

Million-Dollar Lawsuit Uncovers Backdoor Art World Contracts

“A lawsuit has dragged the discreet negotiations of the top-tier art market into the public spotlight. According to the suit, Michael Xufu Huang, a prominent Chinese art collector and socialite, had a financial agreement with Monaco-based Argentinian collector Federico Castro Debernardi. The deal,” reports James Tarmy in The Seattle Times.

“Debernardi would use Huang to buy difficult-to-secure artworks. Huang would purchase the pieces in his own name, then quietly resell them to Debernardi for a 10% commission. The two collectors settled on the arrangement, documents submitted as evidence in Miami-Dade County circuit court show, because Huang had access to choice,”

Read the article.