

Code of Art Business Conduct and Ethics

Effective Date: 21 October 2024

Preamble

Members of the art community, including galleries, dealers, and agents, recognize the fundamental importance of upholding a high standard of integrity and professionalism in their dealings with clients, consignors, artists, and the broader art market. This Code of Art Business Conduct and Ethics serves as a binding framework for the ethical behavior expected from all members. Adherence to these guidelines ensures trust, transparency, and accountability in the art industry.

I. Clients

A. Buyers

- Accurate Representation:** Members must provide an accurate and honest description of all objects offered for sale, including the identity of the artist, the dimensions, medium of the work, and any other relevant information. A written invoice containing these details must be supplied to buyers.
- Due Diligence:** Members are required to exercise due diligence in verifying the authenticity of the works of art they offer for sale. No knowingly false representations or misleading claims regarding the provenance or authenticity of the artwork are permitted.
- No Sale of Fraudulent Art:** Members must not knowingly buy, sell, or exhibit works of art that are falsely attributed to an artist or that are inauthentic in nature. Compliance with all applicable laws regarding intellectual property and authenticity is mandatory.
- Handling Stolen Art:** Members must not knowingly buy, sell, or exhibit stolen works of art. Members are expected to fully cooperate with law enforcement authorities in the identification, location, and recovery of stolen artworks.
- Disclosure of Defects:** Members must clearly and in writing disclose any significant known defects, alterations, or restorations of the works they offer for sale.

B. Consignors

- Fiduciary Responsibility:** When acting as an agent for a consignor, a Member has a fiduciary responsibility to the consignor and must act in the best interests of the consignor at all times.
- Written Agreement:** Members must enter into a written consignment agreement that details the specific terms of the consignment, including artwork descriptions, term of consignment, commission or net price, responsibility for expenses, and any other relevant terms.

3. **Fair Market Valuation:** Members should provide consignors with a good faith estimate of the current fair market value of all consigned works.
 4. **Transparency and Communication:** All communications between a Member and a consignor must be honest, accurate, and transparent, with no misleading information or hidden terms.
 5. **Timely Payment:** Members are required to notify consignors when payment is received for a consigned work and make timely payments to the consignor in accordance with the agreed terms.
 6. **Authorization for Sale:** Members must ensure they are fully authorized to sell a consigned work and must not sell it on terms that have not been approved by the consignor.
-

II. Artists

As an agent for the artist, a Member has fiduciary responsibilities and must ensure transparent dealings, not just in selling their work but in fostering the artist's career. This responsibility is divided into:

A. Advisory, Custodial, and Archival Responsibilities

1. **Artist Representation:** Members must act as advisors to the artist, enhancing their reputation through exhibitions, publications, and responsible advocacy. Proper placements in public and private collections should be pursued.
2. **Exhibition Practices:** Members are expected to exhibit the artist's work in a manner that best highlights the artist's vision and is acceptable to the artist.
3. **Handling of Works:** Proper care must be taken when handling, packing, shipping, insuring, and storing an artist's work.
4. **Record-Keeping:** Members are responsible for maintaining detailed and accurate records of the artist's works, including photographic archives and supporting documentation.

B. Financial Responsibilities

1. **Expense Agreement:** Members and artists must agree on terms of representation, including expenses for shipping, insurance, storage, and photography.
2. **Price and Compensation:** Prices for the artist's works and the Member's compensation must be agreed upon in advance.
3. **Timely Payments:** Members must pay the artist the agreed share of the proceeds from sales in a timely manner.
4. **No Use of Artwork as Collateral:** Members may not use consigned artwork as collateral for financing purposes.

5. **Trust and Honesty:** Members must act with honesty and trustworthiness in all financial dealings with the artist.
-

III. Artists' Estates

Members hold the same fiduciary and custodial responsibilities to the estates of artists as they do to living artists. This includes maintaining the artist's legacy, fostering scholarship, and ensuring the artist's works are appropriately valued and placed.

IV. Auctions

1. **Disclosure of Ownership Interests:** Members with a financial interest in a work consigned for auction must disclose that interest to potential bidders.
 2. **No Manipulation:** Members may not engage in bidding or agreements to manipulate the final price of an artwork at auction.
-

V. Dealers

1. **Professional Respect:** Members should promote mutual respect among art dealers and refrain from disparaging other dealers' reputations.
 2. **Cooperation in Consignments:** When dealing with consignments to or from other dealers, Members must ensure that the consignment terms are clear, including profit sharing, insurance, and other responsibilities.
 3. **Clarity in Representation:** Members must ensure that all parties involved in transactions understand who represents whom to avoid conflicts of interest.
-

VI. Art Fairs

All ethical standards outlined in this Code apply equally to Members during their participation in art fairs, including transparency with clients, authentic representations, and fair treatment of artists and consignors.

VII. Gallery Management

1. **Professionalism:** Members must treat staff with respect, maintain a professional workplace, and comply with all applicable labor laws, including anti-discrimination provisions.
-

VIII. Enforcement

1. **Compliance with Ethical Standards:** Members must respond to concerns raised by other Members regarding violations of this Code of Ethics in a cooperative and transparent manner.
2. **Action on Violations:** Violations of this Code may result in appropriate measures taken by the relevant association, including the potential expulsion of the offending Member.

Appendix: Model Contracts

Model contracts covering artist-gallery agreements, consignment terms, and other essential documentation are available through Sybil Art Management & Consulting.

This **Code of Art Business Conduct and Ethics** emphasizes integrity, trust, and professionalism as the foundations of the art industry. Members must remain committed to these principles to foster a fair and transparent art market.