally bought by Becchina from the whole lot. All four Xerox copies and the note are included in a file entitled by Becchina ‘M.B. I’. This file is dedicated to transactions during the period 1980-1991 between Becchina and Mario Bruno, a known receiver of stolen goods (Watson and Todeschini, 2007: 187; Tsirogiannis, 2013c:83) (a second file deals with transactions 1991-1993).

This Bucci Painter krater is depicted in the Xeroxes in the same condition in which it appears in Christie’s in 2013 (fig. 7, right). It seems that this vase remained in the possession of E. Crisafulli at least until December 1984. The path followed by this object from 1984 till 1988 is not known. Also unknown are the object’s consigners and buyers in the ‘Art Market, Freiburg, 1988’, and the ‘Midwest private collector’ consigning the krater to the 2013 Christie’s auction. Nor do we know when the krater passed through the hands of Gianfranco Becchina or/and Mario Bruno, although it seems that Becchina and Bruno did not acquire the krater for themselves. We do know that Gianfranco Becchina and Jerome Eisenberg maintained a close cooperation for several years, because Eisenberg was acquiring for his ‘Royal-Athena Galleries’ in New York many objects from Becchina’s ‘Antike Kunst Palladian’ gallery in Basel. Both dealers have been involved in selling illicit antiquities (see above p. 8 for Eisenberg, ICE 2013 for Becchina). It was the responsibility of Christie’s and (twice) of ‘Royal-Athena Galleries’ to have exercised the *due* diligence procedure they advertise in order to locate and present the collecting history of the krater between 1984 and 1988.

This case has many similarities with the most celebrated repatriation for the Greek state taking place in recent years. A gold wreath, originally looted in the early 1990s from Macedonia, Northern Greece, ended up at the Getty Museum in California, and the Greek government repatriated it based on photographic evidence found in the Becchina archive; the wreath appears in a Polaroid image sent to Becchina, along with an image of another vase, in an envelope posted from Thessaloniki, Greece. It has been verified that Becchina did not buy the object, but the images and the envelope were kept in his archive and—together with testimonies and other photographic evidence—were successfully used as evidence for the illicit origin of the wreath (Watson and Todeschini, 2007: 310-313; 320-321). This Bucci Painter krater similarly lacks a pre-1970 collecting history, appears in the Becchina archive, was also offered to Becchina and was not acquired by him.

In 2013 in Christie’s, the krater was estimated at \$35,000-55,000 and was sold for \$37,500. It is not known if the Italian state took action regarding this case. The vase’s current whereabouts remain unknown (fig. 8).

A Greek terracotta bust of a goddess

A classical Greek terracotta bust of a goddess, dating c. early 4th century B.C., was offered in Christie’s June 2013 auction as lot 573 (fig. 9, left), under the title ‘Another Property’, accompanied by the following collecting history (fig. 10):

Provenance
with Summa Galleries, Beverly Hills, 1981.
Private Collection, Los Angeles.

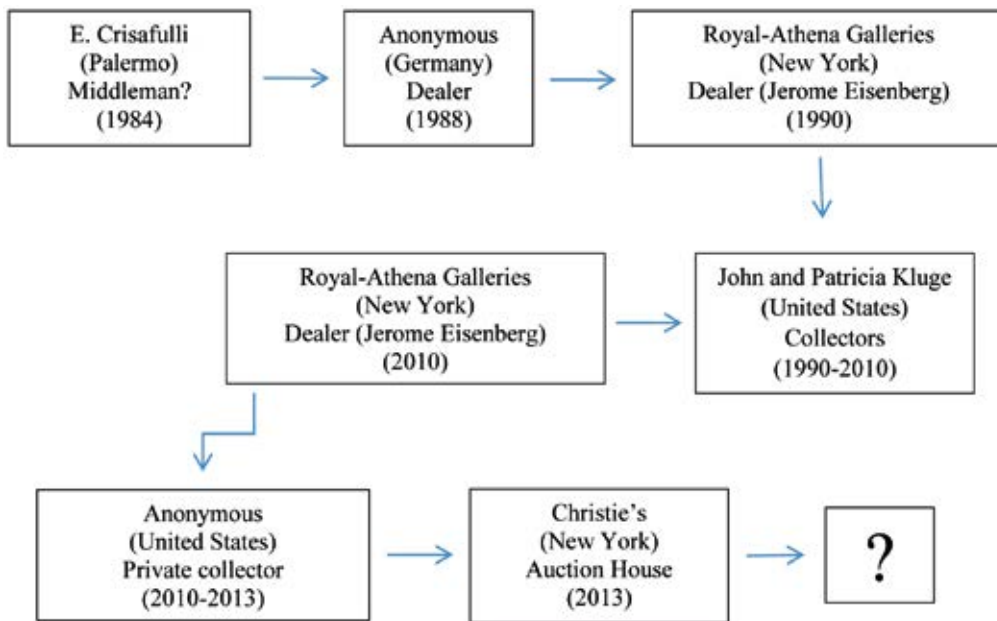


Fig. 8.—The path taken by the Attic Black-figured column-krater through the market.

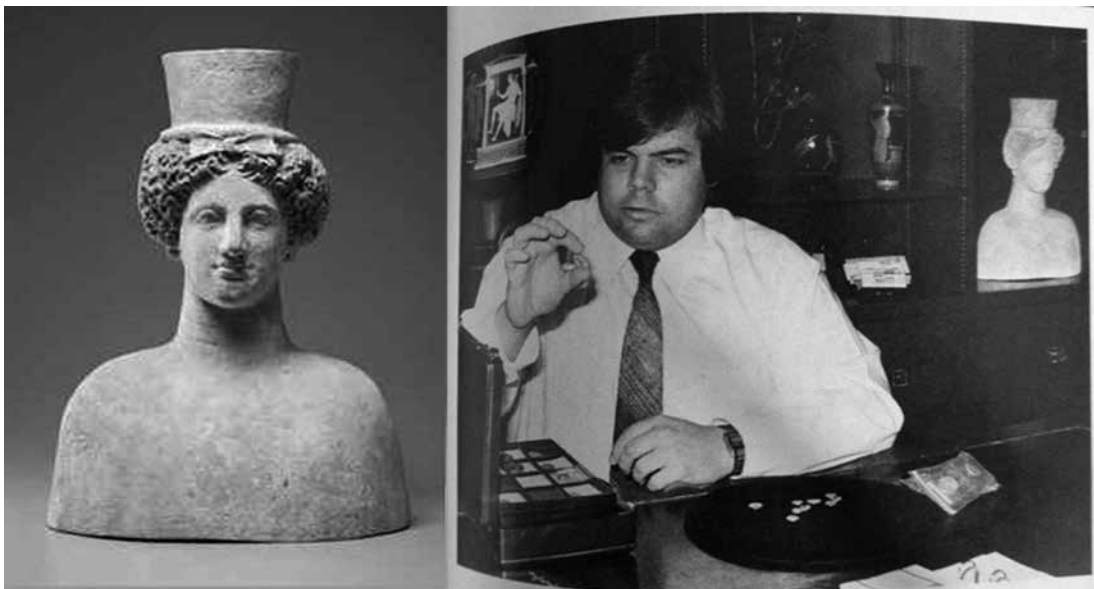


Fig. 9.—Left: The bust as it appeared in Christie's in 2013. Right: The same bust (far right) in 1980's as it appears in McNall's book.

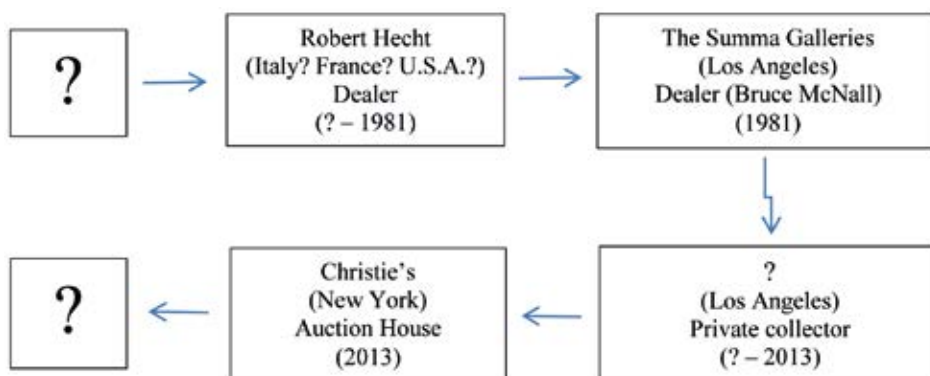


Fig. 10.—The path taken by the Greek terracotta bust of a goddess through the market.

The Christie's catalogue states that the object originates from 'Magna Graecia', not in the 'Provenance' section of the entry, but in the title for the bust in the catalogue.

The object's time in 'Summa Galleries' is preserved in the first page of the photographic section of the book *Fun while it lasted*, written by the owner Bruce McNall (fig. 9, right) states that nearly all the antiquities he traded in his gallery were supplied by Robert Hecht (McNall, 2003:41), the notorious antiquities dealer who dominated the international antiquities market from the late 1950s to the late 1970s. More scandal is attached to the 'Summa Galleries'; they sold looted and smuggled objects that first passed through Medici (Silver, 2010; Tsirogiannis, 2013a:8-10), and McNall was found to have been operating 'fraudulent businesses' (Hoving, 1996:287); he was sentenced to 70 months in jail, but was released after serving almost 48 of them (McNall, 2003:237, 284).

In 2013, the bust was estimated at \$15,000-20,000 and was sold for \$35,000. Its current whereabouts remain unknown.

An Apulian Gnathian-ware bell-krater

A South Italian (Apulian) Gnathian-ware bell-krater dating c. 330-300 B.C. was offered for sale in Christie's auction of June 2013 (fig. 11, right) in New York with a minimal collecting history:

PROVENANCE

Art Market, Switzerland, 1994.

I had identified the object in 2012, however, in the 'Phoenix Ancient Art' gallery, which maintains branches in Geneva and New York. The gallery is owned by the Aboutaam brothers (Ali and Hicham), who have been found guilty in Egypt and USA (Watson and Todeschini, 2007: 244-245) for their wrongdoings regarding antiquities, and have been involved in numerous cases of antiquities without a documented collecting history (e.g. the Apollo Sauroktonos statue in Cleveland Museum, Gill, 2014:69-75), as well as in



Fig. 11.—Left: The krater as it appears in the Medici archive. Right: The same krater as it appeared in Christie's in 2013.

fakes (Muscarella, 2013:14). The Aboutaam brothers maintained a close cooperation with Giacomo Medici (Watson and Todeschini, 2007: 140-141). Therefore, it was not a surprise that I identified the vase in 'Phoenix Ancient Art' from five regular images from the confiscated Medici archive (Medici, CD 1, Busta 54, images nos. 18-19; Medici CD 2, Raccoglitore 4, Pagina 25, image no. 7; Medici CD 3, Raccoglitore 82 ceramica, Pagina 12, image no. 6; Medici CD 3, Raccoglitore 82 ceramica, Pagina 17, image no. 4), depicting the vase before and after the removal of the soil encrustations, as well as among many South Italian, Etruscan and Villanovan objects (fig. 11, left). Once again, Medici is missing from Christie's 'provenance' for the krater; once again, arrested and convicted antiquities dealers are hidden behind a vague description ('Art Market, Switzerland, 1994'). Why are the Aboutaams, the probable consigners, not named in the 'provenance' given in Christie's catalogue? The krater was estimated at \$10,000-15,000 and remained unsold; it was not included in Christie's 'Auction Results' online. The object's whereabouts remain unknown (fig. 12).

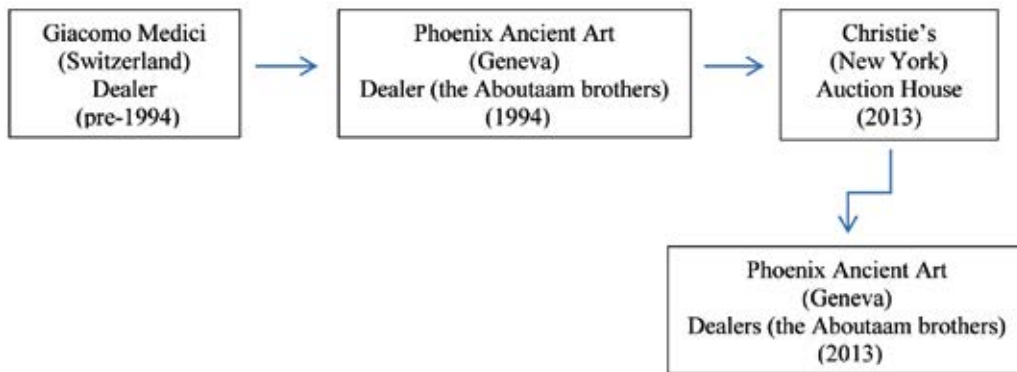


Fig. 12.—The path taken by the Gnathian-ware bell-krater through the market.

A Roman marble torso of Apollo

A Roman marble torso of Apollo dating c. 1st century B.C.- 1st century A.D. appeared in the same June 2013 Christie's auction in New York (fig. 13, right), as part of the Mona Ackerman collection (lot 610, featured on the catalogue cover). The collecting history in the 'Provenance' section of Christie's catalogue was:

PROVENANCE:
with Hosur Corporation, Kusnacht.
Switzerland, 1989.

However, the object is depicted in three professional photographs from the Symes-Michaelides archive (nos. 2001-2003), in the same condition as it is found in Christie's catalogue (Fig. 13, left). The code on the back of the three photographs does not make clear the date on which Symes and Michaelides acquired the object. The omission of



Fig. 13.—Left: The two sides of the statue as it appears in the Symes-Michaelides archive. Right: The same statue in Christie's in 2013.

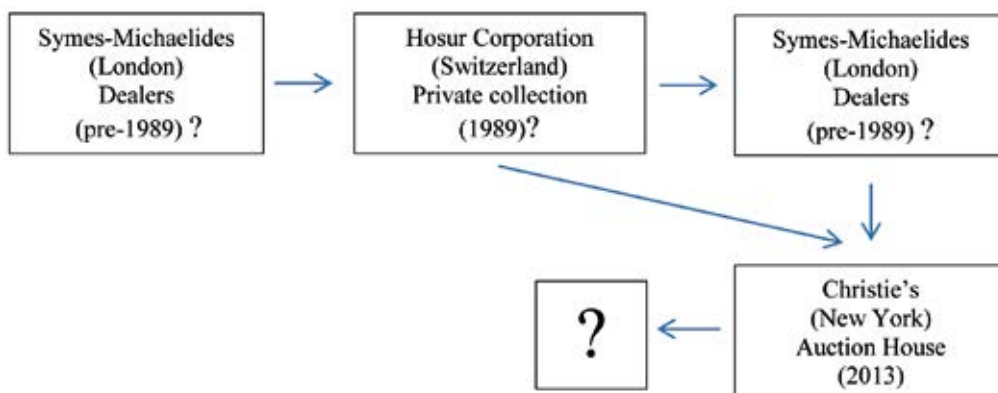


Fig. 14. The path taken by the Roman marble torso of Apollo through the market.

their names from the 'provenance' section of the statue's entry in Christie's catalogue is interesting (did they handle the object before or after 'Hosur Corporation'?) and Christie's do not say who owned 'Hosur Corporation, Kusnacht', in 1989, implying only that Mona Ackerman bought the object directly from that company (fig. 14). The statue was estimated at \$200,000-300,000 and was sold for \$195,750.

CHRISTIE'S AUCTION OF 24 OCTOBER 2013 IN LONDON

On 24 October, 2013, Christie's offered for sale in London 290 antiquities in 130 lots, numbered 1-130 (Christie's, 2013c). According to the collecting history for each of these antiquities, as given by Christie's, 85 antiquities have no collecting history before 1970. In fact, from these 85 antiquities, 75 have no collecting history before 1980, among which 30 have no collecting history before 1990. Ten antiquities apparently emerged in the 1970s, but for 1 of these (lot 123) we are told only that the collection in which it surfaced was 'formed primarily 1970s-1980s). In addition, for 21 antiquities it is not clear if they surfaced before 1970, e.g. because we are given only the dates of their collector's birth and death. Only 184 appear to have a pre-1970 collecting history. By my calculations, Christie's estimated to fetch from the sale between £2,455,500 and £2,647,000 in total. Although 82 antiquities remained unsold, Christie's sold the remaining 208 for £3,408,250.

From the 290 antiquities offered for sale, one antiquity was then withdrawn; another, which was sold, was closely related to the one withdrawn. I also identified another antiquity in the confiscated Symes-Michaelides archive. The reconstructed collecting histories of the three objects are as follows.

Two Elamite silver beakers

Two Elamite silver beakers dating c. 1900-1500 B.C. (lot 11) and 2500-1500 B.C. (lot 14) were offered for sale under the title 'Various Properties', estimated respectively at £70,000-100,000 and £50,000-70,000. Christie's supplied the two beakers with the same collecting history:

PROVENANCE:

Private collection, UK, acquired 1940s-1950s.

The second Elamite beaker (lot 14) (fig. 15), although estimated lower than the first (lot 11), was the central piece in the ‘Ancient Near East’ section of the Christie’s catalogue, detailed throughout pp. 4-5, introducing all the Near Eastern antiquities of the



Fig. 15.—Left: The withdrawn beaker as it appeared in ‘Der Spiegel’ (Photo: Zenith). Right: The same beaker in Christie’s in 2013.

catalogue. It should not go unnoticed that only the second beaker (lot 14) was additionally supplied with a reference for a similar piece:

Cf. H. Mahboubian, *Elam, Art and Civilization of Ancient Iran 3000-2000 B.C.*, Salisbury, 2004, nos 1-5, for similar.

Along the bottom of every even-numbered page in this section, Christie's reminded potential buyers of a special notice regarding Iranian antiquities in the first pages of the catalogue. The notice stated (p. 3):

LOTS OF IRANIAN ORIGIN

Please note that the US Iranian Transaction Regulations prohibit the import into the USA, and the purchase by US persons, of Iranian origin 'works of conventional craftsmanship' (works that are not by a recognized artist and/or that have a function, for example: bowls, ewers, tiles, ornamental boxes). It is the responsibility of US persons to ensure that they do not bid on prohibited Iranian origin property. US persons include US citizens and US permanent residents (green card holders) wherever these individuals are located, US entities and any other persons temporarily resident or located in the US.

Four days before the auction (20/10/2013) Mr. Zsombor Földi, a graduate student of Assyriology and Hebrew in Eötvös Loránd University, Budapest, Hungary, sent an email to the 'Agade' mailing list (agade@listserv.unc.edu, maintained by Professor Jack M. Sasson, the Mary Jane Werthan Professor of Jewish Studies and Hebrew Bible at Vanderbilt Divinity School), stating:

An inscribed silver beaker of Elamite origin will be offered for sale at a Christie's auction on the 24th October 2013
(see<<http://www.christies.com/lotfinder/LotDetailsPrintable.aspx?intObjectID=5726644>>).

To judge by the image, it is undoubtedly the same object which has already been studied by Michael Müller-Karpe in München in 2007, when it was offered for sale at a Gorny & Mosch auction. He considered it as originating (presumably) from an illicitly excavated temple of Napiriša at Anšan. See especially his article 'Antikenmarkt als Geldwäsche: Der Silberbecher des Königs Ebarat', *Kunst und Recht* 14 (2012), 195-202, available via his academia.edu profile. One finds another article on the topic at <http://www.spiegel.de/wissenschaft/mensch/raubgut-becher-koennte-aus-tempel-von-anschan-stammen-a-856561.html>.

Unfortunately, the German authorities finally closed the investigation and the beaker was given back to its dealer [*sic*].

Michael Müller-Karpe was kind enough to forward this information to Interpol but they decided neither to take action nor to forward it to England, for the reason that the investigation has been closed. I suppose it may be of some worth to inform the subscribers of the Agade list about this case, but it's up to your decision.

According to Professor Müller-Karpe (Müller-Karpe, 2012:196, fn. 6), the beaker was offered for sale by Gorny & Mosch in their auction of June 22, 2007, as lot 35. The Gorny & Mosch catalogue (2007) reveals that the first appearance of the beaker was in the auction of Hôtel Drouot on November 28, 2005 (lot 164). (For Hôtel Drouot, see above,

pp. 4-5). In this catalogue, the collecting history of the beaker concludes: ‘Seit den 70er Jahren in englischem Privatbesitz’ (‘Since the 1970s in an English private collection’). As for the *Spiegel* article, it names the dealer Houshang Mahboubian as the owner of the beaker (Metzger, 2012). A *New York Times* article refers to Mahboubian’s conviction by a United States court in 1987 for conspiracy, burglary and attempted grand larceny; Mahboubian had masterminded a burglary in 1986 to defraud his insurers of \$18 million ‘after he was unable to sell the art pieces because they were forgeries’ (Johnson 1987).

The Agade mailing list published Földi’s email on 20 October, 2013⁴. On the following day (21/10/2013) Lord Renfrew of Kaimsthorn, Emeritus Professor of Archaeology at the University of Cambridge, sent a letter to Christie’s to ask ‘whether the bronze-age Elamite beaker [lot 11] had been exported illegally from Iran because it was ‘apparently identical’ to an object recently identified as loot by Professor Michael Müller-Karpe, a specialist in Middle-Eastern antiquities’, as *The Times* reported the following day (22/10/2013). Christie’s were ‘understood to dispute the claim, but withdrew the item because an investigation could not be completed before the sale’ (Malvern, 2013). A Christie’s employee at the London antiquities department stated publicly on 23/6/2014 (during the conference ‘New Approaches to Heritage Ethics: Interdisciplinary conversations on heritage, crime, conflicts and rights’, held at the University of Kent), that Christie’s never announce the results of their internal investigations. Lord Renfrew focused on the absence of Müller-Karpe’s article and the Gorny & Mosch 2007 auction from the collecting history of the beaker in the ‘Provenance’ section of the Christie’s catalogue, regarding it as ‘a notable failure of the due diligence expected of a reputable dealer in antiquities’ (Malvern, 2013). After the withdrawal of the beaker, Professor Lord Renfrew had a letter from a firm of lawyers, representing the Mahboubians, father and son, requesting a retraction and apology. Professor Lord Renfrew’s lawyer replied, ‘asking for more details of the complaint. Nothing more has been heard so far’ (email from Professor Lord Renfrew to me on 2/9/2014).

The second Elamite beaker (lot 14) was sold for £56,250. We do not know for sure that the owner of that beaker was also Mr. Mahboubian, since Christie’s do not disclose the names of the sellers or buyers. However, it is indicative that Mr. Mahboubian was the owner of the withdrawn beaker and that the second (sold) beaker in the Christie’s catalogue was accompanied by a reference to Mr. Mahboubian’s 2004 publication (fig. 16).

A Roman marble torso of an athlete

In 2008 Christie’s announced that the collection of Yves Saint Laurent and Pierre Bergé would be auctioned in Paris on 23-25/2/2009 (Christie’s, 2009). The impact of the announcement was such that even some of the various printed auction catalogues of this sale (each covering a different section of the collection) immediately became collectible. One of the catalogues featured on its cover a Roman marble torso of an athlete (lot 680,

4. Following my enquiry, Mr. Zsombor Földi verified with his 14/8/2014 email that it was he who identified the Elamite beaker, lot 11, on October 16, 2013.

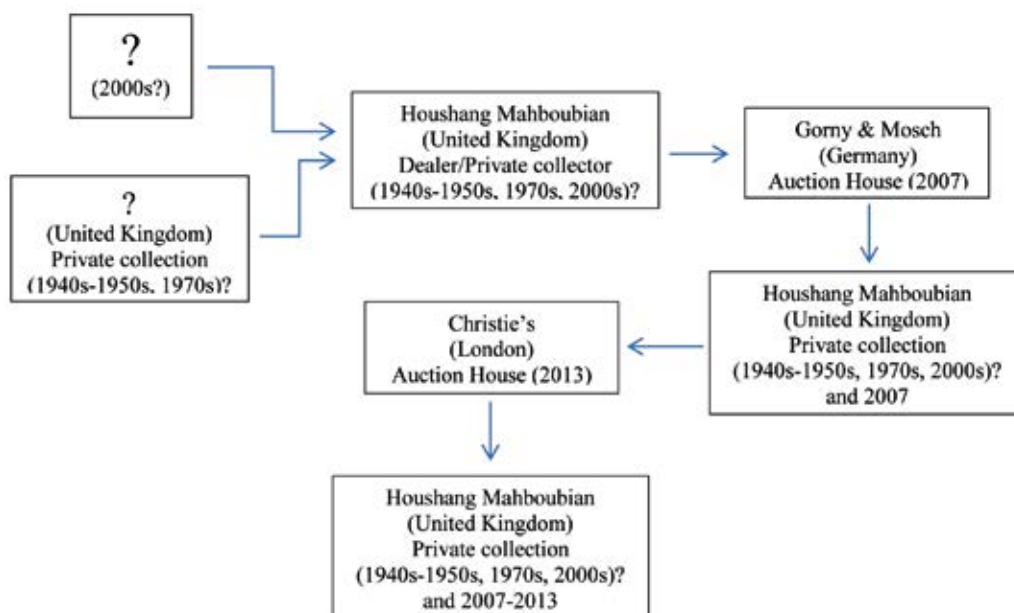


Fig. 16.—The path taken by the two Elamite silver beakers through the market.

detailed pp. 472-475). When the catalogues came online (January 2009), I identified this object in the Symes-Michaelides archive (fig. 17, left), in two professional photographs (nos. 0233+2004). The only collecting history given by Christie's was: 'Galerie Marc Lagrand, Paris, 1970-1980'. The marble torso was estimated at €300,000–500,000 and finally sold for €1,297,000.

The statue resurfaced about 4.5 years later, again in a Christie's auction (24 October, 2013), this time in London (Christie's, 2013c:70-73) (fig. 17, right). The object was offered as 'The property of a gentleman', accompanied by the following collecting history:

Provenance

with Galerie Marc Lagrand, Paris.

Yves Saint Laurent (1936-2008), acquired prior to 1974.

Collection Yves Saint Laurent et Pierre Bergé; Christie's, Paris, 25 February 2009, lot 680.

Private collection, Switzerland.

PUBLISHED:

'Les années 20 revues dans les années '70: chez Yves Saint Laurent par Philippe Julian', *Connaissance des arts*, December 1973, p. 103. 'Architectural Digest Visits: Yves Saint Laurent', *Architectural Digest*, September/October 1976, pp. 112-119.

This time the statue was estimated at £800,000 - 1,200,000 and was sold for £962,500.



Fig. 17.—Left: The statue as it appears in the Symes-Michaelides archive. Right: The same statue in Christie's 2013.

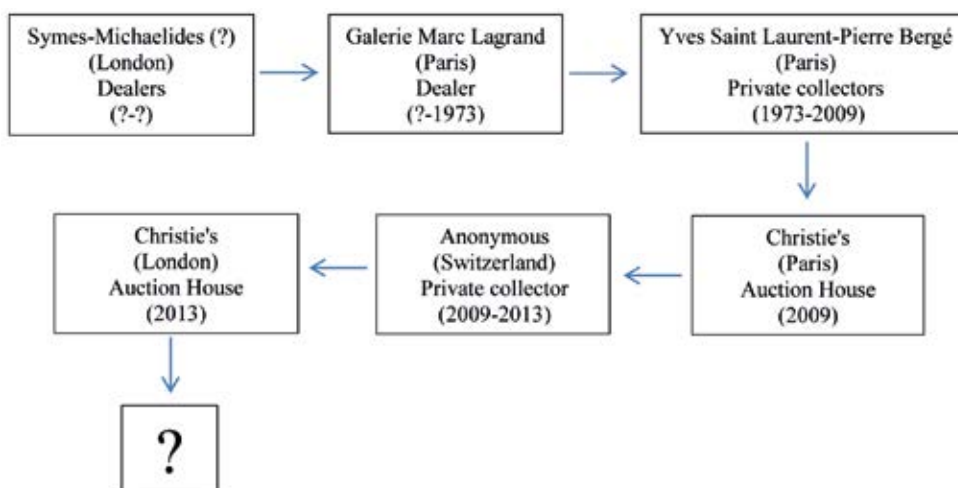


Fig. 18.—The path taken by the Roman marble torso of an athlete through the market.

Several questions arise regarding this case (fig. 18). Why are Symes-Michaelides not mentioned in either of the two auctions? Did the statue become part of their stock, or was it offered to them but they did not acquire it? (The code number of the object does not refer to a specific date of acquisition). Why did Christie's not mention the 1973 publication in the catalogue of the 2009 Yves Saint Laurent-Pierre Bergé auction? Who is the anonymous private collector in Switzerland who consigned the statue to the October 2013 auction?

SOTHEBY'S AUCTION OF 12 DECEMBER 2013 IN NEW YORK

On 12 December, 2013, Sotheby's offered for sale in New York 91 objects (80 antiquities, 10 17th c. Ottoman, Persian and Chinese objects, and a painting) in 85 lots, numbered 1-85 (Sotheby's, 2013b). According to the collecting history given for each of the antiquities, 21 have no collecting history before 1970. Of these 21 antiquities, 4 have no collecting history before 1980, among which 2 have no collecting history before 1990 and 7 emerged in the 1970's. The remaining 10 objects from this category (lots 56-60), dating on the 17th and 18th century, were offered for sale without being clear if they surfaced in the 1970's or the 1980's. In addition, for 23 antiquities it is not clear if they surfaced before 1970, and 47 appear to have a pre-1970 collecting history. By my calculations, Sotheby's estimated to fetch from the sale between \$8,208,200 and \$12,536,600 in total. Although 19 objects remained unsold, Sotheby's sold the remaining 72 for \$16,106,625.

Among the 91 antiquities offered for sale I identified two in the confiscated archives of Medici and Symes-Michaelides, respectively, and I notified Ms. Sharon Cohen Levin, Chief of the Money Laundering and Asset Forfeiture Unit in the Southern District of New York U.S. attorney's office, by email on 3 December, 2013. She forwarded the case to the Homeland Securities Investigations. HIS appointed an agent, to whom I passed all the information and the images I had regarding this auction. The Italian public prosecutor Dr. Paolo Ferri, Professor David Gill, journalist Fabio Isman and the Association for Research into Crimes against Art (ARCA) were also notified at the same time. The reconstructed collecting history of these antiquities is as follows.

A Monumental Marble Head of Hermes-Thoth

A Late Hellenistic marble head of Hermes-Thoth is depicted in three professional images from the Symes-Michaelides archive (nos. 0869, 2105–2106) (fig. 19, left), in the same condition in which it appears in Sotheby's December 2013 auction as lot 39 (fig. 19, right). The object had the highest estimation in this antiquities auction (\$2,500,000-3,500,000) and was presented as 'Property from a private collection'. The collecting history in Sotheby's read as follows:

Provenance
Douglas H. Fisher, London, 1950s/60s



Fig. 19.—Left: The marble head as it appears in the Symes-Michaelides archive. Right: The same head as it appeared in Sotheby's in 2013.

Robin Symes, Ltd., London
 Albrecht Neuhaus, Würzburg, by 1970
 American private collection, acquired circa 1990
 acquired by the present owner on the European art market in 2006.

No evidence could be found regarding the object's possession by Douglas H. Fisher in London 1950s/60s. Sotheby's gives a date for every part of the collecting history of the head, except for Symes. However, the Schinousa archive gives the answer: the head passed through Symes and Michaelides' hands in 1993, since this date is part of the code number on the back of two of the three professional images. Therefore, the collecting history published by Sotheby's is misleading, since the impression given is that Symes handled the object before Albrecht Neuhaus, therefore before 1970. There is always the possibility that Symes and Michaelides first acquired the head before 1970 and then bought it back from the anonymous American collector 'circa 1990' (actually in 1993). However, this scenario seems unlikely, since Symes and Michaelides (including Michaelides' family) probably could not back up such an acquisition financially in the early days of their partnership (before 1970).

The Hermes-Thoth head was on offer in the German market, at Würzburg, in the gallery 'Albrecht Neuhaus', at least from May 1970. This is verified by an image of the same head, accompanying an advertisement in *The Burlington Magazine* (Vol. 112, No. 806, May, 1970, p. 75)⁵. Its caption reads: 'Hermes of Hermoupolis, Late Hellenistic marble head, Height 44 cm.' Thus, the Hermes-Thoth head has a documented collecting history before the (November) 1970 UNESCO Convention.

In 1998 the magazine *House & Garden* published in its June issue an article referring to the decoration of a villa in Colorado. In one of the accompanying images appears the marble head as part of the decoration in one of the living rooms (Moonan 1998:131). From the same article I was able in 2006 to identify in the villa several other antiquities depicted also in the Symes-Michaelides archive. The article did not name the owner of the villa. However, documents that reached the American courts in October 2006 refer to a case of William T. and Lynda L. Beierwaltes, residents of Colorado, versus the administrators of the estate of the late Christos Michaelides. The documents state that the Beierwaltes were clients of Symes and Michaelides (05-1021, Appeal no. D.C. No. 03-MC-103).

Between 15th and 24th September, 2006, 'Phoenix Ancient Art' gallery, owned by the Aboutaam brothers, participated in the 'XXIII Biennale Des Antiquaires', hosted in Grand Palais, Paris. Among the antiquities exhibited was the Hermes-Thoth head, presented as 'Colossal Marble Head of Hermes, 2nd Century B.C.' Two versions of the same videoclip⁶, produced on October 2006 and accessible from the 'Phoenix Ancient Art' website, present the head during the exhibition.

In 2007 Dr. Robert Steven Bianchi, a former curator in the Department of Egyptian, Classical and Ancient Middle Eastern Art at the Brooklyn Museum, published an article about another marble head which depicts Alexander the Great⁷. On the first page, Bianchi mentions Hermes (Sotheby's) head, along with others, as coming not only from Egypt, but also from a specific site ('Hermopolis, modern Ashmunein in Middle Egypt') which coincides with Neuhaus gallery's collecting history (Bianchi, 2007:29):

The subject of this essay is a marble portrait of Alexander the Great which is currently in an American private collection (figs. 1 and 2). The portrait was formerly part of the inventory of Maurice Nahman (1868–1948), the Cairene Antiquities dealer, and was said to have come from Hermopolis, modern Ashmunein Middle Egypt. This site has been excavated of late by a team from London's British Museum Expedition to Middle Egypt and was dedicated to Thoth often equated with Greek Hermes. At least two other accomplished portraits of Ptolemaic rulers in Hellenistic style are known to have come from that site, to which can be added a marble image of Hermes, perhaps of second century B.C. date, with remains of its original inlaid eyes still preserved, in a private collection⁶ [...]

5. Available at <http://www.jstor.org/stable/876300?seq=77>.

6. <http://vimeo.com/68057055> and <http://vimeo.com/73823665>.

7. Available at http://www.academia.edu/744595/_The_Nahman_Alexander_JARCE_43_2007_29-42.

Professor David Gill first published these two references on his blog 'Looting Matters' on December 5, 2013 (<http://lootingmatters.blogspot.co.uk/search?q=Thoth>).

In his footnote no. 6, Dr. Bianchi states: ‘Not published; I thank the present owner for granting me permission to study this portrait and mention its existence here’. The collector who owned the head in 2007 is not named. Matching this up with the head’s collecting history published by Sotheby’s, this ‘present owner’ must have been the consigner of the object in Sotheby’s 2013 auction, since (s)he owned the antiquity since 2006. Combining this with the ‘provenance’ given by Sotheby’s, if we accept that as true, yields the following fuller collecting history:

Douglas H. Fisher, London, 1950s/60s
 Robin Symes, Ltd., London
 Albrecht Neuhaus, Würzburg, by 1970
 American private collection, acquired circa 1990
 Robin Symes-Christos Michaelides 1993
 American collectors 1998
 Phoenix Ancient Art, Geneva, 2006
 Private collection (Bianchi 2007)
 acquired by the present owner on the European art market in 2006

Its difference from Sotheby’s version of the head’s collecting history prompts questions. If the object is licit, why do Sotheby’s not mention the Aboutaam brothers or their gallery? Why did Sotheby’s fail to give the correct dates for Robin Symes and Christos Michaelides and the American collector(s) (Beierwaltes) who apparently has/had a villa in Colorado full of antiquities originating from Symes-Michaelides? Why Symes’ date of acquisition of the head is omitted? Is the ‘European Art market 2006’ actually covering the Aboutaam brothers, either because of the Geneva branch of their gallery or because of the September 2006 exhibition in Paris, where the sale of the head may have taken place? Some of the missing parts of the head’s collecting history were published in other media well before the auction (fig. 20). Nevertheless, the head was sold for \$4,645,000, the record price for this auction.

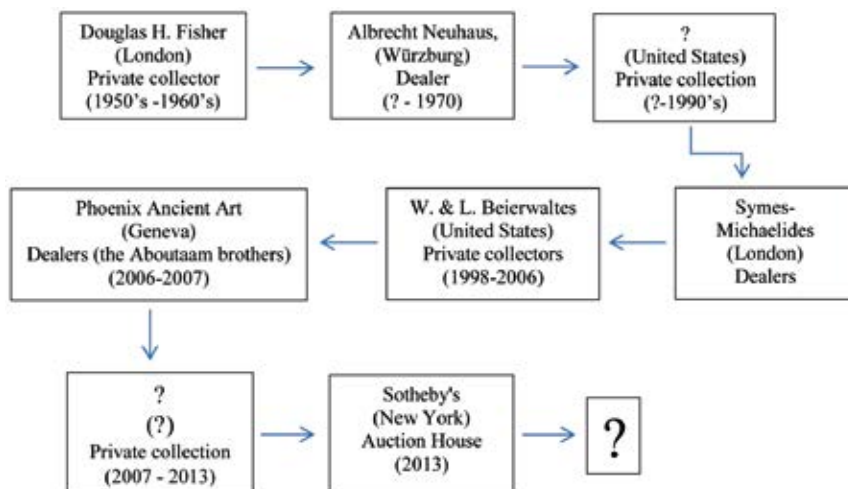


Fig. 20.—The path taken by the marble head of Hermes-Thoth through the market.

A Marble Herm head of Pan

The confiscated Medici archive includes among thousands of Polaroids one which depicts a 'Roman giallo antico marble Herm head of Pan'. This Polaroid is affixed to an A4 size sheet entitled 'Hydra Gallery' (the name of Medici's former antiquities gallery in Geneva), along with a short handwritten description and a price, probably written by Medici himself (fig. 21, left). The note reads:

ERMETTA. PANISCO MARMO GIALLO FR. 4'o,
 ['Small herm. Yellow marble small Pan' [probably] 4,000 Swiss Francs].

The head of Pan is depicted in the Polaroid on what appears to be a carpet.

The same object appeared as lot 51 in Sotheby's antiquities auction of 12 December, 2013 in New York (fig. 21, right), estimated at \$10,000-15,000. Sotheby's presented the object with the following collecting history:

French private collection, Fontainebleau, acquired circa 1975

I sent the identifications before the auction to Homeland Securities Investigations and they were published online by Looting Matters and ARCA blogs. Sotheby's withdrew the head of Pan on the day of the auction (12/12/13). The head of Pan was immediately removed from the online catalogue as well and since then has not appeared in Sotheby's website ('Auction Results')⁸. The name of the French private collection remains unknown (fig. 22). There have not been yet any official announcements by Homeland Securities Investigations regarding the case, but it usually takes 3-5 years for an investigation and a forfeiture to be concluded and publicly announced (Tsirogiannis 2013a:5; St. Hilaire 2014).



Fig. 21.—Left and centre: The marble head as it appears in the Medici archive. Right: The same head as it appeared in Sotheby's in 2013.

8. <http://www.sothebys.com/en/auctions/2013/antiquities-n09056.html#&page=all&sort=lotNum-asc&viewMode=list>



Fig. 22.—The path taken by the marble Herm head of Pan through the market.

CHRISTIE'S AUCTION OF 13 DECEMBER 2013 IN NEW YORK

On December 13, 2013 Christie's offered for sale in New York 217 antiquities in 173 lots, numbered 1-173 (Christie's, 2013d). According to the collecting history given by Christie's for each of these antiquities, 100 antiquities have no collecting history before 1970. In fact, from these 100 antiquities, 77 have no collecting history before 1980, among which 38 have no collecting history before 1990. Therefore, 23 antiquities from this category seem to emerge in the 1970s. For 18 antiquities, it is not clear if they surfaced before 1970. 99 appear to have a pre-1970 collecting history. By my calculations, Christie's estimated to fetch from the sale between \$4,912,800 and \$7,283,700 in total. Although 60 antiquities remained unsold, Christie's sold the remaining 157 for \$4,407,250.

Among these 217 antiquities, I identified one antiquity depicted in the confiscated Symes-Michaelides archive. Its reconstructed collecting history is as follows:



Fig. 23.—The figurine as it appears in the Symes-Michaelides archive. In this same condition the figurine appeared in Christie's in 2013.

A Greek terracotta Pan

A Greek terracotta figurine of Pan, lot 114 in Christie's, estimated at \$8,000-12,000, appears in the same condition in one professional photograph (fig. 23) from the confiscated Symes-Michaelides archive (no. 449). Christie's 'Provenance' for the entry was:

with Edward H. Merrin Gallery, New York, 1968.
Private Collection, New York, 1968-2011.

That is, the collecting history excluded Symes and Michaelides, as well as the identity of the object's owner since 2011, also apparently the consigner to the December 2013 auction.

Five days before the auction (8/12/2013) I notified Ms. Sharon Cohen Levin at the New York U.S. attorney's office and the following day Ms Cohen Levin passed the information to the same agent handling the Sotheby's case on behalf of the Homeland Securities Investigations. The same day

the agent sent me an email verifying receipt of the relevant information and photographic evidence for both the Sotheby's and the Christie's cases. The Italian prosecutor Dr. Paolo Ferri, Professor David Gill, journalist Fabio Isman and the Association for Research into Crimes against Art (ARCA) were also notified at the same time.

On the day of the auction, Christie's withdrew the figurine of Pan from the auction. The whereabouts of the object remain unknown. We await an official announcement about this case, too, from U.S. Homeland Securities Investigations. It is surprising that Christie's decided to withdraw the figurine, since this antiquity was accompanied by a 1968 collecting history and it is not clear if Symes-Michaelides ever owned the figurine. Does this mean that the collecting history given by Christie's could not be verified? (fig. 24). A detail emerging from research of the confiscated Symes-Michaelides archive connects the two Symes-Michaelides pieces in Sotheby's (head of Hermes-Thoth) and in Christie's (figurine of Pan), both in New York, to be auctioned with a day's difference; both the antiquities were photographed by the same British photographer hired by Symes-Michaelides.

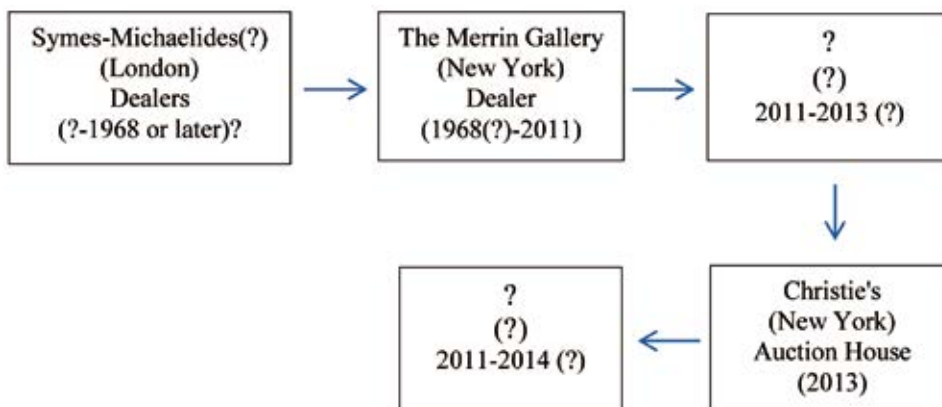


Fig. 24.—The path taken by the terracotta figurine of Pan through the market.

CHRISTIE'S AUCTION OF 13 DECEMBER 2013 IN NEW YORK

On 13 December 2013 Christie's offered for sale in New York 356 ancient jewellery in 149 lots, numbered 201-349 (Christie's, 2013e). According to the collecting history given by Christie's for each of these antiquities, 212 antiquities have no collecting history before 1970. Of these 212 antiquities, 131 have no collecting history before 1980, among which 106 have no collecting history before 1990. Therefore, 77 antiquities from this category seem to emerge in the 1970s; for 4 antiquities it is not clear if they surfaced during the 1970s or 1980s. Another category includes 32 antiquities for which it is unclear if they surfaced before or after 1970. The remaining 112 antiquities appear to have a pre-1970 collecting history. By my calculations, Christie's estimated to fetch between \$1,321,800 and \$1,944,400 in total. Although 100 antiquities remained unsold,

Christie's sold the remaining 256 for \$1,403,937. No antiquities were identified from the confiscated archives in this auction.

CONCLUSIONS

Several striking conclusions can be drawn from the results of this research:

First, analysis of the collecting histories of 1424 antiquities appearing in 5 Christie's and 1 Sotheby's auction in London and New York during 2013, has yielded telling results. According to the information released *by the auction houses* for these 6 auctions, 639 antiquities (44,85%) had no collecting history before 1970, for 138 antiquities (9,7%) it was uncertain if they surfaced before or after 1970, and 647 (45,45%) had a reported pre-1970 collecting history. However, this last percentage should be lower, since, as we have seen (p. 2 above), stolen antiquities excavated in 2000 in Egypt found their way into the Christie's catalogues with a fake collecting history that Christie's failed to verify, despite advertising that 'due diligence is incredibly thorough' (Loader Wilkinson, 2011). Therefore we see that the antiquities market at the highest level continues to be based largely on antiquities with no pre-1970 collecting history, while some of them appear to be illicit, as suggested by the photographic evidence from the confiscated archives in the hands of convicted dealers.

Apart from the 'due diligence' hypocrisy, we see too that throughout 2013, the top auction houses in several cases continued to cover with vague descriptions the identity of convicted dealers in the 'provenance' section of their catalogues (e.g. 'Art Market, Switzerland, 1994' for the Aboutaam brothers or Medici in the case of the Apulian Gnathian-ware bell-krater), or even failed to trace and name them as the original source or part of the collecting history of these antiquities.

The market has a standard argument to defend its wrongdoings: since research of the confiscated archives started to produce evidence leading to identifications of illicit antiquities in the market, its members have complained that the archives are not publicly available and, therefore, the market does not have the sources to protect itself from selling such antiquities. This argument is disingenuous; the easiest, most inexpensive and most honest way for the market to be protected from selling illicit antiquities is to stay away from any antiquity that is lacking *documented* collecting history *beyond any doubt* before 1970. The market would have no need of the archives, if their aim were really to create a totally legal market. However, it seems that the real aim is profit, for which end they will sell licit and illicit antiquities, even stolen ones, until a few of the illicit antiquities are identified. Even then, the sale usually continues; a few objects may be withdrawn, but most of them will be returned to their consigners who will remain unnamed and thus protected. This situation means that the few repatriated antiquities are significant exceptions; the majority of illicit antiquities go unidentified, inefficiently researched or unclaimed.

As we attempt to reconstruct the patterns followed by all the identified illicit objects within the market, using information emerging from the research on the confiscated archives, the identification of antiquities on sale during 2013 and the reconstruction of

the collecting history of each of these antiquities, a few points may be underlined: a) Following up Mackenzie and Davies on dealers with double identity (operating as dealer *and* collector, who use a dirty hand to acquire illicit antiquities from suppliers and a clean one to pass them up the supply chain) as 'Janus' figures (Mackenzie and Davies, 2014: 723), the dealer Elie Borowski who sold his vase collection to Christie's equally can be identified as 'Janus'. However, I have found an auction house (Christie's) holding a triple identity (that of a dealer and a collector, as well); in this case it resembles Cerberus, the three-headed dog who in Greek mythology guarded Hades (the underworld). b) The collective map below makes evident that once an antiquity reaches a dealer it begins being circulated in the market. However, if the state authorities of the so-called 'source countries' (the market's term) could prevent the objects' passing to dealers, capturing them while they are still in the possession of a looter or a middleman, the market in illicit antiquities would collapse, since a looter or a middleman do not appear to have direct contacts with an auction house or a private collector who does not operate also as a dealer. c) While dealers and auction houses were known to be key members of the antiquities market, it appears that collectors too can be so regarded, since they are not always the final destinations of the antiquities (as the museums often are), but just as often offer the same objects back to the market. This observation partly verifies the famous point of Professor Elia ('collectors are the real looters', Elia, 1993: 69) and Mackenzie and Davies' point that, at least in the network they studied, Janus (a dealer, often with two identities) 'is the real looter' (Mackenzie and Davies, 2014: 737), due to his identity as a collector. However, auction houses holding a triple identity in this market, committing wrongdoing over a long period, are equally qualified to be the real looters (fig. 25).

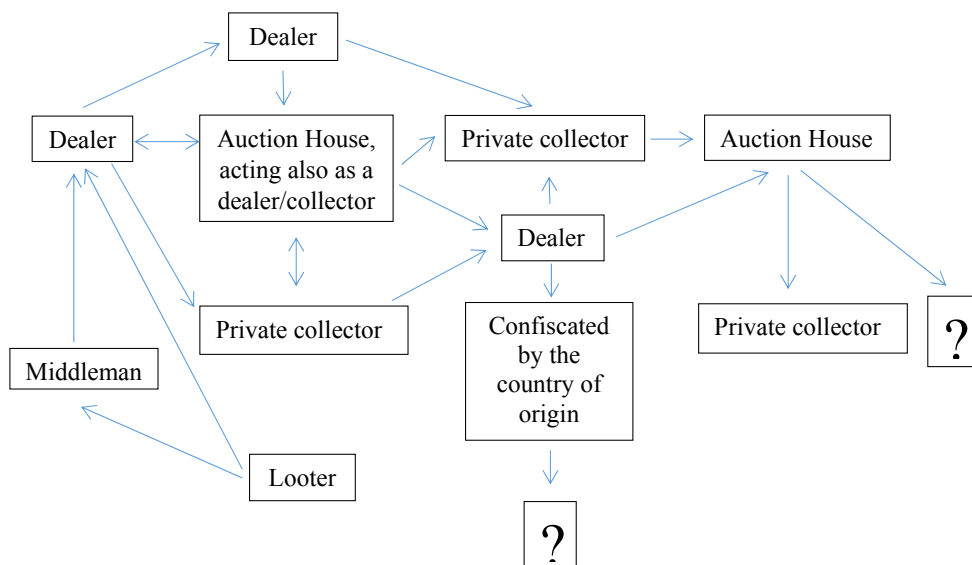


Fig. 25.—Combination of paths taken by the 12 antiquities through the market.

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**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO**

IN RE:)	
)	
WILLIAM T. BEIERWALTES)	CASE NO. 13-18655-SBB
LYNDA L. BEWIERWALTES)	CHAPTER: 11
)	
DEBTORS.)	

**DISCLOSURE STATEMENT FOR PLAN OF REORGANIZATION DATED
APRIL 7, 2014**

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I. INTRODUCTION

A. THE BANKRUPTCY CASE

Overview. The Plan Proponents, William T. and Lynda L. Beierwaltes. (the “Debtors,” “Beierwaltes” or “Plan Proponents”), have proposed this Plan of Reorganization dated April 7, 2014 (the “Plan” attached hereto as Exhibit A). The Plan contemplates the sale of a portion of the Debtors’ assets sufficient to satisfy all creditor claims in full with interest.

The Plan contemplates the sale of assets which will fund distributions contemplated by the Plan. Luxor, LLC, an entity owned by the Debtors has entered into an agreement to sell approximately 280 acres of real property to Blue Horizon Partners, LLC for consideration of up to \$8,880,000 (the “Blue Horizon Sale”). See part II(C) below: “SIGNIFICANT EVENTS DURING BANKRUPTCY” for a more complete explanation of the Blue Horizon Sale.

The Plan contemplates a time frame of 18 months during which the Debtors will: 1) close the Blue Horizon Sale; 2) continue to sell art works in the ordinary course; 3) collect amounts owing under a judgment recently entered in favor of the Debtors; 4) sell all other property that secures the Home State Bank claim (real property and water stock/credits). Distributions will be made to unsecured creditors at year end 2014, at the closing of the Blue Horizon Sale, and if necessary, at the end of 18 months. The Plan also has backstop. The backstop is a commitment from Home State to subordinate up to \$3,000,000 of its secured claims if such is necessary for the Debtors to complete full payment to unsecured creditors.

The Plan contemplates, that: (1) all administrative expenses and the fees of the United States Trustee will be paid in full, (2) all secured claims will be paid in full or accept such other treatment as the plan provides; and, (3) that all unsecured claims will receive the full amount of the allowed unsecured claim, with interest.

1. ***Purpose of Disclosure Statement.*** The purpose of this Disclosure Statement is to provide parties entitled to vote with a description of the Plan and other information to aid them in making an informed decision as to whether to accept the Plan. A copy of the Plan and a ballot for acceptance or rejection of the Plan accompanies this Disclosure Statement.

THE DISCLOSURE STATEMENT CONTAINS A BRIEF SUMMARY OF THE PLAN. HOWEVER, THE SUMMARY IS NOT INTENDED TO TAKE THE PLACE OF THE PLAN. EACH PARTY ENTITLED TO VOTE IS URGED TO READ THE PLAN IN FULL AND CONSULT WITH COUNSEL AND BUSINESS AND TAX ADVISORS. STATEMENTS REGARDING THE PLAN ARE SUBJECT TO AND QUALIFIED BY THE EXPRESS TERMS OF THE PLAN ITSELF IN ALL RESPECTS.

NO REPRESENTATIONS CONCERNING THE PLAN OR THE DEBTORS ARE AUTHORIZED BY THE PLAN PROPONENT OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE WHICH ARE OTHER THAN WHAT IS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION.

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED ON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. COURT APPROVAL OF THE ADEQUACY OF THE DISCLOSURE STATEMENT DOES NOT CONSTITUTE APPROVAL OF THE PLAN.

2. ***Manner and Purpose of Voting.*** Under the Bankruptcy Code (the “Code”), creditors holding Allowed Claims which are in an impaired class under the Plan are entitled to vote to accept or reject the Plan. The Code requires that at least two-thirds in amount and more than one-half in number of the Allowed Claims voting in each impaired class of creditors must vote to accept the Plan in order for it to be accepted by that class. In order for interest holders to accept the Plan, at least two-thirds of the voting interest holders must accept the Plan. In the event the Plan is not accepted by all impaired classes of creditors or interest holders, the Court may, nevertheless, confirm the Plan if it finds that certain requirements for confirmation under the Code are met. See part IV below: “ACCEPTANCE OF THE PLAN AND CONFIRMATION” for a more complete explanation of the approval process.

3. ***Defined Terms.*** Capitalized terms used in this Disclosure Statement and which are not otherwise defined in this Disclosure Statement have the meanings ascribed to such terms in the Plan and the Code.

B. SUMMARY OF PLAN AND DISCLOSURE STATEMENT

1. ***The Plan of Reorganization.*** Plan contemplates the sale of assets which will fund distributions provided by the Plan. The Debtors will continue to market and sell their real property and water stock assets with the assistance of professionals, pursue collection of a judgment recently entered in their favor and otherwise manage the estates’ litigation proceedings, and continue to operate their art business in the ordinary course for a period of eighteen (18) months. This time period coincides with the anticipated time frame for the closing of the Blue Horizon Sale, with a reasonable margin. During this time, payments due on secured obligations will be kept current and/or paid down and distributions will be made to unsecured creditors. The terms under which Home State Bank will receive payments on its loans and the way in which the proceeds from the sale of collateral securing its loans is applied to the loans will be modified under the Plan so that sale proceeds will first be applied to keeping the loans current. These modifications will help free up funds for distribution to unsecured creditors. Home State Bank’s security interest in the land owned by Luxor, LLC will also be modified so as to subordinate up to \$3,000,000.00 dollars of sale proceeds to unsecured creditors. A copy of the Plan is attached hereto as **Exhibit A**.

2. ***Classes and Treatment of Claims.*** Six classes of claims are created under the Plan. Detailed information regarding the treatment of each class of creditors and interest holders is set forth below in Part III(B) “DESCRIPTION OF THE PLAN OF REORGANIZATION--CLASSIFICATION OF CLAIMS AND DISTRIBUTION TO CLASSES.”

3. ***Tax Consequences.*** The Debtors are individuals subject to the payment of income taxes. The Plan Proponents do not believe that it will have any income tax liability as a result of the transactions contemplated by the Plan. Creditors and interest holders may be subject

to significant federal, state and local tax consequences as a result of the Plan. Because the transactions contemplated by the Plan are complex and the tax consequences to each creditor and interest holder may vary based on individual circumstances, creditors and interest holders are urged to consult their own tax advisors. See Part VI below: “CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN.”

4. ***Alternatives to the Plan.*** Any other party in interest may file an alternative Chapter 11 Plan. If no Chapter 11 Plan is confirmed, the bankruptcy case could be dismissed and creditors would be entitled to pursue their claims against the Debtors. Alternatively, the bankruptcy case could be converted to Chapter 7, under which the Debtors’ assets would be liquidated. See Part V below: “ALTERNATIVES TO THE PLAN.”

5. ***Confirmation of the Plan.*** A prerequisite to confirmation of the Plan is the acceptance of the Plan by each class of claims that is impaired by the Plan. A class of impaired claims will be deemed to have accepted the Plan if a majority in number and two-thirds in dollar amount of the Allowed Claims of the class that actually vote have voted to accept the Plan. If confirmed, the Plan will be binding on all holders of claims and interests including holders that did not vote or holders that voted against the Plan. In addition, the Court may, under certain circumstances, and at the request of the Plan Proponent, confirm the Plan despite the failure of one or more impaired classes of claims to accept the Plan.

It is important that you exercise your right to vote to accept or reject the Plan. A ballot, together with instructions for voting, accompanies this Disclosure Statement. You should read the ballot carefully and follow the instructions. For detailed information regarding acceptance and confirmation of the Plan and the voting process see, Part IV “ACCEPTANCE OF THE PLAN AND CONFIRMATION,” Part VII “VOTING INSTRUCTIONS AND PROCEDURES,” and Part VIII “ADDITIONAL INFORMATION.”

6. ***Plan Implementation.*** A hearing with respect to Confirmation of the Plan is scheduled for _____, 2014 at _____, am.

II. OVERVIEW OF THE BANKRUPTCY CASE

A. THE DEBTORS.

The Beierwaltes are a married couple. They have been married for decades and have adult children. The Beierwaltes primary business for much of their adult lives has been the acquisition, management and sale of an extremely extensive and valuable body of art works. Over the years they have found a great deal of personal (and financial) satisfaction and enjoyment in the business of buying, living with and selling beautiful works of art. They have a long history in the art business and their home often serves as their gallery. They have employees who assist them in this business and in the management of their other assets. They are exceptionally well versed in the art market and have an excellent reputation within the art world, particularly in regard to a category of art know as antiquities. At one time, the Beierwaltes’ collection was considered one of, if not the, finest private collection of antiquities in the United States. These antiquities are very ancient art, mostly from the Greek, Roman and Egyptian civilizations.

The nature of the antiquities business changed dramatically several years ago in way that had a significant negative impact on the liquidity of the Debtors art works. As a practical matter, and due mostly to political reasons, art auction houses no longer accept antiquities for public sale unless they have a documented chain of title going back to at least 1983. This is a relatively recent development in the art world over the past six or seven years. Antiquities are still bought and sold every day in private sales, but the option of sale by public auction is no longer available for the vast majority of antiquities because very few have such an extended chain of documented ownership. The Beierwaltes acquired their antiquities, like most dealers and collectors, at a time when ownership documentation (called provenance) was not a major consideration or the lack thereof an impediment to sale by public auction.

Therefore, they like most art dealers, have had to change the way in which they sell art works. Antiquities are now sold through private sales which require an operating business, run by experienced people, and the assistance of private dealers. The Beierwaltes have adapted their art business to these conditions and have conducted private sales in the ordinary course of their business for many years. The community of dealers and collectors for the most extraordinary and valuable antiquities is relatively exclusive. Knowledge and experience with this exclusive community is vitally important to the success of the sale of such art works. The Beierwaltes are a part of this community and have decades of experience and accumulated knowledge that is of irreplaceable value. The Beierwaltes also have a long standing and successful relationship with the premier international dealer of high value antiquities, Phoenix Ancient Art, whom they have engaged on behalf of the estate.

They have also been very successful over the years starting, growing and then selling a variety of other business which has helped to grow their art business into an enterprise worth tens of millions. William Beierwaltes currently serves as a manager of a startup company called Biochar Now, LLC. The Beierwaltes hold a substantial investment in Biochar Now, LLC. This startup company intends to manufacture and sell a soil enhancement product known as Biochar. This company is not currently making a profit and Mr. Beierwaltes is not being compensated. However, the Debtors expect that Biochar Now, LLC may grow into a profitable enterprise over the next several years.

Circumstances which precipitated this bankruptcy filing.

The Debtors' Chapter 11 filing was precipitated by a number of factors, including the unprecedented conditions in the American and world economies over the last four years. In addition, the international credit crisis has caused a significant constriction of credit that has affected the Debtors. However, the primary reason for this Chapter 11 filing is that one of the Debtors' unsecured lenders, an individual named Bill R. Putman ("Putman") obtained a judgment against the Debtors in the approximate amount of \$5 million in late April 2013. The Debtors and Mr. Putman attempted to reach a settlement through their counsel over the next few weeks and during the first week after the filing of the petition, but were not able to reach an agreement. The Debtors faced the prospect of aggressive collection of that judgment which would have dramatically restricted the Debtors' ability to operate their business, and would have resulted in an attempt to force the Debtors into a fire sale liquidation of their assets. This Chapter 11 case was therefore filed to preserve the value of the Debtors' assets and their business for the benefit of all creditors and other parties in interest including the Debtors' own very

sizable residual interest.

B. SIGNIFICANT CREDITORS AND CREDITOR GROUPS

1. ***Homes State Bank (“Home State”).*** Home State has two loans with the Debtors, each with a separate promissory note. The Beierwaltes refer to the two loans as the Original Loan and the Art Loan. As of the Petition Date, neither loan was in default, nor had previously come into default. Neither loan has gone into default during the Bankruptcy Case.

On The Petition Date, the amount owing under the Original Loan was approximately \$4,000,000, and the amount owing under the Art Loan is approximately \$3,370,000, for an approximate total of \$7,370,000.00. The total obligation to Home State Bank has been paid down to approximately \$6,718,000.00 during the case. The Original Loan is secured by a first priority lien on all of the Debtors’ real property other than their primary residence, a first priority lien on shares of water stock and water rights, and a second priority lien in the most valuable items of the Beierwaltes largest asset, their inventory of art (the “Art Inventory”). The Art Loan is secured by a first priority lien in the same art that secures the Original Loan, and a second priority lien on the real property and other collateral that secures the Original Loan. Both loans contain a revolving credit line component. The terms of the Art Loan allow the Beierwaltes to sell art works that secures the loans in the ordinary course of business without any preapproval by Home State, but requires that sixty percent (60%) of the net proceeds to be to be used to pay down the Art Loan and leaves the remaining net proceeds available to the Beierwaltes. The payment terms for the original loan require a payment of \$350,000 every six months. The payment terms for the Art Loan require only a single annual interest only payment for three years (currently in the second year) with maturity at the end of three years.

Home State Bank filed proof of claim number 9 in an amount of \$7,366,216.99.

Nationstar Mortgage, LLC (“Nationstar”). Deutsche Bank National Trust Company, as trustee for holders of the BCAP LLC Trust 2007-AA3 d/b/a Nationstar Mortgage, LLC, is a successor in interest to Countrywide Bank/Bank of America and holds a promissory note of approximately \$3,000,000.00 which is secured by a first deed of trust upon the Debtors’ primary residence located at 1907 Gail, Loveland, Colorado. Nationstar Mortgage LLC filed proof of claim number 7 in the amount of \$3,005,533.85.

2. ***The Bank of New York Mellon, et al (“Mellon”).*** The Bank of new York Mellon f/k/a The Bank of New York, as trustee for the Benefit of the Certificate holders of the CWHEQ, Inc., CWHEQ Revolving Rome Equity Trust, series 2007-C, holds a promissory note in the approximate amount of \$185,000.00 which is secured by a second deed of trust upon the Debtors’ primary residence located at 1907 Gail, Loveland, Colorado. Mellon filed proof of claim number 6 in an amount of \$185,354.57.

3. ***John Bachofen.*** Mr. Bachofen is an individual who resides in the nation of Switzerland. Mr. Bachofen made two loans to the Debtors, one prior to the Petition Date, and one after. Both loans are both in the amount of \$350,000. The prepetition loan is secured by a first priority lien on the Debtor’s Japanese art collection. The post petition loan, as authorized by the Bankruptcy Court, has been allowed as an administrative claim in the bankruptcy case.

During the case, the pre petition portion of Mr. Bachofen's claim has been paid in fully from the proceeds of the sale of his collateral. Mr. Bachofen retains his administrative claim.

4. **Bill R. Putman.** Mr. Putman is an individual who resides in the State of Colorado and is a judgment creditor who received a judgment against the Debtors in the amount of \$4,943,523.94. The Judgment was entered in Colorado District Court, Larimer County (Fort Collins) in case number 2012CV2046. The judgment was entered in a suit brought by Mr. Putman to collect the balance due on a series of promissory notes. The amounts entered for the judgment are \$3,650,000 in principal due under the notes, \$1,284,782.75 in accrued interest, and \$8,741.19 in attorney fees and cost. The judgment provides for interest at a rate of 8.25%. Mr. Putman recorded his judgment as a lien in the real property records of Larimer County, Colorado prior to the Petition Date. The Debtors scheduled Mr. Putman's claim as a secured claim due to his lien. However, the Debtors now believe that Mr. Putman's lien was not secured on the Petition Date because the senior liens of Home State Bank exceeded the total value of the property. Mr. Putman filed proof of claim number 3, as a secured claim, in the amount of \$4,979,512.18. The Debtors believe that Mr. Putman holds the largest unsecured claim in this case.

5. **3vNet, Inc.** 3vNet asserts claims against the Debtors in litigation pending in Fort Collins, Colorado (the "Fort Collins Litigation"). On October 15, 2009, 3vNet f/k/a Russound Acquisition Corp., Russound/FMP, Inc., and Maureen Baldwin (the "3vNet Parties") agreed to indemnify the Beierwaltes Parties for all obligations under an agreement with the City of Loveland whereby they had personally guaranteed to repay an incentive of \$500,000.00 that the city had granted to a business they owned on the condition that the business employ a minimum number of people in the Loveland area. The Debtors sold that business to the 3vNet Parties. These terms the sale including the indemnity in favor of the Debtors is documented in the Asset Purchase Agreement ("Asset Purchase Agreement") and the Closing Agreement ("Closing Agreement").

On December 21, 2010, the City of Loveland filed its Complaint against the Beierwaltes Parties seeking payment under the personal guaranty. Loveland's First Amended Complaint was filed on January 24, 2011. On May 11, 2012, the State Court granted partial summary judgment in favor of the City of Loveland and against the Beierwaltes Parties. On May 10, 2013, the City of Loveland and the Beierwaltes Parties agreed to resolve their claims and agreed to dismiss their claims and counterclaims for a payment by the Debtors to the City of Loveland of \$599,000. May 23, 2013, the City of Loveland and the Beierwaltes Parties filed their Stipulation for Dismissal of all Loveland-related claims.

On May 29, 2013, the City of Loveland's claims and Beierwaltes Parties' counterclaims were dismissed with prejudice.

On May 12, 2011, the Beierwaltes Parties filed a Third Party Complaint against the 3vNet Parties seeking enforcement of the indemnification obligations of the Closing Agreement and Asset Purchase Agreement. On September 30, 2011, the 3vNet Parties filed product liability claims against the Beierwaltes Parties. The 3vNet Parties also asserted claims against the product manufacturer (Bias Power). On May 21, 2012, the State Court granted partial summary judgment in favor of the Beierwaltes Parties and against the 3vNet Parties as to the Beierwaltes

Parties' indemnity claim. The 3vNet Parties' claims against the Beierwaltes Parties and Bias Power are pending. Bias Power has represented that it has no resources and its counsel in the State Court litigation has withdrawn.

On March 10, 2014, the Debtors obtained a judgment 3vNet f/k/a Russound Acquisition Corp., Russound/FMP, Inc. and Maureen Baldwin, jointly and severally in the amount of \$808,147.55 as of March 10, 2014 (the "3vNet Judgment"). The judgment amount shall accrue interest at the statutory rate of 8%, or \$177.13 per diem, from March 10, 2014 until such judgment is satisfied in full. The judgment has issued and the Debtors intend to proceed with collection. However, 3vNet's counterclaims and cross-claims have not yet been resolved.

3vNet filed proof of claim number 4 in the amount of \$1,600,000.00. The Debtors dispute this claim and have their own judgment to collect against 3vNet.

6. ***Treasurer of Larimer County.*** Larimer County filed proof of claim number 5, which asserts a claim based on unpaid taxes in the amounts of \$7,444.74. The proof of claim asserts that the claim is secured by personal property of the Debtors; however, the Debtors believe that they did not own an interest in the subject property on the Petition Date. The Debtors dispute this claim and classify it as a priority unsecured claim rather than a secured claim.

7. ***Internal Revenue Service.*** The IRS file proof of claim number 8 which asserts a claim based upon unpaid taxes in the amount of \$5,100.00. The Debtors dispute this claim.

8. ***Unsecured Creditors.*** In its Statements and Schedules filed with the Court, the Debtors listed total non-priority unsecured debts of approximately \$12,680. In addition to the claims listed in the Debtors' Statements and Schedules, a variety of proofs of claim have been filed by creditors. Some of these proofs of claims include claim amounts that are different than those listed in the Statements and Schedules. In addition, a few proofs of claim list unsecured debts that were not included in the Debtors' Statements and Schedules. The largest by far among such claims was filed by 3vNet, Inc. in the amount of \$1,600,000, which is described in detail above.

An analysis comparing the proofs of claims filed against the Debtors with the claims in the Debtors' Statement and Schedules is attached as **Exhibit B**.

C. SIGNIFICANT EVENTS DURING BANKRUPTCY

On May 21, 2013 the ("Petition Date") the Debtors filed a voluntary bankruptcy petition under Chapter 11 of the Code. The following summarizes the significant events which have occurred during the bankruptcy.

1. ***Employment of Professionals.*** The Debtors has hired certain professionals to assist in the reorganization process. Professionals hired in connection with the Bankruptcy proceedings include the following:

Appel & Lucas, P.C. (now Appel Lucas & Christensen P.C.) On June 25, 2013, the Court entered an order *nunc pro tunc* to May 21, 2013, authorizing the Debtors to hire the law firm

Appel & Lucas, P.C. (now Appel Lucas & Christensen) (“ALC”) to act as counsel for the Debtors in Possession. ALC did not receive a retainer.

Robinson Waters & O’Dorisio. On June 25, 2013, the Court entered an order approving the employment of the Robinson Waters & O’Dorisio (“RWO”) as special counsel pursuant to section 327(e) of the Code. RWO did not receive a retainer.

Phoenix Ancient Art S.A. On July 17, 2013, the Court entered an order approving the employment of Phoenix Ancient Art S.A. (“Phoenix”) as art brokers to assist the Debtors in marketing and selling art works. Phoenix did not receive a retainer.

Century 21, Humpal, Inc. On September 25, 2013, the Court entered an order approving the employment of Century 21, Humpal, Inc. (“Century 21”) as real estate brokers for the Debtors to assist in the marketing and sale of real property. Century 21 did not receive a retainer.

Colorado Land & Water, LLC. On September 25, 2013 the Court entered an order approving the employment of Colorado Land & Water, LLC (“Colorado Land”) as water broker to assist the Debtors in marketing and selling water stock and other water related assets. Colorado Land & Water did not receive a retainer.

Sample & Bailey, P.C. On September 26, 2013, the Court entered and order approving the employment of Sample and Bailey, P.C. (“Sample & Bailey”) as accountants for the Debtors. Sample & Bailey did not receive a retainer.

Sheehan Phinney Bass & Green. On March 27, 2014 the Debtors filed a motion seeking authorization for the employment of Sheehan Phinney Bass & Green (“SPBG”) as special counsel pursuant to section 327(e) of the Code. This motion has been set for hearing on April 10, 2014. SPBG did not receive a retainer.

Moses & Singer. On March 26, 2014 the Debtors filed a motion seeking authorization for the employment of Sheehan Moses & Singer, LLP (“M&S”) as special counsel pursuant to section 327(e) of the Code. This motion has been set for hearing on April 10, 2014. M&S did not receive a retainer.

Additional information regarding the amount of fees and costs incurred by these professionals is found at “CLASSIFICATION OF CLAIMS AND DISTRIBUTION TO CLASSES/ADMINISTRATIVE EXPENSES.”

2. ***Financing and Use of Cash Collateral.*** On June 3, 2013, the Debtors filed two separate motions to approve post petition borrowings, the use of cash collateral, and to grant super priority administrative claims. The Debtors sought and were granted expedited consideration of both motions. In the first motion, the Debtors sought to have the Court authorize the Debtors to borrow \$350,000 from John Bachofen under §364(c), secured by a lien on his prepetition collateral (Japanese art works) and a superpriority administrative expense claim, in order to make a payment due to Home State Bank and prevent a default on the Original Loan (the “Bridge Loan Motion”), which was due on June 15, 2103. In support of the Bridge Loan Motion, the Debtors asserted that the borrowing was necessary to avoid default to Home

State Bank and that such a default would jeopardize The Debtors' reorganization, and that such borrowing was not available on an unsecured basis and that granting a superpriority administrative claim would not put other creditor constituencies at risk of nonpayment.

The second motion, also filed on June 3, 2013 sought authority to borrow approximately \$225,000 from Home State Bank under a pre-existing line of credit for payment of the Debtors business and personal expenses (the "Home State Motion") pursuant to a proposed budget. The Home State Motion further sought authority to use cash collateral by continuing the prepetition terms of the Art Loan which allows the Debtors to sell art work that secures the loans in the ordinary course of business without any preapproval by Home State, but requires that sixty percent (60%) of the net proceeds to be to be used to pay down the Art Loan and leaves the remaining (40%) net proceeds available to the Beierwaltes. The Home State Motion sought to secure this borrowing with a first priority lien on Home State's prepetition collateral and a superpriority administrative claim.

Bill R. Putman filed objections to both of the Debtors' motions on June 6, 2013, arguing that, contrary to the allegations of the Debtors, no new borrowing should be allowed, no new liens granted or superpriority administrative claims granted. Putman also argued that Home State Bank is over secured and should not be granted any new liens or super priority claims. Putman further argued that Debtors' living expenses are too high and questioned the Debtors' business judgment.

The Court held a forthwith evidentiary hearing on both of the motions starting on June 6, 2013 which was continued and completed on June 12, 2013. The hearing was continued so that the Debtors could complete and file their Schedules and Statement of Financial Affairs, which the Debtors filed on June 10, 2013. Following the hearing, the Court entered an order denying the Home State Motion and an order granting in part and denying in part the Bridge Loan Motion. All borrowing was denied under the Home State Motion, although the Debtors have been allowed use the 40% net proceeds from the sale of art works which secure the Art Loan with the consent of Home State Bank. The Debtors were authorized to borrow \$350,000 from John Bachofen to make the June 2013 payment to Home State Bank due under the Original Loan. The Debtors request that this borrowing be secured by a lien on Mr. Bachofen's prepetition collateral and a superpriority administrative claim was denied and Mr. Bachofen was allowed only an ordinary administrative claim. The proceeds of the borrowing were used to make the June 2013 payment to Home State Bank.

3. ***Bar Date Motion.*** On August 20, 2013, the Debtors filed a Motion requesting the Court to fix a Bar Date for the filing of proofs of claim and interests. An order fixing a Bar Date of October 7, 2013 was entered by the Court on August 22, 2013.

4. ***Motion for Relief from Stay.*** On June 27, 2013, Russound Acquisition Corp (f/k/a Colorado VNet Corp), Russound/FMP, Inc., Maureen Baldwin and 3Vnet, Inc., filed a Motion for Relief from Stay (the "Relief from Stay Motion"), requesting that the Court lift the stay and allow the them to prosecute counter claims asserted against the Debtors in the Fort Collins Litigation or alternatively that the stay be imposed upon the Debtors so that they would not be able to move forward to finalized and collect the judgment entered in their favor. On July 16, 2013 the Debtors objected to the Relief from Stay Motion on the ground that the parties

moving for relief from stay are not the actual owners of the counter claims and therefore did not have standing to seek such relief, and further that that the automatic stay cannot be imposed upon a debtor, as well as certain procedural defects in the motion.

After a preliminary hearing held on July 23, 2013, the Court granted the Relief from Stay Motion, allowing all parties to proceed with their respective claims in the Fort Collins Litigation which are more fully described above in PART II(B)(6) SIGNIFICANT CREDITORS AND CREDITOR GROUPS.

5. ***Motion to Convert or Dismiss Chapter 11 Case.*** On January 10, 2014, creditor Bill R. Putman filed a Motion to Dismiss or Convert Chapter 11 Case (the “Conversion Motion”). Mr. Putman asserted that there has been an unreasonable delay by the Debtors in conducting this case which is detrimental to creditors, that the Debtors have not taken action to sell the land owned by Luxor, LLC, and that they have lived a high life style and are spending amounts for their personal and living expenses that exceed those set forth in a budget that was proposed, but not approved, in connection with the Home State Motion described above.

The Debtors filed an objection to the Conversion Motion on January 21, 2014. The Debtors responded to the allegations in the motion first by pointing out that the Debtors have not missed any deadlines imposed by the Bankruptcy Code or by the Bankruptcy Court for the filing of a plan of reorganization, that the bankruptcy estate is administratively solvent, that the Debtors have sold assets and paid down over \$1,000,000 of the secured debt in the case, and would be able to propose a plan that provides for the full payment of all creditors within a reasonable time. The Debtors also described their efforts to market and sell the land owned by Luxor, LLC which included the engagement by Luxor, LLC of Marcus & Millichap to assist in the marketing of the land and conduct a competitive sale process. The Debtors also objected to the characterization that they are living the high life at the expense of creditors by pointing out that they have tightened their belts such that they actually spent considerably less than the amounts proposed in the budget submitted with the Home State Motion.

On February 2, 2014 creditors Home State Bank and John Bachofen joined in the Debtors’ objection to the Conversion Motion. At the preliminary hearing held on February 4, 2014, the Court did not take offers of proof or hear argument from the parties, and by agreement of the parties, set a final evidentiary hearing to be conducted on April 10, 2014.

6. ***Sale of Water Stock outside of the ordinary course of business.*** During this case, the Debtors negotiated, obtained approval, and closed two sales of water stock. On October 2, 2013 the Debtors filed a Motion for the Entry of Order Approving Sale of Eight Share of Home Supply Ditch & Res. Co. Water Stock Free and Clear of Liens and Interest to Oakwood Homes Outside of the Ordinary Course of Business Pursuant to 11 U.S.C. 363, and Pay Broker’s Commission (the “Home Supply Sale Motion”). The price for the Home Supply water stock was \$65,000 per share, of which \$64,000 went to the Debtors, and \$1,000 went to pay the broker’s (Colorado Land & Water, LLC) commission. The water stock was subject to the lien of Home State Bank and the Debtors further requested authority to deliver the sale proceeds to Home State Bank. No objections were filed to the Home Supply Sale Motion. On October 25, 2013, the Court entered the Order Granting the Home Supply Sale Motion. The sale closed successfully.

The total compensation received by the estate was \$512,000, which was delivered to Home State Bank.

The Debtors sought approval of a second sale of water stock on November 14, 2013 by filing their Motion for Order Approving Sale of Five Shares of CB-T Water Stock Free and Clear of Liens and Interests Outside of the Ordinary Course of Business Pursuant to 11 U.S.C. 363, and Pay Brokers' Commission (the "CB-T Sale Motion"). The price for the CB-T water stock was \$19,000 per share paid to the Debtors, and a commission of \$500 per share paid to the broker (Colorado Land & Water, LLC). The water stock was subject to the lien of Home State Bank and the Debtors further requested authority to deliver the sale proceeds to Home State Bank. No objections were filed to the CB-T Sale Motion. On December 12, 2013, the Court entered the Order Granting the CB-T Sale Motion. This sale closed successfully. The total compensation received by the estate was \$95,000, which was delivered to Home State Bank. The total commission paid to Colorado Land & Water, LLC was \$2,500.

The Debtors have also spent substantial time marketing additional water stock and water credits. In particular, the Beierwaltes are personally engaged in the sale of City of Loveland water stock/credits. These are also sometimes call "water tap credits." The Debtors own 213 of these credits. See part II(D) below: "ASSETS" for a more complete description of these credits and their value. They have conducted detailed research at the city to compile a list of all pending development projects, their locations, ownership, contact information, project size, and current project development phase (for timing). They also researched and developed a list of other City Water Credits holders along with contact information and number of credits. They created a database of all this information. Next, they developed a marketing solicitation targeted to the developers. The Beierwaltes then worked with their water broker, Colorado Land & Water, to email the solicitation to the targeted developers under the broker's name (for credibility and familiarity). Developers are now contacting the broker to discuss upcoming needs, and making offers. The Debtors are currently negotiation the sale of four of these credits. Follow up solicitations are planned. The database and solicitations are the result of the Debtors research and other work, and they have obtained the agreement of their water broker to waive any commission for the sale of these water tap credits, allowing all sale proceeds to be retained for the benefit of the bankruptcy estate.

7. ***Sale art works in the ordinary course of business.*** The Debtors, with the assistance of their broker Phoenix, have operated their art business throughout this case and have endeavored to sell any and all of their inventory of art works in order to raise funds for the payment of creditors. The Debtors have closed the following sales of art works since the Petition Date:

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Description	Date Sold	Total Sale Price	Phoenix Ancient Art Commissions & Wire Fees	Net Received
Plastic Vase	6/17/13	\$35,000	\$10	\$34,990
Duck Weight	7/4/13	\$100,000	n/a	\$100,000
Marble Idol	7/4/13	\$100,000	\$47	\$99,953
Cypriot Idol	7/4/13	\$100,000	n/a	\$100,000
Sumarian Statue	10/3/13	\$500,000	\$100,020	\$399,980
Japanese Screens	3/21/14	\$400,000	n/a	\$400,000
			Total:	\$1,134,923

The Debtors have also invested substantial time and resources in sales that have not yet closed. These efforts have been focused on art works with multi-million dollar values. Right about the same time that this case was filed, the Debtors found a buyer interested in one of their largest and most valuable works, a quartzite Egyptian bust of Sosestris III (the “Sosestris”). The Debtors and the buyer agreed on a price of four million Euros (approximately \$5,000,000), however, the buyer wanted to pay in two installments and indicated a willingness to enter into a contract (which is unusual as most such sales are a single transaction completed without need for a written contract) whereby if he failed to make the second installment payment, he would forfeit the first installment. When it came time to sign that contract the buyer added a new condition requiring that the Debtors convince either the New York Metropolitan Museum of Art (the “Met”) or the Louvre in Paris to take the piece for display as that would give the buyer additional comfort in completing a private sale. The Debtors and their broker then spent several weeks working with the directors of the Louvre and Met to place Sosestris into the collections of one or the other museum. They were able to reach out to both of those world famous museums and actually gain access at the highest level only because of their and their broker’s excellent reputation within the art world. Both museums loved the idea of displaying Sosestris, but neither was in a financial position to incur the cost of redesigning the space housing their Egyptian collections to accommodate the piece. They estimated such a redesign would cost hundreds of thousands of dollars and so regretfully declined to accept Sosestris.

Despite this setback, the buyer remained very interested and offered a compromise. He would agree to purchase Sosestris at auction if the Debtors could get Christie’s Auction House of London (“Christies”) to take the piece in its next auction of antiquities which is scheduled for April of 2014. The buyer even agreed to pay the full four million euro price even if the bidding at the auction closed in a lesser amount, and that the Debtors would be free to sell to the highest bidder if he was out bid. The Debtors and their broker then attempted to convince Christies to accept Sosestris. They were initially able to convince Christies to accept Sosestris with a lesser level of documentation than Christie’s generally requires. The level of documentation that would be required was still more than they had available at that time, but less than would be required in most cases. They and their staff then went to work on an extensive and exhaustive research project to find the necessary documentation. They succeeded in finding the necessary documentation. The documents were provided to Christies and the Debtors expected a

successful sale. Unfortunately, Christies changed its position about the level of documentation it would require, and would no longer accept Sosestris without the full provenance, which the Debtors could not provide.

The Debtors continue to work to close a private sale of Sosestris. The buyer remains very interested in Sosestris, and his agents and attorneys are currently working with the Debtors, their dealer, and the director of the Louvre to put Sosestris on display. The buyer has indicated that he is prepared to make donations to the Louvre in order to offset the museums cost for redesigning the space that houses their Egyptian collection. If an agreement can be reached with the Louvre, the Debtors expect that they will be able to close the Sosestris sale, but also expect that the buyer might attempt to negotiate a discount to the sale price on account of his donations to the Louvre.

The Debtors are also pursuing some new sales of multi-million dollar art works. They have recently begun the process of trying to sell a major archaic bronze figure to a major US museum. That bronze figure is valued at \$5,000,000 on the Schedules, but may sell for up to \$8,000,000. The Debtors are very well acquainted with the director of the museum, who has just recently taken over the directorship. This museum is just starting buy antiquities again after a self imposed embargo due to legal issues with another country. They have scheduled an April meeting in New York and will take the piece out to meet with him in person. They also have two other pieces that they are trying to sell to a major Middle East museum.

8. ***Luxor, LLC's Marketing efforts and Development of the Plan.*** The Debtors own a 100% interest in a limited liability company known as Luxor, LLC, which in turn owns valuable real property. See part II(D) below: "ASSETS" for a more complete description of Luxor, LLC and its value. The Debtors directed Luxor, LLC to engage the firm of Marcus & Millichap Real Estate Investment Services ("M&M"), to assist in the marketing of the real property. M&M engaged in an intensive multi month marketing effort that included extensive background work, marketing to potential buyers, and discussions with officials of the City of Loveland. The Debtors met several times with officials of the City of Loveland because the feedback they received during the marketing indicated that annexation of the real property by the City and/or the issuance of various entitlements for development of the property would greatly increase the attractiveness, and therefore value, of the real property to potential buyers who seek to develop the property. The culmination of that marketing effort was a call for offers on December 15, 2013. Based on the feedback they received, potential buyers were invited to make two types of offers: 1) a quick sale (90 -150 days to closing) as the property is currently zoned and situated, and 2) a longer term sale (up to a year) with closing subject to obtaining annexation and/or entitlements for development.

The call for offers produced two offers and a third party that indicated that it would still like the opportunity to make an offer. The offers were in a range of \$6,000,000 to \$7,800,000. M&M's next step was to engage all of the parties to compete and increase their offers in order to obtain the highest and best price for the property. This sale process has resulted in an agreement for the sale of the property to Blue Horizon Partners, LLC which is confirmed in a letter of intent dated March 21, 2014 (the "LOI"), which will be further memorialized in a purchase agreement

(the “Purchase Agreement”) which the parties are working to complete. A copy of the LOI is attached hereto as **Exhibit C**. A summary of the essential terms of the agreement:

Property:	280 acres in Loveland, Colorado, identified as Ryan Gulch Subdivision, located at 2400 West CR 16.
Purchase Price & Adjustments:	The price is based on the lot yield at \$12,000 per lot. The price in the agreement is based on a minimum lot yield of 650, which would set a total price of \$7,800,000. The debtors expect that the lot yield will be higher with a potential top end of 740 lots, which would raise the purchase price to \$8,880,000. It is also possible, but not expected, that the lot yield may be less than 650.
Conditions:	The sale is contingent upon completion and recordation of an annexation agreement with the City of Loveland, Colorado, along with all necessary governmental approvals to pull a site development for the entire project, or mutually agreed phases.
Time Frame & Closing:	The estimated time to obtain the annexation agreement and other approvals is 14 months. Closing will occur within 15 days of issuance of the annexation agreement and approvals.
Earnest Money Deposit:	\$50,000 refundable upon termination unless applied to purchase under purchase agreement. However, the earnest money will not be refunded and will be retained by seller along with all work product if buyer fails to meet certain performance milestones and seller chooses to terminate the agreement as a result of such failure.
Default and Termination:	To be negotiated in final Purchase Agreement.
Lien on Property:	The property is fully encumbered by the two loans held by Homes State Bank.

This plan will be the vehicle through which the proceeds of this sale are made available to pay creditor claims.

D. ASSETS

The Debtors own a variety of assets, including, real property, business equipment, automobiles, interests in businesses, the 3vnet Judgment, and personal property including valuable jewelry. The Debtors’ most valuable asset is their business inventory of works of art.

1. **Cash on Hand.** As of May 21, 2013 the Debtors held cash or cash equivalents in the approximate amount of \$1,500.

2. **Real Property.** The Debtors' Statements and Schedules list five properties which the Debtors own including their primary residence, two small vacant lots near their primary residence, two additional residences, and 2.3 acres of undeveloped land near the Ryan Gulch Reservoir.

The Debtors' primary residence is located at 1907 Gail, Loveland, Colorado, 80537. The Debtors listed value of \$3,000,000 for their residence on the Statements and Schedules. The Debtors research indicates that home values in Loveland have increased by eight percent (8%) since the Petition Date, and therefore, believe that the current value is \$3,240,000. The home is subject to two promissory notes which are secured by deeds of trust in the amounts of \$3,005,533.85 (Nationstar) and \$185,354.57 (Mellon) for a total secured debt of \$3,190,888.42. The home is in excellent condition and repair.

The two other residences owned by the Debtors are smaller homes located in close proximity to their primary residence. The Debtors believe that the first of these houses, located at 1900 Gail, Loveland, Colorado, 80537, has a value of \$380,000. The second, located at 1911 Gail, Loveland, Colorado, 80537 has a value of \$700,000. The Debtors assign these values herein and in their Statements and Schedules based on appraisals commissioned by Home State Bank more than two years prior to the Petition Date. The Debtors believe that these properties have also appreciated by eight percent (8%) since the Petition Date. Both of these houses secure the loans of Home State. 1900 Gail is in good condition and repair, while 1911 Gail, used primarily for storage and office space, is in sound but lesser condition.

The vacant lots are located at 1967 Taft, Loveland, Colorado, 80537. The Debtors assign a value of \$290,000 to these lots. The Debtors value the 2.3 acres near Ryan Gulch Reservoir at \$370,000. The Debtors assign these values herein and in their Statements and Schedules based on appraisals commissioned by Home State Bank more than two years prior to the Petition Date. These properties also secure the claims of Home State.

3. **Interests in Businesses.** The Debtors' directly own interests in two Colorado limited liability companies, and through one of those entities, indirectly own interests in two others. The Debtors jointly own Luxor, LLC ("Luxor") and Lynda Beierwaltes owns an 80% interest BLB Investments, LLC ("BLB Investments") with her son who owns the other 20%. BLB Investments in turn owns interests in Royalty Exploration, LLC ("Rex") and Biochar Now, LLC. BLB's interest in Rex is approximately 3% of the total ownership, and its interest in Biochar is approximately 28%. The Debtors do not believe that their interest in BLB Investments holds any significant value at this time. The investments that BLB Investments holds in Rex and Biochar Now, LLC, do not produce any income and are not saleable at this time. Rex is an oil and gas investment which is not producing any income, and Biochar Now, LLC is a startup company which is also not providing an income to BLB Investments. At some time in the future one or both of Rex or Biochar Now, LLC may become profitable enterprises and provide a return to BLB Investments, but the Debtors do not expect that will occur during the timeframe of the Plan.

The Debtors interest in Luxor, LLC has significant value. Luxor, LLC is a Colorado limited liability company that was formed to hold title to approximately 280 acres of undeveloped real property located in Loveland, Colorado. The Debtors value their interest in Luxor, LLC based on the value of this real property. As described above in part II(C) (7) SIGNIFICANT EVENTS DURING BANKRUPTCY, Luxor has recently entered into a letter of intent regarding the sale of this property to Blue Horizon Partners, LLC for consideration expected to range between \$7,800,000.00 and \$8,880,000.00. Having completed an extensive multi month competitive marketing and sale process, the Debtors believe that the sale price is an accurate measure of the current market value of the property. The Debtors listed a value of \$13,000,000 for their interest in Luxor, LLC on their Statements and Schedules based on an appraisal commissioned by Home State Bank more than two years prior to the Petition Date. The Debtors expect that they could potentially obtain a higher price for Luxor's real property if they were to market it for two to three more years but believe that it is in the best interests of creditors to proceed now with a sale at current market price.

4. **Water Stock & Water Credits.** As noted in II(C) (6) SIGNIFICANT EVENTS DURING BANKRUPTCY above, the Debtors have sold shares of water stock during this case, and have spent substantial time marketing additional water related assets. They still have 213 shares in the City of Loveland water bank (water credits) which they value on their Statements and Schedules at \$3,344,000 (approximately \$15,699 per credit) which was the full face value of the water credits on the Petition Date. Following the Petition Date, the City of Loveland increased the price of water tap credits to \$19,425, and the Debtors therefore now value their water credits at \$4,137,525.

These water credits, sometimes called water tap credits, allow a property to be connected to the City of Loveland's water supply. The buyers are almost always developers or home builders. These same tap credits are sold by the City of Loveland itself, and by other private entities. The Debtors are in competition with City of Loveland and other owners of tap credits, and therefore, are prepared to offer a discounted price (up to 20%) in order to make a purchase of their credits more attractive to buyers than dealing directly with the City of Loveland or another seller. Discounts will be negotiated with individual buyers and may or may not be twenty percent (20%) in all cases. If all of the tap credits are discounted by 20%, their value is \$3,310,020 (\$15,540 per credit).

They also own 31.5 shares in Ryan Gulch which they scheduled at \$1,197,000, and 6 shares identified as Southside water shares which they scheduled at \$120,000. The Southside water shares are included in the Blue Horizon Sale. The Debtors believe that these values are a conservative estimate of value based on the results of the sale of water stock they have closed during this case. They sold 8 shares of Home Supply Ditch and Reservoir Company stock which they scheduled at \$480,000 for \$520,000, and sold five shares of CBT water stock which they scheduled at \$60,000 for \$90,000. Based on these results so far, the Debtors expect that they may receive more than the above estimated value for the water stock they retain.

5. **The Art Inventory.** The Debtors' inventory of art works is their most valuable asset, but also their most challenging asset to sell. The Beierwaltes estimate that the value of the Art Inventory, based on a number of appraisals conducted over the last several years, is approximately \$40,000,000 (less approximately \$1,100,000 sold during the case so far).

The Art Inventory is comprised of many elements but the most valuable components are Antiquities. The Antiquities account for all but \$5,000,000 of the total value of the Art Inventory. Among the Antiquities, more than half of the total value is contained in just the five most valuable items, and almost ninety percent (90%) of the total value is contained in the twenty most valuable items. The Debtors also have an extensive inventory of Japanese art works which accounts for the \$5,000,000 not included in the value of the Antiquities. The Art Inventory is itemized in detail on the Debtors Statements and Schedules.

Some of the Art Inventory is located at the Debtors' residence, but several of the most valuable works are placed with Phoenix Ancient Art and held in Phoenix's secure facilities in the United States and in Europe.

6. **Judgment Against 3vNet, Inc.** On March 10, 2014, the Debtors obtained a judgment 3vNet f/k/a Russound Acquisition Corp., Russound/FMP, Inc. and Maureen Baldwin, jointly and severally in the amount of \$808,147.55 as of March 10, 2014. The judgment amount shall accrue interest at the statutory rate of 8%, or \$177.13 per diem, from March 10, 2014 until such judgment is satisfied in full. The judgment has issued and the Debtors intends to proceed with collection. However, 3vNet's counterclaims and cross-claims have not yet been resolved.

7. **Vehicles and Boats.** The vehicles included in the Debtors' Statements and Schedules are as follows: a Chevy 1500 pickup truck valued at \$700.00, a dual axel landscape trailer valued at \$700.00. A Bobcat 751forklift valued at \$2,000.00, a Kawasaki Mule 2510 valued at \$600.00. A 2007 Toyota Highlander valued at \$15,000.00. and a 2011 Audi A6 valued at \$ 30,000.00. Also included in the Debtors' Statements and Schedules are a canoe valued at \$500.00, 2 jet skies valued at \$2,000.00, and a Barret sail boat valued at \$1,000.00.

8. **Equipment, Furnishing, Machines and Supplies.** At the Petition Date, the Debtors had a variety of Equipment, Furnishing, and Supplies used in the operation of the Debtors' business. Such Equipment, Furnishing, Machines and Supplies are mostly located at the Debtors' primary residence (1907 Gail, Loveland), and some are stored in residences at 1900 and 1911 Gail. Among other things, the assets include computer equipment, phone equipment, copiers, office furniture, and systems furniture. The Debtors value this property in total at \$28,185.00.

9. **Animals.** The Debtors Statements and Schedules include four horses. Three of the horses are valued at \$1,000.00 each, and the other, an injured animal, is valued at \$1. During the course of this case the injured horse's condition worsened and the animal was recently put down. The Debtors incur a monthly expense of approximately \$3,700.00 for the care, feeding and stable cost for these animals.

10. **Other Personal Property.** At the Petition Date, The Debtors' Statements and Schedules (as amended) include household goods, furnishings and other property valued at 18,100; books, pictures art works, collections and collectibles valued at \$842,250.00; jewelry valued at \$400,900; a Bosendorfer baby grand piano valued at \$20,000.00; clothing valued at \$13,500.00: and various saddles and bridles collectively valued at \$3,500.00 This property, other than the horses, saddles and bridles is located at the Debtors' primary residence (1907 Gail, Loveland).

11. ***Inheritance.*** In the interest of full candor, the Debtors are disclosing herein an inheritance that Ms. Beierwaltes expects to receive at some time during the time frame of the Plan. Ms. Beierwaltes' father passed away in late December 2013 from terminal cancer. The Debtors traveled to visit Ms. Beierwaltes father once a month during the four months preceding his death, and then once again in January 2014 to attend his memorial services. Ms. Beierwaltes serves as the executor of her father's estate. She received an inheritance of \$353,710.80, minus the final expenses of the decedent's estate which are still being determined. The Debtors are disclosing this inheritance herein, but do not believe that is or will be property of the bankruptcy estate because Ms. Beierwaltes' father passed away more than 6 months following the Petition Date, which excludes the inheritance pursuant to Bankruptcy Code Section 541(a). Therefore, this is not an asset that is administered under the Plan. However, the Debtors intend to use this inheritance to contribute to their personal living expenses during the time frame of the Plan, and in particular, will use these funds to pay all expenses related to their horses.

III. DESCRIPTION OF THE PLAN OF REORGANIZATION

THE FOLLOWING IS ONLY A SUMMARY OF THE PLAN. THIS SUMMARY IS NOT INTENDED TO TAKE THE PLACE OF THE PLAN. THE SUMMARY IS SUBJECT TO AND QUALIFIED BY THE TERMS OF THE PLAN IN ALL RESPECTS. ALL CAPITALIZED TERMS USED IN THIS SECTION III AND NOT DEFINED HEREIN SHALL HAVE THE MEANINGS SET FORTH IN THE PLAN.

A. INTRODUCTION

The Plan contemplates the sale of assets which will fund distributions provided under the Plan. Upon the Effective Date, the Debtors shall conduct their affairs in the ordinary course of business and will continue to own and operate their business and other assets with a primary focus upon the sale of their most valuable and marketable assets, and will use all their revenues, loans, sale or other proceeds generated post confirmation for the purpose of this Plan. The proceeds derived from the sale of assets subject to liens or other security interests will be delivered to the secured creditors following the closing of the sales. Proceeds derived from the sale of unencumbered assets will be used to pay expenses, and distributed to unsecured creditors on a pro rata basis. Distributions will be made to unsecured creditors; 1) at year end 2014; 2) within five (5) business days following the closing of the Blue Horizon Sale; and 3) at the end of eighteen (18) months following the Effective Date, and if needed would continue semiannually thereafter until all unsecured claims are paid in full.

The Debtors will use their best efforts, with the assistance of approved professionals, to market and sell assets for a period of eighteen (18) months following the Effective Date. This time frame is calculated to include the anticipated closing time of the Blue Horizon Sale (Described above in section II C SIGNIFICANT EVENTS DURING BANKRUPTCY) which is estimated to be fourteen (14) months, with a reasonable margin.

During the eighteen (18) months following the Effective Date, the Debtors will focus their efforts on the sale of the Art Inventory, real property and water stock, and the collection of the 3vNet Judgment. The proceeds from the sale of items of the Art Inventory which are subject

to the security interests of Home State Bank will continue to be divided 60% to Home State Bank and 40% to the Debtors pursuant to the terms of the Art Loan.

Home State Bank's loans and security interests will be modified under the Plan. The Debtors have obtained the agreement of Home State Bank to the following loan modifications and concessions to unsecured creditors that will serve as a backstop for the Plan:

Loan Modification:

The way in which the proceeds from the sale of Home State's collateral are applied under the loans is modified so that all such funds are first credited to payments that come due over the life of the Plan. Art sale proceeds will be applied to payments under the Art Loan, and the proceeds from the sale of other collateral will be applied to payments under the Original Loan. This concession will prevent a default and the imposition of default interest, while freeing up funds for distribution to unsecured creditors under the Art Loan. The proceeds from the sale of assets other than art which are collateral for Home State Bank will be remitted to Home State in their entirety (i.e. the Debtors do not retain 40% as the will from the sale of art), but will also be applied as described above.

Concession to Unsecured Creditors & Backstop:

Home State will subordinate up to \$3,000,000.00 of its secured claim to the payment of unsecured creditors. This concession is intended to ensure at that a minimum of \$3,000,000.00 is available for unsecured creditors from the net sale proceeds of the Blue Horizon Sale, but the Debtors expect that considerably more than \$3,000,000.00 will be available. As described in part II (C) "SIGNIFICANT EVENTS DURING BANKRUPTCY," the final sale price for the Blue Horizon Sale will be determined by the number of lots approved by the City of Loveland for the property. The per lot price is \$12,000.00. The LOI conservatively anticipates 650 lots which would produce a sale price of \$7,800,000.00. However, the City of Loveland has indicated that it may approve up to 740 lots which would produce a sale price of \$8,880,000.00. The costs of sale and commission to M&M are expected to be approximately \$300,000.00. The net proceeds are therefore expected to range between \$7,500,000.00 and \$8,580,000.00.

Home State Bank is currently owed approximately \$6,718,000. This figure should be reduced substantially from the sale of Home State Bank's other collateral prior to the closing of the Blue Horizon Sale. Thus, the precise amount of sale proceeds that will be necessary to pay down Home State Bank's debt to \$3,000,000 cannot be calculated in advance. However, even if Home State Bank's debt is unchanged at closing, and \$3,718,000 is required to to pay the balance down to \$3,000,000.00, the expected net proceeds that may be available for distribution to unsecured creditors will range between \$3,782,000 and \$4,862,000.

The total amount of Blue Horizon Sale proceeds that will be available to pay unsecured claims will increase as Home State Bank's secured debt is paid down from the sale proceeds of other collateral. If the Debtors are able to sell a substantial portion of the real property or water stock and water credits that secure Home State Bank's loan, or close the sale of Sosestris or any other high value secured art work(s), Home State Bank may be owed substantially less than \$3,000,000.00 or be paid off entirely by the time that the Blue Horizon Sale closes, leaving most

or all of the Blue Horizon Sale Proceed for satisfaction of unsecured claims. However, even if Home State Bank's other collateral sells at only a modest pace, the Debtors anticipate that the Blue Horizon Sale proceeds will nearly if not completely satisfy all unsecured claims, and any remainder will be satisfied by a final distribution on the eighteenth (18) month anniversary of the Effective Date.

The proceeds from the sale of unencumbered art will be retained by the Debtors and used to fund their living and business expense in the ordinary course of business, with all funds in excess of such expenses used to fund distributions to unsecured creditors. Other than the payment of their living expenses, the Debtors will take no salary or other compensations from their art business during the Plan.

The proceeds derived from the collection of the 3vNet Judgment shall be retained by the Debtors and used to fund their living and business expense in the ordinary course of business, with all funds in excess of such expenses used to fund distributions to unsecured creditors.

After the Effective Date, the Debtors shall have the authority to assert, prosecute, pursue, object to, compromise and settle in accordance with their reasonable business judgment, all Claims and Causes of Action.

Classification and Treatment of Claims Under the Plan.

1. **Unclassified Claims.** The following administrative expense claims are not classified by the Plan and will be paid in full on the Effective Date of the Plan.

Fees and Expenses of Counsel for Debtors. As of April 1, 2014, ALC had outstanding and unpaid fees and expenses of \$97,000.00 (the "ALC Fees"). ALC has not filed a fee application pursuant to §§ 330 and 331 of the Bankruptcy. No fees will be paid to A&L until approved by the Court. ALC, as counsel to the Debtors will incur additional fees and expenses up to the Effective Date of the Plan. ALC will seek approval and payment of these fees and expenses. ALC has estimated that the total unpaid fees and expenses will be approximately \$125,000.00 as of the Effective Date.

Fees and Expenses of other Professionals. As of February 20, 2014 WRO had outstanding and unpaid fees and expenses of \$89,892.17. On March 25, 2014, WRO filed its second interim fee application requesting approval of such fees and costs. WRO has estimated that the total unpaid fees and expenses will be approximately \$200,000.00 as of the Effective Date. Sample & Bailey have outstanding and unpaid fees and expenses of \$1,100. Sample & Bailey has not filed a fee application pursuant to §§ 330 and 331 of the Bankruptcy. No fees will be paid to Sample & Bailey until approved by the Court. Sample & Bailey will likely incur additional fees for preparation and filing of the ss 2014 tax returns. Sample & Bailey's estimated total fees as of the Effective Date are \$3,000.00. No other professional fees are outstanding or unpaid.

The Administrative Expense Claim of John Bachofen. John Bachofen has an allowed administrative expense claims of \$350,000 as described above in II(B)(3) SIGNIFICANT CREDITORS AND CREDITOR GROUPS.

Fees of the United States Trustee. On the Effective Date of the Plan any quarterly fees that come due on or prior to the Effective Date will be paid as Administrative Expenses. Following the Effective Date, the Liquidation Manager will continue to remit quarterly fees to the U.S. Trustee to the extent required by the 28 U.S.C. Section 1930(b).

The unclassified claims are not entitled to vote.

Summary of Classifications under the Plan.

CLASS	CLAIMANT(S)	ESTIMATED AMOUNT OF ALLOWED CLAIMS	VOTING
Class 1	Secured Claim of Nationstar Mortgage, LLC	\$3,005,533.85	Unimpaired/Deemed to Accept
Class 2	Secured Claim of Bank of New York Mellon	\$185,354.57	Unimpaired/Deemed to Accept
Class 3	Secured Claim of Home State Bank	\$6,718,192.00	Impaired/Entitled to Vote
Class 4	Unsecured Creditors Holding Priority Claims	\$12,544.74	Impaired/Entitled to Vote
Class 5	Unsecured Creditors Holding Non-Priority Claims.	\$4,995,646.42	Impaired/Entitled to Vote
Class 6	Owners' Equity / Debtors' Interest	N/A	Unimpaired/Deemed to Accept

2. **Class 1: Secured Claim of Nationstar Mortgage, LLC.** The holder of the Allowed Class 1 secured Claim, Nationstar Mortgage, LLC, shall retain its first priority liens and encumbrances on the residence at 1907 Gail, Loveland, Colorado without any impairment and the Debtors shall continue to make payments on this obligation pursuant to the present loan terms and conditions, which shall be deemed ratified by Debtors upon Confirmation of the Plan. The Debtors are current on all payment to the Class 1 claimant.

Class 1 is unimpaired and is not entitled to a vote.

3. **Class 2: Secured Claim of Bank of New York Mellon, et al.** The holder of the Allowed Class 2 secured Claim, Bank of New York Mellon, et al, shall retain its second priority liens and encumbrances on the residence at 1907 Gail, Loveland, Colorado without any impairment and the Debtors shall continue to make payments on this obligation pursuant to the

present loan terms and conditions, which shall be deemed ratified by Debtors upon Confirmation of the Plan. The Debtors are current on all payment to the Class 2 claimant.

Class 2 is unimpaired and is not entitled to a vote.

Class 3: Secured Claim of Home State Bank. The holder of the Allowed Class 3 secured Claim, Home State Bank, shall retain its liens and encumbrances on all of its collateral and the Debtors shall continue to make payments on this obligation pursuant to the present loan terms and conditions with the following modifications: 1) The way in which the proceeds from the sale of Home State's collateral are applied under the loans is modified so that all such funds are first credited to payments that come due over the life of the Plan; 2) Home State will subordinate up to \$3,000,000.00 of its secured claim to the payment of unsecured creditors.

The proceeds from the sale of items of the Art Inventory which are subject to the security interests of Home State Bank will continue to be divided 60% to Home State Bank and 40% to the Debtors pursuant to the terms of the Art Loan. The proceeds from the sale of assets other than art which are collateral for Home State Bank will be remitted to Home State in their entirety (i.e. the Debtors do not retain 40% as the will from the sale of art), but will also be applied as described above until Home State Bank's Allowed Secured Claim is paid in full.

Once all Class 4 and Class 5 claims have been paid in full as provided below, the original terms and conditions of the Debtors loans with Home State Bank shall be reinstated, or the loan shall continue on such terms and conditions as the Debtors and Home State Bank may agree upon at that time. The Plan shall be deemed full consummated following the payment of all Allowed Unsecured Claims.

Class 3 is impaired and is entitled to a vote.

4. **Class 4: Priority Unsecured Claims.** Class 4 consists of the claims of the Treasure of Larimer County (\$7,444.74) and the Internal Revenue Service (\$5,100.00). The Debtor disputes both of these claims. To the extent there are Allowed Class 4 Claims, they will receive payment on a first priority basis from distributions that the Debtors will make to unsecured creditors as more fully described in the treatment of Class 5 below. Such distributions will be used first to pay Allowed Class 4 Claims pro rata until all such claims are paid in full with interest at the federal judgment interest rate applicable on the Effective Date, and then for the payment of Allowed Class 5 Claims

Larimer County asserts that its claim is secured by property in which the Debtors believe they no longer owned an interest on the Petition Date. The Debtors believe that the property in question now belongs to 3vNet, Inc. or an affiliate or subsidiary thereof. If Larimer County is found to hold a valid lien on property not owned by the Debtors, they will be allowed to proceed against such property under applicable non bankruptcy law.

Class 4 is impaired and is entitled to a vote.

Class 5: General Unsecured Claims. Class 5 consists of all Allowed Unsecured Claims. Class 5 claimants are listed in Exhibit B hereto. The Allowed Claim of Bill R. Putman is included in Class 5. The estimated amount of Allowed Class 5 claims is \$4,995,646.42. This

figure does not include the claim filed by 3VNet, Inc, in the amount \$1,600,000.00 which the Debtors are currently disputing in the Fort Collins Litigation and will, at a minimum, be offset by the 3vNet Judgment. Allowed Class 5 Claims shall receive pro-rata distribution, along with Class 4, of the Debtors' assets not otherwise distributed pursuant to the Plan up to the full amount of the allowed unsecured claim, with interest at the federal judgment interest rate applicable on the Effective Date. Distributions will be made to unsecured creditors; 1) at year end 2014; 2) within five (5) business days following the closing of the Blue Horizon Sale; and 3) at the end of eighteen (18) months following the Effective Date, and if needed would continue semiannually thereafter until all unsecured claims are paid in full as provided in this Plan.

The Class 5 creditors are impaired and entitled to a vote.

5. **Class 6: Owner's Equity Interests.** The Owner's Equity Interest shall receive any residual interest in assets of the Debtors following payment of all Allowed Claims. Class 6 is a convenience class for the Debtors equity or ownership interests and will not vote on the Plan. Except as otherwise provided herein, the Debtors interests herein remain unimpaired but they shall receive no distributions on account of those interests until all senior Classes 1 through 5, including all administrative and priority claims, have been paid or otherwise satisfied in accordance with applicable provisions of the Bankruptcy Code.

The Class 6 equity interests are not impaired and not entitled to vote.

B. SUMMARY OF OTHER PLAN PROVISIONS

The following is a summary of certain other Plan provisions. This is only a summary and is not intended to take the place of the Plan. All descriptions herein are expressly subject to and qualified by the Plan.

1. ***Continued Existence of the Debtors' Business.*** The Debtors will continue to manage and conduct their business in the ordinary course.

2. ***Claims Resolution.*** The Plan provides a procedure under which claims will be allowed or disallowed. A claim is deemed allowed unless a timely objection is filed. The Plan permits any party in interest to file objections to any claim and establishes various deadlines for the filing of objection to claims. It is anticipated that the Debtors will be primarily responsible for the filing and prosecution of objections to claims.

3. ***Executory Contracts.*** All executory contracts and unexpired leases of the Debtors not already assumed by order of the Court or listed in the Schedules are deemed assumed as of the Confirmation Date, unless a particular executory contract or unexpired lease (1) has previously been rejected pursuant to an order of the Bankruptcy Court or applicable provisions of the Bankruptcy Code, or (2) is the subject of a notice of rejection of such contract or lease filed by the Debtors not less than twenty (20) business days prior to the confirmation of the Plan. The amount necessary to cure any default proposed under this Plan shall be determined in accordance with the underlying agreement and applicable non bankruptcy law. The Bankruptcy Court shall retain jurisdiction to hear any such disputes.

Not less than twenty (20) Business Days before the Confirmation Date, the Debtors shall provide notice to all known parties to any executory contract or unexpired lease rejected under this Plan of their right to file a proof of Claim relating thereto. Any party to an executory contract or unexpired lease that is rejected shall file a Proof of Claim for damages resulting from such rejection not later than twenty (20) days after the date of such notice, or amended its Proof of Claim if already filed, if necessary. The failure to timely file a Proof of Claim shall be deemed a waiver of any claim in connection with the rejection of such contract or lease. The Debtors reserve the right to object to any such claims filed or to be filed.

The Debtors know of only one potential executory contract which may not yet have expired by its own terms. On February 4, 2013, Arnon Ltd (IOM) (“Arnon”) filed a Complaint against the Debtors, Phoenix, Hicham Aboutaam and Alexander Gherardi in the New York Supreme Court, New York County (Index No. 650371/2013) (the “New York State Court Action”). In that action, Arnon alleges several claims against the defendants based upon the alleged breach of an agreement regarding the sale to Arnon of a certain Greek sculpture and seeks among other things specific performance of the alleged agreement. The Debtors assert that Arnon does not have a contract to purchase the sculpture or that such contract has expired by its own terms and they also have another buyer who wants to purchase the sculpture at a higher price. Arnon asserts that it has a contract to purchase the sculpture for \$650,000. The court entered an injunction prohibiting the sale of the sculpture to any buyer until Arnon’s claims are resolved. To the extent that Arnon has an executory contract with the Debtors, which the Debtors dispute, such contract is eligible for rejection or assumption.

4. ***Modification of the Plan.*** The Plan may be modified before or after the Confirmation Date, and before substantial consummation of the Plan, pursuant to Section 1127 of the Code.

5. ***Retention of Jurisdiction.*** Notwithstanding entry of the Confirmation Order, or the Effective Date having occurred, the Court, following Confirmation of the Plan, shall retain jurisdiction until the Plan has been fully consummated for a variety of purposes including the following: (i) the classification of any claim or interests, (ii) determination of all questions and disputes regarding title to the assets to be administered pursuant to the Plan, and the determination of all causes of actions, controversies, disputes or conflicts whether or not subject to an action pending as of the date of confirmation between the representative of the Estate and any other party, including but not limited to, the right of the Estate to recover or avoid transfers pursuant to the provisions of the Code, (iii) the correction of any defect, curing of any omission, or reconciliation of any inconsistency in the Plan or order of confirmation as may be necessary to carry out the purposes of the Plan, (iv) modification of the Plan after confirmation, (v) the enforcement and interpretation of the terms and conditions of the Plan, (vi) the entry of any order, including injunctions, necessary to enforce the title, rights and powers of the Debtors and to impose such limitations, restrictions and terms and conditions of such title rights and powers as this Court may deem necessary, and (vii) the entry of a final decree terminating this case.

6. ***Payment of U.S. Trustee’s Fees.*** On the Effective Date of the Plan any quarterly fees that come due on or prior to the Effective Date will be paid as Administrative Expenses. Following the Effective Date, the Liquidation Manager will continue to remit quarterly fees to the U.S. Trustee to the extent required by the 28 U.S.C. Section 1930(b).

IV. ACCEPTANCE OF THE PLAN AND CONFIRMATION

Under Section 1129(a) of the Code, the Court may confirm the Plan only if certain specific requirements have been met. Certain of the requirements for confirmation are dependent on the manner in which creditors and interest holders vote on the Plan. Other requirements are unrelated to the voting process.

A. CONFIRMATION REQUIREMENTS NOT RELATED TO VOTING

The requirements for confirmation of the Plan which are unrelated to voting include the following:

- That the contents of the Plan comply with the applicable provisions of the Code;
- That the Debtors has complied with the applicable provisions of the Code;
- That the Debtors has proposed the Plan in good faith and not by any means forbidden by law;
- That all payments by the Debtors or any Plan Proponent for services or for costs and expenses in connection with the bankruptcy case or the Plan have been approved by, or are subject to approval by, the Court as reasonable;
- That the Plan Proponent has adequately disclosed the identity and affiliations of any individual proposed to serve as an officer, director or voting trustee of the Debtors or the Estate and the nature of any compensation to be paid such individual;
- That any governmental regulatory commission with jurisdiction over rates of the Debtors, after confirmation of the Plan, has approved any rate change provided for in the Plan, or that such rate change is expressly conditioned on such approval;
- That the Plan provides for continuation, after the Effective Date, of payment of all retiree benefits at certain specified levels; and
- That confirmation of the Plan is not likely to be followed by the need for further financial reorganization of the Debtors or any successor, other than what is proposed in the Plan.

The Plan Proponent believes that each of these conditions has been met and will seek rulings from the Court to this effect at the confirmation hearing. The identity of the officers post-confirmation, rate regulation, retiree benefits and the need for further financial reorganization are discussed below:

Retiree Benefits. As a requirement for confirmation, the Code requires that all retiree benefits be paid at the level which existed prior to the Petition Date or at a rate established by the Court. The Debtors has no retiree benefits. Therefore, this requirement is not applicable.

No Further Financial Reorganization. The Code requires the Court to find that confirmation of the Plan is not likely to be followed by the need for further reorganization of the

Debtors or any successor, other than what is proposed in the Plan. This Plan contemplates and provides for the sale of substantially all of the primary assets of the Debtors, or as many as are necessary to pay creditor claims in full with interest. There is sufficient cash on hand to pay for all anticipated administrative expenses and claims. Therefore, it is extremely unlikely that there would be any further need for financial reorganization.

B. THE VOTING PROCESS

1. ***Requirements.*** The Court must also make certain findings related to the voting process and the results of the voting. The requirements for confirmation of the Plan related to voting include the following:

- (1) At least one class of claims that is impaired under the Plan has accepted the Plan.
- (2) In the event a member of an impaired class has not accepted the Plan, the Court must find that confirmation of the Plan is in the “best interest” of that member's class.
- (3) That each impaired class has accepted the Plan. However, even if fewer than all impaired classes vote to accept the Plan, the Court may confirm the Plan under certain conditions.

2. ***Parties Entitled to Vote.*** All creditors and interest holders in an impaired class are entitled to vote to accept or reject the Plan. A class is impaired if the legal, equitable or contractual rights attaching to the claims are modified other than by the curing of default and restating maturities or by payment in full in cash. Under the Plan, creditor Classes 3 through 6 are impaired under the Plan and entitled to vote.

3. ***The Classification of Claims and Interests is Proper.*** The Code requires that a plan of reorganization place a creditor's claim or equity holder's interest only in a class with other claims or interests that are “substantially similar.” The Plan Proponent believes that the Plan's classification system meets the Code standard, and will ask the Court to approve the classification system.

4. ***Counting of Votes.*** The Code defines acceptance of a Plan by a class of claimants as acceptance by holders of two-thirds in dollar amount and a majority in number of claims of that class. For the purpose of counting votes, only those claimants who actually vote to accept or reject the Plan are considered. The Code defines acceptance of a Plan by a class of interests (equity holders) as acceptance of two-thirds of the number of shares. Again, only those shares which actually vote are considered in determining acceptance or rejection of the Plan.

5. ***Acceptance by one Impaired Class.*** In order to confirm the Plan, the Court must find that at least one class of impaired claims has accepted the Plan. In considering whether a creditor class has accepted the Plan, the Court must exclude the votes of any insider.

6. ***Acceptance of the Plan by each Impaired Class.*** As a condition to confirmation, the Code requires that each impaired class accept the Plan. If each impaired class does not accept the Plan, the Court may confirm the Plan, under certain circumstances, under the “cram

down” provisions. The confirmation of the Plan over the non-acceptance of an impaired class is discussed in the following sections.

C. BEST INTEREST TEST

Notwithstanding acceptance of the Plan by creditors and equity holders, if an impaired claimant or interest holder does not accept the Plan, the Court must independently determine that the Plan is in the best interest of the non-accepting claimants or interest holders. To meet this test, the Court must determine that each non-accepting claimant or interest holder will receive under the Plan, as of the Effective Date, property of a value at least equal to the value that each such claimant or holder would receive if the Debtors was liquidated under Chapter 7 of the Code.

The Debtors believes that the Plan satisfies the best interest test for the following reasons:

1. In liquidation under Chapter 7, a Trustee would be appointed and would be entitled to a fee of approximately three percent (3%) of the amount distributed to creditors. Under the Plan, that fee will not be incurred.

2. In liquidation under Chapter 7, a Trustee would likely hire legal and accounting advisors to assist in the performance of the Trustee's duties that would be paid by the estate. The Plan cannot reliably estimate what those fees and costs would be. However, they would certainly be greatly in excess of the cost of this Chapter 11 case. Those fees would be in addition to the fees and costs already incurred by the Debtors' attorneys in its Chapter 11 case.

3. In liquidation under Chapter 7 considerable delays would result in liquidation of the estate. Under the Plan, the assets of the estate will be expeditiously liquidated, reduced to cash and distributed to creditors. In liquidation under Chapter 7, a trustee would, in effect, have to repeat that process, resulting in significant delays. As a result, the Plan Proponent believes that the Plan satisfies the "best interest" test under the Code.

4. In liquidation under Chapter 7 the Debtors believe, based on their decades of experience, that value of the Art Inventory would be eviscerated to the detriment of all creditors. The largest and most valuable portion of the Art Inventory (the antiquities) are the most difficult to sell, requiring the highest level of experience, expertise and personal connections within the art world. The Debtors have described the nature of their art business in Section II(A) THE DEBTORS and nature of their efforts to achieve individual private sales of antiquities in Section II(C)(7) SIGNIFICANT EVENTS DURING BANKRUPTCY, but it bears repeating that the antiquities cannot be sold publically, making it extremely difficult and unlikely that a Chapter 7 trustee would be able to achieve any such sales. A chapter 7 trustee would not be able to operate their business due both to the nature of chapter 7 bankruptcies, and that trustee's lack of experience, knowledge and most importantly reputation and access within the highest levels of the art world. Thus, the Debtors have concluded that under the Plan each holder of an Allowed Claim will receive or retain property of a value that is equal to or greater than the amount that such holder would receive or retain if the estate of the Debtors were liquidate under chapter 7.

5. The Debtors Liquidation Analysis is attached hereto as **Exhibit D**. The Liquidation Analysis reflect that unsecured creditors in Class 5 would receive less than the full

amount of their Allowed Unsecured Claims in a chapter 7 liquidation, and will receive 100% of the claimed amount, with interest, under the Plan.

D. CONFIRMATION WITHOUT ACCEPTANCE BY ALL CLASSES

The “cram-down” provisions of the Code permit confirmation of a plan even if such plan is not accepted by all impaired classes.

If a class of secured claims rejects the Plan, the Plan may be confirmed so long as the Plan provides that: (1) the holder of the claim retains its liens and receives cash payments having a value equal to the secured claim; (2) the realization by the secured creditors of the “indubitable equivalent” of their secured claims; or (3) if the collateral is being sold free and clear of the secured claim, the lien of the secured creditor attaches to the proceeds of the sale, and the secured creditor is treated in a manner consistent with clauses (1) and (2).

If a class of unsecured claims rejects the Plan, the Plan may be confirmed so long as it provides that: (1) each holder of a claim included in the rejecting class receives or retains on account of that claim, property that has a value as of the Effective Date equal to the allowed amount of such claim; or (2) that the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the Plan on account of such junior claim or interest any property. The Plan Proponent believes that the Plan meets these tests for all impaired classes of claims.

If a class of interests rejects the Plan, the Plan may still be confirmed so long as the Plan provides that: (1) each holder of an interest included in the rejecting interest class receives or retains on account of that interest, property that has a value as of the effective date equal to the greatest of the allowed amount of any fixed liquidation preference or fixed redemption price to which such holder is entitled or the value of such interest; or (2) the holder of any interest that is junior to the interests of such class will not receive or retain under the Plan on account of such junior interest any property. The Plan Proponent believes that the Plan could be confirmed if it were rejected by the single class of interests.

V. ALTERNATIVES TO THE PLAN

If the Plan is not confirmed, the alternatives include: (1) dismissal of the pending Chapter 11 case; (2) liquidation of the Debtors under Chapter 7 of the Code; or (3) confirmation of an alternative Chapter 11 Plan.

A. DISMISSAL OF CHAPTER 11

If no Chapter 11 Plan can be confirmed, the Debtors’ bankruptcy case may be dismissed. In such a case, the assets of the Estate would reinvest in the Debtors, and creditors would be entitled to pursue their claims against the Debtors. Absent some agreement with the various creditor groups, the Debtors would face the immediate need for further financial restructuring if the bankruptcy case were dismissed.

B. LIQUIDATION UNDER CHAPTER 7

Alternatively, if no Chapter 11 Plan can be confirmed, the Chapter 11 case could be converted to Chapter 7. One or more Chapter 7 trustees would be elected or appointed to liquidate the Debtors' assets. Distribution to creditors would be made in accordance with the priorities established by the Code. See "ACCEPTANCE OF THE PLAN AND CONFIRMATION--BEST INTEREST TEST" for a more complete description of the possible consequences of Chapter 7 liquidation on the distributions to the various creditor and interest classes.

C. OTHER PLANS

Other parties in interest could propose alternative Chapter 11 plans. It is not anticipated that any other or competing plans are to be proposed or that any other plan would be more beneficial to creditors and other parties in interest than the present one.

VI. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

THE FOLLOWING DISCUSSION IS A SUMMARY OF CERTAIN SIGNIFICANT FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN THAT AFFECT OR THAT MAY AFFECT THE HOLDERS OF ALLOWED CLAIMS AND INTERESTS. UNLESS OTHERWISE PROVIDED, THIS DISCUSSION DOES NOT ADDRESS THE PARTICULAR FEDERAL INCOME TAX CONSEQUENCES THAT MAY BE RELEVANT TO CERTAIN TYPES OF TAXPAYERS SUBJECT TO SPECIAL TREATMENT UNDER THE FEDERAL INCOME TAX LAWS, NOR DOES IT DISCUSS ANY ASPECTS OF STATE, LOCAL, FOREIGN OR OTHER TAX LAWS. THE TAX CONSEQUENCES TO HOLDERS OF CLAIMS AND INTERESTS MAY VARY BASED ON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER. MOREOVER, THE TAX CONSEQUENCES OF CERTAIN ASPECTS OF THE PLAN ARE UNCERTAIN DUE TO THE LACK OF APPLICABLE LEGAL PRECEDENT AND THE POSSIBILITY OF CHANGES IN THE LAW. EXCEPT AS DESCRIBED HEREIN, THE DEBTORS HAS NOT APPLIED FOR OR OBTAINED FROM THE INTERNAL REVENUE SERVICE ANY RULINGS OR AGREEMENTS WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN AND NO OPINION OF COUNSEL HAS BEEN REQUESTED OR OBTAINED BY THE DEBTORS WITH RESPECT THERETO. THERE CAN BE NO ASSURANCE THAT THE INTERNAL REVENUE SERVICE WILL NOT CHALLENGE CERTAIN OF THE TAX CONSEQUENCES DESCRIBED HEREIN, OR THAT SUCH A CHALLENGE, IF ASSERTED, WOULD NOT BE SUSTAINED. ACCORDINGLY, EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT WITH ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, FOREIGN OR OTHER TAX CONSEQUENCES OF THE PLAN.

A. TAX CONSEQUENCES TO CREDITORS

Generally, a creditor who receives cash or property in satisfaction of its Allowed Claim will recognize ordinary income to the extent that the amount received is allocable to interest that accrued while the claim was held by said creditor (to the extent not previously taken into income

by such person). In addition, such creditor will recognize gain or loss on the exchange equal to the difference between the creditor's tax basis in its Allowed Claim and the amount of consideration allocable thereto. The character of any recognized gain or loss will depend upon the status of the creditor, the nature of the Claim held, and the holding period. Each holder of a Claim is strongly urged to consult with its own tax advisor regarding the federal, state, local and foreign tax consequences of the Plan. Among the issues the holder of a Claim may desire to consider, in addition to the issues discussed above, include the extent to which the creditor is entitled to a bad debt deduction or worthless securities loss, if any, as a result of the transactions contemplated by the Plan.

Under backup withholding rules, a holder of an Allowed Claim may be subject to backup withholding at the rate of 20 percent with respect to payments made pursuant to the Plan unless such holder (a) is a corporation or comes within certain other categories and, when required, demonstrates this fact or (b) provides a correct taxpayer identification number and certifies under penalties of perjury that the taxpayer identification number is correct and that the holder is not subject to backup withholding because of failure to report all dividends and interest income.

CREDITORS OF THE DEBTORS, PARTICULARLY UNSECURED CREDITORS, ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THE FEDERAL, STATE, LOCAL, AND FOREIGN INCOME TAX CONSEQUENCES AS A RESULT OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN AND THE EFFECT OF SUCH TAX LIABILITY ON AMOUNTS, IF ANY, DISTRIBUTABLE TO THEM UNDER THE PLAN ON ACCOUNT OF ALLOWED CLAIMS.

VII. VOTING INSTRUCTIONS AND PROCEDURE

Ballots are being sent to all known holders of Allowed Claims, all disputed claims and the Interest Holder. Only holders of Allowed Claims (or claims which are deemed allowed or have been estimated by the Court) and the Interest Holder are entitled to vote on the Plan. A claim to which an objection has been filed is not an Allowed Claim unless and until the Court rules on the objection and any appeals which are finally determined. The Court may temporarily allow a claim or estimate its amount for the purpose of voting on the Plan. Unless authorized by the Court, disputed claims are not entitled to vote on the Plan.

A. VOTING BY BALLOT

Votes for or against the Plan may be cast only by completing, dating, signing and causing the ballot form accompanying this Disclosure Statement to be returned on or before 5:00 p.m. on ____ ____, 2014. Holders of claims which are treated in more than one class must submit separate ballots for each class. If a ballot is damaged or lost, you may obtain a new ballot from counsel for Debtors at the address listed below:

[Remainder of page intentionally left blank]

You should return your ballot to the following address:

Appel Lucas & Christensen, P.C.
Attn: Shoshannah Ebersole
1660 17th Street, Suite 200
Denver, Colorado 80202
(303) 297-9800

This Disclosure Statement has been approved by the Court as containing “adequate information.” Thus, this document contains sufficient information to permit the typical claimant or interest holder to make an informed judgment about the Plan. NO OTHER REPRESENTATIONS CONCERNING THE PLAN, THE DEBTORS OR THE PLAN PROPONENT IS AUTHORIZED BY THE DEBTORS. ANY OTHER REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE A VOTE, OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT, SHOULD NOT BE RELIED UPON.

VIII. ADDITIONAL INFORMATION

A. CONFIRMATION HEARING AND OBJECTIONS TO CONFIRMATION

The Court will hold a hearing on confirmation of the Plan commencing ____ __, 2014 at ____ a.m., United States Bankruptcy Court for the District of Colorado, Courtroom __, U.S. Custom House, 721 19th Street, Denver, Colorado. The hearing may be adjourned from time to time as announced in open court without further written notice.

Objections to confirmation of the Plan must be in writing and must be filed with the Clerk of the Bankruptcy Court and served on those parties set forth in the Order approving the Disclosure Statement no later than ____ __, 2014.

B. OTHER MATTERS

Additional copies of this Disclosure Statement may be obtained upon written request addressed to counsel for the Debtors at the following address:

Appel Lucas & Christensen, P.C.
Attn: Shoshannah Ebersole
1660 17th Street, Suite 200
Denver, Colorado 80202
(303) 297-9800

Please include a check or money order for \$5.00 to cover copying and mailing costs.

IX. CONCLUSION

The Plan Proponent believes that acceptance of the Plan is in the best interest of each and every class of creditors and interest holders and recommends that each creditor and interest holder vote to accept the Plan.

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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X		
Lynda and William Beierwaltes,	:	Case No. 17-CV-4755 (KPF)
	:	
	:	ECF CASE
Plaintiffs,	:	
	:	AMENDED COMPLAINT
- against -	:	FOR DECLARATORY
	:	JUDGMENT
	:	
Directorate General of Antiquities	:	
of the Lebanese Republic and the	:	
District Attorney of New York County,	:	
	:	
Defendants.	:	
	:	
-----X		

Plaintiffs Lynda and William Beierwaltes (“Plaintiffs” or “Beierwaltes”), through their undersigned counsel, Pearlstein McCullough & Lederman LLP, bring this complaint (“Complaint”), asserting and seeking declaratory judgment against defendants the Directorate General of Antiquities (“DGA”) of the Lebanese Republic (“Lebanon”) and the District Attorney of New York County (“DANY”), and allege on knowledge as to themselves and otherwise on information and belief, as follows:

Nature of the Action

1. The gravamen of the Complaint is the DGA's attempted restitution and DANY's seizure of a certain ancient Greek marble Head of a Bull excavated at Bustan Esh-Sheikh (Temple of Eshmun in Lebanon) in the 1960s (the "Bull's Head") of which Plaintiffs are the current owners.

2. Pursuant to 28 U.S.C. Sections 2201-02, Plaintiffs respectfully seek declaratory relief to declare the respective rights of the parties with respect to the Bull's Head, specifically that (1) the DGA has no right to restitution pursuant to the 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property (the "UNESCO Convention"); (2) the applicable statutes of limitations for theft and illegal export under Lebanese law have expired; (3) Lebanon's 1933 Antiquities Law is not enforceable as against the Plaintiffs, because it fails to satisfy due process requirements and was not, at any relevant time, enforced either domestically or internationally; (4) the applicable statute of limitations for theft under New York law has expired; (5) the DGA is barred from recovery based on laches as a consequence of its undue delay in seeking equitable relief to the prejudice of Plaintiffs; and (6) DANY, which does not have any rights of ownership in the Bull's Head, is barred from repatriating the Bull's Head to the DGA in the face of Plaintiffs' rights of ownership and clear title to the Bull's Head.

3. This action is ripe for declaratory judgment, as there now exists an actual controversy capable of immediate relief under federal law amongst the parties.

Jurisdiction and Venue

4. This action arises under the Declaratory Judgment Act, 28 U.S.C. Sections 2201(a) and 2202. This Court has original jurisdiction over the claims asserted in this action as to the DGA pursuant to 28 U.S.C. Section 1330(a).

5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. Section 1332, as this is a dispute between a foreign state and citizens of different States, and the matter in controversy exceeds \$75,000, exclusive of interest and costs.

6. This Court has personal jurisdiction over the claims asserted in this action as to the DGA pursuant to 28 U.S.C. Section 1330(b).

7. Venue is proper in this Court pursuant to 28 U.S.C. Section 1391(b), as the property that is the subject matter of this action is located in this judicial district.

The Parties

8. Plaintiffs Lynda and William Beierwaltes are citizens and residents of the State of Colorado.

9. Defendant DGA is an agency of the government of Lebanon. It is a department of the Ministry of Culture and is responsible for the protection and promotion of and excavation in all national heritage sites in Lebanon.

10. Defendant DANY is the law enforcement agency that represents the State of New York in the prosecution of criminal offenses in the County of New York.

International Law Background

11. The United States is a signatory to the UNESCO Convention. The United States implemented the UNESCO Convention by enacting the Convention on Cultural Property Implementation Act (“CPIA”), which became effective on April 12, 1983.

Lebanon—and, by extension, the DGA as an agency of the government of Lebanon—became a signatory (“State Party”) to the UNESCO Convention effective November 25, 1992. Although the DGA has asserted a claim for restitution pursuant to the UNESCO Convention, the CPIA governs Lebanon’s rights with respect to any claim under the UNESCO Convention.

12. Pursuant to Lebanese law, the statute of limitations for purposes of asserting a claim for illegal export is one year from the date of alleged illegal export.

13. Pursuant to Lebanese law, the statute of limitations for purposes of asserting a claim for theft of property is 10 years from the date of the theft. Lebanese law provides that the limitations period may be reset for an additional 10-year period by a valid procedural act relating to a claim or prosecution for theft filed during the initial 10-year period and any succeeding 10-year period.

Factual Allegations Common to All Counts

A. Provenance of the Bull’s Head

14. Pursuant to an invoice dated November 27, 1996 from a London-based art dealer (“Art Dealer #1”), Art Dealer #1 sold the Bull’s Head to Plaintiffs. Based on Plaintiffs’ written notes of their communications with the Art Dealer #1 at or about the time of purchase, Art Dealer #1 purchased the Bull’s Head from an art dealer in Switzerland (“Art Dealer #2”) sometime after Art Dealer #2 acquired the Bull’s Head during the mid- to late- 1980s. Based on Plaintiffs’ further recollection and contemporaneous photographs, the Bull’s Head was imported into the United States sometime between September 19 and October 10, 1996, at which time Plaintiffs took physical possession of the Bull’s Head.

15. In or about August 2006, Plaintiffs consigned the Bull's Head to an art dealer with offices in the United States and Europe ("Art Dealer #3") for sale.

16. Art Dealer #3 exhibited the Bull's Head at the 2006 Biennale des Antiquaires in Paris, one of the world's most important antique art fairs, and published the Bull's Head in its catalogue prepared for that exhibition.

17. Upon information and belief, in or about August 2010, Art Dealer #3 sold the Bull's Head to a private collector in the United States ("Collector"), who thereafter loaned the Bull's Head to The Metropolitan Museum of Art (the "Museum") for exhibition and study.

18. Following examination and research on the Bull's Head, the Museum asserted its belief that the Bull's Head is the object whose photograph appears as "C17" in *The Temple of Eshmun in Sidon Architecture and Inscriptions*, Rolf A. Stucky ("Stucky"), Ancient Art, Supplement 19, Basel 2005 (the "Stucky Article"). Stucky, a Swiss archeologist, published the findings of the two excavations at the Temple of Eshmun in Sidon, Lebanon ("Eshmun"), first by the Turks from 1900 to 1903, and then by a certain individual named Maurice Dunand ("Dunand") beginning in 1963, in the Stucky Article.

19. Upon information and belief, Dunand was a dual citizen of Switzerland and Lebanon, the latter of which employed him and sponsored his excavation at Eshmun, in which Stucky participated. The notes to the photograph of the Bull's Head in the Stucky Article suggest that the piece was catalogued among the excavation finds by 1967.

20. The Stucky Article states that around 600 inventoried and photographed Classical Sidonian sculptures and architectural pieces were warehoused in Byblos, Lebanon by the DGA and disappeared during the Lebanese civil war in the 1980s and 1990s. The Stucky Article states that, by the time it was published, Stucky had managed to reduce the loss of stolen works by around a dozen statues and reliefs.

21. Upon information and belief, Stucky acted on behalf of and in coordination with Lebanon in connection with his restitution efforts.

22. Upon information and belief, the Museum informed Collector and Art Dealer #3 that the Museum proposed to contact the DGA about the Bull's Head and retain possession of the Bull's Head pending a determination as to ownership.

23. Upon information and belief, Art Dealer #3 informed Collector of the Museum's position, rescinded the sale of the Bull's Head to Collector in or about August 2015, and returned the Bull's Head to Plaintiffs.

B. Subsequent Investigation into the Bull's Head's Provenance

24. On or about July 2016, Plaintiffs commenced their own independent investigation into the ownership history of the Bull's Head's. Plaintiffs engaged Lebanese counsel, who searched the publicly available records and court dockets for any claims that the DGA may have previously filed against the Bull's Head. Upon information and belief, none were found.

25. Upon information and belief, Lebanese counsel was advised of the existence of two reported thefts of classical Sidonian antiquities from the Byblos warehouse after 1992, neither of which related to the Bull's Head. The first theft occurred in 2004, in respect of which the DGA filed a complaint in Byblos in 2004-5; a

second theft in 2012 from a museum in Byblos was reported, but Lebanese counsel was unable to locate any filed complaint.

26. A Lebanese police report dated August 3, 1981 (the “Lebanese Police Report”) reported the theft of certain antiquities stored at a fortress in Byblos, Lebanon. Attached to the Lebanese Police Report is a list of antiquities that were allegedly returned to the fortress.

27. Upon information and belief, none of the 150 or more pieces on the list resemble the description of the Bull’s Head, which also was not among the pieces returned.

28. The Lebanese Police Report is written in Arabic. Upon information and belief, the Lebanese Police Report was never translated into English or French, has never been published or reported to any publicly accessible, recognized international database of stolen art or to any international or foreign police or enforcement agency, and on its face bears no relationship to the finds from Dunand’s excavation at Eshmun.

29. Upon information and belief, it had been the DGA’s practice to engrave and then ink a serial number into the artifacts in its inventory. Both Plaintiffs and the Museum have confirmed that the Bull’s Head bears no evidence of any inscription or erasure of a serial number.

30. By letter dated October 18, 2016, Plaintiffs advised the Museum that they have good and clear title to the piece. The Museum refused to release the Bull’s Head to Plaintiffs.

31. Plaintiffs requested that the Museum contact the DGA to determine what information, if any, the DGA might have that would shed further light on the ownership history of the Bull's Head.

32. By letter dated January 10, 2017, the DGA responded to the Museum, stating that the Bull's Head was discovered at Bustan Esh-Sheikh (Temple of Eshmun) in the vicinity of Saida during Dunand's excavations in 1967 and was assigned the same inventory number as that noted in the Stucky Article. The DGA requested that the Bull's Head be repatriated in accordance with the UNESCO Convention.

33. By letter dated January 24, 2017, Plaintiffs advised the DGA that they have good and clear title to the Bull's Head. Plaintiffs requested that the DGA either withdraw its demand for restitution or provide evidence demonstrating that the DGA's claim was meritorious based on any prior court filings, documentation or reports to any publicly accessible, recognized international database of stolen or missing art.

34. By letter dated March 6, 2017, the DGA demanded that Plaintiffs retribute the Bull's Head to Lebanon.

35. Subsequently, Plaintiffs were informed that Stucky, upon information and belief, had seen the Bulls' Head upon its excavation by Dunand in the 1960s; that Stucky had then seen the Bull's Head on the international market in Switzerland in the mid- to late 1980s, together with three other pieces from Dunand's excavation at Eshmun; that the objects from Dunand's excavation at Eshmun were sent first to Beirut and then to Byblos, where they were stored in the fortress located there; and that four bovine heads were excavated during Dunand's excavation at Eshmun, one of which remains in the Byblos warehouse.

36. Upon information and belief, Stucky mailed to the Art Loss Register (the “ALR”) two packages, each of which reported the theft of certain of the objects from Dunand’s excavation at Eshmun. The ALR is a leading publicly-accessible, recognized international database of stolen or missing art.

37. Upon information and belief, the ALR received and acknowledged receipt of Stucky’s first package.

38. Upon information and belief, the ALR never received Stucky’s second package and never reported as stolen the objects listed in this second package.

39. Upon information and belief and according to Stucky, this second package included a reference to the Bull’s Head as one of the allegedly stolen objects listed.

40. Upon information and belief, the DGA knew or should have known that Stucky’s second package was never reported to the ALR yet never took action to resend the lost reports or otherwise cure the failure.

C. DANY’s Seizure of the Bull’s Head

41. Upon information and belief, on or about July 7, 2017 DANY seized and took possession of the Bull’s Head pursuant to a search warrant and seizure order issued by a New York State court.

42. DANY asserts that the Bull’s Head is stolen property under New York State law and seeks to repatriate the Bull’s Head to the DGA.

43. DANY asserts that the Bull’s Head was stolen from a storage facility in Beirut during the 1981 Lebanese civil war and thereafter illegally removed from Lebanon.

44. DANY's assertion is inconsistent with the DGA's assertion as to the contents of the Lebanese Police Report.

45. Upon information and belief, the facts underlying DANY's assertion, even if accurate, were never published on any publicly accessible, recognized international database.

46. DANY does not have any rights of ownership in the Bull's Head.

COUNT I

Lebanon is Barred from Seeking Forfeiture of the Bull's Head under the UNESCO Convention and the CPIA

47. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "46" of this Complaint with the same force and effect as if herein set forth in full.

48. Under the CPIA, which governs Lebanon's rights with respect to any claims under the UNESCO Convention, the Bull's Head could not have been imported lawfully into the United States in accordance with Section 308 if it was (1) documented as belonging to the inventory of a museum, public monument or similar institution in any State Party to the UNESCO Convention, and (2) stolen from that inventory after the later of April 12, 1983—the effective date of the CPIA—and November 25, 1992—the date Lebanon became a State Party under the UNESCO Convention.

49. Upon information and belief, because the Bull's Head was exported from Lebanon prior to November 25, 1992, Lebanon cannot seek forfeiture of the Bull's Head under Section 308 of the CPIA.

50. Lebanon's right to seek forfeiture under Section 308 of the CPIA is also subject to and cut-off by the right of repose provided in Section 312 of the CPIA. Upon

information and belief, the Bull's Head became exempt from forfeiture under the CPIA on October 16, 2016, as the piece has been in the United States for more than 20 consecutive years from the latest possible date of importation, and Plaintiffs purchased it for value without knowledge or reason to believe that it was imported in violation of law.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from seeking forfeiture of the Bull's Head under Sections 308 and 312 of the CPIA.

COUNT II

Lebanon's One-Year Statute of Limitations for Illegal Export has Expired

51. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "50" of this Complaint with the same force and effect as if herein set forth in full.

52. To assert a claim for illegal export under Lebanese law, the DGA is subject to a one-year statute of limitations commencing on the date of export.

53. The one-year statute of limitations for illegal export under Lebanese law expired at the latest sometime in the late-1980s.

54. Upon information and belief, the DGA has never asserted a claim for illegal export of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

55. The DGA is time-barred from asserting a claim for illegal export of the Bull's Head based on Lebanon's one-year statute of limitations.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for illegal export of the Bull's Head based on Lebanon's one-year statute of limitations.

COUNT III

Lebanon's 10-Year Statute of Limitations for Theft Has Expired

56. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "55" of this Complaint with the same force and effect as if herein set forth in full.

57. To assert a claim for theft under Lebanese law, the moving party is subject to a 10-year statute of limitations commencing on the date of theft.

58. The initial 10-year statute of limitations for theft under Lebanese law applicable to the Bull's Head expired sometime in the mid- to late-1990s, based on the Bull's Head's acquisition by Dealer #2 in Switzerland during the mid-to late-1980's.

59. Lebanese law provides that the 10-year statute of limitations for theft may be reset for an additional 10-year period by the initiation of a valid procedural act relating to a claim or prosecution for theft filed during the initial 10-year period and any succeeding 10-year period.

60. Upon information and belief, neither the Lebanese public prosecutor nor any other Lebanese government authority has filed any claim or otherwise taken any valid procedural act relating to a claim or prosecution for theft of the Bull's Head during the initial 10-year period following its alleged theft or during any succeeding 10-year period.

61. Upon information and belief, the DGA has never asserted a claim for the theft of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

62. The DGA is time-barred from asserting a claim for theft of the Bull's Head based on Lebanon's 10-year statute of limitations and reset provisions.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 10-year statute of limitations and reset provisions.

COUNT IV

Plaintiffs Acquired Good Title to the Bull's Head Pursuant to New York's Uniform Commercial Code Section 2-403(1)

63. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "62" of this Complaint with the same force and effect as if herein set forth in full.

64. New York's Uniform Commercial Code ("N.Y. UCC") Section 2-403(1) provides, in relevant part, that a purchaser of goods acquires all title which his transferor had or had power to transfer, and a person with voidable title has power to transfer a good title to a good faith purchaser for value.

65. Dealer #1 conveyed good title to the Bull's Head to Plaintiffs, who are good faith purchasers for value.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that Plaintiffs acquired good title to the Bull's Head pursuant to N.Y. UCC Section 2-403(1).

COUNT V

Lebanon's 1933 Antiquities Law is not Enforceable as against Plaintiffs

66. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs “1” through “65” of this Complaint with the same force and effect as if herein set forth in full.

67. Lebanese law is based on civil code and not common law. Lebanon's 1933 antiquities law (the “1933 Antiquities Law”) confers title on Lebanon to archeological finds. Lebanon's claim to own the Bull's Head is based solely on its 1933 Antiquities Law.

68. A foreign nation's claim to own an antiquity based on that nation's cultural patrimony law may be enforced against a U.S. citizen only if the foreign law clearly confers ownership of the antiquity on that nation, was published, satisfies due process, and is domestically enforced and not a “sham.”

69. If the Bull's Head was in fact stolen from the Byblos warehouse on or after the incident reported in the 1981 Lebanese Police Report, the 1933 Antiquities Law is not enforceable as against Plaintiffs because (i) at the time of the alleged theft, it was not translated into English or published on any publicly accessible, recognized international database, and (ii) it was not domestically enforced at the time of the alleged theft, or, upon information and belief, when Plaintiffs purchased the Bull's Head in 1996.

70. Lebanon similarly failed to enforce its 1933 Antiquities Law internationally.

71. The perpetual “reset” provisions of the 10-year statute of limitations in Lebanon's criminal code violate due process.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 1933 Antiquities Law.

COUNT VI

New York's Six-Year Statute of Limitations for Theft Has Expired

72. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "71" of this Complaint with the same force and effect as if herein set forth in full.

73. To assert a claim for theft under New York law, the moving party is subject to a six-year statute of limitations commencing when the claim accrues, in this case upon discovery of the theft in the 1980s and not upon the Lebanon's belated demand in 2017.

74. The initial six-year statute of limitations for theft under New York law applicable to the Bull's Head accrued upon the filing in 1981 of the Lebanese Police Report (if in fact it reported the theft of the Bull's Head) or thereafter, when Stucky, as agent of the DGA, allegedly saw the Bull's Head on the international art market in Switzerland in the mid- to late 1980s.

75. Upon information and belief, the DGA has never asserted a claim for the theft of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

76. The DGA cannot extend the six-year statute of limitations for theft simply by deferring the assertion of its claim to its January 10, 2017 letter to the Museum, thereby running afoul of the time period during which it was required to take action.

77. The DGA's failure to assert its claim in a timely manner has resulted in lost evidence, faded memories and unavailable witnesses, prejudicing Plaintiffs' ability to assert their claim to the Bull's Head.

78. The DGA is time-barred from asserting a claim for theft of the Bull's Head based on New York's six-year statute of limitations.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on New York's six-year statute of limitations and reset provisions.

COUNT VII

The DGA is Barred by Laches from Seeking Repatriation of the Bull's Head

79. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "78" of this Complaint with the same force and effect as if herein set forth in full.

80. The laches defense bars a party's recovery as a consequence of undue delay in seeking equitable relief.

81. Upon information and belief, the DGA has never asserted a claim for the theft or illegal export of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

82. Upon information and belief, the DGA failed to register the theft or illegal export of the Bull's Head with the ALR or any other publicly accessible, recognized international database of stolen and missing works of art and antiquities.

83. Upon information and belief, the DGA was or should have become aware that the Bull's Head had gone missing when Stucky, acting on behalf of Lebanon, saw the Bull's Head, together with other pieces from the Eshmun excavation, on the international art market in Switzerland during the mid- to late 1980's.

84. Upon information and belief, the DGA was or should have become aware of the Stucky Article following its publication in 2005.

85. Upon information and belief, the DGA was or should have become aware of the Bull's Head following its public exhibition at the Biennale des Antiquaires in Paris in 2006 and its publication in the catalogue of Dealer #3.

86. The DGA consequently has unreasonably delayed the assertion of its rights and remedies with respect to the Bull's Head and thereby allowed the Bull's Head to circulate in the international art market from Art Dealer #2 in the mid-to late 1980's, to Art Dealer #1, to Plaintiffs in 1996, to Art Dealer #3 in 2006, to the Collector in 2010 and thereafter to the Museum.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft or illegal export of the Bull's Head based on laches.

COUNT VIII

DANY is Barred from Repatriating the Bull's Head to the DGA

87. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "86" of this Complaint with the same force and effect as if herein set forth in full.

88. DANY does not have any rights of ownership in the Bull's Head.

89. DANY cannot use the laws applicable to search and seizure as a means to circumvent the civil forfeiture statutes under New York State law, which do not provide for *in rem* forfeiture of personal property.

90. DANY is barred from repatriating the Bull's Head to the DGA in the face of Plaintiffs' rights of ownership and clear title to the Bull's Head.

REQUEST FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that judgment be entered in favor of Plaintiffs as follows:

(A) On Count I of the Complaint, a declaratory judgment that that the DGA is barred from seeking forfeiture of the Bull's Head under Sections 308 and 312 of the CPIA;

(B) On Count II of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for illegal export of the Bull's Head based on Lebanon's one-year statute of limitations;

(C) On Count III of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 10-year statute of limitations and reset provisions;

(D) On Count IV of the Complaint, a declaratory judgment that the Plaintiffs took good title to the Bull's Head under N.Y. UCC Section 2-403(1);

(E) On Count V of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 1933 Antiquities Law;

(F) On Count VI of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on New York's six year statute of limitations;

(G) On Count VII of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft or illegal export of the Bull's Head based on laches;

(H) On Count VIII of the Complaint, a declaratory judgment that DANY is barred from repatriating the Bull's Head to the DGA in the face of Plaintiffs' rights of ownership and clear title to the Bull's Head;

(I) Interest, costs and disbursements relating to this action, including reasonable attorneys' fees, incurred in this action; and

(J) Such other and further relief as this Court deems just and proper.

Dated: New York, New York
July 11, 2017

Respectfully submitted,

Pearlstein McCullough & Lederman LLP
Attorneys for Plaintiffs

By: /s/ Georges G. Lederman
Georges G. Lederman
1180 Avenue of the Americas, 8th Floor
New York, NY 10036
Telephone: (646) 762-2833
Facsimile: (212) 732-6323
Email: glederman@pmcounsel.com

Case No. 17-CV-4755 (KPF)

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

LYNDA and WILLIAM BEIERWALTES,

Plaintiffs,

– against –

**DIRECTORATE GENERAL OF ANTIQUITIES
OF THE LEBANESE REPUBLIC and the
DISTRICT ATTORNEY OF NEW YORK COUNTY,**

Defendants.

**AMENDED COMPLAINT FOR
DECLARATORY JUDGMENT**

**PEARLSTEIN MCCULLOUGH & LEDERMAN LLP
641 LEXINGTON AVENUE, SUITE 1524
NEW YORK, NY 10022
(646) 762-2833**

ATTORNEYS FOR PLAINTIFFS LYNDA AND WILLIAM BEIERWALTES

SUBPOENA (DUCES TECUM)

FOR A WITNESS TO ATTEND THE

GRAND JURY

In the Name of the People of the State of New York

To: William T. Beierwaltes and Lynda L. Beierwaltes
of: 1907 Gail Court, Loveland, CO 80537

YOU ARE COMMANDED to appear before the **GRAND JURY** of the County of New York, at the Grand Jury Room, Room 907 of the District Attorney's Office, at, 1 Hogan Place, on the 9th floor in the Borough of Manhattan, of the City of New York, on **August 9, 2017, at 9:30 AM, as a witness in a criminal proceeding entitled:**

Investigation into Looted Egyptian, Classical, and Western Asiatic Antiquities

and to bring with you and produce the items listed herein. In lieu of personal appearance, you may cause these items to be delivered to the undersigned prior to the return date:

ANY AND ALL UNREDACTED documents, photographs, and financial records related to the purchase, possession, and movement of the following sculpture on loan to The Metropolitan Museum of Art:

Greek archaic marble Head of a Bull

This includes, but is not limited to, all shipping information (domestic and international); all import and export documents, stamps, invoices, payments and applications; all consignment agreements, sales records, payments, and supporting documentation; all appraisal documentation, notes, and reports; all provenance research, to include requests for such information and replies thereto; **and all correspondence related to these items maintained in any medium (emails, faxes, texts, letters, recorded conversations to include hand-written notes and memoranda of any such correspondence), specifically including but not limited to written notes of communications with Art Dealer #1 referenced in paragraph 14 of the Amended Complaint for Declaratory Judgement filed under Case No. 17-CV-4755 (KPF) on July 11, 2017.**

IF YOU FAIL TO ATTEND AND PRODUCE SAID ITEMS, you may be adjudged guilty of a Criminal Contempt of Court, and liable to a fine of one thousand dollars and imprisonment for one year.

Note: In lieu of appearing personally with the requested documents, you may mail or deliver them to the New York County District Attorney's Office, One Hogan Place, New York, NY 10013, for the attention of Assistant District Attorney Matthew Bogdanos, Room 696.

Dated in the County of New York, July 24, 2017

CYRUS R. VANCE, JR.
District Attorney, New York County

By: 

Matthew Bogdanos
Assistant District Attorney
212-335-9323

Case #: F2017-112127



A Rare Marble Bull Head

Item Number: 186

Culture: Greek

Purchase From: Symes Limited

Purchase Date: 11/27/1996

Purchase Amount: \$1,200,000

Provenance:

Robin Symes Ltd., London 1996

GREEK ARCHAIC, ca 480 BC

Height: 13" (33 cm); Length: 14" (35.5 cm)

A naturalistically carved head of a bull of calf, turned to its right, the lines of its prominent brows merging into the veins running along its nose; the heavy folds of its dewlaps carved to either side; the end of the nose and top of the head broken away, a portion of the right ear preserved.

Relatively few realistic animal representations have survived from the earliest period of Greek marble sculpture. A very fragmentary individual bull and a bull between lion were preserved on the Acropolis; another single bull head was discovered at the Heraion in Samos. A limestone goat head of similar size from the same period, now in the Cleveland Museum of Art, shows a similar treatment of the eyes and sensitively-carved details of veining and skin folds. Ridgeway thought the goat was probably carved as a votive offering for a sanctuary. The bull, associated with Dionysus, could have served in this context or as part of a funerary marker for an individual as a symbol of fertility and vigour.

References: H. Schrader, *Die Archaischen Marmorbildwerke der Akropolis*, Frankfurt am Main 1939 (reprint 1969), 220, 265-6, no. 3679, fig. 229; Samos XI, no. 85; *Handbook of the Cleveland Museum of Art*, Cleveland 1978, p. 24.

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GALLERY
EARLY - MID
80's

CASE #2

REF-CH-20036
DIM-36"x36"x23"
WT- 230 lbs.
DEST-
COLORADO.



Packing
Trucking
Museum Exhibits
International Art Fairs

234 Miller Avenue, Bronx, NY 10451 U.S.A. - Tel: 718 526 5626 Fax: 718 526 4550

William Beierwaltes
1907 Gail Court
Loyaland, CO 80537
Tel. 070 660 8655

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**U.S. District Court
District of Colorado (Denver)
CIVIL DOCKET FOR CASE #: 1:03-mc-00103**

Phillips, et al v. Beierwaltes, et al

Assigned to:

Demand: \$0

Case in other court: 05-01021

High Court of Just, HC0100810

Cause: Civil Miscellaneous Case

Date Filed: 10/03/2003

Date Terminated: 07/08/2015

Jury Demand: None

Nature of Suit: 999 Invalid

Jurisdiction: Federal Question

Petitioner

Jonathan Guy Anthony Phillips

represented by **Jenna D. Allen**

Snell & Wilmer, LLP

1200 17th Street

#1900

Denver, CO 80202

303-634-2000

Fax: 634-2020

TERMINATED: 03/08/2004

LEAD ATTORNEY

ATTORNEY TO BE NOTICED

Scott C. Sandberg

Spencer Fane LLP-Denver

1700 Lincoln Street

Suite 2000

Denver, CO 80203

303-839-3800

Fax: 303-839-3838

Email: ssandberg@spencerfane.com

LEAD ATTORNEY

ATTORNEY TO BE NOTICED

Petitioner

Robert Andrew Harland

represented by **Jenna D. Allen**

(See above for address)

TERMINATED: 03/08/2004

LEAD ATTORNEY

ATTORNEY TO BE NOTICED

Scott C. Sandberg

(See above for address)

LEAD ATTORNEY

ATTORNEY TO BE NOTICED

V.

Respondent**William T. Beierwaltes**

represented by **Richard Lance Gabriel**
 Colorado Supreme Court
 2 East 14th Avenue
 Denver, CO 80203
 720-625-5440
 Fax: 720-625-5445
 Email:
 richard.gabriel@judicial.state.co.us
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Sven C. Collins
 Squire Patton Boggs (US) LLP-Denver
 1801 California Street
 Suite 4900
 Denver, CO 80202
 303-830-1776
 Fax: 303-894-9239
 Email: sven.collins@squirepb.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Respondent**Lynda L. Beierwaltes**

represented by **Richard Lance Gabriel**
 (See above for address)
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Sven C. Collins
 (See above for address)
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Date Filed	#	Docket Text
10/03/2003	1	DECLARATION of Ludovic Adam Paul de Walden (bpm) (Entered: 10/06/2003)
10/03/2003	2	Application (PETITION) for Order to Take Discovery Pursuant to 28 U.S.C. 1782 by petitioners (bpm) (Entered: 10/06/2003)
10/03/2003		FILING FEE PAID: on 10/3/03 in the amount of \$ 30, receipt # 246775. (bpm) (Entered: 10/06/2003)
10/08/2003	3	ORDER by Magistrate Judge O. E. Schlatter granting petition [2-1]. Further ordered that applicants are authorized, pursuant to 28 USC 1782 to take

		discovery relating to the issues identified in their application from William T. Beierwaltes and Lynda L. Beierwaltes ("respondents") including (1) issuing subpoenas to respondents or to former or present employees or agents of respondents for the production of documents, depositions, and to permit the inspection of objects or things as applicants may deem reasonably appropriate based upon review of documents produced by respondents and as are consistent with the FRCP. Further ordered that respondents are directed to comply with such subpoenas and that Snell & Wilmer L.L.P. may issue, sign and serve such subpoenas on respondents pursuant to FRCP 45(a)(3). Further ordered that applicants shall deliver copies of this Order and any subpoena issued pursuant to this Order to Robin James Symes, Robin Symes Limited, Geoffrey Rowley and Kevin Hellard, dfts in the civil proceedings pending in England. (cc: all counsel) ; entry date : 10/8/03 (bpm) (Entered: 10/08/2003)
10/22/2003	4	Subpoena (NOTICE) serving Lynda L. Beierwaltes on 10/13/03 re: order [3-1] (bpm) (Entered: 10/23/2003)
10/22/2003	5	Subpoena (NOTICE) served on Lynda L. Beirwaltes for William T. Beirwaltes on 10/13/03 re: order [3-1] (bpm) (Entered: 10/23/2003)
12/09/2003	6	Stipulated PROTECTIVE ORDER. Respondents have agreed to produce to Applicants, subject to this Stipulated Proto documents that are responsive to subpoenas. by Magistrate Judge O. E. Schlatter : (cc: all counsel) (bpm) (Entered: 12/09/2003)
03/08/2004	7	ATTORNEY SUBSTITUTION: terminating attorney Jennifer D. Langer for Robert Andrew Harland and Jonathan Guy Anthony Phillips and substituting attorney Scott C. Sandberg (bpm) (Entered: 03/09/2004)
12/09/2004	8	MOTION to Compel Production of Documents from William T. Beierwaltes and Lynda L. Beierwaltes by Petitioners Robert Andrew Harland, Jonathan Guy Anthony Phillips. (bpm,) (Entered: 12/10/2004)
12/09/2004	9	DECLARATION of Henry J. Ricardo regarding MOTION to Compel 8 . (bpm,) (Entered: 12/10/2004)
12/09/2004	10	AFFIDAVIT of Jennifer D. Langer re 8 MOTION to Compel. (bpm,) (Entered: 12/10/2004)
12/09/2004	11	DECLARATION of Michael Skoglund regarding MOTION to Compel 8 . (bpm,) (Entered: 12/10/2004)
12/09/2004	12	Memorandum (BRIEF) in Support re 8 MOTION to Compel Production of Documents by William T. Beierwaltes and Lynda L. Beierwaltes filed by Petitioners Robert Andrew Harland, Jonathan Guy Anthony Phillips. Document is sealed.(bpm,) (Entered: 12/10/2004)
12/09/2004	13	Ricardo Declaration EXHIBIT F Respondents' December 2003 and Document Production by Robert Andrew Harland, Jonathan Guy Anthony Phillips. Document is sealed. (bpm,) (Entered: 12/10/2004)
12/09/2004	14	Ricardo Declaration EXHIBIT J Excerpts and Exhibits from the October 26, 2004, Deposition Transcript of Linda L. Bierwaltes by Robert Andrew Harland,

		Jonathan Guy Anthony Phillips. Document is sealed.(bpm,) (Entered: 12/10/2004)
12/09/2004	15	Ricardo Declaration EXHIBIT K Excerpts and Exhibits From the October 27, 2004, Deposition Transcript of William T. Beierwaltes by Robert Andrew Harland, Jonathan Guy Anthony Phillips. Document is sealed.(bpm,) (Entered: 12/10/2004)
12/09/2004	16	NOTICE of Filing Documents Under Seal by Robert Andrew Harland, Jonathan Guy Anthony Phillips (bpm,) (Entered: 12/10/2004)
12/09/2004	17	MOTION to File Materials Under Seal by Petitioners Robert Andrew Harland, Jonathan Guy Anthony Phillips. Documents to be sealed are Memorandum in Support of Motion to Compel Production of Documents by William T. Beierwaltes and Lynda L. Beierwaltes, Richard Declaration Exhibit F, Richardo Declaration Exhibit J, Ricardo Declaration Exhibit K. (bpm,) (Entered: 12/10/2004)
12/09/2004	18	CERTIFICATE OF SERVICE by Robert Andrew Harland, Jonathan Guy Anthony Phillips re 9 Declaration, 10 Affidavit, 17 MOTION to Seal, 11 Declaration, 12 Brief in Support of Motion, 13 Exhibit, 14 Exhibit, 8 MOTION to Compel, 15 Exhibit, 16 Notice (Other) (bpm,) (Entered: 12/10/2004)
12/10/2004	19	ORDER granting 8 Motion to Compel Production of Discovery from William T. Beierwaltes and Lynda L. Beierwaltes. Signed by Magistrate Judge O. Edward Schlatter on 12/10/04. (bpm,) (Entered: 12/10/2004)
12/10/2004	20	ORDER granting 17 Motion to Seal . Signed by Magistrate Judge O. Edward Schlatter on 12/10/04. (bpm,) (Entered: 12/10/2004)
12/15/2004	21	MOTION for Reconsideration and/or to vacate December 10, 2004 19 Order on Motion to Compel pending the filing and consideration of their response to said motion by Respondents William T. Beierwaltes, Lynda L. Beierwaltes. (bpm,) (Entered: 12/15/2004)
12/16/2004	22	Memorandum in RESPONSE to Beierwaltes' Motion re 21 MOTION for Reconsideration re 19 Order on Motion to Compel MOTION to Vacate filed by Petitioners Jonathan Guy Anthony Phillips, Robert Andrew Harland. (bpm,) (Entered: 12/17/2004)
12/17/2004	23	REPLY in Further Support to Response to Motion re 21 MOTION for Reconsideration re 19 Order on Motion to Compel MOTION to Vacate filed by Respondents William T. Beierwaltes, Lynda L. Beierwaltes. (bpm,) (Entered: 12/21/2004)
01/10/2005	24	MOTION by Respondents William T. Beierwaltes, Lynda L. Beierwaltes for Stay, Pending Appeal, of Order Granting Motion to Compel. (djs,) (Entered: 01/12/2005)
01/10/2005	25	NOTICE OF APPEAL as to 19 Order on Motion to Compel by William T. Beierwaltes and Lynda L. Beierwaltes. Filing fee \$ 255, receipt number 257436. Notice mailed to all counsel on 1/12/05. Transcript Order Form due by 1/27/2005. (djs,) (Entered: 01/12/2005)

01/13/2005	26	USCA Case Number 05-1021 for 25 Notice of Appeal filed by William T. Beierwaltes and Lynda L. Beierwaltes. (djs,) (Entered: 01/14/2005)
01/20/2005	27	TRANSCRIPT ORDER FORM filed by appellants William T. Beierwaltes and Lynda L. Beierwaltes. TOF states a transcript is not necessary for this appeal. (djs,) (Entered: 01/21/2005)
01/21/2005	28	LETTER to USCA and all counsel advising that the record is now complete. TOF filed by appellant stating that a transcript is not necessary for this appeal as to 25 Notice of Appeal. (djs,) (Entered: 01/21/2005)
01/31/2005	29	Opposition (RESPONSE) to 24 MOTION for Stay Pending Appeal of Order Granting Motion to Compel filed by Respondents William T. Beierwaltes, Lynda L. Beierwaltes. (gms,) (Entered: 02/02/2005)
01/31/2005	30	DECLARATION of Ludovic Adam Paul de Walden in opposition to motion for stay pending appeal of order granting motion to compel re 29 . (gms,) (Entered: 02/02/2005)
02/15/2005	31	SUPPLEMENTAL Submission in Further Support of 21 MOTION for Reconsideration re 19 Order on Motion to Compel MOTION to Vacate by Respondents William T. Beierwaltes, Lynda L. Beierwaltes. (gms,) (Text Modified on 2/16/2005 to correct filer) (gms,). (Entered: 02/16/2005)
02/15/2005	32	REPLY in Support of 24 MOTION to Stay pending appeal of order granting motion to compel filed by Respondents William T. Beierwaltes, Lynda L. Beierwaltes. (gms,) (Entered: 02/16/2005)
02/25/2005	33	ORDER denying 21 MOTION for Reconsideration re 19 Order on Motion to Compel MOTION to Vacate filed by William T. Beierwaltes and Lynda L. Beierwaltes. Leave is granted to renew such a motion when appeal to the circuit is complete. Order granting 24 MOTION to Stay filed by William T. Beierwaltes and Lynda L. Beierwaltes. Signed by Magistrate Judge O. Edward Schlatter on 2/25/05. (djs,) (Entered: 02/28/2005)
03/01/2005	34	Amended NOTICE OF APPEAL as to 33 Order denying motion to reconsider on 2/25/05 by William T. Beierwaltes and Lynda L. Beierwaltes. Notice mailed to all counsel on 3/2/05. (djs,) (Modified on 5/27/2005 to indicate dated mailed to counsel)(djs,). (Entered: 03/02/2005)
11/27/2006	35	MANDATE of USCA as to 25 Notice of Appeal filed by William T. Beierwaltes, Lynda L. Beierwaltes: The 10th Circuit lack's jurisdiction to review the Beierwaltes' appeal, therefore the appeal is dismissed. (USCA case no.05-1021) (bjr2,) (Entered: 11/28/2006)

PACER Service Center			
Transaction Receipt			
08/10/2017 08:49:02			
PACER Login:	clearypacer:3464758:0	Client Code:	92002-477
Description:	Docket Report		

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Billable Pages:	4	Cost:	0.40

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Date 10-10-96

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MATTE ☐ 3 1/2 x 5

GLOSSY ☒ 4 x 6

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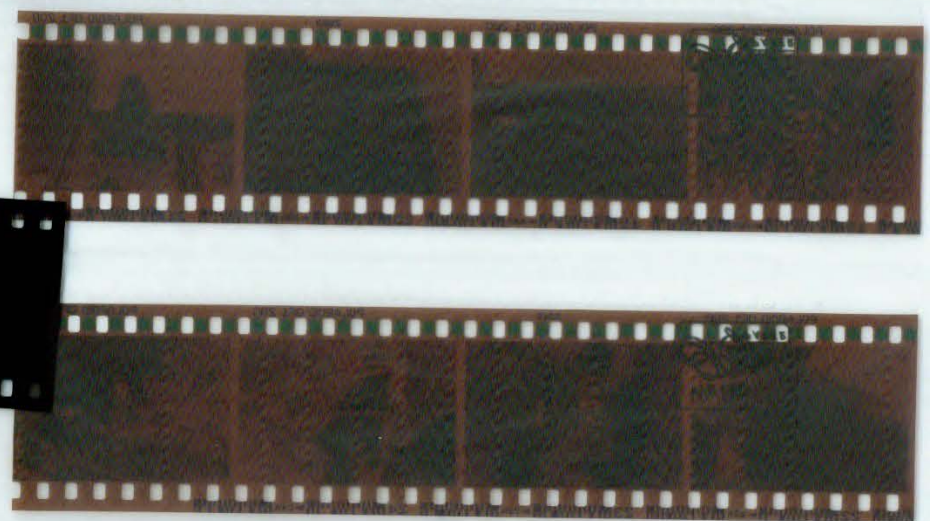
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WESTERN Camera

1205 W. Eisenhower Blvd.
LOVELAND, CO
Phone 667-2262

1 HOUR - COLOR





September 5, 2017

District Attorney's Office
1 Hogan Place, 9th floor
New York NY. 10013

Attention; Matthew Bogdanos

Reference; Subpoena, Case # F2017-112127

Dear Matthew,

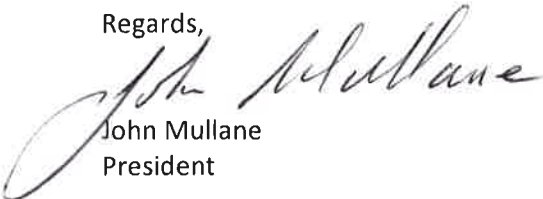
With regard to the Subpoena referenced above which I received from you late on Friday September 1, 2107, I have enclosed copies of thirty invoices related to this.

Please note that the billing party, Charles Happel ,Inc was the company handling the account and we were acting as their subcontractor to provide warehousing , crating, trucking and shipping as needed. Charles Happel, Inc is still in business and is located at 777 SUNRISE HIGHWAY, SUITE 204 LYNBROOK NY 11563 (516) 203-3100

As you can see from the invoices the activity stretches from October 1994 to April 2001. In April of 2001 the entire holdings were handed off to another warehouse facility, Dun-Rite Moving & Storage. All of our hard copy records have been disposed of at this stage. We no longer have any other records in our possession pertaining to this matter other than the quick Books invoices which I am enclosing. I was not involved in the day to day activity with this account and I would have no recollection of any of the activities. The person who was handling this account has retired a long time ago and I have no contact with them.

Please confirm that there is no need for me or anyone else from Transcon to attend the Grand Jury on September 8, 2017.

Regards,



John Mullane
President



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

PAID
 05/29/2001

Invoice
 4/30/2001

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INVOICE #

DATE

JOB#

CUST REF#

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REP

JM

REF: CH-200036/STORAGE - 8700116 ROBIN SYMES

LABOR CHARGES FOR THE INVENTORYING WORKS IN THE HOLDINGS OF
 ROBIN SYMES.

960.00

1 MAN, 3 DAYS, 24 HOURS TOTAL

CHARGES FOR ASSITING CLIENT'S REPRESENTATIVES WITH LISTING
 INVENTORY AND IMAGING OF ALL HOLDINGS.

640.00

LUNCH PURCHASED FOR 4 REPRESENTATIVES

80.00

CHARGES FOR THE RELEASING OF ALL HOLDINGS TO DUN-RITE.

480.00

4 MEN, 3 HOURS

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

PAYMENT DUE UPON
 RECEIPT.

TOTAL TOTAL \$2,160.00

Payments/Credits -\$2,160.00

Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

PAID
04/20/2001

Invoice

3/29/2001

27162

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #	REP
	JM

REF: CH-200036/STORAGE - 8700116
 STORAGE CHARGES FOR 04/01/01 - 04/30/01

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

PAYMENT DUE UPON
 RECEIPT.

TOTAL TOTAL \$700.00
 Payments/Credits -\$700.00
 Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
03/02/2001

Invoice

2/19/2001

26631

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH-200036 / STORAGE-8700116

STORAGE CHARGES FOR 03/01/01 - 03/31/01

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
12/20/2000

Invoice

11/27/2000

26152

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH-200036 / STORAGE - 8700116

STORAGE CHARGES FOR 12/01/00 - 12/31/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
12/20/2000

Invoice
10/30/2000

25993

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH-200036 / STORAGE - 8700116

STORAGE CHARGES FOR 11/01/00 - 11/30/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
11/16/2000

Invoice
9/30/2000

25819

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #	REP
	JM

REF: CH-200036 / STORAGE - 8700116

STORAGE CHARGES FOR 10/01/00 - 10/31/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
09/21/2000

Invoice
8/26/2000

25646

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH-200036 / STORAGE - 8700116

STORAGE CHARGES FOR 09/01/00 - 09/30/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL \$700.00
Payments/Credits -\$700.00
Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

PAID
08/23/2000

Invoice
 7/31/2000

25510

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH-200036 / STORAGE - 8700116
 STORAGE CHARGES FOR 08/01/00 - 08/31/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

TOTAL TOTAL \$700.00
 Payments/Credits -\$700.00
 Balance Due \$0.00

PAYMENT DUE UPON
 RECEIPT.



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
08/04/2000

Invoice

6/30/2000

25391

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH-200036 / STORAGE - 8700116

STORAGE CHARGES FOR 07/01/00 - 07/31/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
08/04/2000

Invoice
5/31/2000

25205

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #	REP
	JM

REF: CH-200036 / STORAGE - 8700116

STORAGE CHARGES FOR 06/01/00 - 06/30/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
08/04/2000

Invoice
4/29/2000

25054

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH-200036 / STORAGE - 8700116

STORAGE CHARGES FOR 05/01/00 - 05/31/00

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
03/30/2000

Invoice
2/25/2000

24726

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH 200036
STORAGE 8700116

STORAGE FOR MONTH OF OCTOBER 99
STORAGE FOR MONTH OF NOVEMBER 99
STORAGE FOR MONTH OF DECEMBER 99
STORAGE FOR MONTH OF JANUARY 2000
STORAGE FOR 2/01/00 TO 2/29/00
STORAGE FOR 03/01/00 TO 03/31/00

700.00
700.00
700.00
700.00
700.00
700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL \$4,200.00
Payments/Credits -\$4,200.00
Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
11/04/1999

Invoice
9/30/1999

24111

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH 200036
STORAGE # 8700116

STORAGE FOR 9/1/99 - 9/30/99

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL \$700.00
Payments/Credits -\$700.00
Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
11/04/1999

Invoice

8/2/1999

23808

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH 200036
STORAGE #8700116

STORAGE FOR 8/1/99 - 8/31/99

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
11/04/1999

Invoice
7/6/1999

23693

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH 200036
STORAGE #8700116

STORAGE FOR 07/01/99 - 07/31/99

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
11/04/1999

Invoice

6/29/1999

23656

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH 200036
STORAGE 8700035

STORAGE FOR 07/01/99 - 07/31/99

325.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$325.00
Payments/Credits	-\$325.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
07/30/1999

Invoice
5/28/1999

23422

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH 200036
STORAGE # 8700035

STORAGE 06/01/99 - 06/30/99

325.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$325.00
Payments/Credits	-\$325.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

PAID

Invoice
 4/30/1999

23271

INVOICE #

DATE

JOB#

CUST REF#

REP

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

JOB #	REP
	JM

REF. CH 200036
 STORAGE # 8700035

STORAGE 5/01/99 - 5/31/99

325.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

PAYMENT DUE UPON
 RECEIPT.

TOTAL TOTAL \$325.00
 Payments/Credits -\$325.00
 Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
07/30/1999

Invoice
4/30/1999

23274

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH 200036
STORAGE # 8700116

STORAGE 5/01/99 - 5/31/99

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

Invoice

3/31/1999

23179

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH 200036
STORAGE #8700116

STORAGE 04/01/99 - 04/30/99

700.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$700.00
Payments/Credits	-\$700.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
08/11/1998

Invoice

6/15/1998

21451

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

ML

REF: CH 200036 / SYMES

RECEIVED AT WAREHOUSE

65.00

PREPARE CONDITION REPORT & TAKE PHOTOS, UNWRAP PAINTINGS &
REWRAP SAME

225.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

TOTAL TOTAL	\$290.00
Payments/Credits	-\$290.00
Balance Due	\$0.00

PAYMENT DUE UPON
RECEIPT.



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

PAID
08/11/1998

Invoice
 5/29/1998

21400

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: CH 981479

PICK UP FROM ROBIN SYMES, FOUR SEASON HOTEL
 3 SUITCASES, 8 CARRYING BAGS

125.00

PICK UP FROM L'ANTIQUAIRE
 1 CARTON WITH MARBLE FRUITS

85.00

PACKED INTO 1 WOODEN CASE:
 69 x 29 x 57" = 494 LBS.

475.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

PAYMENT DUE UPON
 RECEIPT.

TOTAL TOTAL \$685.00
 Payments/Credits -\$685.00
 Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
08/11/1998

Invoice
2/17/1998

20842

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF: 98.1300 / TSS 24627
ROBIN SYMES

REPACKING OF CASES FOR LONDON
NEW CASE SIZE: 58 x 31 x 38" = 275 LBS.

150.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL \$150.00
Payments/Credits -\$150.00
Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

PAID
06/04/1997

Invoice

1/31/1997

18730

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH - 97666

PICKUP - 2/3/97 FROM SOTHEBY'S, SALE 6937, LOT 116
 FROM SYMES STORAGE :
 (1) MARBLE HEAD + (1) SMALL LION WITH STAND
 SHIPMENT TO LONDON, ENGLAND.

PACKED INTO ONE WOODEN CASE :
 31"x 24"x 20" = 8.62' - 110 LBS.

PICKUP
 CASING

85.00
 125.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

PAYMENT DUE UPON
 RECEIPT.

TOTAL TOTAL \$210.00
Payments/Credits -\$210.00
Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
05/29/1997

Invoice

11/30/1996

18346

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH - 200036

(1) PAINTING BY VUILLAND

COLLECTION FROM SOTHEBY'S & DELIVERY TO R. SYMES

150.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

PAYMENT DUE UPON
RECEIPT.

TOTAL TOTAL	\$150.00
Payments/Credits	-\$150.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
120 BROADWAY SUTIE 3330
NEW YORK, N.Y. 10004
ATTN: EFFIE

PAID
05/29/1997

Invoice

11/30/1996

18361

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH - 200036/SYMES

8/26/96 - PICKUP JUDSON ART WAREHOUSE - (1) TRUCK, (3) MEN - (4) HOURS	520.00
8/27/96 - PICKUP JUDSON ART WAREHOUSE - (1) TRUCK, (2) MEN - (3) HOURS	285.00
OFFLOAD & HANDLING INTO STORAGE - (4) MEN, (3) HOURS	420.00
7/2/96 - PICKUP (1) TERRACOTTA HEAD FROM CHRISTIE'S PARK	125.00
7/9/96 - PICKUP FROM SOTHEBY'S -	
(1) GREEK FRAGMENT	
(1) ROMAN WALL FRAGMENT	125.00
10/4/96 - DELIVERY OF CONTENTS OF CASE # 6 TO MRS. JUDY STEINHARDT	175.00
10/4/96 - SORTING OF CASES #'s 6, 4, 2 AT WAREHOUSE	70.00
DELIVERY TO RUBIN SYMES- FOUR SEASONS HOTEL, 57TH ST. BETWEEN	275.00
MADISON & PARK AVES.	
10/7/96 - SORTING OF ITEMS FROM COLORADO	125.00
BUILD (2) CASES :	
35"x 24"x 32"	150.00
36"x 36"x 23"	150.00
AIRFREIGHT TO LOVELAND, COLORADO - OVERNITE	595.00
10/16/96 - PICKUP FROM MICHAEL STEINHARDT -	
(1) TERRACOTTA VASE	
(1) TERRACOTTA AKROTERION	
DELIVERY TO TSS WAREHOUSE	125.00
10/16/96 - PICKUP FROM FREDERICK SCHULTZ -	
(2) MARBLE HEADS & DELIVER TO TSS WAREHOUSE	125.00
11/25/96 - PICKUP FROM SOTHEBY'S - (2) PAINTINGS & DELIVER TO TSS	125.00
WAREHOUSE	
10/23/96 - RECEIVE (1) CASE FROM FED-EX	15.00
11/26/96 - PACK (1) AKROTERION WITH BASE INTO EXISTING CASE	
PREPARE & MARK FOR LOVELAND, COLORADO	100.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

TOTAL TOTAL \$3,505.00

Payments/Credits -\$3,505.00

Balance Due \$0.00

PAYMENT DUE UPON
RECEIPT.



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

PAID
 09/10/1996

Invoice
 5/31/1996

17352

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

JM

REF. CH - 200036
 (1) MARBLE SCULPTURE "BULLS HEAD"

1/26/96 - RCVD. (1) CASE FROM FEDEX
 1/26/96 - RCVD. (1) CASE 63.5 KGS.
 1/29/96 - RCVD. (3) CASES VIA YELLOW FREIGHT
 5/1/96 - RCVD. (6) CASES FROM GETTY
 5/18/96 - DELIVER TO R. SYMES - 57TH. ST. - SAT. DELIVERY
 5/24/96 - P/U (1) MARBLE HEAD FROM PETER NESGOS

45.00
 45.00
 65.00
 65.00
 325.00
 75.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

Payment due, 30 days from
 date of invoice

TOTAL TOTAL \$620.00
 Payments/Credits -\$620.00
 Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
 Phone #: (718) 585-1600 Fax #: (718) 585-4600

CHARLES HAPPEL, INC.
 120 BROADWAY SUTIE 3330
 NEW YORK, N.Y. 10004
 ATTN: EFFIE

PAID
11/01/1995

Invoice
 8/28/1995

15879

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #	REP
CH-650178	JM

REF: CH-680360

RCVD AT TSS WHSE VIA FEDEX
 3 CASES FROM BEIERWALTES, LOVELAND, CO.
 FOR SHIPMENT TO LONDON, ENGLAND

CASE#1 54x8x33 = 8.25' - 150LBS
 CASE#2 45x27x20 = 14.07' - 378LBS
 CASE#3 29x21x18 = 6.35' - 72LBS

PACKED INTO 3 WOODEN CASES

150.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
 NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
 CHASUS33

TOTAL TOTAL \$150.00
 Payments/Credits -\$150.00
 Balance Due \$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

HUDSON SHIPPING CO. INC.
17 BATTERY PLACE
SUITE 1230
NEW YORK, NY 10004

PAID
02/01/1995

Invoice

10/24/1994

13555

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

HSC-725331

PO# HSC-733487

10/20/94 PICKUP ONE WATERCOLOR, BUBBLE WRAP AND DELIVER TO ROBIN
SYMES PIERRE HOTEL, NYC
LESS 10%

100.00

-10.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

Thank you for your business.

TOTAL TOTAL	\$90.00
Payments/Credits	-\$90.00
Balance Due	\$0.00



234 Rider Avenue, Bronx, NY 10451 U.S.A.
Phone #: (718) 585-1600 Fax #: (718) 585-4600

HUDSON SHIPPING CO. INC.
17 BATTERY PLACE
SUITE 1230
NEW YORK, NY 10004

PAID
02/01/1995

Invoice

10/24/1994

13564

INVOICE #

DATE

JOB#

CUST REF#

REP

JOB #

REP

HSC-725331

PO HSC 288244

RE: ROBIN SYMES, HOTEL PIERRE
PICKUP, HOLD AND DELIVER
LESS 10%

100.00
-10.00

WIRE TO: JP MORGAN CHASE BANK, 270 E 137TH STREET BRONX,
NY 10454 ABA# 021000021, Acct# 786500739665, SWIFT CODE:
CHASUS33

TOTAL TOTAL \$90.00
Payments/Credits -\$90.00
Balance Due \$0.00

Thank you for your business.

Boyd, Sarah

From: Coley, Jacob
Sent: Thursday, April 24, 2014 11:00 AM
To: Boyd, Sarah
Subject: RE: Steinhardt return

Done.

I'll let you know when I hear from Carlos.

From: Boyd, Sarah
Sent: Thursday, April 24, 2014 10:42 AM
To: Coley, Jacob
Subject: RE: Steinhardt return

Gotcha – it's small so I don't think it will be an issue.

The Owner/Vendor address isn't showing up. When you have a moment, would you mind fixing that? Thanks!

From: Coley, Jacob
Sent: Thursday, April 24, 2014 10:05 AM
To: Boyd, Sarah
Subject: RE: Steinhardt return

Hi Sarah,

The Technicians brought it down this morning, but Carlos wants to speak to the Steinhardt family before it is returned. I have the outbound expert, but without a contact. Let Bill Gagen know if it's taking up too much room and needs to be brought back.

Thanks,
Jake

From: Boyd, Sarah
Sent: Thursday, April 24, 2014 10:01 AM
To: Coley, Jacob
Subject: FW: Steinhardt return

Hi Jake, is this going back?

From: Cox, Willa
Sent: Thursday, April 24, 2014 9:52 AM
To: Boyd, Sarah
Subject: Steinhardt return

L.2010.40ab (G&R) is on the south table.

Willa



OUTGOING EXPECT

TO: Registrar GR.OUT.Steinhardt.2014.1

PREPARED BY: Jacob Coley 212-570-3779

DATE: April 24, 2014

SHIPMENT TYPE: Outgoing

PURPOSE: Return

OWNER/VENDOR: Mr. and Mrs. Michael Steinhardt
Phone: (212) 831-1349 /
914-666-5712
Work phone: (212) 371-7300
Work fax: (212) 371-3241
Home fax: (212) 831-3067

SHIP TO: Mr. and Mrs. Michael Steinhardt
1158 Fifth Avenue, Apt. 16A
New York, NY 10029
USA

CONTACT:
CONTACT PHONE:

SPECIAL REQ:

THE FOLLOWING: Greek
Marble head of a bull
ca. 500-460 B.C.
Marble
H.: 13 in. (33 cm)
\$700,000.00
L.2010.40a, b

wait until Carlos contacts
the owners before
contacting.

6/26: on hold
indefinitely.

Bill & Lynda Beierwaltes

1907 GAIL COURT
LOVELAND, CO 80537
(970) 667-3255
(970) 667-3380 FAX

APRIL 16, 2015

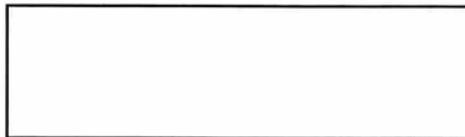
SOLD TO:

PHOENIX ANCIENT ART
47 EAST 66TH STREET
NEW YORK, NY 10021

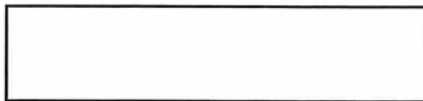
INVOICE:



\$140,000



\$140,000



\$140,000



\$140,000

SUB TOTAL: \$560,000

TAKEN IN TRADE:

A Rare Marble Bull Head
ROMAN, LATE 3RD CENTURY A.D.
HEIGHT: 11 1/4" (28.6)

\$560,000



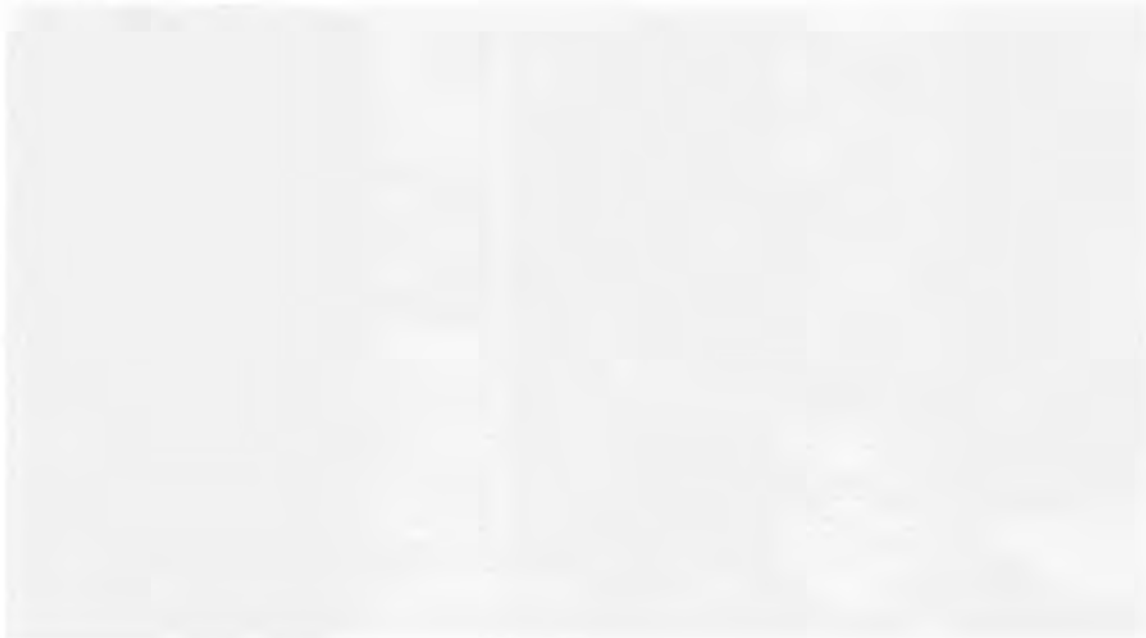
April 24, 2015

Mr. Michael Steinhardt
712 Fifth Avenue, 34th floor
New York, NY 10019

Invoice #042415-5

Exhibit A

\$700,000



Subtotal USD\$ 700,000.00

Less: Trade in



A2010.11 Marble Head of a Bull,
Greek 5th century BC, H: 33cm

USD\$ (700,000.00)

Less:

Final Total USD\$ 0.00

Authorized by

X

Name

HILHAM ABONTRAM

A Total Sum of Zero US Dollars only.

ELECTRUM
EXCLUSIVE AGENT FOR PHOENIX ANCIENT ART
47 East 66th Street - New York, NY 10065, USA - T - 1 212 288 7518 - F - 1 212 288 7121

www.phoenixancientart.com



Office of the Senior Vice President,
Secretary and General Counsel

Sharon H. Cott
Senior Vice President,
Secretary and General Counsel

T 212 570 3940
F 212 570 3850
sharon.cott@metmuseum.org

March 3, 2016

By U.S. Mail
Mr. Michael Steinhardt
1158 Fifth Avenue
New York, New York 10029

Dear Mr. Steinhardt,

It was a pleasure to see you on Monday night at the Philadoroi event. As we discussed, the Museum would be happy to facilitate the resolution of the status of the Head of a Bull on loan here. We have done so in the past for lenders in similar situations. As a first step, I would propose sending the enclosed letter to Lebanese Director General for Antiquities, Sarkis Khoury. Please let me know if this is acceptable.

Sincerely yours,

Sharon H. Cott

Enclosures

cc: Thomas P. Campbell
Carlos Picon

DRAFT

March 1, 2016

By Overnight Mail

Mr. Sarkis Khoury
Director General
Directorate for Antiquities
Rue du Musee,
Beirut, Lebanon

Dear Mr. Khoury,

It has come to my attention that a Hellenistic *Head of a Bull* on loan to The Metropolitan Museum of Art appears to come from excavations at the Temple of Eshmun in Sidon. Our lender asked that I contact you in hopes that this matter can be resolved.

I enclose a photograph of the Bull here at the Museum along with the entry for a Head of Bull from Rolf A. Stucky, The Temple of Eshmun in Sidon Architecture and Inscriptions. Vereinigung der Freunde Antiker Kunst, Basel, 2005.: the images appear to match. We would welcome seeing the records for the Bull from Sidon, and look forward to discussing appropriate next steps.

We remain grateful to the Directorate for Antiquities for the loans to a 2014 exhibition at the Metropolitan, *From Assyria to Iberia at the Dawn of the Classical Age*, and look forward to hearing from you.

Yours sincerely,

Thomas P. Campbell

Enclosure

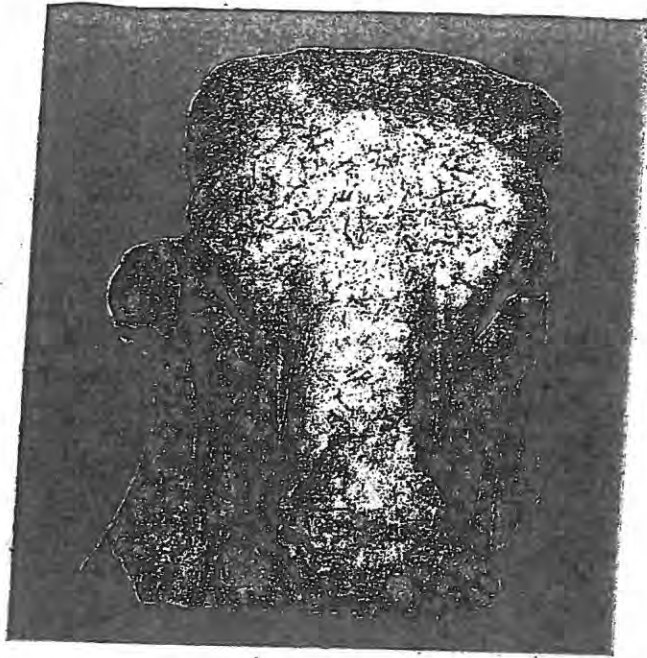
bcc: Michael Steinhardt
Sharon H. Cott
Rebecca L. Murray
Carlos Picon



DAS ESCHMUN-HEILIGTUM VON SIDON ARCHITEKTUR UND INSCRIFTEN

ROLF A. STUCKY, unter Mitarbeit von Sigmund Stucky
und mit Beiträgen von
Antonio Loprieno, Hans-Peter Mathys und Rudolf Wachter

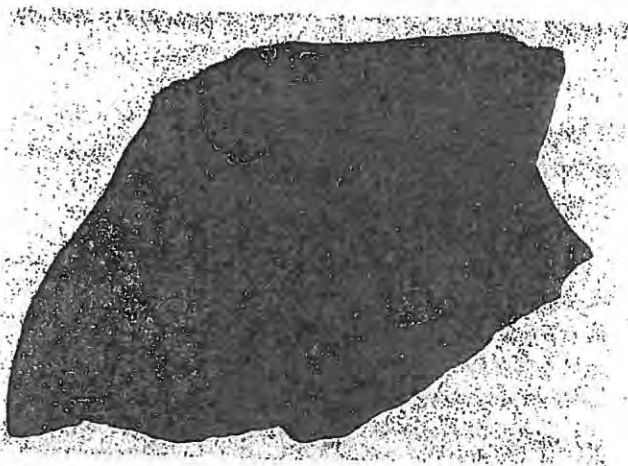
Antike Kunst • Beiheft 19
Herausgegeben von der Vereinigung der Freunde antiker Kunst
Basel 2005



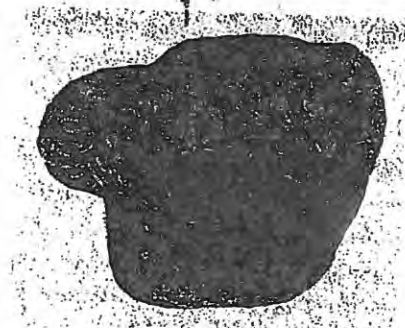
C17



C17



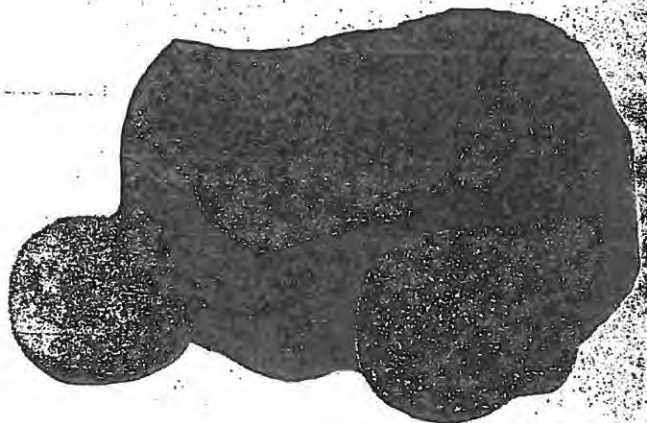
C18



C19



C15



C20

C15 Kapitell mit vier Stierprotomen

E 2518 (1978; tardif)

8/16

Byblos, Depot in der Kreuzritterburg

B o.5 H o.32 T o.46 H des Reliefs o.26

(am Objekt gemessen)

Taf. 18

Nach der Interpretation Mireille Dunands handelt es sich um das Fragment eines Vierprotomenkapitells: «Fragment de chapiteau à tête de taureau dont il ne reste que la patte gauche complètement repliée sous le genou – cassé de toutes parts sauf du côté droit où on distingue l'amorce du ventre.» Trotz des schlechten Erhaltungszustandes zögerte Frau Dunand in diesem Fall nicht, das offenbar unförmige Fragment einem Kapitell und nicht einem Protomenrelief zuzuweisen.

Im Depot der Direction Générale des Antiquités in Byblos hat sich ein Fragment erhalten, das der oben zitierten Beschreibung gut entspricht und das offensichtlich ebenfalls von einem Kapitell stammen muss: Von der einen Stierprotome ist der Bug nur im Umriss erhalten. Auf der nach rechts hin folgenden, im rechten Winkel abgesetzten und ebenfalls feingeglätteten Seite zeichnet sich eine erhabene Bruchkante ab, die nur von einem weiteren Stierkörper stammen kann. Beim einzigen Protomen-Relief C16 ist der in den Mauerverband integrierte seitliche Reliefrand mit Anathyrose versehen und nicht ebenso fein geglättet wie bei C15 und C14.

C16 Hochrelief mit Stierprotome

E 1279 (1969)

11/13

H o.55 B o.54 (Masse nach Inventarkarte)

Taf. 17

Aus der fünfeckigen Platte unregelmässiger Seitenlängen ragt der Stierkörper mit auf den Bug gelegtem Kopf und mit unter den Körper geschlagenen Beinen heraus. Knie, Ohren, Hörner, Schnauze und linke Hälfte des Stirnwulstes sind weggebrochen. Nach der Inventarkarte waren die Ohren angestückt.

Die nuancierte Behandlung des Tierfells mit den kleinen Locken auf Stirn und Stirnwulst sowie rund um den Ansatz der Hörner ist fast allen erhaltenen Fragmenten von Stierprotomen gemeinsam. Im gesamten wirkt dieses Tier allerdings weicher als seine – erhaltenen und

verschollenen – Brüder; bei seiner Gestaltung wurde auf die hartkantige Begrenzung der einzelnen Falten an Hals und Wamme verzichtet.

Die Vorderseite der Reliefplatte ist ebenso glatt gestaltet wie der Tierkörper; die Schmalseiten weisen eine feine Anathyrose auf; die flache Rückseite ist mit dem Meissel nur grob bearbeitet worden. Die beiden Einschnitte zu beiden Seiten des Kopfs dienten ursprünglich wohl zur Aufnahme von Metallstiften zur Befestigung des Reliefs in einem Mauerzusammenhang.

Lit. Dunand 1973, 14 Taf. 12, 2; Stucky 1991, 470 Abb. 6, 7; Stucky 1993B, 263 Taf. 45, 1; Stucky 1998, 4 Abb. 3; Stucky 2004B, 218f. Abb. 6.

C17 Stierprotome

E 912 (1967)

8/12

H o.325 B o.295 T o.38

(Masse nach Inventarkarte)

Taf. 18

Stierprotome eines Vierprotomenkapitells oder eines Protomenreliefs. Der Stirnwulst ist zusammen mit den Hörnern und den Ohren weggebrochen; offensichtlich fehlt auch der Unterteil des Mauls.

Wie beim Vierprotomenkapitell C14 lebt die Darstellung des Stierkopfs vom Zwiespalt zwischen der weichgestalteten Oberfläche des Fells und den harten Begrenzungen der Augen und einzelner Falten.

C18 Stierprotome

ohne Inv. Nr. (1924)

wohl «Bâtiment aux frises d'enfants»

Keine Massangabe

Taf. 18

Kopf und Bug einer Stierprotome. Bei diesem frühen Fund stehen die weiche Gestaltung des Tierfells und die hartkantige Begrenzung der Falten an Hals und Wamme in besonders krassm Gegensatz zueinander.

Lit. Dunand 1926, 4f. Taf. 5; zur Fundstelle v.a. 3 und Plan Taf. 1: Der Mauerverlauf entspricht in Form und Lage der Nordecke des «Bâtiment aux frises d'enfants»; von Mercklin 1953/54, 186; von Mercklin 1962, 195 Nr. 475 Abb. 900.

Cott, Sharon

From: William Pearlstein <wpearlstein@pmcounsel.com>
Sent: Wednesday, July 06, 2016 3:58 PM
To: Cott, Sharon
Cc: Georges Lederman
Subject: Rare Archaic Greek Bull's Head

Sharon,

We have been retained by the Beierwaltes in connection with the Bull's Head identified in Stucky's article publishing the excavations of the Temple of Eshmun in Sidon, Lebanon.

Can you let me know when you are free to discuss?

Regards,

William Pearlstein
Pearlstein McCullough & Lederman LLP
1180 Avenue of the Americas, 8th floor
New York, NY 10036
T: 646.762.7263
wpearlstein@pmcounsel.com
PMCounsel.com

Pearlstein McCullough & Lederman LLP

1180 Avenue of the Americas ■ 8th Floor ■ New York, NY 10036 ■ T: 646.762.7263 ■ F: 866.941.7720 ■ wpearlstein@pmcounsel.com

October 18, 2016

The Metropolitan Museum of Art
1000 Fifth Avenue
New York, NY 10028
Attn: Sharon Cott, Esq.
Vice President and General Counsel

Confidential

FOR SETTLEMENT PURPOSES ONLY

Greek Archaic Marble Bull's Head
Request for Release

Dear Sharon,

We represent Bill and Lynda Beierwaltes. We believe that the Beierwaltes have good title to a Greek Archaic Marble Bull's Head (the "*Work*") that the Museum currently holds by virtue of a loan from Michael Steinhardt, the prior owner of the Work. We understand that you are considering whether to contact the Lebanese Directorate General of Antiquities (the "*Directorate*") to ask whether the Republic of Lebanon has an ownership interest in the Work.

In light of the facts and the legal conclusions stated below, we respectfully request that the Museum (i) refrain from contacting the Directorate or any other agency or authority of Lebanon or otherwise, governmental or non-governmental, about the Work, (ii) maintain the identity, provenance and provenience of the Work and the existence and substance of this letter and our related discussions in strict confidence, and (iii) release the Work to the Beierwaltes.

Background. Bill and Lynda Beierwaltes purchased the Work from Robyn Symes Limited, a London-based dealer, for a purchase price of US \$1.2 million. The Invoice from Symes to the Beierwaltes, dated November 27, 1996, is silent as to the provenience and provenance of the Work. Lynda Beierwaltes' contemporaneous notes state that Symes told her that Symes had acquired the Work from a dealer in Switzerland sometime in the mid- to late-1980s. The Work was imported into the United States between September 19 and October 10, 1996.¹

¹ Due to the passage of time, the Beierwaltes have not retained copies of the US import documentation and their customs agent, Fritz Companies, is no longer in business. The Beierwaltes have photographs of the Work as it was being unpacked on delivery to Colorado, which were developed between September 19 and October 10, 1996.

The Beierwaltes subsequently consigned the Sculpture for sale to Phoenix Ancient Art S.A. (“Phoenix”) in New York City. Phoenix then sold the Sculpture to Michael Steinhardt, who in turn loaned the Work to the Museum.

Carlos Picon, the Museum’s Curator in Charge, believes that the Work is the same as the ancient bull’s head whose photograph appears as “C17” in a scholarly article by Rolph Stucky, a Swiss archeologist, published in 2005 (the “Article”).² The Article publishes the findings of the excavations at the Temple of Eshmun in Sidon, Lebanon, first by the Turks from 1900 to 1903, and then by Maurice Dunand beginning in 1963. The notes to the photograph of the Work in the Article suggest that the Work was catalogued among Dunand’s excavation finds by 1967.³

The Article states that around 600 inventoried and photographed Classical Sidonian sculptures and architectural pieces were warehoused in Byblos, Lebanon by the Directorate and disappeared during the Lebanese civil war in the 1980s and 1990s. Based on the inference of theft raised by the Article, you informed Phoenix that you proposed to contact the Directorate about the Work. Phoenix so informed Mr. Steinhardt, and the Beierwaltes then repurchased the Sculpture from Steinhardt through Phoenix.

Assumptions. Upon excavation, title to the Work vested in the Republic of Lebanon under Lebanon’s 1933 French-Colonial antiquities law.⁴ Based on the facts presented to us by the Beierwaltes and the Article, we have assumed that the Work was (i) excavated by Dunand sometime between 1963 and 1967 and (ii) exported from Lebanon, directly or indirectly, to Switzerland not later than the mid- to late-1980s.⁵

² *The Temple of Eshmun in Sidon Architecture and Inscriptions*, Rolf A. Stucky, Ancient Art, Supplement 19, Basel 2005.

³ Lebanese counsel to the Beierwaltes was informally advised on the basis of verbal inquiry that (i) Dunand was a dual citizen of Switzerland and Lebanon, (ii) Dunand was employed, and the excavation was sponsored, by the Republic of Lebanon and (iii) thus, there was little or no possibility that the excavation finds were subject to an approved partage agreement. The Article states that Dunand died in 1987.

⁴ Unless the Work was subject to a partage agreement approved by Decree, which Lebanese counsel advises was unlikely. *Haut Commissariat de la Republique Francaise en Syrie et au Liban, Arrete No. 166 LR du 7 Novembre 1933 portant reglement sur les Antiquities*, Article 68. Alternatively, Lebanese counsel has advised us by that, even if the Work had been excavated by the Turks in the early 1900’s (and not by Dunand in the 1960’s), ownership would have passed to Lebanon upon independence in 1943.

⁵ Our assumption that the Work was exported from Lebanon before 1992 is supported by the following findings by Lebanese counsel: (i) the Directorate did not establish the Byblos warehouse for artifacts from Sidon until 1992, which contradicts the Article’s implication that the Work could have been stolen from the Byblos warehouse before then, and (ii) the practice of the Directorate was to engrave and then ink a serial number into artifacts in its inventory. Both the Beierwaltes and Mr. Picon have confirmed that the Work does not show any evidence of either the inscription or erasure of a serial number.

Conclusions. Based on our understanding of the facts, and on the advice of Lebanese counsel as to matters governed by Lebanese law,⁶ we have concluded as follows:

- The Work is not subject to forfeiture, and Lebanon has no right to restitution of the Work, under the stolen property provisions of the Convention on Cultural Property Implementation Act (“CPIA”)⁷ for two reasons:
 - first, Lebanon did not become a “State Party” to the 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property (the “*UNESCO Convention*”) until 1992, after the presumed date of export;⁸
 - second, under Section 312 of the CPIA,⁹ the Work became exempt from forfeiture under Section 308 of the CPIA on the 20th anniversary of its date of importation into the United States) between September 19 and October 10, 1996, subject only to the Beierwaltes’s ability to establish that they purchased the Work “without knowledge or reason to believe that it was imported in violation of law.” Based on our understanding of the facts, the Beierwaltes appear to meet this standard.
- The one-year statute of limitations for illegal export under Lebanese law expired sometime in the second half of the 1990s.¹⁰

⁶ Azoury and Associates, based in Beirut, Lebanon. Akram Azoury is experienced in matters involving the application of Lebanon’s cultural heritage laws and related claims.

⁷ The United States is a signatory to and a “State Party” under the UNESCO Convention. The United States implemented the UNESCO Convention by enacting the CPIA, which became effective on April 12, 1983. <https://eca.state.gov/files/bureau/97-446.pdf>. Lebanon became a “State Party” to the UNESCO Convention in 1992.

⁸ Section 308 of the CPIA provides that no article of cultural property that is (i) documented as belonging to the inventory of a museum, public monument or similar institution in any State Party and (ii) stolen from such institution after the later of April 12, 1983 (the effective date of the CPIA) or the date the UNESCO Convention became effective in that State Party (i.e., 1992 in the case of Lebanon) may be lawfully imported into the United States. Section 308 appears to give Lebanon the right to seek the forfeiture and restitution of the Sculpture if Lebanon can prove that the Sculpture was stolen from Lebanon after the date in 1992 that UNESCO became effective under Lebanese law; provided, that Lebanon’s rights to seek forfeiture under Section 308 are cut-off by the repose provided by Section 312 of the CPIA.

⁹ Section 312. Certain Material And Articles Exempt From Title. The provisions of this chapter shall not apply to- (2) ...any article of cultural property imported into the United States if such ... article- (D) ... has been within the United States for a period of not less than twenty consecutive years and the claimant establishes that it purchased the ... article for value without knowledge or reason to believe that it was imported in violation of law.

¹⁰ Decision number 8 dated June 2, 1988 (Article 1) prohibited export of antiquities by private parties and suspended the right of the Directorate to grant any export authorizations to private parties. This was amended by decision number 14 dated March 8, 1988 (articles 2 and 4), which permitted such export

- Upon its excavation between 1963 and 1967, the Work became the property of Lebanon. Lebanese law provides that both the Republic of Lebanon and any private party are subject to a 10-year statute of limitations in which to bring a claim for theft, commencing on the date of theft (not discovery). The initial 10-year statute of limitations for theft under Lebanese law thus expired on the 10th anniversary of the date of theft, which occurred not later than the mid- to late-1990s (based on the assumption of theft and export from Lebanon prior to the date of import into Switzerland sometime during the mid- to late 1980's). Lebanese law further provides that the limitations period can be "reset" for additional 10 year periods by a "valid procedural act" relating to a claim or prosecution filed during the initial 10-year period and any succeeding 10-year period.¹¹ Thus, in order for a claim of replevin or conversion against the Work to survive, the Directorate would have needed to commence an action by December 31, 1999, at latest, and then take a valid procedural action in furtherance of the initial claim in each of the next two 10-year periods ending successively, at latest, by December 31, 2009 and again, at latest by the end of this decade. This seems highly unlikely. For example, if the theft occurred at any time prior to October 18, 1986, then the third 10-year period has already expired, thus extinguishing even the remote, theoretical possibility that Lebanon has a surviving claim against the Work.
- In our view, under a customary comity analysis, a US court would be unlikely to give effect to the potentially perpetual reset provisions of Lebanese law, as being contrary to US law and policy.
- Any restitution claim by Lebanon in US courts would be subject to a defense of laches.
- Title to the Work could have shifted to a prior owner of the Work under Swiss law.¹²

Lebanese counsel has advised us that there is no central docket to search in Lebanon, nor are court dockets maintained or accessible on-line. They have manually searched the publicly available dockets of the courts in Beirut and Byblos for any filed claim against the Work and found nothing.¹³ They have advised us that only the

subject to prior authorization. Decision number 8 dated February 27, 1990 (currently in effect) prohibited all exports of antiquities and suspended any export authorizations previously granted to private parties.

¹¹ *New Code of Criminal Procedure*, Act No. 328, August 7, 2001, Article 10(d). The term "valid procedural act" is ambiguous and not formally defined under Lebanese law.

¹² Under the Swiss civil code in effect during the mid- to late-1980s, title passed by prescription to a *bona fide* purchaser five years after the date of purchase.

¹³ Lebanese counsel was informally advised on the basis of verbal inquiry of two reported thefts of classical Sidonian antiquities from Byblos after 1992. The first occurred in 2004, in respect of which the

Directorate maintains definitive records of claims filed against looted artifacts. However, they have also advised us strongly against contacting the Directorate on the grounds that the Directorate will likely respond to any inquiry that specifically identifies the Work by claiming ownership, possibly by asserting a perpetual reset of the statute of limitations.¹⁴ They have also advised that if we were to sue for declaratory judgment before Lebanese courts, there is a risk that the judgment would be motivated by the desire to repatriate a cultural work, rather than a strict application of Lebanese procedural rules.

In summary, in light of the facts and the legal conclusions stated above, we respectfully request that the Museum (i) refrain from contacting the Directorate or any other agency or authority of Lebanon or otherwise, governmental or non-governmental, about the Work, (ii) maintain the identity, provenance and provenience of the Work and the existence and substance of this letter and our related discussions in strict confidence, and (iii) release the Work to the Beierwaltes.

In considering our request, please bear in mind that the Work was scientifically excavated *in situ* by Dunand, whose excavation findings have been published and remain available to scholars and the public. Respecting the rights of the Beierwaltes, who purchased the Work in good faith and for fair value, will not entail any harm to the archeological or art historical record.¹⁵

Sincerely,

/s/ William Pearlstein

Pearlstein McCullough & Lederman LLP

Directorate filed a complaint in Byblos in 2004-5. A second theft in 2012 from a museum in Byblos was reported but no filed complaint was found.

¹⁴ Even a meritless claim or a false and defamatory publication could “burn” the Work and destroy its value and marketability.

¹⁵ The Beierwaltes may also be willing to make the Work available for future study.

Direction Générale des Antiquités

Le Directeur Général

Ref.: n° 127

Object: *Head of a Bull from Eshmun site*

Beirut, 10.01.2017

Dear Mr. Campbell,


We have received your letter concerning a marble statue fragment representing a Head of a Bull that was temporarily loaned to the Metropolitan Museum of Art.

The Ministry of Culture/Directorate General of Antiquities would first like to thank you for having kindly and fairly identified this artefact from Eshmun archaeological site. It was indeed discovered at Bustan Esh-Sheikh (Temple of Eshmun) in the vicinity of Saida, during Maurice Dunand's excavations in 1967 and holds since number E912/8-12.


In accordance to the UNESCO 1970 Convention, The Ministry of Culture/Directorate General of Antiquities wishes to proceed to the repatriation of this object to its country of origin, hoping that the Metropolitan Museum of Art is willing to cooperate in this matter.

Waiting for your reply, I look forward to further collaboration.

Best Regards



Sarkis EL.KHOURY
Director General of Antiquities



Mr. Thomas Campbell
Director & CEO
The Metropolitan Museum of Art, New York

Direction Générale des Antiquités

Le Directeur Général

Ref.: n° 542

Object: *Head of a Bull from Eshmun site*

Beirut, 06 - 02 - 2017

Dear Mr. Campbell,

Following our last letter dated 10/1/2017 regarding a marble statue fragment representing a Head of a Bull loaned to the Metropolitan Museum of Art, the Ministry of Culture/Directorate General of Antiquities reiterates its thanks for bringing this piece to our attention as well as keeping it in good care.


In light of our inquiry, it clearly appeared that this piece was discovered through a legal excavation undertaken in the temple of Eshmoun-Bustan Esh-Sheikh by Maurice Dunand in the 1960th, on behalf of the Lebanese Directorate General of Antiquities. It bears the identification number E 912.

In 1978, during the Lebanese civil war, artefacts stored in Bustan Esh-Sheikh were transferred for security purposes to Byblos site warehouses for safekeeping. Unfortunately, the Byblos warehouses were looted on July 29th and 30th, 1981, and the local police was officially notified on August 3rd, 1981.

Since then, Lebanon was able to successfully repatriate, between 1995 and 2009, eight archaeological artifacts from the Eshmoun stolen objects, mainly thanks to the initiative of the Swiss archaeologist Professor Rolf Stucky who continued Maurice Dunand works by publishing the Bustan Esh-Sheikh excavations results. He also submitted all the documents related to the stolen Eshmoun objects including the Head of a Bull to the Art Loss Register.

Consequently, further steps will lead the Ministry of Culture/Directorate General of Antiquities, to implement the repatriation process of the Eshmun statue depicting a Head of a Bull -E 912- that was illegally exported from Lebanon.

Best Regards

 Sarkis EL.KHOURY
Director General of Antiquities

Mr. Thomas Campbell
Director & CEO
The Metropolitan Museum of Art, New York

Direction Générale des Antiquités

Le Directeur Général

Ref.: n° 365


Object: *Head of a Bull statue from Eshmun Site*

Beirut, 06.03.2017

Sirs,

We are writing in response to your letter dated January 24, 2017, in relation to a marble Head of a Bull statue currently on loan at the Metropolitan Museum of Art-New York. This archaeological piece was discovered in the Temple of Eshmun-Bustan Esh Sheikh in Saida (inventory no. E912/8-12) through regular official excavations. It was stolen from the Directorate General for Antiquities warehouses in Byblos during the Lebanese civil war.

Therefore, the Ministry of Culture/Directorate General of Antiquities requests the restitution of this marble Head of a Bull statue to its rightful owner, the Republic of Lebanon.

 Sarkis EL.KHOURY

Director General of Antiquities



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wpearlstein@pmcounsel.com

JUDGE FAILLA

Attorneys for Plaintiffs

17 CV 4755

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
Lynda and William Beierwaltes,

Plaintiffs,

- against -

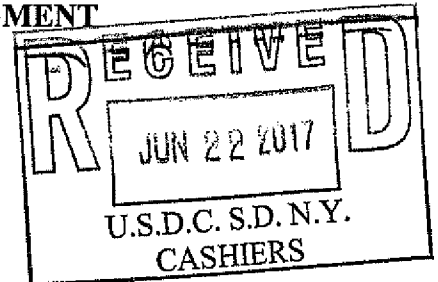
Directorate General of Antiquities
of the Lebanese Republic,

Defendant.
-----X

Case No. _____

ECF CASE

**COMPLAINT FOR
DECLARATORY
JUDGMENT**



Plaintiffs Lynda and William Beierwaltes ("Plaintiffs" or "Beierwaltes"), through their undersigned counsel, Pearlstein McCullough & Lederman LLP, bring this complaint ("Complaint"), asserting and seeking declaratory judgment against defendant the Directorate General of Antiquities ("Defendant" or "DGA") of the Lebanese Republic ("Lebanon"), and allege on knowledge as to themselves and otherwise on information and belief, as follows:

Nature of the Action

1. The gravamen of the Complaint is the attempted restitution by the DGA of a certain ancient Greek marble Head of a Bull excavated at Bustan Esh-Sheikh (Temple of Eshmun in Lebanon) in the 1960s (the “Bull’s Head”) of which Plaintiffs are the current owners.

2. Pursuant to 28 U.S.C. Sections 2201-02, Plaintiffs respectfully seek declaratory relief to declare the respective rights of the parties with respect to the Bull’s Head, specifically that (1) the DGA has no right to restitution pursuant to the 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property (the “UNESCO Convention”); (2) the applicable statutes of limitations for theft and illegal export under Lebanese law have expired; (3) Lebanon’s 1933 Antiquities Law is not enforceable as against the Plaintiffs, because it fails to satisfy due process requirements and was not, at any relevant time, enforced either domestically or internationally; (4) the applicable statute of limitations for theft under New York law has expired; and (5) the DGA is barred from recovery based on laches as a consequence of its undue delay in seeking equitable relief to the prejudice of Plaintiffs.

3. This action is ripe for declaratory judgment, as there now exists an actual controversy capable of immediate relief under federal law between the parties.

Jurisdiction and Venue

4. This action arises under the Declaratory Judgment Act, 28 U.S.C. Sections 2201(a) and 2202. This Court has original jurisdiction over the claims asserted in this action pursuant to 28 U.S.C. Section 1330(a).

5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. Section 1332, as this is a dispute between a foreign state and citizens of a State, and the matter in controversy exceeds \$75,000, exclusive of interest and costs.

6. This Court has personal jurisdiction over the claims asserted in this action pursuant to 28 U.S.C. Section 1330(b).

7. Venue is proper in this Court pursuant to 28 U.S.C. Section 1391(b), as the property that is the subject matter of this action is located in this judicial district.

The Parties

8. Plaintiffs are citizens and residents of the State of Colorado.

9. Defendant is an agency of the government of Lebanon. It is a department of the Ministry of Culture and is responsible for the protection and promotion of and excavation in all national heritage sites in Lebanon.

International Law Background

10. The United States is a signatory to the UNESCO Convention. The United States implemented the UNESCO Convention by enacting the Convention on Cultural Property Implementation Act (“CPIA”), which became effective on April 12, 1983. Lebanon—and, by extension, the DGA as an agency of the government of Lebanon—became a signatory (“State Party”) to the UNESCO Convention effective November 25, 1992. Although the DGA has asserted a claim for restitution pursuant to the UNESCO Convention, the CPIA governs Lebanon’s rights with respect to any claim under the UNESCO Convention.

11. Pursuant to Lebanese law, the statute of limitations for purposes of asserting a claim for illegal export is one year from the date of alleged illegal export.

12. Pursuant to Lebanese law, the statute of limitations for purposes of asserting a claim for theft of property is 10 years from the date of the theft. Lebanese law provides that the limitations period may be reset for an additional 10-year period by a valid procedural act relating to a claim or prosecution for theft filed during the initial 10-year period and any succeeding 10-year period.

Factual Allegations Common to All Counts

A. Provenance of the Bull's Head

13. Pursuant to an invoice dated November 27, 1996 from a London-based art dealer ("Art Dealer #1"), Art Dealer #1 sold the Bull's Head to Plaintiffs. Based on Plaintiffs' written notes of their communications with the Art Dealer #1 at or about the time of purchase, Art Dealer #1 purchased the Bull's Head from an art dealer in Switzerland ("Art Dealer #2") sometime after Art Dealer #2 acquired the Bull's Head during the mid- to late- 1980s. Based on Plaintiffs' further recollection and contemporaneous photographs, the Bull's Head was imported into the United States sometime between September 19 and October 10, 1996, at which time Plaintiffs took physical possession of the Bull's Head.

14. In or about August 2006, Plaintiffs consigned the Bull's Head to an art dealer with offices in the United States and Europe ("Art Dealer #3") for sale.

15. Art Dealer #3 exhibited the Bull's Head at the 2006 Biennale des Antiquaires in Paris, one of the world's most important antique art fairs, and published the Bull's Head in its catalogue prepared for that exhibition.

16. Upon information and belief, in or about August 2010, Art Dealer #3 sold the Bull's Head to a private collector in the United States ("Collector"), who thereafter

loaned the Bull's Head to The Metropolitan Museum of Art (the "Museum") for exhibition and study.

17. Following examination and research on the Bull's Head, the Museum asserted its belief that the Bull's Head is the object whose photograph appears as "C17" in *The Temple of Eshmun in Sidon Architecture and Inscriptions*, Rolf A. Stucky ("Stucky"), Ancient Art, Supplement 19, Basel 2005 (the "Stucky Article"). Stucky, a Swiss archeologist, published the findings of the two excavations at the Temple of Eshmun in Sidon, Lebanon ("Eshmun"), first by the Turks from 1900 to 1903, and then by a certain individual named Maurice Dunand ("Dunand") beginning in 1963, in the Stucky Article.

18. Upon information and belief, Dunand was a dual citizen of Switzerland and Lebanon, the latter of which employed him and sponsored his excavation at Eshmun, in which Stucky participated. The notes to the photograph of the Bull's Head in the Stucky Article suggest that the piece was catalogued among the excavation finds by 1967.

19. The Stucky Article states that around 600 inventoried and photographed Classical Sidonian sculptures and architectural pieces were warehoused in Byblos, Lebanon by the DGA and disappeared during the Lebanese civil war in the 1980s and 1990s. The Stucky Article states that, by the time it was published, Stucky had managed to reduce the loss of stolen works by around a dozen statues and reliefs.

20. Upon information and belief, Stucky acted on behalf of and in coordination with Lebanon in connection with his restitution efforts.

21. Upon information and belief, the Museum informed Collector and Art Dealer #3 that the Museum proposed to contact the DGA about the Bull's Head and retain possession of the Bull's Head pending a determination as to ownership.

22. Upon information and belief, Art Dealer #3 informed Collector of the Museum's position, rescinded the sale of the Bull's Head to Collector in or about August 2015, and returned the Bull's Head to Plaintiffs.

B. Subsequent Investigation into the Bull's Head's Provenance

23. On or about July 2016, Plaintiffs commenced their own independent investigation into the ownership history of the Bull's Head's. Plaintiffs engaged Lebanese counsel, who searched the publicly available records and court dockets for any claims that the DGA may have previously filed against the Bull's Head. Upon information and belief, none were found.

24. Upon information and belief, Lebanese counsel was advised of the existence of two reported thefts of classical Sidonian antiquities from the Byblos warehouse after 1992, neither of which related to the Bull's Head. The first theft occurred in 2004, in respect of which the DGA filed a complaint in Byblos in 2004-5; a second theft in 2012 from a museum in Byblos was reported, but Lebanese counsel was unable to locate any filed complaint.

25. A Lebanese police report dated August 3, 1981 (the "Lebanese Police Report") reported the theft of certain antiquities stored at a fortress in Byblos, Lebanon. Attached to the Lebanese Police Report is a list of antiquities that were allegedly returned to the fortress.

26. Upon information and belief, none of the 150 or more pieces on the list resemble the description of the Bull's Head, which also was not among the pieces returned.

27. The Lebanese Police Report is written in Arabic. Upon information and belief, the Lebanese Police Report was never translated into English or French, has never been published or reported to any international database of stolen art or to any international or foreign police or enforcement agency, and on its face bears no relationship to the finds from Dunand's excavation at Eshmun.

28. Upon information and belief, it had been the DGA's practice to engrave and then ink a serial number into the artifacts in its inventory. Both Plaintiffs and the Museum have confirmed that the Bull's Head bears no evidence of any inscription or erasure of a serial number.

29. By letter dated October 18, 2016, Plaintiffs advised the Museum that they have good and clear title to the piece. The Museum refused to release the Bull's Head to Plaintiffs.

30. Plaintiffs requested that the Museum contact the DGA to determine what information, if any, the DGA might have that would shed further light on the ownership history of the Bull's Head.

31. By letter dated January 10, 2017, the DGA responded to the Museum, stating that the Bull's Head was discovered at Bustan Esh-Sheikh (Temple of Eshmun) in the vicinity of Saida during Dunand's excavations in 1967 and was assigned the same inventory number as that noted in the Stucky Article. The DGA requested that the Bull's Head be repatriated in accordance with the UNESCO Convention.

32. By letter dated January 24, 2017, Plaintiffs advised the DGA that they have good and clear title to the Bull's Head. Plaintiffs requested that the DGA either withdraw its demand for restitution or provide evidence demonstrating that the DGA's claim was meritorious based on any prior court filings, documentation or reports to any publicly accessible international database of stolen or missing art.

33. By letter dated March 6, 2017, the DGA demanded that Plaintiffs restitute the Bull's Head to Lebanon.

34. Subsequently, Plaintiffs were informed that Stucky, upon information and belief, had seen the Bulls' Head upon its excavation by Dunand in the 1960s; that Stucky had then seen the Bull's Head on the international market in Switzerland in the mid- to late 1980s, together with three other pieces from Dunand's excavation at Eshmun; that the objects from Dunand's excavation at Eshmun were sent first to Beirut and then to Byblos, where they were stored in the fortress located there; and that four bovine heads were excavated during Dunand's excavation at Eshmun, one of which remains in the Byblos warehouse.

35. Upon information and belief, Stucky mailed to the Art Loss Register (the "ALR") two packages, each of which reported the theft of certain of the objects from Dunand's excavation at Eshmun. The ALR is a leading publicly-accessible international database of stolen or missing art.

36. Upon information and belief, the ALR received and acknowledged receipt of Stucky's first package.

37. Upon information and belief, the ALR never received Stucky's second package and never reported as stolen the objects listed in this second package.

38. Upon information and belief and according to Stucky, this second package included a reference to the Bull's Head as one of the allegedly stolen objects listed.

39. Upon information and belief, the DGA knew or should have known that Stucky's second package was never reported to the ALR yet never took action to resend the lost reports or otherwise cure the failure.

COUNT I

UNESCO Convention and the CPIA

40. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "39" of this Complaint with the same force and effect as if herein set forth in full.

41. Under the CPIA, which governs Lebanon's rights with respect to any claims under the UNESCO Convention, the Bull's Head could not have been imported lawfully into the United States in accordance with Section 308 if it was (1) documented as belonging to the inventory of a museum, public monument or similar institution in any State Party to the UNESCO Convention, and (2) stolen from that inventory after the later of April 12, 1983—the effective date of the CPIA—and November 25, 1992—the date Lebanon became a State Party under the UNESCO Convention.

42. Upon information and belief, because the Bull's Head was exported from Lebanon prior to November 25, 1992, Lebanon cannot seek forfeiture of the Bull's Head under Section 308 of the CPIA.

43. Lebanon's right to seek forfeiture under Section 308 of the CPIA is also subject to and cut-off by the right of repose provided in Section 312 of the CPIA. Upon information and belief, the Bull's Head became exempt from forfeiture under the CPIA

on October 16, 2016, as the piece has been in the United States for more than 20 consecutive years from the latest possible date of importation, and Plaintiffs purchased it for value without knowledge or reason to believe that it was imported in violation of law.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from seeking forfeiture of the Bull's Head under Sections 308 and 312 of the CPIA.

COUNT II

Lebanon's One-Year Statute of Limitations for Illegal Export has Expired

44. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "43" of this Complaint with the same force and effect as if herein set forth in full.

45. To assert a claim for illegal export under Lebanese law, the DGA is subject to a one-year statute of limitations commencing on the date of export.

46. The one-year statute of limitations for illegal export under Lebanese law expired at the latest sometime in the late-1980s.

47. Upon information and belief, the DGA has never asserted a claim for illegal export of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

48. The DGA is time-barred from asserting a claim for illegal export of the Bull's Head based on Lebanon's one-year statute of limitations.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for illegal export of the Bull's Head based on Lebanon's one-year statute of limitations.

COUNT III

Lebanon's 10-Year Statute of Limitations for Theft Has Expired

49. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "48" of this Complaint with the same force and effect as if herein set forth in full.

50. To assert a claim for theft under Lebanese law, the moving party is subject to a 10-year statute of limitations commencing on the date of theft.

51. The initial 10-year statute of limitations for theft under Lebanese law applicable to the Bull's Head expired sometime in the mid- to late-1990s, based on the Bull's Head's acquisition by Dealer #2 in Switzerland during the mid-to late-1980's.

52. Lebanese law provides that the 10-year statute of limitations for theft may be reset for an additional 10-year period by the initiation of a valid procedural act relating to a claim or prosecution for theft filed during the initial 10-year period and any succeeding 10-year period.

53. Upon information and belief, neither the Lebanese public prosecutor nor any other Lebanese government authority has filed any claim or otherwise taken any valid procedural act relating to a claim or prosecution for theft of the Bull's Head during the initial 10-year period following its alleged theft or during any succeeding 10-year period.

54. Upon information and belief, the DGA has never asserted a claim for the theft of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

55. The DGA is time-barred from asserting a claim for theft of the Bull's Head based on Lebanon's 10-year statute of limitations and reset provisions.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 10-year statute of limitations and reset provisions.

COUNT IV

Plaintiffs Acquired Good Title to the Bull's Head Pursuant to New York's Uniform Commercial Code Section 2-403(1)

56. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "55" of this Complaint with the same force and effect as if herein set forth in full.

57. New York's Uniform Commercial Code ("N.Y. UCC") Section 2-403(1) provides, in relevant part, that a purchaser of goods acquires all title which his transferor had or had power to transfer, and a person with voidable title has power to transfer a good title to a good faith purchaser for value.

58. Dealer #1 conveyed good title to the Bull's Head to Plaintiffs, who are good faith purchasers for value.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that Plaintiffs acquired good title to the Bull's Head pursuant to N.Y. UCC Section 2-403(1).

COUNT V

Lebanon's 1933 Antiquities Law is not Enforceable as against Plaintiffs

59. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "58" of this Complaint with the same force and effect as if herein set forth in full.

60. Lebanese law is based on civil code and not common law. Lebanon's 1933 antiquities law (the "1933 Antiquities Law") confers title on Lebanon to archeological finds. Lebanon's claim to own the Bull's Head is based solely on its 1933 Antiquities Law.

61. A foreign nation's claim to own an antiquity based on that nation's cultural patrimony law may be enforced against a U.S. citizen only if the foreign law clearly confers ownership of the antiquity on that nation, was published, satisfies due process, and is domestically enforced and not a "sham."

62. If the Bull's Head was in fact stolen from the Byblos warehouse on or after the incident reported in the 1981 Lebanese Police Report, the 1933 Antiquities Law is not enforceable as against Plaintiffs because (i) at the time of the alleged theft, it was not translated into English or published on any international database, and (ii) it was not domestically enforced at the time of the alleged theft, or, upon information and belief, when Plaintiffs purchased the Bull's Head in 1996.

63. Lebanon similarly failed to enforce its 1933 Antiquities Law internationally.

64. The perpetual "reset" provisions of the 10-year statute of limitations in Lebanon's criminal code violate due process.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 1933 Antiquities Law.

COUNT VI

New York's Six-Year Statute of Limitations for Theft Has Expired

65. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "64" of this Complaint with the same force and effect as if herein set forth in full.

66. To assert a claim for theft under New York law, the moving party is subject to a six-year statute of limitations commencing when the claim accrues, in this case upon discovery of the theft in the 1980s and not upon the Lebanon's belated demand in 2017.

67. The initial six-year statute of limitations for theft under New York law applicable to the Bull's Head accrued upon the filing in 1981 of the Lebanese Police Report (if in fact it reported the theft of the Bull's Head) or thereafter, when Stucky, as agent of the DGA, allegedly saw the Bull's Head on the international art market in Switzerland in the mid- to late 1980s.

68. Upon information and belief, the DGA has never asserted a claim for the theft of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

69. The DGA cannot extend the six-year statute of limitations for theft simply by deferring the assertion of its claim to its January 10, 2017 letter to the Museum, thereby running afoul of the time period during which it was required to take action.

70. The DGA's failure to assert its claim in a timely manner has resulted in lost evidence, faded memories and unavailable witnesses, prejudicing Plaintiffs' ability to assert their claim to the Bull's Head.

71. The DGA is time-barred from asserting a claim for theft of the Bull's Head based on New York's six-year statute of limitations.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on New York's six-year statute of limitations and reset provisions.

COUNT VII

Laches

72. Plaintiffs repeat, reiterate and reallege each and every allegation set forth in Paragraphs "1" through "71" of this Complaint with the same force and effect as if herein set forth in full.

73. The laches defense bars a party's recovery as a consequence of undue delay in seeking equitable relief.

74. Upon information and belief, the DGA has never asserted a claim for the theft or illegal export of the Bull's Head prior to its January 10, 2017 letter to the Museum requesting that the piece be repatriated in accordance with the UNESCO Convention.

75. Upon information and belief, the DGA failed to register the theft or illegal export of the Bull's Head with the ALR or any other publicly accessible, recognized international database of stolen and missing works of art and antiquities.

76. Upon information and belief, the DGA was or should have become aware that the Bull's Head had gone missing when Stucky, acting on behalf of Lebanon, saw the Bull's Head, together with other pieces from the Eshmun excavation, on the international art market in Switzerland during the mid- to late 1980's.

77. Upon information and belief, the DGA was or should have become aware of the Stucky Article following its publication in 2005.

78. Upon information and belief, the DGA was or should have become aware of the Bull's Head following its public exhibition at the Biennale des Antiquaires in Paris in 2006 and its publication in the catalogue of Dealer #3.

79. The DGA consequently has unreasonably delayed the assertion of its rights and remedies with respect to the Bull's Head and thereby allowed the Bull's Head to circulate in the international art market from Art Dealer #2 in the mid-to late 1980's, to Art Dealer #1, to Plaintiffs in 1996, to Art Dealer #3 in 2006, to the Collector in 2010 and thereafter to the Museum.

WHEREFORE, Plaintiffs respectfully request a declaratory judgment that the DGA is barred from asserting a claim for theft or illegal export of the Bull's Head based on laches.

REQUEST FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that judgment be entered in favor of Plaintiffs as follows:

(A) On Count I of the Complaint, a declaratory judgment that that the DGA is barred from seeking forfeiture of the Bull's Head under Sections 308 and 312 of the CPIA.

(B) On Count II of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for illegal export of the Bull's Head based on Lebanon's one-year statute of limitations;

(C) On Count III of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 10-year statute of limitations and reset provisions;

(D) On Count IV of the Complaint, a declaratory judgment that the Plaintiffs took good title to the Bull's Head under N.Y. UCC Section 2-403(1);

(E) On Count V of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on Lebanon's 1933 Antiquities Law;

(F) On Count VI of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft of the Bull's Head based on New York's six year statute of limitations;

(G) On Count VII of the Complaint, a declaratory judgment that the DGA is barred from asserting a claim for theft or illegal export of the Bull's Head based on laches;

(H) Interest, costs and disbursements relating to this action, including reasonable attorneys' fees, incurred in this action; and

(I) Such other and further relief as this Court deems just and proper.

Dated: New York, New York
June 22, 2017

Respectfully submitted,

Pearlstein McCullough & Lederman LLP
Attorneys for Plaintiff

By: 

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DISTRICT ATTORNEY
COUNTY OF NEW YORK
ONE HOGAN PLACE
New York, N. Y. 10013
(212) 335-9000



CYRUS R. VANCE, JR.
DISTRICT ATTORNEY

June 29, 2017

The Honorable Katherine Polk Failla
Thurgood Marshall
United States Courthouse
40 Foley Square
New York, NY 10007

Re: 17 CV 4755
Beierwaltes v Director General of
Antiquities of the Lebanese Republic

Dear Judge Failla:

I thank the Court for taking the time on June 22 to discuss this case informally with Mr. Lederman and me. At the Court's reasonable suggestion, this Office has carefully considered the legally appropriate steps to be taken in light of the filing of the Complaint for Declaratory Judgment.

As the Court and counsel are aware, the Greek archaic marble Head of a Bull ("Bull's Head") at issue is the subject of an active criminal investigation by this Office. Based on the evidence uncovered during this investigation, it is incontrovertible that the Bull's Head—excavated from the Temple of Eshmun in 1967—was stolen from a storage facility in Beirut during the civil war in 1981 and illegally removed from the country. It is this Office's position that "New York case law has long protected the right of the owner whose property has been stolen to recover that property, even if it is in the possession of a good-faith purchaser for value." Solomon R. Guggenheim Foundation v. Lubell, 77 N.Y. 2d 311, 317 (1991); Bakalar v. Vavra, 619 F.3d 136, 140 (2d Cir. 2010) ("in New York, a thief cannot pass good title"). We will, therefore, be seizing the Bull's Head in the same manner as we would any other stolen property under New York law pursuant to a judicially authorized warrant.

Nonetheless, this Office has no intention of repatriating the Bull's Head to the Republic of Lebanon prior to the resolution of the matter before Your Honor. Should that change for any reason, I will notify this Court and counsel well in advance of taking any action. I have already notified Mr. Lederman of our decision.

Respectfully,

A handwritten signature in black ink, appearing to read "Matthew Bogdanos", is written over the typed name and title.

Matthew Bogdanos
Assistant District Attorney
212 335-9323

CC *via e-mail*: Georges Lederman, Esq.