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Good afternoon. I'm Monica Dugot, International Director of Restitution at Christie's, the world's largest auction house, and for the last twelve years I have overseen the company's responsibilities for dealing with the continued circulation of Nazi-looted art by doing our best to keep looted objects off the market. Before that, I spent eight years as Deputy Director of the Holocaust Claims Processing Office in New York, also working on art restitution. I have been privileged to have been involved in finding amicable solutions to title claim issues caused by the continuing legacy of Nazi looting since the mid-1990s.

I have been asked to appear today in my individual capacity as a specialist who deals with Nazi looted art issues on a daily basis to offer what context and insight I can into the current state of restitution matters in this country. While Christie's as a corporate entity takes no position on the proposed legislation at hand, it is broadly supportive of measures that enable and promote the fair and just resolution of restitution claims as per the 1998 Washington Conference Principles on Nazi-Confiscated Art. Today my goal is to provide what help I can from personal experience and perspective by explaining three key concepts: 1) why restitution issues persist in the art market today, 2) how Christie's navigates these issues through our own due diligence and research processes, and 3) how we aim to resolve resolution disputes when a title claim arises.

Let me start with a bit of background from the market perspective. For many reasons art restitution was a closed chapter for many decades after World War II. Nazi-looted or questionable art may have been in plain sight in museum and national collections and much, much more was quietly absorbed into private collections in Europe and the United States or passed from dealer-to-dealer over time. This looted art became unshackled from its history, especially for historically or financially modest artworks, and poorly documented works, such as Judaica and works on paper. So the circulation of looted art work, by which I mean not just paintings, but drawings, objects, books and so on, on the art market has been inevitable. I wish to emphasize that this is not just a problem for Jews, but is much broader; even many

people who were not or did not consider themselves Jewish, were persecuted on one basis or another. Just as the scope of Nazi looting was enormous to the point of being unimaginable, the scope of these legacy issues is also enormous. Estimates range from as little as a few hundred thousand objects to as high as several million. The monetary value of each of these objects ranges from tens of dollars to tens of millions of dollars. The emotional value to the rightful owners and their families who view these objects as part of their heritage may be beyond estimate.

So how then does Christie's navigate sales of artwork, given these legacy issues? Christie's handles a large volume of art and collectibles and has been involved in Nazi-era restitution for about twenty years. We have a dedicated restitution team and there is also a strong thread of responsibility running through our entire business operation. As the global market leader, we set high standards for the profession and act in a self-policing capacity, through an internal system of checks and balances. We conduct thorough due diligence as a service to our consignors and buyers to protect Christie's good reputation in the commercial market. But we also engage with the issue of art restitution because we have a moral and ethical responsibility to do so. We respect the heirs and claimants to looted collections and we equally respect the position of collectors and future collectors buying and selling through Christie's.

It is important to understand that Christie's role in the marketplace is that of an intermediary or broker; we do not take title to the art we sell, we act on behalf of our consignors. Claimants in these matters may include the victim or their direct heirs. Consignors are generally good-faith purchasers who have no direct connection to any theft or forced sale in the past. Therefore, on a practical level we need to ensure, as far as we are able, that we are not taking on a consignment of an artwork or object for which there is an unresolved Nazi-era ownership claim.

If through our research, we find that we cannot convey good title to an individual artwork, we will decline to sell it. In cases where it becomes clear that there is an outstanding ownership claim, Christie's can act as a neutral third party, working through the facts of the case toward an amicable resolution. A resolution may involve a physical return of the work or

a negotiated settlement agreement, which sometimes results in a sale of the restituted item and a division of proceeds. By remaining a neutral intermediary, and by being committed to promoting solutions to restitution matters, Christie's helps to maintain a safe and trusted market-place, where buyers, sellers and heirs all know that we are committed to addressing, to the best of our ability, any Nazi-era issue in the provenances of the works we offer.

Let me take a moment to explain the provenance research process. Christie's vets almost every pre-1945 artwork consigned to us for sale for possible issues. We do this across many types of art and objects and regardless of estimated value. This means we are looking at 100,000 items a year. In our due diligence work, we look for "sensitive names" in the provenance of artworks – names indicating an artwork may have been in a victim's collection, or in the possession of a notorious Nazi collector, or it may have passed through the hands of complicit dealers. We look for physical signs of confiscation, markings, labels, and other signs that a work changed hands at this sensitive time. We check artworks against up to a dozen databases on looted and stolen artwork for possible matches and our own records. Where we find a potential issue, we undertake whatever research we think necessary to allay or address concerns.

The growth in research and publications including open online databases and resources, generally referred to in the field as provenance research (the study of the history of ownership or possession of a work) means that there is more information available than ever before about the losses of the Nazi era. In publishing Christie's sale catalogues online, there is also an accessible trail for claimants and researchers trying to trace looted artwork. Provenance research has developed as its own discipline in the last few years. This newly increased availability of awareness, information and expertise has led to a substantial increase in the number of claims over the past few years. Unfortunately complete information is rarely available and the fragmented presentation and lack of centralization of information greatly increases the challenge to our limited resources.

Even with due time and attention, it can be very difficult to establish a complete and unbroken chain of ownership for certain artworks. This is especially the case with modest works, those works which have not been written about or exhibited publicly. Indeed the art collections of

many pre-war families fit this profile. It is certainly the case for books, prints, multiples or works on paper. It is also important to note that not every work with gaps or lacunae in its provenance is immediately suspicious, as recordkeeping practices in the past were often spotty.

In our efforts to identify looted art, Christie's broadly follows the Washington Conference Principles and the 2009 Terezin Declaration. Based on these precedents, Christie's published our own guidelines on claims handling also in 2009. In the last decade we have handled over 200 claims, the majority for financially modest artworks which nonetheless had real emotional, sentimental or cultural resonance for the claimants.

When these claims do arise as a result of our research findings, Christie's follows a preferred approach, which is to advocate for a negotiated settlement between parties based on the facts of the case, rather than potentially costly and time-consuming litigation. Essentially our approach is to act as an informed and expert intermediary between the claimant and the current holder of the claimed artwork. We try to help each party understand the other's position and to help interpret or contextualise information, especially at a sensitive and often upsetting time. Our goal is to establish a fair, amicable, transparent and practical dialogue to bring about a fair, amicable, transparent and practical claims resolution.

More often than not these are non-litigious discussions and they work out well. In our experience a 'soft law' approach, that is, having an ethical, moral and practical discussion, is often the most productive route. There is often some legal, ethical and moral correctness on each side, as well as a high degree of emotionality. We try to navigate these troubled waters acting as a neutral party to protect the market and to bring some semblance of fairness, and perhaps closure, to both sides.

I hope this overview gives you a sense of the scale of the legacy issues active in the art market today and how Christie's seeks to navigate them with care and attention and work with parties on both sides of disputes to reach fair and equitable agreements. I thank you for inviting me to join this distinguished panel here today and for continuing to draw attention to the issues that affect all of us in the international Restitution community.