

**DUE DILIGENCE TOOLKIT
CHECKLIST**

		INFORMATION <i>(complete with the relevant information)</i>	DOCUMENTATION <i>(indicate the documents obtained or checked to verify the information provided and retain copies for records)</i>	NOTES <i>(record here any follow up actions or other notes)</i>
1.	CLIENT			
1.1	Individual		<i>e.g. government issued passport or national ID card, bank statement, utility bill etc.</i>	
	Name			
	Address (permanent residence)			
	Date of birth			
	Nationality			
1.2	Company / Trust / Association / Foundation / other legal entity		<i>e.g. company registry information, trust deed etc.</i>	
	Name			
	Business address			
	Date of incorporation / registration/ creation			

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	Place of incorporation / registration/creation			
	Directors/ authorised signatories or equivalent identified			
	For companies: Identify the controlling owner (i.e. the majority shareholder or single largest or top 3 shareholder(s) or person(s) with management control)			
	For trusts: Identify the settlor, trustees, beneficiaries and protector			
	For offshore companies: Identify the ultimate beneficial owner(s) of the company			

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1.3	Client's role in the transaction checked			
	Establish if your client is the principal owner / seller / buyer of the artwork If your client is an agent, advisor or intermediary, identify the principal person / entity they are acting for			
1.4	Client's authority to act checked			
	If your client is an agent, advisor or intermediary, an executor of a deceased person's estate or one of several joint owners of an artwork, confirm your client's authority to act in the transaction and obtain copies of relevant documentation proving this			
1.5	Client red flags checked			
	Please refer to the Client Red Flag List			

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2.	ARTWORK			
2.1.	Identification			
	Title / description			
	Artist /creator			
	Medium/dimensions			
	Date of creation / period			
	Place of creation / place of origin			
	Check if the artwork contains restricted materials or is otherwise sensitive e.g. <ul style="list-style-type: none"> • <i>Archaeological objects</i> • <i>Endangered species material</i> 			
2.2.	Trade restrictions			
	Check if the artwork is subject to trade sanctions in any of the			

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	jurisdictions covered by the transaction e.g. <i>Artworks originating from Syria or Iraq</i>			
2.3	Ownership		<i>e.g. Acquisition documents, invoices, inheritance documents, insurance records, loan documents</i>	
	Establish if the client owns the artwork. If not, identify the artwork's beneficial owner			
	Establish how and when the artwork was acquired by the client / the seller			
	Identify if there are third party security interests over the artwork			
2.4	Provenance & exhibition history			
	Establish the previous owners of the artwork and retain copies of any supporting information			

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	Check the artwork's sales history (e.g. auction catalogues and other sales data) and retain copies for records			
	Check the artwork's exhibition history (if applicable) and retain copies for records			
	Check databases of lost / stolen art. See the Explanatory Notes for details			
	Consider if there is a spoliation risk e.g. <ul style="list-style-type: none"> • <i>Artworks in Europe between 1933 and 1948</i> • <i>Artworks in Eastern Europe and the Soviet Union between 1949 and 1990</i> • <i>Artworks in Cuba between 1953 and 1959</i> 			

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	If the item is an archaeological object, consider is there is an illicit trafficking risk			
2.5	Artwork location & recent movement			
	Identify the current location of the artwork			
	Verify the artwork's customs status e.g. <ul style="list-style-type: none"> • <i>Free circulation</i> • <i>Temporary import</i> • <i>Freeport warehouse / customs bonded warehouse</i> 			
	Establish the artwork's export / import history			
	Check the export / import paperwork for the artwork and retain copies for records			

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2.6	Authenticity			
	Check if the artwork has a certificate or other confirmation of authenticity and verify this with independent, reliable sources			
	Consult the artist or the artist's foundation or the artist's heirs or other experts or expert committees on the authenticity of the artwork (if and where applicable)			
	Check Catalogue Raisonné(s) for the artist (if and where available)			
	Check art historical references and materials			
	Conduct scientific testing or analysis (if appropriate)			
2.7	Condition			

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	Inspect the physical artwork and check its condition			
	Check the artwork for restoration			
2.8	Artwork red flags checked			
	Please refer to the Artwork Red Flag List			
3.	TRANSACTION			
3.1	Purpose of the transaction			
	Establish the client's background and purpose for the transaction			
3.2	Form of the transaction			
	Consider the proposed transaction structure. Is it unusually complex?			
	Check the price at which the seller is willing to sell or the buyer is willing to buy. Is it artificially low or inflated?			

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	Consider the proposed payment structure. Is it unusual?			
	Identify if there are any conflicts of interest for the parties involved			
3.3	Source of funds			
	Consider the source of funds for the transaction. Are any of the following “red flags” present? <ul style="list-style-type: none"> • Cash payments • Third party payments • Payments from a bank account located in a non-AML regulated jurisdiction • Payment in a digital currency proposed 			
3.4	Documentation			

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	Check if the transaction is properly documented. Are documents authentic and correctly completed?			
3.5	Transaction red flags checked			
	Please refer to the Transaction Red Flag List			

Date of completion:

Name:

Position:

Signature: _____

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