

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

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**In re** : **Chapter 9**  
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**CITY OF DETROIT, MICHIGAN,** : **Case No. 13-53846**  
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: **Debtor.** : **Hon. Steven W. Rhodes**  
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**FINANCIAL GUARANTY INSURANCE COMPANY’S  
MOTION TO EXCLUDE THE EXPERT OPINION OF  
MICHAEL PLUMMER REGARDING DISCOUNT FACTORS**

Financial Guaranty Insurance Corporation (“FGIC”) submits this motion (the “Motion”) to exclude certain portions of the expert testimony of Michael Plummer<sup>1</sup> pursuant to Federal Rule of Evidence 702<sup>2</sup> and *Daubert*.

**PRELIMINARY STATEMENT**

1. Retained by the City of Detroit (the “City”)<sup>3</sup> and the Detroit Institute of Arts, a nonprofit Michigan corporation (“DIA Corp.”), to provide a valuation as to the DIA Collection, Michael Plummer opines that the entire DIA Collection has an indicative value between \$2.7

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<sup>1</sup> The Expert Witness Report of Michael Plummer, dated July 8, 2014, is attached hereto as Exhibit 6A. The August 1, 2014 Deposition Testimony of Michael Plummer is attached hereto as Exhibit 6B.

<sup>2</sup> Federal Rule of Bankruptcy Procedure 9017 provides that “[t]he Federal Rules of Evidence ... apply in cases under the Code.”

<sup>3</sup> All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Objection of Financial Guaranty Insurance Company to Plan for the Adjustment of Debts of the City of Detroit, filed May 12, 2014 [Docket No. 4660] and the Supplemental Objection of Financial Guaranty Insurance Company to Plan for the Adjustment of Debts of the City of Detroit, filed August 12, 2014 [Docket No. 6674].

billion (low estimate) and \$4.6 billion dollars (high estimate). Plummer Rep. at 19, Table 2. Purporting to account for potential market and sale conditions, Mr. Plummer subsequently applies a variety of discount factors – for which he cannot justify the percentages applied – that significantly reduce his valuation of the DIA Collection to between \$900 million and \$1.8 billion dollars. Plummer Rep. at 37. As someone who spent the majority of his art career in the marketing department of an auction house, and lacks any training or certification as an appraiser, Mr. Plummer is patently unqualified to apply these discount factors. Moreover, his litigation-driven discount analysis is not supported by any reliable methodology. He admittedly cannot point to any studies or publications supporting his calculations. Nor does he articulate a reliable basis for the percentages applied. Instead, he bases his opinion on a variety of assumptions and his claimed experience, asking this Court to simply take his word for it. But *Daubert* requires more than the expert’s mere *ipse dixit* to support a reliable opinion. His failure to offer any meaningful explanation as to how he derived his discounts, coupled with the absence of any studies or data to support his figures, renders his analysis unreliable under *Daubert* and Rule 702.

## **JURISDICTION**

2. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

## **ARGUMENT**

### **I. Legal Standard**

3. Federal Rule of Evidence 702 (“Rule 702”), which governs the admissibility of expert testimony, provides that:

A witness who is qualified as an expert by knowledge, skill, experience, training, or education may testify in the form of an opinion or otherwise if: (a) the expert's scientific, technical, or other specialized knowledge will help the trier of fact to understand the evidence or to determine a fact in issue; (b) the testimony is based on sufficient facts or data; (c) the testimony is the product of reliable principles and methods; and (d) the expert has reliably applied the principles and methods to the facts of the case.

4. Rule 702 compels courts to act as “gatekeepers” over the admissibility of expert evidence to make certain that unreliable testimony does not reach the jury. *See Daubert v. Merrell Dow Pharm., Inc.*, 509 U.S. 579, 597 (1993). This gatekeeping function “applies to all expert testimony, not just testimony based in science.” *In re Scrap Metal Antitrust Litig.*, 527 F.3d 517, 528 (6th Cir. 2008) (citing *Kumho*, 526 U.S. 137). The proponent of the expert testimony “bears the burden of proving its admissibility.” *E.E.O.C. v. Kaplan Higher Educ. Corp.*, 748 F.3d 749, 752 (6th Cir. 2014).

5. Pursuant to Rule 702, the Sixth Circuit has delineated that “a proposed expert’s opinion is admissible, at the discretion of the trial court, if the opinion satisfies three requirements.” *In re Scrap Metal Antitrust Litig.*, 527 F.3d at 528-529. First, a witness must “establish his expertise by reference to ‘knowledge, skill, experience, training, or education.’” *Pride v. BIC Corp.*, 218 F.3d 566, 577 (6th Cir. 2000) (citing Fed. R. Evid. 702). “A witness is not an expert simply because he claims to be.” *Id.* Rather, “the issue with regard to expert testimony is not the qualifications of a witness in the abstract, but whether those qualifications provide a foundation for a witness to answer a specific question.” *Berry v. City of Detroit*, 25 F.3d 1342, 1351 (6th Cir. 1994).

6. The second inquiry under Rule 702 “requires a proffered expert to testify to ‘scientific, technical or other specialized knowledge’ ... [which] serves to establish a standard of ‘evidentiary reliability’ or ‘trustworthiness.’” *Pride*, 218 F.3d at 577 (citing Rule 702 and

*Daubert*, 509 U.S. at 591). The Sixth Circuit has explained that “by defining evidentiary reliability in terms of scientific validity, the *Daubert* Court instructed district courts that their primary function as gatekeepers is to ‘determine whether the principles and methodology underlying the testimony itself are valid.’” *Id.* Accordingly, a court may exclude expert testimony “connected to existing data only by the *ipse dixit* of the expert,” because there is “too great an analytical gap between the data and the opinion proffered.” *Gen. Elec. Co. v. Joiner*, 522 U.S. 136, 146 (1997).

7. While there is no single criterion for determining reliability, “the *Daubert* Court identified several factors that a district court should consider when evaluating the scientific validity of expert testimony, notably: the testability of the expert’s hypotheses (whether they can be or have been tested), whether the expert’s methodology has been subjected to peer review, the rate of error associated with the methodology, and whether the methodology is generally accepted within the scientific community.” *Pride*, 218 F.3d at 577. As the Sixth Circuit noted in *Clay v. Ford Motor Co.*, “the specific *Daubert* factors – testing, peer review and publication, potential rate of error, and general acceptance in the relevant community – may be considered by the district court even when the proffered expert testimony is not scientific.” 215 F.3d 663, 667 (6th Cir. 2000). “Red flags that caution against certifying an expert include reliance on anecdotal evidence, improper extrapolation, failure to consider other possible causes, lack of testing, and subjectivity.” *Dow v. Rheem Mfg. Co.*, 527 F. App’x 434, 437 (6th Cir. 2013) (internal citation omitted).

8. Finally, Rule 702 “requires that the expert’s testimony assist the trier of fact.” *Pride*, 218 F.3d at 578. “Testimony is unhelpful ... when it merely deals with a proposition that is not beyond the ken of common knowledge.” *Cao Grp., Inc. v. Fed.-Mogul Corp.*, 09-11354,

2011 WL 867723, at \*4 (E.D. Mich. Mar. 10, 2011); *see also Jones v. Pramstaller*, 874 F. Supp. 2d 713, 720 (W.D. Mich. 2012) (“It is well established that an expert witness’s testimony is not helpful where the jury has no need for an opinion because it easily can be derived from common sense, common experience, the jury’s own perceptions, or simple logic.”) (internal citation omitted).

## **II. Mr. Plummer’s Discount Factors Are Unreliable Because They Are Based on Unsupported Assumptions**

9. Mr. Plummer opines that the indicative value of the entire DIA Collection is between \$2.7 billion and \$4.6 billion dollars. Plummer Rep. at 19. Despite this valuation, he states that an actual sale of the artworks likely would only net between \$900 million and \$1.8 billion dollars. *Id.* at 37. He vastly reduces the value of the collection by applying various discount factors to his low and mid estimates (while completely ignoring his high estimate) that purportedly reflect potential market sale conditions. Specifically, he considers the impact of: (1) an immediate liquidation or blockage discount, (2) unsold rates, (3) a sale through an auction house other than Sotheby’s and Christie’s, (4) market capacity, (5) a longer term sale process, (6) litigation, and (7) market disfavor and market crash. *See generally* Plummer Rep. These discount factors, however, are based on nothing more than speculation and unsupported assumptions, rendering his testimony as to those factors unreliable. *Ellipsis, Inc. v. The Color Works, Inc.*, 428 F. Supp. 2d 752, 760 (W.D. Tenn. 2006) (“testimony may be excluded if it is fundamentally flawed or unsupported”).

10. To satisfy the reliability standard under *Daubert*, Mr. Plummer must offer more than his own *ipse dixit* to support his figures. *See Joiner*, 522 U.S. at 137. Indeed, the reliability prong under *Daubert* mandates that an expert’s testimony be “supported by appropriate validation—*i.e.*, ‘good grounds,’ based on what is known.” *Daubert*, 509 U.S. at 590. “Although

some courts have stated that the factual basis on an expert opinion *generally* goes to the credibility of the testimony and not to its admissibility, those courts also acknowledge that the testimony may be excluded if it is fundamentally flawed or unsupported.” *Ellipsis*, 428 F. Supp. 2d at 760 (emphasis in original). Thus, “[w]here an expert’s testimony amounts to ‘mere guess or speculation,’ the court should exclude his testimony.” *In re Scrap Metal Antitrust Litig.*, 527 F.3d at 530 (internal citation omitted); *see also Tamraz v. Lincoln Elec. Co.*, 620 F.3d 665, 670 (6th Cir. 2010) (“no matter how good experts credential may be, they are not permitted to speculate”) (internal quotation marks and citation omitted); *Coffey v. Dowley Mfg., Inc.*, 89 F. App’x 927, 932 (6th Cir. 2003) (expert’s “guesstimations” warranted exclusion); *Smelser v. Norfolk S. Ry.*, 105 F.3d 299, 303 (6th Cir. 1997) (“an expert’s subjective belief or unsupported speculation will not ... satisfy Fed. R. Evid. 702).

11. As discussed in more detail below, Mr. Plummer has not employed any appropriate or recognizable methodology to validate his conclusions. His valuation conclusion is founded on a string of speculative discount figures, the effect of which render unreliable his opinion that the fair market value range of the DIA Collection is between \$900 million and \$1.8 billion. Plummer Rep. at 48; *see Tamraz*, 620 F.3d at 672. Accordingly, Mr. Plummer’s discounted fair market valuation should be excluded.

A. Mr. Plummer Speculates as to His Blockage and Liquidation Discounts Rates

12. Mr. Plummer first assumes that a sale of the DIA Collection would involve an immediate sale of the entire collection at once, and then opines that because this would result in the placement of a large number of items on the market at the same time, such sale would result in selling the collection at half its fair market value. Plummer Rep. at 26-27. He refers to this

effect as a blockage<sup>4</sup> or liquidation<sup>5</sup> discount and estimates that the loss factor is 50 percent. Plummer Rep. at 27. Regardless of whether this assumption about the sale process or the application of either discount is appropriate, Mr. Plummer provides no reliable basis to support his use of a 50 percent discount rate. For instance, he admittedly has no studies to support his figure:

Q. ...[W]ere there any other studies that you relied on for the 50 percent number?

A. No. I'm saying that there were no studies.

...

Q. He gives me the data in his report, I've looked at that and I'm asking him if there's anything other than that, because in his report he doesn't have any studies, so I'm asking him if there are any studies.

A. "I think studies are irrelevant. I have real-life experience..."

...

Q. Again, do you have any studies to support the application of this discount rate and the blockage discount?

A. No.

Plummer Dep. at 246:10-14; 252:25-253:9; 252:17-20.

13. In addition to his lack of studies or publications, Mr. Plummer could not identify any private or publicly available data regarding previous liquidations that supported his figure:

Q. I'm asking for publicly available data on sale?

A. I *think* if you would ask some of the banks about some of their liquidations you *might* find data.

...

Q. Is there any privately available data that you could point me to that in immediate sales sellers realize, generally speaking, 50 percent of the value of their art?

A. I don't know what else I can point you to.

Plummer Dep. at 255:4-16; 256:4-9 (emphasis added).

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<sup>4</sup> A blockage discount is applied "in the valuation of large groups of similar and like items, which, if sold during a limited period of time, would result in a depression of prices one might expect if sold separately in an ordinary market cycle." Plummer Rep. at 27.

<sup>5</sup> A liquidation discount is similar to a blockage discount and attempts to account for the sale of a large number of items in a short period of time. Plummer Rep. at 26-27.

14. At best, in his report, Mr. Plummer identifies the blockage discount applied by the IRS to “calculate estate taxes on artists’ estates.” Plummer Rep. at 27 (“a discounted number has ranged from 25% to 46%”). Yet, this number is not only far lower than the discount he applied to the facts of this case but it is also irrelevant as he testified that the blockage discount applied for tax purposes is different from the blockage discount applied to the sale of artworks. Plummer Dep. at 256:10-24. Further, he offered no explanation as to how a range of 25-46 percent lends support for his use of an even higher discount rate of 50 percent. *Smelser*, 105 F.3d at 303 (“an expert’s subjective belief or unsupported speculation will not ... satisfy Fed. R. Evid. 702”).

15. Mr. Plummer also points to one example in his report – a case in which Sotheby’s partnered with a gallery and acquired a Matisse collection at an estimated 45 percent discount – but this case was an art loan, not a liquidation. Plummer Rep. at 26-27. It is unclear (and Mr. Plummer did not explain) how such art loan valuations are analogous to liquidation or blockage discounts.<sup>6</sup> Indeed, Mr. Plummer testified that art loan valuations are generally more conservative than auction valuations, to account for lending risks. Plummer Dep. at 56:6-11. Yet, he applied the very same “conservative” lending approach to his liquidation scenario, even though he believes the DIA Collection would be sold at auction. Plummer Dep. at 291:10-292:6 (assuming that the DIA Collection would be sold at public auction).

Q. So for collateral purposes, if they had to have a quick sale then they would assume they would only get 50 percent; and that’s the point you’re making, correct?

A. Yes.

Q. Then you extend that analysis and say so, if there had to be a quick sale of the DIA art, you would expect that the most you would get is 50 percent of what its value is; is that what you’re saying?

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<sup>6</sup> In any case, the 50 percent loan-to-value ratio contradicts case law in which such blockage discounts have been applied. Plummer Dep. at 246:4-9; *see, e.g., Oleg Cassini, Inc. v. Electrolux Home Prods., Inc.*, No. 11 CIV 1237, 2014 WL 1468118, at \*3 (S.D.N.Y. Apr. 15, 2015) (applying a 20 percent blockage discount to artworks).



A. That's what I'm saying...

Plummer Dep. at 248:4-14

Further note that in the Matisse example he relied upon, the 45 percent discount was just another “guesstimate.” When questioned in deposition, Mr. Plummer admitted that the data was not available to analyze. Plummer Dep. at 249:20-250:4 (Q. In the Matisse example that you provided, that you were referring to earlier, do you know what the loss factor was there? A. I don't. That data wasn't available to me.).

16. In the absence of reliable data, Mr. Plummer bases his opinion on professed “real world experience.” See, e.g., Plummer Dep. at 246:22-247:4. Yet, he could not identify one real-life example in which a liquidation or blockage discount was applied at a fifty percent discount. Plummer Dep. at 254:7-19. Mr. Plummer continually relied on the value used by banks in art loan valuations, and although he may have participated in negotiating such loans, none actually came to fruition. Plummer Dep. at 43:12-44:12; 60:22-61:9; 64:19-65:7; 247:5-19; 253:10-12 (Q. So you have real-life experience for a number of the loans? A. No....). Such limited experience does not render Mr. Plummer's opinion reliable. See *United States v. Frazier*, 387 F.3d 1244, 1283 (11th Cir. 2004) (“When the expert's experiences have not alone been shown to be capable of providing a sufficient foundation for a particular opinion, corroboration from somewhere—whether in the opinions of other experience-based witnesses or in published, scientific studies—is necessary to establish the opinion's reliability.”).

17. It appears as though Mr. Plummer plucked the 50 percent discount out of thin air and now asks this Court to simply take his word for it. But “nothing in either *Daubert* or the Federal Rules of Evidence requires a district court to admit opinion evidence that is connected to existing data only by the *ipse dixit* of the expert.” *Joiner*, 522 U.S. at 137. Mr. Plummer's failure

to offer any meaningful explanation as to how he derived the blockage discount, coupled with the absence of any studies or data to support his figure, renders his analysis unreliable.

B. There is No Reliable Support for Mr. Plummer's Unsold Rate

18. Mr. Plummer further discounted his valuation by taking into account an anticipated unsold rate – *i.e.*, the percentage of artworks that may remain unsold at auction. Plummer Dep. at 57:5-8 (“It means a certain percentage of property in nearly every auction remains unsold, and it can vary from as little as 10 or 15 percent up to 35 or 40 percent.”); Plummer Rep. at 27-28. Although he states in his report that “it is customary business practice to devalue a work by 20%,” he applies a 26.20 percent discount rate to the facts of this case without further explanation. *Compare* Plummer Rep. at 28 *with* Plummer Rep. at 70-71. Mr. Plummer’s failure to explain the basis for his reliance on an elevated discount factor renders this opinion unreliable. *Pride*, 218 F.3d at 578 (“*Daubert* and its progeny make clear that ‘proposed expert testimony must be supported by appropriate validation.’”) (internal citation omitted); *see also Oleg Cassini*, 2014 WL 1468118, at \*8-9 (passing references to industry standards, without further insight, are unreliable).

C. There is No Reliable Support for Mr. Plummer's Assumption that Christie's and Sotheby's Would Not Participate in a Sale

19. As another example of unsupported assumptions, Mr. Plummer opines that Christie’s and Sotheby’s “might refuse to sell due to the controversy surrounding a disposition and potential damage to their brand and relationships with the broader Museum community.” Plummer Rep. at 29. As a result, he states that “[t]he impact of not selling through Sotheby’s or Christie’s is a *subjective number* to calculate...Nevertheless, I *estimate* that the impact of selling the DIA collection through an auction venue rather than these two houses would result, at minimum, of a loss value of 20% to 40%.” Plummer Rep. at 29 (emphasis added). Other than

an off record conversation with a Christie's employee in a "social setting," the details of which Mr. Plummer refused to disclose, he did not speak to anyone at either auction house to substantiate the discount rate applied.<sup>7</sup> Plummer Dep. at 264:6-265:8; *see also id.* at 199:14-25 (Q. Did you speak with anyone at Sotheby's about this to determine whether they would – A. Hum, I did not...I avoided speaking to people at the auction houses about this project that I'm working on). Again, it appears as though he plucked this discount rate out of thin air. *See Joiner*, 522 U.S. at 146 (testimony "connected to existing data only by the *ipse dixit* of the expert" should be excluded because there is "too great an analytical gap between the data and the opinion proffered").

D. There is No Reliable Support for Mr. Plummer's Long Term Sale Assumption

20. Mr. Plummer "*feel[s]* it would be conservative to estimate" that any sale would require five to eight years to complete. Plummer Rep. at 31 (emphasis added). This timeframe is purportedly based on the length of time the British Rail Pension Fund required to sell its art portfolio. *Id.* In that case, however, it took three years to complete the sale. *Id.* Simply because the DIA Collection is larger than the British Pension Rail Fund portfolio, Mr. Plummer arbitrarily doubled the length of time expected to complete an orderly liquidation in this case, without relying on any analogous sales, studies or publications in support. Plummer Dep. at 268:17-21 (Q. Do you have any reliable sources or studies to support this? A. I do not have anything other than common investment fund practice.). Thus, Mr. Plummer's assumption that it

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<sup>7</sup> Mr. Plummer often relied on such vague private conversations to substantiate his opinions. For example, he opines that "[w]ere the DIA collection to be sold in entirety or in part, few sales would be to other museums, [] because other museums are likely to boycott such sales..." Plummer Rep. at 25. But when asked to provide a basis for this opinion, Mr. Plummer testified only that he relied upon "comments made by other museum professionals." Plummer Dep. at 234:11-235:3 (Q. Can you recall which museums you spoke with about the potential sale of art at the DIA? A. I promised the people that I talked to that I would not reveal who they were."). It is impossible for the Court to examine the reliability of such amorphous opinions.

would take at least five to eight years is unmoored from reliable data. *See, e.g., Smelser*, 105 F.3d at 303 (“an expert’s subjective belief or unsupported speculation will not ... satisfy Fed. R. Evid. 702); *see also Oleg Cassini*, 2014 WL 1468118, at \*8-9 (passing references to industry standards, without further insight are unreliable).

E. There is No Reliable Support for Mr. Plummer’s Litigation Assumptions

21. Mr. Plummer assumes that any sale of the DIA Collection would be delayed due to “formidable legal obstacles and prolonged litigation,” which he estimates will span a five to six year period. Plummer Rep. at 31-32. He further states that “court challenges are likely from the Michigan Attorney General, the DIA, the DIA corporation and numerous donors or their heirs.” *Id.* at 32. But he engaged in no analysis whatsoever to support this opinion and his deposition testimony makes clear that his opinion is nothing more than speculation:

Q. What is the basis of that? Have you spoken to somebody at the Michigan Attorney General’s office?

A. No. Based on what has happened to various sales in New York and other places, I would expect that the Attorney General and also the Attorney General has come out, yes, the Attorney General has come out as a matter of record and says that he opposes the sale. *So it would be logical to assume that he would bring action as Attorney General*, as other states have.

Plummer Dep. at 270:10-21 (emphasis added).

Q. Where you say: “Heirs of former donors, as well as current donors, many still prominent leaders in the Detroit community, and the DIA corporation itself, are likely to pursue every legal option necessary to stop or delay the sale of any of the art potentially, leading to years of litigation.” Do you see that?

A. Um-hum.

Q. You didn’t talk to anyone else about that other than -- did you talk to anybody about it?

A. No.

Plummer Dep. at 274:6-19.

Q. ...Is it your assumption that any litigation would be a five-year litigation?

A. Based on the Fisk, yes.

Q. So you’re basing it on the Fisk litigation?

A. Yes.

Q. Again, you didn't do any analysis of the Fisk litigation?

A. No.

Plummer Dep. at 274:21-275:5

F. Mr. Plummer's Litigation-Driven Discount Analysis is Unreliable

22. As the Ninth Circuit stated in *Daubert v. Merrell Dow Pharm., Inc.*, 43 F.3d 1311, 1317 (9th Cir. 1995), “[o]ne very significant fact to be considered is whether the experts are proposing to testify about matters growing naturally and directly out of research they have conducted independent of the litigation, or whether they have developed their opinions expressly for purposes of testifying.” *See also Johnson v. Manitowoc Boom Trucks, Inc.*, 484 F.3d 426, 435 (6th Cir. 2007) (“the Ninth Circuit’s reasoning is equally sound” in scientific and non-scientific contexts).

23. In the instant case, Mr. Plummer has little to no experience in art lending for institutions (*see* Section III below) and he was not retained until May 2014, *after* Christie’s submitted their incomplete appraisal and *after* the City submitted the DIA Settlement for approval. Plummer Dep. at 95:2-6. As discussed above, Mr. Plummer applied discounts arbitrarily and without appropriate validation. Thus, his discount analysis was seemingly undertaken solely for the purpose of litigation – *i.e.*, to reduce the value of the DIA Collection as much as possible to substantiate the minimal contributions pledged pursuant to the DIA Settlement. Accordingly, Mr. Plummer’s fair market discount valuation should be excluded as unreliable under *Daubert* and Rule 702.

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24. In short, Mr. Plummer has not employed any appropriate or recognizable methodology by which to validate his opinions. His string of assumptions regarding the proper discount factors to apply skews his ultimate conclusion as to the potential sale value of the DIA

Collection. His results are even further biased because he only applied the discount factors to his low and mid estimates, ignoring the high estimate. He could not explain this oversight other than to state that the high estimate is irrelevant because he does not believe that it is possible to sell everything in the DIA Collection at this estimate. Plummer Dep. at 279:23-280:2; 285:6-9. Thus, Mr. Plummer's inability to substantiate the discount percentages applied and his complete failure to apply his discount factors to the high estimate (thus artificially deflating his ultimate value), evidences that his opinion is at best a guess, and at worst, suggests that he is working towards a desired diminished result. *Tamraz*, 620 F.3d at 670.

### **III. Mr. Plummer is Unqualified to Render a Discount Analysis**

25. “[U]nder *Daubert* and its progeny, a party proffering expert testimony must show by a ‘preponderance of proof’ that the expert whose testimony is being offered is qualified.” *Pride*, 218 F.3d at 578. As the Sixth Circuit stated in *Berry*, “the issue with regard to expert testimony is not the qualifications of a witness in the abstract, but whether those qualifications provide a foundation for a witness to answer a specific question.” 25 F.3d at 1351.

26. Here, Mr. Plummer attempts to opine as to the value of the DIA Collection yet, he admittedly has no education, certification, training or experience in conducting appraisals. Plummer Dep. at 12:14-19; 88:16-89:2. Nor did he obtain any degrees or certifications relating to art or art lending. Plummer Dep. at 12:7-13. Further, his CV evidences no articles or books written on valuations or the art lending business. Plummer Rep. at 51. *See Rosvold v. L.S.M. Sys. Eng'g, Inc.*, No. 04-75009, 2007 WL 3275107 (E.D. Mich. Nov. 6, 2007) (excluding expert whose resume failed to incorporate any professional experience in valuation analysis).

27. Mr. Plummer relied on his 16-year history with Sotheby's, but the majority of that time was spent in the marketing department. Plummer Rep. at 51 (Curriculum Vitae).

Marketing experience certainly does not render him qualified to issue opinions on art lending. And although he touted his post-Sotheby's experience with structuring art funds as the basis for his real-life experience, *see, e.g.*, Plummer Dep. at 253:10-20; 268:17-21, none of his projects "got off the ground."

Q. In your first art fund how much did you raise?

A. We didn't because the art fund ran into trouble.

Q. What was that?

A. I uncovered malfeasance on the part of the CEO...

Q. So the first art fund you formed didn't really get off the ground?

A. No.

Q. What about the second one?

A. That company went under...

Q. So neither of the art funds that you formed really got off the ground?

A. No.

Plummer Dep. at 43:12-44:12.

28. The same is true of Mr. Plummer's art lending experience while employed at Christie's:

Q. ...Again, to make sure I get it right. You began with thoughts of having four art funds?

A. Correct.

Q. Structured along the lines of your prior testimony and dealing with four different genres of art based on the factors you testified about earlier. You began that in 2007?

A. Right.

Q. But because of credit markets and later financial markets; did you actually raise the funds, the four funds?

A. No...

...

Q. Essentially, how many loans did you bring to market for Christie's in the art lending business?

A. Well, there were four loans with Christie's while I was there. Then in the spring of 2009, Christie's withdrew from both the lending business and the art fund business because they contracted, as many firms did in 2009, and dropped many of their new initiatives.

Plummer Dep. at 64:19-65:7; 66:21-67:5. Indeed, it appears Mr. Plummer has never witnessed an art fund come to fruition nor has he structured an art loan for an institution. Plummer Dep. at

76:6-15; 82:11-21; 76:6-15. Thus, it is unclear where his “common investment fund” practice stems from. *See Pride*, 218 F.3d at 577 (“a witness is [not] an expert simply because he claims to be”) (internal citation omitted).

29. *Daubert* mandates that Courts act as gatekeepers in screening expert testimony. *Daubert*, 509 U.S. at 597. An essential element of that gatekeeping function is to probe beneath the surface of a so-called expert’s credentials to determine whether the alleged expertise is in fact based on experience or is mere *ipse dixit*. A thorough examination of Mr. Plummer’s credentials reveals that he is patently unqualified to render an opinion regarding the discounted fair market value of the DIA Collection.

#### **STATEMENT OF CONCURRENCE SOUGHT**

30. Pursuant to Local Rule 9014-1(g), on August 18, 2014, counsel for FGIC sought the concurrence of counsel for the City in the relief sought in the Motion. Counsel for the City has advised that they oppose the filing of the Motion.



WHEREFORE, FGIC respectfully requests that the Court enter an Order granting FGIC's Motion in its entirety and excluding the opinion of Michael Plummer regarding discount factors.

DATED: August 22, 2014

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*Attorneys for Financial Guaranty Insurance  
Company.*

**ATTACHMENTS**

Exhibit 1	Proposed Form of Order
Exhibit 2	Notice of Motion and Opportunity to Object
Exhibit 3	None [Brief Not Required]
Exhibit 4	Certificate of Service [To be filed separately]
Exhibit 5	None [No Affidavit]
Exhibit 6A	Expert Witness Report of Michael Plummer
Exhibit 6B	Expert Deposition of Michael Plummer

**Exhibit 1**

**Proposed Order**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

-----X  
:   
**In re** : **Chapter 9**  
:   
**CITY OF DETROIT, MICHIGAN,** : **Case No. 13-53846**  
:   
: **Debtor.** : **Hon. Steven W. Rhodes**  
:   
:   
-----X

**ORDER EXCLUDING THE OPINION OF  
MICHAEL PLUMMER REGARDING DISCOUNT FACTORS**

This matter having come before the Court on *Financial Guaranty Insurance Company’s Motion to Exclude the Expert Opinion of Michael Plummer Regarding Discount Factors* (the “**Motion**”),<sup>8</sup> filed by Financial Guaranty Insurance Company (“**FGIC**”); and due and proper notice of the hearing to consider the relief requested therein (the “**Hearing**”) having been given to all parties registered to receive electronic notices in this matter; and the Court having held the Hearing with the appearances of interested parties noted in the record of the Hearing; and upon the entire record of all the proceedings before the Court; and the legal and factual bases set forth in the Motion establishing just and sufficient cause to grant the relief requested therein;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is granted.
2. The opinions of Michael Plummer regarding discount factors in calculating the value of the DIA Collection shall be excluded at the Confirmation Hearing.

It is so ordered.

---

<sup>8</sup> All capitalized terms used but not defined herein shall have the meanings attributed to them in the Motion.



**Exhibit 2**

**Notice**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

-----X  
In re :  
 : Chapter 9  
 :  
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
 :  
Debtor. : Hon. Steven W. Rhodes  
 :  
 :  
 :  
-----X

**NOTICE OF FINANCIAL GUARANTY  
INSURANCE COMPANY’S MOTION TO EXCLUDE  
THE EXPERT OPINION OF MICHAEL PLUMMER  
REGARDING DISCOUNT FACTORS**

Financial Guaranty Insurance Company has filed papers with the Court seeking entry of an order pursuant to Federal Rule of Evidence 702 to exclude the testimony and opinion of Michael Plummer at the Confirmation Hearing regarding discount factors under the Plan of Adjustment compared to treatment upon dismissal (the “Motion”).

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)**

If you do not want the court to grant the relief sought in the motion, or if you want the court to consider your views on the motion, **on or before August 27, 2014**, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:<sup>9</sup>

**United States Bankruptcy Court**  
211 W. Fort Street, Suite 2100  
Detroit, Michigan 48266

If you mail your response to the court for filing, you must mail it early enough so the court will **receive** it on or before the date

---

<sup>9</sup> Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).

stated above. All attorneys are required to file pleadings electronically.

You must also mail a copy to:

Alfredo R. Pérez  
WEIL, GOTSHAL & MANGES LLP  
700 Louisiana Street, Suite 1600  
Houston, TX 77002  
Telephone: (713) 546-5000  
Facsimile: (713) 224-9511

Edward Soto  
WEIL, GOTSHAL & MANGES LLP  
1395 Brickell Avenue, Suite 1200  
Miami, FL 33131  
Telephone: (305) 577-3177

Ernest J. Essad Jr.  
Mark R. James  
WILLIAMS, WILLIAMS, RATTNER & PLUNKETT, P.C.  
280 North Old Woodward Avenue, Suite 300  
Birmingham, MI 48009  
Telephone: (248) 642-0333  
Facsimile: (248) 642-0856

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time and location of the hearing.

**If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion and may enter an order granting that relief.**



DATED: August 22, 2014

Respectfully submitted,

/s/ Alfredo R. Pérez

Alfredo R. Pérez  
WEIL, GOTSHAL & MANGES LLP  
700 Louisiana Street, Suite 1600  
Houston, TX 77002  
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-and-

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*Attorneys for Financial Guaranty Insurance  
Company*

**Exhibit 3**

**None [Brief Not Required]**

**Exhibit 4**

**Certificate of Service**

**CERTIFICATE OF SERVICE**

I hereby certify that on August 22, 2014 *FINANCIAL GUARANTY INSURANCE COMPANY'S MOTION TO EXCLUDE THE EXPERT OPINION OF MICHAEL PLUMMER REGARDING DISCOUNT FACTORS* was filed and served via the Court's electronic case filing and noticing system to all parties registered to receive electronic notices in this matter.

/s/ Alfredo R. Pérez  
Alfredo R. Pérez  
WEIL, GOTSHAL & MANGES LLP  
700 Louisiana Street, Suite 1700  
Houston, TX 77002  
Telephone: (713) 546-5000  
Facsimile: (713) 224-9511  
Email: [alfredo.perez@weil.com](mailto:alfredo.perez@weil.com)

Dated: August 22, 2014

**Exhibit 5**

**None [No Affidavit]**

**Exhibit 6A**

Expert Witness Report of Michael Plummer

EXPERT WITNESS REPORT OF  
Michael Plummer

July 8, 2014

Presented in:  
CITY OF DETROIT, MICHIGAN, Debtor  
Chapter 9  
Case No. 13-53846

In the United States Bankruptcy Court  
Eastern District of Michigan  
Southern Division

## Table of Contents

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- II. Qualifications
- III. General Art Market Issues
- IV. Evaluation of the Collection of the Detroit Institute of Arts
- V. DIA-Specific Market Issues Affecting Selling Strategy and Value
- VI. Potential Factors That May Affect the Liquidation of the DIA Collection
- VII. Critique of Houlihan Lokey Analysis and Indications of Interest
- VIII. Critique of the Christie's Recommendations for Monetization
- IX. Cultural Impact
- X. Conclusion
- XI. Assumptions and Limiting Conditions



Exhibits

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Exhibit A.....List of Documents Relied Upon  
Exhibit B..... Plummer Curriculum Vitae  
Exhibit C.....List of Consulting Specialists & Curriculum Vitae  
Exhibit D.....Other Sources  
Exhibit E.....Sotheby's and Christie's Unsold Rates by Sector – 2013  
Exhibit F.....Present Value Calculation of an Orderly Liquidation

I. Scope of Opinion and Disclosures Required Under Rule 26(A)(2)(B)

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1. I have been retained by Cravath Swaine & Moore LLP on behalf of its client The Detroit Institute of Arts (“DIA”) and by Jones Day LLP on behalf of its client The City of Detroit, Michigan (together “Counsel”), in connection to the matter that is the title of this report.
2. Counsel has asked me to form an opinion with respect to the following:
  - a) The indicative value of the works in the DIA Collection
  - b) The feasibility and likely effects on the market and value realization of a sale of the DIA collection under a variety of market and sale conditions
  - c) Creditor-proposed sales of the DIA’s collection, including analysis of certain third-party indications of interest
  - d) Monetization alternatives described in Christie’s report to the City of Detroit
  - e) Infirmities in any rebuttal expert reports, which I will address in any supplemental report as necessary
3. In addition, this report contains a summary of the information that I relied upon in the development of my opinions and a statement of qualifications. My opinions, detailed herein, are based upon the data and other information available to me as summarized in this report.
4. A detailed list of the sources of information relied upon is presented in Exhibit A.
5. My curriculum vitae and lists of recent testimony, publications and relevant presentations are presented in Exhibit B.
6. Exhibits D through F are additional sources, tables and calculations that I have relied upon.
7. Artvest Partners LLC is compensated at a fixed fee of \$112,500 for preparation of this report, and \$6,000 per day (or \$3,500 per half day) for expert witness testimony at deposition or trial.
8. I reserve the right to supplement and/or revise my report if additional information becomes available and to prepare and present an additional report in reply to any expert report proffered in response to this report. I also may be asked to testify at deposition and trial.
9. I reserve the right to use any charts, tables or graphs contained in this report as demonstrative exhibits to support my testimony at deposition or trial.

## II. Qualifications

---

10. I have extensive experience in the field of analyzing art market economics, valuations, patterns and behavior. My advisory experience encompasses a broad range of constituents in the art market: clients (including buyers and sellers of fine art), auction houses, dealers, collectors and investors.
11. I am a Principal of Artvest Partners LLC.
12. Artvest Partners LLC is an advisory firm in the art market that advises private clients, art professionals, and Fortune 500 corporations on art values, projections of market performance, art acquisitions and dispositions, as well as best business practices. Additionally, we broker art loans for clients.
13. I received a Bachelor of Science Degree in Economics at The Wharton School of the University of Pennsylvania.
14. I was employed for fifteen years at Sotheby's, my final position was Vice-President, Head of Marketing for North and South America and Asia.
15. I was employed from 2007 through 2009 at Christie's as Senior Vice President and Chief Operating Officer of Christie's Financial Services to launch a new business entity to provide art loans and art investment funds to its clients.
16. I have published *Artvest Partners, Market Analysis, September 2010; Artvest Partners Market Analysis, Winter-Spring 2012 With a Special Focus on Asian Art; Artvest Partners Market Analysis, Fall 2011; Citi Research Equities Report, Sotheby's, 18 October 2011; and Citi Research Equities Report, OC's Hammer time: Art Auction Primer 101, 24 April, 2013.*
17. I am a co-founder of the Art Investment Council, a section 501(c)(3) not-for-profit corporation formed to promote best practices and greater transparency in the Art Market.
18. In addition to being quoted in and advising on numerous articles in the *New York Times*, *The Wall Street Journal*, and *The Art Newspaper*, as well as providing on-air commentary on *Fox Business*, I have lectured and been on panels for continuing education courses and graduate-degree programs at NYU, The Appraisers Association of America, Sotheby's Institute and Christie's Education on the subjects of art market performance, trends, economic factors, investment practices and structures, as well as liquidity and valuation in an opaque market.
19. With the aforementioned education, training, and experience, I am well qualified to offer opinions regarding the disputes identified in this matter.
20. My Curriculum Vitae is located in Exhibit B to this report.

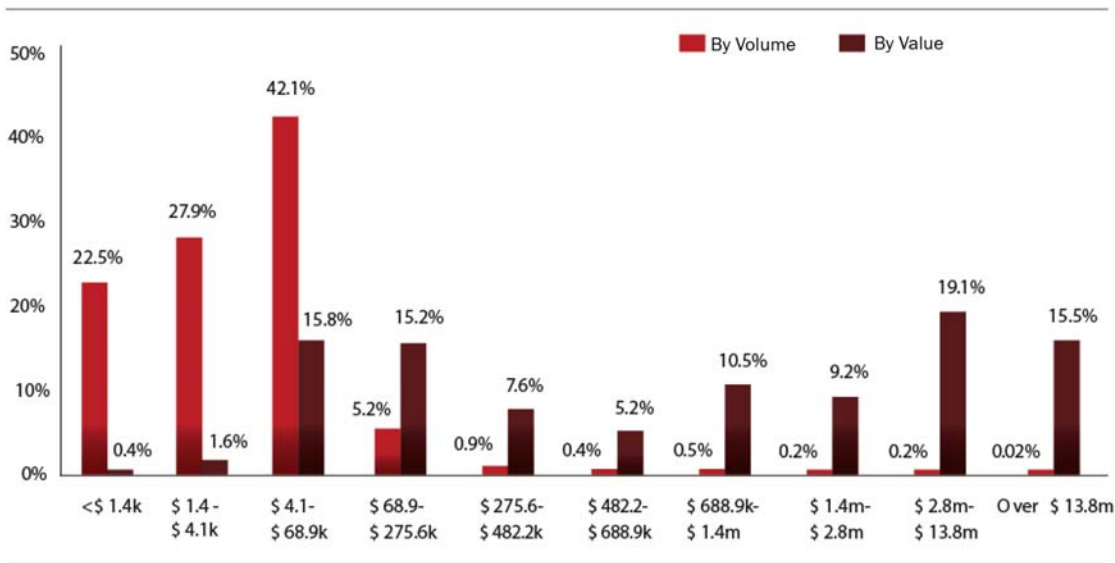
III. General Art Market Issues

21. In this section, I will provide context by describing issues and dynamics currently at work in the art market in general, outline trends and patterns that will affect any decision to sell into the current marketplace and the estimate of values placed on the works before they are sold, as well as conditions for the evaluation of a selling strategy that is undertaken either to maximize value or to find quick liquidity. Much of the information below is based on my own research, as well as the *TEFAF Art Market Report 2014*, prepared by Clare McAndrew, an analysis issued annually by The European Fine Art Foundation (“TEFAF”) that tracks global art activity. For the sake of consistency, values in that report have been converted into dollars for the purposes of this report.

22. Value in the art market, in museum and private collections, as well as in annual turnover in fine and decorative art sales, is concentrated in a small number of rare, high-quality items, whereas the vast majority of items in circulation in the art market are low in value. At the higher end of the market, works over \$14 million account for only 0.02% of items sold, yet these are the prices one hears of regularly in press reports. Works sold for over \$1.4 million account for 43.8% of the value but only 0.42% of market volume.

- a. 50.4% of transactions are below \$4,100 and 92.5% of transactions are below \$69,000

CHART 1

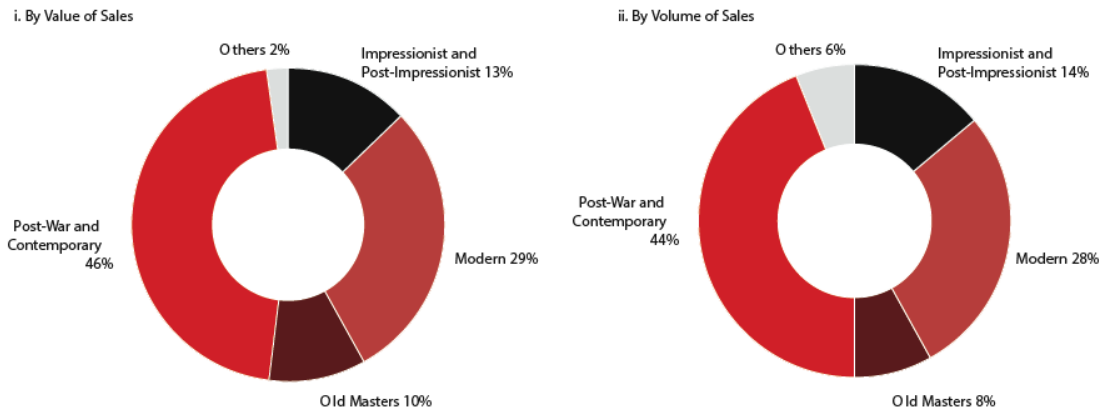


Source: Arts Economics (2014) with data from Artnet and AMMA (All values converted from Euros to Dollars)

**23. Four sectors of the fine art market constitute 98% of the value of the fine art market: European Modern Art, Impressionist and Post-Impressionist Art, European Old Master Paintings, and Post-War and Contemporary Art. Of these four sectors, three have declined in value since 2011.**

a. Market Share by Sector of the Fine Art Auction Market

CHART 2

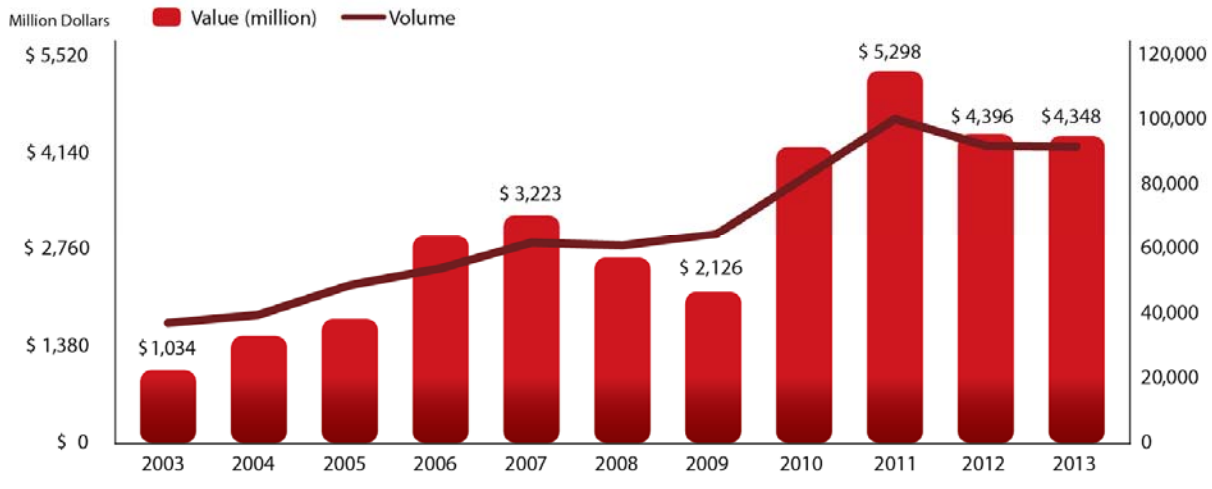


© Arts Economics (2014) with data from Artnet

b. The European Modern Art Auction Sales 2003 to 2013

CHART 3

The Modern Art Sector: 2003 to 2013

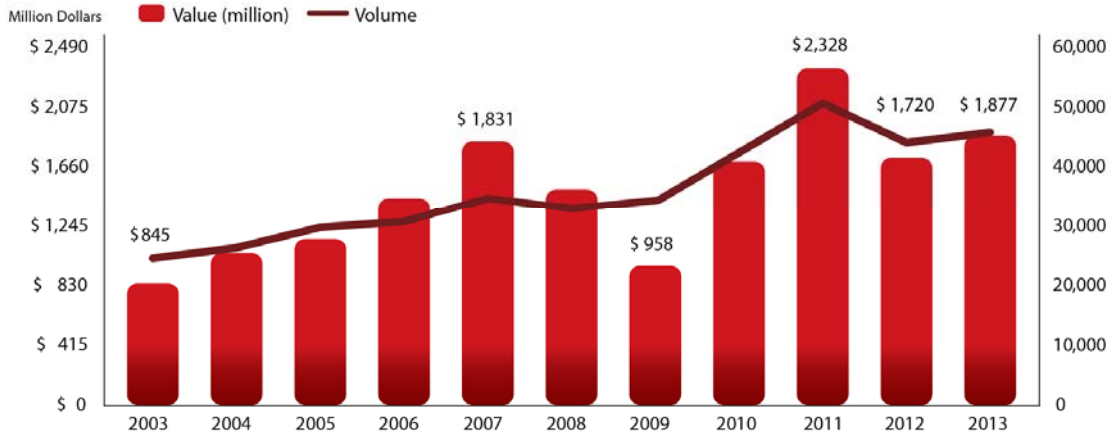


© Arts Economics (2014) with data from Artnet

c. Impressionist and Post-Impressionist Auction Sales 2003 to 2013

CHART 4

Impressionist and Post-Impressionist Auction Sales 2003-2013

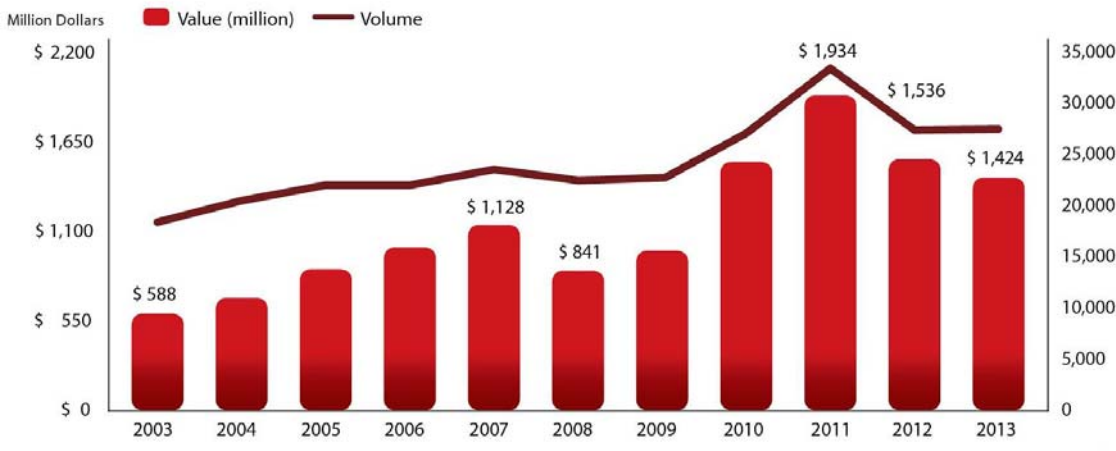


© Arts Economics (2014) with data from Artnet

d. European Old Master Painting Sales 2003 to 2013 (Primarily referred to in the DIA collection as European Paintings)

CHART 5

Old Master Painting Sales 2003-2013



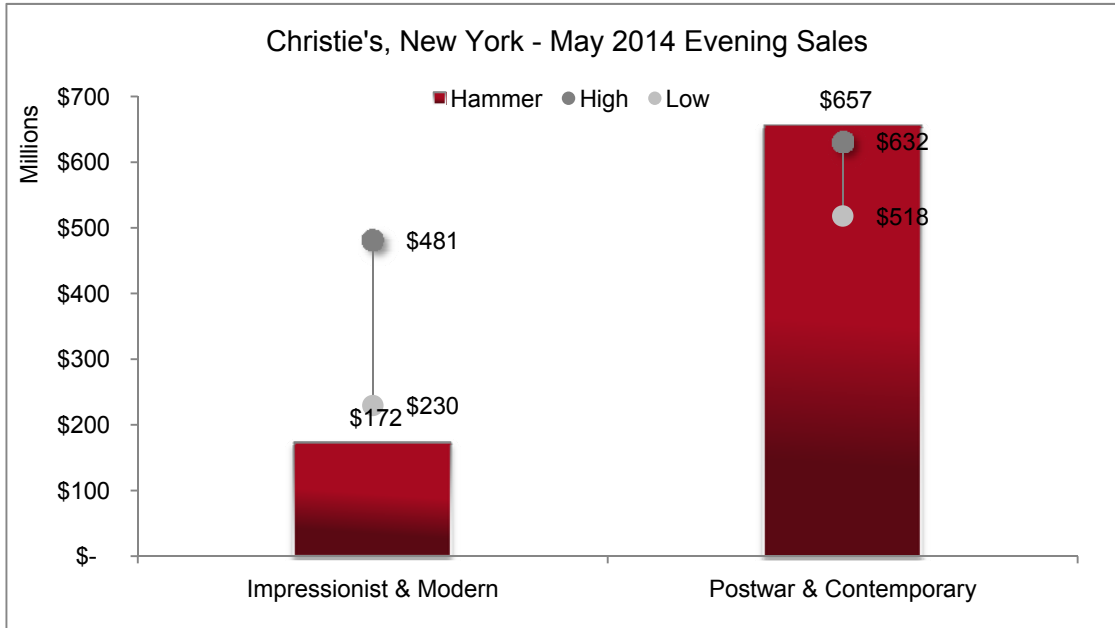
© Arts Economics (2014) with data from Artnet

**24. While record prices have been set and growth has been significant in the Post War and Contemporary (“PWC”) sector, other sectors of the art market have been stagnant, and, as mentioned above, some have posted declines in turnover in the last two years.**

a. The differences can be seen in the two most recent evening auctions at Christie’s this past May. Both the Impressionist & Modern Paintings and PWC sale had significant and

desirable works of art with many that had not been on the market for decades, yet the Impressionist & Modern paintings sale still performed below expectations and estimates, while the PWC sale exceeded its estimate and had a meaningfully lower rate of unsold items. European Old Master Paintings, 19<sup>th</sup> Century Art, American Art and pre-20<sup>th</sup> Century Art are currently manifesting the same pattern of unevenness as this recent Impressionist & Modern Art at Christie's (refer to Paragraph 37. below).

CHART 6



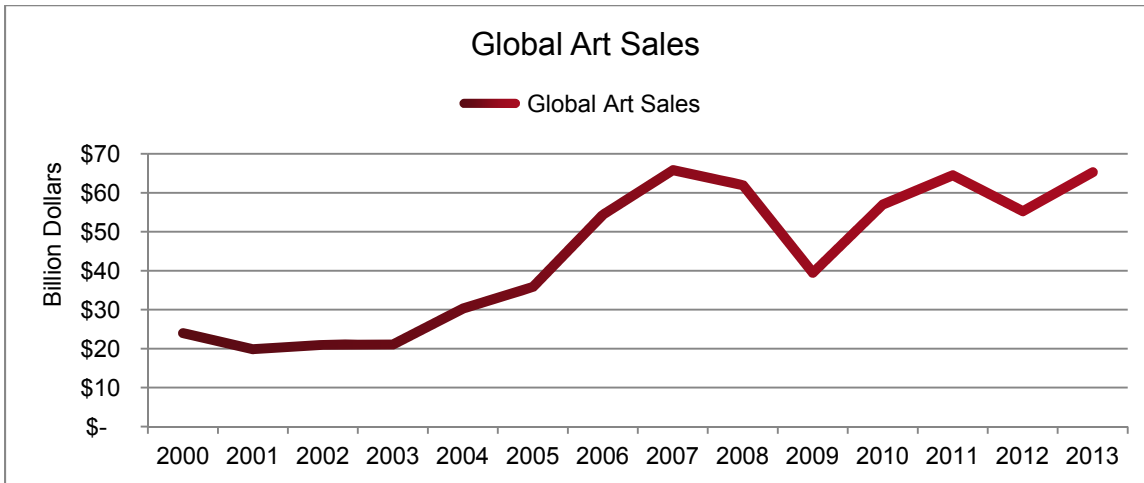
Source: Artvest Partners based on Christie's Auction Data

**25. With the exception of the PWC sector, the remainder of the art market has plateaued and will rise and fall from year to year within a range of 10% or so, continuing along the lines of its performance since 2011.**

a. In such a market where prices and sales volumes are not appreciating quickly, selling at or below the low estimate is more the norm, and selling at the higher end of the estimate range becomes an anomaly. In times like this, art industry professionals tend to peg their expectations on the lower range of an estimate. The example above, Chart 6, is a case in point: the PWC Evening Auction, in a sector where prices are still rising, exceeded its high estimate. The Impressionist & Modern sale, in a sector where prices are stagnant, fell below its low estimate.

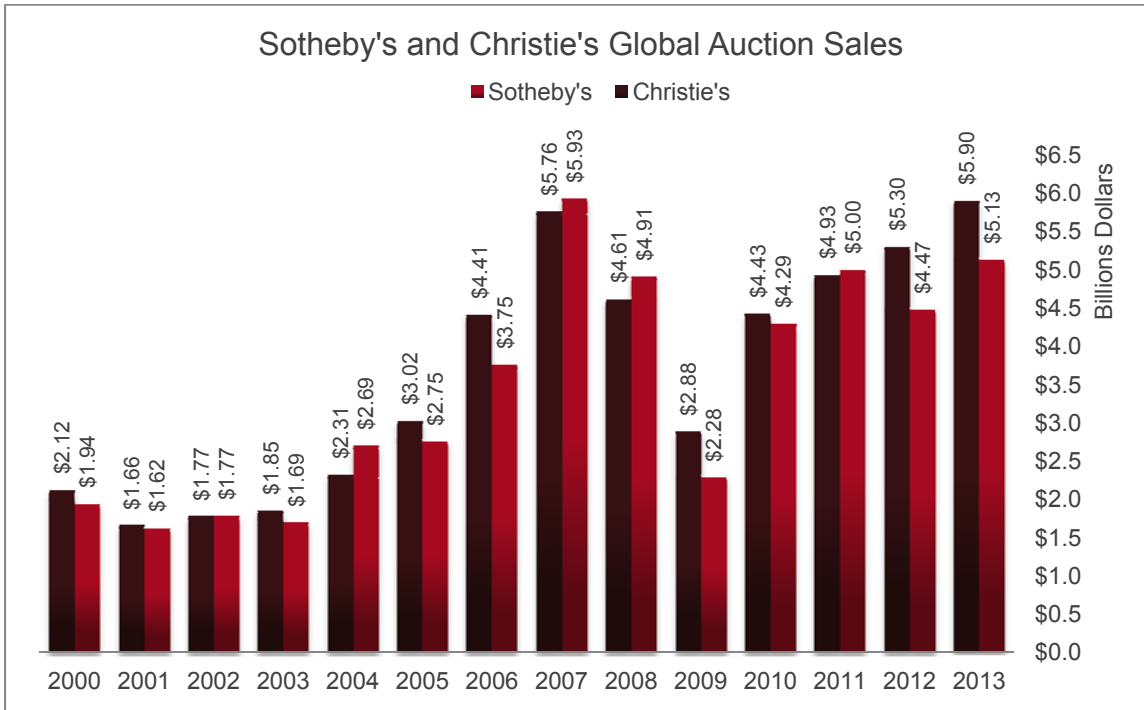
b. The significant growth in the size of the art market from 2002 – 2011 is a once in a life-time event (due to the sudden addition to the global art economy of Russia, China, India and other countries that previously had not been active art collectors). This burst of growth is not likely to be repeated over the next five years. In fact, with growth now concentrated almost exclusively in the PWC sector, I estimate that excluding a price disruption in this sector (see below), growth of the art market will remain choppy over the near to mid-term in all other sectors other than PWC.

CHART 7



Source: Arts Economics (2014) (All values converted from Euros to Dollars)

CHART 8



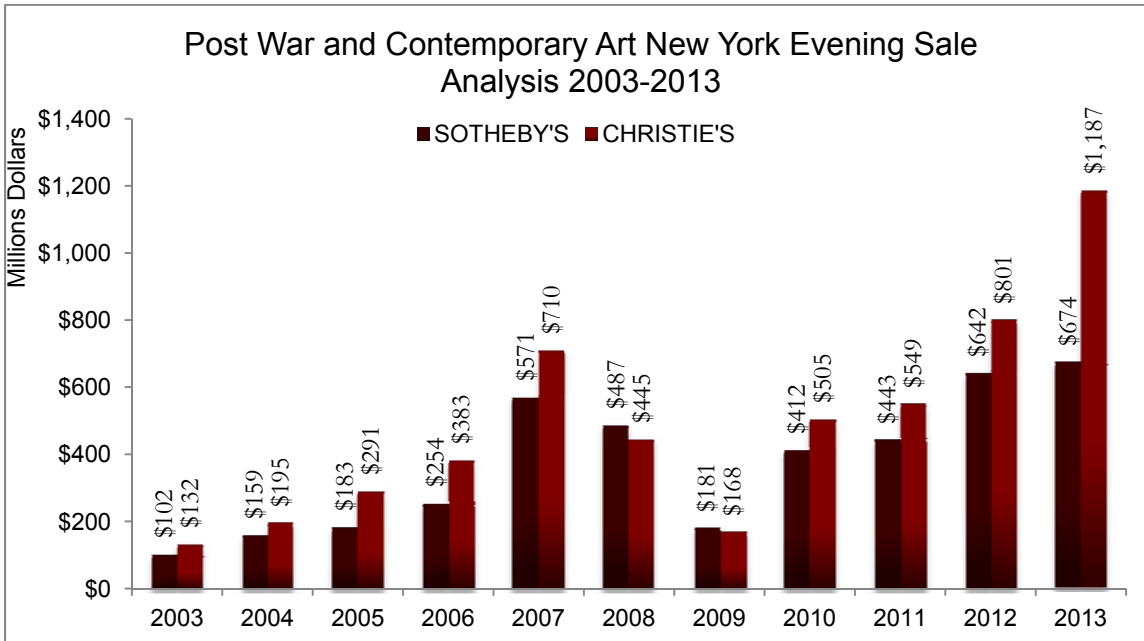
Source: Arts Economics (2014) (All values converted from Euros to Dollars)



26. As a consequence of this heightened focus of collectors on the PWC sector, I believe the sector could soon be reaching a “breaking point,” as historically it is the most volatile sector of the art market and prone to crashes, such as in 1990 and 2008/9. Its growth in value over the last ten years has been unprecedented. In the market crash of 2008, the PWC sector lost both half of its value and half its sales volume. The growth in prices and values is more concentrated at the highest end of the market, namely at Evening Auctions at Sotheby’s and Christie’s. Such an unsettled market would need to be taken into account in any liquidation strategy developed for the sale of the Contemporary Art given the value of its holdings relative to the size of this sector of the market.

a. Ten Years of Post War & Contemporary New York Evening Auction Results

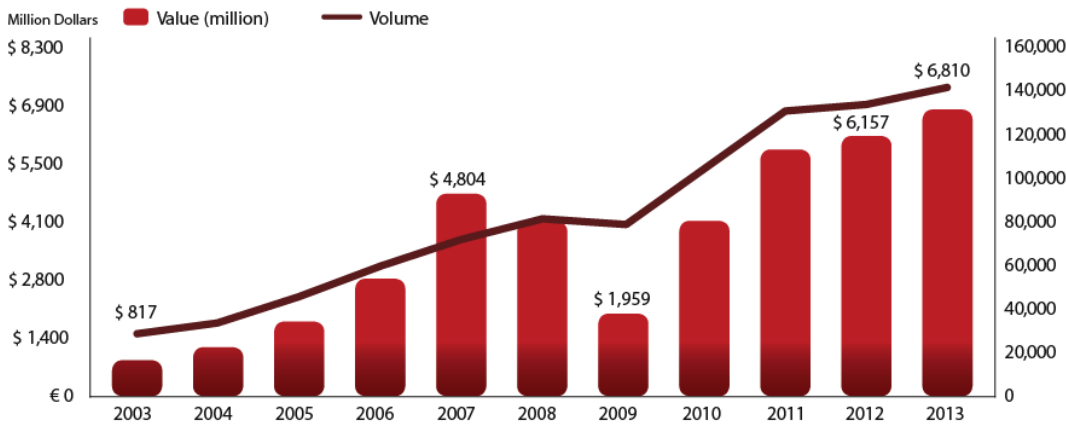
CHART 9



Source: Artvest Partners based on data from Sotheby's and Christie's

b. Growth of the Post-War and Contemporary Art Sector, Auction and Private Sales, 2003 to 2013

CHART 10



Source: Arts Economics (2014) with data from Artnet and AMMA (All values converted from Euros to Dollars)

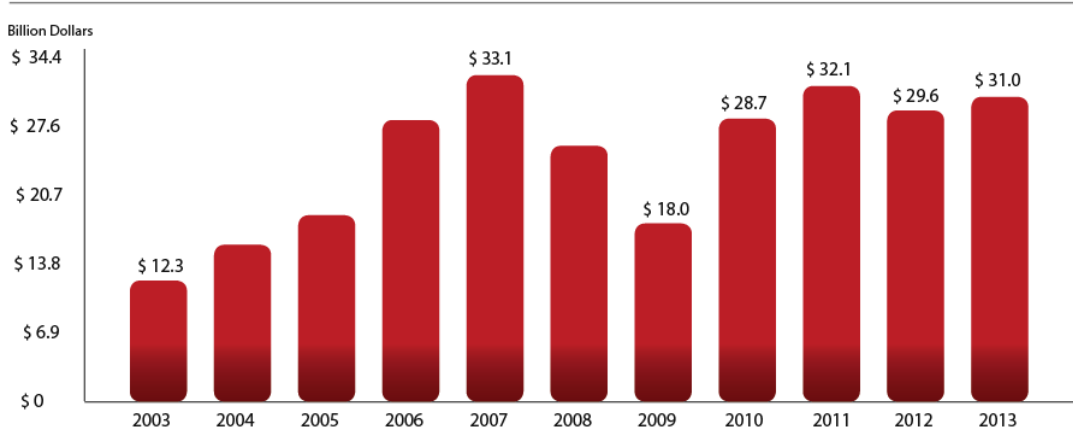
c. Yet another sign that the PWC sector has reached a peak is that a number of notable collectors, who are known for their art market savvy and access to inside information, seem to be cashing out on important works in this market, suggesting that they too feel the market may have reached a high that might not be sustainable:

“This spring, although most sellers are not revealed in catalogs, dealers familiar with their collections say David Ganek, the former hedge fund manager, is believed to be parting with a Twombly and a Warhol; Peter M. Brant, the newsprint magnate, is selling canvases by Basquiat and Haring; Steve Wynn, the casino magnate, a de Kooning; and Ronald O. Perelman, the New York investor, a Rothko.” (*The New York Times, The Rush for Deals Before Top Art Goes to Auction*, Carol Vogel, May 4, 2014.)

27. When a market sector or the entire market “crashes,” as it did in the Autumn Season in 2008, it creates an illiquid marketplace where values often fall by as much as 50%, and property, especially that of the highest caliber, becomes either difficult to sell, and/or sells for a fraction of its previous value. From the previous market peak in 2007, to its nadir in 2009, the fall in sales was 54.6%.

a. Total Global Fine and Decorative Auction Sales 2003 to 2013

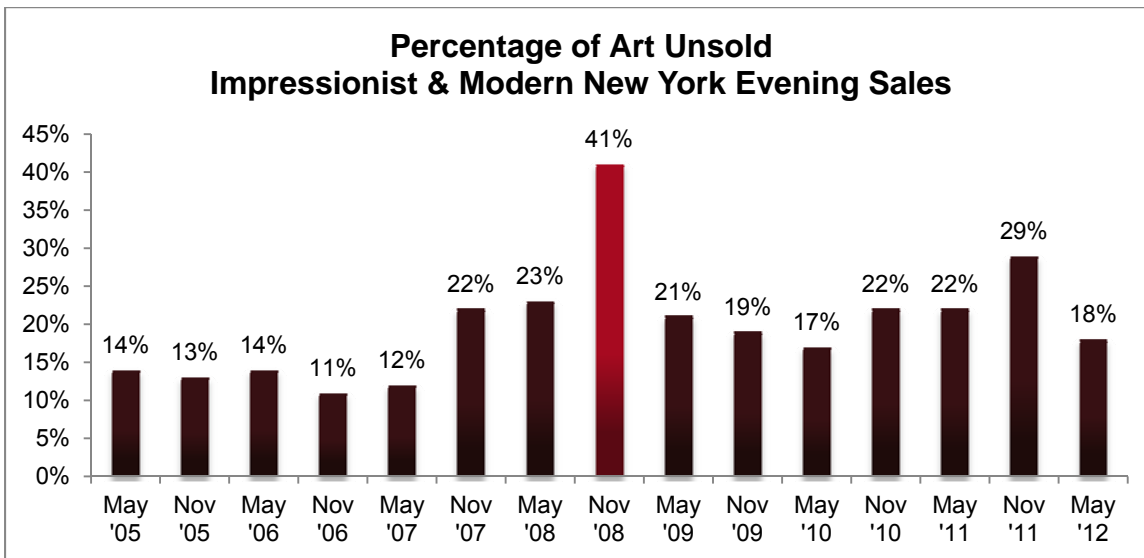
CHART 11



Source: Arts Economics (2014) with data from Artnet and AMMA (All values converted from Euros to Dollars)

b. In November of 2008 and into early 2009, art market sales came to a hard stop until prices adjusted downward radically for the Spring Sales in 2009. Note below that the unsold rate tripled from its previous norms prior to 2007.

CHART 12



Source: Artvest Partners based on data from Sotheby's and Christie's

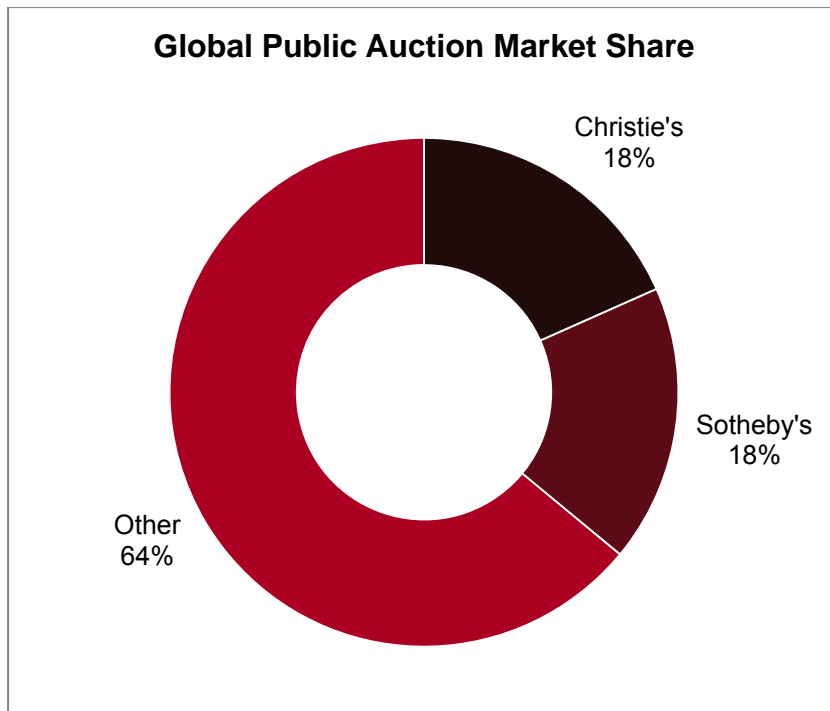
28. Public Auction vs. Private Sale: While the Private Sales and Dealer Activity constituted 53% of global sales volume in 2013 (TEFAF Art Market Report 2014, prepared by Clare

McAndrew), this is the least transparent segment of the art market. Consequently, it is generally true that any art sale resulting from a court action is almost exclusively conducted through public auction. This is the preferred and most common method of sale for estate liquidations, criminal cases, tax liens, bankruptcies and other legally mandated sales of arts and antiques.

29. At the higher end of the market, Sotheby's and Christie's are the preferred venue for selling to achieve maximum sales value, as they have the greatest global reach amongst collectors and control over a third of the international auction market.

a. With 36% of share of Global Art Sales overall. Sotheby's and Christie's dominate the art auction market at the high-end.

CHART 13



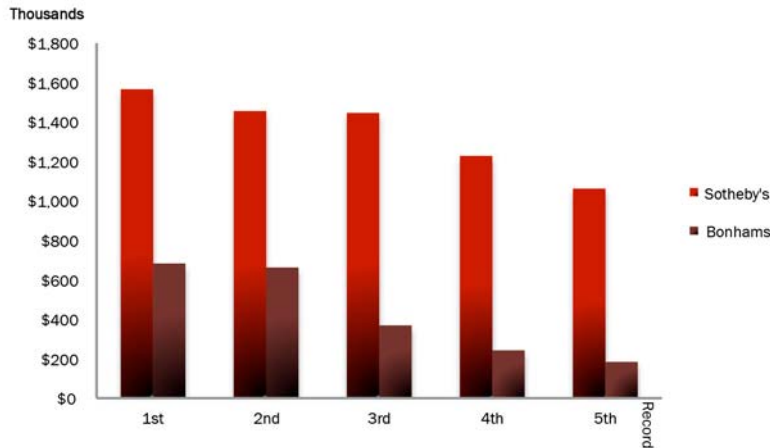
Source: Arts Economics (2014) with data from Artnet and AMMA  
(All values converted from Euros to Dollars)

b. Examples of high-end artist by sector which are indicative of the price performance differential at Sotheby's or Christie's versus second tier auction houses such as Bonham's or Phillip's:

Example A: Top five prices for William Godward (19<sup>th</sup> Century Sector) at Sotheby's versus Bonham's, a differential ranging from 54.3% to 82.7%.

CHART 14

William Godward (19th Century) Top Auction Prices Achieved

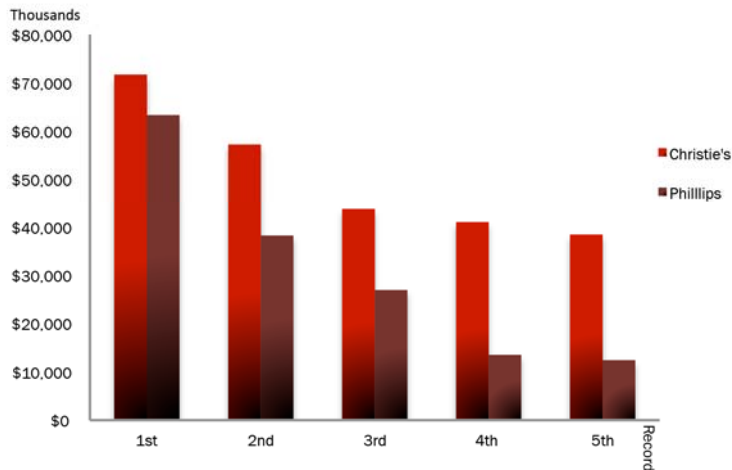


Source: Artvest Partners based on data from Sotheby's and Bonham's

Example B: Top Prices for Andy Warhol (PWC Sector) at Christie's vs. Phillips, a differential ranging from 11.7% to 67.7%.

CHART 15

Andy Warhol (Post-War) Top Auction Prices Achieved



Source: Artvest Partners based on data from Christie's and Phillip's

Example C: Top Price Comparison for Picasso (Impressionist & Modern Sector) at Sotheby's vs Bonham's: In a search on artnet of the top hundred prices by this artist's works at auction at all four houses, none appeared to have been sold at either of the

second tier houses, and Sotheby's and Christie's hold a complete duopoly on the higher priced works by this artist. In the late 1990s and early 2000s, Phillips did attempt to enter this market, but quickly pulled out, unable to compete.

c. Implicit in any auction sale of a multi-million dollar work at Sotheby's and Christie's is a five-year guaranty on authenticity. Second tier houses offer this guaranty as well, but when a collector is buying a work in excess of \$10 million or \$20 million, there is added confidence in the depth of the balance sheet at the two big firms, that at that level of purchase, those firms will have the balance sheet liquidity to take back a \$100 million Picasso, for example, should it in some way not be what it is reputed to be. This is an overlooked and contributing factor to their sustained dominance at the high-end.

d. The power of the duopoly at the higher-end was fully demonstrated when in February 2009, Pierre Berge, the owner of Pierre Berge Associés, an auction house in Paris, decided to sell the collection that he and Yves St. Laurent had acquired at an auction at Christie's, rather than through his own auction house. The sale earned €373,935,500.

IV. Evaluation of the Collection of the Detroit Institute of Arts

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**30. I am comfortable with Christie's approach and valuation of the works with a City of Detroit ("COD") attribution and believe that it is a useful sample and window into the evaluation of the entire DIA collection and appropriate to include within my own analysis of the value of the DIA collection.**

**31. In order for Artvest to prepare an evaluation of the entire DIA collection in such a limited time, I approached the collection as four distinct groups of property. Though I included the Christie's appraisal in my evaluation, I regrouped the COD works from their Phases 1, 2, 3 into bands of value to create a more functional grouping for my analysis:**

**Group 1: High Value COD works that were appraised by Christie's for greater than \$750,000 (68 items)**

**Group 2: COD works appraised by Christie's of lower value, that under \$750,000, including property for which they assigned limited or no value (1,654 with value, 1,038 with limited to no value, and 13 that were combined in Phase III): Total COD appraised or reviewed items by Christie's was 2773.**

a. For both categories (except for that of minimal value), Christies' provided a low and high estimate of value determined by comparing the appraised object to marketplace comparables, or as they refer to it, "the market data approach,' which compares the subject work to similar works and makes appropriate adjustments," for which I understand them to mean adjusting for differences in quality, size, medium, rarity, authenticity, desirability and to the extent known, condition.

b. It is important to point out that, as they state in their letter of December 17, 2013 to Kevyn Orr, Christie's "made no assumptions about the sales process, nor did we take into consideration any commissions, buyer's premiums, or potential financial agreement between the buyer, seller and/or venue that would affect the price realized. And as we agreed, we have not assumed any volume discounts."

c. In Sections V and VI of this report, I undertake to evaluate these key issues pertaining to the potential liquid value of the DIA collection that were not part of Christie's remit, as they are critical elements in evaluating the results of either a partial or full liquidation of the DIA.

TABLE 1

	Object	Low Estimate	High Estimate	Mid Estimate
High Value COD Works Greater Than \$750,000	68	427,200,000	812,600,000	619,900,000
COD Works lower than \$750,000	1654	27,077,995	54,397,240	40,737,618
<b>Subtotal</b>	<b>1722</b>	<b>454,277,995</b>	<b>866,997,240</b>	<b>660,637,618</b>
COD Works that Christie's found to be of insignificant value to conduct an appraisal	1038	0	0	0
<b>TOTAL Christie's Appraisal</b>	<b>2760</b>	<b>\$454,277,995</b>	<b>\$866,997,240</b>	<b>\$660,637,618</b>
Other COD property	13			
<b>TOTAL COD Property</b>	<b>2773</b>			

32. In addition to the Christie's appraised COD works, I conducted an evaluation of the remaining items in the DIA collection in the following manner:

**Group 3:** High Value, non-COD works in the DIA collection, contained on a list provided by the DIA of works that the DIA valued for insurance purposes or otherwise of \$1,000,000 or more, totaling 350 works. (It should be noted that in some instances my own evaluation found some of these items to be of a value less than \$1,000,000.)

**Group 4:** Based on a tour of objects on view in Museum in June 2014, another 73 works I determined to be High Value, which are likely to have values in the range of \$750,000 or higher. As these were discoveries late in the process, I have put an approximate valuation on these items and will provide a fuller evaluation and documentation in a supplement to this report.

a. For Group 3 and Group 4, I conducted an evaluation using the same methodology as Christie's, that is, looking at pricing "that compares the subject work to similar works and makes appropriate adjustments" in value based on size, shape, visual impact, subject matter, condition, medium, complexity, period in the artists or craftsman career, desirability in the marketplace, scarcity and other factors depending upon the sector or type of art.

b. Artvest conducted the initial pricing research and created a source database of comparables and other records, then shared that with the Consulting Specialists, who then did supplemental price searches and other research. After that, the Consulting Specialists viewed the work, either in person or through a high resolution image, and set values which were then reviewed, discussed and finalized with me. The Curricula Vitae of the Consulting Specialists are attached.



**Group 5: Balance of the Collection. The balance of the DIA’s collection was evaluated by sector using the sample valuation data of the COD works appraised by Christie’s with a low value of at or below \$750,000, and applying an average price, sector by sector, based on that data.**

c. To the extent of this methodology has a bias, I believe that it is likely to overstate the value of the DIA collection. COD works were most likely “strategic” purchases to raise the profile of the DIA. General gifts and other museum acquisitions often involve property with little to no sales value and/or scholarly or historic value only. Also, in many instances, donors give entire collections, which include poor to mediocre property side-by-side with good property.

d. For property with a value below \$5,000 I attributed an effective value of \$0, as it is my opinion that the cost of cataloguing, handling, administering and finding buyers for this property will be equal to or greater than the cost of selling it. For that reason, this is a price-level of property that Sotheby’s and Christie’s, under normal circumstances, try to avoid selling.

**Totals: Groups 1 through 5 combined by Sector for a total value of the DIA collection, without accounting for limitations or clouds on title, limitations in the market on the sale of the works, or any of the discounts described in the next section of this report, for total estimated gross sales value of the DIA holdings.**

**TABLE 2**

	Object	Low Estimate	High Estimate	Mid Estimate
Artvest Evaluation, Works Greater Than \$750,000	350	1,569,355,000	2,290,085,000	1,929,720,000
Additional 73	73	80,415,000	164,130,000	122,272,500
<b>Subtotal Artvest High Value</b>	<b>423</b>	<b>1,649,770,000</b>	<b>2,454,215,000</b>	<b>2,051,992,500</b>
Remaining DIA	57,181	656,930,437	1,286,741,464	971,835,951
<b>Total Artvest Evaluation</b>	<b>57,604</b>	<b>2,306,700,437</b>	<b>3,740,956,464</b>	<b>3,023,828,451</b>
<b>TOTAL COD Property</b>	<b>2773</b>	<b>454,277,995</b>	<b>866,997,240</b>	<b>660,637,618</b>
<b>TOTAL DIA Collection</b>	<b>60,377</b>	<b>\$2,760,978,432</b>	<b>\$4,607,953,704</b>	<b>\$3,684,466,069</b>

**33. To ensure objectivity, Artvest did not interact with the Museum staff directly but rather communicated only through DIA Counsel.**

Key notes to the Evaluation

- 1) *Modigliani paintings not in Ceroni catalogue.*  
In several instances, both in the Christie's appraisal and in the Artvest evaluation, there are works that were thought to be by Modigliani which are not mentioned in the most trusted resource for authenticity. Thus I have attributed zero to minimal value.
- 2) *The Diego Rivera Murals.*  
While these are incredibly rare, historic and significant works of art, they are frescos applied directly to the walls, so they cannot be removed with cutting them off the wall and inflicting serious damage, and incurring significant cost. Additionally as they were recently designated a National Historic Landmark in April of this year, it is hard to imagine how such removal could be done without serious backlash.
- 3) *Potential for Likely Re-attribution.*  
In a number of instances, particularly with the Old Masters paintings, we are assuming the Museum's attribution is correct. It is entirely possible that during the process of more in depth cataloguing for a sale, that such attributions could be challenged, significantly lowering values.
- 4) *"A Once-in-lifetime sale."*  
The Brueghel, the Gates of Ishtar, and a number of other objects in the DIA collection have not had comparables that have come on the market in seventy to a hundred years. We have made a good faith effort, and it appears that Christie's has as well, to provide estimates, but finding works of similar importance in these areas is not possible.

**TABLE 3**  
Artvest Evaluation of DIA High Value Works

See Exhibit G

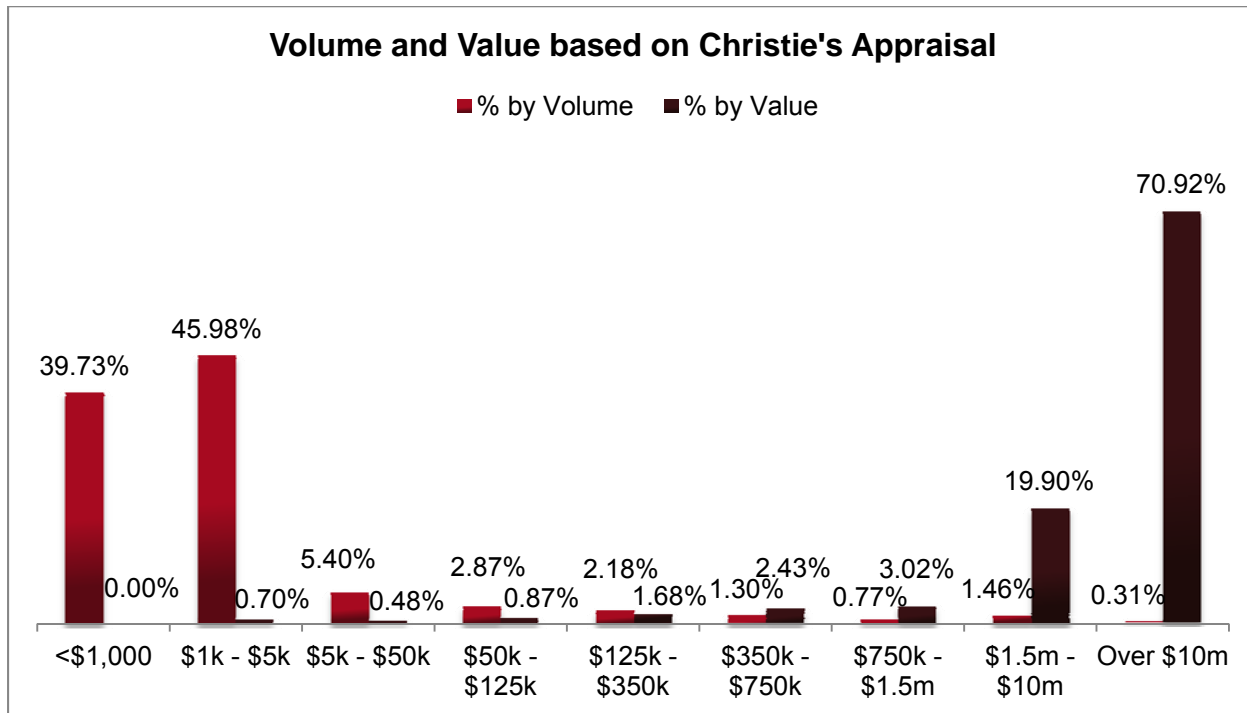
V. DIA-Specific Market Issues Affecting Selling Strategy & Value

34. As Christie's mentioned in its letter of December 17, 2013, in its appraisal of COD works, it "made no assumptions about the sale process." Though instructed to evaluate the collection in this fashion, such an omission is a missing key element in any attempt to find a real, net liquid value of the DIA collection should it be required to be sold. In this and the following section, I address and quantify these matters.

35. In relation to the extreme value distribution in the general art market in annual sales turnover (refer to General Art Market Conditions, Opinion 1), the COD works in the DIA collection have an even greater polarization in value.

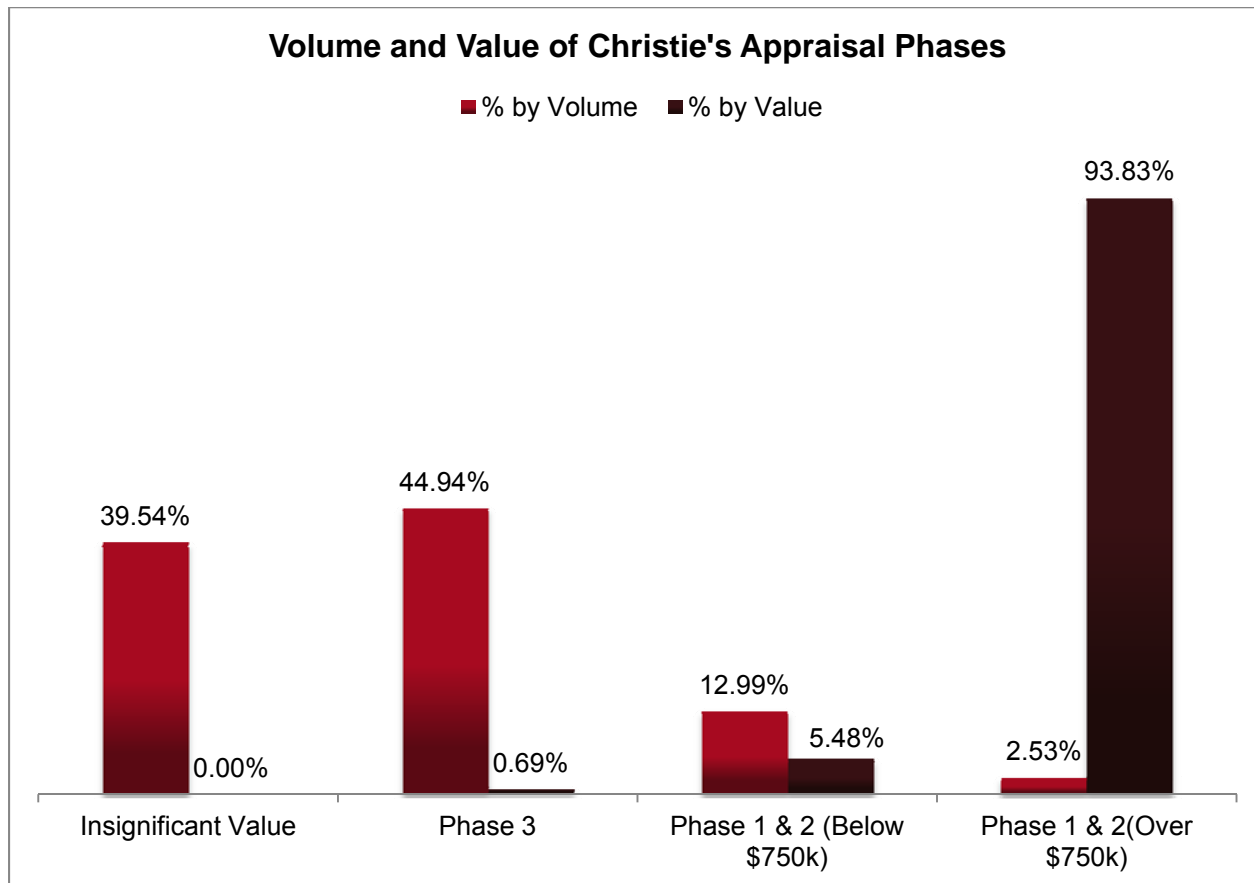
a. Of the 2,773 works of COD property that Christies evaluated, Christie's completed a full appraisal on 1,741 items and Christie's deemed 1,038 works, or 37.4% of the total universe of the COD, of insufficient value that they were ineligible for appraisal. (Thirteen items were grouped together in Phase III). On the other-hand Christie's Phase I and 2 appraisal, which focused on the higher value works on display in the collection, accounted for 2.5% of the works accounted for 98.8% of the value of the COD. Chart 16 below shows the entire Christie's appraisal combined into a single data set; Chart 17 shows the Christie's appraisal as originally submitted, divided into three phases.

CHART 16



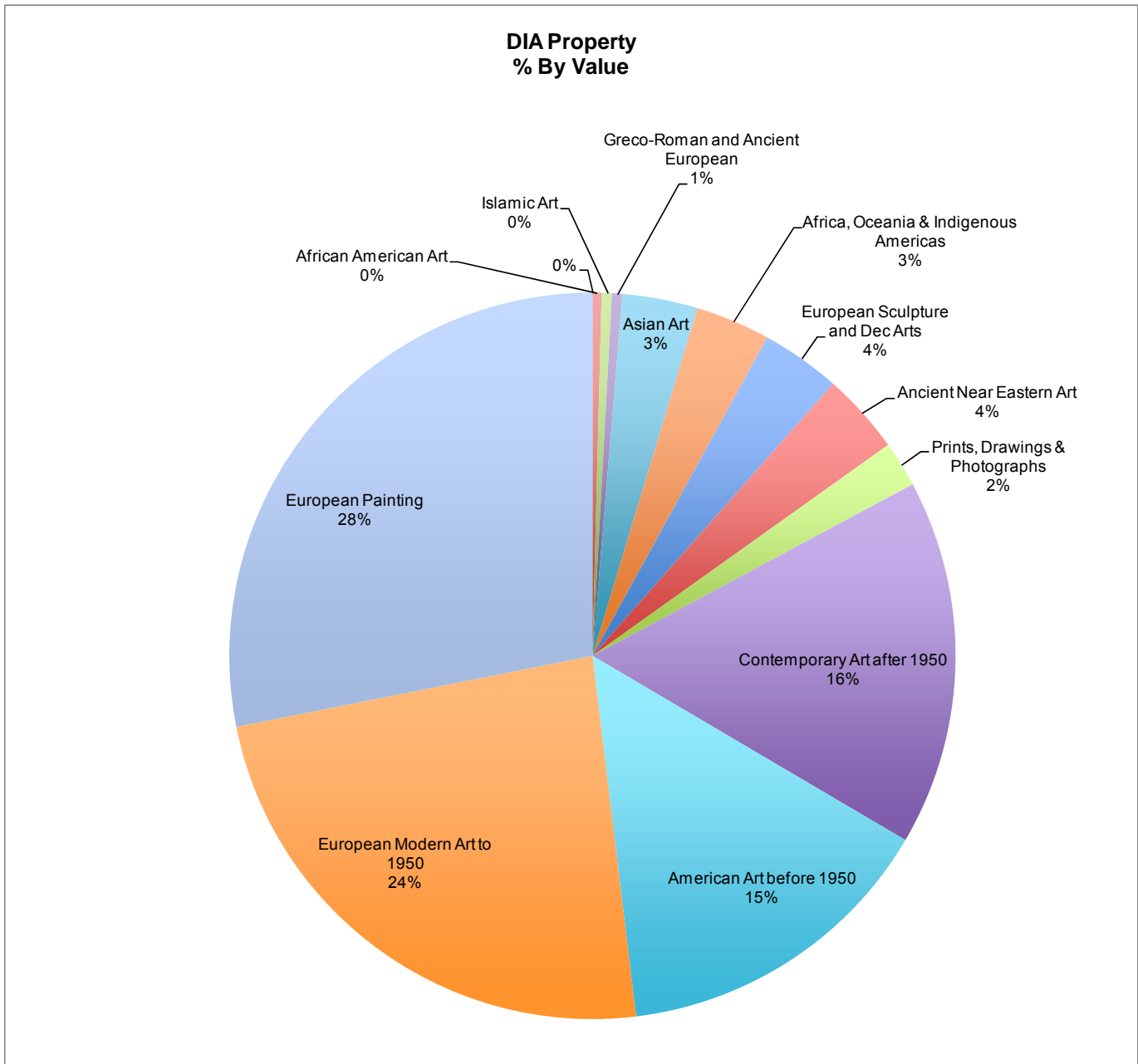
Source: Artvest Partners based on Christie's 2013 Appraisal Data

CHART 17



Source: Artvest Partners based on Christie's 2013 Appraisal Data

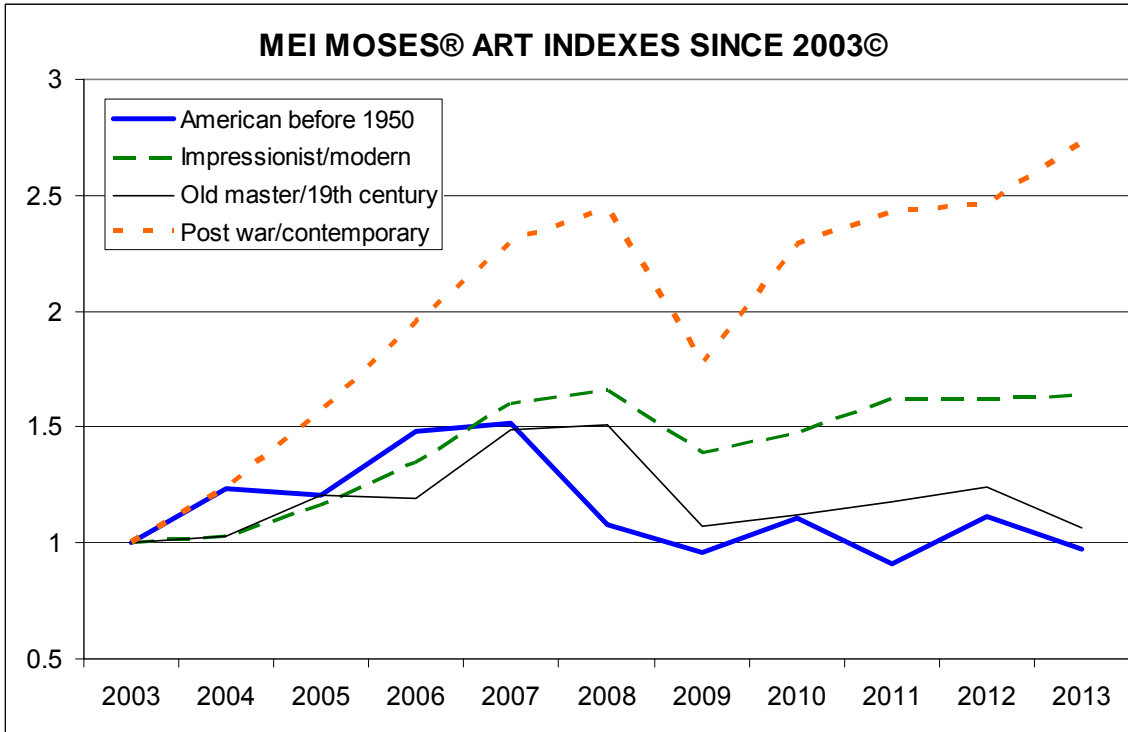
**36. Four sectors of the fine art market constitute the most significant block of value in the DIA collection: European Old Master Paintings, European Modern Art, Impressionist and Post-Impressionist Art, and Post-War and Contemporary Art. (Refer to Section IV.)**



37. A significant segment of DIA’s collection is in areas that have fallen out of favor with collectors and that are underperforming their market peak in 2007, specifically American Art pre-1950 (14.6%), Old Master and 19<sup>th</sup> Century European Paintings (28.1%), Impressionist & Modern Art (23.8%), for a total of 66.5% of the collection. (Refer to Section IV.)

a. 1. Mei-Moses Art Indices of American Art pre-1950, Impressionist & Modern Art, Old Master/19<sup>th</sup> Century, and PWC.

CHART 18

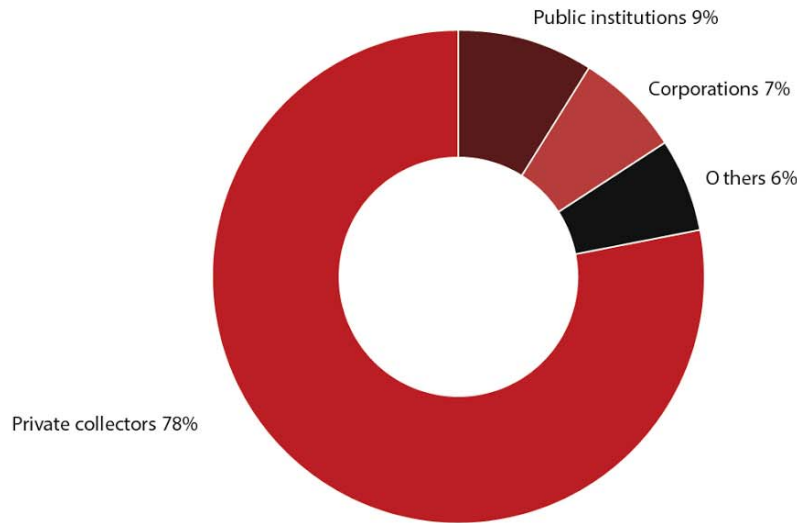


Source: [www.artasanassetclass.com](http://www.artasanassetclass.com) © Beautiful Asset Advisors LLC

38. Were the DIA collection to be sold in entirety or in part, few sales would be to other museums, both because other museums are likely to boycott such sales, as well as because funding constraints limit their participation in the marketplace at today's price levels for works of art. Public Institutions, primarily art museums, purchased only 9% of property sold in 2013.

a. Market Share of Sales by Value by Buyer Group in 2013

CHART 19



© Arts Economics (2014)

b. Museums are unable to compete against the formidable spending power of today's wealthy private collectors. Even the largest and most prestigious museums have limited purchasing power relative to size of the market or to the size of the liquidation of all or part of the DIA collection. "The Museum of Modern Art spent \$32 million to acquire art for the fiscal year ended in June 2012; the Metropolitan Museum of Art, \$39 million." (*The New York Times*, *Qatari Riches Are Buying Art World Influence*, Robin Pogrebin, July 22, 2013).

c. A collection of the quality and range of art in the DIA would be impossible to recreate in current times. Given the fierce competition from Private Collectors and the level of today's prices, it would be impossible for the City of Detroit, or any institution in the world, to recreate the quality and scope of the DIA collection. Take for example the Getty Museum in Los Angeles. While it sits on the largest endowment ever provided to an institution in modern history, it has a collection that does not even begin to rival that of the DIA.

VI. Potential Factors That May Affect the Liquidation of the DIA Collection

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**39. In this section, I anticipate and quantify various different potential factors that, based on either current market conditions or historic precedent, are likely to have a financial effect on the sale of the art from the DIA collection. Many of these factors are not taken into account in any standard appraisal or fair market valuation. I also apply the discount factors for various sale scenarios.**

**40. It is important to note that these discount factors apply most directly to the higher value property in the DIA collection. Low-to-mid-value property tends to be absorbed into the marketplace with less notoriety or impact on the overall market. In other words, it is the very conspicuousness of the higher value property that tends to exacerbate the conditions outlined below. It is also important to note that a number of these scenarios could overlap, creating a multiple discount affect, such as if there were an immediate liquidation at a second tier auction house that does not have the client base of Sotheby's or Christie's.**

**Immediate Liquidation**

**41. An immediate liquidation of the art collection will result in selling the DIA collection at a fraction of its fair market value, passing the returns and the ultimate value to third parties who would be capable of providing a large block of capital for the art on relatively short notice and selling the objects in a less urgent, strategic fashion over a multi-year time frame. (Refer to Indications of Interest in Section VII).**

a. In May of 1990, William Acquavella (Acquavella Galleries, Inc.) made a deal to partner with Sotheby's in acquiring the entire inventory of the Pierre Matisse Gallery for \$153.1 million by purchasing the common stock of the gallery. The gallery assets comprised 3,500 works of fine art of the 20th Century, primarily School of Paris (Matisse, Picasso, etc.).

b. The purpose of the transaction for the Matisse estate was to give the estate liquidity without its having to sell the collection all at once at auction, in an immediate liquidation, and potentially further devalue the auction market and the Matisse inventory in the midst of market downturn. (The market had lost half its value from 1990 to 1991 and was not expected to recover in the near to midterm.)

c. For Sotheby's and Acquavella, it was a chance to hold the property and liquidate it over time, both at auction and at private sale.

d. By December 31, 1993, Sotheby's had received \$278.5 million in return for its share of the partnership, for which it had put up 100% of the capital. After this two-year return, another \$45.7 million of inventory remained, which was liquidated at auction sales up through 2006 and beyond. (Source Sotheby's Annual Financial Statements for years ending 1996 and 2006.) In effect, not including Acquavella's share, Sotheby's bought the property at a discount to its ultimate market value of 45%.

e. In the case of the DIA, such a sale would likely follow an accelerated due diligence process as per Houlihan Lokey proposal of anywhere from 10 to 180 days.



#### 42. Impact of an Immediate Liquidation.

- a. There are two potential loss factors to consider in an immediate liquidation, the first being lost value due to sloppy due diligence and cataloguing and property that is not saleable in a short time period. This loss factor cannot be estimated, but it is important to acknowledge.
- b. The second loss factor can be estimated, and that is 50%. This is the standard number used in art loan valuation, as a 50% loan-to-value ratio assumes that the property will bring 50% of its low auction estimate in an immediate liquidation scenario. Real life examples such as the Pierre Matisse Gallery sale support this number.
- c. Refer to TABLES 6 and 7 below for application of an Immediate Liquidation discount.

#### Blockage Discount

**43. Given the high concentration of property in key sectors of the Art Market, the concept of a Blockage discount would apply to any liquidation scenario of the DIA collection other than an orderly, strategic, multi-year liquidation. A Blockage discount is similar to an Immediate Liquidation discount, but results from selling a large group of similar items in a short time. A Blockage discount is an alternative way of evaluating the likely results of a quick sale and would not be applied in addition to an Immediate Sale discount, but generally supports the application of an Immediate Sale discount.**

- a. A Blockage discount is defined by the Appraisers Association of America (“AAA”) as “A principle applied in the valuation of large groups of similar and like items, which, if sold during a limited period of time, would result in a depression of the prices one might expect if sold separately in an ordinary market cycle. Consequently blockage discount is narrowly defined as the percentage the appraiser would apply to reduce the total valuation to compensate for this situation.” An Approach to Advanced Problems in Appraising Art, Alex J. Rosenberg Sc.D. AAA, ASA.
- b. Most commonly, a Blockage discount has been applied by the IRS to calculate estate taxes on artists’ estates where there is a large group of similar property. The IRS’s current practice of using a discounted number has ranged from 25% to 46%, based on precedents set in cases involving the estates of David Smith, Georgia O’Keeffe and Alexander Calder. (Ibid.)

#### Unsold Rates

#### 44. The Impact of Unsold Rates.

- a. Standard appraisals and valuations do not take into account auction unsold rates, an economic reality of the auction business. Such rates vary by category, but tend on average to be in the range of 20% or more. In 2013 one of the highest unsold rates was in 19th Century European Paintings at 42% and one of the lowest was Chinese Paintings at 9%. (Refer to Exhibit E, Sotheby’s and Christie’s unsold rates by sector.)
- b. The top four sectors of the DIA Collection (82.8%) have unsold factors as follows, as applied to the mid values and low estimates of the sectors’ values. Refer to Table 4 below

c. For the remainder of the collection, I assume an average Unsold factor of 25%. That results in a remaining Unsold amount of \$154,559,242 (at the mid estimate), for a total Unsold of \$ 939,289,836.

**TABLE 4**

SECTOR	Unsold %	Mid Estimate	ME Unsold	Low Estimate	LE Unsold
American Art before 1950	24%	\$ 526,075,242	\$ 126,258,058	\$ 386,216,056	\$ 92,691,854
Contemporary Art after 1950	20%	\$ 586,401,219	\$ 117,280,244	\$ 460,166,040	\$ 92,033,208
European Impressionist & Modern Art to 1950	23%	\$ 856,175,955	\$ 196,920,470	\$ 695,526,352	\$ 159,971,061
European (19th C and Old Master) Paintings	34%	\$ 1,012,564,184	\$ 344,271,823	\$ 760,968,931	\$ 258,729,437
Subtotal Top Four Sectors		\$ 2,981,216,600	\$ 784,730,594	\$ 2,302,877,380	\$ 603,425,559
Balance of Collection	25%	\$ 618,236,969	\$ 154,559,242	\$ 408,091,053	\$ 102,022,763
Total / Avg.	26%	\$ 3,599,453,569	\$ 939,289,836	\$ 2,710,968,433	\$ 705,448,322

(Refer to TABLES 6 and 7 for application of the Unsold Discount Factor.)

d. It is important to note that much of this unsold property could and would be sold over time, but it is customary business practice to devalue a work by 20% of the low estimate after it has “Bought-In” – auction terminology for a work of art going unsold. This is particularly true for paintings and even more so for expensive ones. A work is considered “burned” if it goes unsold and is considered essentially unsellable for a period of three to five years after it first appeared at auction, if even then.

**Issues Related to Sotheby’s and Christie’s**

**45. The effect of a sale by Christie’s or Sotheby’s without a financial guarantee: In a sale by either Sotheby’s or Christie’s, the likely size of a liquidation of the DIA collection would be beyond each of their guarantee capacities, as well as include art sectors where they are less comfortable making guarantees. Such a lack of a guaranteed auction sale exposes property to unsold risk that is described above.**

a. Both auction houses try to limit their net auction guarantee exposure to under \$300 million, as a result of the problems they faced in the market downturn of 2008.

Sotheby’s reported nearly \$280 million in guarantees as of April 15, more than four and a half times the \$60.2 million figure for the first quarter of 2013; the proportion coming from outside parties is still in flux. As a publicly traded company, Sotheby’s is required to report guarantees. Christie’s, which is privately owned, is not, but officials there confirmed it has about \$400 million in guarantees to sellers this season, of which some \$300 million is given by outside parties. (*The New York Times, Rush for Deals Before Top Art Goes to Auction*, Carol Vogel, May 4, 2014.)

b. On February 13, 2014, Sotheby’s entered into a new credit agreement with a lending syndicate headed by GE Capital which renewed a \$300 million cap on their net auction guarantee positions (total guarantees less third-party irrevocable bids or third-party guarantees.):

The New Credit Agreements contain certain customary affirmative and negative covenants including, but not limited to, limitations on capital expenditures, a \$300 million limitation on net outstanding auction guarantees (i.e., auction guarantees less the impact of related risk and reward sharing arrangements) and limitations on the use of proceeds from borrowings under the New Credit Agreements. (Sotheby’s Form 10Q Quarterly Report, filed May 7, 2014).

**46. A sale by other than Sotheby's or Christie's, the two main auction houses: In a forced liquidation, the two optimal selling venues for maximizing the value of the collection, Sotheby's and Christie's, might refuse to sell due to the controversy surrounding a disposition and potential damage to their brand and relationships with the broader Museum community.**

- a. Sotheby's parent company, Sotheby's Holdings, Inc. was a Detroit based corporation from 1983 until 2006, with offices at 28500 Woodward Avenue, Suite 100 Bloomfield Hills, Michigan and had a number of connections to the DIA and the Detroit community.
- b. Christie's received unusually strong negative feedback from both the Museum community and the art industry by merely conducting an appraisal. A very different degree of market pushback than what they are receiving from the sale of art from the Delaware Art Museum, a much more limited situation that is not affecting the viability of the Institution. It remains an open question if Christie's owner, Francois Pinault, would want to risk the brand he has so carefully nurtured in the global museum and collecting community by participating in a liquidation of all or part of the DIA's holdings, regardless of the possible financial gain to the business. Moreover, were Sotheby's first to take the position that it would not accept this business based on its history with the City of Detroit and the DIA described above, Christie's and its management would be under even greater pressure not to involve itself in any liquidation of the DIA collection.

Art critics and online commentators are blasting Christie's, the New York-based auction house, for possibly angling for a piece of the action should the Detroit Institute of Arts have to sell part of its collection to satisfy creditors in the city's bankruptcy.... Culture reporter Judith Dobrynski on Tuesday compared Christie's behavior to a vulture. "Shame on Christie's," she wrote on her blog Real Clear Arts. "Sure, business is business, but let's remember here that it is not the Detroit Institute of Arts that has mismanaged the city and led to the bankruptcy.... Is Christie's so hard up that it will take any business, not matter how reprehensible?"

Some other art world insider, who declined to speak on the record to the *Free Press* because of the sensitivity of the situation, privately characterized Christie's actions as predatory. They noted the company was risking possibly alienating other museums, which buy and sell work through the major auction houses all the time. (Detroit Free Press, *Christie's under Fire for Visit to Detroit Art Museum*, Mark Stryker, July 25, 2013.)

- c. The Impact of Not Selling through Sotheby's or Christie's is a subjective number to calculate, as some artists such as leading Impressionist and Modern artists such as Picasso, Cezanne and Van Gogh are almost exclusively sold at Sotheby's and Christie's. Nevertheless, I estimate that the impact of selling the DIA collection through an auction venue other than these two houses would result, at a minimum, of a loss of value of 20% to 40%. (Refer back to Paragraph 29. ).

**Effect of Market Capacity**

**47. Selling a large block of property into a market that exceeds its liquidity or capacity is a high risk strategy. Even the most liquid of the sectors, PWC and Impressionist & Modern, have capacity limitations.**

a. Key Sectors of the DIA Collection versus 2013 Sales Totals by Sector at Sotheby's and Christie's:

**TABLE 5**

DIA Collection Values vs. 2013 Sales Volume at Sotheby's and Christie's						
Values in 000's / Units as Stated						
Sector	DIA Estimated Value -- Mid Estimate	Sotheby's & Christie's Sales Value 2013	DIA as % of 2013 Sales	DIA Collection No. of Works	Sotheby's & Christie's Sales Units	DIA as % of 2013 Sales
American Art Pre-1950	\$ 526,075	\$ 249,186	211.1%	2,681	701	382.5%
Contemporary Art After 1950 (PWC)	\$ 586,401	\$ 3,373,174	17.4%	2,359	7,396	31.9%
Impressionist and Modern Art	\$ 856,176	\$ 2,499,410	34.3%	546	5,418	10.1%
European (19th C and Old Master) Paintings	\$ 1,012,564	\$ 547,822	184.8%	786	3,049	25.8%

*Source: Data from Sotheby's and Christies, Calculation by Artvest*

**48. At the highest end in many subsectors, there is a small number of collectors, in some subsectors as few as one or two, who will be ready, willing and able to pay fair market value for a work of art at a given point in time. Therefore, a longer term selling plan is deemed desirable in the art market.**

a. Though exact numbers of how small the buyer base is at both Sotheby's and Christie's is closely held proprietary information, it is a significant enough risk that Sotheby's mentions it in the Business Risk section of its Annual Financial filings with the SEC and has listed this as an important business risk since its Initial Public Offering Documents in 1989.

***Sotheby's relies on a small number of clients who make a significant contribution to its revenues, profitability and operating cash flows.***

Sotheby's relies on a small number of clients who make a significant contribution to its revenues, profitability, and operating cash flows. Accordingly, Sotheby's revenues, profitability, and operating cash flows are highly dependent upon its ability to develop and maintain relationships with this small group of clients, as well as the financial strength of these clients.

**Effect of Longer Term Sale Process**

**49. For a collection of the magnitude of the DIA's, maximizing art asset value (and preventing an Immediate Liquidation discount or Blockage discount) requires selling over a minimum of five to eight years, which would require a present value discount. (Refer to Exhibit F)**

- a. In 1974 the British Rail Pension Fund ("BRPF") decided to diversify its investment portfolio by investing in art. At the time, it was one of the largest pension funds in the UK and was looking to mitigate the effect of high inflation and poor performance in the equities market at the time. From 1974 to 1980 the fund invested a total of £40 million (US \$ 68 million at current exchange rates). Initially art was purchased across fifteen categories of art as a long-term "buy and hold" investment. When the management of the Fund changed in 1987, the Fund decided "to dispose of the entire portfolio of works of art and made plans for a carefully controlled program of sales to be implemented over a period of years." The fund began liquidation in June 1987 and completed its last sale in June 1990, over a period of three years for a total return on investment of 11.2%. (Source: Fine Art and High Finance, Art Funds, Jeremy Eckstein and Randall Willette.)
- b. As the BRPF was only a fraction (less than 5%) of the value of the DIA collection, and unlike the DIA, none of the art in its categories exceeded the annual turnover in a single sector, I feel it would be a conservative to estimate that an orderly liquidation of the DIA collection would require nothing short of five to eight years.
- c. I use the following assumptions in calculating the present value discount:
  - i. Eighteen months to two years to adequately catalogue, research and perform full due-diligence on the full collection and determine an appropriate selling strategy;
  - ii. Sales take place through public auction over a five-year period
  - iii. Sales are front-load in the first years of liquidation
  - iv. Sales or brokerage fees would be captured on the buyers' side, and the DIA would be charged nothing;
  - v. Annual expense to the City of \$6 million, decreasing in later years as objects are sold, related to storing, insuring and administering the art collection until it was fully liquidated;
  - vi. A discount rate of 12% based on the volatility of the art market
  - vii. No delays imposed by court challenges to the DIA de-accessioning, which could push this liquidation out to years seven to twelve or later.

**Potential Impact of Litigation**

**50. As precedent indicates, if the DIA were forced as a result of a court decision to sell its collection to settle debts that are not its own and either diminish or close the institution to pay off City debt, it is likely to face formidable legal obstacles and prolonged litigation, not unlike the 5½ year delay outlined with Fisk University outlined below.**



a. Though the City of Detroit / DIA situation is unprecedented, the events surrounding the planned liquidation resulting from Brandeis University's January 2009 decision to close the Rose Art Museum and sell off its entire holdings have valid parallels:

i. The decision was taken to close the Museum by the University as a step to shore-up the University's, not the Museum's, finances. Like the potential outcome for the DIA, it was not a step taken voluntarily by the Museum itself as to controversy and potential legal action.

ii. The decision was denounced by the Museum's Board, its Directors and "a wide range of art experts, who warned that the university was cannibalizing its cultural heritage to pay its bills." *The New York Times, Outcry Over a Plan to Sell Museum's Holdings*, Randy Kennedy and Carol Vogel, January 28, 2009.

iii. The Massachusetts Attorney General announced an investigation of the action within two days of the University's announcement of the planned sale.

iv. Within six months of the announcement, three overseers of the Rose Art Museum filed a lawsuit in the state court in Massachusetts seeking to halt the University's plan to close the Museum and sell its art. *The New York Times, Lawsuit Seeks to Save Art Museum at Brandeis*, Randy Kennedy, July 28, 2009.

b. By June 30, 2011, Brandeis settled the lawsuit by announcing that the Rose Museum will remain a "university art museum open to the public," and that it had "no aim, plan, design, strategy or intention to sell any artwork donated to or purchased by" Brandeis for the Museum. *The New York Times, Brandeis Settles Suit Over Proposed Art Sale*, Randy Kennedy, June 30, 2011.

c. Based on other Museum de-accessions to pay debts, court challenges are likely from the Michigan Attorney General, the DIA, the DIA corporation and numerous donors or their heirs, which could last as long as five years or more, as was the case with the sale of the Fisk-Stieglitz collection. As came about in the Fisk-Stieglitz case which involved a gift from an estate adjudicated in New York but given to a University Museum in Tennessee, these court cases will not only take time, but are likely to span multiple legal jurisdictions. Even a sale of COD property is likely to be challenged by the Michigan Attorney General, based on public comments he has already made on the matter.

d. Any art transaction cannot occur unless there is evidence of clear title, and any pending, or anticipated threat of challenges to title will prevent sales transactions. Thus, if a Court decision led to an action to sell art from the DIA collection, it is extremely likely that no monies, other than a deposit, and no art, would change hands until all such clouds on title were cleared in the courts.

### **Potential Impact of Controversy or Market Disfavor**

#### **51. The combination of a weak market sector and controversy surrounding a museum divestiture can have a negative impact on a sale result.**

a. The painting sold by the Delaware Art Museum on June 17, 2014, *Isabella and the Pot of Basil*, was estimated to sell for a low estimate of nearly \$8.5 million, but instead sold for \$4.3 million including the Buyer's Premium, the commission that goes to the auction house.

After deducting that, the Delaware Museum will most likely have netted \$4.2 million, or only 49% of the low estimate.

## CHRISTIE'S

WILLIAM HOLMAN HUNT, O.M., R.W.S. (1827-1910)

ISABELLA AND THE POT OF BASIL



Lot 6 / Sale 1545

### Price Realized

£2,882,500 □ (\$4,891,603) □ Sales totals are hammer price plus buyer's premium and do not reflect costs, financing fees or application of buyer's or seller's credits.

Estimate                      £5,000,000 - £8,000,000  
                                         (\$8,495,000 - \$13,592,000)

b. Whether this poor result is a function of the unevenness of the 19<sup>th</sup> Century Paintings market, or the controversy surrounding the Museum, or both, is difficult to ascertain, though otherwise the sale did very well, and "Isabella and the Pot of Basil" was heavily promoted with a coveted spot as the cover image of the auction catalogue.

**Peter Brown and Harriet Drummond, International Heads of the department [Christie's], commented:** "Our £10.1 million sale today far exceeded the pre-sale low estimate of £8 million and was 90% sold by value and 77% by lot. The King Street saleroom was packed tight with collectors who joined with the many telephone and online bidders to contribute to the best sell-through rate and the second highest total for a decade in this category. (Source: Christie's website.)

c. On the occasion of the sale of this painting (See Exhibit D-6), the Association of American Museum Directors issued a statement enacting sanctions against the Museum: "With this sale, the museum is treating works from its collection as disposable assets, rather than an irreplaceable cultural heritage that it holds in trust for people now and in the future." Further, it called on its member museums to "suspend any loans of works of art to, and any collaborations on exhibitions with, the Delaware Art Museum, until notified by us that the sanction have been suspended or removed."

**52. There is a significant difference between a DIA liquidation as a result of a court decision and others such as the Delaware Art Museum, the New York Historical Society, and Fisk University.**

- a. In all of the above examples, the Institution's Board of Directors *voluntarily* took the decision to sell property to financially stabilize their respective institutions. In the instance of the DIA, any type of sale would weaken or cripple the existing Institution, and would be forced upon it as a result of a court decision.
- b. In the most recent sale from the Delaware Art Museum, the Institution is selling property that had been purchased by the Museum and not that which had been gifted by Museum donors.
- c. In the instance of the sale of the New York Historical Society, the Attorney General of New York intervened to ensure provisions that gave other New York State Institutions a "right of first refusal," which the Metropolitan Museum of Art exercised to keep an important Masterwork in New York.
- d. In the instance of the de-accessioning of the Stieglitz Collection by Fisk University, the Attorney General of Tennessee spent 5 ½ years litigating against a sale by Fisk, which ultimately resulted in significant constraints on the sale and a sharing arrangement with Fisk and the Crystal Bridges Museum for \$30 million.
- e. Separately, there is also the case of the Albright-Knox Museum's de-accessioning in 2006. This stands out from the other examples as the funds raised from the sale of works of art were used for an endowment to pay for new works in a different sector (Contemporary). While this decision was not without some controversy still, the sale was within the guidelines of the AAMD, and there were no sanctions or litigation.

**53. It is difficult to quantify the risk to the value of the sale of the DIA collection, in whole or in part, due a negative reaction to a forced liquidation in the marketplace. However, there is one notable example of "market backlash" where market disfavor resulted in highly negative financial results, as well as particular concern I note about the American Art.**

- a. Christie's Auction of Orientalist Paintings (exclusively romantic scenes of Arabian life, a sub-genre of 19<sup>th</sup> Century European Art) on October 30, 2001, less than two months after the 9/11 attack on New York, resulted in an unsold rate of 68.4%, or the sale of only 6 out of a total of 19 on offer that day.
- b. It is likely that a sale of the European Art in the collection will be able to find an audience of collectors and institutions in Europe, the Middle East and Asia and even some collectors in America, who might be less concerned about purchasing works that would denude a major American Museum. However, this would not be the case with the significant holdings of American Art pre-1950 in the DIA collection (13.4% of the total). American Art from this period is collected exclusively by American institutions and collectors and not at all by overseas buyers or institutions. American art collectors are older, more traditional and generally highly patriotic. Thus sales in this sector of the collection are likely to be more seriously impacted than any other by the negative publicity related to a liquidation of the DIA collection. I believe that in other sectors, there is a large



enough proportion of non-American collectors that the controversy of the liquidation of an American Museum will have a far less significant impact.

**The Potential Impact of a PWC Market Sector Crash**

**54. The art market is prone to “crashes.” Certain sectors such as PWC are more volatile than others, and as indicated earlier, in 2008, this sector fell by as much as 50% in both value and volume. With as much as \$ 586 million (at a mid estimate) in the DIA collection, were such a correction to occur in the midst of a DIA liquidation, it could have a meaningful impact on the outcome, or alternatively, delay the liquidation if a decision to wait out the downturn, were even possible.**

a. If the DIA liquidation does transpire in an orderly fashion over a longer time period or is delayed by litigation, it is likely that at some point the Post-War and Contemporary Sector will experience another price correction given its historic volatility. Based on the market performance in 1990/91 and 2008/09, such a correction would result in a 50% drop in prices for some period of time. If such an event were to take place during a DIA liquidation, the manager of the liquidation would be forced to choose between holding work off the market until prices rebounded or accepting a drop in value in DIA holdings in this sector of \$293 million. In 2008/09, prices rebounded within two years. However in the crash of 1990/91 prices did not fully rebound for over a decade.

**55. All Scenarios in Table 6 are based on the mid estimate and in Table 7 on the low estimates.**

a. Scenario A: Application of Immediate Sales (or Blockage discount Factor). This type of event precludes and overrides any other discount factors. However, as the sale of DIA property is very likely to be delayed by litigation, even an Immediate Liquidation may not be an option for a number of years. A Present Value Calculation is not employed in this scenario. This scenario marginally provides the highest return of the four scenarios.

b. Scenario B: Application of all other discount factors other than the Immediate Sales Factor. This would be a fully loaded scenario, a less likely but possible instance, where all of the negative market factors would align, including Market Disfavor and a crash in the PWC sector, in the context of a sell-off the DIA collection. It also does not take into account the potential for a lengthy delay in a sale due to litigation, or a Present Value discount resulting from such a delay.

c. Scenario C: Scenario C, where the DIA collection is sold over a five year period to maximize value, provides the second highest returns, calculated at Present Value. It does factor in Unsold works, which then are reoffered three years later at a 20% discount (an assumption based on industry practice). This scenario is also unlikely, as it does not allow for any delay due to litigation. It is worth noting how close in value this scenario is to Scenario A, which suggests that the Immediate Sale discount, a long time art industry standard, approximates the Present Value of a longer sale over time.

d. Scenario D: Scenario D uses the same assumptions as Scenario C. However, in this scenario, I factor in the likely impact of litigation in delaying the sale of the collection by five years, similar to the Fisk-Stieglitz case. It is my opinion that this is the most likely scenario of the four, as the Fisk-Stieglitz case involved only the AG of Tennessee; in a DIA

case there likely would be challenges from multiple parties and possibly in multiple legal jurisdictions.

**TABLE 6, APPLICATION OF DISCOUNT FACTORS, MID ESTIMATE**

Application of Discount Factors / Mid Estimate		Scenario A	Scenario B	Scenario C	Scenario D
	000s				
Gross Indicative Value of the DIA Collection <i>(Mid-Estimate)</i>		3,684,466	3,684,466	3,684,466	3,684,466
Discount Factor: Immediate Sale	50%	(1,842,233)	N/A	N/A	N/A
Discount Factor: Unsold Rates		N/A	(939,290)	(Note 1)	(Note 1)
Discount Factor: Not Selling Through Sotheby's or Christie's	20%	N/A	(736,893)	(Note 2)	(Note 2)
Discount Factor: Present Value of Selling in Orderly Liquidation <i>(without Litigation)</i>		N/A	N/A	(1,853,547)	N/A
Discount Factor: Present Value of Selling in Orderly Liquidation <i>(with Litigation)</i>		N/A	N/A	N/A	(2,539,108)
Net Indicative Value		1,842,233	2,008,283	1,830,919	1,145,358
Other Potential Discounts More Difficult to Predict					
Discount Factor: Market Disfavor on American Sector of up to	50%		(263,038)		
Discount Factor: Market Crash in PWC Sector	50%		(293,201)		
		1,842,233	1,452,045	1,830,919	1,145,358
Note 1: Unsold Rates Included in Present Value Calculation					
Note 2: This Fact Is Not Applied in Present Value Calculation					

**TABLE 7, APPLICATION OF DISCOUNT FACTORS, LOW ESTIMATE**

Application of Discount Factors / Low Estimate		Scenario A	Scenario B	Scenario C	Scenario D
	(000's)				
Gross Indicative Value of the DIA Collection <i>(Low Estimate)</i>		2,760,978	2,760,978	2,760,978	2,760,978
Discount Factor 1: Immediate Sale	50%	(1,380,489)	N/A	N/A	N/A
Discount Factor 2: Unsold Rates		N/A	(705,448)	(Note 1)	(Note 1)
Discount Factor 3: Not Selling Through Sotheby's or Christie's	20%	N/A	(552,196)	(Note 2)	(Note 2)
Discount Factor 6A: Present Value of Selling in Orderly Liquidation <i>(without Litigation)</i>		N/A	N/A	(1,394,755)	N/A
Discount Factor 6B: <i>(with Litigation)</i>		N/A	N/A	N/A	(1,910,943)
Net Indicative Value		1,380,489	1,503,334	1,366,223	850,035
Other Potential Discounts More Difficult to Predict					
Discount Factor 4: Market Disfavor on American Sector of up to	50%		(193,108)		
Discount Factor 5: Market Crash in PWC Sector	50%		(230,083)		
		1,380,489	1,080,143	1,366,223	850,035
Note 1: Unsold Rates Included in Present Value Calculation					
Note 2: This Fact Is Not Applied in Present Value Calculation					

**56. Based on the above application of discount factors in TABLE 6, I conclude that the range of values the DIA collection will sell for, using the mid estimate values, would be between \$1.1 billion for the present value of an orderly sale after a prolonged litigation (the most likely outcome, Scenario D) to \$1.8 billion for the present value of an orderly liquidation without litigation (Scenario C), a less likely outcome.**

**57. In TABLE 7, based on the above application of discount factors on the low estimate value, I conclude the range of values would be between \$0.9 billion for the present value of an orderly liquidation after a prolonged litigation to \$1.4 billion for the present value of an orderly liquidation without liquidation.**

**Potential Impact of a Sale of Most Valuable Works**

**58. Selling the most valuable works in the DIA collection would deprive the museum of its core attraction, drastically reduce attendance and related revenues, drive away potential donors of future gifts and endowments, and in all likelihood, ultimately force the closure of the DIA due to a loss of economic sustainability, resulting in a full liquidation.**

**59. The work that is most valuable financially is that which keeps the interest of visitors as well as future donors. Rather than being a museum of national and international standing which draws over 500,000 visitors a year, should the DIA be stripped of the master works that are at the heart of its collection, it would be relegated to the status of a small regional**

**museum likely to lose both its visitor and tax subsidy, and it would lose its ability to raise the endowment needed within the eight-year period to substitute for the tax subsidy it currently receives.**

“...When a donor expressly intends for an art collection to benefit the community, then conversion of that collection into cash for general operations deprives the community of the cultural enrichment provided by the collection. And when potential donors see that express instructions are not followed, then they are more likely to take their gifts to another jurisdiction, or not make a gift at all.” *De-accessioning and Donor Intent – Lessons Learned From Fisk’s Stieglitz Collection*, Robert Cooper, Attorney General, State of Tennessee, February 7, 2013, Charities Regulation and Oversight Project Policy Conference.

VII. Critique of Houlihan Lokey Analysis and Indication of Interest

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*“In private conversations, leading art intermediaries have indicated that while some significant bequests may be subject to meaningful encumbrances restricting the ability of the City to monetize the works, it is likely that a significant portion of donated works, or works acquired with dedicated monetary donations, have no meaningful encumbrances.”* -- Houlihan Lokey, *Detroit Institute of Arts Summary of Activity*, April 2014,

**60. The sale of the DIA collection faces three levels of obstacles before works can be sold:**

- a. An auction house will not accept an item for sale unless the seller can convey free and clear title. This is a standard provision of any auction house consignment contract, and thus property with the prospect of pending or future litigation clouding title will not be acceptable for sale until such issues are cleared in the courts
- b. Given comments previously made by the State of Michigan’s Attorney General, it is likely that the Attorney General will take legal steps to prevent a sale of any works from the DIA collections that he has deemed to be held in “public trust.”
- c. Heirs of former donors as well as current donors, many still prominent leaders in the Detroit community, and the DIA corporation itself, are likely to pursue every legal option necessary to stop or delay the sale of any of the art, potentially leading to years of litigation.

*“Indications of Interest - Process Summary”*

**61. Of 38 parties contacted to issue submissions of interest, only 4 parties (10%) did so, despite the high quality and the perceived potential value of the collection. I believe this low number of offers, and the nature and quality of the offers, is indicative of the perceived limitations and likelihood of prolonged litigation should a sale of any of the DIA collection be attempted.**

*“To the extent the Christie’s sample can be viewed as representative of the broader DIA collection, the implications are that the residual 95% of the collection could be valued from \$11 billion to as much as \$21 billion.”*

**62. This is a number derived from a simplistic calculation, which has no bearing on the nature of value distribution in the art market, art sectors, or in the museum’s collection itself, but is rather only a crude extrapolation of value derived by dividing the Christie’s valuation by the percentage of COD objects in the total collection (2,700 / 66,000 or 4.09%).**

*“Formal Indication of Interest Summary”*

**63. Poly International Auction House is a government and military owned auction house in mainland China that recently has become the number one auction house in China and frequently takes principal positions in works of art that it sells at auction.**

**64. I believe that its bid of “up to \$1 billion” is purely speculative and based on the success of the Albright-Knox property de-accession in 2006. In my view, the Asian Art collection of the DIA is not up to this standard, and consequently, after Poly had**

conducted their full due-diligence as stipulated in their offer, their bid would be either non-existent or a fraction of this figure.

65. **Yuan Capital.** I have been unable to find much information on this firm or their intentions with regard to a purchase of the DIA collection, but I believe it is likely that their motivation and interest is similar to that of Poly International and that their interest may wane once they became more knowledgeable about the weakness of the DIA's Asian Art collection.

66. **Art Capital Group.** As discussed at length in the borrowing option in the section on Christie's recommendations for monetization, the borrowing option is not financially tenable and thus would be in effect, the selling of the entire DIA collection to Art Capital Group for \$2 billion (or less depending upon the results of their due diligence).

67. **Catalyst Acquisitions / Bell Capital Partners.** Based on their offer of \$1.75 billion, I believe that they are working on an assumption, similar to that of Art Capital Group, that the entirety of the saleable collection is \$4 billion. As "value of final offer to be dependent on development of a final definitive schedule of collection assets to be acquired," this number really has little meaning but is just an assumption to get in the door and a seat at the negotiating table.

*"Instead of continuing to burden Detroiters, a DIA de-accessioning offers the potential for asset value realization that the City might use to consensually satisfy creditor claims while liberating additional sources of capital to catalyze the City's reinvestment initiatives—including investments in a reconstituted DIA or such other arts institutions the City's leadership deems more relevant to the City's rehabilitation."*

68. The DIA, far from being less "relevant" to the City's rehabilitation, is actually central to it.

a. As described below in section IX, Cultural Impact, an important art museum is a valuable, contributing asset to the economic health of the city in which it resides. It is difficult for me to imagine what midtown Detroit would have as anchor attraction for renewal and future growth without the DIA or without the status of its world-class collection still intact.

b. HL itself undercuts its own argument for the full or partial liquidation of the collection by further stating, "The DIA routinely ranks among the top 5 in the United States and is recognized globally for the high quality of the artwork in a broad spectrum of subject areas."

c. Far from being a burden, such world-class collections provide a significant financial return to their city in terms of tourist expenditures. For example, "Out-of-town visitors who toured the Metropolitan Museum of Art spent an estimated \$5.4 billion in the year that ended June 30 2013." Agovino, Theresa. "Met Museum Cites Its Economic Impact," *Crain's: New York Business*. 7 Oct. 2013, Web, 30 June 2014.

While the DIA is not the Met, and Detroit is not New York City, it is comparable in that its world class collection can be marketed and promoted as a cornerstone to attract visitors to the city. The Metropolitan Museum is the top-ranking tourist attraction in New York City, drawing in 6.2 million visitors a year to a city with a population of 8.37 million; it attracts a visitor base, both local and foreign, equivalent to 74% of the city's population. The DIA has

an even stronger metric; it attracts a visitor population of approximately 594,000 in a city of 701,000, a visitor base equivalent to 84.7% of the city's population.

“The Detroit Institute of Arts, which under the leadership of Graham Beal continues the good fight against a forced sale of works in its collection, just missed the top 100 museums with 594,267 visitors, up from 429,000 in 2011. It came in 102nd [in 2013].” The Art Newspaper, Special Report, [Global] Visitor Figures 2013. □April 2014.



VIII. Critique of the Christie's Recommendations for Monetization

**69. My review of the Christie's Recommendations for Monetization leads me to the conclusion that Christie's was, by the time they completed this section of their report, disincentivized to develop this line of argument fully, possibly due to market backlash from the DIA and other art market participants. Additionally, while the firm has many of the leading art specialists in the industry, for this type of unique monetization analysis, the firm no longer has the in-house intellectual capital, which would normally have provided the research and economic resources for such recommendations, having disbanded its Financial Services group in 2009 during the last market downturn.<sup>1</sup>**

a. Lacking from Christie's' recommendations are critical details, even high level assumptions, such as the amount of money that could be raised, timelines to accomplish the recommendations, upfront investments, legal, administrative and other expenses required to implement them, and very little on overall feasibility in the context of the demands of a chapter 9 restructuring.

Christie's Recommendation 1: "Use City-Owned Works as Collateral for Loan or Line of Credit"

**70. This is not economically viable. It is, in effect, replacing one type of debt with another without resolving the underlying financial limitations of art as an illiquid asset or defining the revenue sources that would service the debt.**

a. If I were to use the example of the loan offered by Art Capital Group ("ACG") in the HL document provided by the Creditors, the financials would likely look like this:

Art Capital Group Loan Offer for DIA (000's)	
Value of DIA Collateral Required	4,000,000
Loan Amount	2,000,000
Annual Interest (6 - 9%)	9%
Per Annum Agent fee	0.50%
Effective Annual Rate	9.50%
Annual Interest Payment	190,000
Origination Fee Year One	1.25%
	25,000
Year One Fee & Interest	215,000
Subsequent Years Interest Only	190,000

<sup>1</sup> I was a Senior Vice President and CFO of Christie's Financial Services Group until 2009. All member of the Group, including me, were terminated at that time. Immediately thereafter, I co-founded Artvest Partners with Jeff Rabin, another former member of Christie's Financial Services Division.



- b. Standard loan-to-value ratios for art loans, most especially “asset-backed” loans, permit a maximum of 50% of the low estimate of what the collateral would sell for at public auction. For example, if the DIA were to take out a loan on COD only, the low estimate provided by Christie’s would be the total value against which a loan could be secured: \$454 million, resulting in a total potential loan of only \$227 million.
- c. In order for the DIA, or the City of Detroit, to borrow the full \$2 billion stipulated in the ACG indication of interest, it would require that the value of the DIA’s entire collection reach a minimum amount of \$4 billion. Otherwise, ACG or any other type of asset-backed lender will lower the amount lent to 50% of the lowest appraised value of the collection after the lender has completed an extensive round of due diligence to determine its own sense of potential liquid value, a process, given the volume of property, that might take as long six to nine months.
- d. Though ACG has quoted an annual interest and fee range of 6.5 – 9.5%, given the fee structures of most asset-backed lenders as well as the cost of the capital that ACG is likely to have to avail itself of to fund such a large deal (one that would be of unprecedented size in the art industry) it is likely that the loan will be at the higher end of the quoted range, or 9.5%.
- e. At this higher rate, on a \$2 billion loan, the DIA would need to pay interest and fees of \$215 million in the first year of the loan and \$190 million every year thereafter.
- f. The Christie’s proposal for monetization through a loan neither contemplates the source of revenue to service the debt annually, nor where the capital would come from to ultimately pay down the loan at the end of its term. Given the dire consequences of default, discussed below, this is a significant omission in such a strategy.
- g. Most asset-backed lenders have extreme provisions for the lender in a situation of default, levying both higher interest rates and onerous “agency” fees to liquidate the property. If such a situation came to pass, the DIA would find itself in the midst of a forced liquidation of the collection on the lender’s terms. In the art industry, such lenders are often referred to as “loan to own.”

Like most things in the art (and finance) world, you have to have money to make money, and for those without significant capital to back up their art holdings, not all loans are created equal. Unless you have a collection worth \$200 million, a balance sheet that goes significantly beyond that, and a good relationship with one of the private banks that are increasingly offering art loans as part of their service packages, you are unlikely to secure the kind of rate Steinhardt took advantage of. You are more likely to end up paying [44 percent to Art Capital Group](#), as photographer **Annie Leibovitz** notoriously did after using [her own photographs as collateral](#). (*Blouin Artinfo, Navigating the Art Loan Biz, A Surging Industry Attracting Both Big Banks and "Loan-to-Own" Sharks*, Shane Ferro, April 12, 2012.)

Christie's Recommendation 2: "Identify a Partner Museum for Long-Term Lease of City-Owned Works of Art"

**71. This option would have the same effect of depriving the DIA of some of its most prized works, yet for far less of the financial benefit. Based on deals made with other partner museums, Guggenheim Museum & Bilbao, Guggenheim & Abu Dhabi, and the Louvre & Abu Dhabi, such an arrangement would be unlikely to net more than \$20 million to \$100 million in total for a 10- to 15-year deal and would result in the removal of many high value works from the walls of the DIA.**

a. Bilbao & Guggenheim. The Basque government agreed to pay the Guggenheim Museum \$20 million (two payments of \$10 million each in 1992 and 1993.); to provide a \$50 million art acquisition fund; to fund the \$100 million construction cost of the Museum; and to fund its annual operating budget of \$12 million.

b. The Louvre Museum & Abu Dhabi. This financial arrangement is the most lucrative on record: \$512 million for the use of the Louvre brand and an additional \$747 million broken out as follows: \$247 million for rotating between 200 and 300 artworks through the Louvre Abu Dhabi during a 10-year period; \$214.5 million for management expertise over 20 years; and \$253 million for four temporary exhibitions a year for 15 years, and a direct donation of \$32.5 million to the Louvre to refurbish a wing of the Pavillon de Flore for the display of international art.

c. It is important to note that of these four buckets of revenue being paid to the Louvre, only one, providing 200 to 300 artworks, would be even a remotely viable option for the DIA. And even that would come at cost to the viability of the institution. Whereas the Louvre is able to draw objects from the thousands of masterworks in its own collection, the Musee D'Orsay's, and Versailles, the DIA would be able to draw only from its collection of Masterworks (or what we would refer to as High Value Items) of approximately 400 to 500 items, and of that, approximately 80 to 100 items of important American Art pre-1950, would be of little interest to museums outside the US. With regard to the other options, the DIA brand is not a saleable brand, particularly given the current circumstances; nor does it have the depth of administrative staff to provide management expertise to another institution at the same level as the Louvre, or the programming of temporary exhibitions for a satellite institution, which is an extremely labor intensive undertaking.

d. Guggenheim & Abu Dhabi. It is unclear what the compensation structure is between the Guggenheim and Abu Dhabi. The government of Abu Dhabi is assuming all costs of building the Frank Gehry building, funding the new museum's annual operating budget, and providing a substantial acquisition budget similar to the arrangement for Bilbao. Thus it would not be unreasonable to expect that the Guggenheim was receiving similar compensation or slightly more than it did for Bilbao. There is no indication that the Guggenheim is receiving compensation comparable to the Louvre.

e. Crystal Bridges. This Museum has entered into a partnering arrangement for with the Fisk-Stieglitz collection for a total of \$30 million. A separate ownership entity was established to hold the collection, in which Fisk and Crystal Bridges each own a 50% stake. It is quite possible that Crystal Bridges would be interested in a similar arrangement with the DIA for its American Art pre-1950 collection and/or its collection of Post War and Contemporary Art. However, this would come with two important caveats: the first is that it would mean removing a large number of high value works from the DIA's walls for

extended periods of time, and the second is that in the category of American Art pre-1950, Crystal Bridges is the largest buyer in the marketplace and can and will use its buying leverage to negotiate a good bargain for itself, thus raising the question, just how much could the DIA get for lending its collection, \$50 million, \$100 million, or \$200 million? It is hard to imagine Crystal Bridges providing amounts meaningful enough to significantly move the needle on creditor debt relative to what would be lost by the museum and the City of Detroit.

f. Qatar. Based on reports in the press, all indications are that unlike Abu Dhabi, this country is working very independently on its own art and cultural projects and has expressed no interest in partnering with other institutions.

g. None of these considerations of lending art from the DIA, either on a long or short term basis, take into the account for the risk of loss or damage. Particularly with some of the more valuable work in the collection, such as the Breughel, such a risk is important to consider.

*Christie's Recommendation 3: "Create a "Masterpiece Trust" to be Accessed by Members of a Museum Consortium"*

**72. In the absence of specific numbers and institutions, this recommendation is a bit too "blue-sky" to be substantively helpful. Moreover, at a time when the better-funded museums are pursuing their own individual expansion and building plans, the number of museums able to participate would be few to non-existent. Moreover, this type of entity would most likely be limited to DIA's fellow American institutions, further narrowing the universe of likely participants, as overseas institutions would be even less likely to feel obliged to spend scarce funding on such a radical, untested idea, simply to save the DIA from the City of Detroit's predicament.**

**73. This entity would require time and funding to establish and administer, and given its unprecedented nature, it would be difficult to establish reliable fund raising targets, expense projections and timelines.**

**74. Given the financial constraints on other US Museums based on their own ambitious plans for expansion, it is not likely that this idea will ever get traction.**

a. The Houston Museum. With one the largest endowments among American Art Museums (third behind the Getty and the Metropolitan Museum of Art), the Houston Museum is currently committed to a \$250 to \$350 million building project to create new galleries for art after 1900.

b. Museum of Modern Art. This institution is about to undertake another major building expansion, which is likely to cost in the hundreds of millions of dollars. (The previous overhaul nine years ago, cost \$850 million).

c. The Metropolitan Museum. This Museum announced a gut renovation of its Modern and Contemporary Wings in time to house the \$1 billion gift of Cubist art from Leonard Lauder. A budget has not been released, but it too is likely to cost in the range of hundreds of millions of dollars.

d. The Whitney. In the final stage of completing its new building on the High Line in downtown Manhattan, the Whitney projects that the new building is going to cost \$422 million. At the same time, they are raising \$200 million in additional funding for their endowment and \$133 million to expand their arts and educational programming.

e. San Francisco MoMA (“SFMOMA”). This institution has nearly completed raising \$610 million for a new building complex and an expansion of its endowment.

f. The Los Angeles County Museum of Art (“LACMA”). LACMA has announced that it is planning a new museum building on Wilshire Boulevard, which it estimates will cost at least \$450 million, and another \$200 million for contingencies and operating expenses.

g. The Getty. This institution has committed to partnering with the Mellon foundation to contribute \$10 million to the Grand Bargain. It is extremely unlikely that they would participate in any effort that would undermine or unravel that arrangement in order to share in the art more directly themselves.

Christie’s Recommendation 4: “Sale and Permanent Loan or Gift”

**75. This is a multi-year, major fundraising endeavor. It is in effect, the same as raising funds from philanthropists to name works on their behalf. As the purchase would be restricted in terms of future sale or loan, it could not be considered a “real” asset for purposes of inheritance, future liquidity or borrowing; thus, its appeal would be limited to a small number of philanthropists who most likely are already pre-disposed to assist the DIA or are already doing so. It is hard to imagine how this type of program would attract a new type of donor who is not already supporting the institution.**

a. Again, refer to the examples given above. The philanthropic community in the US outside of the Detroit area is being fully tapped for high-level building projects on both the east and west coasts. There is an enormous amount of fundraising competition, a new building is far more attractive to a potential donor, and “purchasing” a painting is not really a purchase but just preserving a painting that is already owned and hanging on a wall in the DIA.

Christie’s Recommendation 5: “Traveling Exhibition of Select Works”

**76. By Christie’s own admission, this a less than desirable alternative, as such exhibitions are “costly to mount” and raise very little relative to their total expense. Such revenues range from as little as \$20,000 for small exhibitions to \$600,000 for blockbuster exhibitions, with loans from an array of prominent international museums.**

a. Such numbers were verified by Artvest in conversations with a number senior finance officers at leading New York Art Museums. A point that was repeatedly made was that such special exhibitions require an enormous up front investment of curatorial time. To reach the upper limits of revenue for a touring exhibition, it needs to be a global exhibition, with works of art borrowed from institutions around the world. Those touring exhibitions that repurpose works from a museum’s permanent collection tend to garner revenues more towards the bottom of the range. Given the DIA’s current limitations, it is likely that this latter scenario would be the case for its travelling exhibitions.

IX. Cultural Impact

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**77. The DIA could serve as the centerpiece and symbol of the City's restructuring, a hub for a new artist and cultural community in Midtown Detroit, one along the lines of how the Brooklyn Museum has become a focal point in that Borough's renaissance as a center for artists that has come to rival, even surpass Manhattan – in large part due to the relative cheapness of its real estate in conjunction with its affinity toward, and support of, an arts-related culture.**

a. Take for example, the so called "Bilbao effect" with regard to the Basque's Government backing of such a "pharonic" project:

When the Guggenheim project was brought up for debate, however, the Basque Government had more than culture in mind. It argued that, after a grim 15 years in which the closing of steel plants, shipyard and port facilities had swollen unemployment, the museum would serve as both motor and symbol of economic revival and urban renewal. It also appealed to Basque nationalist pride, promising that a world-class museum showing the best of the Solomon R. Guggenheim Foundation's collection and drawing perhaps 500,000 visitors a year would put the city on the map. *The New York Times, A Gleaming New Guggenheim for Grimy Bilbao*, Alan Riding, June 24, 1997.

b. While it is true that Bilbao was not only a Museum but also an architectural novelty, the quality of the collection was a critical factor in drawing the crowds to Bilbao; an empty museum could not.

It is evident that the Basque government, although criticized early on for gambling on the Guggenheim to revive the economy, made a wise and timely investment that yielded a huge return. A breakdown of the economic activity in Bilbao in 1997 and 1998 illuminates the extent of this return. In 1997 approximately \$120 million was spent in the food service sector. In 1998 that total increased to approximately \$160 million. Also in 1997, an estimated \$75 million was spent on purchases in local shops, \$60 million on hotels, \$15 million on fuel and transportation, and \$17 million in the museum itself. *Financing A Global Guggenheim Museum, A Thesis, Submitted to the Graduate Faculty of the Louisiana State University*, By Jill Martinez, May 2006.

c. Lastly, as a resident of New York, I cannot help but be reminded of the last cultural loss of this potential magnitude and how it changed our city forever: the destruction of the greatest urban architectural monument in New York, one of the greatest in the nation, Penn Station, in 1963. It was destroyed in an effort to rescue the perilous financial situation of the failing Pennsylvania Railroad. Several years later, the firm filed bankruptcy anyway, yet the cultural and urban landscape of New York was damaged in a way that the community still mourns and is still trying to partially restore, more than fifty years later, with the building of Moynihan Station at enormous expense.

X. Conclusion

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**78. Rather than being a source of cash to creditors or a burden on the current city, in fact the DIA is the single most important cultural asset the City currently owns for rebuilding the vitality of the city.**

**79. In this report I have formed an opinion on the following as requested by DIA Counsel and City Counsel:**

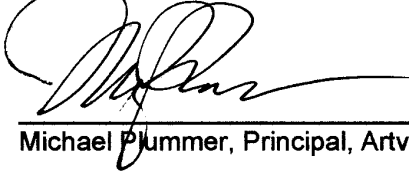
a. The indicative value of the works in the DIA Collection at a gross valuation, without any deduction for the value of works that are ultimately determined not to be subject to sale, whether for legal or other reasons, and before the application of discount factors related to general market conditions or issues specific to the DIA collection at a mid estimate of \$3,684,466,069 and at a low estimate of \$2,760,978,432.

b. The feasibility and likely effects of and on the market and value realization of a sale of the DIA collection under a variety of market and sale conditions: After the application of various discount factors related to these conditions, the range of value the DIA collection will sell for, without any deduction for the value of works that are ultimately determined not to be subject to sale, will be between \$1.1 billion for the present value of an orderly liquidation after allowing for the likely delay of litigation to \$1.8 billion in the highest value scenario, with no litigation and an orderly selling plan.

c. My review of the practicality and reasonableness of the monetization alternatives described in Christie's preliminary report to the City of Detroit: they do not have a reasonable expectation of either raising meaningful money or exceeding even the \$100 million the DIA has already committed as its contribution to the Grand Bargain.

d. Creditor-proposed sales of the DIA's collection, including analysis of certain third-party indications of interest: they are either not plausible or not likely to net the dollar values quoted.

**80. Finally, it is my opinion that liquidating the DIA collection in a timely manner is unlikely, given the multiple levels of legal challenges as well as the financial risks and uncertain auction outcomes.**



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Michael Plummer, Principal, Artvest Partners



## XI. Assumptions and Limiting Conditions

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**81.** A full assessment, or sale cataloguing, of the DIA collection would require a minimum of 18 months of research for such a quantity of work and full access to DIA files and records. Though I did not have a direct dialogue with the DIA, I relied on information that the DIA provided to Artvest as well as on research of our own.

**82.** In the normal course of the examination of art to ascertain value for sale, a more rigorous physical inspection is undertaken, such as viewing paintings under blacklight or x-ray, chemical sampling of paint, taking paintings off of walls to view for re-linings and markings and documentation on backs of frames and canvases. For sculptures and ceramics, especially Chinese terra cotta and ceramics, thermoluminescence tests are often undertaken to determine age and authenticity. Additionally, during more in-depth cataloguing described here, an appraiser or specialists would check with academics and other specialists, for which sometimes there is only one such person in the world with an appropriate and highly specialized academic expertise. Given the time limitation on providing this evaluation to the Court and the disruption to the Museum and its visitors that would have resulted, those measures were not possible. But such measures were not necessary for me to form my opinions for the purpose of this report, which is not intended to provide a full cataloguing of objects for sale.

**83.** As stated elsewhere in the document, such in-depth cataloguing of the entire DIA collection I estimate would take between eighteen months and two years. Such cataloguing might in some instances raise the value of some works, for example, if there had been a misattribution, but in general, more detailed examination is likely to uncover defects, poor conditions or reattribution that would lower values.

Exhibit A: List of Documents Relied Upon

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Christie's, *Fair Market Value for Financial Planning, Property Belonging to City of Detroit*  
17 December 2013

Detroit Institute of Arts (List of Masterworks), February 28, 2014 (in hardcopy), May 28, 2014 (in Excel file format.)

December 3, 2013 Letter from Doug Woodham, President, Christie's Americas, to Mr. Kevyn Orr, ("Recommendations for Monetization")

Houlihan Lokey, *Detroit Institute of Arts, Summary of Activity*, April 2014

DIA Documents:

List of objects in the DIA's collection (the "Major Works") (DIAINSP000001-DIAINSP000203).

List of objects in the DIA's collection (DIAINSP097403 – DIAINSP114404).

The DIA's archived object files for the Major Works (DIAINSP058666 - DIAINSP087849).

The DIA's archived bibliographic information relating to the Major Works (DIAINSP121651 - DIAINSP122287).

Documents that the DIA supplied to Christie's in connection with Christie's 2013 evaluation of the DIA's collection (DIAINSP005463 – DIAINSP010389).

DIA database information for objects in the DIA's collection (DIAINSP124564).

DIA historical condition reports for the Major Works (DIAINSP122288 – DIAINSP124563).

Object images for selected objects in the DIA's collection (DIAINSP121617 – DIAINSP121650).

*TEFAF Art Market Report 2014*, Prepared by Dr. Clare Mc Andrew, Arts Economics

*Fine Art and High Finance*, Edited by Clare Mc Andrew, Chapter 6, *Art Funds*, Jeremy Eckstein and Randall Willette

*An Approach to Advanced Problems in Appraising Art*, Alex J. Rosenberg, Sc.D, AAA, ASA

Sotheby's Annual Financial Statements: 1993, 2006, 2013

Artprice Databases:

artnet  
Askart  
Invaluable

See also Exhibit D for a full list of documents cited in research for this paper



Exhibit B: Curriculum Vitae of Michael Plummer

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**Career**

Artvest Partners LLC, Principal and co-founder (2009-present)

Christie's Financial Services, COO and Senior Vice President, (2007-2009)

Fernwood Art Investments, President, COO (2003-2006)

ArtBase Inc. Founder & CEO (2000 – 2003)

The Carbone Smolan Agency, Director (1997 – 2000)

Accoustiguide, Head of US Division (1996 – 1997)

Sotheby's, Marketing Division Head for the Americas and Asia, (1993-1996)

Sotheby's Marketing, Vice-President, Publications and Direct Communications, (1991 – 1993)

Sotheby's International Realty, Vice-President, director of Finance, Marketing and Operations (1987-1991)

Sotheby's Business Manager for Asian Art Division, (1984 – 1987)

Sotheby's Treasury Department, Credit Department, (1980 – 1984)

**Other**

Director and a co-Founder of the Luxury Marketing Council (1993-present)

Chairman, the American Friends of the London Academy of Music and Dramatic Art (2012-present)

**Education**

BS, economics, Wharton School, University of Pennsylvania, (1977-1980)

## Exhibit C-1: Curriculum Vitae of Consulting Specialist, Betty Krulik

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Betty Krulik Fine Art, Ltd  
50 East 72<sup>nd</sup> Street, Suite 2A  
New York, NY 10021

Bkrulikfineart.com  
917-582-1300  
bkrulikfineart@gmail.com

### Appraisers Qualifications

Betty Krulik has 30 years of experience in the handling of American and European 19th and 20th Century art; she has sold to and on behalf of major collectors and museums around the nation. She has acted as appraiser for corporate and institutional collections as well as private collectors.

Her specialty is American Art, yet in her 8 years at Christies she handled European Old Masters and 19th Century works as well as Contemporary Art.

She began her career in 1976 as Gallery Director of Marbella Gallery, 903 Madison Avenue, New York, NY for 2 years. There she learned the business from the ground up, doing inventory control, bookkeeping, sales, and research.

In 1978 she went to Christie's where she became Head of Paintings Departments, an Assistant Vice President, Christie's East, 219 East 67th Street, New York, NY 10021 for 8 years. Responsibilities included business getting, appraisal, cataloguing of paintings, works of art on paper, and sculpture, of the 17, 18th 19th and Early 20th Centuries European and American.

In 1987, she became Director of Spanierman/Drawings, 45 East 58th Street, New York, NY 10022, where she worked for 14 years. At Spanierman Gallery, LLC she specialized in important American Works of Art of the 19th and 20th centuries and has been at the forefront of research in the field, as well as being known as one of the major outlets for American Art. During her tenure at Spanierman Gallery she curated many exhibitions including the museum quality shows of the work of William Merritt Chase, Willard Leroy Metcalf and the landmark exhibition, Arthur Wesley Dow: His Art and His Influence.

In 2001, she took the Directorship of the Department of American Art at Phillips, dePury and Luxembourg, 3 West 57th Street, New York NY 10019, where she held the auctions of the famed Glen Foster Marine Art sale, and the world renowned Thyssen Bornemizsa Collection, establishing world record prices in many sectors of American art.

In 2004 she began her business as Private Dealer, Art Advisory and Appraiser, Ms. Krulik has handled the sales of important American art, from the Hudson River school to American Modernism.

She is Certified Member of the Appraisers Association of America, and serves on its board as President. She also is on the Advisory Board of the Munson-Williams-Proctor Institute, in Utica, NY, and the Masterworks Museum of Bermudian Art. She is President of the William Merritt Chase Catalogue Raisonne committee, and on the advisory committee for the Thomas Wilmer Dewing Catalogue Raisonne. She has appeared as an appraiser on Antiques Roadshow, and has lectured at the Appraisers Association of America, New York University's Continue and Professional Studies, and for Museum groups around the nation. Recently she was nominated for membership in the prestigious Private Art Dealers Association.

**Specializations:** American Painting, Drawings, Watercolors, Pastels 1850-1950

Exhibit C-2: Curriculum Vitae of Consulting Specialist, Sabine Wilson

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**SABINE WILSON, PhD**

Fine Art Appraiser and Advisor Certified Member, Appraisers Association of America  
210 East 63<sup>rd</sup> Street, 12 A, New York, NY 10065 P: 212-583 9079 F: 212-583 9302  
E: [bine.wilson@gmail.com](mailto:bine.wilson@gmail.com)

**Curriculum Vitae**

**Education:**

Ph.D., Art History, Ludwig-Maximilians-Universität, Munich, 1997  
Program in Appraisal Studies, New York University, New York, 2000  
Provenance Research Training Program, European Shoah Legacy Institute, Magdeburg, 2012

**Appraisal Practice:**

Fine Art Appraiser since 2000  
Certified Member, Appraisers Association of America (Impressionist and Modern Art)  
Uniform Standards of Professional Appraisal Practice, valid until 2016

Specialized in the valuation of American and European paintings, sculptures and works on paper of the 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> centuries for charitable contributions, estate and gift tax; insurance, damage and loss claims; collateral loans and financial planning; appraisal review.

**Teaching:**

Adjunct Instructor, New York University, SCPS, Appraisal Studies Program

Courses:

Introduction to Appraising Fine Art;  
The Essentials of Appraising;  
Damage and Loss Appraisals;  
The Appraisal of Modernist Paintings;  
Impressionist, Modern and Contemporary Art: The Auction Market and Appraisal Issues

**Publications:**

*Impressionist and Modern Art: Paintings, Drawings, Sculpture* in: Appraising Art: The Definitive Guide to Appraising the Fine and Decorative Arts, Appraisers Association of America, 2013

**Lectures:**

Topics: Madame de Pompadour; French 18<sup>th</sup> Century Art; German Expressionism; Art of the Weimar Republic, German and Austrian Art  
Venues: The National Gallery, London; Sotheby's, New York; New York University, New York; Appraisers Association of America, New York; Dartmouth College, Hanover, NH

**Languages:**

German, English, French, Italian

Exhibit C-3: Curriculum Vitae of Consulting Specialist, Kristin Gary

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## Kristin Gary

150 st 55<sup>th</sup> Street • New York, NY 10019 • Phone: 212-246-9293 • E-Mail: [k@kristingaryfineart.com](mailto:k@kristingaryfineart.com)

Kristin Gary has been dealing in the New York and international markets since the beginning of her career in the early 1990s. She has acquired a deep knowledge of European Old Master and 19th Century painting, sculpture, and drawing and has curated exhibitions and has extensive attribution, appraisal and sales experience.

### Experience

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#### Kristin Gary Fine Art, New York- *Founder*

1999 – to present

Founded in 1999, KGFA is a private gallery specializing in the research, purchase and sales of European and American paintings, sculpture and drawings from the Old Masters through the 20th century. Extensive experience working with both American and European private clients, museums and institutions, including sales of important works to The Metropolitan Museum of Art and The Boston Museum of Fine Arts; appraisal of works of art; assist in bidding at auction; managing collections; advising on conservation.

#### Special Expert Consultation Projects Include:

- *Salander O'Reilly Gallery Trust - Expert Advisor* 2010 – to present  
 Contracted after Christie's to complete project by providing services for the maximization of estate assets. The SOG estate is largest gallery bankruptcy to date comprising hundreds of creditors and an inventory of over three thousand objects including paintings, sculpture and drawings from Renaissance through contemporary periods. KGFA services included private sales, organization of public sales (venue selection and auction catalogue development), appraisals, establishment of authenticity to ensure accurate valuations.

  - To date, achieved multi-million dollar sales of \$15 million of paintings, sculpture and drawings
  
- *Ralph Esmerian Trust - Expert Advisor* 2011 to present  
 Provided services for maximization of bankruptcy estate inventory, including sales, venue selection, auction catalogue development, appraisals and establishment of authenticity to ensure accurate valuations

  - Achieved highest total for an auction of American Folk Art at Sotheby's - \$12,995,000 (2014)
  - Achieved record price for a Frank Lloyd Wright urn at Leslie Hindman - \$750,000 (2011)
  
- *The Pool NYC - Partner* 2009  
 Organized and executed five separate exhibitions as a collateral event at 53rd annual Venice Biennale
  
- *Galerie Brame et Lorenceau, Paris France* 2001-2004  
 Served as American representative responsible for American clients and for sales to American museums

- **Behaviors** 2004  
Produced a solo show by artist Nicola Pucci
- Exhibits at TEFAF, Maastricht; The International Fine Arts Show, New York and The International Fine Art Fair, Palm Beach

**William Doyle Galleries, New York - *Specialist, Paintings Department*** 1996 - 1999

Prepared auction catalogues for all paintings, sculpture and works on paper from Old Masters through to Modern, including responsibility for attributions and research on all works

- *Walk-in Consignment Days* - a service where the public brought in objects for appraisal; determined value, auction estimate and advised as to auction worthiness

**Colnaghi, New York** 1993 - 1996

- Sales and relationship responsibilities, gallery management, research, catalogue production, show representation (TEFAF, Armory)
- In 1994, repositioned Colnaghi's older stock; conceptualized, wrote and produced, *The Art of Pleasing, European Paintings for Town and Country 1530- 1930*, an exhibition resulting in 80% sales of existing stock

**Education**

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***Istituto per L'arte e il Restauro, Florence, Italy*** 1990-1992

Masters of Arts, Art History with a focus on Italian art

***Duke University, Durham North Carolina*** 1985-1989

Bachelor of Arts, Majored in Art History

**Other Experience**

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- Native fluency in Italian, working knowledge of French and Dutch
- Certified Member of the Appraisers Association of America
- Co-founder of The Trident Swim Foundation (a foundation that supports an after school academic/swim program for minority children in NYC), 2007 - present
- United States Masters Swimming:  
President of the Board of Red Tide NYC, Inc., 2006 - 2013  
World and American Record Holder  
New York Athletic Club - President of the Swimming and Water Polo Intra Club and member of the Swim Committee

Exhibit C-4: Curriculum Vitae of Consulting Specialist, Joe-Hynn Yang

CURRICULUM VITAE

JOE-HYNN YANG

121 West 72nd Street, #10C  
New York, NY 10023, USA  
ph/fx: +1 212 787 5875  
cell: +1 917 400 4393  
email: yang.joehynn@gmail.com

**Aug 2009 - current: Principal and Director, Courage & Joy, Inc.**

- Dealing in Asian antiquities, and providing art advisory services and appraisals. Select dealer member exhibiting annually during Asia Week New York from 2010 -12.
- Most recent exhibition, March 2012, "Serene Glazes, Elegant Forms: A Select Exhibition of Chinese Ceramics," received notable mention by Roberta Smith of The New York Times.

**Jan 2008 - Jun '09: Senior Vice-President, Head of Chinese Works of Art Dept, Christie's New York**

- Managed staff of six, sourced fine Chinese art internationally for twice yearly auction sales at Rockefeller Center, directed all details of appraisals, sale marketing, catalogue production, and exhibition planning, and partnered in global key-client strategy.
- Managed a major sequence of Asian art deaccessions from the Arthur M. Sackler Collection and the Sackler Foundation. Responsible for department's annual gross sales of \$80 million in 2008.

**Jun 2001 - Jul '07: Vice-President, Head of Chinese Works of Art Dept, Sotheby's New York**

- Among the youngest ever dept. heads appointed, overseeing staff of five. Grew dept from \$4 million annual auction sales in 2002 to a record \$40 million single auction season in March 2007, coinciding with winning a major deaccession from the Albright-Knox Art Gallery, Buffalo.
- Sourced twice yearly auction sales and managed relationships with a global clientele. Directed all aspects of auction marketing, catalogues, and exhibitions, as well as departmental budget management and competitive proposals.

Dec 2000 - Jun '01: Cataloguer, Chinese Works of Art Dept, Sotheby's New York

Oct 1998 - Nov 2000: Cataloguer, Chinese Works of Art Dept, Sotheby's London

**Oct 1998: Called to the Bar of England & Wales, Gray's Inn, London.**

- Passed the Bar Examination, The General Council of the Bar, Trinity 1998 (May 1998); earning a Class II Division II grade, one of only seven candidates to do so, with no others having any higher passing grade. Member of Gray's Inn, London, 1996 - 8.

Sep 1997 - Apr '98: Asian Art Diploma: Arts of China

- Jointly administered by Sotheby's Institute, London, and the School of Oriental and African Studies (SOAS), University of London.

**Sep 1993 - Jun '96: Bachelor of Arts (Honors) in Jurisprudence, Brasenose College, University of Oxford**

- Earned a Class II Division I ("Upper Second") grade. Awarded the Martin Wronker Prize by the University for the best Finals paper in Jurisprudence (Philosophy of Laws) in 1996.
- Awarded a Varsity Half-Blue in Dancesport in 1995. President of the OUBDC (Ballroom Dancing), 1994-6; President, Brasenose Christian Union, 1994-5; also, inter-collegiate theater and rowing.

Jan 1991 - Dec '92: GCE 'A' Levels, Raffles Junior College, Singapore (earning three 'A's, one 'B')

- Executive Committee, Student Council; Chair, Inter-Faculty Committee; RJC Plaque for Service.
- First Prize, National Students' Elocution and Public Speaking Competition, Singapore, 1992.
- National Creative Writing Mentorship program, Singapore, 1991, via portfolio of plays and poetry.

Jan 1989 - Dec '90: GCSE 'O' Levels, Raffles Institution, Singapore (earning eight 'A1's, one 'A2')

- Junior Runner-up Prize, Commonwealth Students' Essay Competition, 1988; the world's oldest and largest international essay competition, with open entries from every Commonwealth nation, administered by the Royal Commonwealth Society, London, since 1883.

Jan 1989 -Dec '92: ASEAN Scholarship, Ministry of Education, Singapore

- full pre-university scholarship, with board and lodging; only 15 - 25 places awarded annually among candidates from all nine ASEAN nations; renewed in 1991 for a further two-year period.

Exhibit D: List of Sources

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Exhibit E: Sotheby's and Christie's Unsold Rates by Sector – 2013

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(see following three pages)



A D T V E C T

Sotheby's & Christie's Unsold Rates by Sector - 2013

	Christie's				
	Sothebys				
Department	# of sales	# of Lots	Avg % Sold	BI %	Total Revenue
19th Century European	9	685	59%	41%	\$30,248,611.00
	7	664	57.69%	42.31%	\$57,055,945.00
Cumulative	16	1349	58%	42%	\$87,304,556.00
American Art	3	307	72%	28%	\$129,392,375.00
	4	394	80.08%	19.92%	\$119,793,691.00
Cumulative	7	701	76%	24%	\$249,186,066.00
Antiquities	5	594	78%	22%	\$26,082,234.00
	2	141	80.38%	19.62%	\$20,078,625.00
Cumulative	7	735	79%	21%	\$46,160,859.00
Arms & Armor	3	452	81%	19%	\$2,989,717.00
Cumulative	3	452	81.00%	19.00%	\$2,989,717.00
Asian Art (MIX)	4	710	86%	14%	\$47,615,689.00
	4	559	75.05%	24.95%	\$31,926,340.00
Cumulative	8	1269	81%	19%	\$79,542,029.00
Asian Contemporary	7	1122	80%	20%	\$260,980,117.00
	7	643	79.66%	20.34%	\$332,262,560.00
Cumulative	14	1765	80%	20%	\$593,242,677.00
Books & Manuscripts	13	2343	77%	23%	\$63,144,742.00
	19	2780	73.39%	26.61%	\$70,545,130.77
Cumulative	32	5123	75%	25%	\$133,689,872.77
Chinese Paintings	6	1481	90%	10%	\$259,254,409.00
	6	1060	91.55%	8.45%	\$193,688,080.00
Cumulative	12	2541	91%	9%	\$452,942,489.00
Chinese WOA	20	2796	81%	19%	\$367,324,809.00
	16	2002	82.98%	17.02%	\$338,896,023.00
Cumulative	36	4798	82%	18%	\$706,220,832.00
Decorative Arts	78	20777	72%	28%	\$151,153,029.00
	13	1425	80.36%	19.64%	\$103,472,074.00
Cumulative	91	22202	76%	24%	\$254,625,103.00
European Interiors	38	8374	71%	29%	\$175,211,667.00
	11	1723	65.73%	34.27%	\$53,345,689.00
Cumulative	49	10097	68%	32%	\$228,557,356.00
European WOA	8	1381	75%	25%	\$29,036,027.00
	18	2829	71.20%	28.80%	\$158,710,714.24
Cumulative	26	4210	73%	27%	\$187,746,741.24
Japanese WOA	5	1118	63%	37%	\$18,901,961.00
	1	31	88.60%	11.40%	\$5,273,397.00
Cumulative	6	1149	76%	24%	\$24,175,358.00

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A D T V E C T

Jewelry & Watches	31	7776	86%	14%	\$828,969,099.00
	20	6117	83.35%	16.65%	\$696,309,628.00
Cumulative	51	13893	85%	15%	\$1,525,278,727.00
Latin American	3	466	78%	22%	\$54,096,750.00
	3	331	68.64%	31.36%	\$55,521,000.00
Cumulative	6	797	73%	27%	\$109,617,750.00
Judaica	3	559	77.66%	22.34%	\$15,651,585.00
Cumulative	3	559	77.66%	22.34%	\$15,651,585.00
Modern & Imp	38	3439	76%	24%	\$1,174,515,790.00
	18	1979	78.53%	21.47%	\$1,324,894,067.06
Cumulative	56	5418	77%	23%	\$2,499,409,857.06
Native American	3	244	80.58%	19.42%	\$6,117,198.00
Cumulative	3	244	80.58%	19.42%	\$6,117,198.00
Oceanic	4	205	68%	32%	\$20,038,770.00
	6	526	60.37%	39.63%	\$42,138,682.00
Cumulative	10	731	64%	36%	\$62,177,452.00
Old Masters	17	1491	66%	34%	\$205,040,805.00
	10	873	66.59%	33.41%	\$255,475,830.00
Cumulative	27	2364	66%	34%	\$460,516,635.00
Other	2	70	57.50%	42.50%	\$63,394,755.00
Cumulative	2	70	57.50%	42.50%	\$63,394,755.00
Photographs	9	821	75%	25%	\$29,982,683.00
	5	590	70.49%	29.51%	\$17,502,472.00
Cumulative	14	1411	73%	27%	\$47,485,155.00
Post war	33	4459	84%	16%	\$1,975,866,997.00
	26	2937	76.76%	23.24%	\$1,397,307,394.00
Cumulative	59	7396	80%	20%	\$3,373,174,391.00
Prints	12	2427	78%	22%	\$55,294,400.00
	7	1730	87.24%	12.76%	\$49,689,468.00
Cumulative	19	4157	83%	17%	\$104,983,868.00
Russian Art	3	558	72%	28%	\$51,366,995.00
	7	533	61.30%	38.70%	\$65,629,426.00
Cumulative	10	1091	67%	33%	\$116,996,421.00
Silver	3	371	86%	14%	\$7,029,738.00
Cumulative	3	371	86.00%	14.00%	\$7,029,738.00
South Asian Contemporary	8	528	81%	19%	\$53,393,740.00
	4	308	77.25%	22.75%	\$28,345,901.00
Cumulative	12	836	79%	21%	\$81,739,641.00
Southeast Asian	12	1783	63%	37%	\$47,882,082.00
	4	403	58.83%	41.17%	\$20,159,105.00
Cumulative	16	2186	61%	39%	\$68,041,187.00
Wine	28	17985	90%	10%	\$73,082,304.00
	25	14897	93.74%	6.26%	\$60,314,699.50

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A D T V E S T

Cumulative	53	32882	92%	8%	\$133,397,003.50
TOTAL	400	84449	76%	24%	\$6,194,951,485.00
TOTAL	251	46348	75.02%	24.98%	\$5,583,499,480.00
Cumulative	651	130797	75%	25%	\$11,778,450,965.00



TABLE 9

Present Value of an Orderly Liquidation Low Estimate (000's)										
Scenario A -- No Litigation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Saleable Collection Value Mid Estimate (Without other Discounts)						2,760,978				
Percent of Collection Sold			20%	20%	20%	15%	15%	10%		
Gross Annual Sales (Assumes No Selling Cost From Agent/Auctioneer)			552,196	552,196	552,196	414,147	414,147	276,098		
Less Average Unsold Loss Factor (Assumes No Selling Cost From Agent/Auctioneer)			(144,675)	(144,675)	(144,675)	(108,506)	(108,506)	(72,338)		
Add Back Reoffered Unsold Property (3 yrs)						115,740	115,740	115,740	86,805	86,805
Annual Holding and Administrative Expenses			(6,000)	(5,000)	(4,000)	(3,000)	(2,000)	(2,000)		
Net Future Value	(6,000)	(6,000)	401,520	402,520	403,520	418,380	419,380	317,500	86,805	86,805
Discount Rate										
Present Value										
Scenario B -- Litigation (Fisk)										
Percent of Collection Sold							20%	20%	20%	15%
Gross Annual Sales (Assumes No Selling Cost From Agent/Auctioneer)							552,196	552,196	552,196	414,147
Less Average Unsold Loss Factor (Assumes No Selling Cost From Agent/Auctioneer)							(144,675)	(144,675)	(144,675)	(108,506)
Add Back Reoffered Unsold Property (3 yrs)										115,740
Annual Holding and Administrative Expenses			(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(5,000)	(4,000)	(3,000)
Net Future Value	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	401,520	402,520	403,520	418,380
Present Value										

Exhibit G: Artvest Evaluation of DIA High Value Works

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TYPE	DIA DEPARTMENT	LOW EST	HIGH EST	APPRAISER	DIA #	FIRST	LAST	TITLE	DATE	MATERIAL	SIZE	SUMMARY OF VALUATION SUPPORT
Sculpture	African, Oceania & Indigenous Americas	\$ 600,000	\$ 800,000	JHY	DIA no. 1983.24		Fang	Mask; Alternate Title: ngou-ntangha	19th Century	Wood, kaolin	Overall on mount: 14 x 10 x 12 1/4 in. (35.6 x 25.4 x 31.1 cm.); Height on Mount: 22 3/8 in. (56.8 cm.); Base dimensions: 9 x 9 in. (22.9 x 22.9 cm.)	Christie's, Paris, Dec. 13, 2011, lot 286, 931,000 EUR; Sotheby's NY, May 13, 2011, lot 262, \$98,500; Sotheby's Paris, June 17, 2009, 78,750 EUR. No four-sided masks of this quality have never appeared at auction, of which this is the quintessential example.
Sculpture	African, Oceania & Indigenous Americas	\$ 800,000	\$ 1,500,000	JHY	DIA no. 1992.290		Benin	Horse and Rider	early 17th century	bronze	Overall (by sight): 18 1/2 _ 7 1/4 inches (47 _ 18.4 cm)	No other three-dimensional equestrian groups have appeared at auction. Sotheby's NY, May 17, 2007, lot 121 (Property of Albright-Knox), \$4,744,000; Sotheby's Paris, June 23, 2006, lot 122, 964,000 EUR; Sotheby's Paris, Dec. 5, 2007, lot 52, 681,850 EUR
Sculpture	African, Oceania & Indigenous Americas	\$ 800,000	\$ 1,500,000	JHY	DIA no. 76.79		Kongo	Nail Figure; Alternate Title: Nkonde; Alternate Title: Nail Fetish	between 1875 and 1900	Wood with screws, nails, blades, cowrie shell and other materials	Overall (by sight): 46 in. _ 18 1/2 in. _ 14 1/4 in. (116.8 _ 47 _ 36.2 cm)	Particularly large at 46 inches high, this is an imposing figure. Sotheby's NY, May 16, 2014, lot 52, \$533,000; Sotheby's NY, Nov. 15, 2013, \$1,805,000; Sotheby's NY, May 16, 2014, lot 47, estimated \$700,000 to \$1,000,000 but did not sell.
Sculpture	African, Oceania & Indigenous Americas	\$ 400,000	\$ 600,000	JHY	DIA no. 77.29		Fang	Head	19th/20th Century	Wood	12 x 6 1/2 x 4 1/2 in.; 30.5 x 16.5 x 11.4 cm	Sotheby's Paris, November 30, 2010, lot 27, \$1,190,181; Sotheby's Paris, Dec. 4, 2008, lot 132, \$976,686; Christie's Paris, Dec. 11, 2012, lot 51, \$498,637; Christie's Paris, June 19, 2014, lot 39
Sculpture	African, Oceania & Indigenous Americas	\$ 300,000	\$ 500,000	JHY	DIA no. 79.22		Bamileke	Maternity Figure	1850/1950	Wood	23 1/8 x 11 1/8 x 9 1/4 in. (58.7 x 28.3 x 23.5 cm.)	Sotheby's NY, May 16, 2013, lot 125, \$365,000; Sotheby's Paris, June 18, 2014, lot 61, 397,500 EUR; Sotheby's NY, November 11, 2004, lot 100, \$1,072,000
Sculpture	African, Oceania & Indigenous Americas	\$ 200,000	\$ 300,000	JHY	DIA no. 82.49	Bena	Lulua	Figure; Alternate Title: Mbulenga	1875/1900	Carved and patinated wood, shell	19 7/8 x 5 1/4 x 5 1/2 in. (50.5 x 13.3 x 14 cm)	Sotheby's Paris, Dec. 5, 2006, lot 118, 482,400 EUR.; Pierre Berge & Associates, June 13, 2010, lot 368, \$86,847)
<b>Artvest Total</b>		<b>\$ 3,100,000</b>	<b>\$ 5,200,000</b>									
<b>African Art</b>												
Paintings	American Art before 1950	\$ 800,000	\$ 1,200,000	Betty Krulik	DIA no. 01.2	John Mix	Stanley	Indian Telegraph	1860	Oil on canvas	Unframed: 20 _ 15 1/2 in. (50.8 _ 39.4 cm); Framed: 27 3/8 _ 23 3/8 _ 2 7/8 in. (69.5 _ 59.4 _ 7.3 cm)	This is an iconic work, by the artist, the most appropriate comp is the 24 x 20 Deerslayer selling for \$932,000 in 2004, and the 2007 sale in as small local auction house in Marathon, NY, The Sentinel sold for \$742,000. This work with its high keyed color would sell for \$1,000,000.
Paintings	American Art before 1950	\$ 250,000	\$ 350,000	Betty Krulik	DIA no. 08.7	John Henry	Twachtman	The Pool		Oil on canvas	26 x 31 in.; 66.0 x 78.7 cm; Framed: 33 9/16 x 38 5/8 x 3 1/8 in.	Twachtman is always a tough sell, he is very subtle and rarely performs well in auction situations. The most appropriate comparable in period and quality is autumn mists sold in 1998 for \$189,000, and again in 2001 for \$248,000. it had slightly more color and was slightly larger than the subject work.
Paintings	American Art before 1950	\$ 1,250,000	\$ 1,500,000	Betty Krulik	DIA no. 08.8	Mary	Cassatt	Women Admiring a Child	1897	Pastel	26 x 32 in. (66.0 x 81.3 cm); Framed: 31 7/8 x 38 1/4 x 2 1/4 in.	cassatt is currently not very popular, in particular this PASTEL has a odd coloration in the face of one of the figures. There is not a pastel that has sold for more than \$900,000 since 2009, with multiple
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,500,000	Betty Krulik	DIA no. 08.9	Thomas Wilmer	Dewing	The Recitation	1891	oil on canvas	Unframed: 30 _ 55 inches (76.2 _ 139.7 cm); Framed: 48 _ 72 _ 2 3/4 inches (121.9 _ 182.9 _ 7 cm)	One of the finest dewings. If it were to come on the market, it would make close to the record for Dewing of \$3.4, but due to the down market and numerous buy ins a conservative value is appropriate. As this is not current collecting taste, and most current highend american buyers already

Paintings	American Art before 1950	\$ 3,000,000	\$ 5,000,000	Betty Krulik	DIA no. 10.11	Frederic Edwin Church	Syria by the Sea	1873 Oil on canvas	56 x 85 in. (142.2 x 215.9 cm); Framed: 80 x 108 x 5 1/2 in.	Concievably there might be intreset n this painting by the mid eastern collectors. While it has a great luminosity, size is an negative issue. Years ago when Adelson galleries did a show, they had a Syrian work on the market, smaller and not as interesting for \$2,500,000. There are no comparables in the auction market.
Paintings	American Art before 1950	\$ 250,000	\$ 350,000	Betty Krulik	DIA no. 10.6	Willard Leroy Metcalf	Unfolding Buds	1909 Oil on canvas	26 x 29 in.; 66.0 x 73.7 cm; Framed: 39 3/4 x 42 7/8 x 2 5/8 in. ( 101 x 109 x 6.7 cm)	Spring pictures of this scale by Metcalf with little contrast rarely exceed \$350,000. evidenced by On the River at Christies in 2013, selling for 365K with premium and spring selling in 2006 (height of the market for 375K
Paintings	American Art before 1950	\$ 800,000	\$ 1,200,000	Betty Krulik	DIA no. 15.12	Willard Leroy Metcalf	The White Veil	1909 Oil on canvas	36 x 36 in.; 91.4 x 91.4 cm; Framed: 49 1/2 x 49 3/8 x 1 7/8 in.; with frame: 49 1/2 x 49 3/8 x 1 in.; 125.6 x 125.4 x 2.5 cm	This represents the best of the artists work. It is comparable to the little white house sold at sothebys for \$1M (the Fraad collection) In 2004. It was at the height of the market and in a celebrity sale, therefore a more conserative low end is appropriate.
Sculpture	American Art before 1950	\$ 60,000	\$ 80,000	Betty Krulik	DIA no. 15.2	Paul Manship	Centaur and Dryad	1913 Bronze	height: 29 in.; 73.7 cm; dimensions of base: 18 3/8 x 11 1/4 in.; 46.7 x 28.6 cm	There are no comparables in the auction market, as not even one cast has come up in 30 years of internet data bases. there have been several works from 1912-1914, which when on the market make in only two have come on the market, both many years ago in 1993 and 1988 making \$90K and \$110K respectively. Due to the current strength of the western market a higher value is appropriate
Sculpture	American Art before 1950	\$ 100,000	\$ 150,000	Betty Krulik	DIA no. 16.13	Solon Hannibal Borglum	Lassoing Wild Horses	1898 Bronze	30 x 25 x 15 in.; 76.2 x 63.5 x 38.1 cm	
Paintings	American Art before 1950	\$ 100,000	\$ 150,000	Betty Krulik	DIA no. 16.16	William Merritt Chase	Self Portrait	c. 1914 Oil on canvas	Framed: 32 9/16 x 28 13/16 x 2 13/16 in. ( 82.71 x 73.18 x 7.14 cm); 24 x 20 in. (61.0 x 50.8 cm)	an almost exact comparable is the self portrait from the guild hall museum sold in 2004 for \$142K. Which is slightly smaller. Therefore a \$100-150,000. value is appropriate
Paintings	American Art before 1950	\$ 1,800,000	\$ 2,200,000	Betty Krulik	DIA no. 16.31	Frank Weston Benson	My Daughter Elisabeth	c. 1914 Oil on canvas	44 x 37 in. (111.8 x 94.0 cm); Framed: 55 3/8 x 44 3/8 x 4 in.	A beautiful painting, but a portrait no less. It is most comparable to the double portrait of children (always more desiraeable) sold in 2010 at Christies for just a bit more than \$2M. Interiors / less portrait like works sell for much more. This is large and the sitter is attractive, and out of doors, so it becomes more desirable than a straight portrait
Paintings	American Art before 1950	\$ 25,000,000	\$ 30,000,000	Betty Krulik	DIA no. 17.17	George Wesley Bellows	A Day in June	1913 Oil on canvas	36 1/2 x 48 in.; 92.7 x 121.9 cm; Framed: 43 3/4 x 56 1/16 x 3 3/8 in.	Comparable to Polo Crowd sold in 1999 for \$27,000,000. and the recent sale of the Randolph Macon picture to National Gallery, London for \$25.5M in February of 2014, it could not sell in the US because of the negative publicity, no museum in the US would by it. (MP note: except perhaps Crvstal Brideses).
Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 19.19	Childe Hassam	Surf and Rocks	1906 Oil on canvas	20 x 30 in. (50.8 x 76.2 cm); Framed: 31 1/4 x 41 3/8 x 2 in.	Value wise this work falls between the 2013 Christis work (half the size) selling for \$150K and the larger The East Headland, Appledore-Isles of Shoals selling at Christies in 2001 for \$500K.
Paintings	American Art before 1950	\$ 600,000	\$ 800,000	Betty Krulik	DIA no. 19.34	Frederick Carl Frieseke	The Blue Gown	1917 Oil on canvas	39 x 60 in. (99.1 x 152.4 cm); Framed: 45 x 66 1/8 x 2 3/4 in.	American impressionist market it soft. This work while beautiful is an interior. The highest prices for Frieseke's are highly pattered and bright GARDEN several of this cast have come on the market the most recent sold for \$434K in 2009.
Sculpture	American Art before 1950	\$ 400,000	\$ 500,000	Betty Krulik	DIA no. 19.43	Paul Manship	Dancer and Gazelles	1916 Bronze	32 x 33 x 10 in. (81.3 x 83.8 x 25.4 cm)	
Sculpture	American Art before 1950	\$ 350,000	\$ 550,000	Betty Krulik	DIA no. 19.66	James Earle Fraser	The End of the Trail	1918 Bronze	45 x 30 x 9 in.; 114.3 x 76.2 x 22.9 cm	Just before the 2008 recession a cast sold for a record price of \$631K, since then the records have been more modest \$370K and \$410K in westner sales in 2012 and 2013. The size of the DIA piece is mistakenly measured, including the spear.



Paintings	American Art before 1950	\$ 500,000	\$ 750,000	Betty Krulik	DIA no. 1983.23	John Singleton Copley	George Boone Roupell	1779/1780	Oil on canvas	Framed: 96 x 66 1/2 x 5 7/8 in. (243.84 x 168.91 x 14.92 cm); 84 1/16 x 54 in.; 213 x 137 cm	An attractive but large British picture. The retail market might be stronger but it could take years to sell for more than \$1M. The 30 x 25 in. JOHN WOMBELL EIGRE sold for \$92K in 2009.	
Paintings	American Art before 1950	\$ 1,000,000	\$ 1,500,000	Betty Krulik	DIA no. 1986.60	Mary Cassatt	Alexander J. Cassatt	c. 1880	Oil on canvas	25 3/4 x 36 3/8 in. (65.4 x 92.4 cm); Framed: 35 1/8 x 45 3/4 x 2 1/4 in.	no images of men have come up, some of male children. Since Cassatt has not performed well in the market recently therefore conservatism is appropriate. The work is unfinished and unsigned.	
Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 1994.88	Thomas Worthington	Whittredge	The Baptism	1868	Oil on canvas	19 x 27 in. (48.3 x 68.6 cm); Framed: 28 1/4 x 36 1/8 x 3 in.	Aside from the Western (platte river) Whittreges,only the newport scenes make over \$300,000. Because this work has the panoramic openness that characterizes the best of Whittredge's work and the multiple figures a value of \$300-500K is appropriate, using the 2011 On The Delaware 18 x 28 in (similar size) selling for \$302K A large early shoreline picture it would be comparable to the marsh scenes of similar size. Also an almost exact comaparable (but larger sold in 1996 for \$910K, while was many years ago that value would hold as this is one of very few seascapes.
Paintings	American Art before 1950	\$ 700,000	\$ 1,000,000	Betty Krulik	DIA no. 1995.26	Martin Johnson Heade	Seascape: Sunset	1861	Oil on canvas	26 x 44 in. (66.0 x 111.8 cm); Framed: 39 1/4 x 57 1/4 x 4 1/2 in.	comparable to the marsh scenes of similar size. Also an almost exact comaparable (but larger sold in 1996 for \$910K, while was many years ago that value would hold as this is one of very few seascapes.	
Paintings	American Art before 1950	\$ 500,000	\$ 700,000	Betty Krulik	DIA no. 2005.72	Thomas Wilmer	Dewing	Commerce and Agriculture Bringing Wealth to Detroit	1900	Oil on canvas	91 9/16 x 171 x 1 5/8 in.	Very large, and central to Detroit, this work is a tough sell, even though the DIA paid more than \$1M for it in 2005.
Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 21.70	William McGregor	Paxton	Woman Sewing	c. 1913	Oil on canvas	30 x 25 in.; 76.2 x 63.5 cm; Framed: 42 9/16 x 37 9/16 x 3 in.	the closest comp is the Letter sold in 2001 for the record price, this work the woman sewing is less attractive as the sitter is not as pretty to the contemporary buyer. The market for these interiors hovers in the \$200-300K range however this would be slightly closer to The Letter and the Green Dress in date size and complexity
Paintings	American Art before 1950	\$ 4,000,000	\$ 5,000,000	Betty Krulik	DIA no. 22.6	Mary Cassatt	In the Garden	1903/1904	Oil on canvas	26 3/4 x 32 1/2 in. (68 x 82.6 cm); Framed: 35 3/4 x 41 7/8 x 3 in. (90.8 x 106.7 x 7.6 cm)	Cassatt is in a down market right now, however this work being a classic mother and pretty young girl and a park picture makes it more desireable than most, therfore closer to the top of the market but conservatively	
Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 23.100	George Inness	Apple Orchard	1892	Oil on canvas	30 x 45 1/8 in. (76.2 x 114.6 cm); Framed: 36 1/8 x 51 x 2 1/4 in. (91.8 x 129.5 x 5.6 cm)	Pending conditon, this work has the smokey ethereal quality that is sought after in Inness's late work, and has the benefit of good color in the sky	
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,000,000	Betty Krulik	DIA no. 24.2	John Sloan	McSorley's Bar; Alternate Title: McSorley's Ale House	1912	oil on canvas	Unframed: 26 x 32 inches (66 x 81.3 cm); Framed: 32 7/8 x 39 1/4 x 3 inches (83.5 x 99.7 x 7.6 cm)	comparable to the best of sloans work selling at auction, the highest 3 prices were \$2.2M, 2.3M and \$3M all in 2000-2003. Due to the rarity of these great early aschan pictures the record prices apply	
Paintings	American Art before 1950	\$ 1,200,000	\$ 1,800,000	Betty Krulik	DIA no. 24.30	Maurice Brazil Prendergast	Landscape with Figures	c.1918/1923	Oil on canvas	29 3/4 x 43 in.; 75.6 x 109.2 cm; Framed: 36 1/2 x 49 3/4 x 2 7/8 in.	a nearly exact comparable is the Promenade (#19 on artnet search) sold in 2003 for \$1.9M at Christies, however with a soft market for Prendergast as evidenced by the low prices in the past 5 years a conservative value is appropriate	

Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 27.158	Arthur Bowen Davies	Dances	1914/1915	Oil on canvas	84 x 138 in. (213.4 x 350.5 cm)	there are very few of these important cubist works on the market, Ed Schien paid close to or over 1M for a work, and years ago a great one Interwoven sold at spanierman gallery for \$250,000. range. There are no comparables at auction
Paintings	American Art before 1950	\$ 125,000	\$ 175,000	Betty Krulik	DIA no. 27.314	Dwight William Tryon	Autumn	1893	Oil on canvas	40 1/2 x 31 1/2 in.; 102.9 x 80.0 cm; Framed: 53 7/16 x 43 15/16 x 2 1/8 in.	the high prices at auction are only \$60-70K, these works are significantly larger and in stanford white frames. at spanierman galleries, I would sell these for over \$175K without the original frames which in this case have value
Paintings	American Art before 1950	\$ 125,000	\$ 175,000	Betty Krulik	DIA no. 27.315	Dwight William Tryon	Spring	1893	Paint on canvas	40 1/2 x 31 1/2 in.; 102.9 x 80.0 cm; Framed: 53 7/16 x 43 7/8 x 2 in.	The high prices at auction are only \$60-70K, these works are significantly larger and in stanford white frames, at spanierman galleries, I would sell these for over \$175K without the original frames which in this case have value
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,500,000	Betty Krulik	DIA no. 27.316	Thomas Wilmer Dewing	Summer	1893	Oil on canvas	50 1/2 x 32 1/2 in. (128.3 x 82.6 cm); Framed: 63 7/8 x 45 x 2 1/2 in.	One of the finest dewings. If it were to come on the market, it would make close to the record for Dewing of \$3.4, but due to the down market, in american impressionism especially a conservative value is appropriate.
Paintings	American Art before 1950	\$ 800,000	\$ 1,200,000	Betty Krulik	DIA no. 27.556	John Singleton Copley	Mrs. Clark Gayton	1779	Oil on canvas	50 x 40 in. (127 x 101.6 cm.); Framed: 58 5/8 x 48 3/4 x 3 7/8 in.	few pretty british women come on the market, recently Hirsch and adler sold a large british woman to the Milwaukee art museum for around \$4M. It took over 10 years to sell the painting. The value of this work is approx \$750K based on the high price of \$425K for a 30 x 25 man
Paintings	American Art before 1950	\$ 3,000,000	\$ 5,000,000	Betty Krulik	DIA no. 31.27	William Merritt Chase	My Little Daughter Dorothy	c. 1894	Oil on canvas	48 x 33 in. (121.9 x 83.8 cm); Framed: 52 3/4 x 37 3/4 x 2 in.	while picures of his children rarely come on the market, and this studio interior is very charming, and would make a near record. The studio interiors are very rare to the market and are considered highly sought after so a value close to the 2008 record is appropriate
Paintings	American Art before 1950	\$ 4,000,000	\$ 6,000,000	Betty Krulik	DIA no. 34.27	James Abbott McNeill Whistler	Arrangement in Gray: Portrait of the Painter	c. 1872	Oil on canvas	Framed: 39 1/2 x 31 9/16 x 2 1/4 in.; 29 1/2 x 21 in. (74.9 x 53.3 cm)	There are no comparables. This work is an icon, no similar works have come on the public market. Several large female portraits have sold privately in the \$5M range.
Paintings	American Art before 1950	\$ 200,000	\$ 250,000	Betty Krulik	DIA no. 35.119	Thomas Doughty	In Nature's Wonderland	1835	Oil on canvas	24 1/2 x 30 in.; 62.2 x 76.2 cm; Framed: 31 1/8 x 37 1/8 x 2 1/8 in.	this work has brilliant color in the sky, and the market is responding to hudson river pictures with great light. the closest comaprable was sold at Sotheby;s october 2013 for \$161K, it did not have the pink sky that this does, but is approximately the same size and close in date.
Sculpture	American Art before 1950	\$ 800,000	\$ 1,200,000	Betty Krulik	DIA no. 37.11	Frederic Sackrider Remington	The Mountain Man; Alternate Title: The Mountaineer	1903/1909	Bronze	height: 28 in.; 71.1 cm	Presuming a lifetime cast, this is one of the most sought after casts. even in the recession a cast sold for just a touch over \$1M at Sothebys May 2010.
Paintings	American Art before 1950	\$ 7,000,000	\$ 10,000,000	Betty Krulik	DIA no. 38.60	William Sydney Mount	The Banjo Player	1850/1855	Oil on canvas	25 x 30 in. (63.5 x 76.2 cm); Framed: 31 9/16 x 36 3/8 x 3 1/8 in.	this work is an icon for the artist, a musical subject and a barn scene. the highest price was at sothebys in 2008, The Ramblers, which sold for \$2.2M. it is rumoured that the Power of Music, sold to Cleveland for \$10,000,000. 20-25 years ago. While that work was more complex with multiple figures and color. this work is is a rare and important

Paintings	American Art before 1950	\$	400,000	\$	600,000	Betty Krulik	DIA no. 39.6	Asher Brown	Durand	Monument Mountain, Berkshires	Probably 1850	Oil on canvas	28 x 42 in. (71.1 x 106.7 cm); Framed: 43 1/4 x 57 5/8 x 6 3/8 in.	Summary not provided
Paintings	American Art before 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 40.56	Winslow	Homer	Girl and Laurel	1879	Oil on canvas	22 5/8 x 15 3/4 in.; 57.5 x 40.0 cm; with frame: 28 1/4 x 21 1/4 x 1 7/8 in.; 71.6 x 53.8 x 4.8 cm	The high price for a Homer Oil, was a picture of the same size and date Peach Blossoms which sold for \$2.8 M in 2010.the subject work is a more attractive subject and has wonderful finish and would be highly sought after in the market.
Paintings	American Art before 1950	\$	500,000	\$	750,000	Betty Krulik	DIA no. 41.37	John Singleton	Copley	Colonel John Montresor	c. 1771	Oil on canvas	30 x 25 in.; 76.2 x 63.5 cm; Framed: 38 x 33 x 3 1/2 in.	while it was market weary, the Bonhams in the May 2014 sale of Captain Gabriel Maturin, was the closest comparable. it did not sell because it was over exposed and had some condition issues.
Paintings	American Art before 1950	\$	100,000	\$	150,000	Betty Krulik	DIA no. 42.59	Asher Brown	Durand	View of Rutland, Vermont	1840	Oil on canvas	29 1/8 x 42 1/8 in. (74.0 x 107.0 cm); Framed: 40 3/4 x 53 1/8 x 4 1/4 in.	like summer afternoon which sold for \$68K in 2008 at sothebys but without huge cows (which is a detriment in the market)therefore the value is closer to An Afternoon Shower sold at Christies in 2005 for \$114
Paintings	American Art before 1950	\$	150,000	\$	250,000	Betty Krulik	DIA no. 43.486	William Merritt	Chase	Portrait of a Lady in Black	c. 1895	Oil on canvas	72 x 35 in. (182.9 x 91.4 cm); Framed: 83 1/8 x 47 x 3 7/8 in.	very rarely do the large portraits sell, especially when they are women wearing BLACK in this case she is at least attractive. the most appropriate comparable is the Port of Miss D offered for sale in 2004 at Sothebys with a 250-350K estimate, and unsold- it is te same size, and is of a standing woman (his daughter) in grey, the subject work is the most appropriate comparable is the Nova Scotia Fishermen which sold in 1997, as no other works of this size and dark quality have come up. the Gloucester Dogtown pictures and the New Mexico Recollection pictures are inappropriate. the Nova Scotia Fishermen sold for \$745K but the figural aspect raises the value.
Paintings	American Art before 1950	\$	500,000	\$	700,000	Betty Krulik	DIA no. 44.5	Marsden	Hartley	Log Jam, Penobscot Bay	1940-1941	oil on Masonite (TM)	Unframed: 30 1/16 _ 40 7/8 inches (76.4 _ 103.8 cm); Framed: 37 3/4 _ 47 3/4 _ 2 1/4 inches (95.9 _ 121.3 _ 5.7 cm)	a near exact comparable sold at Sothebys on May 21, 2014 it was slightly larger at 18 inches rather than 12 inches high, but same width, but the Sothebys work was a night scene, possibly more dramatic, it sold for \$2.9M including buyers premium
Paintings	American Art before 1950	\$	2,500,000	\$	3,000,000	Betty Krulik	DIA no. 45.454	Georgia	O'Keeffe	Stables	1932	Oil on canvas	12 x 32 in.; 30.5 x 81.3 cm; Framed dimensions: 13 5/8 x 33 1/2 x 1 7/16 in.	
Paintings	American Art before 1950	\$	300,000	\$	400,000	Betty Krulik	DIA no. 45.455	Charles	Sheeler	Home Sweet Home	1931	Oil on canvas	Unframed: 36 x 29 in. (91.4 x 73.7 cm); Framed: 43 1/4 x 36 1/4 x 2 in. (109.9 x 92.1 x 5.1 cm)	The subject work was done multi patterned, and hard edge, but not a precisionist picture (which is the type of work for whichSheeler is best known) The Still Life with Tulips sold in May 2012 at Christies is the closest comparable, selling for \$422,000..
Paintings	American Art before 1950	\$	125,000	\$	175,000	Betty Krulik	DIA no. 45.469	Rembrandt	Peale	Self Portrait	1828	Oil on canvas	19 x 14 1/2 in. (48.3 x 36.8 cm); Framed: 25 5/16 x 20 9/16 x 3 1/2 in.	a nearly exact comparable is a self portrait that came on the market in 1999, selling for \$145,000. while it was years ago, it sets the standard for a Rembrandt Peale self portrait-- according to the photos on the DIA sight there seems to be conditon issues.
Paintings	American Art before 1950	\$	6,000,000	\$	8,000,000	Betty Krulik	DIA no. 46.134	Thomas	Cole	From the Top of Kaaterskill Falls	1826	Oil on canvas	31 1/8 x 41 1/8 in. ( 79.06 x 104.46 cm ); Framed: 42 1/4 x 52 1/8 x 3 1/4 in.	The market for Cole's major works is rarely tested at auction. but the private market place when major works come to it, is robust. with the Warner picture selling privately in the \$20million range. The Warner picture was an icon. of similar size and date. A more conservative value is appropriate because this work is somewhat less dramatic, and most of the big buyers currently high end for american paintigns have already purchased their Coles.

Paintings	American Art before 1950	\$ 700,000	\$ 1,000,000	Betty Krulik	DIA no. 46.135	Martin Johnson Heade	Sunset	c. 1880	Oil on canvas	17 1/4 x 36 3/8 in. (43.8 x 92.4 cm); Framed: 28 1/16 x 47 3/16 x 5 in.	in the height of the market a very subtle work in untouched condition sold for almost \$3M. That work must be discounted as an anomaly, as it is so far from the regular trade in Heade. Most sunsets such as this, that come on the market are a slightly smaller size and sell for \$500-700,000. This being larger would have a higher value, but most important in Heade is CONDITION, if there is any staining from the sizing or inpaint the value can be significantly compromised. This value is pending
Paintings	American Art before 1950	\$ 25,000,000	\$ 45,000,000	Betty Krulik	DIA no. 46.309	James Abbott McNeill Whistler	Nocturne in Black and Gold, the Falling Rocket	1875	oil on panel	Framed: 36 3/4 _ 30 1/4 _ 3 1/4 inches (93.3 _ 76.8 _ 8.3 cm); Unframed: 23 3/4 _ 18 3/8 inches (60.3 _ 46.7 cm)	There is not a more important Whistler. This work would transcend the American Art Market, it would be sought after by any impressionist collector world wide, therefore. There are no comparables for Whistler, but one could look to Sargent as a world class artist that has sold for record prices due to his international status as an impressionist.
Paintings	American Art before 1950	\$ 15,000,000	\$ 20,000,000	Betty Krulik	DIA no. 46.310	John Singleton Copley	Watson and the Shark	1782	oil on canvas	Framed: 45 3/16 _ 39 _ 2 1/2 inches (114.8 _ 99.1 _ 6.4 cm); Unframed: 36 _ 30 1/2 inches (91.4 _ 77.5 cm)	This painting is a study for the large (72 x 90 inch) work at the Museum of Fine Arts, Boston. Being a smaller scale work is a benefit. It is one of the most famous American paintings of the colonial period. There are no major history paintings which to compare this work. It could be compared to the highest priced American paintings - Cole, Church, Durand. But since this is not the final work, but a study for the Boston picture, the value would be
Paintings	American Art before 1950	\$ 400,000	\$ 600,000	Betty Krulik	DIA no. 47.122	George Benjamin Luks	Woman with Macaws	1907	Oil on canvas	Unframed: 41 x 33 in. (104.1 x 83.8 cm)	Of the 200 Oils that have come on the market only 4 works sold for more than \$200K. The record price for a Luks is the Lily Williams which sold for \$1.8M. The DIA painting is not in that category, as the figure is not a child. The closest comparable is On the Corner which sold in 1988 for \$385K, also images of children. While a great ASH CAN image, the market still likes attractive sitters. The color in this painting is an asset. there
Paintings	American Art before 1950	\$ 3,000,000	\$ 5,000,000	Betty Krulik	DIA no. 47.81	Winslow Homer	The Dinner Horn	1873	Oil on canvas	11 7/8 x 14 1/4 in. (30.2 x 36.2 cm); Framed: 20 7/8 x 23 x 3 1/2 in.	One of the great Homers of the 1870s. The Dinner Horn is more attractive than the larger Reverie picture that was unsold in 2011. The high price for a Homer Oil, was a picture slightly smaller but approximately the same date Peach Blossoms which sold for \$2.8 M in 2010. The subject work is a more attractive subject and has wonderful finish and would be highly sought after in the market.
Paintings	American Art before 1950	\$ 20,000,000	\$ 30,000,000	Betty Krulik	DIA no. 50.138	George Caleb Bingham	The Trappers' Return	1851	oil on canvas	Unframed: 26 1/4 _ 36 1/4 inches (66.7 _ 92.1 cm); Framed: 31 1/4 _ 41 1/16 _ 2 3/4 inches (79.4 _ 104.3 _ 7 cm)	This work is an icon by the artist, there are no comparables aside from the iconic paintings by American artists sold in the \$30-40,000,000. price range. Durand, Rockwell, Cole, Church.
Paintings	American Art before 1950	\$ 300,000	\$ 400,000	Betty Krulik	DIA no. 50.19	Albert Pinkham Ryder	The Tempest	1892, reworked 1896/1918	Oil on canvas	27 3/4 x 35 in.; 70.5 x 88.9 cm; Framed: 43 5/8 x 51 x 6 1/8 in.	While an important figure in American Art, Ryder is always a difficult "sell" because of condition issues. The only other large work to come on the market in 2010, was The Lorelie, 22 x 19, which failed to sell with an estimate of \$120-180,000. A rough time in the market The record is \$209K for a small landscape in 2004. A more appropriate comp is At the Ford, a dark brooding work which while significantly smaller at 12 x 11 in., sold for \$113K. This work being 4 times the size would have a value in the \$3-400K range. Brown paintings are not at all

Paintings	American Art before 1950	\$	400,000	\$	600,000	Betty Krulik	DIA no. 50.31	John Haberle	Grandma's Hearthstone	1890 oil on canvas	Unframed: 99 x 66 inches (251.5 x 167.6 cm); Framed: 100 1/4 x 70 5/8 x 2 3/8 inches (254.6 x 179.4 x 6 cm)	the record price of \$350K achieved in 2006 for a Confederate Note, is not an appropriate comparable as the subject work is not an monetary image and certainly not a southern image as was the Confederate Note. A more appropriate comparable from which to extrapolate a value is Wife, Wine and Song, which was 30 x 25 inches sold for 286K in 1987. The subject work has several problems, first it is so large as to have a stumbling block for sale, and it is not the money pictures which are the money makers for Haberle. Due to huge size the value must be conservatively placed at \$4-600K. or less.
Paintings	American Art before 1950	\$	150,000	\$	250,000	Betty Krulik	DIA no. 50.58	Charles Willson	James Peale; Alternate Title: The Lamplight Portrait; Alternate Title: The Lamplighter Portrait	1822 oil on canvas	Framed: 35 1/8 _ 43 7/8 _ 4 inches (89.2 _ 111.4 _ 10.2 cm); Unframed: 24 1/2 _ 36 inches (62.2 _ 91.4 cm)	it is the portraits of George Washington that make record prices, even though this is a wonderful portrait of the artists brother, the lack of color (predominantly brown) would hold this back in the market. For the non Washington portraits the high price is for David Rittenhouse important Philadelphia family, a work twice the size selling in 1986 for \$450K when the Dietrich family was buying- they are no longer buyers since Dietrich died. a more appropriate comparables are the Depyster and Bordley portraits that sold for \$104K and \$265K respectively therefore a avalue of \$150-250K is appropriate.
Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 51.331	George Inness	The Lonely Pine; Alternate Title: The Lonely Pine - Sunset	1893 oil on canvas	Unframed: 30 1/2 _ 45 inches (77.5 _ 114.3 cm); Framed: 41 3/8 _ 56 1/2 _ 3 1/8 inches (105.1 _ 143.5 _ 7.9 cm)	Pending conditon, this work has the smokey ethereal quality that is sought after in Inness's late work, and has the benefit of good color in the sky
Paintings	American Art before 1950	\$	4,000,000	\$	6,000,000	Betty Krulik	DIA no. 51.66	Winslow Homer	Defiance: Inviting a Shot Before Petersburg	1864 Oil on panel	Unframed: 12 x 18 in. (30.5 x 45.7 cm); Framed: 19 3/4 x 25 3/4 x 2 3/4 in. (50.2 x 65.4 x 7 cm)	An important civil war picture, ti would exceed the records for the Homer "home sweet home" which sold for \$2.6m in 1987
Paintings	American Art before 1950	\$	700,000	\$	1,000,000	Betty Krulik	DIA no. 52.118	John Singleton Copley	Head of a Negro	1777/1778 Oil on canvas	21 x 16 1/4 in. (53.3 x 41.3 cm); Framed: 27 3/4 x 23 3/4 x 2 1/2 in. (70.5 x 60.3 x 6.4 cm)	a study for the African American man in Watson and the shark, it is a beautiful dignified portrait. There are no comparables, but the robust african market would propel this work towards \$1M.
Sculpture	American Art before 1950	\$	600,000	\$	800,000	Betty Krulik	DIA no. 52.246	Augustus Saint-Gaudens	Abraham Lincoln	1887/1912 Bronze	40 1/4 x 16 1/4 x 28 3/4 in. (102.2 x 41.3 x 73.0 cm)	the met purchased a version that was owned and sold by descendent of John Hay, several years ago, for this approximate price range.
Paintings	American Art before 1950	\$	2,000,000	\$	3,000,000	Betty Krulik	DIA no. 52.27	George Caleb Bingham	The Checker Players	1850 Oil on canvas	25 x 30 in.; 63.5 x 76.2 cm; Framed: 30 1/2 x 35 9/16 x 2 3/4 in.	An important painting but not as iconic as the trappers return, this work would far exceed the auction record of \$493K which is the record for Bingham at auction. It is more in line with the values for Charles Deas, where the Winnebago Playing Checkers sold in 2003 or \$775,000 but would trade today for \$2-3M.
Paintings	American Art before 1950	\$	500,000	\$	750,000	Betty Krulik	DIA no. 54.100	John Singer Sargent	Judith Gautier	c. 1885 Oil on panel	Framed: 46 1/4 x 32 5/16 x 3 5/8 in. (117.48 x 82.07 x 9.21 cm); 39 x 24 1/2 in.; 99.1 x 62.2 cm	while the sitter is not fabulously beautiful, the background and the interior are beautifully painted. many of the full scale portraits have not sold in recent sales. The closest comparable is the Elsie Wagg portrait of a woman in a white dress that sold in December of 2013 for \$413K, this is more than a portrait, therefore a higher price.

Paintings	American art before 1950	\$ 1,500,000	\$ 2,000,000	Betty Krulik	DIA no. 54.118	Charles Demuth	Buildings Abstraction, Lancaster	1931	Oil on board	Board: 27 7/8 x 23 5/8 in. (70.8 x 60.0 cm); Framed: 33 3/16 x 29 x 1 1/16 in. (84.3 x 73.7 x 2.7 cm)	Demuth oils are rare to the market, with only 6 works coming on the public market since the mid 1980s. A cubist tempera "In a Key of Blue" 19 x 16 in. came up and sold for \$1.6M, it was not as complex and colorful as the subject work. But the DIA picture is not as cubistic. Therefore the work is worth more than the Key of Blue, but not
Paintings	American Art before 1950	\$ 400,000	\$ 600,000	Betty Krulik	DIA no. 55.175	Richard Caton Woodville	The Card Players	1846	Oil on canvas	18 1/2 x 25 in. (47.0 x 63.5 cm); Framed: 27 1/8 x 33 9/16 x 2 5/8 in.	Woodville, like Charles Deas, is very rare to the market His most important painting was sold to Crystal Bridges for untold millions. However this work is more akin to Walking the Chalk, a Charles Deas of approximately the same size sold by Debra Force to the MFA, Houston, for approximately \$650,000.at the high point in the market.
Paintings	American Art before 1950	\$ 700,000	\$ 1,000,000	Betty Krulik	DIA no. 56.31	Thomas Cole	American Lake Scene	1844	oil on canvas	Framed: 27 1/8 _ 33_ 4 inches (68.9 _ 83.8 _ 10.2 cm); Unframed: 18 1/4 _ 24 1/2 inches (46.4 _ 62.2 cm)	The most appropriate comparable is the Christies 2009 work, View of Kaaterskill Clove, of similar size that sold for \$1,000,000. This work does not have the dramatic sky, but it does have a native american figure, and an excellent provenance which would be appealing to the market
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,500,000	Sabine Wilson	DIA no. 59.11	Lyonel Feininger	Fisher off the Coast	1941	Oil on canvas	canvas: 19 1/2 x 36 in. (49.5 x 91.4 cm); Framed: 26 15/16 x 44 x 2 3/8 in. (68.4 x 111.8 x 6 cm)	Summary not provided
Paintings	American Art before 1950	\$ 80,000	\$ 120,000	Betty Krulik	DIA no. 59.312	John Mix Stanley	Mountain Landscape with Indians	1870/1875	Oil on canvas	Canvas: 18 x 30 1/4 in. (45.7 x 76.8 cm); Framed: 29 1/4 x 41 1/4 x 3 3/8 in. (74.3 x 104.8 x 8.6 cm)	of the 9 landscapes that have come on the market, most sell for under \$50,000. however this one with it's encampment of Native Americans, would be more appealing to the general market.
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,500,000	Betty Krulik	DIA no. 61.165	John Sloan	Wake of the Ferry, No. 1	1907	Oil on canvas	26 x 32 in.; 66.0 x 81.3 cm; Framed: 31 7/8 x 37 7/8 x 3 1/8 in.	An important painting, this Sloan is comaprable to the record priced works by the artist, while it has little color, it is an iconic ashcan picture. of concern is condition, the photo on the DIA website shows significant cracklure.
Paintings	American Art before 1950	\$ 2,000,000	\$ 3,000,000	Betty Krulik	DIA no. 61.28	Albert Bierstadt	The Wolf River, Kansas	c. 1859	Oil on canvas	48 1/4 x 38 1/4 in. (122.6 x 97.2 cm); Framed: 61 5/16 x 51 1/2 x 5 1/8 in.	An Early work of the west with Indian Encampment, this would be sought after in the current market, where western paintings are strong due to the strength of the oil industry. While not the most iconic of works (those with sunsut skys and dramatic landscape) it has the native americans and the great early date, would put it towards the top of the
Paintings	American Art before 1950	\$ 200,000	\$ 300,000	Betty Krulik	DIA no. 67.254	William Merritt Chase	Mrs. William Merritt Chase	c. 1890	Oil on canvas	Framed: 26 7/8 x 22 7/8 x 2 1/4 in. (67.15 x 58.10 x 5.72 cm); 20 x 16 in.; 50.8 x 40.6 cm	Most portraits of Mrs. Chase rarely make more than 250,000. however this work is particularly attractive. In 2000, Mrs. Chase in spanish costume (32 x 25 in.)made \$357,000. this is more attractive but considerably smaller, but very attractive.
Paintings	American Art before 1950	\$ 3,500,000	\$ 4,500,000	Sabine Wilson	DIA no. 69.305	Lyonel Feininger	Sailboats	1929	Oil on canvas	17 x 28 1/2 in.; 43.2 x 72.4 cm; Framed Dimensions: 21 3/8 x 33 1 3/16	
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,500,000	Betty Krulik	DIA no. 70.150	Winslow Homer	The Four-Leaf Clover	1873	Oil on canvas	14 1/4 x 20 3/8 in. (36.2 x 51.8 cm); Framed: 25 x 31 x 4 in.	akin to the high price for a homer oil, the 4 leaf clover is of similar date but slightly smaller than Peach Blossoms which sold for \$2.8M.

Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 70.680	Theodore Robinson	Scene at Giverny; Alternate Title: Normandy Farm; Alternate Title: Farm House and Rick	1890 Oil on canvas	16 x 25 3/4 in.; 40.6 x 65.4 cm; Framed: 29 7/16 x 39 3/8 x 2 3/8 in.	Most straight landscapes without figures by robinson rarely sell, while this is a classic Giverny landscapae, the high price for a landscape larger was in 1988 for \$330,000. a near exact comparable, but 23 x 40 inches (almost double in size). Robinson is known for the giverny landscape with figures, of attractive women.
Paintings	American Art before 1950	\$ 200,000	\$ 300,000	Betty Krulik	DIA no. 70.831	Benjamin West	Lot Fleeing from Sodom	1810 Oil on panel	Framed: 54 1/2 x 85 3/8 x 2 1/2 in. ( 138.43 x 216.85 x 6.35 cm); 47 1/8 x 78 1/8 in. (119.7 x 198.4 cm)	large history paintings that have little to do with American History rarely sell well, with the exception of The Battle of La Hogue at \$632,000 in 2006 a work of similar size. which sold against an estimate of 250,000. This being oversized and a relative of similar date to the record price of \$3.3M for the NYPublic Library work. at the height of the market, this would do well as she is attractive and an american sitter.
Paintings	American Art before 1950	\$ 2,500,000	\$ 3,500,000	Betty Krulik	DIA no. 70.900	John Singleton Copley	Hannah Loring	1763 Oil on canvas	49 3/4 x 39 1/4 in. (126.4 x 99.7 cm); Framed: 58 1/4 x 49 1/4 x 4 in.	
Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 72.839	Thomas Wilmer Dewing	Classical Figures	1898 Oil on panel	Center panel: 65 1/8 x 24 in. (165.4 x 61.0 cm); Left panel: 65 1/8 x 24 in. (165.4 x 61.0 cm); Right panel: 65 x 23 in.(165.1 x 58.4 cm); Framed: (H at left x W foot to) 74 1/4 x 76 1/2 in. (188.6 x 194.3 cm)	This series is very large and very faint and tonal. The most appropriate comparables are the 2004 (the height of the market) pair that came up at Shannons for 100-150K each. they were in rough condition and did not sell. These are of similar size and degree of tonality, better condition, therefore a value of \$300-500K is appropriate
Paintings	American Art before 1950	\$ 1,500,000	\$ 2,500,000	Betty Krulik	DIA no. 73.41	John Singer Sargent	Madame Paul Poirson	1885 Oil on canvas	60 x 34 in. (152.4 x 86.4 cm); Framed: 78 x 52 x 4 1/8 in.	Young women in white dresses are amongst the most saleable of Sargents portraits. in 2013 Mrs. Richard Derby sold for \$1.8M, however the most comparable work is the Mrs. Pauline Astor which sold for \$1.9M in 1997. the market for Sargent portraits has held steady. The market has been cautious in the past 5 years, evidenced by Mrs. C. Endicott selling in 2007 for \$2.1M, and reselling in 2010 for \$1.3.M (a drop of a third)
Paintings	American Art before 1950	\$ 40,000,000	\$ 60,000,000	Betty Krulik	DIA no. 76.89	Frederic Edwin Church	Cotopaxi	1862 oil on canvas	Unframed: 48 _ 85 in. (121.9 _ 215.9 cm); Framed: 66 5/8 in. _ 103 in. _ 6 1/4 in. (169.2 _ 261.6 _ 15.9 cm)	While this work is dramatic, large and iconic, the market at the highest end is very small. This appraiser would value the top end of the american art market in the 30-50M range as that is the range in which the Icons have sold over the past 10 years, at the height of the market, and now when the highest priced works have not exceeded \$50,000,000.
Paintings	American Art before 1950	\$ 1,500,000	\$ 2,500,000	Betty Krulik	DIA no. 78.38	Jasper Francis Cropsey	Indian Summer	1866 Oil on canvas	53 x 95 in. (134.6 x 241.3 cm); Framed: 74 5/8 x 116 1/2 x 7 1/2 in. 17 1/2 x 21 1/2 in.; 44.5 x 54.6 cm; Framed : 29 3/4 x 34 x 3 1/2	Super large this work would make more than the record for Cropsey in the US of 1M, and nearly as much as the Richmond Hill picture that sold at this work is grey and tonal, it has some small figures holding flowers but it lacks the figural dominance that the market prefers in Hassams Paris views. the most appropriate comparable is the Larger (21 x 28) Quai St Michel, which sold for \$2M in 2011. even before the recession a rainy street scene sold in 2007 for \$1.2M
Paintings	American Art before 1950	\$ 1,200,000	\$ 1,800,000	Betty Krulik	DIA no. 79.143	Childe Hassam	Notre Dame Cathedral, Paris, 1888	1888 Oil on canvas	23 3/8 x 50 5/8 in. (59.5 x 128.5 cm); Framed: 36 1/2 x 63 1/8 x 3 1/8 in.	an important painting but difficult "sell" a value close to the Battle of La Hogue (\$632000 in 2006) example is appropriate, but less as the work is significantly smaller.
Paintings	American Art before 1950	\$ 300,000	\$ 500,000	Betty Krulik	DIA no. 79.33	Benjamin West	Death on the Pale Horse; Alternate Title: The Opening of the Four Seals	1796 Oil on canvas		

Paintings	American Art before 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 82.26	John White	Alexander	Panel for Music Room	1894 Oil on canvas	37 x 77 3/4 in. (94.0 x 197.5 cm); Framed: 50 1/2 x 90 3/4 x 3 in.	This work is large, while it is lovely the size is a detriment, the record price for Alexander is \$500,000. in 1995., it was just a bit larger. than the subject work. Few Alexanders and no comparables have come on the market in the last 15 years. the one that did repeat only increased in price by 10% in 15 years.
Sculpture	American Art before 1950	\$	40,000	\$	60,000	Betty Krulik	DIA no. 82.3	Paul	Manship	The Moods of Time: Evening	1938 Bronze	44 x 67 in.; 111.8 x 170.2 cm	The set of two came up at bonhams in 2009 selling for \$90K, therefore the individual Moods of Time, Evening would be worth half.
Paintings	American Art before 1950	\$	1,800,000	\$	2,200,000	Betty Krulik	DIA no. 2011.18	Sanford Robinson	Gifford	On the Nile	1872 Oil on canvas	17 x 31 in.	A recent purchase the purchase price is the Fair Market Value
Paintings	European Painting	\$	80,000	\$	120,000	Betty Krulik	DIA no. 85.3	Rembrandt	Peale	The Court of Death	1820 Oil on canvas	Framed: 152 x 295 x 7 inches ( 386.08 x 749.3 x 17.78 cm); 138 x 281 inches (350.5 x 713.7 cm)	this very large allegory is a difficult sell because of its huge format, and dark subject matter. It is unlikely that it would be shown by a collector or an institute due to its large size. Closest comps are not

<b>Artvest Total American Art</b>	<b>\$</b>	<b>220,235,000</b>	<b>\$</b>	<b>322,205,000</b>
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Furniture	American Art before 1950	\$	800,000	\$	1,200,000	JHY	DIA no. 48.274	Nathan	Bowen	Chest on Chest	1774 Mahogany, white pine and brass	90 1/2 x 45 1/2 x 23 1/2 in.; 229.9 x 115.6 x 59.7 cm	Sotheby's NY, Jan. 23, 2009, lot 174, \$1,762,500; Sotheby's NY, Jan. 19, 2002, lot 189, \$913,250; Christie's NY, Jan. 17, 2008, lot 461, \$1,049,000	
Furniture	American Art before 1950	\$	400,000	\$	600,000	JHY	DIA no. 66.131	George	Bright	Secretary; Alternate Title: Secretary Bookcase	between 1770 and 1785	mahogany, white pine, mirrors, gilt and brass	Overall: 102 1/2 in. _ 42 1/2 in. _ 24 in. (260.4 _ 108 _ 61 cm)	Sotheby's NY, Jan. 22, 2004, lot 1169, \$430,400; Sotheby's NY, Jan 19, 2007, Lot 585, \$420,000 Sotheby's NY Jan. 18, 2008, lot 186, \$337,000.
Furniture	American Art before 1950	\$	1,000,000	\$	2,000,000	JHY	DIA no. 73.3	Henry Clifton and Thomas	Carteret	High Chest of Drawers; Alternate Title: High Boy	1755/1765	Mahogany and brass	overall height: 96 3/4 in.; 245.7 cm; top: 59 1/2 x 45 x 22 5/8 in.; 151.1 x 114.3 x 57.5 cm; bottom: 37 1/4 x 44 1/4 x 22 1/4 in.; 94.6 x 112.4 x 56.5 cm	Comparable one was a sale for \$1.8 million Christie's NY auction, May 19, 2005, lot 109; comparable two was from Christie's NY auction September 25, 2008, Lot 31, \$1,082,500; comparable three is a dressing table from Sotheby's NY, September 26, 2008, lot 9 for \$1,142,500.
Timepieces	Timepieces	\$	60,000	\$	80,000	JHY	DIA no. 1997.72.A	Louis Comfort	Tiffany	Tall Case Clock	1882/1883	Mahogonized cherry; stained glass; silvered bronze and leather	Clock and base: 97 x 20 3/4 x 20 3/4 in. (246.4 x 52.7 x 52.7 cm)	Sotheby's NY, Ocotober, 13- 15, 2004, lot 712, \$54,000; Sotheby's NY, October 12, 2004, lot 70, \$54,000

<b>Artvest Total American Furniture</b>	<b>\$</b>	<b>2,260,000</b>	<b>\$</b>	<b>3,880,000</b>
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Sculpture	Ancient Near Eastern Art Sculpture	\$ 30,000,000	\$ 70,000,000	JHY	DIA no. 31.25	Neo-Babylonian	Ishtar Gate, Dragon of Marduk; title: Ishtar Gate, Dragon of Marduk; Alternate Title: Mushhush	between 604 and 562 BCE	glazed terracotta and molded brick	Overall: 45 1/2 _ 65 3/4 inches (115.6 _ 167 cm)	No direct auction comparables. The closest would be the Diana sold by Albright-Knox, Sotheby's, June 7, 2006, for \$28 million; or the Limestone figure of a Lionness, Sotheby's, December 5, 2007 for \$57 million formerly from the Martin Collection. Other terracotta fragments in Museums in North America have lions, this is the only one that is a dragon. Also, this specific example came from the wall of the gate itself; the lions were along the wall flanking the way, and this could be an important differential in selling price were this to be sold at auction, hence our large spread in the estimate.
Sculpture	Ancient Near Eastern Art Sculpture	\$ 40,000,000	\$ 80,000,000	JHY	DIA no. 50.32	Neo-Assyrian	Tiglath-Pileser III Receiving Homage	745/727 BC	Limestone relief carving	48 x 94 in.; 121.9 x 238.8 cm	An Assyrian relief in the Miho Museum is 110 x 183 cm. (roughly half the size of the one in the DIA collection) and was purchased by them in the early 90's setting a new record price at approximately \$12 million at Sotheby's NY, the last time a figurative panel from this important site was sold at auction. On December 10, 2010, lot 33 sold for \$290 thousand, which was approximately 10cm. x 10 cm.
Sculpture	Ancient Near Eastern Art Sculpture	\$ 10,000,000	\$ 30,000,000	JHY	DIA no. 82.64	Neo-Sumerian	Gudea of Lagash	2141/2122 BC	Paragonite	15 1/2 x 5 1/4 x 2 1/2 in. (39.37 x 13.34 x 6.35 cm)	No direct auction comparables. Figures from this culture are very rare. Three more primitive figures from an earlier (and less valuable period) were sold at auction: Sotheby's NY, June 7, lot 80, \$3,176,000, An Elamite copper figure, circa 300 - 2800 BC from teh Albright-Knox Museum; Sotheby's NY June 7, 2007 lot 81, \$1,720,000, A Summarian figure from the Albright-Knox Museum; and Sotheby's NY, Dec. 10, 2008, lot 59, \$782,500.

<b>Artvest Total</b>	<b>\$ 80,000,000</b>	<b>\$ 180,000,000</b>
<b>Ancient Near Eastern Art</b>		

Paintings	Asian Art	\$ 200,000	\$ 300,000	JHY	DIA no. 40.161	Shen	Zhou	Ode to the Pomegranate and Melon Vine	c. 1506/1509	Ink and colors on paper	Image: 59 3/16 x 31 in.; Overall scroll including hanging fabric and bottom roller: 111 5/8 x 41 in.; 280.7 x 104.1 cm	Christie's Hong Kong, October 27, 2002, lot 418, \$224,133; Christie's Hong Kong, March 18, 2009, lot 339, \$218,500
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<b>Artvest Total</b>	<b>\$ 200,000</b>	<b>\$ 300,000</b>
<b>Asian Art</b>		

Sculpture	Contemporary Art after 1950	\$ 26,000,000	\$ 28,000,000	Sabine Wilson	DIA no. 1988.175	Alberto	Giacometti	Standing Woman II; Title: Grand femme debout II	1960 bronze	Overall: 108 1/2 inches _ 12 1/4 inches _ 23 inches (275.6 _ 31.1 _ 58.4 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$ 10,000,000	\$ 15,000,000	Sabine Wilson	DIA no. 1988.177	Willem	de Kooning	Merritt Parkway	1959 Oil on canvas	Canvas: 80 x 70 1/2 in. (203.2 x 179.1 cm); Framed: 81 x 70 7/8 x 2 in	Summary not provided

Paintings	Contemporary Art after 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 1988.18	Joan Mitchell	Before, Again II	1985 Oil on canvas	110 x 78 3/4 x in. ( 200.0 cm x 279.4 ); Framed: 111 3/8 x 79 7/8 x 2 1/4 in. (282.9 x 203.1 x 5.7 cm)	Mitchell prices are in flux currently, two almost exact comparable sold in December of 2013 in Sothebys Paris for \$4.7M, and another at Christies Paris in May of 2013 for \$2.8M. Works from the 1960s have made record prices in the past year, but the 1980s are steady.
Paintings	Contemporary Art after 1950	\$	6,000,000	\$	8,000,000	Sabine Wilson	DIA no. 1992.1	Roy Lichtenstein	Interior with Mirrored Closet	1991 Oil and magna on canvas	118 1/4 x 144 1/8 x 2 5/8 in. (300.4 x 366.1 x 6.7 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	1,500,000	\$	2,000,000	Sabine Wilson	DIA no. 2010.106	Philip Guston	Driver	1975 Oil on canvas	Framed: 72 1/2 x 76 1/2 in.; Unframed: 63 1/4 x 67 1/4 in.	Summary not provided
Paintings	Contemporary Art after 1950	\$	9,000,000	\$	12,000,000	Sabine Wilson	DIA no. 55.353	Francis Bacon	Study for Crouching Nude	1952 oil and sand on canvas	Framed: 85 3/8 _ 61 1/2 _ 3 7/8 inches (216.9 _ 156.2 9.8 cm); Canvas: 45 1/2 x 35 in. (115.6 x 88.9 cm); Framed: 46 5/8 x 35 7/8 x 1 3/4 in. ( 118.4 x 91.1 x 4.4 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	2,500,000	\$	4,000,000	Sabine Wilson	DIA no. 60.88	Alberto Giacometti	Annette Seated	1958 Oil and pencil on canvas	Framed: 46 5/8 x 35 7/8 x 1 3/4 in. ( 118.4 x 91.1 x 4.4 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	3,000,000	\$	4,000,000	Betty Krulik	DIA no. 63.156	Stuart Davis	Standard Brand	1961 Oil on canvas	60 x 46 in. (152.4 x 116.8 cm); Framed: 67 5/8 x 53 3/4 x 2 5/8 in. ( 171.8 x 136.5 x 6.7 cm)	a large but LATE work, most of these late works are smaller 20 x 14 ish, and sell in the 700K range this being significantly larger would sell for close to the records.
Paintings	Contemporary Art after 1950	\$	1,500,000	\$	2,000,000	Sabine Wilson	DIA no. 64.155.A	Robert Indiana	The Brooklyn Bridge; Alternate Title: Night 1	1964 Oil on canvas	135 x 135 x 1 1/2 in.; 342.9 x 342.9 x 3.81 cm	Summary not provided
Paintings	Contemporary Art after 1950	\$	18,000,000	\$	24,000,000	Sabine Wilson	DIA no. 65.310	Clyfford Still	Painting, 1951; title: Painting, 1951	1951 Oil on canvas	93 1/2 x 82 x 1 1/2 in. ( 237.49 x 208.28 x 3.81 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	15,000,000	\$	20,000,000	Sabine Wilson	DIA no. 65.7	Franz Kline	Siskind	1958 Oil on canvas	Canvas: 80 x 111 in. (203.2 x 281.9 cm); Framed: 81 1/2 x 112 1/2 x 2 3/8 in. ( 207.01 x 285.75 x 6.03 cm); Canvas: 80 x 111 in. (203.2 x 281.9 cm); Framed: 81 1/2 x 112 1/2 x 2 3/8 in. ( 207.01 x 285.75 x 6.03 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	3,000,000	\$	5,000,000	Betty Krulik	DIA no. 65.76	John Chamberlain	Coo Wha Zee	1962 Painted steel	72 x 60 x 50 in.; 182.9 x 152.4 x 127.0 cm	a large works of excellent date. the record prices are over \$4M.in recent years.
Paintings	Contemporary Art after 1950	\$	30,000,000	\$	40,000,000	Sabine Wilson	DIA no. 65.8	Mark Rothko	Orange, Brown; Alternate Title: No. 202 (Orange, Brown)	1963 Oil on canvas	Canvas: 89 1/2 x 70 in. (227.3 x 177.8 cm); Framed: 90 1/8 x 69 1/8 x 2 1/2 in. (228.9 x 175.6 x 6.4 cm)	Summary not provided

Sculpture	Contemporary Art after 1950	\$	10,000,000	\$	20,000,000	Betty Krulik	DIA no. 66.36	David	Smith	Cubi I	1963 Stainless steel	124 x 34 1/2 x 33 1/2 in.; 315 x 87.6 x 85 cm	Few of these great works have come on the market in 1994 a record was achieved for a similarly dated work of \$4M. then in 2005 the recent record of \$23M was set for another large work from the same series. with the wild upswing in the contemporary masters market an appropriate value would range from \$10-20M, as this work has the balance issues for which he is best known.
Paintings	Contemporary Art after 1950	\$	2,000,000	\$	2,500,000	Sabine Wilson	DIA no. 66.68	Frank	Stella	Union I	1966 Alkyd fluorescent and epoxy paints on canvas	104 1/2 x 173 3/4 x 4 1/8 in. (265.4 x 441.3 x 10.5 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	3,000,000	\$	4,000,000	Betty Krulik	DIA no. 67.113	Alexander	Calder	The X and Its Tails	1967 Steel plate with black paint	120 x 120 x 144 in.; 304.8 x 304.8 x 365.8 cm	Calders The Wave and The Clove sold by Christies in 2011 for \$3.8M and \$2.8M are the most appropriate comparables due to the size and date of execution. Also the fact that they are Stables, not mobiles
Paintings	Contemporary Art after 1950	\$	20,000,000	\$	25,000,000	Sabine Wilson	DIA no. 68.292.1	Andy	Warhol	Self Portrait; former: Double Self Portrait	1967 acrylic and silkscreen enamel on canvas	Framed: 72 1/4 _ 72 1/4 _ 1 3/8 in. (183.5 _ 183.5 _ 3.5 cm); Unframed: 72 _ 72 in. (182.9 _ 182.9 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	20,000,000	\$	25,000,000	Sabine Wilson	DIA no. 68.292.2	Andy	Warhol	Self Portrait	1967 Screen print in paint on canvas	Panel: 72 x 72 in. (182.9 x 182.9 cm); Framed: 72 1/4 x 72 1/4 x 1 3/8 in. (183.5 x 183.5 x 3.5 cm)	Summary not provided

Paintings	Contemporary Art after 1950	\$	6,000,000	\$	8,000,000	Sabine Wilson	DIA no. 69.1	Jean	Dubuffet	Le plomb dans l'aile; Alternate Title: Shot in the Wing; Alternate Title: Hard Hit	1961 Oil on canvas	Canvas: 74 1/2 x 98 3/4 in. (189.2 x 250.8 cm); Framed: 75 7/8 x 100 x 3 1/4 in. ( 192.7 x 254 x 8.3 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	300,000	\$	500,000	Betty Krulik	DIA no. 69.361	Ellsworth	Kelly	Black White	1968 Painted 1/2 inch aluminum	100 x 146 x 40 in.; 254.0 x 370.8 x 101.6 cm	known primarily for shaped canvases and sculpture and the works that sell best are from the 1980s, this early minimal work is monumental and shows the artists direction but is not iconic.therefore a modest value is appropriate
Paintings	Contemporary Art after 1950	\$	5,000,000	\$	7,000,000	Sabine Wilson	DIA no. 69.48	Robert	Rauschenberg	Creek	1964 Screen print in oil on canvas	Canvas: 72 x 96 in. (182.9 x 243.8 cm); Framed: 72 5/8 x 96 3/4 x 1 7/8 in. ( 184.5 x 245.8 x 4.8 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	1,200,000	\$	1,800,000	Sabine Wilson	DIA no. 71.385.A	Richard	Artschwager	Hospital Ward	1968/1969 Acrylic on celotex	each panel: 68 3/4 x 45 5/8 x 1 1/2 in. ( 174.6 x 115.9 x 3.8 cm); Total triptych: 68 3/4 x 136 7/8 x 1 1/2 in. ( 174.6 x 347.7 x 3.8 cm)	Summary not provided
Paintings	Contemporary Art after 1950	\$	35,000,000	\$	45,000,000	Sabine Wilson	DIA no. 76.78	Barnett	Newman	Be I (second version)	1970 Acrylic on canvas	111 1/2 x 84 x 1 5/16 in. (283.2 x 213.4 x 3.3 cm)	Summary not provided
Sculpture	Contemporary Art after 1950	\$	300,000	\$	400,000	Betty Krulik	DIA no. 76.95	Robert	Smithson	Non Site - Site Uncertain	1968 cannel coal, steel and enamel	Overall: 15 _ 90 _ 90 inches (38.1 _ 228.6 _ 228.6 cm)	other non site works withthe same materials have come on the market in the last 5 to 6 years and made \$385K, and slightly less prior. with the market for this rare earth artist rising a value of 3-400K is appropriate
Paintings	Contemporary Art after 1950	\$	1,500,000	\$	2,500,000	Betty Krulik	DIA no. 77.12	Andrew	Wyeth	Sea Boots	1976 Tempera on masonite	29 x 19 3/4 in. (73.7 x 50.2 cm); Framed : 34 1/2 x 25 2/16 x 1 3/4 in. ( 87.63 x 64.29 x 4.45 cm)	The wyeth market has been flat since shortly after the artis died in 2009. we saw a short spike up in prices then most of the major temperas have failed to sell. This work while small is of the great date, and has the air of mystery for which Wyeth is well known.
Sculpture	Contemporary Art after 1950	\$	6,000,000	\$	8,000,000	Betty Krulik	DIA no. 79.34	Eva	Hesse	Accession II	1969 galvanized steel and vinyl	Overall: 30 3/4 _ 30 3/4 _ 30 3/4 inches (78.1 _ 78.1 _ 78.1 cm)	The highest price at auction is \$3 to \$4 million for quite different works, but nothing this complex has come up for auction.

Artvest Contemporary Art After 1950	\$ 238,800,000	\$ 318,700,000
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Paintings	European Modern Art to 1950	\$ 15,000,000	\$ 20,000,000	Sabine Wilson	DIA no. 1988.176	Pablo	Picasso	Seated Woman	1960	Oil on canvas	Canvas: 57 1/2 x 45 in. (146.1 x 114.3 cm); Framed: 58 5/8 x 46 1/4 x 2 in. ( 148.9 x 117.5 x 5.08 cm)	Summary not provided
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Paintings	European Modern Art to 1950	\$ 2,000,000	\$ 3,000,000	Sabine Wilson	DIA no. 1988.178	Pablo	Picasso	Fruit, Carafe and Glass	1938	Oil on canvas	25 5/8 x 32 in.; 65.1 x 81.3 cm	Summary not provided
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Paintings	European Modern Art to 1950	\$ 1,000,000	\$ 3,000,000	Sabine Wilson	DIA no. 1999.119.A	Raoul	Dufy	The Allegory of Electricity	1936/1937	Watercolor, gouache on paper mounted on canvas	Overall: 38 1/2 x 235 in. (97.8 x 596.9 cm)	Summary not provided
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Paintings	European Modern Art to 1950	\$ 18,000,000	\$ 22,000,000	Sabine Wilson	DIA no. 2005.60	Pablo	Picasso	Girl Reading	1938	Oil on canvas	Framed: 35 1/2 x 30 in.; Unframed: 27 1/4 x 21 3/4 inches	Summary not provided
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Paintings	European Modern Art to 1950	\$ 4,500,000	\$ 6,500,000	Sabine Wilson	DIA no. 2005.62	Henri	Matisse	Anemones and Peach Blossoms	1944	Oil on canvas	Unframed: 21 3/4 _ 25 1/2 in. (55.2 _ 64.8 cm); Framed: 31 1/8 _ 35 1/2 _ 3 3/4 in. (79.1 _ 90.2 _ 9.5 cm)	Summary not provided
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Sculpture	European Modern Art to 1950	\$ 800,000	\$ 1,200,000	Sabine Wilson	DIA no. 2006.153	Raymond	Duchamp-Villon	Le Cheval Majeur (The Large Horse)	modeled 1914, Cast bronze cast 1966	59 x 58 1/2 x 31 1/2 in.	Summary not provided	
Sculpture	European Modern art to 1950	\$ 25,000,000	\$ 30,000,000	Sabine Wilson	DIA no. 22.143	Auguste	Rodin	The Thinker	1904 Bronze	200.7 x 130.2 x 140.3 cm (79 x 51 1/4 x 55 1/4 in.); weight approximately 2,000 lbs; Granite base weight 12,000 lbs	Summary not provided	
Paintings	European Modern Art to 1950	\$ 80,000	\$ 140,000	Sabine Wilson	DIA no. 30.291	Max	Kaus	Man in a Fur Coat	c. 1918	Oil on canvas	Canvas: 29 1/2 x 25 3/4 in. (74.9 x 65.4 cm); Framed: 37 x 33 7/16 x 1 3/4 in. ( 94 x 84.8 x 4.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	Zero	value of the real estate	Betty Krulik estate	DIA no. 33.10	Diego M.	Rivera	Detroit Industry Murals	1932-1933	frescoes	various dimensions	the works would be destroyed if they were removed from the building, therefore the value is 0 OR the value of the real estate
Paintings	European Modern Art to 1950	\$ 2,000,000	\$ 3,000,000	Sabine Wilson	DIA no. 35.110	Oskar	Kokoschka	View of Jerusalem	1929-1930	oil on canvas	Unframed: 31 1/2 _ 50 1/2 inches (80 _ 128.3 cm); Framed: 42 7/8 _ 61 13/16 _ 4 1/2 inches (108.9 _ 157 _ 11.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 700,000	\$ 1,000,000	Sabine Wilson	DIA no. 37.2	Karl	Schmidt-Rottluff	Rain Clouds, Lago di Garda	1927	Oil on canvas	Framed: 43 x 52 7/8 x 2 7/8 in. (109.2 x 134.3 x 7.3); Canvas: 34 1/2 x 44 1/4 in. (87.6 x 112.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 5,000,000	\$ 7,000,000	Sabine Wilson	DIA no. 40.58	Ernst Ludwig	Kirchner	Winter Landscape in Moonlight; Alternate Title: Mountain Landscape	1919	Oil on canvas	Unframed: 47 1/2 x 47 1/2 in. (120.7 x 120.7 cm); Framed: 50 1/2 x 50 1/2 x 2 5/8 in. (128.3 x 128.3 x 6.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,500,000	\$ 2,500,000	Sabine Wilson	DIA no. 44.271	Heinrich	Campendonk	In the Forest; Alternate Title: Im Wald	ca 1919	Oil on canvas	Canvas: 33 x 39 in. (83.8 x 99.1 cm); Framed: 38 1/4 x 44 3/16 x 2 in. ( 97.2 x 112.2 x 5.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,500,000	\$ 2,500,000	Sabine Wilson	DIA no. 50.20	Max	Beckmann	Still Life with Lilies	1949	Oil on canvas	Canvas: 37 1/4 x 24 in. (94.6 x 61.0 cm); Framed: 43 1/2 x 31 7/8 x 2 5/8 in	Summary not provided
Paintings	European Modern Art to 1950	\$ 3,000,000	\$ 5,000,000	Sabine Wilson	DIA no. 51.65	Otto	Dix	Self Portrait	1912	Oil on paper mounted on poplar panel	Panel: 29 x 19 1/2 in. (73.7 x 49.5 cm); Framed: 34 5/8 x 25 1/2 x 3 1/2 in. (87.95 x 64.8 x 8.89 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 200,000	\$ 300,000	Sabine Wilson	DIA no. 53.470	Oskar	Kokoschka	The Cat	1926	Oil on canvas	Framed: 47 7/16 x 61 1/4 x 3 3/8 in. (120.5 x 155.6 x 8.6 cm); Canvas: 35 3/4 x 49 1/2 in. (90.8 x 125.7 cm)	Summary not provided

Paintings	European Modern Art to 1950	\$ 2,000,000	\$ 3,000,000	Sabine Wilson	DIA no. 54.460	Emil Nolde	Sunflowers; Alternate Title: Reife Sonnenblumen	1932	Oil on canvas	Canvas: 29 x 35 in. (73.7 x 88.9 cm); Framed: 35 1/2 x 42 3/4 x 3 in. ( 90.17 x 108.59 x 7.62 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 18,000,000	\$ 24,000,000	Sabine Wilson	DIA no. 55.410	Max Beckmann	Self Portrait in Olive and Brown	1945	Oil on canvas	Canvas: 23 3/4 x 19 5/8 in. (60.3 x 49.8 cm); Framed: 31 5/8 x 27 1/4 x 2 3/8 in. (80.3 x 69.2 x 6.0 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 25,000,000	\$ 40,000,000	Sabine Wilson	DIA no. 56.144	Franz Marc	Animals in a Landscape	1914	Oil on canvas	Canvas: 43 3/8 x 39 1/4 in. (110.2 x 99.7 cm); Framed: 46 7/8 x 43 x 2 1/4 in. (119 x 109.2 x 5.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,500,000	\$ 2,500,000	Sabine Wilson	DIA no. 57.182	Otto Mueller	Gypsy Encampment; Alternate Title: Zigeuner vor Zelt	c. 1925	Oil on canvas (see notes)	Canvas: 41 1/2 x 57 in. (105.4 x 144.8 cm); Framed: 43 1/2 x 59 5/16 x 2 3/4 in. ( 110.5 x 150.6 x 7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 20,000,000	\$ 30,000,000	Sabine Wilson	DIA no. 57.234	Wassily Kandinsky	Study for Painting with White Form	1913	oil on canvas	Framed: 41 3/8 _ 36 1/2 _ 1 1/2 inches (105.1 _ 92.7 _ 3.8 cm); Unframed: 39 1/4 _ 34 3/4 inches (99.7 _ 88.3 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,500,000	\$ 2,500,000	Sabine Wilson	DIA no. 58.385	Paula Modersohn-Becker	Old Peasant Woman	c. 1905	Oil on canvas	Canvas: 29 3/4 x 22 3/4 in. (75.6 x 57.8 cm); Framed: 36 x 29 x 2 1/4 in. ( 91.4 x 73.7 x 5.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 800,000	\$ 1,200,000	Sabine Wilson	DIA no. 59.443	Pierre Bonnard	Woman with Dog	1924	Oil on canvas	31 x 15 5/8 in. ( 78.7 x 39.7 cm); Framed: 37 1/2 x 22 1/2 x 2 5/8 in. (95.3 x 57.2 x 6.7 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,200,000	\$ 1,600,000	Sabine Wilson	DIA no. 59.450	Ernst Ludwig Kirchner	Cafe	1928	Oil on canvas	Canvas: 31 1/2 x 27 1/2 in. (80.0 x 69.8 cm); Framed: 37 1/2 x 33 1/2 x 1 1/2 in.	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,000,000	\$ 1,500,000	Sabine Wilson	DIA no. 61.48	Joan Miró	Women and Bird in the Night; Alternate Title: Femmes et Oiseau dans la Nuit	1944	Oil on canvas	15 x 18 in.; 38.1 x 45.7 cm; Framed dimensions: 22 1/2 x 25 3/4 x 2 1/2	Summary not provided
Paintings	European Modern Art to 1950	\$ 12,000,000	\$ 15,000,000	Sabine Wilson	DIA no. 62.126	Pablo Picasso	Portrait of Manuel Pallares	1909	Oil on canvas	26 3/4 x 19 1/2 in. ( 67.9 x 49.5 cm); Framed: 37 1/4 x 30 3/4 x 3 3/8 in. ( 94.6 x 78.1 x 8.6 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 3,000,000	\$ 4,500,000	Sabine Wilson	DIA no. 62.141	Pablo Picasso	Sylvette	1954	Oil on canvas	Unframed: 39 1/4 x 32 in. (99.7 x 81.3 cm); Framed: 48 5/8 x 41 x 1 3/4 in. (123.5 x 104.1 x 4.4 cm)	Summary not provided

Sculpture	European Modern Art to 1950	\$ 600,000	\$ 800,000	Sabine Wilson	DIA no. 62.97	Henry Moore	Reclining Figure	1930	Ancaster stone	13 x 20 1/4 x 7 3/4 in.; 33 x 51.4 x 19.7 cm	Summary not provided
Paintings	European Modern Art to 1950	\$ 700,000	\$ 1,000,000	Sabine Wilson	DIA no. 63.133	Oskar Kokoschka	Girl with Doll	c. 1921	Oil on canvas	Canvas: 36 x 32 in. (91.4 x 81.3 cm); Framed: 43 1/4 x 39 3/8 x 2 1/2 in. (109.9 x 100.0 x 6.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 800,000	\$ 1,200,000	Sabine Wilson	DIA no. 63.134	Karl Schmidt-Rottluff	Man with a Green Beard	c. 1920	Oil on canvas	Framed: 42 5/16 x 36 3/4 x 2 1/8 in. (107.5 x 93.4 x 5.4 cm); Canvas: 35 1/2 x 30 1/4 in. (90.2 x 76.8 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,500,000	\$ 2,500,000	Sabine Wilson	DIA no. 63.135	Karl Schmidt-Rottluff	Evening by the Sea	1919	Oil on canvas	Canvas: 34 x 39 3/4 in. (86.4 x 101.0 cm); Framed: 38 3/4 x 44 1/4 x 1 5/8 in. (98.4 x 112.4 x 4.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 700,000	\$ 1,000,000	Sabine Wilson	DIA no. 64.218	Karl Hofer	Wind	1937	Oil on canvas	Canvas: 48 x 38 3/4 in. (121.9 x 98.4 cm); Framed: 52 3/8 x 44 3/16 x 1 1/2 in. (133.3 x 113.3 x 3.8 cm)	Summary not provided
Sculpture	European Modern Art to 1950	\$ 800,000	\$ 1,500,000	Sabine Wilson	DIA no. 64.264	Jean Arp	Torso of a Giant	1964	Bronze	49 x 34 x 35 in.; 124.5 x 86.4 x 88.9 cm	Summary not provided
Paintings	European Modern Art to 1950	\$ 6,000,000	\$ 8,000,000	Sabine Wilson	DIA no. 64.84	Juan Gris	Still Life	1916	Oil on canvas	Canvas: 31 3/4 x 23 1/2 in. (80.6 x 59.7 cm); Framed: 40 3/8 x 32 1/2 x 2 1/8 in. (102.55 x 81.44 x 5.08 cm)	Summary not provided
Sculpture	European Modern Art to 1950	\$ 2,500,000	\$ 5,000,000	Sabine Wilson	DIA no. 65.108	Henry Moore	Reclining Figure	1939	elmwood	Overall: 37 _ 79 _ 30 in. (94 _ 200.7 _ 76.2 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 12,000,000	\$ 14,000,000	Sabine Wilson	DIA no. 66.66	Joan Miró	Self Portrait II; translated: Autoportrait II	1938	oil on burlap	Framed: 52 3/8 _ 78 1/16 _ 2 1/2 in. (133 _ 198.3 _ 6.4 cm); Unframed: 51 _ 77 in. (129.5 _ 195.6 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 8,000,000	\$ 12,000,000	Sabine Wilson	DIA no. 70.158	Vincent Willem van Gogh	The Diggers; Alternate Title: Les Becheurs	1889	Oil on paper lined onto canvas	25 5/8 x 19 3/4 in. (65.1 x 50.2 cm); Framed: 35 5/8 x 29 3/4 x 2 1/2 in. (90.5 x 75.6 x 6.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 18,000,000	\$ 22,000,000	Sabine Wilson	DIA no. 70.161	Paul Cézanne	Mont Sainte-Victoire	c. 1904/1906	Oil on canvas	21 7/8 x 18 1/8 in.; 55.6 x 46.0 cm; Framed: 28 1/2 x 24 3/4 x 2 3/4 in.; 72.4 x 62.9 x 7.0 cm	Summary not provided
Paintings	European Modern Art to 1950	\$ 22,000,000	\$ 26,000,000	Sabine Wilson	DIA no. 70.175	Henri Matisse	Poppies	c. 1919	Oil on canvas	39 5/8 x 32 in. (100.6 x 81.3 cm); Framed: 47 5/8 x 40 1/4 x 3 5/8 in. (121.0 x 102.2 x 9.2 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 1,500,000	\$ 2,500,000	Sabine Wilson	DIA no. 70.185	Amedeo Modigliani	Young Man with a Cap	20th Century	Oil on canvas	Canvas: 24 x 14 7/8 in. (61.0 x 37.8 cm); Framed: 30 15/16 x 21 15/16 x 2 3/8 in. (78.6 x 55.7 x 6.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 4,000,000	\$ 8,000,000	Sabine Wilson	DIA no. 70.186	Amedeo Modigliani	A Man	1916	Oil on canvas	Framed: 28 3/8 x 24 13/16 x 3 3/4 in. (72.1 x 63 x 9.5 cm); Canvas: 18 1/8 x 15	Summary not provided



Paintings	European Modern Art to 1950	\$ 60,000,000	\$ 80,000,000	Sabine Wilson	DIA no. 70.190	Pablo	Picasso	Melancholy Woman; Alternate Title: La melancolie	1902	Oil on canvas	Canvas: 39 3/8 x 27 1/4 in. (100.0 x 69.2 cm); Framed: 46 5/8 x 34 3/4 x 1 3/4 in. (118.4 x 88.3 x 4.4 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 20,000,000	\$ 30,000,000	Sabine Wilson	DIA no. 70.191	Pablo	Picasso	Head of a Harlequin; Alternate Title: Tete d'arlequin	1905	Oil on canvas	16 x 13 in. (40.6 x 33.0 cm); Framed: 26 7/8 x 23 3/4 x 2 in. (68.3 x 60.3 x 5.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 3,000,000	\$ 5,000,000	Sabine Wilson	DIA no. 70.192	Pablo	Picasso	Bottle of Anis del Mono; Alternate Title: Bouteille d'anis del Mono et carte a jouer sur un gueridon	1915	Oil on canvas	Canvas: 18 1/8 x 21 1/2 in. (46.0 x 54.6 cm); Framed: 24 1/4 x 27 5/8 x 3 1/8 in. (61.6 x 70.2 x 7.9 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 40,000,000	\$ 60,000,000	Sabine Wilson	DIA no. 70.193	Pablo	Picasso	Woman Seated in an Armchair; Alternate Title: Femme assise dans un fauteuil	1923	Oil on canvas	Canvas: 51 1/4 x 38 1/4 in. (130.2 x 97.2 cm); Framed: 60 x 46 3/4 x 4 in. (152.4 x 118.7 x 10.2 cm)	Summary not provided
Sculpture	European Modern Art to 1950	\$ 1,000,000	\$ 1,200,000	Sabine Wilson	DIA no. 70.229	Constantin	Brancusi	Sleeping Child	c. 1906-1908	Bronze	5 3/4 x 4 1/4 x 5 1/2 in.; 14.6 x 10.8 x 14.0 cm	Summary not provided
Paintings	European Modern Art to 1950	\$ 800,000	\$ 1,000,000	Sabine Wilson	DIA no. 74.122	Yves	Tanguy	Shadow Country; Alternate Title: Terre d'ombre	1927	Oil on canvas	Canvas: 39 x 31 5/8 in. (99.1 x 80.3 cm); Framed: 42 1/2 x 35 1/8 x 2 3/8 in. (108.0 x 89.2 x 6.0 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 500,000	\$ 700,000	Sabine Wilson	DIA no. 74.123	Chaim	Soutine	Red Gladioli; Alternate Title: Les Glaiuels rouges	c. 1919	Oil on canvas	21 1/2 x 18 in. (54.6 x 45.7 cm); Framed: 29 5/8 x 25 5/8 x 3 5/8 in. (75.3 x 65.1 x 9.2 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 600,000	\$ 800,000	Sabine Wilson	DIA no. 75.59	Felix	Vallotton	Standing Nude Holding Gown on Her Knee	1904	Oil on canvas	51 1/4 x 38 1/4 in. (130.2 x 97.2 cm); Framed: 52 3/4 x 39 7/8 x 1 5/8 in. (134.0 x 101.3 x 4.1 cm)	Summary not provided
Paintings	European Modern Art to 1950	\$ 400,000	\$ 600,000	Sabine Wilson	DIA no. 76.159	Lovis	Corinth	Still Life with Lilacs; Alternate Title: Fliederstrauss	1917	Oil on canvas	canvas: 21 3/4 x 17 3/4 in. (55.2 x 45.1 cm); Framed: 22 7/8 x 18 15/16 x 1 1/4 in.	Summary not provided
Paintings	European Modern Art to 1950	\$ 200,000	\$ 400,000	Betty Krulik	DIA no. 77.5	Diego M.	Rivera	Edsel B. Ford	1932	Oil on canvas, mounted on masonite	Unframed: 38 1/2 x 49 1/4 in. (97.8 x 125.1 cm)	most male portraits (except the self portriat that sold for \$1M, do not sell well, they is more like the similar sized Barbara portrait which sold in 2011 for \$242K. But due to the importance of the sitter a wider estimate on the inside is appropriate
Paintings	European Painting	\$ 8,000,000	\$ 12,000,000	Sabine Wilson	DIA no. 1985.24	Pierre Auguste	Renoir	Woman in an Armchair; Alternate Title: Femme Assise dans un Fauteuil; Alternate Title: Lise	1874	Oil on canvas	24 x 19 7/8 in.; 61.0 x 50.5 cm; Framed: 35 x 29 1/2 x 3 7/8 in.; 88.9 x 74.9 x 9.8 cm	Summary not provided

Paintings	European Painting	\$	300,000	\$	500,000	Sabine Wilson	DIA no. 1985.25	Pierre Auguste Renoir	Clearing in the Woods; Alternate Title: La Foret de Fontainebleau	1865	Oil on canvas	Framed: 29 5/8 x 40 1/8 x 3 9/16 in. (75.3 x 101.9 x 9.1 cm); Canvas: 22 1/2 x 32 1/2 in. (57.2 x 82.6 cm)	Summary not provided
Paintings	European Painting	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 1988.9	Jean-Frederic Bazille	Still Life with Fish; Alternate Title: Poissons	1866	Oil on canvas	25 x 32 1/4 in. (63.5 x 81.9 cm); Framed: 32 x 39 3/4 x 3 1/2	Summary not provided
Paintings	European Painting	\$	5,000,000	\$	7,000,000	Sabine Wilson	DIA no. 1994.57	Pierre Auguste Renoir	The Spanish Guitarist; Alternate Title: Le Guitariste espagnol	1894	Oil on canvas	25 3/4 x 21 1/2 in. (65.4 x 54.6 cm); Framed dimensions: 32 3/4 x 28 3/8 x 3 1/4 in.	Summary not provided
Paintings	European Painting	\$	300,000	\$	500,000	Sabine Wilson	DIA no. 1992.8	Henri Gervex	Cafe Scene in Paris	1877	Oil on canvas	39 5/8 x 53 1/2 in. (100.5 x 136 cm.); Framed: 48 x 64 3/4 x 4 1/8 in. (121.9 x 164.5 x 10.5)	Summary not provided
Paintings	European Painting	\$	80,000,000	\$	120,000,000	Sabine Wilson	DIA no. 1996.25	Vincent Willem van Gogh	Portrait of Postman Roulin	1888	Oil on canvas	Canvas: 25 1/4 x 18 7/8 in. (64.1 x 47.9 cm); Framed: 34 3/4 x 28 3/4 x 3 1/4 in. (88.3 x 73.0 x 8.3 cm)	Summary not provided
Paintings	European Painting	\$	5,000,000	\$	7,000,000	Sabine Wilson	DIA no. 1998.65	Edgar Degas	Jockeys on Horseback before Distant Hills; Alternate Title: Riders Before Hillv Countrv	1884	Oil on canvas	Unframed: 17 11/16 x 21 5/8 in. (44.9 x 54.9 cm); Framed: 25 1/2 x 30 x 3 in. (64.8 x 76.2 x 7.6 cm)	Summary not provided
Paintings	European Painting	\$	800,000	\$	1,200,000	Sabine Wilson	DIA no. 21.8	Edgar Degas	Portrait of a Woman; Alternate Title: Portrait de Femme; Alternate Title: Mademoiselle Malot(?)	1877	Oil on canvas	Framed: 34 x 30 1/4 x 2 7/8 in. (86.36 x 76.84 x 7.30 cm); 25 1/2 x 21 in. (64.77 x 53.34 cm)	
Paintings	European Painting	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 44.90	Paul Klee	Reclining; Alternate Title: Liegen; Lying Down	c. 1937	Oil on burlap	Framed: 18 7/8 x 29 7/8 x 1 1/2 in. ( 48.2 x 76.1 x 3.8 cm); Canvas: 13 1/2 x 24 in. (34.3 x 61.0 cm)	Summary not provided
Paintings	European Painting	\$	800,000	\$	1,200,000	Sabine Wilson	DIA no. 48.279	Edgar Degas	Morning Ride	c. 1866	Oil on canvas	33 1/2 x 25 1/2 in.; 85.1 x 64.8 cm; with frame: 40 7/8 x 34 3/4 x 3 3/4 in.; 18 1/8 x 15 in.; 46.2 x 38.1 cm; Framed: 25 x 21 3/4 x 1-7/16 in. (depth without the more recently added extension on the verso); sight: 17-1/2 x 14 1/4 in.; 79.7 x 70.5 x 7.6 cm	Summary not provided
Paintings	European Painting	\$	7,000,000	\$	10,000,000	Sabine Wilson	DIA no. 69.306	Paul Gauguin	Self Portrait	c. 1893	Oil on canvas		

Paintings	European Painting	\$ 40,000,000	\$ 50,000,000	Sabine Wilson	DIA no. 70.159	Vincent Willem van Gogh	Bank of the Oise at Auvers	1890	Oil on canvas	Framed: 37 x 44 1/4 x 3 1/2 in. (94 x 112.4 x 8.9 cm.); Unframed: 28 7/8 x 36 7/8 in. (73.3 x 93.7 cm.)	Summary not provided
Paintings	European Painting	\$ 30,000,000	\$ 40,000,000	Sabine Wilson	DIA no. 70.160	Paul Cézanne	Madame Cezanne	c. 1886	Oil on canvas	39 5/8 x 32 in.; 100.6 x 81.3 cm; Framed: 49 3/8 x 41 1/2 x 4 5/8 in. 126.4 x (34.6 x 38.1 cm); Framed: 22 5/8 x 24 1/4 x 3 11/16 in. (57.5 x 61.6 x 9.4 cm)	Summary not provided
Paintings	European Painting	\$ 15,000,000	\$ 20,000,000	Sabine Wilson	DIA no. 70.162	Paul Cézanne	Bathers	c. 1880	Oil on canvas	Unframed: 13 3/4 _ 24 in. (34.9 _ 61 cm); Framed: 19 3/4 in. _ 29 7/8 in. _ 3 in. (50.2 _ 75.9 _ 7.6 cm)	Summary not provided
Paintings	European Painting	\$ 12,000,000	\$ 15,000,000	Sabine Wilson	DIA no. 70.163	Paul Cézanne	The Three Skulls	c. 1900	Oil on canvas	Unframed: 13 3/4 _ 24 in. (34.9 _ 61 cm); Framed: 19 3/4 in. _ 29 7/8 in. _ 3 in. (50.2 _ 75.9 _ 7.6 cm)	Summary not provided
Paintings	European Painting	\$ 1,500,000	\$ 2,000,000	Sabine Wilson	DIA no. 70.167	Edgar Degas	Violinist and Young Woman; Alternate Title: Violiniste et jeune femme tenant un cahier de musique	c. 1871	Oil and crayon on canvas	18 1/4 x 22 in.; 46.4 x 55.9 cm; Framed: 26 1/4 x 30 3/8 x 3 1/2 in.; 66.7 x 77.2 x 8.9 cm	Summary not provided
Paintings	European Painting	\$ 600,000	\$ 1,000,000	Sabine Wilson	DIA no. 70.168	Edgar Degas	Woman with a Bandage; Alternate Title: La femme au bandeau	1872/1873	Oil on canvas	Framed: 21 3/4 x 18 1/2 x 2 5/8 in. (55.25 x 46.99 x 6.67 cm); 13 x 9 3/4 in.; 33.0 x 24.8 cm	Summary not provided
Paintings	European Painting	\$ 800,000	\$ 1,000,000	Sabine Wilson	DIA no. 70.173	Edouard Manet	On the Beach; Alternate Title: Sur la plage	c. 1868	Oil on canvas	40.0 x 48.3 cm; with frame: 23 3/8 x 26 1/2 x 2 1/8 in.; 59.4 x 67.3 x 5.4	Summary not provided
Paintings	European Painting	\$ 6,000,000	\$ 12,000,000	Sabine Wilson	DIA no. 70.174	Henri Matisse	Coffee; Alternate Title: Le cafe	1916	Oil on canvas	Canvas: 39 5/8 x 25 3/4 in. (100.6 x 65.4 cm); Framed: 50 3/8 x 36 5/8 x 3 3/4 in. (128.0 x 93.0 x 9.5 cm)	Summary not provided
Paintings	European Painting	\$ 10,000,000	\$ 12,000,000	Sabine Wilson	DIA no. 70.177	Pierre Auguste Renoir	Seated Bather; Alternate Title: Baigneuse assise	1903/1906	Oil on canvas	45 3/4 x 35 in.; 116.2 x 88.9 cm; Framed: 57 3/8 x 46 7/8 x 4 3/8 in. 145.7 x 118.7 x 11.5 cm	Summary not provided
Paintings	European Painting	\$ 7,000,000	\$ 10,000,000	Sabine Wilson	DIA no. 70.178	Pierre Auguste Renoir	The White Pierrot; Alternate Title: Pierrot blanc	1901/1902	Oil on canvas	31 1/8 x 24 3/8 (79.1 x 61.9); Frame: 40 1/2 x 33 1/4 x 3 1/2 in. (105.4 x 87.9 x 12.1 cm)	Summary not provided
Paintings	European Painting	\$ 20,000,000	\$ 40,000,000	Sabine Wilson	DIA no. 70.183	Georges Pierre Seurat	View of Le Crotoy from Upstream; creator: Vue de Crotoy, amont	1889	oil on canvas	Unframed: 27 3/4 _ 34 1/8 in. (70.5 _ 86.7 cm); Framed: 38 7/8 _ 45 1/8 _ 1 5/8 in. (98.7 _ 114.6 _ 4.1 cm)	Summary not provided

Paintings	European Painting	\$	600,000	\$	800,000	Sabine Wilson	DIA no. 75.31	Camille	Pissarro	The Kitchen at Piette's, Montfoucault; Alternate Title: La cuisine chez Piette, Montfoucault	1874 Oil on canvas	18 1/4 x 22 in. (46.4 x 55.9 cm); Frame: 26 1/8 x 29 3/8 x 2 1/4 (66.4 x 74.6 x 5.7)	Summary not provided
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Sculpture	European Sculpture and Dec Arts	\$	1,500,000	\$	3,000,000	Sabine Wilson	DIA no. 53.145	Auguste	Rodin	Eve	1881 bronze	Overall: 68 1/2 _ 21 _ 24 inches (174 _ 53.3 _ 61 cm)	Summary not provided
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<b>Artvest Total</b>	<b>\$ 625,280,000</b>	<b>\$ 885,940,000</b>
<b>European Impressionist &amp; Modern Paintings</b>		

Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 1998.1	Richard	Wilson	Caernarvon Castle	1744/1745	Oil on canvas	32 1/2 x 45 (82.6 x 114.3); Frame: 40 x 52 3/4 x 2 5/8 in. (101.6 x 134.0 x 6.7 cm)	Comp: Christies London 7/7/10 lot 165 \$83,000 Early in career, pre Italy, which work is the prime version? This or the Yale picture. Wilson's notoreity increased after his trip to Italy and Grand Tour. He returned with a lush, denser palate and more dramatic sense of color.
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Paintings	European Painting	\$	600,000	\$	800,000	KGFA	DIA no. 23.31	Lucas	Cranach the Elder	Madonna and Child with Infant Saint John the Baptist and Angels	1536 Oil on wood panel	46 x 31 5/8 in.; 116.8 x 80.3 cm	Comp: Virgin and Child, Sotheby's London: Wednesday, July 7, 2010 [Lot 00006] \$730,000, Madonna and Child, Dorotheum: Thursday, March 30, 2000 [Lot 00462] \$216,000. Large ungracious composition. Cranach can sell for millions of dollars but those works are tightly painted, smaller and usually of provocative subject matter (i.e.naked women) This is a large crowded religious subject.
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Paintings	European Painting	\$	2,000,000	\$	4,000,000	KGFA	DIA no. 25.207	Giovanni Domenico	Tiepolo	The Women of Darius Invoking the Clemency of Alexander	1750/1753	Oil on canvas	118.2 x 98.5 cm; Framed: 58 3/4 x 50 1/4 x 5 1/4 in.; 149.2 x 127.6 x 13.3 cm	Comp: Angelica and Medoro, Christie's London: July 7, 2009 [Lot 00063], \$1.0 mill, Stoning of St. Stephen Christie's London: December 7, 2006 [Lot 00068], \$900,000, 6 Panel Decorative Cycle Sotheby's London: July 3, 2013 [Lot 00042], \$4.5 mill. This is a beautifully conserved, example of GD Tiepolos work from the period when he collaborated with his father at Wurzburg. The subject matter is entirely more appealing than works that have come on the market and in far better condition than the work that sold for \$1.0 in 2009. Lively brush stroke, Tiepolo's perfect example of beautiful women and color.
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 25.35	Carlo	Crivelli	The Deposition of Christ; Alternate Title: Lamentation; Alternate Title: Imago Pietatis	c. 1470	Tempera and gold on wood panel	Lunette panel (semi-circular): 16 1/2 x 45 in. (41.9 x 114.3 cm); Framed: 25 7/8 x 54 5/8 x 3 9/16 in. ( 65.72 x 138.74 x 9.05 cm)	Lunette of the Polittico di San Giorgio, Ascoli Piceno, Zerri # 20019, no comps on open market, good condition, fond'oro in good condition. Wonderful incised lines, incredible details in the hair and tears streaming down the face. Crivelli is a rare and strang artist. Although his best works are more convoluted and colored, the DIA work has gravitas and is quite moving.
Paintings	European Painting	\$	300,000	\$	500,000	KGFA	DIA no. 26.22	Jan Baptist	Weenix	Still Life with a Dead Swan	c. 1651	Oil on canvas	Framed: 72 5/8 x 73 3/4 x 4 15/16 in. (184.5 x 187.3 x 12.5 cm); Canvas: 60 x 60 1/2 in. (152.4 x 153.7 cm)	Comp: Christies London 12/3/13 lot 17 est. 400,000 - 550,000 Bl, similar provenance. Highest ever at auction is \$370,000 The subject matter, dead birds, is difficult to sell. The value of such works is considerably lower than other subjects (genre pictures, portraits etc) Although BEAUTIFULLY painted, this is quite out of fashion today.
Paintings	European Painting	\$	7,000,000	\$	9,000,000	KGFA	DIA no. 26.3	Jacob Isaaksz	van Ruisdael	The Jewish Cemetery; Alternate Title: The Cemetery	1654 or 1655	oil on canvas	Unframed: 56 _ 74 1/2 inches (142.2 _ 189.2 cm); Framed: 67 3/4 _ 85 1/8 _ 5 1/2 inches (172.1 _ 216.2 _ 14 cm)	Most expensive Ruisdael at auction is \$4.7 million. This exceeds this work in beauty, size and importance. It's an arresting dramatic image prefiguring the Romantic landscapes of the 19th century. One of the best Ruisdael's I've ever seen.
Paintings	European Painting	\$	6,000,000	\$	9,000,000	KGFA	DIA no. 26.385	Peter Paul	Rubens	Philippe Rubens, the Artist's Brother.; Alternate Title: Philip Rubens	1610/1611	Oil on oak panel	Panel: 27 x 21 1/8 in. (68.5 x 53.5 cm); Framed: 36 9/16 x 30 11/16 x 3 1/8 in. ( 92.9 x 78.0 x 7.9 cm)	Comp: 6/4/09 Sothebys NY, lot 19, Bearded Man \$845,000, 1/28/2000 Sotheby's NY lot 51m Man as Mars, \$8 mill, 12/6/07 Sotheby's lot #7 Studies of Men on panel \$7.7 mill, 12/4/13 Sothebys London, lot 6, Portrait of a Man on canvas, \$5.2 mill. Sensitive portrayal of family member with both porcelain and sketch like qualities. Good condition, not a studio work - full attribution to the artist.

Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 26.387	Master of the St. Lucy Legend	Virgin of the Rose Garden; Alternate Title: Mystic Marriage of St. Catherine	1475/1480	Oil on oak panel	31 1/8 x 23 5/8 in. (79.1 x 60.0 cm); Framed: 38 1/8 x 31 5/8 x 3 1/2 in. (97 x 80.3 x 8.9 cm)	Dynamite early Flemish work. Arresting image, some issues with overcleaning in the glazes in the flesh tones, craquelure throughout 7/12/01 Sotheby's London lot 12, \$1mill, comparative artists such as Van der Goes = nothing, Memling 1/31/13, Sotheby's New York, lot 10, \$4.1 Head of Christ (dirty and in excellent condition) This works is more beautiful (beautiuff women, gardens, flowers, hortus conclusus, elaborate costumres. Van Eyck at Christies - \$4 - 8 mill
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 26.43	Willem Kalf	Still Life with Columbine Goblet	c. 1660	Oil on canvas	22 7/8 x 19 1/2 in. (57.7 x 49.2 cm); Frame: 32 3/4 x 29 5/8 x 3 1/8 in. (83.2 x 75.2 x 7.9 cm)	Comp: 1/10/91 Sothebys New York lot 73, \$700,000 - 900,000 BI, 1/28/10, Sotheby's New York, lot 192, BI (bad condition), 12/4/2000, Sotheby's London, lot 31, \$525,000 Quite a rare artist. Good picture but not best example by the artist.
Paintings	European Painting	\$	1,000,000	\$	2,000,000	KGFA	DIA no. 26.94	Correggio	The Mystic Marriage of Saint Catherine	1510/1514	Paint on wood panel	Framed: 66 x 61 1/8 x 3 3/4 in. ( 167.64 x 155.26 x 9.53 cm); 53 5/8 x 48 1/2 in. (136.2 x 123.2 cm)	Con: Not in good condition, very skinned with grounds showing through. Awkward expressions which could be due to the fact that this is a very early work by the artist. Pro: DIA could be the earliest surviving altarpiece. Correggio is such a rare and important artist - no direct comps exists. There was a Dosso Dossi that sold for \$1,800,000 last summer at Sotheby's. Dossi is an artist from geographically similar area and time period however he is not as important.
Paintings	European Painting	\$	1,000,000	\$	1,500,000	KGFA	DIA no. 27.3	Sandro Botticelli	The Resurrected Christ	c. 1480	Paint on wood panel (transferred)	Unframed: 18 x 11 3/4 in. (45.7 x 29.8 cm); Framed: 30 1/8 x 22 7/8 x 4 1/4 in. (76.5 x 58.1 x 10.8 cm)	Comp: St. John the Baptist 7/5/11 Christie's London, lot 4 \$542,000. Good example of artist + workshop. This is definitely a master and studio work. Subject is not what one looks for in Botticelli, however, he is a first tier artist.
Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 27.385	Titian	Man Holding a Flute	c. 1560-1565	Oil on canvas	38 1/2 x 30 in.; 97.8 x 76.2 cm; Framed: 48 1/8 x 39 1/2 x 3 1/8 in.; 122.2 x 100.3 x 7.8 cm	Comp: Portrait of Filiberto, Dorotheum: Thursday, March 22, 2001 [Lot 00074], \$140,000, Portrait of Titian, Bonhams London: Wednesday, December 4, 2013 [Lot 00008], \$131,000 Poor condition, rubbed, sunken
Paintings	European Painting	\$	4,000,000	\$	7,000,000	KGFA	DIA no. 29.264	Diego Rodriguez de Silva	Velazquez A Man; Alternate Title: Don Juan de Fonseca?	1623/1630	Oil on canvas	20 1/4 x 15 3/4 in.; 51.4 x 40.0 cm; with frame: 33 x 28 1/4 x 2 7/8 in.; 83.8 x 71.8 x 7.3 cm	Strange example of his work. Comp on retail market. Velazquez bought at Bonham's London in 2010 for \$4.9 mill by dealer Otto Nauman. Discovered by Peter Cherry. Asking 14 million at TEFAF. \$12 mill is highest auction price ever paid for St. Rufina. Condition is thin around the head and in the background. Strange drape in front in primo piano. In addition, the sitter is an older gentleman with perhaps a wandering eye.
Paintings	European Painting	\$	20,000,000	\$	25,000,000	KGFA	DIA no. 30.295	Parmigianino	The Circumcision	c. 1523	Oil on panel	16 1/2 x 12 3/8 in.; 41.9 x 31.4 cm; Framed dimensions: 22 7/8 in. x 19 1/4 in. x 2 in.	Magical rare night scene by one of the Renaissance's most important artists. In beautiful condition. Unique subject, very early work, Royal provenance. Can use the Madonna and Pinks by Rahpael as the basis. No possibility of others

Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 30.370	Rembrandt Harmensz van Rijn	Christ	c. 1648/1650	Oil on oak panel	Unframed: 11 _ 9 1/8 in. (27.9 _ 23.2 cm); Framed: 23 in. _ 21 1/16 in. _ 2 3/4 in. (58.4 _ 53.5 _ 7 cm)	Comp: Portrait of a Man, Christie's London: Thursday, December 6, 2007 [Lot 00005], \$200,000, Risen Christ, Christie's London: Friday, April 27, 2007 [Lot 00047], \$500,000 Rembrandt had an extensive studio production with many of his assistants going on to successful careers on their own. This work, however, is good but not individual enough to recognize either the masters hand or the hand of another artist	
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 34.188	Frans Jansz	Post	View of the Jesuit Church at Olinda, Brazil	1665	Oil on canvas	22 1/8 x 32 7/8 in. (56.2 x 83.5 cm); FrameD: 28 1/4 x 39 1/8 x 2 1/2	Large format, late work many years after he returned from Brazil so therefore a pastiche/invented narrative. A bit formulaic but in beautiful condition and clear pristine light and detail. A small Brazil period is for sale for 2 mill Euro, 6/14/09, Sotheby's New York, lot 44 \$1.7
Paintings	European Painting	\$	80,000	\$	100,000	KGFA	DIA no. 34.191	Bacchiacca (Francesco Ubertini Verdi)	Saint John the Baptist in the Wilderness	16th Century	Oil on canvas, transferred from panel	41 x 30 in.; 104.1 x 76.2 cm	Transfer from panel to canvas. Not effective. Leaves the primary figure flat and lifeless. There are no comps for transfers but average price for his works are \$80 - 100,000	
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 35.10	Titian	Judith with the Head of Holofernes	c. 1570	oil on canvas	Framed: 55 _ 47 1/4 _ 2 3/4 inches (139.7 _ 120 _ 7 cm); Unframed: 44 1/2 _ 37 1/2 inches (113 _ 95.3 cm)	Comp: Sotheby's New York 1/24/08, lot 117, \$4.5 In good condition, impasto, lively brushwork...vivace. Late work by the master.	
Paintings	European Painting	\$	600,000	\$	800,000	KGFA	DIA no. 36.10	Il Pensionante del Saraceni	Italian	The Fruit Vendor; Title: Man Selling Melons	c. 1615/1620	Oil on canvas	130.2 x 97.8 cm; Framed: 57 1/4 x 44 1/8 x 2 5/8 in.; 145.4 x 111.9 x 6.7 cm	Comp: Piasa 12/2/2000 lot 11 \$321,000 Not a widely quoted or sold artist. Rare on market and rare subject. In good condition. Attribution issues exist as there is not a general consensus about the artist.
Paintings	European Painting	\$	25,000,000	\$	35,000,000	KGFA	DIA no. 36.11	Nicolas	Poussin	Selene and Endymion; Alternate Title: Diana and Endymion	c. 1630	oil on canvas	Unframed: 48 _ 66 1/2 inches (121.9 _ 168.9 cm); Framed: 59 _ 77 1/4 _ 3 1/2 inches (149.9 _ 196.2 _ 8.9 cm)	Incredible provenance, masterpiece in good condition. Nothing like it available on the market. Sacrament of the Ordination was sold to the Kimbell for \$24 million after Bling at Christie's at \$23 - 31 million. The DIA work is in better condition and a more desirable subject matter.
Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 36.30	Paolo	Veronese	The Muse of Painting	16th Century	Oil on canvas	11 x 7 1/4 in. (27.9 x 18.4 cm); Framed: 15 1/4 x 11 3/8 x 1 in. ( 38.74 x 28.89 x 2.54 cm)	Comp: Cupid holding the Reigns, Christie's London: Wednesday, July 11, 2001 [Lot 00091], \$175,000. There are no real comparable for this kind of work. It was conceptualized as a Spalliera and there are two other examples in museums in St. Petersburg and Moscow. This is a delicious little painting by the Venetian master but it was most likely conceived as a decorative panel.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 37.1	Emanuel	de Witte	Interior of the Oude Kerk in Amsterdam	1686	Oil on canvas	47 x 39 5/8 (119.4 x 100.6); Frame: 56 1/8 x 48 3/4 x 4 1/2 in. (142.6 x 123.8 x 11.4 cm)	Comp: 12/8/10 Sotheby's London, lot 21 \$532,000, Christie's London 7/3/02 lot 15 \$1,020,000 Late large format - not intimate view, missing the clear light that you want in a church interior.

Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 37.73	Job Adriaensz Berckheyde	Interior of the Grote Kerk, Haarlem	1676	Oil on canvas	Canvas: 40 1/2 x 34 3/8 in. (102.87 x 87.3 cm); Framed: 53 5/8 x 46 5/8 x 3 in. (136.2 x 118.4 x 7.6 cm)	Comp: Church Interior, Christie's London 4/25/01 lot 20 \$155,000 on canvas and is large. In good but not great condition. The paint layer is thin enough to notice compositional changes in the foreground where figures were removed (pentimenti) - Nicer, larger and more visual interest than the comp. In addition, it is 15 years later and a stronger market.
Paintings	European Painting	\$	800,000	\$	1,200,000	KGFA	DIA no. 38.56	Giovanni Battista Piazzetta	Madonna and Child with an Adoring Figure; title: Fragment of the Sagredo Altarpiece	1715/1718	Oil on canvas	187.9 x 146.1 cm; Framed: 88 1/2 x 72 3/4 x 4 1/4 in. (224.8 x 184.8 x 10.8 cm)	Comp: David and Goliath Sotheby's London: December 8, 2010 [Lot 00034], \$645,000. Full scale altar pieces have not come on the market. However, this work is in mediocre condition and has lost much of its volume. The colors have oxidized and sunken creating less volume.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 40.166	Bernardo Bellotto	View of the Tiber in Rome with the Castel Sant'Angelo	1743 or 1744	oil on canvas	Framed: 45 1/2_ 69 3/4 _ 4 inches (115.6 _ 177.2 _ 10.2 cm); Unframed: 34 3/8 _ 58 3/8 inches (87.3 _ 148.3 cm)	Comp: 2 Views of Rome Christie's London: Thursday, December 7, 2006 [Lot 00072], \$12.7, Verona, Christie's London: Friday, July 7, 2000 [Lot 00084], \$2.0 mill, Grand Canal, Christie's New York: Thursday, April 19, 2007 [Lot 00113] \$11. mill Important picture from Roman period, in good condition, however the sky is rubbed.
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 40.50	Michel Sittow	Catherine of Aragon as the Magdalene	15th/16th Century	Oil on oak panel	12 5/8 x 9 7/8 in.; 32.1 x 25.1 cm; Framed: 18 1/2 x 16 x 2 1/2 in. (47 x 40.6 x 6.5 cm)	Comp: Christie's NY 1/26/11 lot 118, \$866,000 Catherine of Aragon as the Magdalene - very interesting presumptive sitter. Is this Catherine of Aragon before she marries Henry VIII? Seems possible as it is very close to the portrait of her in Vienna. This comparable is of an ugly old man therefore a lovely portrait of a famous historical figure as the Madonna has much more value. This delicate and finely painted work is also in lovely
Paintings	European Painting	\$	1,200,000	\$	1,800,000	KGFA	DIA no. 41.10	Claude Gellée	Sunrise	1631	Oil on canvas	30 5/8 x 46 1/8 in. (77.8 x 117.2 cm); Frame: 38 1/4 x 53 5/8 x 3 1/8 in.	Comp: Sotheby's NY 1/26/06, lot 51, 2 - 3 mill BI, Christies London 12/7/10, lot 51, \$3,200,000 In moderate condition. This was in the conservation studio on my visit and I saw it in its stripped state. With Claude works, one looks for the layer upon layer of transparent glazes that create the paint layer and give the work its inner glow. Because this has been stripped, it results in a decrease in value.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 41.126	Master of the Tiburtine Sibyl	Crucifixion	c. 1485	Oil on oak panel	Framed: 64 3/4 x 48 3/4 x 2 3/4 in. (164.5 x 123.8 x 7 cm); 56 1/2 x 40 3/8 in. (143.7 x 102.6 cm)	Comp: Virgin and Child in Landscape, Sotheby's New York: Thursday, May 29, 2003 [Lot 00128], \$433,000. There are only two works that have come up for public sale. The work quoted above is a delicate, small Virgin and Child. The DIA work more detailed, in beautiful condition, much larger in scale, and more complex in landscape and perspective. The size of this work indicates that it was not for private devotional use but was more
Paintings	European Painting	\$	8,000,000	\$	10,000,000	KGFA	DIA no. 41.80	Francisco Goya	Dona Amalia Bonells de Costa	c. 1805	Oil on canvas	34 3/8 x 25 3/4 in.; 87.3 x 65.4 cm; Framed: 43 x 34 x 2 7/8 in.; 109.2 x 86.4 x 7.3 cm	Comp: Portrait of Don Juan López de Robredo, Christie's London: Tuesday, December 6, 2011 [Lot 00027] est. 6 - 9.0 mill BI, Portrait of Mariano Goya, Sotheby's New York: Thursday, January 31, 2013 [Lot 00103] est. \$6 - 8 BI. The DIA work is more fluidly handled and in better condition than either of these works. Good provenance and universally accepted.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 42.127	Claude Gellée	A Seaport at Sunset	1643	Oil on copper panel	16 x 21 (40.6 x 53.3); Frame: 22 3/8 x 27 x 2 in. (56.8 x 68.6 x 5.1 cm)	Comp: La tempete, Christie's London: Tuesday, December 4, 2012 [Lot 00048], \$244,000, Landscape Sotheby's London: Wednesday, July 7, 2010 [Lot 00036], 600 - 900,000 BI Nice little picture but clumsily painted and the colors are a bit muddy - not as crisp as you would want to see. Great provenance.



Paintings	European Painting	\$	15,000,000	\$	20,000,000	KGFA	DIA no. 42.57	Agnolo	Bronzino	Eleonora of Toledo and Her Son	between 1545 and 1550	oil on panel	Framed: 66 1/2 _ 57 1/2 _ 51 1/2 inches (167.6 _ 146.1 _ 14 cm); Unframed: 47 7/8 _ 39 3/8 inches (121.6 _ 100 cm)	Florentine High Renaissance Masterpiece. The Kimbell paid \$6.5 for a Michelangelo that is a juvenile work and not universally accepted. The Getty bought a Titian for \$70 million. The Frick bought the Potormo portrait in 1989 for \$35 mill (\$65 mill for adjusted price). The DIA Bronzino falls within these parameters of importance. The work is less poetic and original than the Titan and Pontormo therefore the slightly lower value.
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 43.38		Canaletto	The Piazza San Marco	c. 1739	oil on canvas	Unframed: 29 13/16 _ 46 15/16 inches (75.8 _ 119.3 cm); Framed: 44 5/8 _ 57 3/4 _ 4 inches (113.3 _ 146.7 _ 10.2 cm)	Comp: Venice, View of the Piazzetta Sotheby's London: Wednesday, December 8, 2010 [Lot 00039] \$3.5 mill, Venice View of the Piazzetta, Sotheby's London: Wednesday, July 5, 2006 [Lot 00058] \$2.5 mill. A classic, desirable view of Venice by the best known Venetian vedutista of the 18th century. Canaletto was intensely collected by the English aristocracy purchasing works on their Grand Tours. If this had been a water view, with boats, it would have a higher evaluation.
Paintings	European Painting	\$	300,000	\$	500,000	KGFA	DIA no. 43.418	Jacob	Jordaens	Job	c. 1620	Oil on oak panel	Panel: 26 3/8 x 20 1/2 in. (67.0 x 52.0 cm); Framed: 42 1/8 x 36 3/16 x 3 1/4 in. ( 107.0 x 92.0 x 8.3 cm)	Comp: Sotheby's New York: January 27, 2011 Lot 120, \$278,000, Christie's London: July 7, 2000 Lot 38, \$321,000, Lempertz: May 17, 2014 Lot 1143, \$150,000 Lively work with interesting story as to the sitter. In good condition.
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 44.213	Giovanni Battista	Tiepolo	Saint Joseph and the Christ Child	1767/1769	Oil on canvas	Framed: 69 x 52 3/4 x 3 1/4 in. ( 175.3 x 134 x 8.3 cm); 60 1/2 x 43 3/4 in. (154 x 111.3 cm)	Comp: Highest price for a Tiepolo at auction Arrival of Henry III at Villa Contarini Christie's New York: January 25, 2012 [Lot 00038] \$5.9 mill., Portrait of a Lady Christie's London: December 2, 2008 [Lot 00040] \$4.2 mill. The subject matter, because it is religious is less deribable, however, the commission is important and it is unique that an altarpiece of such importance appears on the market. Royal Provenance, one of 7 altarpieces for San Pasqual Baylon. Fragment. Good condition.
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 44.266	Peter Paul	Rubens	Hygeia, Goddess of Health; Alternate Title: Hygieia	c. 1615	Oil on oak panel	Framed: 55 3/8 x 43 3/4 x 43/8 in. (140.6 x 111.1 x 11.1 cm); Panel: 41 3/4 x 29 1/4 in. (106.2 x 74.3 cm)	Comp: Sotheby's New York: January 23, 2003 Lot 32, \$2 - 3 mill BI, Sotheby's London: July 10, 2002 Lot 52, \$6.8 mill, Sotheby's New York: January 24, 2002 Lot 236, \$2.1 mill Background abraded around
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 45.420	Joos	van der Beke van Cleve	Adoration of the Magi	c. 1525	Oil on oak panels	Center panel: 35 x 25 1/2 in. (88.9 x 64.8 cm); Each wing: 35 x 11 in. (88.9 x 27.9 cm)	Very little on open market - those works that come up repeat over the years. This a rare example of his work as there has never been a triptych on the market. Virgin and Child Sotheby's New York: January 30, 2014 Lot 11, Portrait of a Man Sotheby's London: July 9, 2008 Lot 5, \$1.4 The DIA work is Cleve's only signed work, was a fundamental touchstone to identifying the hand of the artist and masterpiece of his mature period. Generally accepted as Cleve and Workshop. If it had been a full attribution the valuation would have been almost double.

Paintings	European Painting	\$	300,000	\$	500,000	KGFA	DIA no. 46.359	Rogier van der Weyden	Saint Jerome in the Desert	1450/1465	Oil on oak panel	Framed: 15 7/8 in. x 13 3/8 in. x 2 in. ( 40.34 x 34 x 4.60 cm); 12 1/8 x 9 15/16 in. (30.8 x 25.2 cm)	Comp: St. Lucas, Koller Auktionen Zürich: Friday, March 30, 2012 [Lot 03009], \$200,000, Workshop pictures can make anywhere from 20,000 - 1,500,000. The DIA picture is in lovely condition and is unique, not a copy after the artist. The Lion is particularly wonderful and it is painted tighly and has the pristine quality that one looks for in early Flemish works.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 46.56	Sassetta	The Betrayal of Christ	1437/1444	Tempera on poplar panel	Panel: 14 3/4 x 23 1/4 x 1 1/8 in. ( 37.47 x 59.06 x 2.86 cm); Frame: 28 x 32 5/8 x 4 in. ( 71.12 x 82.87 x 10.16 cm)	Comp: St. Augustine, Christie's New York: Thursday, April 6, 2006 [Lot 00031], \$1,200,000. A very rare artist on the market with only 3 known results. The DIA works are multi figural as compared to the single figure of a saint that sold at Christie's. They have been included in numerous essays and are known to be from the San Sepulcro altarpiece.
Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 47.398	John Zoffany	Scene from Love in a Village	1767	Oil on canvas	40 1/2 x 50 1/2 (102.9 x 128.3); Frame: 48 1/8 x 57 3/4 x 2 5/8 in. (122.2 x 146.7 x 6.7 cm)	Comp: Scene in Tavern, Christie's London: Thursday, June 8, 2006 [Lot 00062], \$90,000 Garrick with Burton and Palmer in the Alchemist, Sotheby's London: Thursday, November 29, 2001 [Lot 00011], \$ 1,217,839 - Large British genre picture in good condition. Not chic aristocratic subject matter - refers to popular play at time.
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 47.58	Peter Paul Rubens	Archduke Ferdinand, Cardinal-Infante of Spain, at the Battle of Nordlingen	1635	oil on oak-veneered Masonite panel	Unframed: 48 1/8 _ 36 5/8 inches (122.2 _ 93 cm); Framed: 59 3/4 _ 48 3/16 _ 5 5/8 inches (151.8 _ 122.4 _ 14.3 cm)	Comp: Cavalry Sketch, Christie's South Kensington: April 11, 2013 Lot 141 \$192,000, St. Michael Subduing Lucifer, Christie's London: December 7, 2006 Lot 10 \$3.5 Sketch for work in the Prado, remained in his studio at death, was transferred to masonite panel which is not a good for the work. Has been subjected to various restorations over the years.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 47.92	Salvator Rosa	The Finding of Moses	c. 1660/1665	Oil on canvas	Framed: 62 x 92 3/8 x 4 1/2 in. ( 157.5 x 234.6 x 11.4 cm); 48 1/2 x 79 3/4 in. (123 x 202 cm)	Comp: St. in a Landscape, Dorotheum: Tuesday, October 15, 2013 [Lot 00551], \$200,000, Great provenance, in good condition, large format. Rosa's single figure studies or philosopher studies make more money at auction. The DIA work however, has a very fancy provenance which increases its value.
Paintings	European Painting	\$	8,000,000	\$	10,000,000	KGFA	DIA no. 48.96	Bartolome Esteban Murillo	The Flight into Egypt	c. 1647/1650	Oil on canvas	82 1/2 x 65 1/2 in. (209.55 x 166.37 cm); Framed: 125 x 87 x 6 in. (317.5 x 220.98 x 15.24 cm); Strip Frame for Travel: 84 1/2 x 67 3/4 x 2 1/2 in. (214.6 x 171.5 x 5.7 cm)	Comp: St. Joseph and the Christ Child Christie's London: Friday, December 14, 1990 [Lot 00031] \$4.7 mill. 8 years later it wold for \$2.7. Enormous volotility of market at the moment - something that has not been on the market for a long time. In present market there are no comparables, a number of institutions who want to buy first class things - Qatar - conveivable that they pay strong prices. The work is in good condition, taking into consideration the oxidation of the blues and the reworking of the sky.
Paintings	European Painting	\$	800,000	\$	1,200,000	KGFA	DIA no. 49.337	Antoine Jean Gros	Murat Defeating the Turkish Army at Aboukir	c. 1805	Oil on canvas, mounted on board	34 3/4 x 54 1/2 in.; 88.3 x 138.4 cm; Framed: 44 3/4 x 64 3/4 x 3 3/8 in.; 113.7 x 164.5 x 8.6 cm	No exact market comps available. A work by Girodet, Head of a Turk, Damien Leclere: Saturday, December 17, 2011 [Lot 00010], \$970,000. Excellent bozzetto for important final work in Louvre Large scale historical sketch. Important historical reference and nothing similar on market. Artist is the most important student of Jacques Louis David.

Paintings	European Painting	\$	100,000	\$	150,000	KGFA	DIA no. 51.13	Bernardo Strozzi	Street Musicians	c. 1630	Oil on canvas	109.8 x 156.5 cm; Frame: 51 3/4 x 71 x 3 in.	Comp: Christ In Front of the Kalif, Porro & C.: Saturday, November 15, 2003 [Lot 00242] \$120,000 Charity of St Lawrence, Christie's London: Thursday, December 8, 2005 Lot 00048 \$200,000. Do not love this Strozzi. Mushy composition,workshop?? I doubt the full attribution
Paintings	European Painting	\$	20,000,000	\$	25,000,000	KGFA	DIA no. 52.253	Artemisia Gentileschi	Judith and Her Maid servant with the Head of Holofernes	c. 1623/1625	Oil on canvas	72 3/8 x 55 3/4 in. (184 x 141.6 cm); Original frame: 90 1/2 x 73 3/8 x 5 in.; Framed: 85 x 68 1/2 x 3 1/2 in. ( 215.9 x 174 x 8.9 cm)	Masterpiece by the artist. Comparable Caravaggio is estimated at 60 - 90 million. Feigen has a beautiful Danae by Orazio Gentileschi which he reputedly turned down 15 million.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 53.270	Sassetta	The Agony in the Garden	1437/1444	Tempera on poplar panel	19 1/4 x 25 1/4 x 3 in.; 48.9 x 64.1 cm	See other Sassetta above.
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 53.356	Peter Paul Rubens	Briseis Given Back to Achilles	1630/1631	Oil on oak panel	17 7/8 x 26 5/8 in. (45.4 x 67.6 cm); Framed dimensions: 22 5/8 x 31 3/8 x 2 3/8	Comp: Meleager and Atalanta Hunting Boar Christie's London: December 8, 2005 Lot 20, \$5.4 mill, St. Michael Subduing Lucifer, Christie's London: December 7, 2006 Lot 10 \$3.5. Beautiful lush oil sketch for Achilles Tapestry Series. These types of works, small, densely painted with loose brushwork and exactly what private collectors are looking for. They make high prices at auction.
Paintings	European Painting	\$	800,000	\$	1,500,000	KGFA	DIA no. 53.359	Francesco Guardi	View of Dolo on the Brenta	1774/1776	Oil on canvas	48.2 x 66.2 cm; Framed: 24 9/16 x 31 3/4 x 3 in. (62.4 x 80.7 x 7.6 cm)	Comp: Porta del Dolo, Christie's London: Friday, December 8, 2006 [Lot 00135] \$325,000 The DIA work is not a Venetian scene which are the most coveted. However, it is a well composed and fluid depiction of Dolo. High visual interest Not Villa Loredon with Elegant figures which sold for 8 mill. The Dolo is a lively port scene and not an elegant fete galant ish work.
Paintings	European Painting	\$	500,000	\$	700,000	KGFA	DIA no. 53.468	Domenico Ghirlandaio	Young Man	15th Century	Oil on panel	Framed: 20 1/2 x 16 1/2 x 1 3/4 inches.; 13 x 9 in. (33.0 x 22.9 cm)	Most likely Davide Ghirlandaio, less famous brother to Domenico Ghirlandaio (as per Christiansen) Changing attribution but whatever the case, an good example of Florentine 15th century portraiture. Awkward use of hand. One work sold for almost a million dollars but that was purchased as a young Michelangelo and was sold to the Kimbell for \$6.5 million (some dissenting opinions as to authenticity) Otherwise decent works range from \$75,000 - 200,000
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 54.2	Nicolas Poussin	The Holy Family; Alternate Title: The Roccatagliata Madonna	1641	Oil on canvas	Unframed: 28 _ 22 1/8 in. (71.1 _ 56.2 cm); Framed: 34 in. _ 28 in. _ 2 1/2 in. (86.4 _ 71.1 _ 6.4 cm)	Not in good condition. Very skinned. Fantastic provenance Comp: Holy Family with St. John the Baptist, Christie's London: Wednesday, December 10, 2003 [Lot 00066 \$966,000, Rest on the Flight to Egypt Sotheby's Monaco: Friday, July 2, 1993 [Lot 00104], \$640,000 (not current market value for this work but similar in size and subject)
Paintings	European Painting	\$	3,000,000	\$	4,000,000	KGFA	DIA no. 55.5.A	Henry Fuseli	The Nightmare	1781	oil on canvas	Unframed: 40 _ 49 7/8 inches (101.6 _ 126.7 cm); Framed: 47 5/8 _ 58 _ 3 1/2 inches (121 _ 147.3 _ 8.9 cm)	Comp: The Vision of the Deluge Christie's London: Wednesday, July 9, 2008 [Lot 00209], \$990,000. Highest price ever paid at aution for the artist. For this artist the stranger the subject, the more interesting and valuable the work. The DIA picture fits this bill nicely. A beautiful women spralled on a bed, goblins, blind horse. A work filled with sybolism and mystery. Exactly what one would look for by Fuseli. Iconic painting
Paintings	European Painting	\$	4,000,000	\$	8,000,000	KGFA	DIA no. 56.32	Fra Angelico	Madonna and Child with Angels	1425/1430	Tempera and gold on panel	6 3/8 x 3 7/8 in.; 16.2 x 9.7 cm; Framed: 7 5/8 x 5 1/8 x 1 in. ( 19.4 x 13 x 2.5 cm)	More important than the single angel yet not as lyrical as the Annunciation Angel in the collection. A fully conceptualized private devotional image. There was a Giovanni di Paolo (less important artist) of similar size on the market for 2.5 million

Paintings	European Painting	\$	1,500,000	\$	2,500,000	KGFA	DIA no. 56.43	Giovanni Paolo Panini	Interior of St. Peter's, Rome	1750	Oil on canvas	132.7 x 145.6 cm 64 x 68 1/4 x 5 in.	FRAME: Comp: Interior of St. Peters and S. Giovanni Fuori Le Mura (a pair of paintings) Christie's London: Wednesday, July 7, 2004 [Lot 00106] \$4.3. The DIA work is a later version of a very successful composition. Original comp dates from the 1730s. Similar work in Hanover, Germany dating to 1750. The DIA work is a good but late example of the composition.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 57.180	Giovanni Battista Tiepolo	Woman with a Mandolin	c. 1755/1760	Oil on canvas	93.7 x 75 cm; Frame: 45 5/8 x 39 5/8 x 4 in.	Comp: Portrait of a Lady as Flora, Christie's London: December 2, 2008 [Lot 00040], \$4.2 mill. The comparable work is slightly smaller and was sold during a low point in the market. The DIA painting is larger, and a bit showier. Paintings of bare breasted beautiful women always have a strong market presence. Comp: Christie's New York: January 26, 2011 Lot 118 \$866,000 The DIA work is not in great condition, quite rubbed. Loss of glazes and texture. Museum picture is smaller and less intricate
Paintings	European Painting	\$	200,000	\$	400,000	KGFA	DIA no. 58.383	Michel Sittow	A Young Man in a Red Cap	c. 1512	Oil on oak panel	6 7/16 x 5 1/8 x 11/16 in. (16.4 x 13 x 1.8 cm); Frame: 9 3/4 x 8 5/16 x 1 11/16 in. (24.8 x 21.1 x 4.3 cm)	Comp: Christie's New York: January 26, 2011 Lot 118 \$866,000 The DIA work is not in great condition, quite rubbed. Loss of glazes and texture. Museum picture is smaller and less intricate
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 59.444	Sodoma	The Holy Family and St. John	15th/16th Century	Oil on wood panel	Framed: 51 3/4 x 44 1/4 x 3 in. (131.4 x 112.4 x 7.6 cm); 40 1/4 x 32 1/2 in. (102.2 x 82.6 cm)	Not many results for Il Sodoma. A comp artist is the Siennese artist Beccafumi. Comps for his sales. Virgin and Child Sotheby's London: December 6, 2006 [Lot 00032] \$2.6 mill. Holy Family Sotheby's London: December 5, 2007 [Lot 00055], \$2.3 mill. The DIA picture is more lively, with more intense color and complicated composition. It is also in lovely condition.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 60.61	Master of the Osservanza	The Resurrection	c. 1440/1445	Tempera on wood panel	Framed: 18 1/4 x 24 x 2 1/2 in. (46.4 x 61 x 6.4 cm); 14 3/16 x 17 7/16 in. (36 x 44.3 cm)	Very rare artist. Similar work found in the NGA, Washington DC. Highest price paid at auction was \$1.6 in 2008 for not nearly as interesting and complicated work. Pietro Lorenzetti a couple of years ago made \$5.7 mill
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 61.397	Lucas Cranach the Elder	Saint Christopher	1518/1520	Oil on linden panel	Framed: 17 1/2 x 11 3/4 x 1 5/8 in. (44.45 x 29.85 x 4.14 cm); 16 1/2 x 11 in. (41.9 x 27.9 cm)	Comp: David and Bathsheba, Sotheby's London: July 9, 2008 Lot 62, \$4.1 Even though the subject is religious, the painting has a lively, sexy quality to it in tone and subject (neriad), beautiful condition, beautiful foliage - all the precision you want to find with the artist.
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 64.117	John Constable	The Glebe Farm	1827	Oil on canvas	18 1/4 x 23 1/2 (46.4 x 59.7); Frame: 26 3/8 x 30 3/4 x 2 in. (67.0 x 78.1 x 5.1 cm)	Comp: White Horse, Christie's London: November 30, 2000 [Lot 00003], \$1.0 mill, View of the City of London, Christie's London: Wednesday, November 26, 2003 [Lot 00008] \$966,000 Glebe Farm is a more cohesive and dense work than either of the comps listed here. However, the only other comp is The Lock which sold for \$35,000,000. It is similar in feel and execution but not nearly as monumental in scale.
Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 64.459	Peter Paul Rubens	Saint Ives of Treguier, Patron of Lawyers, Defender of Widows and Orphans	1615/1616	Oil on canvas	113 x 87 in. (287.0 x 221.0 cm); Framed: 125 x 99 3/4 x 5 1/2 in. (317.5 x 253.4 x 14 cm)	Comp: Holy Family with St. Anne, Dorotheum: April 9, 2014 Lot 528 \$694,000, Hercules and Omphale, Christie's London: December 3, 2013 Lot 8 \$654,000.
Paintings	European Painting	\$	1,000,000	\$	2,000,000	KGFA	DIA no. 65.10	Gerard Ter Borch	Lady at Her Toilette	c. 1660	oil on canvas	Unframed: 30 _ 23 1/2 inches (76.2 _ 59.7 cm); Framed: 43 7/8 _ 37 5/8 _ 3 1/4 inches (111.4 _ 95.6 _ 8.3 cm)	Comp: The Card Players, Sotheby's New York: Thursday, June 4, 2009 [Lot 00020], \$1,590,000. Although appearing skinned in the background, the DIA work is a very elegant composition with a rich, lavish depiction of silks, finery, carpets etc. Most of the works by this artist a singular portraits and do not depict the refined Dutch upper class in an interior setting.

Paintings	European Painting	\$	1,500,000	\$	2,500,000	KGFA	DIA no. 65.347	Niccolo dell' Abbate	Eros and Psyche	16th Century	Oil on canvas	Framed: 50 1/4 x 48 7/8 x 2 1/2 in. ( 127.6 x 124.2 x 6.4 cm); 39 1/4 x 36 1/2 in. (99.7 x 92.7 cm)	Comp: School of Fontainebleau Lady at Her Bath, Christies 2013 \$450,000, Portrait of a Nobleman, Sotheby's London: July 8, 2009 [Lot 00016] - This work is by similar artist Primaticcio and was Attributed to, not full authorship was given. \$1.2 mill. Sexy subject, not great condition, uncommon to find school of Fontainebleau work, large image. Highest ever paid at auction for dell'Abate is \$350,00 however it is a portrait of a man, not a mythological scene.
Paintings	European Painting	\$	2,000,000	\$	4,000,000	KGFA	DIA no. 66.15	Giovanni di Paolo	Saint Catherine of Siena Dictating Her Dialogues	c. 1447/1449	Tempera on wood panel	14 x 14 1/8 x 1 3/4 in.; 11 3/8 x 11 3/8 in.; 28.9 x 28.9 cm	Gold Ground on retail market in 09 for \$2.0 mill at Moretti. The DIA picture probably relates more closely to the works in the Met and was a predella panel for an altarpiece commissioned in 1447. The only fully attributed work on the open market was bought in possibly due to its poor state.
Paintings	European Painting	\$	1,000,000	\$	1,500,000	KGFA	DIA no. 68.298	Jacob Isaaksz van Ruisdael	Wooded Landscape with a Stream	1665/1668	Oil on canvas	21 1/8 x 24 1/2 (53.02 x 62.2); Frame: 28 1/2 x 32 1/2 x 3 1/2 in. (72.4 x 82.6 x 8.9 cm)	Comp: Wooded Landscape Sotheby's New York: January 30, 2014 Lot 31, \$665,000, Christie's New York: January 29, 1999 Lot 182, \$1.1 This is a fine example of the artist's work. Well balanced composition, good condition and good detail.
Paintings	European Painting	\$	10,000,000	\$	15,000,000	KGFA	DIA no. 68.47	Orazio Gentileschi	Young Woman with a Violin (Saint Cecilia); Alternate Title: Artemisia Gentileschi as Saint Cecilia	c. 1612	Oil on canvas	83.5 x 97.8 cm; Framed: 41 x 47 x 4 in. ( 104.1 x 119.4 x 10.2 cm)	Madonna and Child, Christie's London: December 6, 2007 [Lot 00071], \$4.1 mill, Holy Family, Sotheby's London: Thursday, July 6, 2000 [Lot 00028] \$3.6 mill Neither of these works come close to the beauty or importance of the DIA Young Woman with a Violin Artist of Similar stature, Guercino, King David Christie's London: Tuesday, July 6, 2010 [Lot 00007] \$7.8 mill The value is higher because of
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 69.6	Guido Reni	The Angel Appearing to St. Jerome	c. 1638	Oil on canvas	Framed: 91 1/4 x 71 x 4 1/2 in. ( 231.8 x 180.3 x 11.4 cm); 199.7 x 147.9 cm	Highest price ever paid is \$3.6 which was small and on copper. This is a large scale altarpiece and these rare on the market
Paintings	European Painting	\$	3,000,000	\$	4,000,000	KGFA	DIA no. 70.164	Jean Siméon Chardin	Still Life; Alternate Title: Kitchen Still Life	c. 1732	Oil on panel	6 3/4 x 8 1/4 in. (17.1 x 20.96 cm); Framed: 11 1/2 x 13 x 2 1/4	Comp: Sotheby's New York, 1/26/06, lot 56 \$665,000 Sotheby's New York, 1/24/02 lot 196A \$1,250,000 - 1,700,000 BI Small panel beautifully preserved, fantastic provenance, early work
Paintings	European Painting	\$	1,000,000	\$	1,500,000	KGFA	DIA no. 70.170	Jean Auguste Dominique Ingres	Perseus and Andromeda; Alternate Title: Study for Roger and Angelica	c. 1819	Oil on canvas	7 3/4 x 6 3/8 in. (19.7 x 16.2 cm); Framed: 12 7/8 x 11 1/4 x 2 1/2 in. (32.7 x 28.6 x 6.4 cm)	Comp: Jupiter and Thetis, Christie's Monaco: Saturday, December 2, 1989 [Lot 00068], \$2.4 mill. There is not one work that has come up on the public market that comes close to the little jewel of a work. The color, the composition the grace. Ingres is the 2nd most important painter behind David of the early 19th century. The LACMA just purchased a small version of the Grand Odalisque, perhaps 2 or 3 months ago for \$750,000.
Paintings	European Painting	\$	5,000,000	\$	7,000,000	KGFA	DIA no. 71.1	Guercino (Giovanni Francesco Barbieri)	Assumption of the Virgin	1650	Oil on canvas	Framed: 133 1/2 x 99 1/4 x 4 in. ( 339.1 x 252.1 x 10.2 cm); 121 1/4 x 86 1/2 in. (308.0 x 219.7 cm) ;	Comp: King David Christie's London: Tuesday, July 6, 2010 [Lot 00007] \$7.8 mill This is a lesser work by the artist. Although larger, it has a more formulaic quality to it. Not as inspired as other
Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 71.169	Thomas Gainsborough	The Honorable Richard Savage Nassau de Zuylestein, M.P.	c. 1778/1780	Oil on canvas	94 1/8 x 61 3/4 in. (239.1 x 156.8 cm); Framed: 102 3/8 x 68 3/8 x 4 3/4	Comp: Portrait of Philip Stanhope Christie's London: Tuesday, December 6, 2011 [Lot 00036] \$3.3 mill. Very similar in feel, size and composition

Paintings	European Painting	\$ 4,000,000	\$ 6,000,000	KGFA	DIA no. 71.170	Thomas Gainsborough	Lady Anne Hamilton; Alternate Title: Lady Anne Hamilton later Duchess of The Shepherdess	c. 1778	oil on canvas	Framed: 101 7/8 x 68 1/2 x 4 3/4 in. (258.8 x 174 x 12.1 cm); Unframed: 93 5/8 x 36 7/8 in. (148.6 x 93.7 cm);shaped canvas; Framed: 64 3/4 x 42 5/8 x 4	See above - female sitter and more loosely painted.
Paintings	European Painting	\$ 10,000,000	\$ 15,000,000	KGFA	DIA no. 71.390.A	Jean Honore Fragonard		1754/1755	Oil on canvas		Comp: Aurora, Sotheby's New York: Thursday, January 31, 2013,\$3.8 mill. To be sold as together. Important commission and provenance
Paintings	European Painting	n/a part of 4	n/a part of 4	KGFA	DIA no. 71.390.B	Jean Honore Fragonard	The Grape Gatherer; Alternate Title: Scenes of Country Life (#2 of 4)	1754/1755	Oil on canvas	59 1/8 x 33 3/4 in. (150.2 x 85.7 cm);shaped canvas; Framed: 64 5/8 x 39 1/2 x 3 3/4	
Paintings	European Painting	n/a part of 4	n/a part of 4	KGFA	DIA no. 71.390.C	Jean Honore Fragonard	The Reaper; Alternate Title: Scenes of Country Life (#3 of 4)	1754/1755	Oil on canvas	59 x 34 in. (149.9 x 86.4 cm), shaped canvas; Framed: 64 5/8 x 39 5/8 x 3 3/4	
Paintings	European Painting	n/a part of 4	n/a part of 4	KGFA	DIA no. 71.390.D	Jean Honore Fragonard	The Gardener; Alternate Title: Scenes of Country Life (#4 of 4)	1754/1755	Oil on canvas	58 3/4 x 36 3/4 in. (149.2 x 93.3 cm), shaped canvas; Framed: 64 5/8 x 43 x 3 3/4	
Paintings	European Painting	\$ 700,000	\$ 900,000	KGFA	DIA no. 72.201	Rembrandt Harmensz van Rijn	Man Wearing a Plumed Beret and Gorget	mid 1630's	Oil on oak panel	27 1/8 x 20 3/8 (68.9 x 51.8); Frame: 34 3/4 x 28 x 4 in. (88.3 x 71.1 x 10.2 cm)	Comp: Portrait of a Young Man, Sotheby's Amsterdam:November 11, 2008 Lot 36, \$161,000, Govaert Flinck Portrait of an Old Man, Sotheby's London: April 27, 2006 Lot 42. This is a first rate studio work by Rembrandt and has been proposed to be by Govaert Flinck, his pupil. It's in good condition, on panel and from the 1630s.
Paintings	European Painting	\$ 1,500,000	\$ 2,500,000	KGFA	DIA no. 73.1	Charles Le Brun	The Presentation of Christ in the Temple; Alternate Title: The Purification of the Virgin	1645	Oil on canvas	Framed: 122 x 92 7/8 x 4 1/2 in. (309.9 x 235.9 x 11.4 cm) 231LPs; Stretcher: 107 x 78 7/8 in. (267.0 x 194.3 cm); Framed Weight 230 LBs (date 1-07): Canvas: 105 15/16 in. (100 x 134.5 cm); Framed: 51 x 64 3/4 x 3 3/4 in. (129.5 x 164.5 x 9.5 cm)	Comp: Le sacrifice de Polyxène,Christie's Paris: Monday, April 15, 2013 [Lot 00036], \$1.885 Suzanne devant ses juges, Beausant & Lefèvre: Friday, December 4, 1998 [Lot 00056] \$639,829 The DIA picture is larger but of similar quality to the Christie's work.
Paintings	European Painting	\$ 30,000,000	\$ 40,000,000	KGFA	DIA no. 73.268	Michelangelo Merisi da Caravaggio	The Conversion of the Magdalen; Title: The Conversion of the Magdalen; Alternate Title: The Alzaga Caravaggio	c. 1598	oil and tempera on canvas		There are 4 works in private hands by Caravaggio - 2 versions of the Lute Player, Portrait of Maffeo Barberini and Sacrifice of Isaac - all of which have been valued between 60 - 100 million dollars. Because the condition of this work is quite skinned, it should be placed at the lower end of the spectrum. This evaluation assumes full authorship.
Paintings	European Painting	\$ 10,000,000	\$ 15,000,000	KGFA	DIA no. 77.1.1	Fra Angelico	Annunciatory Angel; former: Angel Annunciate	between 1450 and 1455	gold leaf and tempera on wood panel	Unframed: 13 x 10 5/8 inches (33 x 27 cm); Framed: 19 3/8 inches x 17 1/4 inches x 2 inches (49.2 x 43.8 x 5.1 cm)	Early renaissance masterpiece, icon. No market comparables are available other than the Duccio di Buonisegna which was sold to the Met for \$45 mill. The Met work is a private devotional work and not a fragment as the DIA piece is. In good condition.

Paintings	European Painting	\$	3,000,000	\$	5,000,000	KGFA	DIA no. 77.1.2 Fra	Angelico	Virgin Annunciate	between 1450 and 1455	gold leaf and tempera on wood panel	Framed: 19 1/2 inches _ 17 3/8 inches _ 2 inches (49.5 _ 44.1 _ 5.1 cm); Unframed: 13 _ 10 5/8 inches (33 _ 27 cm)	Condition issues. Not nearly as much hand of the artist remains. See explanation above. This angel, while lovely, does not possess any of the detail of the Annunciatory Angel above.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 77.2 Benozzo	Gozzoli	Virgin and Child with Angels	c. 1460	Gold leaf and tempera on wood panel	Framed: 41 x 32 1/4 x 4 5/8 in. ( 104.1 x 81.9 x 11.8 cm); 25 3/4 x 19 7/8 in. (65.4 x 50.5 cm)	A very rare early Florentine Renaissance artist. Think Medici Palace frescoes. Assuming good condition, this work is in the same general range as the Fra Angelico and more important than the Sassetta. No good market comparables are available.
Paintings	European Painting	\$	10,000,000	\$	12,000,000	KGFA	DIA no. 77.3 Pietro	Perugino	Madonna and Child	c. 1500	tempera on panel	Framed: 50 1/8 _ 42 1/2 _ 5 1/4 inches (127.3 _ 108 _ 13.3 cm); Unframed: 31 3/4 _ 25 1/2 inches (80.6 _ 64.8 cm)	Italian Renaissance masterpiece and prefigures Raphael. One in terrible condition sold for \$600,000 in 2013. It was a shell of its former self. The DIA work is in fine condition with its beautiful glazes in tact. There are 2 Raphaels on in private hands which would be more expensive but are comparable. Bridgewater Madonna and the Holy Family. The Madonna of the Pinks sold for @ \$50mill in 2004 and recently a Raphael drawing sold for \$48 mill in 2009. Perugino is not Raphael but one cannot dispute his importance
Paintings	European Painting	\$	30,000	\$	50,000	KGFA	DIA no. 77.72 Jean Francois	de Troy	Luncheon with Figures in Masquerade Dress	1725	Oil on canvas	88 1/4 x 65 in.; 224.2 x 165.1 cm; Frame: 100 3/4 x 79 3/8 x 4 1/2 (255.9 x 201.6 x 11.4)	Comp: Workshop paintings for this artist generally come in well below \$100,000. This is a large, well painted work in decent condition.
Paintings	European Painting	\$	4,000,000	\$	6,000,000	KGFA	DIA no. 77.81 Hans	Holbein the Younger	A Woman	1532/1534	Tempera and oil on oak panel	Framed: 15 5/8 x 13 5/8 x 1 1/2 in. ( 39.7 x 34.6 x 3.8 cm); 9 1/8 x 7 1/2 in. (23.2 x 19.1 cm)	Comp: Large Circle of H, Henry the VIII, Christie's London: July 5, 2011 Lot 6, \$1.0 mill "The Madonna With the Family of Mayor Meyer", Holbein masterpiece sold for \$70 million in Germany. Might have been worth more but no export license.
Paintings	European Painting	\$	2,500,000	\$	3,500,000		DIA no. 78.59 John Everett	Millais	Leisure Hours	1864	Oil on canvas	35 x 46 1/2 (88.9 x 118.1); 44 x 55 5/8 x 2 3/8 in. (111.8 x 141.3 x 6.0 cm)	Christie's London, July 11, 2013, lot 9, \$3,481,359; Sotheby's London, July 1, 2004, lot 21, \$2,036,179; Christie's London, June 11, 2003, lot 9, \$2,062,083
Paintings	European Painting	\$	1,000,000	\$	2,000,000	KGFA	DIA no. 79.30 Bartolomeo	Manfredi	The Fortune Teller	c. 1616/1617	Oil on canvas	122.2 x 154 cm; Frame: 62 1/2 x 75 x 4 in.	Comp: Men Drinking in a Tavern, Sotheby's New York: Friday, January 28, 2000 [Lot 00061], \$1 - 1.5 mill BI Excellent Baroque Caravaggesque subject. Condition is an issue
Paintings	European Painting	\$	2,000,000	\$	3,000,000	KGFA	DIA no. 89.11 Giovanni Battista	Cima	Madonna and Child	late15th/early 16th Century	Paint on wood panel	25 3/8 x 18 7/8 inches (64.5 x 47.9 cm); Framed: 33 1/8 x 26 7/8 x 2 3/8 (84.1 x 68.3 x 6.0)	Comp: Madonna and Child in a Landscape, Christie's New York: Thursday, April 19, 2007 [Lot 00064], \$3.4 mill. The painting sold at auction has a more complicated background and more animated subjects. Earliest picture in the collection? 1889?
Paintings	European Painting	\$	600,000	\$	800,000	KGFA	DIA no. 89.23 Guido	Reni	Head of Christ Crowned with Thorns	early 1630's	Oil on copper panel	Panel: 19 1/2 x 16 inches (49.5 x 40.6 cm); Framed: 33 x 29 5/8 x 2 inches (83.8 x 75.3 x 5.1 cm)	Comp: Ecce Homo Sotheby's London: Wednesday, December 6, 2006 [Lot 00039] \$636,000 Christ Crowned with Thorns Christie's London: Tuesday, July 8, 2008 [Lot 00009] \$240,000. Lovely work by the artist, on copper and therefore in good condition as it retains its colors and support more effectively.

Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 89.30	Gerrit Adriaensz.	Berckheyde	View of the Grote Kerk in Haarlem	1695	Oil on canvas	Canvas: 19 5/8 x 16 3/4 inches (49.8 x 42.5 cm); Framed: 26 3/4 x 23 5/8 x 2 1/2	Comp: Grote Markt, Christie's New York: January 29, 2014 Lot 25, \$245,000, Haarlem, St. Bavo's Church Christie's Amsterdam: November 1, 2011 Lot 22 \$100,000 - 160,000 Bl, The Hague, Sotheby's New York: January 26, 2011 Lot 3 \$660,000 Varying prices - This is an interesting view, in good condition and on canvas. It is more intriguing than the 2014 sale but less so than the 1/26/11 sale.
Paintings	European Painting	\$	6,000,000	\$	8,000,000	KGFA	DIA no. 89.35	Jan	Provost	The Last Judgment	c. 1525	Oil on oak panel	Framed: 29 5/8 x 30 9/16 x 3 inches (75.25 x 77.63 x 7.62 cm); 22 3/4 x 23 7/8 inches (57.8 x 60.6 cm)	Comp: Annunciation, Christie's New York: January 29, 2014 Lot 156, \$3.6 This is the only comp on file for Provost. The DIA picture is larger and much more complicated. It is very rare to find this artist, with a large scale work for sale.
Paintings	European Painting	\$	400,000	\$	600,000	KGFA	DIA no. 89.39	Pieter	de Hooch	Mother Nursing Her Child	c. 1674/1676	Oil on canvas	Canvas: 31 3/8 x 23 1/2 inches (79.7 x 59.7 cm); Framed: 40 3/8 x 32 1/4 x 3 3/8	Comp: Mother and Child Sweeping Christie's New York: Wednesday, January 26, 2011 Lot 00028, 200 - 300,000 Bl, Lady Nursing in an Interior, Christie's London: Tuesday, July 8, 2008 [Lot 00035] 400 - 600,000 Bl. DIA is very similar to the 2008 picture, perhaps in slightly better condition.
Paintings	European Painting	\$	200,000	\$	300,000	KGFA	DIA no. 89.44		Rembrandt Harmensz van Rijn	The Death of Lucretia (?)	mid 1640's	Oil on canvas	Unframed: 68 1/2 _ 86 1/2 inches (174 _ 219.7 cm); Framed: 81 1/2 _ 100 3/4 _ 5 3/4 inches (207 _ 255.9 _ 14.6 cm)	Comp: Adoration of the Magi, Sotheby's London: Thursday, December 9, 2010 [Lot 00125], \$153,000, Large format subject from unknown hand. Discreet quality, but by no means exceptional. Has passages of mediocre conservation. Clumsy handling of various pictorial elements.
Paintings	European Painting	\$	800,000	\$	1,200,000	KGFA	DIA no. 89.46	Jan Havicksz	Steen	Gamblers Quarreling	c. 1665	Oil on canvas	Canvas: 27 3/4 x 35 inches (70.5 x 88.9 cm); Framed: 36 1/2 x 44 1/4 x 2 3/4	Comp: Village Wedding, Christie's New York: Wednesday, January 27, 2010 [Lot 00022], \$362,000, Tavern with Cock Fighting, Christie's London: Thursday, July 5, 2007 [Lot 00029], \$150 - 260,000 Bl, The 12th Night, Sotheby's New York: Thursday, June 4, 2009 [Lot 00018] \$675,000 DIA picture is identical in size, tone and handling to the 12th Night. Taking into account that they are in analagous condition, and this picture sold for \$675,000 in the height of the last recession, I believe that there is a notable increase in value from the last sale.
Paintings	European Painting	\$	8,000,000	\$	10,000,000	KGFA	DIA no. 89.63	Peter Paul	Rubens	The Meeting of David and Abigail	1625/1628	Oil on canvas	70 1/4 x 98 inches; 178.5 x 249.0 cm; Framed: 86 3/4 x 114 1/2 x 6 1/2 inches; 220.3 x 290.8 x 16.5 cm	Very fancy French provenance. Large scale, includes somewhat clumsy passages. Some question as to whether it is fully autograph or not. Massacre of the Innocents sold for \$76,000,000, Single figure Portrait of a Commander sold for \$13,000,000
Paintings	European Painting	\$	100,000	\$	150,000	KGFA	DIA no. 89.70	Bartolome Esteban	Murillo	The Immaculate Conception	17th Century	Oil on canvas	Unframed: 78 x 53 inches (198.1 x 134.6 cm); Framed: 93 1/2 x 62 1/4 x 4 1/2 inches (237.5 x 158.1 x 11.4 cm)	Comp: Immaculate Conception, Christie's London: Thursday, July 6, 2006 [Lot 00046] \$430,000 Studio versions sell for less than \$100,000. This is a particularly well painted workshop piece.
Paintings	European Painting	\$	1,200,000	\$	1,800,000	KGFA	DIA no. 37.21	Jacob Isaaksz	van Ruisdael	Farm and Hayrick on a River	late 1640's	Oil on oak panel	15 1/2 x 20 3/8 (39 x 51.2); Frame: 24 3/4 x 29 1/2 x 2 3/8 in. (62.9 x 74.9 x 6.0 cm)	Comp: Sotheby's 1/26/12, lot 23 \$782,000, Christies's NY, 6/4/14 lot 38, \$1,800,000, Lush rich example on panel with water. The \$1.8 mill sale is a more poetic and romantic image and less formulaic than 37.21. This was not on view so therefore I cannot judge the condition. I am assuming that it is in a well preserved state as it is on panel.



Artvest Total 19th Century & Old Master Ptgs	\$ 349,810,000	\$ 496,550,000
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Sculpture	European Sculpture and Dec Arts	\$ 100,000	\$ 200,000	JHY	DIA no. 1987.75	Louis Francois Roubiliac	Bust of Isaac Ware	c. 1741	marble	Overall: 25 3/4 inches _ 18 inches _ 9 5/8 inches (65.4 _ 45.7 _ 24.4 cm); Mount (pedestal): 49 7/16 _ 16 3/4 _ 16 3/4 inches (125.6 _ 42.5 _ 42.5 cm)	Summary not provided
Ceramic	European Sculpture and Dec Arts	\$ 200,000	\$ 400,000	JHY	DIA no. 1990.245	Doccia Porcelain Factory	Apollo in his Chariot; translated: Vaso	between 1748 and 1750	hard paste porcelain	Including base: 23 5/8 _ 13 1/2 _ 8 1/4 inches (60 _ 34.3 _ 21 cm)	Bonham's London, Dec 7, 2011, lot 30, 657,250 EUR; Christie's Paris, Nov. 26, 2005, lot 292, \$218,271; Sotheby's Milan, April 18, 2007, lot 246, 174,000 EUR.
Sculpture	European Sculpture and Dec Arts	\$ 100,000	\$ 200,000	JHY	DIA no. 1997.1	Jean-Léon Gérôme	Seated Woman	c. 1890/1895	Marble with original wax and polychromy	17 x 13 3/4 x 13 3/4 in.; 43.2 x 34.9 x 34.9 cm	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$ 150,000	\$ 300,000	JHY	DIA no. 2001.67	Francois Rude	Departure of the Volunteers of 1792 (The Marseillaise)	c. 1835	original plaster model	Unframed: 42 inches _ 24 1/2 inches _ 7 inches (106.7 _ 62.2 _ 17.8 cm); Framed: 51 1/2 inches _ 36 1/2 inches _ 7 inches (130.8 _ 92.7 _ 17.8 cm)	Based on the unique nature of this plaster model, direct comparables are difficult. A comparison is made to terracotta maquettes by Rodin for the large scale Gates of Paradise. Christie's Paris, November 28, 2012, lot 21, \$373,808.
Sculpture	European Sculpture and Dec Arts	\$ 4,000,000	\$ 6,000,000	JHY	DIA no. 22.3	Michel Erhardt	Virgin and Child; Alternate Title: Virgin and Child on the Crescent Moon; Alternate Title:	c. 1480	linden wood with traces of polychromy and gesso	Including base (depth Overall: 64 _ 17 1/2 _ 13 inches (162.6 _ 44.5 _ 33 cm)	Sotheby's NY, Jan 24, 2008, lot 31, \$6,313,000; Sotheby's NY, May 22, 2001, lot 32, \$2,997,750; Sotheby's London, July 2, 2013, lot 26, 458,500 GBP
Sculpture	European Sculpture and Dec Arts	\$ 6,000,000	\$ 8,000,000	JHY	DIA no. 27.150	Nino Pisano	Madonna and Child	between 1350 and 1360	fine grained white marble with traces of polychromy	Overall (with pedestal): 46 1/2 _ 29 _ 25 inches (118.1 _ 73.7 _ 63.5 cm); Overall (without pedestal): 20 x 9 x 4 in. ( 50.8 x 22.9 x 10.2 cm)-sight	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$ 3,000,000	\$ 4,000,000	JHY	DIA no. 37.147	Pollaiuolo	Judith	c. 1470	Bronze with traces of gilding	20 x 9 x 4 in. ( 50.8 x 22.9 x 10.2 cm)-sight	
Ceramic	European Sculpture and Dec Arts	\$ 400,000	\$ 600,000	JHY	DIA no. 37.74	Unknown	Vase	c. 1470	Tin-glazed earthenware with polychrome decoration	15 1/4 x 11 1/8 x 8 1/4 in. ( 38.74 x 28.26 x 21 cm)	( Extremely, its importance is based on its historical association with the court of Lorenzo de Medici not on its aesthetic quality. Also, it has restoration to the foot. Christie's London, July 9, 1999, lot 140, \$478,055; Christie's Paris, Dec. 17, 2009, lot 50, \$1,707,918; Sotheby's London, Dec. 8, 2009, Lot 1, 481,250 GBP

Sculpture	European Sculpture and Dec Arts	\$	6,000,000	\$	8,000,000	DIA no. 40.19	Donatello	Madonna and Child	1410/1420	Gilt terracotta with polychrome decoration	26 5/8 x 14 7/8 x 13 1/8 in. (67.6 x 37.8 x 33.3 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	100,000	\$	150,000	DIA no. 41.124	Donatello	Coat of Arms of the Boni Family	c. 1457	sandstone (Pietra serena)	Overall: 85 _ 29 1/4 inches (215.9 _ 74.3 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	2,000,000	\$	3,000,000	DIA no. 49.23	Jean Antoine Houdon	Robert Fulton	c. 1804	Marble	Includes socle: 28 3/4 x 20 x 12 3/4 in. ( 73 x 50.8 x 32.4 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	1,000,000	\$	1,500,000	DIA no. 49.417	Danese Cattaneo	Neptune: Allegory of Winter and Water	c. 1545	bronze, cast after wax model, black patina	Overall: 48 _ 23 1/2 _ 23 inches (121.9 _ 59.7 _ 58.4 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	1,000,000	\$	1,500,000	DIA no. 49.418	Danese Cattaneo	Mars: Allegory of Summer and Fire	c. 1545	bronze, cast after wax model, black patina	Overall: 47 _ 18 _ 14 inches (119.4 _ 45.7 _ 35.6 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	2,000,000	\$	3,000,000	DIA no. 52.218	Giovanni Lorenzo Bernini	Triton with a Sea Serpent	c. 1630s - before 1642	Terracotta	11 x 6 3/4 x 7 1/4 in. ( 27.9 x 17.1 x 18.4 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	2,000,000	\$	3,000,000	DIA no. 52.219	Giovanni Lorenzo Bernini	Triton with a Shell	c. 1630 - before 1642	Terracotta	12 1/8 x 8 3/8 x 7 1/8 in. ( 30.8 x 21.3 x 18.1 cm)	Summary not provided
Sculpture	European Sculpture and Dec Arts	\$	3,000,000	\$	5,000,000	DIA no. 52.220	Giovanni Lorenzo Bernini	Chair of St. Peter	1658	terracotta	Overall: 23 _ 11 1/2 _ 11 inches (58.4 _ 29.2 _ 27.9 cm)	
Furniture Accessory	European Sculpture and Dec Arts	\$	500,000	\$	800,000	JHY DIA no. 53.177	Etienne Pollet	Large Jewelry Box; Alternate Title: Large Jewelry Box	1738/1739	Silver	4 1/2 x 10 3/4 x 8 5/8 in. (11.4 x 27.3 x 21.9 cm)	Needs to be sold as a set along with DIA numbers 53.178 through 53.186 as a complete toilet set. Christie's Paris, Oct. 3, 2012, lot 39, \$125,258; Christie's London, June 7, 2011, lot 206, 265,250 GBP; Christie's NY, October 21, 2003, lot 425, estimated \$450,000 - \$550,000, unsold (BI).
Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY DIA no. 53.178	Etienne Pollet	Large Jewelry Box; Alternate Title: Large Jewelry Box	1738/1739	Silver	4 3/4 x 11 x 9 in.	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY DIA no. 53.183	Antoine LeBrun	Ewer; Alternate Title: Ewer	1738/1739	Silver	Ewer: 10 1/8 x 6 1/8 x 5 1/8 in. ( 25.7 x 15.6 x 13 cm)	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Furniture Accessory	European Sculpture and Dec Arts	\$	-	\$	-	JHY DIA no. 53.184	Antoine LeBrun	Basin; Alternate Title: Basin	1738/1739	Silver	2 5/8 x 13 3/8 x 9 15/16 in. ( 6.7 x 34 x 25.2 cm)	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.

Furniture Accessory	European Sculpture and Dec Arts	\$ -	\$ -	JHY	DIA no. 53.185	Antoine LeBrun	Table Mirror; Alternate Title: Table Mirror	1738/1739	Silver	26 1/2 x 23 7/8 x 2 1/2 in. (67.3 x 60.6 x 6.4 cm); Display dims.: 25 3/8 x 23 7/8 x 11 1/8 in. (64.4 x 60.6 x 28.3 cm)	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Furniture Accessory	European Sculpture and Dec Arts	\$ -	\$ -	JHY	DIA no. 53.186	Antoine LeBrun	Pair of Cosmetic Pots with Stand; Alternate Title: Pair of Cosmetic Pots with Stand	1738/1739	Silver	Cosmetic Pots: 4 x 2 3/4 in. diam. ea.; Stand: 1 1/2 x 9 1/2 x 6 3/4 in.	Needs to be sold together with DIA 53.177 and is valued above as if it would be sold as a set.
Arms and Armor	European Sculpture and Dec Arts	\$ 500,000	\$ 1,000,000	JHY	DIA no. 53.193	Lorenz Helmschmied	Armor in the Gothic Style	c. 1485 and later	Steel, copper alloy, leather	As displayed: 71 x 28 1/2 x 26 1/4 in. (180.34 x 72.39 x 66.68 cm)	Complete, period (most are 19th century reproductions or are composites from different sets) garnitures of armor have not shown up at auction in a long period of time, there are no real comparables on which to base an estimate. Given the quality, and Hearst Collection provenance, and its known maker, we estimate it could sell for \$500,000 to a million. Only reasonable comp is from Pierre Berge & Associates, Paris, December 13, 2011, lot 179, 270,000 Euros.
Arms and Armor	European Sculpture and Dec Arts	\$ 150,000	\$ 300,000	JHY	DIA no. 53.196	Unknown	Jousting Armor; Title: Jousting Armor	c. 1580	Steel, copper alloy, leather, paint	As displayed: 69 x 27 1/4 x 20 5/8 in. (175.26 x 69.22 x 52.37 cm)	A lesser piece than DIA 53.193, it would be at the lower end of the comp referred to above.
Arms and Armor	European Sculpture and Dec Arts	\$ 150,000	\$ 300,000	JHY	DIA no. 53.197	Unknown	Armor for the Tilt in the Saxon Fashion	c. 1590	Steel, leather	As displayed: 70 1/2 x 30 x 17 7/8 in. (179.07 x 76.2 x 45.39 cm)	A lesser piece than DIA 53.193, it would be at the lower end of the comp referred to above.
Arms and Armor	European Sculpture and Dec Arts	\$ 150,000	\$ 300,000		DIA no. 53.198	Unknown	Half-Armor; Alternate Title: Corsaletto	c. 1550	steel, gilding	Overall (top of helmet to tip of tassel): 47 1/2 inches (120.7 cm)	A lesser piece than DIA 53.193, it would be at the lower end of the comp referred to above.
Arms and Armor	European Sculpture and Dec Arts	\$ 150,000	\$ 300,000		DIA no. 53.200	Unknown	Corsaletto; Title: Half Armor of Corsaletto	c. 1605	Steel, blued, etched and gilded	30 1/2 x 23 3/4 x 13 1/2 in. (77.47 x 60.33 x 34.29 cm); Pedestal: 36 3/8 x 17 3/4 x 14 1/2 in. (92.4 x 45.1 x 36.8 cm); Top base: 5 1/8 x 9 1/2 x 8 3/4 in. (13 x 24.1 x 22.2 cm)	A lesser piece than DIA 53.193, it would be at the far lower end of the comp referred to above.
Silver	European Sculpture and Dec Arts	\$ 400,000	\$ 600,000	JHY	DIA no. 55.183.A	Thomas Germain	Tureen with Lid and Stand	1729/1730	Silver, cast, applied, chased, and sculpted.	8 1/2 x 17 1/6 x 13 7/8 in. (21.6 x 43.6 x 35.2 cm)	Sotheby's Paris, April 18, 2012, lot 89, \$709,645; Christie's London, July 5, 2000, lot 10, \$471,054; Christie's Paris, November 8, 2013, lot 135, \$2,374,115; Sotheby's Nov. 20, 2003, lot 196, 688,800 GBP
Tapestry	European Sculpture and Dec Arts	\$ 150,000	\$ 250,000	JHY	DIA no. 55.519	Unknown	Pride; Alternate Title: Superbia	c. 1500/1510	Wool, silk	148 x 264 in. (375.9 x 670.6 cm)	Sotheby's London, Oct. 29, 2008, lot 46, 229,250 GBP; Christie's NY, April 20, 2007, lot 121 \$144,000; Christie's London, Dec. 14-15, 2005, lot 79, \$330,970
Tapestry	European Sculpture and Dec Arts	\$ 150,000	\$ 250,000	JHY	DIA no. 55.520	Unknown	Charity; Alternate Title: Caritas	c. 1500/1510	Wool, silk	152 x 250 in. (386 x 635 cm)	See note for DIA 55.519
Tapestry	European Sculpture and Dec Arts	\$ 150,000	\$ 250,000	JHY	DIA no. 55.521	Unknown	Fortitude; Alternate Title: Fortitudo	c. 1500/1510	Wool, silk	152 x 260 in. (386.1 x 660.4 cm)	See note for DIA 55.519

Tapestry	European Sculpture and Dec Arts	\$	150,000	\$	250,000	JHY	DIA no. 55.522	Unknown	Wrath; Alternate Title: Ira	c. 1500/1510	Wool, silk	150 x 264 in. (381.0 x 670.6 cm)	See note for DIA 55.519	
Silver	European Sculpture and Dec Arts	\$	200,000	\$	400,000	JHY	DIA no. 56.85.1	Thomas	Germain	Candelabrum	1732/1734	Silver	Sight: 17.0 x 8.0 x 9.0 in. (43.18 x 20.3 x 22.8 cm)	Sotheby's NY, April 8, 2014, lot 229, \$197,000; Christie's NY, October 21, 2003, lot 335, \$298,700; Sotheby's Paris, April 18, 2012, lot 71, \$67,125.
Sculpture	European Sculpture and Dec Arts	\$	600,000	\$	800,000		DIA no. 59.123	Hubert	Gerhard	Hebe	c. 1590	bronze	Overall (without base or marble socle): 24 7/16 _ 12 3/8 _ 8 1/16 inches (62.1 _ 31.4 _ 20.5 cm); Overall (including base): 30 inches _ 12 3/8 inches 8 1/16 inches (76.2	
Ceramic	European Sculpture and Dec Arts	\$	200,000	\$	400,000	JHY	DIA no. 59.124.A		Fontana Workshop	Footed Bowl; Title: Footed Bowl; Alternate Title: Broth Bowl; Alternate Title: Scodella	c. 1560/1570	Tin-glazed earthenware with enamel decoration	Cup : 4 x 5 1/2 in. diameter (10.2 x 14.0 cm); Cup and Cover : 4 1/2 x 6 7/8 in. diam. (11.4 x 17.5 cm); Overall: 5 x 8 3/8 in. diam.	Christie's London, June 4, 2013, lot 4, \$296,435; Christie's London, July 5, 2012, lot 92, \$151,710; Christie's London, July 5, 2012, lot 76, \$713,310)
Silver	European Sculpture and Dec Arts	\$	600,000	\$	800,000	JHY	DIA no. 59.18	Thomas	Germain	Tureen with Lid, Liner, and Stand	1733 or 1734	silver with cast, chased, and applied decoration	Overall: 10 _ 21 1/2 _ 16 1/4 inches (25.4 _ 54.6 _ 41.3 cm)	Same comparables as DIA 55.183.A. This is more complete and has more elements. Sotheby's Paris, April 18, 2012, lot 89, \$709,645; Christie's London, July 5, 2000, lot 10, \$471,054;
Ceramic	European Sculpture and Dec Arts	\$	1,500,000	\$	3,500,000	JHY	DIA no. 59.295	Johann Gottlieb	Kirchner	Joseph Froehlich, Court Jester of Augustus the Strong	1729 or 1730	glazed hard paste porcelain	Overall: 20 _ 15 1/2 _ 12 inches (50.8 _ 39.4 _ 30.5 cm)	This is unique within the corpus of Meissen, so direct comparisons are difficult. Christie's London, Dec. 18, 2006, lot 51, \$5,495,256; Christie's London, June 13-14, lot 351, \$1,224,189; Sotheby's London, May 1, 2013, lot 78, 818,500.
Ceramic	European Sculpture and Dec Arts	\$	2,500,000	\$	5,000,000	JHY	DIA no. 59.296	Johann Joachim	Kaendler	Postmaster Baron Schmiedel	1739	glazed hard paste porcelain	Overall: 18 _ 14 1/2 _ 10 inches (45.7 _ 36.8 _ 25.4 cm)	As with DIA 59.295, this also is unique within the corpus of Meissen, so direct comparisons are difficult. Christie's London, Dec. 18, 2006, lot 51, \$5,495,256; Christie's London, June 13-14, lot 351, \$1,224,189; Sotheby's London, May 1, 2013, lot 78, 818,500.
Sculpture	European Sculpture and Dec Arts	\$	400,000	\$	600,000		DIA no. 61.164		Master of the Arenberg Lamentation	The Lamentation; Alternate Title: The Arenberg Lamentation	between 1470 and 1480	oak with traces of polychromy	Overall (image): 34 3/4 _ 54 3/4 _ 9 3/4 inches (88.3 _ 139.1 _ 24.8 cm); Overall (pedestal (to	
Ceramic	European Sculpture and Dec Arts	\$	800,000	\$	1,500,000	JHY	DIA no. 66.17		Meissen Porcelain Manufactory	Crane; Alternate Title: Granige, Kraniche mit dem Steine; Alternate Title: Grus grus	1735	Hard-paste porcelain	32 3/4 x 19 1/2 x 7 in. (83.2 x 49.5 x 17.8 cm)	Christie's Paris, June 22, 2005, lot 119, \$6,847,465; Christie's London, June 13-14, 2002, lot 350, \$1,548,029; Sotheby's London, May 1, 2013, lot 195, 554,500.
Furniture	European Sculpture and Dec Arts	\$	1,500,000	\$	2,500,000	JHY	DIA no. 71.196	Martin	Carlin	Jewel Coffer	c. 1774	oak carcass, veneered with tulipwood, holly, ebony,	Overall: 37 3/8 _ 20 5/8 _ 13 5/8 in. (94.9 _ 52.4 _ 34.6 cm)	Christie's New York, Nov. 2, 2000, lot 200, \$1,546,000; Christie's London, June 13, 2002, lot 310, \$2,158,406; Christie's London, July 6, lot 60, \$2,971,830
Furniture	European Sculpture and Dec Arts	\$	500,000	\$	800,000	JHY	DIA no. 73.167	Pietro	Piffetti	Secretary; Alternate Title: Secretary Bookcase	c. 1770	kingwood, ivory, and ebony on wood	Overall (by sight): 88 in. _ 33 3/4 in. _ 18 in. (223.5 _ 85.7 _ 45.7 cm)	This example is larger than the comps: Sotheby's London, Dec. 8, 2004, lot 19, \$437,818; Christie's London, Dec. 14, 2000, lot 325, \$404,188; Christie's London, June 13, 2002, lot 472, \$300,836.

Sculpture	European Sculpture and Dec Arts	\$	100,000	\$	200,000	DIA no. 73.254	Antonio Montauti	The Return of the Prodigal Son	1724 bronze	Overall: 24 7/8 in. _ 19 1/2 in. _ 14 in. (63.2 _ 49.5 _ 35.6 cm)		
Sculpture	European Sculpture and Dec Arts	\$	150,000	\$	250,000	JHY DIA no. 79.21	Pierre Puget	Le ravissement d'Helene; Alternate Title: The Abduction of Helen of Troy; translated: The Abduction of Helen	1683-1686 bronze	Overall: 38 1/4 inches _ 19 inches _ 16 15/16 inches (97.2 _ 48.3 _ 43 cm); Mount (pedestal): 38 1/8 _ 19 13/16 _ 19 13/16 inches (96.8 _ 50.3 _ 50.3 cm)		
Sculpture	European Sculpture and Dec Arts	\$	1,000,000	\$	1,500,000	DIA no. 81.695	Giovanni Battista Foggini	Cupid and Psyche; Alternate Title: Amore e Psiche	c. 1710/1720	Bronze with brown patina and red-gold lacquer	Summary not provided	
Sculpture	European Sculpture and Dec Arts	\$	800,000	\$	1,000,000	DIA no. 82.27	Giovanni Francesco Susini	Bacchus and a Young Satyr	c. 1640	Bronze	Summary not provided	
Sculpture	European Sculpture and Dec Arts	\$	150,000	\$	300,000	JHY DIA no. F76.92	Donatello	The Nativity (Ford Nativity)	c. 1420/1430	Terracotta with traces of polychromy (vermillion, malachite, azurite, lead and white) and Silver	unframed: 18 1/2 x 14 x 3 1/4 in.; 47.0 x 35.6 x 8.3 cm; Framed: 32 1/2 x 19 x 3 1/4 in.; 82.6 x 48.3 x 8.3 cm	As this is "Workshop" of Donatello, it is compared to the Workshop of Rosselino: Sotheby's London, July 7, 2006, lot 30; \$175,545. As opposed to an fully attributed Donatello at Sotheby's NY, Jan 26, 2006, lot 74, \$4,440,000
Silver	European Sculpture and Dec Arts					DIA no. 56.85.2	Thomas Germain	Candelabrum	1732/1734		Sight: 17.0 x 8.0 x 9.0 in. (43.18 x 20.3 x 22.8 cm)	

\$ - \$ - JHY

<b>Artvest Total European Decorative Art &amp; Sculpture</b>	<b>\$ 44,650,000</b>	<b>\$ 69,000,000</b>
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Part of a set with 56.85.1, value information included there.

Rug Islamic Art Sculpture \$ 80,000 \$ 150,000 JHY

Rug	Islamic Art Sculpture	\$	80,000	\$	150,000	JHY DIA no. 48.137	Islamic	Summer Floor Covering (nihale)	1650/1700	Cut and voided velvet; silk with metal threads (silver wrapped silk core); compound satin and velvet. Registrar's Card: Polychrome	193 x 105 1/2 in.; 490.2 x 268.0 cm	Sotheby's London, April 5, 2006, lot 51, GBP 66,000; Sotahby's Doha, March 19, 2009, Lot 315, \$206,500; Sotheby's London, April 24, 2012, lot 125, GBP 325,250. Although this textile is large,(193 x 105 1/2 inches) it is not as visually compelling as the latter two comparables.
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<b>Artvest Total Islamic Art</b>	<b>\$ 80,000</b>	<b>\$ 150,000</b>
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Drawing	Prints, Drawings & Photographs	\$	1,000,000	\$	1,500,000	Sabine Wilson	DIA no. 1991.1015	Paul	Klee	Translucencies, Orange-Blue; Alternate Title: Durchleuchtungen, Orange-Blau	1915	Watercolor on off-white wove paper fully attached to a heavy paperboard support	Sheet: 7 3/8 x 9 1/8 in. (18.7 x 23.2 cm); Framed: 16 1/2 x 20 7/16 x 1 3/8 in. (41.9 x 51.9 x 3.5 cm)	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	1,500,000	\$	2,000,000	Sabine Wilson	DIA no. 65.139	Paul	Cézanne	Skull and Book; Alternate Title: Vanitas; Alternate Title: Un crane	c. 1885	Watercolor over black chalk on laid paper	Sheet: 9 1/4 x 12 3/16 in. (23.5 x 31 cm.); Frame: 18 3/8 in x 24 3/8 in x 1 5/16 in.	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	40,000	\$	60,000	Sabine Wilson	DIA no. 65.140	Paul	Cézanne	Slave		Graphite pencil on dark cream laid paper	Sheet: 17 3/4 x 11 1/2 in. (45.1 x 29.2 cm); Frame: 27 1/2 x 21 x 1 1/2 in. (69.9 x 53.3 x 3.8 cm)	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	200,000	\$	300,000	Sabine Wilson	DIA no. 65.162	Henri	Matisse	Plumed Hat	1919	Graphite pencil on wove paper	Sheet: 20 7/8 x 14 3/8 in. (53 x 36.5 cm); Frame: 34 1/4 x 28 3/8 x 2 3/8 in. (87 x 72.1 x 6 cm)	Summary not provided
Drawing	Prints, Drawings & Photographs	\$	200,000	\$	300,000	Betty Krulik	DIA no. 70.253	Charles	Demuth	Still Life with Apples and Bananas	1925	Watercolor and graphite pencil on wove paper	Sheet: 11 7/8 x 18 in. (30.2 x 45.7 cm); Frame: 23 x 29 1/4 x 1 3/8 in. (58.4 x 74.3 x 3.5 cm)	comparable of Squash sold in 2009 for \$218K but this one more colorful and full, therefore a wider up side.
Drawing	Prints, Drawings & Photographs	\$	2,000,000	\$	4,000,000	Sabine Wilson	DIA no. 72.441	Edgar	Degas	Dancers in Repose	c. 1898	Pastel and charcoal on thin wove paper fully attached to a thin supporting sheet	Sight: 22 1/2 x 16 7/8 in. (57.1 x 42.8 cm); Mount: 26 1/2 x 20 3/4 in. (66.7 x 52.8 cm); Frame: 34 x 27 3/4 x 2 in. (86.4 x 70.5 x 5.1 cm)	Summary not provided

<b>Artvest Total Prints, Drawings &amp; Photographs</b>	<b>\$</b>	<b>4,940,000</b>	<b>\$</b>	<b>8,160,000</b>
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<b>Artvest Total High Value Works, All Categories</b>	<b>\$</b>	<b>1,569,355,000</b>	<b>\$</b>	<b>2,290,085,000</b>
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**Exhibit 6B**

August 1, 2014 Michael Plummer Deposition Transcript

Michael Plummer  
IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN

In Re: ) Chapter 9

CITY of DETROIT, MICHIGAN, ) Case No. 13-53846

Debtor. ) Hon. Steven Rhodes

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Videotaped Deposition of MICHAEL PLUMMER  
Taken at: Weil, Gotshal & Manges, LLP  
767 Fifth Avenue  
New York, New York  
Commencing at 9:03 a.m.  
Friday August 1, 2014  
Before Roberta Caiola

1 Michael Plummer  
2 A P P E A R A N C E S:  
3  
4 ARTHUR H. RUEGGER, ESQ.  
5 Dentons US, LLP  
6 1301 K Street, N.W.  
7 Suite 600, East Tower  
8 Washington, D.C. 20005  
9 Appearing on behalf of the  
10 Retiree Committee  
11  
12 MICHAEL J. PATTWELL, ESQ.  
13 Clark Hill, PLC  
14 212 East Grand River  
15 Lansing, Michigan 48906  
16 Appearing on behalf of the Retirement  
17 Systems for the City of Detroit  
18 (Present Telephonically)  
19  
20 HIRAM ARNAUD, ESQ.  
21 Chadbourne & Parke, LLP  
22 30 Rockefeller Plaza  
23 New York, New York 10112  
24 Appearing on behalf of Assured  
25 Guaranty Municipal Corporation  
(Present Telephonically)  
  
ALSO PRESENT:  
JOSE RIVERA - Video Technician

1 Michael Plummer  
2 A P P E A R A N C E S:  
3  
4 EDWARD SOTO, ESQ.  
5 DEBORA A. HOEHNE, ESQ. (New York Office)  
6 Weil, Gotshal & Manges, LLP  
7 1395 Brickell Avenue, Suite 1200  
8 Miami, Florida 33131  
9 Appearing on behalf of Financial  
10 Guaranty Insurance Company  
11  
12 GEOFFREY S. IRWIN, ESQ.  
13 Jones Day  
14 51 Louisiana Avenue, N.W.  
15 Washington, D.C. 20001  
16 Appearing on behalf of the Debtor  
17 - and -  
18 LAUREN BUONOME, ESQ.  
19 Jones Day  
20 222 East 41st Street  
21 New York, New York 10017-6702  
22 (Present Telephonically)  
23 - and -  
24 RICHARD LEVIN, ESQ.  
25 Cravath, Swaine & Moore LLP  
Worldwide Plaza  
825 Eighth Avenue  
New York, New York 10019-7475  
Appearing on behalf of the  
DIA Corp.  
  
ARTHUR T. O'REILLY, ESQ.  
Honigman Miller Schwartz and Cohn LLP  
2290 First National Building  
660 Woodward Avenue  
Detroit, Michigan 48226-3506  
Appearing on behalf of the  
Detroit Institute of Arts

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6 E X H I B I T S  
7 Plummer Description Page  
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11 Exhibit 3 Victor Wiener's Expert Report 214  
12 in this Chapter 9 proceeding  
13 Exhibit 4 Article prepared by Zhang Yi 228  
14 entitled "Review of Expert  
15 Witness Report of Michael  
16 Plummer, Artvest Partners,  
17 Dated July 8, 2014"  
18 Exhibit 5 Article by Katherine Boyle 236  
19 from the Washington Post,  
20 dated October 6, 2013,  
21 entitled "Poor Detroit: What  
22 money giveth, It can taketh  
23 away"  
24  
25 (Original exhibits retained by the Court  
Reporter to accompany the transcript)  
  
(\*r) DOCUMENTS REQUESTED:  
  
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1 Michael Plummer  
 2 THE VIDEOGRAPHER: This is media  
 3 unit number 1 in the video deposition of Michael  
 4 Plummer, in the matter of In Re: City of  
 5 Detroit Michigan, Debtor, in the United States  
 6 Bankruptcy Court for the Eastern District of  
 7 Michigan, Case Number 13-53846.

8 This deposition is being held at  
 9 Weil, Gotshal & Manges LLP, 767 Fifth Avenue,  
 10 New York, New York on August 1, 2014 at  
 11 approximately 9:03 a.m.

12 My name is Jose Rivera from the  
 13 firm of Elisa Dreier Reporting Corp., and I am  
 14 the legal video specialist. The court reporter  
 15 is Roberta Caiola, in association with Elisa  
 16 Dreier Reporting Corp., located at 950 Third  
 17 Avenue, New York, New York. For the record,  
 18 will counsel please introduce themselves.

19 MR. IRWIN: Geoff Irwin, with Jones  
 20 Day, on behalf of the City of Detroit and the  
 21 witness.

22 MR. O'REILLY: Arthur O'Reilly, on  
 23 behalf of the Detroit Institute of Arts.

24 MR. RUEGGER: Arthur Ruegger, from  
 25 Dentons, on behalf of the Retirees Committee.

1 Michael Plummer  
 2 MR. SOTO: I'm Ed Soto and this is  
 3 Debora Hoehne, we're here from Weil Gotshal &  
 4 Manges on behalf of FGIC.  
 5 THE VIDEOGRAPHER: On the phone?  
 6 MR. SOTO: Does anyone on the phone  
 7 want to make an appearance?  
 8 MR. PATTWELL: Michael Pattwell,  
 9 Clark Hill, on behalf of the Detroit Retirement  
 10 Systems.  
 11 MS. BUONOME: Lauren Buonome, of  
 12 Jones Day, on behalf of the City.  
 13 MR. ARNAUD: Hiram Arnaud, from  
 14 Chadbourne & Parke, on behalf of Assured  
 15 Guaranty Municipal Corporation.  
 16 THE VIDEOGRAPHER: Will the court  
 17 reporter please swear in the witness.  
 18 THE COURT REPORTER: Raise your  
 19 right hand please. Do you swear the testimony  
 20 that you are about to give will be the truth,  
 21 the whole truth, and nothing but the truth?  
 22 THE WITNESS: Yes, I do.  
 23 MICHAEL PLUMMER, having been duly sworn by the  
 24 Notary Public, Roberta Caiola, was examined and  
 25 testified as follows:

1 Michael Plummer  
 2 EXAMINATION BY MR. SOTO:

3 Q. Mr. Plummer, my name is Ed Soto.  
 4 Could you please state your full name for the  
 5 record?

6 A. Michael John Plummer.

7 Q. Now I'm going to hand you what has  
 8 been marked as Exhibit 1.

9 (Plummer Exhibit 1, Notice of  
 10 Deposition, marked for identification.)

11 Q. Which is a copy of the Notice of  
 12 Deposition that you were served with in this  
 13 matter. Have you seen this before?

14 A. Yes, I have.

15 Q. Actually, I'm only giving it to you  
 16 because these exhibits were pre-marked, and if I  
 17 don't give it to you then one is out of sequence  
 18 and we have to re-mark them all. You might want  
 19 to take a quick look at it and make sure it's  
 20 the same notice that you received?

21 A. It looks to be the one.

22 Q. Mr. Plummer, have you ever been  
 23 deposed before?

24 A. No, I have not.

25 Q. Typically the way it works is I

1 Michael Plummer  
 2 will ask you a question, the court reporter will  
 3 take it down, transcribe it in a magical way,  
 4 and then we'll wait for your answer, and she'll  
 5 also transcribe your answer. It has to be done  
 6 verbally and linear so that if I am talking I  
 7 have to stop, then you get a chance to talk,  
 8 then when you stop I get a chance to talk.

9 If I cut you off let me know, tell  
 10 me. I try to overcome that habit and I've done  
 11 a good job of it, but sometimes not, she can't  
 12 take two people down at the same time.

13 A. I understand.

14 Q. The other thing is I tend to be a  
 15 nodder, sort of a grunter and a nodder and a huh  
 16 guy, that's the way I naturally talk, but in  
 17 transcription you have to speak verbally, you  
 18 have to say yes, no, otherwise they won't take  
 19 the nod.

20 Sometimes good reporters will  
 21 actually say he nodded yes, at which point I  
 22 will say that looked like a no to me and that  
 23 creates the controversy, we don't want that, we  
 24 want a straight clean record.

25 If at any time I ask you a question

1 Michael Plummer  
2 that you don't understand tell me. I am not an  
3 expert in this area, you will soon see that, and  
4 you are, or certainly purport to be. So there  
5 may be some things that I am saying that you're  
6 not understanding, say so, I will try to  
7 rephrase it, we'll try to work at it. My goal  
8 here today is to get a deeper understanding of  
9 your expert report and your expert  
10 qualifications and then move on from there.

11 If at any time you feel you want a  
12 break you have a right to do that, just say so  
13 and we'll be able to take a break, it's not a  
14 marathon hopefully. It may be a marathon but it  
15 certainly doesn't require no breaks. If you at  
16 any time want to talk to your counsel you have a  
17 right to do that as well.

18 Generally, I will ask you to finish  
19 the question that's pending, but not always, so  
20 just tell me if you have the urge to do that.  
21 Finally, if there is anything that you find an  
22 hour into the deposition well, you know, I  
23 forgot a guy's name that I should have told you  
24 before, feel free to say I thought about the  
25 question you asked me an hour ago.

1 Michael Plummer  
2 I will assume that you're answering  
3 the questions based on your personal knowledge,  
4 unless you tell me so. If you do tell me it's  
5 not my personal knowledge I may choose to go on  
6 on that basis; otherwise we'll be assuming that  
7 you're answering questions based on your  
8 personal knowledge.

9 Is there any reason that you can  
10 think of that you wouldn't be able to give a  
11 full and complete and truthful deposition here  
12 today?

13 A. No.

14 Q. So throughout the deposition I'll  
15 use certain terms, and I want to make sure that  
16 we have sort of the same understanding of those  
17 terms because some of them are fairly general,  
18 and you wouldn't have that same understanding  
19 unless you were embedded in this litigation like  
20 some of us.

21 When I refer to the "City" I'm  
22 probably going to be referring to the City of  
23 Detroit. If I'm not I'll let you know I'm  
24 referring to another city. In the questioning  
25 when I talk about the City or the Debtor it will

1 Michael Plummer  
2 be Detroit.

3 When I refer to the DIA or the  
4 museum, I'll be referring to the Detroit  
5 Institute of Art Museum that's owned by the City  
6 of Detroit. When I refer to the DIA Corp.,  
7 which I'm not sure I will, but if I do it's the  
8 nonprofit DIA Corp. that runs the Detroit  
9 Institute of Art.

10 Sometimes I'll refer to the art or  
11 the art collection, and I know in your world  
12 there are many arts and art collections, today  
13 I'll be referring to the art and the art  
14 collection that's stored at the DIA museum.

15 Do those make sense to you?

16 A. Yes.

17 Q. Let me get started with some  
18 background on you. Where did you go to school,  
19 college?

20 A. The Wharton School at the  
21 University of Pennsylvania.

22 Q. That was for what degree?

23 A. A B.S. in economics.

24 Q. Did you have any other majors,  
25 other than economics?

1 Michael Plummer

2 A. I had a minor in English literature  
3 concentration.

4 Q. When did you get your degree from  
5 Wharton?

6 A. 1980.

7 Q. Did you receive any postgraduate  
8 education?

9 A. No, I did not.

10 Q. Do you have any formal art  
11 training?

12 A. I studied art at Penn, but I do not  
13 have no other formal training.

14 Q. Do you have any formal art  
15 appraisal training?

16 A. No, I do not.

17 Q. Are you a licensed or certified  
18 appraiser?

19 A. I am not.

20 Q. Are there such things, licensed and  
21 certified appraisers?

22 A. There are; not licensed but  
23 certified.

24 Q. Do you have any other professional  
25 licenses or certifications?

1 Michael Plummer  
 2 A. I actually have a real estate  
 3 salesperson's license.  
 4 Q. Are you a member of any  
 5 professional organization?  
 6 A. I am a founder of the Art  
 7 Investment Council.  
 8 Q. What is the Art Investment Council?  
 9 A. The Art Investment Council is a  
 10 not-for-profit group that promotes best  
 11 practices in the art investment industry in art  
 12 investment.  
 13 Q. When did you start?  
 14 A. In 2010 I believe, some time in  
 15 that time frame.  
 16 Q. Why did you start it?  
 17 A. My business partner and I started  
 18 it because we felt that there was a need for  
 19 this because there was a lot of misinformation  
 20 about art investment, and we started it to  
 21 create a place to exchange knowledge and raise  
 22 the standard of practices and discussion about  
 23 art investment.  
 24 Q. How many members does the art  
 25 investment council have?

1 Michael Plummer  
 2 A. I don't remember exactly. It may  
 3 be about 20 something.  
 4 Q. Are these scattered around the  
 5 country?  
 6 A. No, it's focused here in New York  
 7 City.  
 8 Q. How often does the Art Investment  
 9 Council meet?  
 10 A. We have not had meetings for about  
 11 a year because my partner and I have had other  
 12 obligations.  
 13 Q. When you refer to your partner who  
 14 are you referring to?  
 15 A. His name is Jeff Rabin who  
 16 co-founded Artvest Partners with me.  
 17 Q. Have you through the Art Investment  
 18 Council promulgated any standards for art  
 19 investment?  
 20 A. Promulgated standards, no; but we  
 21 have discussed issues like transparency and art  
 22 investment fund practices and other things.  
 23 Q. Have you published anything through  
 24 the Art Investment Council?  
 25 A. I don't believe so.

1 Michael Plummer  
 2 Q. Do you have a site online or  
 3 anything like that?  
 4 A. We do have a website.  
 5 Q. What's that website?  
 6 A. I think it is the  
 7 ArtInvestmentCouncil.com.  
 8 Q. Do you believe that any of your  
 9 work with the Art Investment Council is relevant  
 10 in connection with your proposed testimony in  
 11 this action, the Detroit bankruptcy proceedings  
 12 that we're here on for this deposition?  
 13 A. I think the experience that led to  
 14 my founding the Council is relevant.  
 15 Q. In what way?  
 16 A. In my knowledge of art investment  
 17 and my understanding of the art world and my  
 18 understanding of practices around that.  
 19 Q. I think we'll get to that during  
 20 this deposition, if we don't we can come back to  
 21 it.  
 22 A. Okay.  
 23 Q. What about your employment history.  
 24 After college, where did you first work?  
 25 A. I started at Sotheby's in the

1 Michael Plummer  
 2 treasury department.  
 3 Q. What does the treasury department  
 4 at Sotheby's do?  
 5 A. The treasury department extended  
 6 credit and approved buyers. My job was an  
 7 account manager and I managed relationships with  
 8 dealers, meaning members of the trade and  
 9 clearing them for trade credit, collecting money  
 10 from them.  
 11 Q. How long --  
 12 A. Sorry, also managing an art loan.  
 13 Q. That's interesting. How does one  
 14 manage an art loan?  
 15 A. You make interest calculations, you  
 16 manage the inventory, you make sure that  
 17 insurance payments are made by the dealers, you  
 18 manage sales of property to pay down principal,  
 19 you do inventories of the collection that are  
 20 held in-house.  
 21 Q. How does it work, does a person get  
 22 a loan based on the art as collateral, is that  
 23 essentially it?  
 24 A. Yes, correct.  
 25 Q. Who holds the collateral?

1 Michael Plummer  
 2 A. Generally speaking, in this case it  
 3 is the auction house or the lender.  
 4 Q. So how long were you employed in  
 5 Sotheby's treasury department?  
 6 A. I think probably about 3-1/2 years.  
 7 Q. What department did you move on to  
 8 after that?  
 9 A. I moved on to become being the  
 10 business manager for the Asian Art division.  
 11 Q. What were your duties as the  
 12 business manager of the Asian Art division?  
 13 A. Basically, there were many duties,  
 14 but the most important one was doing financial  
 15 forecasts for the company, for that area of the  
 16 company. So I would work with the specialists  
 17 and get their estimates for upcoming sales, and  
 18 then work with them to set the values of those  
 19 sales on which the business would make its  
 20 decisions for operating expenditures and  
 21 financial forecasts. It was not dissimilar to  
 22 working with a group of experts on an appraisal.  
 23 Q. In connection with your work as the  
 24 business manager did you perform appraisals?  
 25 A. No, I did not.

1 Michael Plummer  
 2 Q. Did you work with people who  
 3 performed appraisals?  
 4 A. I did.  
 5 Q. Did you manage them?  
 6 A. I did manage them, yes.  
 7 Q. Was that your first experience  
 8 working with art appraisers?  
 9 A. Well, as an account manager in the  
 10 treasury department I also had a close  
 11 relationship with the experts. So I did work  
 12 with them in that capacity as well.  
 13 So, for instance, with that art  
 14 loan that was reliant on appraisal of that art,  
 15 and those appraisals had to be updated and I had  
 16 to get those appraisals from the experts.  
 17 Q. The experts are the appraisers?  
 18 A. Yes.  
 19 Q. You call them the experts. Is that  
 20 what they're called in the industry?  
 21 A. Well, they used to be called that  
 22 and I still hold on to that old terminology;  
 23 they now call them specialists.  
 24 Q. That's interesting, the experts.  
 25 Nobody calls me that. Let's see, where were we.

1 Michael Plummer  
 2 So you were the business manager  
 3 overseeing the Asian Art for how long?  
 4 A. I believe it was around three  
 5 years.  
 6 Q. After your term as the business  
 7 manager of Asian Art what was your next job at I  
 8 guess Sotheby's?  
 9 A. I moved over to the real estate  
 10 division and worked closely with the CEO and CFO  
 11 of Sotheby's to restructure the real estate  
 12 company.  
 13 Q. What was the year you moved over to  
 14 the real estate division?  
 15 A. I haven't looked at my resume for a  
 16 while, but I think it was maybe '88, somewhere  
 17 around there.  
 18 Q. So working backwards, it would have  
 19 been about '85 that you began at Asian Art?  
 20 A. Yeah. Asian Art was not just Asian  
 21 Art, it was also books and manuscripts and other  
 22 departments, but it was called the Asian Art  
 23 division; it was a catchall for various  
 24 categories.  
 25 Q. Those categories included what

1 Michael Plummer  
 2 forms of art?  
 3 A. They included Asian Art, Ancient  
 4 Art, African Art, what was then called Arcade,  
 5 books and manuscripts, prints, photographs; so  
 6 it was a rather large part of the company.  
 7 Q. What does Arcade include?  
 8 A. Arcade was the low end sales area  
 9 of the business.  
 10 Q. What does that mean, the low end  
 11 sales area?  
 12 A. It was, you know, estate property  
 13 that was a catchall. It was stuff that was not  
 14 put in dedicated specialist sales.  
 15 Q. So then it would have been about  
 16 '82 when you were starting at the treasury  
 17 department?  
 18 A. No, it was 1980.  
 19 Q. So it was '80?  
 20 A. The fall of 1980.  
 21 Q. If that was '80, then it would have  
 22 been about '83 that you started in the Asian Art  
 23 division?  
 24 A. Maybe towards the end of '83.  
 25 Q. Okay. Then you were there three

1 Michael Plummer  
 2 years so it could have been '87, '88 that you  
 3 started at Sotheby's?  
 4 A. Yeah, that sounds about right.  
 5 Q. What did you do in '87, '88 for the  
 6 real estate division?  
 7 A. It was actually up through '91. I  
 8 worked, as I said closely, with the CFO and the  
 9 CEO of Sotheby's to restructure the real estate  
 10 company in preparation for Sotheby's going  
 11 public. It was critical that it be turned into  
 12 a profit-making company after many years of not  
 13 being successful.  
 14 So we were a small team that turned  
 15 it around and made it into a profitable venture,  
 16 and created the business model under which it  
 17 still operates today.  
 18 Q. What is that business model?  
 19 A. Well, I don't want to get into  
 20 revealing too much proprietary information, but  
 21 it was a restructuring of its licensing model  
 22 and its local brokerage operations and how they  
 23 function.  
 24 Q. When you were with the real estate  
 25 division of Sotheby's from 1987 or '88 through

1 Michael Plummer  
 2 1991, did you work with art appraisers?  
 3 A. During that period, no.  
 4 Q. Did you do any art appraisal  
 5 yourself during that period?  
 6 A. No.  
 7 Q. So after 1991 and your work with  
 8 the real estate division of Sotheby's, what did  
 9 you do next?  
 10 A. I then was recruited back to the  
 11 auction company to help them get control of  
 12 their expenses in marketing in light of the  
 13 recession that we were in, and I was ultimately  
 14 put in charge of marketing.  
 15 Q. Did you call it the auction  
 16 division?  
 17 A. Well, it was the auction company,  
 18 the auction subsidiary.  
 19 Q. What was the role of the auction  
 20 subsidiary?  
 21 A. To sell art. I was managing the  
 22 marketing department, initially certain aspects  
 23 of it and ultimately the entire department which  
 24 promoted the sales, the auction sales.  
 25 Q. What were your duties when you went

1 Michael Plummer  
 2 back to the auction subsidiary in connection  
 3 with the marketing; what marketing functions did  
 4 you do?  
 5 A. Managing sales, I'm sorry, managing  
 6 advertising, managing the production of  
 7 catalogs, managing the subscriptions, managing  
 8 promotion, managing marketing relationships with  
 9 all of the specialists and their plans for their  
 10 various auctions.  
 11 Q. In connection with tasks that you  
 12 just described, the advertising, the catalogs,  
 13 the subscriptions, the promotion and the  
 14 marketing relationships with specialists; which  
 15 of those tasks would you say put you in closest  
 16 contact with appraisal of artwork?  
 17 A. I did not -- that was -- appraising  
 18 was not part of my career at that point.  
 19 Q. When you went back to the auction  
 20 company in '91, how long did you stay in the  
 21 management of the marketing of that department?  
 22 A. Until the end 'of 95.  
 23 Q. So from '91 to '95 you managed the  
 24 marketing department of the auction subsidiary?  
 25 A. As I said, initially in '91 I

1 Michael Plummer  
 2 managed certain departments in marketing. By  
 3 '93 or so I was in charge of the division.  
 4 Q. During that entire period of time,  
 5 those four years, you were not involved in any  
 6 art appraising, is that correct?  
 7 A. No, I was not.  
 8 Q. You didn't oversee any art  
 9 appraisers at that time?  
 10 A. No, I did not.  
 11 Q. During that period -- well, let's  
 12 keep going. What did you do next?  
 13 A. Well, I mean what I did do was  
 14 oversee budgets related to the marketing and the  
 15 sales, and worked with the business managers of  
 16 which I was one, which was a critical part of  
 17 the cost control. It was very critical to that,  
 18 that I was on top of what the sales were and the  
 19 sales forecasting, because the marketing  
 20 expenses were closely related to the anticipated  
 21 sales results, which goes back to the forecasts  
 22 done with the experts. So I was working closely  
 23 with the experts and their valuations.  
 24 Q. Their overarching evaluations?  
 25 A. They are both overarching and also

1 Michael Plummer  
2 on an individual basis, because individual works  
3 of art can have a significant impact on the  
4 sale.

5 You get one or two objects or a  
6 certain collection and then you have to do  
7 marketing around those collections based on the  
8 values that are put on them.

9 Q. Did you ever get involved in  
10 directing a specialist, and again I'll use the  
11 same terms you're using; but for the purposes of  
12 this record whenever we use specialist or  
13 sometimes experts we'll be referring to  
14 appraisers, correct?

15 That works for me if that works for  
16 you.

17 A. I don't know. Even at an auction  
18 house I wouldn't refer to a specialist as an  
19 appraiser. They do appraisal work, but their  
20 primary job is as a specialist filling sales.  
21 So I'm not sure if that does work.

22 Q. Okay. Then maybe you can explain  
23 it to me. Are there below the specialists who  
24 or working with the specialists, and I don't  
25 know why I said below, it could be sideways,

1 Michael Plummer  
2 appraise this art, is that how it would work?

3 A. Take for example an antiquity  
4 collection, there would be a generalist who  
5 would have done some preliminary work in the  
6 appraisals department, and then they would go to  
7 the specialist in antiquities and then walk  
8 those numbers, those items, item by item or  
9 leave it on their desk and pick it up later,  
10 depending on the situation and the relationship  
11 with that specialist.

12 Q. Would the generalist in your mind  
13 be considered an appraiser?

14 A. Yes, sometimes; sometimes not.

15 Q. When would he be considered an  
16 appraiser?

17 A. Well, if he had done other  
18 appraisals and had been hired for that purpose.  
19 There might also be a junior person who might be  
20 in training.

21 Q. So if you went to the appraisal  
22 department at Sotheby's and talked to a  
23 generalist, would you consider that person an  
24 appraiser?

25 A. Possibly.

1 Michael Plummer  
2 upwards, I don't care.

3 Are there people who work with  
4 specialists whose main job is the appraisal of  
5 art?

6 A. Both Sotheby's and Christie's have  
7 appraisal departments that manage the  
8 appraisals, and they often have generalists in  
9 those departments that do preliminary appraisal  
10 work, and then they take that work to the  
11 specialists in the various departments and get  
12 them to opine and final size valuations.

13 Q. So, if I'm misunderstanding you let  
14 me know. So there would be a specialist in a  
15 given genre of art, correct?

16 A. Yes.

17 Q. That specialist could go to someone  
18 at Sotheby's, since we're working through your  
19 period at Sotheby's so let's use that as an  
20 example, someone at the Sotheby's appraisal  
21 group?

22 A. Right.

23 Q. And say we're looking at a certain  
24 piece of art in this genre, do you have a person  
25 whose area of specialty in this genre to

1 Michael Plummer

2 Q. Again, what would the possibilities  
3 be?

4 Sometimes they wouldn't be an  
5 appraiser?

6 A. Depending on who you're talking to  
7 in the department it could be -- you have a  
8 department that has different staffs so there  
9 could be an administrator there, there could be  
10 a secretary.

11 Q. The specialists that you referred  
12 to in your description, your example, so the  
13 generalist may or may not be an appraiser and  
14 then he goes and he talks to a specialist. Is  
15 that specialist an appraiser?

16 A. Again, I think that I would refer  
17 to them as a specialist, not an appraiser,  
18 because their primary job is not doing  
19 appraisals, it's filling a sale, but they do do  
20 appraisal work.

21 Q. The reason why you go to that  
22 specialist is because they have specialized  
23 knowledge about the value of that art?

24 A. Correct.

25 Q. The specialized knowledge of the

1 Michael Plummer  
 2 value of that art would be used in forming the  
 3 appraisal, correct?  
 4 A. Correct.  
 5 Q. So you were in marketing and had  
 6 the relationships that you just described in  
 7 your marketing period of '91 to '95. What  
 8 happened next?  
 9 A. I left Sotheby's to run the U.S. --  
 10 the sales area of the U.S. division of  
 11 Acoustiguide, which was at the time the leading  
 12 audio tour provider to museums like the  
 13 Metropolitan Museum of Art, MoMA, the Boston  
 14 Museum of Fine Arts.  
 15 All were clients of mine and I  
 16 developed relationships with all of those  
 17 museums and worked with them on their  
 18 exhibitions, their temporary exhibitions and  
 19 their tours for their permanent collections.  
 20 Q. That was called Acoustiguide?  
 21 A. Acoustiguide, yeah.  
 22 Q. Can you spell that for the record?  
 23 A. A-c-o-u-s-t-i-g-u-i-d-e.  
 24 Q. So you worked with Acoustiguide for  
 25 how long, from '95 to '96?

1 Michael Plummer  
 2 A. For one year.  
 3 Q. During that year with Acoustiguide  
 4 did you do any art appraisal?  
 5 A. No.  
 6 Q. Did you work with any art  
 7 appraisers?  
 8 A. No.  
 9 Q. You mentioned that you had gotten  
 10 to know people at various museums.  
 11 Did you get to know anybody at the  
 12 Detroit Institute of Art?  
 13 A. No, they were not a client.  
 14 Q. So after '96 what did you do?  
 15 A. I went to work with a group called  
 16 Carbone Smolan Agency that we did the -- they  
 17 had worked with -- I had hired them to do the  
 18 re-branding of Sotheby's, when I was running  
 19 marketing at Sotheby's, and I worked with them  
 20 on a number of branding projects for financial  
 21 firms, as well as re-branded Christie's.  
 22 Q. Can you spell the name of that  
 23 company for the record he were?  
 24 A. Carbone, C-a-r-b-o-n-e; Smolan,  
 25 S-o-m, sorry, S-m-o-l-a-n Agency.

1 Michael Plummer  
 2 Q. How would you describe the work  
 3 that they do, are they just re-branding  
 4 specialists?  
 5 A. Re-branding marketing and design  
 6 communications.  
 7 Q. How long were you with them?  
 8 A. Approximately three years.  
 9 Q. So until about '99?  
 10 A. Yeah, that sounds right.  
 11 Q. During that period from '96 to '99,  
 12 or those three years, did you work on any art  
 13 appraisal projects?  
 14 A. I did not, but I did work closely  
 15 with Christie's and Christie's senior  
 16 management.  
 17 Q. What was your work with Christie's?  
 18 A. I was working with them to help  
 19 them determine what identity they wanted for the  
 20 company and how they were re-envisioning the  
 21 company for the future. So I worked closely  
 22 with the CEO and president, and even at one  
 23 point the new owner, Mr. Pinault.  
 24 Q. Can you spell his name for the  
 25 record?

1 Michael Plummer  
 2 A. Pinault, P-i-n-a-u-l-t.  
 3 Q. You mentioned the CEO and the  
 4 president. Who was the CEO?  
 5 A. Christopher Davidge.  
 6 Q. Who was the president?  
 7 A. Patty Hambrecht.  
 8 Q. Your work with them, did it involve  
 9 any art appraisals?  
 10 A. No, it did not.  
 11 Q. So we're now up to '99?  
 12 A. Um-hum.  
 13 Q. Where did you go after that?  
 14 A. I became -- I was self-employed. I  
 15 founded a company to create an online trading  
 16 platform.  
 17 Q. What was the name of that company?  
 18 A. It was called -- ultimately it was  
 19 called Art Base, Inc.  
 20 Q. How long did you do that?  
 21 A. For about three years.  
 22 Q. So until about 2002?  
 23 A. 2003.  
 24 Q. 2003. During your period of time  
 25 with Art Base, Inc. were you involved in any art

1 Michael Plummer  
 2 appraisal projects?  
 3 A. Well, I did do due diligence on an  
 4 appraisal company to buy it. It was actually  
 5 founded by a member of the triple A and was  
 6 designed to create online appraisal businesses,  
 7 do online appraisals. It was in financial  
 8 distress and it was brought to me as something  
 9 to buy. So I got -- you know, did a lot of due  
 10 diligence on the appraisal industry at the time,  
 11 as well as that company in particular.  
 12 Q. The name of that company was?  
 13 A. Eppraisals.  
 14 Q. E dash praisals?  
 15 A. I can't remember, it's been a  
 16 while.  
 17 Q. Eppraisals was a company that you  
 18 said was founded by a member of the triple A?  
 19 A. I believe so.  
 20 Q. And what's the triple A?  
 21 A. The Appraisals Association of  
 22 America -- Appraisers Association of America.  
 23 Q. The Appraisers Association of  
 24 America, is that involved in the appraisal of  
 25 art?

1 Michael Plummer  
 2 A. Yes.  
 3 Q. Is that strictly involved in the  
 4 appraisal of art?  
 5 A. I believe so.  
 6 Q. Did you end up buying Eppraisals?  
 7 A. No, I did not.  
 8 Q. How long did you do the due  
 9 diligence on that?  
 10 A. Several months.  
 11 Q. Would you say three to four months?  
 12 A. Possibly.  
 13 Q. Any more?  
 14 A. I don't remember, it's a long time  
 15 ago.  
 16 Q. So other than that three or  
 17 four-month due diligence with Eppraisals, did  
 18 you have anything to do with art appraisals in  
 19 connection with Art Base, Inc.?  
 20 A. I do not have -- I did not work on  
 21 any appraisals, but I had a number of clients at  
 22 Art Base, Inc. who were collectors and dealers  
 23 with whom I was very involved in their  
 24 collections and their inventories.  
 25 Q. So what was Art Base, Inc.; would

1 Michael Plummer  
 2 you try to sell art online, buy art online; what  
 3 would you do?  
 4 A. That was its ultimate ambition. It  
 5 was a software program that collectors and  
 6 dealers used, as well as a database of art  
 7 prices which was used by appraisers, which is  
 8 why the Eppraisals company was a logical fit, it  
 9 made sense logically.  
 10 Q. Did you develop the software  
 11 program?  
 12 A. No, I did not.  
 13 Q. Who did?  
 14 A. I don't remember.  
 15 Q. When you formed the company did you  
 16 acquire the software program?  
 17 A. Which software program are you  
 18 referring to?  
 19 Q. I asked you what Art Base, Inc.  
 20 does and you said its goal was to buy and sell  
 21 art, but initially it was a software program?  
 22 A. Yes. Okay. You're referring to  
 23 the Art Base software, I was not sure if you  
 24 were referring to that or Eppraisals. I did not  
 25 write that software though.

1 Michael Plummer  
 2 Q. Did Art Base, Inc. own the  
 3 software?  
 4 A. It did, yeah.  
 5 Q. What ultimately -- you said you  
 6 worked with collectors and dealers. In your  
 7 work with collectors and dealers did you do any  
 8 appraisals for them?  
 9 A. No, I did not.  
 10 Q. Did you work on any appraisal  
 11 projects for them?  
 12 A. No, I did not.  
 13 Q. Did you ultimately sell Art Base,  
 14 Inc. or did it just close down?  
 15 A. We made a deal with the founders to  
 16 return it back to them.  
 17 Q. The founders of Art Base, Inc., was  
 18 that a company?  
 19 A. Yes, it was a company.  
 20 Q. What was that company, the  
 21 founders?  
 22 A. Their company was originally called  
 23 Art Base without the ink.  
 24 Q. Were they based here in New York?  
 25 A. Yes.



1 Michael Plummer  
 2 Q. Are they still in business?  
 3 A. Yes, they are.  
 4 Q. Do they have a website?  
 5 A. Yes, they do.  
 6 Q. Do you know the site?  
 7 A. I think it's Art Base. I don't  
 8 know, I haven't been there for years.  
 9 Q. ArtBase.com?  
 10 A. Probably, possibly.  
 11 Q. After 2003 what did you do?  
 12 A. In 2003 I joined a company called  
 13 Fernwood Art Investments as the chief operating  
 14 officer and president.  
 15 Q. That's F-e-r-n-w-o-o-d. So Exhibit  
 16 B to your report, your CV says that you were  
 17 there from 2003 to 2006?  
 18 A. That sounds right, yes.  
 19 Q. Were you the CEO?  
 20 A. I was the president and COO.  
 21 Q. Who was the CEO?  
 22 A. A man by the name of Bruce Taub.  
 23 Q. In your work as the president and  
 24 COO of Fernwood did you do any work in art  
 25 appraisals?

1 Michael Plummer  
 2 volatility.  
 3 Q. So in connection with that study,  
 4 the report that you just referred to in your  
 5 testimony, did you determine that there were  
 6 certain genres of art that were more volatile in  
 7 terms of --  
 8 A. We did.  
 9 Q. In terms of the nature of the  
 10 investment?  
 11 MR. IRWIN: Let him finish his  
 12 question.  
 13 Q. In doing that study or making that  
 14 determination, did you work with art appraisers?  
 15 A. We worked with art specialists who  
 16 did appraisal work from time to time.  
 17 Q. Those art specialists that did  
 18 appraisal work from time to time, what  
 19 information did they give you that was  
 20 ultimately used in your report?  
 21 A. They helped us choose the artists  
 22 who are used as part of the indices that we  
 23 created; they validated the results of the  
 24 report; they were a sounding board and quality  
 25 check to the process.

1 Michael Plummer  
 2 A. No, we did not do art appraisals,  
 3 but we did some of the most I would say  
 4 pioneering work in analysis of the art sectors  
 5 and their behavior over the previous 25 years,  
 6 which was considered groundbreaking at the time.  
 7 Q. By the way, just so you know, this  
 8 is her typing so I get to read it if I can't  
 9 remember exactly what you said. There's no  
 10 special tool here other than her typing.  
 11 So when you refer to your  
 12 pioneering work and analysis in the art sectors,  
 13 what are you referring to?  
 14 A. I'm referring to a report that we  
 15 issued with our in-house economist which  
 16 described the performance of the different  
 17 sectors of the art market, which I refer to in  
 18 my expert report, such as the American Art  
 19 sector, the Impressionist and Modern Art sector,  
 20 those various sectors, and their behavior over  
 21 time, their growth in value, their decrease in  
 22 value, their investment attributes, their  
 23 volatility, their performance against the stock,  
 24 the equity markets, the S&P, other such things,  
 25 and their viability as investments and their

1 Michael Plummer  
 2 Q. In validating the results, what are  
 3 you referring to there?  
 4 A. Well, for example, we had signed up  
 5 as our expert team some of the leading dealers  
 6 in the industry. Take for example David Nash  
 7 who was a -- is a leading impressionist and  
 8 modern dealer, we would share the information we  
 9 compiled and our analysis, and he had been in  
 10 the industry at that time, he had run the  
 11 department at Sotheby's for 30 some years, and  
 12 he would validate the conclusions that we were  
 13 coming to, as would various other specialists in  
 14 those various categories.  
 15 Q. Would you consider David Nash a  
 16 specialist who you believe does appraisals?  
 17 A. I think he has done appraisals from  
 18 time to time, but his core work is running his  
 19 gallery and selling art; but he is one of the  
 20 most knowledgeable people that I would turn to  
 21 for that sort of information.  
 22 Q. In connection with your report on  
 23 volatility or your report in general, which  
 24 included some information on volatility; did you  
 25 update that report over the years?

1 Michael Plummer  
 2 A. I did in a different form when I  
 3 moved to Christie's. We used that work at  
 4 Christie's as the foundation for our work for  
 5 creating an art fund with Goldman Sachs and used  
 6 that work, shared that work with Goldman Sachs  
 7 who vetted it.  
 8 Q. I'll get to that chronologically as  
 9 we move on.  
 10 A. Sure.  
 11 Q. The first report came out in what  
 12 year?  
 13 A. Maybe 2004 or '05.  
 14 Q. When did you update it?  
 15 A. Probably 2007, '08.  
 16 Q. So you updated it after you left  
 17 Fernwood?  
 18 A. Yes.  
 19 Q. In connection with the work you  
 20 just described that you did the Fernwood, you  
 21 created this pioneering report. What else did  
 22 you do?  
 23 A. We also structured two art funds  
 24 and I hired the specialist staff for Fernwood,  
 25 who were the advisors to Fernwood on -- would

1 Michael Plummer  
 2 have been for the purchases of art for the fund.  
 3 Q. Let's break that down. So you  
 4 structured two art funds?  
 5 A. Right.  
 6 Q. Let's just take them one at a time.  
 7 What was the first?  
 8 A. The first was a sector fund which  
 9 was devised to invest across the different  
 10 sectors of the art market, from Old Master  
 11 paintings up through emerging contemporary art.  
 12 Q. An art fund is essentially what, a  
 13 collection of funds that is intended to be  
 14 invested in art?  
 15 A. They can take many forms, but in  
 16 this instance it was a fund devised to accept  
 17 investments at a minimum of \$250,000 up to I  
 18 think 1 million. That would be put into a pool,  
 19 that would be used to invest art and the art  
 20 would be held or was anticipated to be held for  
 21 about five to eight years.  
 22 Q. And then to be sold off for profit?  
 23 A. Correct.  
 24 Q. How long did you say? I should be  
 25 able to find it here, five to eight years?

1 Michael Plummer  
 2 A. Yes.  
 3 Q. Is that the typical cycle that you  
 4 need to hold art in order to make the kind of  
 5 profits you're looking for?  
 6 A. Some would hold it for longer.  
 7 There were constraints on investor expectations  
 8 on getting returns, so we went out with five to  
 9 eight years for marketing purposes, but we had  
 10 the ability to extend the holding period to  
 11 maximize returns.  
 12 Q. In your first art fund how much did  
 13 you raise?  
 14 A. We didn't because the art fund ran  
 15 into trouble.  
 16 Q. What was that?  
 17 A. I uncovered malfeasance on the part  
 18 of the CEO, that he had taken investor funds  
 19 from the company and used them for his personal  
 20 means.  
 21 Q. This is the company Fernwood?  
 22 A. Yes.  
 23 Q. So the first art fund you formed  
 24 didn't really get off the ground?  
 25 A. No.

1 Michael Plummer  
 2 Q. What about the second one?  
 3 A. The company went under. There two  
 4 funds at that time, we had gotten an approval  
 5 from Merrill Lynch and gone through due  
 6 diligence with them, but unfortunately I  
 7 uncovered the malfeasance on the part of the CEO  
 8 and collectively myself and the specialists  
 9 resigned from the company.  
 10 Q. So neither of the art funds that  
 11 you formed really got off the ground?  
 12 A. No.  
 13 Q. You have to say more than nod?  
 14 A. Okay. No.  
 15 MR. SOTO: We've been going about  
 16 an hour, do you want to take a break?  
 17 THE WITNESS: Yes, sure.  
 18 THE VIDEOGRAPHER: The time is 9:52  
 19 a.m., and we're going off the record.  
 20 (Off the record)  
 21 THE VIDEOGRAPHER: The time is  
 22 10:03 a.m., and we are back on the record.  
 23 BY MR. SOTO:  
 24 Q. Mr. Plummer, I was interested in  
 25 your description of the work that you had done.

1 Michael Plummer  
 2 Is there a way I can get a copy of  
 3 that report that you referred to, the pioneering  
 4 report?  
 5 A. I don't know. I'd have to look for  
 6 it, it's quite old.  
 7 Q. It depends what you mean by old.  
 8 It should be somewhere around 2004 or 2005, so  
 9 it would be about a decade old maybe?  
 10 A. Yeah, but a lot of the firm's stuff  
 11 is in storage or disappeared because it went out  
 12 of business.  
 13 Q. So you didn't keep a copy of the  
 14 report?  
 15 A. I may have a copy somewhere, I  
 16 would have to look for it.  
 17 Q. If you could I would appreciate it,  
 18 and I'll contact Geoff to see if we can get a  
 19 copy of it.  
 20 Again, you said it was updated  
 21 sometime around 2008 when you were working with  
 22 Christie's, correct?  
 23 A. Correct.  
 24 Q. If you can't find the original one,  
 25 maybe if you can find a copy of the updated one?

1 Michael Plummer  
 2 A. Well, the updated one was  
 3 Christie's information that was not issued  
 4 publicly, but used for its clients.  
 5 Q. So we can probably ask someone at  
 6 Christie's to see if they have a copy of it,  
 7 correct?  
 8 A. You could. I'm not sure if they  
 9 kept records of that stuff.  
 10 Q. Who did you work with when you were  
 11 at Christie's?  
 12 A. I worked with Jane Chesworth who  
 13 was then the COO. She has now left and Steven  
 14 Mendel who has also departed.  
 15 Q. Did you ever work with an  
 16 individual named Paul Provost?  
 17 A. At Christie's, yes.  
 18 Q. Would he have been knowledgeable  
 19 about the updated report that you were referring  
 20 to in your testimony?  
 21 A. I don't know.  
 22 Q. So we will be sure to ask him.  
 23 Moving on.  
 24 So the two structured art funds  
 25 that didn't get off the ground were one thing

1 Michael Plummer  
 2 you did during your period at Fernwood. What  
 3 else?  
 4 A. As I said, I believe I said I hired  
 5 the specialist team that we were employing to  
 6 make the selections for the art investment, to  
 7 work with us.  
 8 Q. That was when you started there in  
 9 2003 that you started to hire the team?  
 10 A. Um-hum.  
 11 Q. How many people were in that team?  
 12 A. I believe it was around eight or  
 13 nine.  
 14 Q. These eight or nine specialists as  
 15 I refer to them, were any of them appraisers?  
 16 A. I think some of them did appraisal  
 17 work from time to time, but more importantly  
 18 they were transactional experts in that they  
 19 were deeply embedded in the industry and had a  
 20 lot of transactional experience, knew how to  
 21 establish values for investing in art.  
 22 Q. When you say "establish values for  
 23 investing in art," what do you mean?  
 24 A. I mean making sure that we were  
 25 purchasing art that was at the right price that

1 Michael Plummer  
 2 the works would appreciate and give a return to  
 3 investors.  
 4 Q. How do you establish values for  
 5 investment in art, what's the first step that  
 6 you take?  
 7 A. Well, it's very similar to the  
 8 appraisal process, you would look at  
 9 comparables.  
 10 Q. So you would start by looking at  
 11 comparables. Then what else would you do?  
 12 A. You would, well you'd look at the  
 13 subject work and you would examine it closely to  
 14 determine if it was what it purported to be, or  
 15 reported to be. Then you might have a  
 16 discussion, or might not depending on the  
 17 circumstances, with others in the industry about  
 18 information that might not be publicly  
 19 available.  
 20 Q. What type of information?  
 21 A. Other items that might be for sale  
 22 other places or on consignment, or might just  
 23 have been sold but not reported publicly.  
 24 Q. So other sales?  
 25 A. Other sales, other pending sales or

1 Michael Plummer  
 2 other consignments of similar works.  
 3 Q. When you use the word consignment  
 4 can you tell the Court what you're referring to?  
 5 A. Consignment is when a work of art  
 6 is given to a dealer or an auction house to be  
 7 sold, but the ownership of it is still retained  
 8 by the original owner and the title does not  
 9 pass until a bill of sale happens or an auction  
 10 occurs and the hammer falls.  
 11 Q. So in connection with establishing  
 12 value they would look at some comparables, they  
 13 would validate that the work is authentic I  
 14 assume is what you were saying?  
 15 A. Yes.  
 16 Q. And then they would look at other  
 17 sales that might not be public or other pending  
 18 consignments?  
 19 A. Correct.  
 20 Q. That's the work of the specialists  
 21 that you referred to?  
 22 A. Right.  
 23 Q. How would you distinguish that from  
 24 the work of an appraiser?  
 25 A. I don't know that there is much to

1 Michael Plummer  
 2 distinguish except that they're not issuing an  
 3 appraisal report, but they are doing a valuation  
 4 that is critical to making and spending money,  
 5 making an investment on a work of art.  
 6 What they're not doing is making  
 7 any distinctions between fair market value or  
 8 other such things.  
 9 Q. I see the distinction. So one of  
 10 the distinctions is they're not preparing an  
 11 actual appraisal report?  
 12 A. Correct.  
 13 Q. The other one would that they're  
 14 not making distinctions in a form of appraisal,  
 15 for example, a fair market value appraisal or an  
 16 auction estimate appraisal?  
 17 A. Correct.  
 18 Q. But other than that they're valuing  
 19 the art in similar fashion, correct?  
 20 A. They are actually establishing a  
 21 fair market value, they're just not labeling it  
 22 such and they're not issuing a report labeling  
 23 it as such.  
 24 Q. Understand. So we are somewhere in  
 25 2000, we're back at Sotheby's. Where are we, at

1 Michael Plummer  
 2 2003 maybe. No, 2006. You're done at Fernwood.  
 3 Where do we go in 2006?  
 4 A. In 2006 I had a certain number of  
 5 months off because Fernwood collapsed  
 6 unexpectedly, but then I was hired by  
 7 Christie's. They had been fascinated by -- the  
 8 CEO of Christie's had been fascinated by the  
 9 work I had been doing at Fernwood and they hired  
 10 me to bring that over to Christie's and develop  
 11 an art fund and an art lending business for  
 12 Christie's, because Christie's had not had an  
 13 art lending business prior to that even though  
 14 Sotheby's had.  
 15 Q. So in 2006 or so when you went to  
 16 Christie's they didn't have any art funds?  
 17 A. No.  
 18 Q. And they didn't have any art  
 19 lending business?  
 20 A. No. They did have some art loans,  
 21 but it was one-off situations and done for  
 22 client relations, but they did not have an art  
 23 lending business.  
 24 Q. So when you got to Christie's what  
 25 department did they put you in or what did you

1 Michael Plummer  
 2 do?  
 3 A. It was a new division that I was  
 4 hired to create and it was called Christie's  
 5 Financial Services, and I was made Senior Vice  
 6 President and Chief Operating Officer of the new  
 7 division.  
 8 Q. Senior VP and COO?  
 9 A. Um-hum.  
 10 Q. What were your responsibilities as  
 11 the senior VP and chief operating officer of  
 12 Christie's financial services?  
 13 A. I had two different branches of  
 14 responsibilities. One was to implement a best  
 15 practices for underwriting art loans, also  
 16 overseeing the adoption of KYC, know your client  
 17 practices, and developing relationships with  
 18 potential lending partners, other banks that  
 19 would provide credit to use for the loans.  
 20 Then on the other side I was -- the  
 21 other main division of responsibility was  
 22 developing an art fund or a series of art funds  
 23 for Christie's, in partnership with Goldman  
 24 Sachs.  
 25 Q. In terms of your first area of

1 Michael Plummer  
2 responsibility you mentioned implementing best  
3 practices.

4 What were those best practices?

5 A. Well, they were -- they were  
6 understanding the art as collateral. Christie's  
7 was used to using art for auctions, but it was  
8 working with them and their appraisals  
9 department and their specialists to develop the  
10 right kind of approach to doing valuations for  
11 art loans.

12 Because when an auction house does  
13 an art loan they're doing it, what you would  
14 call it's a non-recourse loan in effect; so they  
15 have to be certain that they have setting the  
16 right values on the property so that if they  
17 have to liquidate it they won't take a loss.

18 It's a little bit different than  
19 doing a general appraisal or an auction  
20 estimate, because there is a higher level of  
21 risk for the auction house.

22 Q. The higher level of risk is that  
23 you could sell the art; you might not get the  
24 value of the loan and you have no recourse  
25 against the individual?

1 Michael Plummer  
2 them to do things for us.

3 Q. What would you need from the  
4 appraisal department for an art loan that was  
5 different than, for example, what the appraisal  
6 department would do for an auction?

7 A. In terms of -- I think I just said  
8 that it was -- they would need to consider the  
9 fact that in their evaluation that they were  
10 secure that they were giving a low and  
11 conservative valuation in the event that if a  
12 work defaulted or if the borrower defaulted that  
13 Christie's would get its money back.

14 Q. So, in essence, you were telling  
15 them that look, in connection with the work you  
16 were doing with us on art loans, you have to be  
17 very conservative in your estimates?

18 A. Correct.

19 Q. Any other differences?

20 A. Well, and if you think it won't  
21 sell or it has potential to buy in we need to  
22 know that, or a high potential to buy in.  
23 Whereas, if Christie's is valuing property for  
24 any auction house for a seller and that property  
25 doesn't sell there is no risk to Sotheby's or

1 Michael Plummer

2 A. Correct.

3 Q. So all of the loans that you were  
4 working with were non-recourse to the individual  
5 borrower?

6 A. They might have recourse language  
7 in them, but the effect is if they were  
8 borrowing from an auction house, often the  
9 reality is that it is non-recourse.

10 Q. Because they don't have resources  
11 to back anything, is that your point?

12 A. Correct.

13 Q. You say you worked with the  
14 appraisal department and the specialists in  
15 connection with formulating these best  
16 practices.

17 What input did the appraisal  
18 department or specialists have with respect to  
19 the best practices?

20 A. Well, we were more or less telling  
21 them what we needed from them, how they needed  
22 to be different. They weren't really giving  
23 input back to us, except that they were worried  
24 about their additional workload and staffing  
25 needs, but we were telling them how we needed

1 Michael Plummer

2 Christie's, it's the seller's risk. So it's --

3 Q. So the first -- finish, I'm sorry.

4 A. So it's just a different  
5 consideration.

6 Q. I want to make sure I understand.  
7 So one of the differences is there's a higher  
8 risk, and you wanted to make sure the appraisers  
9 were being conservative in their estimates  
10 because of the higher risk?

11 A. Yes.

12 Q. The other difference is if  
13 appraisers had some information regarding the  
14 marketability or the lack of marketability of a  
15 given piece of art, that they needed to share  
16 that because it was important that you would be  
17 able to sell the art as collateral if you needed  
18 to?

19 A. Right. This is an instance where  
20 BI considerations, bought-in considerations or  
21 unsold considerations are taken into account,  
22 when in general appraisal practices they are  
23 not.

24 Q. That's an interesting phrase that  
25 I'm not familiar with. BI considerations, or

1 Michael Plummer  
 2 buy-in as you put it before?  
 3 A. Right.  
 4 Q. What does that mean?  
 5 A. It means a certain percentage of  
 6 property in nearly every auction remains unsold,  
 7 and it can vary from as little as 10 or  
 8 15 percent up to 35 or 40 percent.  
 9 Q. What happens with that property in  
 10 connection with an auction that's just given  
 11 back to the owner, correct?  
 12 A. Sometimes. Sometimes it's marked  
 13 down and resold because the owner doesn't want  
 14 it back.  
 15 Q. But sold at a lower price?  
 16 A. But sold at a lower price.  
 17 Q. So the phrase "buy-in" means?  
 18 A. Bought in. It technically means  
 19 that the auction house is buying something back  
 20 in the auction on behalf of the seller at a  
 21 preset reserved price.  
 22 Q. That's new information to me. So  
 23 sometimes in connection with an auction, an  
 24 auction house will have a preset price at which  
 25 it will buy some of that art?

1 Michael Plummer  
 2 A. No, no, no, that's not what I am  
 3 saying. It is a -- a reserve price is a  
 4 pre-agreed upon price between the auction house  
 5 and the seller, at which the auction house will,  
 6 in their language, buy it back on behalf of the  
 7 seller. Meaning that they will take it back,  
 8 they will not sell it to somebody else below  
 9 that price so they will --  
 10 Q. Hold it for the seller?  
 11 A. Hold it for the seller.  
 12 Q. And then the seller just gets it  
 13 back?  
 14 A. Or re-offers it.  
 15 Q. Or re-offers it in another sale?  
 16 A. Correct.  
 17 Q. So that's what you meant when you  
 18 talked about the BI factor?  
 19 A. Correct. It's just auction  
 20 terminology. It's confusing, but that's how  
 21 they refer to it.  
 22 Q. Again, one of the differences is  
 23 that in connection with an art loan, you want to  
 24 be sure you can sell the art if you are taking  
 25 it as collateral, correct?

1 Michael Plummer  
 2 A. Yes.  
 3 Q. So other than being conservative  
 4 and getting more information on the  
 5 marketability or the salability of a given art,  
 6 was there any other difference, any other input  
 7 that you would get from the appraisal  
 8 department?  
 9 A. I don't recall.  
 10 Q. What about from the specialists;  
 11 other than those two things, did you get any  
 12 other information from the specialists?  
 13 A. Well, the specialists, we were  
 14 working to get them to promote lending to their  
 15 clients. So we were looking at them as sales  
 16 partners in building the business for us, and we  
 17 would meet sometimes with their clients and them  
 18 to, you know, propose art loans.  
 19 Q. In connection with these best  
 20 practices, and I don't know if this was part of  
 21 the practice at Christie's or part of your  
 22 practice; would you create a best practice  
 23 manual saying this is the way that we are going  
 24 to prepare to make an art loan and this is the  
 25 information we need if we're going to make an

1 Michael Plummer  
 2 art loan?  
 3 A. We had a very, very extensive  
 4 underwriting manual.  
 5 Q. That underwriting manual would  
 6 include what you had helped to put together in  
 7 terms of the best practices to make an art loan?  
 8 A. As I remember it, but I haven't  
 9 read it for five years, seven or six years now.  
 10 Q. Did you help put together that  
 11 underwriting manual?  
 12 A. Yes, I did.  
 13 Q. Was there one when you got there?  
 14 A. No, there wasn't.  
 15 Q. And you don't happen to have a copy  
 16 of that underwriting manual?  
 17 A. No, I don't.  
 18 Q. You also said in connection with  
 19 the implementation of the best practices you  
 20 developed relationships with lending banks.  
 21 What does that entail?  
 22 A. I was looking for lending partners  
 23 who would provide additional capital for the  
 24 loans so we wouldn't have to use Christie's  
 25 balance sheet exclusively.

1 Michael Plummer

2 Q. Were you able to find lending  
3 banks?

4 A. Yes. There was one that was in  
5 discussions with Christie's, deep in discussions  
6 with Christie's by the time I left.

7 Q. But before you left the  
8 relationship hadn't finalized?

9 A. It had not finalized.

10 Q. So while you were there, to the  
11 extent Christie's was making art loans it was  
12 making it from its art capital?

13 A. Yes.

14 Q. The second thing you said you did  
15 when you got to Christie's and helped form their  
16 financial services department was develop a  
17 series of art funds, correct?

18 A. Yes.

19 Q. How many art funds did you develop?

20 A. We were working with Goldman Sachs  
21 to initially develop four. One similar to  
22 the -- it was in essence an adaptation of what  
23 we were doing at Fernwood. The initial plan was  
24 for four, one in the Impressionist and Modern  
25 sector, one in the Post War sector and

1 Michael Plummer

2 Contemporary sector, and then one in the Old  
3 Masters sector.

4 Then the fourth which we call the  
5 Brick fund which was in emerging markets such as  
6 Chinese art, Latin American Art, Russian and  
7 Indian Art.

8 Q. So you picked certain sectors of  
9 art that you were going to try to create funds  
10 for, correct?

11 A. Correct.

12 Q. Why did you pick those? For  
13 example, why would you pick Impressionist and  
14 Post War and Old Masters and emerging markets?

15 A. Well, as a selling strategy Goldman  
16 was really going to be the distributor. They  
17 wanted to be able to have an array of products  
18 to sell to their clients that had different risk  
19 return attributes.

20 So, for instance, based on the work  
21 that I had done at Fernwood we were able to  
22 determine that based on that analysis of  
23 volatility and risk and return we were able to  
24 determine, for instance, that Old Masters were  
25 less volatile than Contemporary and more stable,

1 Michael Plummer

2 but lower return.

3 And that Impressionist and Modern  
4 fell somewhere in between Contemporary and Old  
5 Masters, and that the Brick categories were much  
6 higher risk, but potentially much higher return.  
7 So like any kind of investment product, your  
8 investor will choose which fit his investment  
9 goals.

10 Q. Did you start four art funds?

11 A. Well, what ended up happening was  
12 that that was -- the art fund projects began in  
13 2007 in earnest, perhaps a little bit -- yeah,  
14 in 2007.

15 As you may recall, in July of 2007  
16 the financial credit market started seizing up  
17 in July of 2007.

18 Q. That would have been July of 2008,  
19 and we know that date very well.

20 A. No, no, no. Actually, 2007 is when  
21 the credit market started seizing up. So we  
22 went to -- let's see. Then by 2008, July, of  
23 course then the financial markets overall  
24 started having an impact.

25 My now business partner and I who

1 Michael Plummer

2 were working at Christie's together on the art  
3 fund went to the management of Christie's to  
4 advise them to pull out of their guarantee  
5 portfolio, because we predicted based on our  
6 financial analysis that the market would crash  
7 in the fall of 2008.

8 Unfortunately, we were disregarded  
9 and Christie's had a very large guarantee  
10 portfolio going into the fall of 2008. It's a  
11 matter of public record that the art market  
12 crashed in the fall of 2008, along with the  
13 seizing up of financial markets.

14 At that time we restructured the  
15 art fund from being four funds to being one  
16 fund, that would be an opportunistic fund based  
17 on the realities of the current market  
18 situation.

19 Q. A very interesting period. Again,  
20 to make sure I get it right. You began with  
21 thoughts of having four art funds?

22 A. Correct.

23 Q. Structured along the lines of your  
24 prior testimony and dealing with four different  
25 genres of art based on the factors you testified

1 Michael Plummer  
 2 about earlier. You began that in 2007?  
 3 A. Right.  
 4 Q. But because of credit markets and  
 5 later financial markets; did you actually raise  
 6 the funds, the four funds?  
 7 A. No. As I was saying, we dropped  
 8 the plan for the four funds and we restructured  
 9 it to be one fund.  
 10 Q. You did that in about 2008?  
 11 A. That would have been in January of  
 12 2009; December 2008, January 2009, and we went  
 13 to market in April -- late March, in March or  
 14 early April with the opportunity fund, the  
 15 distressed fund if you will, and we went to  
 16 Europe and met with leading investment firms in  
 17 Europe and, as you would say in the industry,  
 18 soft circled about a hundred million for that  
 19 fund.  
 20 Q. What does soft circled mean?  
 21 A. It means you have a verbal  
 22 expression of interest for a certain amount of  
 23 money without a signed agreement of funding.  
 24 Q. So December, January you formed the  
 25 one fund?

1 Michael Plummer  
 2 A. Right.  
 3 Q. Were you still at Christie's?  
 4 A. Yes.  
 5 Q. You then went to market with that  
 6 one fund sometime in March or April of 2009?  
 7 A. Correct.  
 8 Q. Did you ever actually raise the  
 9 funds for that one fund?  
 10 A. No, we did not, because Christie's  
 11 made a decision a few weeks after that or around  
 12 that time that they had sufficient problems in  
 13 their core business based on that guarantee  
 14 portfolio, that they had to cut back and could  
 15 not make the seed investment in the art fund  
 16 that was required for the art fund to proceed.  
 17 Q. So beyond that, what else did you  
 18 do at Christie's Financial Services?  
 19 A. The funds and the lending business,  
 20 those are my primary responsibilities.  
 21 Q. Essentially, how many loans did you  
 22 bring to market for Christie's in the art  
 23 lending business?  
 24 A. Well, there were four loans with  
 25 Christie's while I was there. Then in the

1 Michael Plummer  
 2 spring of 2009, Christie's withdrew from both  
 3 the lending business and the art fund business  
 4 because they contracted, as many firms did in  
 5 2009, and dropped many of their new initiatives.  
 6 Q. Those four loans, do you recall the  
 7 size of those four loans?  
 8 A. They were in the -- all in the  
 9 portfolio was -- you know, I think this is  
 10 proprietary information, I'm not sure I can  
 11 reveal this, but they were substantial.  
 12 Q. When you say "substantial" are you  
 13 saying seven figures?  
 14 A. More.  
 15 Q. So without naming any names, can  
 16 you tell me the size of these loans?  
 17 A. They were in the hundreds of  
 18 millions.  
 19 Q. Do you know if these loans were  
 20 ever paid back?  
 21 A. I heard that they were, yes.  
 22 Q. Have we completed your description  
 23 of your work at Christie's?  
 24 A. I believe so.  
 25 Q. So in 2009 did you leave

1 Michael Plummer  
 2 Christie's?  
 3 A. I did.  
 4 Q. When in 2009?  
 5 A. Around that time, around  
 6 April 2009.  
 7 Q. Where did you go then?  
 8 A. I then founded Artvest Partners, my  
 9 current company.  
 10 Q. Since 2009 to the present, have you  
 11 been employed by or worked with Artvest  
 12 Partners?  
 13 A. I am a principal of Artvest  
 14 Partners, it is my firm.  
 15 Q. Have you worked with anybody else  
 16 during that period of time?  
 17 A. No.  
 18 Q. So your sole employment from 2009  
 19 to present has been with Artvest Partners?  
 20 A. Correct.  
 21 Q. Who else works with you at Artvest  
 22 Partners?  
 23 A. I have my partner, Jeff Rabin, who  
 24 was part of this financial services group at  
 25 Christie's with me working on the art fund. He



1 Michael Plummer  
 2 came with me into this venture and we founded it  
 3 as co-principals and partners.  
 4 Q. How many people do you employ?  
 5 A. At the moment we have one, a  
 6 full-time employee.  
 7 Q. What does that person do?  
 8 A. She assists us with our analysis.  
 9 Q. Would you call her a specialist?  
 10 A. No. I mean she actually had worked  
 11 in the specialist department at Sotheby's and  
 12 she has a graduate degree from the NYU program,  
 13 but she's not -- I would say her -- she wears  
 14 many hats, so I'm not sure that I would call her  
 15 a specialist.  
 16 Q. Would you call her an appraiser?  
 17 A. I would not call her an appraiser.  
 18 Q. Is Mr. Rabin an appraiser?  
 19 A. No, he is not an appraiser.  
 20 Q. The full time employee that you  
 21 referred to, does she have a name?  
 22 A. Yes. Anya Bemis, A-n-y-a,  
 23 B-e-m-i-s.  
 24 Q. Has Anya ever been involved in the  
 25 sale of a substantial collection of art like

1 Michael Plummer  
 2 the -- say the art that was appraised by  
 3 Christie's for the DIA?  
 4 A. You know, I don't remember all of  
 5 Anya's experience. She has worked on projects  
 6 for us and she worked in the specialist  
 7 department at Sotheby's years ago, so I would  
 8 imagine in that capacity she did have some  
 9 experience on working on some collections.  
 10 Q. So the collection that was  
 11 appraised by Christie's, you're familiar with  
 12 it?  
 13 A. I'm sorry, are you referring to the  
 14 appraisal of the DIA collection?  
 15 Q. The collection of art at the DIA  
 16 that was appraised by Christie's, are you  
 17 familiar with that?  
 18 A. I am familiar with it.  
 19 Q. Did you handle that appraisal in  
 20 connection with the preparation of your expert  
 21 report?  
 22 A. We reviewed it, yes.  
 23 Q. That would be about 1,700 or so  
 24 works of art that they appraised, correct?  
 25 A. That would be. We did not review

1 Michael Plummer  
 2 all 1,700, but we reviewed a number of the  
 3 objects that we felt were important and  
 4 relevant.  
 5 Q. Have you ever been involved in the  
 6 sale of a collection of art the size that we  
 7 were just referring to, the 1,700 works of art  
 8 at the DIA?  
 9 A. No, I have not been involved in a  
 10 sale of that magnitude.  
 11 Q. Do you know if Anya has?  
 12 A. I do not know.  
 13 Q. Do you know if Jeff Rabin has?  
 14 A. I do not know. He was involved in  
 15 sales in Sotheby's -- in Christie's wine  
 16 department before he came to Artvest and worked  
 17 in financial services, so he may have.  
 18 Q. Sales of wine?  
 19 A. Sales of wine in Christie's wine  
 20 department.  
 21 Q. Is sales of wine the same as sales  
 22 of art?  
 23 A. They require expertise and there  
 24 are a lot of similarities, yes. It involves  
 25 condition, it involves authenticity. There are

1 Michael Plummer  
 2 a lot of very strong, compelling overlaps.  
 3 Q. Is Mr. Rabin in his work at Artvest  
 4 continuing to be involved in the sale of wine?  
 5 A. He is not.  
 6 Q. Can you describe the business of  
 7 Artvest Partners for me?  
 8 A. We advise clients on buying and  
 9 selling art; we set values for them in buying  
 10 and selling art; we from time to time write  
 11 about the art market and the performance of the  
 12 art market; we broker loans for clients and  
 13 assist them in setting the values for those  
 14 loans.  
 15 We negotiate with the auction  
 16 houses on behalf of clients for selling their  
 17 art at auction and setting values for that art.  
 18 We work with members of the trade and broker  
 19 deals and sell property directly on behalf of  
 20 clients.  
 21 Lastly, we also have an ownership  
 22 interest in an art fair, a significant ownership  
 23 interest in an art fair, and we have close  
 24 relationships with members of the trade who are  
 25 our clients and keep abreast of market

1 Michael Plummer

2 conditions through those relationships.

3 Q. So the first thing you mentioned,  
4 and I want to make sure I'm understanding it as  
5 well, is advising the clients in the buying and  
6 self art, correct?

7 A. Um-hum.

8 Q. How would it work? A person would  
9 be an owner of art and then would say well, I'm  
10 considering selling this art, and they would  
11 want to work with someone who knows more about  
12 the market and about the value of the market and  
13 the way it's working, and then they would come  
14 to you as a consultant and an advisor, correct?

15 A. Um-hum.

16 Q. Do you charge by the hour or is  
17 there a commission?

18 A. It depends on the situation. We  
19 may charge a fixed fee, we may charge by the  
20 hour or we may charge a transaction fee, or we  
21 may just charge a combination of both.

22 Q. So you're like a law firm there  
23 then?

24 A. I would never say that I was like a  
25 law firm.

1 Michael Plummer

2 at the comparables in the market and then you  
3 look at market conditions overall and whether  
4 it's a good time to sell, a safe time to sell.

5 Whether or not, for instance, it  
6 would be best to sell at auction or to sell  
7 privately, whether or not the work is good  
8 enough to negotiate a guarantee with the auction  
9 houses, that sort of thing.

10 Q. So you could even work with other  
11 auction houses as you just mentioned to have the  
12 art sold, and you might advise somebody that  
13 look, this is the type of art that would best be  
14 auctioned or this is the type of art that would  
15 best be sold in a different way; is that how it  
16 worked?

17 A. Correct.

18 MR. IRWIN: Sorry, did you have a  
19 question about something?

20 THE WITNESS: I wanted to ask if I  
21 could have a bathroom break.

22 MR. SOTO: Absolutely.

23 THE VIDEOGRAPHER: The time is  
24 10:42 a.m., and we're going off the record.  
25 (Short break taken)

1 Michael Plummer

2 Q. I could understand why. Now, in  
3 terms of the fees, the different types of fees  
4 that you're charging, would there be one type of  
5 client that you would charge by the hour,  
6 another a fixed fee, another something else?

7 A. I would say it's more defined by  
8 the project and the needs of the project; every  
9 project is different.

10 Q. The advice that you give if a  
11 client comes to you with a piece of art that  
12 they're considering selling, do you first try to  
13 determine the value of that art?

14 A. Um-hum. Yes, sorry.

15 Q. Please don't be sorry, I do it all  
16 the time. When I point like that you just give  
17 your verbal answer.

18 The issue of setting that value,  
19 would you do it in the way you described  
20 earlier, by trying to determine what maybe  
21 comparables were and then trying to determine  
22 what the market situation is for that particular  
23 type of art?

24 A. Yes. I would say we do sort of a  
25 macro and a microeconomic review. So you look

1 Michael Plummer

2 THE VIDEOGRAPHER: This begins  
3 media unit number 2, the time is 10:48 a.m., and  
4 we're back on the record.

5 BY MR. SOTO:

6 Q. Mr. Plummer, one of the questions I  
7 meant to ask but forgot to. In connection with  
8 the four loans that you testified about that  
9 were made by Christie's while you were there  
10 overseeing the financial services department,  
11 were any of those loans made to institutions?

12 A. I don't think so.

13 Q. So those were loans to private  
14 individuals?

15 A. Yes.

16 Q. So the second thing you mentioned  
17 in connection with the work you do at Artvest  
18 was to set values?

19 A. Um-hum.

20 Q. Is that any different than what you  
21 just testified about in terms of advising  
22 clients and determining the value of their art?

23 A. No, I don't believe so. I'm not  
24 sure I understand your question though.

25 Q. Let me see if I can break it down.

1 Michael Plummer  
 2 You mentioned that you advised clients in the  
 3 buying and selling of art?  
 4 A. Right.  
 5 Q. The second thing that you listed,  
 6 at least the transcript said, was you also said  
 7 values. I was trying to see, is there a  
 8 distinction between the way you would set values  
 9 and advising a client on the buying and selling  
 10 of art, and what you referred to in your prior  
 11 testimony generally as setting values?  
 12 A. I would say we generally follow the  
 13 same methodology for advising clients on buying  
 14 and selling art and for setting values on art  
 15 when we set values.  
 16 Q. That's what you just testified  
 17 about, correct?  
 18 A. Yeah.  
 19 Q. You said that you write regarding  
 20 the performance of art?  
 21 A. Yes.  
 22 Q. What would that include, would that  
 23 include published articles?  
 24 A. It includes a piece written and  
 25 published in The Art Newspaper. We use to issue

1 Michael Plummer  
 2 periodic market analysis which we sent out to  
 3 our distribution lists which were widely  
 4 acclaimed and much sought after, reviewing each  
 5 season and the outlook for the current season.  
 6 We did a special analysis of the  
 7 Asian market. At one point we did a special  
 8 analysis of the Chinese market, much of which  
 9 became the foundation of the front page article  
 10 of The New York Times by Malcolm Bowley. We  
 11 wrote on the Contemporary market; yeah, things  
 12 like that.  
 13 Q. Malcolm Bowley, is that B-o-w-l-y?  
 14 A. B-o-w-l-e-y.  
 15 Q. Would we be able to find the  
 16 article that appeared in you called it The Art  
 17 Newspaper?  
 18 A. Yeah, it was an editorial in The  
 19 Art Newspaper.  
 20 Q. It would have your name attached to  
 21 it?  
 22 A. Yes. It has Jeff's and my name  
 23 attached to it.  
 24 Q. What was that editorial about?  
 25 A. It was -- let me make sure I get

1 Michael Plummer  
 2 the time right. It was about the state of the  
 3 art market in I think it was 2009 and the  
 4 prospects for its recovery based on the  
 5 financial crisis.  
 6 Q. Since that editorial five years ago  
 7 have you done any other publishing?  
 8 A. Well, as I said, those reports that  
 9 I was talking about were done after that.  
 10 Q. The periodic reports?  
 11 A. Yeah.  
 12 Q. The periodic market analysis that  
 13 you did, was that published publicly or is it  
 14 something privately?  
 15 A. It was something that we at Artvest  
 16 published and distributed to our clients.  
 17 Q. How often did you publish it?  
 18 A. We published them about every six  
 19 months for an 18-month period; an 18-month to  
 20 2-year period.  
 21 Q. You stopped publishing it now?  
 22 A. Yes.  
 23 Q. Why did you stop?  
 24 A. We stopped because it was an  
 25 expensive undertaking. We had many fans who

1 Michael Plummer  
 2 sought it out, but we found it to be -- we had  
 3 also made our mark in the industry, we were now  
 4 being sought out by clients and reporters to  
 5 express our opinion and we felt we didn't need  
 6 to continue making an investment; and it was a  
 7 costly endeavor.  
 8 Q. The periodic analysis would include  
 9 your view of the values, again, of different  
 10 genres of art --  
 11 A. Yes.  
 12 MR. IRWIN: You should let him  
 13 finish his question.  
 14 Q. -- and the volatility of different  
 15 values of art?  
 16 A. Yes.  
 17 Q. As well as the salability of  
 18 different genres of art, correct?  
 19 A. Yes. We would even get into  
 20 analyzing certain artists like Picasso and the  
 21 growth in value of certain works of art that  
 22 were coming back up at auction, and some  
 23 in-depth analysis of individual works.  
 24 Q. Did you utilize any of that  
 25 information in arriving at any of the opinions

1 Michael Plummer  
2 that you state in your expert report that you  
3 are giving here in connection with the Chapter 9  
4 proceedings of Detroit?

5 MR. IRWIN: It's a little vague,  
6 you can answer the question.

7 A. No. I would say though that some  
8 of the opinions and things that we expressed  
9 then would be consistent with things that we  
10 have expressed in this report, that certain  
11 conditions perhaps remained the same or haven't  
12 changed.

13 Q. If I wanted to determine how  
14 accurate your analysis was in connection with  
15 these periodic market analyses that you  
16 published, where can I obtain copies of them?

17 A. I have copies.

18 (\*r) MR. SOTO: Geoff, I would  
19 appreciate it if we can get copies of those so  
20 that I can look at them in connection with our  
21 analysis of this expert.

22 MR. IRWIN: Send me a note tallying  
23 all this stuff up at the end and we'll talk to  
24 you then.

25 Q. So the next thing that is listed

1 Michael Plummer

2 A. It means we would establish the  
3 value of the art and what the client was likely  
4 to get as a loan for that art. Then sometimes  
5 even work with the lender in agreeing to the  
6 values the lender was going to put on the art.

7 Q. The next thing you mentioned was  
8 you assisted clients in connection with their  
9 work with auction houses, correct?

10 A. Yes.

11 Q. What would that entail?

12 A. That would entail arranging the  
13 deal with the auction house in terms of what the  
14 financial terms were, what the marketing terms  
15 were, and what the value that the auction house  
16 was putting on the property.

17 Q. You would help set the value?

18 A. We would be engaged in the  
19 discussion of the value with the auction house,  
20 which would be usually a three-party discussion,  
21 the auction house, the client and us.

22 Q. In connection with -- let me finish  
23 the list. The next thing you said is you sold  
24 property directly for clients?

25 A. Yes.

1 Michael Plummer  
2 here is that you brokered loans?

3 A. Yes.

4 Q. What does that mean?

5 A. It means that clients come to us  
6 looking for art loans and we would take them to  
7 a bank or a lending institution to get the loan,  
8 and we would match the right lender to the needs  
9 of the borrower and the borrower's  
10 qualifications.

11 Q. In connection with your brokering  
12 of loans, did you ever broker any loans for an  
13 institution?

14 A. You mean on behalf of an  
15 institution as a client?

16 Q. Yes, on behalf of an institution.

17 A. No.

18 Q. So for the most part, when you were  
19 brokering loans it's on behalf of individual  
20 clients?

21 A. Yes.

22 Q. The next thing you listed was set  
23 value for loans?

24 A. Yes.

25 Q. What did you mean by that?

1 Michael Plummer

2 Q. What does that mean?

3 A. Well, I would say directly we would  
4 sell property, not so much that we would sell it  
5 ourselves but we would sell -- instead of  
6 selling through auction we would sell it through  
7 a dealer.

8 Q. So that would be a situation where  
9 a client came to you, you felt it was best not  
10 to go through an auction with this particular  
11 client, but to go through a dealer directly?

12 A. Yes.

13 Q. You mentioned that Artvest has an  
14 ownership interest in an art fair, correct?

15 A. Correct.

16 Q. What is that art fair?

17 A. It's called Spring Masters New  
18 York.

19 Q. Where is it?

20 A. It is held in May at the Park  
21 Avenue Armory.

22 Q. In connection with your ownership  
23 of that interest in the art fair, do you perform  
24 any appraisal services of any type in connection  
25 with that work?

1 Michael Plummer  
 2 A. No, in that capacity we do none.  
 3 We do have nearly weekly conversations with  
 4 dealers who are our clients about the state of  
 5 the art market and the state of their  
 6 businesses, so it's an important resource for  
 7 information.  
 8 Q. So having an interest in the art  
 9 fair enables you to maintain contact with a  
 10 number of dealers, and a number of people who  
 11 will give you information that they have about  
 12 the market and about various genres of art,  
 13 correct?  
 14 A. Or confirm information that we  
 15 already have.  
 16 Q. So it helps you to keep up to  
 17 breast?  
 18 A. Exactly.  
 19 Q. That's what you meant when you said  
 20 that, to keep up to breast with market  
 21 conditions?  
 22 A. Right.  
 23 Q. In connection with the work that  
 24 you have described of Artvest for example, let's  
 25 just take the first one, advising clients.

1 Michael Plummer  
 2 Does Artvest ever hire or retain  
 3 the services of an appraiser in connection with  
 4 its work with its clients when it's advising  
 5 clients regarding buying and selling?  
 6 A. We hired appraisers to work on the  
 7 DIA project.  
 8 Q. Is that the only project that you  
 9 can recall that you hired appraisers for?  
 10 A. I believe so.  
 11 Q. Who were you retained by in  
 12 connection with your work on the DIA project?  
 13 A. By Cravath and Jones Day.  
 14 Q. Do you know who they represented in  
 15 connection with that project?  
 16 A. Yes.  
 17 Q. Who is that?  
 18 A. Jones Day for the City and Cravath  
 19 for the DIA.  
 20 Q. So ultimately your work was for the  
 21 City, and you were hired by Mr. Irwin's firm;  
 22 and also by the DIA you were hired by  
 23 Mr. Levin's firm?  
 24 A. Correct.  
 25 Q. In connection with your work under

1 Michael Plummer  
 2 Artvest, or as co-owner of Artvest, do you ever  
 3 advise clients on alternate forms of monetizing  
 4 art separate and apart from sales?  
 5 A. We have advised clients on art  
 6 loans, which is a type of liquidation other than  
 7 selling. We have never been hired to, but we  
 8 were engaged -- we were approached about setting  
 9 up a system for art loans for a fee, in terms of  
 10 lending works of art, but we found that to be  
 11 a -- not a viable option to pursue.  
 12 Q. So I understand it. The  
 13 distinction you're making between art loans that  
 14 you've been advised on, that you testified about  
 15 already, and art loans for a fee; what's the  
 16 difference?  
 17 A. Well, I mean lending a work of art  
 18 to someone to hang on their wall; renting a work  
 19 of art is what I mean.  
 20 Q. What has your experience been in  
 21 connection with, as you put it, renting a work  
 22 of art?  
 23 A. As I said, we've been approached  
 24 more than once about this and we have declined  
 25 to pursue that because we feel it's not a viable

1 Michael Plummer  
 2 line of business or option.  
 3 Q. It's not viable because it's  
 4 difficult to get a fee for it?  
 5 A. There's really no audience for it.  
 6 Q. The times that you were approached  
 7 for renting a work of art, was that by  
 8 individuals?  
 9 A. It was by individuals who had  
 10 collections, who were looking to do it as a tax  
 11 strategy.  
 12 Q. Other than those two forms of  
 13 monetization or alternatives to sale, has  
 14 Artvest worked with any other alternatives?  
 15 A. Not that I can recall.  
 16 Q. So you spent 16 years at Sotheby's,  
 17 correct?  
 18 A. Correct.  
 19 Q. And two years at Christie's,  
 20 correct?  
 21 A. Correct.  
 22 Q. During that time did you personally  
 23 conduct any appraisals?  
 24 A. No.  
 25 Q. During that time did you obtain any

1 Michael Plummer  
 2 training in conducting an appraisal?  
 3 A. No.  
 4 Q. During that time did you  
 5 participate in auctioning artworks?  
 6 A. How do you mean that question?  
 7 Q. Actually in its broadest sense.  
 8 Did you participate in any way or were you  
 9 involved in any way of the auctioning of  
 10 artworks?  
 11 A. Well, as a business manager I was  
 12 involved in the department's creation of a sale  
 13 and managing that sale and putting that sale on;  
 14 so yes, if you mean it in the broadest sense.  
 15 Q. That would be in connection with  
 16 your work in marketing, correct, that you headed  
 17 the marketing department for Sotheby's and you  
 18 would have to know something about the auction  
 19 that was going to be held in order to market it,  
 20 correct?  
 21 A. Well, that too; but I was referring  
 22 to my experience before that as a business  
 23 manager where I actually sat in the expert  
 24 department and worked with them as they were  
 25 putting the sale together for auction.

1 Michael Plummer  
 2 Q. So that would have been your  
 3 initial work at Sotheby's, correct?  
 4 A. That would have been my second job  
 5 at Sotheby's.  
 6 Q. As the business manager, I see.  
 7 What was your first job at Sotheby's?  
 8 A. Account manager.  
 9 Q. Account manager, okay. In  
 10 connection with your work as a business  
 11 manager -- well, I think we got that on  
 12 testimony already so I won't go over it again.  
 13 Other than that work that you just  
 14 described, your work as a business manager, and  
 15 also the marketing work that you described; was  
 16 there any other work that you did, again in its  
 17 broadest sense, that would put you in  
 18 participation with the auctioning of artworks?  
 19 A. The business manager job, yes, and  
 20 the marketing position; and then I left  
 21 Sotheby's after that. Then at Christie's I was  
 22 not involved in the auctioning of works of art.  
 23 Q. The experience you did have at  
 24 Sotheby's that you just referred to, did it ever  
 25 involve the auctioning of an entire collection

1 Michael Plummer  
 2 of a museum, for example?  
 3 A. No, I don't believe that such an  
 4 event has ever happened.  
 5 Q. Did it ever involve the auctioning  
 6 of a portion of a collection say the size of the  
 7 1,700 works of art that Christie's appraised for  
 8 the DIA?  
 9 A. There were various large  
 10 collections, I can't remember now what they  
 11 were, but some very large ones that came  
 12 through. For example, I was involved in the  
 13 Jackie Onassis sale.  
 14 Q. How many works of art did that  
 15 involve?  
 16 A. I can't remember, but it was a  
 17 large collection and I wrote the marketing plan  
 18 for that and also designed the catalog cover for  
 19 it.  
 20 Q. Have you ever prior to this  
 21 occasion where you have been retained as an  
 22 expert, have you ever been retained as an expert  
 23 witness in any other case?  
 24 A. No.  
 25 Q. Other than the expert report that

1 Michael Plummer  
 2 you prepared in connection with this Chapter 9  
 3 proceeding that we're here on today, have you  
 4 ever prepared an expert report for any other  
 5 case?  
 6 A. No.  
 7 Q. Other than the testimony you're  
 8 giving here today, have you ever given testimony  
 9 or proposed to give testimony as an expert in  
 10 any other case?  
 11 A. No. I was engaged about the time  
 12 of this engagement to be an expert witness, but  
 13 that has not taken place yet.  
 14 Q. That's in another litigation?  
 15 A. Another litigation unrelated to  
 16 this.  
 17 Q. What is the subject matter of that  
 18 case?  
 19 A. It's a tax-related estate issue.  
 20 Q. And you haven't prepared a report  
 21 in that case yet?  
 22 A. Nothing has happened yet.  
 23 Q. In connection with this matter have  
 24 you been told that you will be requested to act  
 25 as a witness in connection with the planned

1 Michael Plummer  
 2 confirmation trial that's currently set to take  
 3 place in Detroit, I believe it's starting now  
 4 around August 21st?  
 5 A. Yes.  
 6 Q. We'll go through that in a  
 7 different fashion to see if we can get it  
 8 quicker.  
 9 Who have you spoken to regarding  
 10 your potential testimony in this matter, this  
 11 Chapter 9 proceeding?  
 12 A. What do you mean by spoken to about  
 13 my potential testimony?  
 14 Q. Who have you spoken to about the  
 15 fact that you're acting as an expert, or hoping  
 16 to act as an expert, and that you might be  
 17 testifying in this matter?  
 18 A. Well, I guess numerous people  
 19 because it's a matter of public record now and  
 20 I've been asked about it, but I don't comment on  
 21 it.  
 22 Q. So the numerous people who have  
 23 approached you, who have you spoken to?  
 24 A. Well, they have asked me questions  
 25 and I don't talk about it, I just refer them to

1 Michael Plummer  
 2 my report.  
 3 Q. You're talking about like  
 4 journalists or somebody who are calling you up  
 5 and asking you about --  
 6 A. Or friends, family, that sort of  
 7 thing.  
 8 Q. So you've certainly spoken with  
 9 Mr. Irwin, correct?  
 10 A. Yes.  
 11 Q. And with counsel in his office?  
 12 A. Yes.  
 13 Q. With Mr. Levin and maybe his  
 14 colleagues?  
 15 A. Correct.  
 16 Q. Have you spoken with Mr. O'Reilly?  
 17 A. Yes.  
 18 Q. Have you spoken with anyone at the  
 19 DIA?  
 20 A. No.  
 21 Q. Other than the counsel that I've  
 22 already mentioned, the attorneys that I've  
 23 already mentioned; have you spoken with anybody  
 24 else?  
 25 A. No.

1 Michael Plummer  
 2 Q. Can you tell me when you were  
 3 retained as an expert witness?  
 4 A. It was around May 20th something.  
 5 Q. Of 2014?  
 6 A. 2014, yeah.  
 7 Q. Who initially contacted you  
 8 regarding your retention as an expert?  
 9 A. Rich Levin.  
 10 Q. Have you had previous dealings with  
 11 Mr. Levin?  
 12 A. Well, we had spoken about this at  
 13 some period before that as a possibility for it,  
 14 but nothing had materialized until May.  
 15 Q. What was the nature of your  
 16 assignment as explained to you by either the  
 17 City or the DIA?  
 18 A. It's listed in my report, there are  
 19 four main bullets. I wouldn't want to do it  
 20 from memory since it's actually in the report.  
 21 Q. You can actually have a copy of  
 22 that report. I think it's actually going to be  
 23 our next exhibit so why don't we go ahead and  
 24 mark it. We give nothing but open book exams  
 25 here.

1 Michael Plummer  
 2 A. That's good. While we're doing  
 3 that may I have another quick break?  
 4 Q. Absolutely.  
 5 THE VIDEOGRAPHER: The time is  
 6 11:14 a.m., and we're going off the record.  
 7 (Off the record)  
 8 (Plummer Exhibit 2, Expert Witness  
 9 Report of Michael Plummer, marked for  
 10 identification.)  
 11 THE VIDEOGRAPHER: The time is  
 12 11:26 a.m., and we're back on the record.  
 13 BY MR. SOTO:  
 14 Q. Mr. Plummer, I have handed you what  
 15 we have marked as Exhibit 2 to this deposition.  
 16 A. Yes.  
 17 Q. Are you familiar with that?  
 18 A. Yes, I am.  
 19 Q. Take a moment to review it. I will  
 20 ask you is this the report that you have  
 21 submitted as an expert witness in the City of  
 22 Detroit Chapter 9 proceeding?  
 23 A. Yes, it is.  
 24 Q. Now, we were just about to ask  
 25 about it and I told you it would be open book.

1 Michael Plummer

2 You mentioned -- when I asked you what the  
3 nature of your assignment was as it was  
4 explained to you, you were referring to  
5 something in your report, what was that?

6 A. That was the list on page 4, number  
7 2, that counsel had asked me to form an opinion  
8 with respect to the following:

9 "The indicative value of the works  
10 in the DIA collection. The feasibility and  
11 likely effects on the market and value  
12 realization of a sale of the DIA collection  
13 under a variety of market and sale conditions.  
14 Creditor-proposed sales of the DIA's collection,  
15 including analysis of certain third-party  
16 indications of interest.

17 "Monetization alternatives  
18 described in Christie's report to the City of  
19 Detroit, and infirmities in any rebuttal expert  
20 reports, which I will address in any  
21 supplemental report as necessary."

22 Q. What is your compensation  
23 arrangement for providing testimony of those  
24 topics?

25 A. It was \$112,500 for the report and

1 Michael Plummer

2 July 8th when this report is dated, is that the  
3 amount of time it took?

4 A. Yes.

5 Q. You completed it just at the nick  
6 of time and handed it in on July 8th?

7 A. Yeah, we handed it in on July 8th  
8 and we worked pretty much around the clock to  
9 get it done.

10 Q. Right up to the deadline?

11 A. Yeah.

12 Q. So on page 48, paragraph 79 A, you  
13 state, I'll read it for you slowly:

14 "The indicative value of the works  
15 in the DIA Collection at a gross valuation,  
16 without any deduction for the value of the works  
17 that are ultimately determined not to be subject  
18 to sale, whether for legal or other reasons, and  
19 before the application of discount factors  
20 related to general market conditions or issues  
21 specific to the DIA collection as a mid estimate  
22 of \$3,684,466,069 and a low estimate of  
23 \$2,760,978,432."

24 Did I read that correctly?

25 A. Yes.

1 Michael Plummer

2 6,000 per day for testimony and deposition, or  
3 \$3,500 for a half day.

4 Q. We're not going to have to worry  
5 about the half day, so we'll just keep going.  
6 I'll try to get it done today, I think I'm under  
7 a 17-hour limit again.

8 Do you know of anyone else from  
9 Artvest who's going to be asked to testify?

10 A. No.

11 Q. Let me ask you then to look at page  
12 48 of Exhibit 2. It starts at the top of the  
13 page with "Conclusion," do you see that?

14 A. Um-hum.

15 Q. So we're on the same page. Is that  
16 your signature at the bottom of that page?

17 A. It is.

18 Q. Can you tell me how long it took  
19 you to put together this expert report. You  
20 said you were retained in May, when did you  
21 start working on the report?

22 A. We probably started doing  
23 preparatory work in I would say the middle of  
24 May.

25 Q. From the middle of May through

1 Michael Plummer

2 Q. What was the high estimate?

3 A. The high estimate is in the report.  
4 The high estimate was \$4,607,953,704 on page 19  
5 of the report.

6 Q. Page 19?

7 A. Page 19.

8 Q. Let me turn there and catch up to  
9 you. So under Table 2, under "Total DIA  
10 Collection" at the bottom, the column high  
11 estimate, the final number going down the column  
12 is \$4,607,953,704. That's the highest of it,  
13 correct?

14 A. Correct.

15 Q. Have you done all the required work  
16 that you think was required to reach the  
17 opinions you reached in this case?

18 A. Yes.

19 Q. Or, asked another way, you have no  
20 more work you think you need to do in order to  
21 support these opinions, correct?

22 A. Correct.

23 Q. Is there any work that you wanted  
24 to do, but you were unable to do before  
25 rendering these opinions?



1 Michael Plummer

2 A. No.

3 Q. On page 48, in paragraph 79 B, you  
4 state:

5 "The feasibility and likely effects  
6 of and on the market and value realization of a  
7 sale of the DIA collection under a variety of  
8 market and sale conditions: After the  
9 application of various discount factors related  
10 to these conditions, the range of value the DIA  
11 collection will sell for, without any deduction  
12 for the value of the works that are ultimately  
13 determined not to be subject to sale, will be  
14 between \$1.1 billion for the present value of an  
15 orderly liquidation after allowing" is that of?

16 A. Of.

17 Q. "Of an orderly liquidation after  
18 allowing for the likely delay of litigation to  
19 \$1.8 billion in the highest value scenario, with  
20 no litigation and an orderly selling plan." Do  
21 you see that?

22 A. Yes.

23 Q. Have you done all the work required  
24 to reach this opinion in this case?

25 A. Yes.

1 Michael Plummer

2 A. I don't believe so.

3 Q. The same page, 48 this time,  
4 paragraph 79 D. Do you see it there?

5 A. Yes.

6 Q. You state, and I'm quoting you:  
7 "Creditor-proposed sales of the  
8 DIA's collection, including analysis of certain  
9 third-party indications of interest: They are  
10 either not plausible or not likely to net the  
11 dollar values quoted."

12 Do you see that?

13 A. Yes.

14 Q. Have you done all the work  
15 required, at least that you think is required,  
16 to reach this opinion in this case?

17 A. Yes.

18 Q. Is there any other work that  
19 remains undone or that you think is necessary to  
20 support that opinion?

21 A. No.

22 Q. Let's begin by discussing the  
23 appraisal process that you went through in order  
24 to arrive at these opinions.

25 When did your team begin appraising

1 Michael Plummer

2 Q. Is there any work that remains  
3 undone or that you think is necessary to support  
4 that opinion?

5 A. No.

6 Q. On page 48, this time paragraph 79  
7 C, we'll take a look at that. You state, and I  
8 quote:

9 "My review of the practicality and  
10 reasonableness of the monetization alternatives  
11 described in Christie's preliminary report to  
12 the City of Detroit: They do not have a  
13 reasonable expectation of either raising  
14 meaningful money or exceeding even the \$100  
15 million the DIA has already committed as its  
16 contribution to the Grand Bargain." Do you see  
17 that?

18 A. Yes.

19 Q. Again, have you done all the work  
20 required, as far as you are concerned, to reach  
21 this opinion in this case?

22 A. Yes.

23 Q. Is there any other work that you  
24 think you would need to do in order to support  
25 that opinion?

1 Michael Plummer

2 the art at the DIA that is the subject of this  
3 expert opinion?

4 A. We began pulling comparables in  
5 May, so the process began in May.

6 Q. How long did it take to complete  
7 the appraisal?

8 A. Up until the week before, the first  
9 week -- up through the first week of July.

10 Wait. Excuse me, you referred to  
11 it as an appraisal, we referred to it as a  
12 valuation.

13 Q. Let's go back and ask the first  
14 question again that I asked when you began  
15 appraising the art; that would still be in May?

16 A. We began evaluating the collection  
17 in May.

18 Q. You don't refer to it as an  
19 appraisal?

20 A. No.

21 Q. Why not?

22 A. Because we consider it an  
23 evaluation of the value of the collection.

24 Q. How do you distinguish that from an  
25 appraisal of the value of the collection?

1 Michael Plummer

2 A. Because we consider factors that  
3 are typically not considered in an appraisal,  
4 such as market conditions, which we think are  
5 critical to setting a value for this collection.

6 Q. Will you tell the Court what  
7 factors you are considering in an evaluation  
8 that you believe are not considered in an  
9 appraisal?

10 A. We are considering the impact of  
11 unsold rates. We are considering the  
12 overheatedness of the Contemporary market. We  
13 are considering the malaise, for lack of a  
14 better word, in the American Art sector. We are  
15 considering the issues in the Old Masters sector  
16 which is not a malaise, it's a cooler sector.

17 We are considering the differences  
18 between the activity in the Impressionist and  
19 Modern sector versus the Contemporary sector.  
20 We're also considering the impact of litigation  
21 and the delays based on other examples of that  
22 litigation in terms of liquidating the property,  
23 because it can't be sold with clear title.  
24 We're considering the impact of taint which we  
25 consider to be significant, most especially in

1 Michael Plummer  
2 the American sector.

3 We think all of these are critical  
4 considerations in establishing a value for the  
5 liquidation, if there were to be a liquidation,  
6 of the DIA collection.

7 Q. So these are all factors that you  
8 believe you considered that would not be  
9 considered in an appraisal of the art, correct?

10 A. Correct.

11 Q. So unsold rates, what does that  
12 mean?

13 A. Unsold rate was what I was  
14 referring to earlier as BI property, which is  
15 property that does not sell. In certain of the  
16 sectors where, and particularly Old Masters  
17 where the DIA has a very high concentration of  
18 property, our subject are very high BI rates,  
19 unsold rates.

20 Q. That's what you were referring to  
21 earlier in terms of unsold rates?

22 A. Yes.

23 Q. The next factor you mentioned was  
24 overheatedness in contemporary art?

25 A. Yes.

1 Michael Plummer

2 Q. What are you referring to there?

3 A. That market has become very hot and  
4 is showing -- a number of people active in the  
5 market such as myself are beginning to have  
6 concerns about the stability of this market when  
7 it is so heated as it is, and given its  
8 volatility and the fact that it has crashed in  
9 the past, as recently as 2008.

10 Q. So in connection with your concern  
11 or application of factors of unsold rates, did  
12 you have a particular source that you were  
13 referring to that you utilized in determining  
14 how that unsold rate factor would apply to the  
15 collection that you analyzed at the DIA?

16 A. We used publicly available  
17 information based on Sotheby's and Christie's  
18 sales, on their unsold rates.

19 Q. Anything else?

20 A. No.

21 Q. In connection with the  
22 overheatedness, which you particularly mentioned  
23 the Contemporary Art sector?

24 A. Right.

25 Q. What did you rely on in coming to

1 Michael Plummer  
2 those conclusions and making that analysis?

3 A. Our own internal analysis over the  
4 last several years of --

5 MR. O'REILLY: Why don't we break  
6 for a moment?

7 MR. SOTO: I don't need to.  
8 They're going to finish that and they will be  
9 out of here in 5 minutes.

10 MR. O'REILLY: That's fine, you're  
11 going to have a lot of noise on the video. If  
12 you're okay with that.

13 BY MR. SOTO:

14 Q. It's up to you, are you being  
15 distracted or are you okay?

16 A. Okay.

17 Q. Let's go.

18 A. We used our own internal data  
19 generally comparing and our own watching of the  
20 sales which we do, sales results on a regular  
21 basis, and in particular comparing how sales are  
22 doing, auction sales are doing relative to their  
23 estimates, and the sell-through rates or unsold  
24 rates in that area as well.

25 As well as follow various press

1 Michael Plummer  
 2 accounts and anecdotal accounts that we have and  
 3 discussions with dealers that represent the  
 4 trade and their art specialties.  
 5 Q. The overheatedness unsold rates,  
 6 would those be the same kinds of publicly  
 7 available unsold information that you referred  
 8 to earlier?  
 9 A. Yes.  
 10 Q. So it would be the publicly  
 11 available unsold information listed on the  
 12 Contemporary Art sector, correct?  
 13 A. Yes.  
 14 Q. What about the malaise in American  
 15 Art, what are you referring to there?  
 16 A. I'm referring to the fact that the  
 17 American Art sector has not recovered from the  
 18 2008 crash, it's at its highs in the spring of  
 19 2008. Let me add also that in the American Art  
 20 sector, as well as in the other sectors, we look  
 21 at art indices as well.  
 22 Q. Anything else?  
 23 A. At the moment I can't think of  
 24 anything else.  
 25 MR. SOTO: They're going to bring

1 Michael Plummer  
 2 Q. What did you mean by that?  
 3 A. By issues I meant that there is --  
 4 that that market is losing collectors, that it  
 5 has a high unsold rate and it has a problem with  
 6 supply.  
 7 Q. What is that problem?  
 8 A. It's had an uneven supply of good  
 9 property over the years, and there is a lot of  
 10 mediocre material in the market. That, in  
 11 addition to the fact that collectors are  
 12 defecting to -- and this affects the American  
 13 market as well and to some extent the  
 14 Impressionist and Modern market, collectors are  
 15 defecting en mass to the Contemporary sectors.  
 16 Or, in other words, young  
 17 collectors are going into Contemporary. Very  
 18 few young collectors are moving into these other  
 19 sectors, so they're dying out.  
 20 Q. So when you say "uneven supply"  
 21 that would mean not enough or too many?  
 22 A. It means that it's not enough  
 23 quality. But even if you were to have good  
 24 quality you still have the problem of not enough  
 25 collectors, so it's a two-sided problem.

1 Michael Plummer  
 2 the food in, let's take a break.  
 3 THE VIDEOGRAPHER: The time is  
 4 11:45 a.m., we're going off the record.  
 5 (Off the record)  
 6 THE VIDEOGRAPHER: The time is  
 7 11:52 a.m., and we're back on the record.  
 8 BY MR. SOTO:  
 9 Q. Thank you for your patience here.  
 10 I think you had discussed the third factor that  
 11 you mentioned that you took into account which  
 12 was the malaise and American Art, correct?  
 13 A. Correct.  
 14 Q. Anything more on that issue?  
 15 A. Yes, there's one more thing is that  
 16 in all of these sectors we have business  
 17 dealings and clients and firsthand experience of  
 18 sales, sales that are easy, sales that are hard,  
 19 so that's also important in our reading of the  
 20 market.  
 21 Q. The next thing you mentioned,  
 22 factor 4, was the issues in the Old Masters  
 23 sector which you mentioned the DIA has a large  
 24 collection of, is that correct?  
 25 A. Yes.

1 Michael Plummer  
 2 Q. So that even if the work of the Old  
 3 Masters that is part of the collection at the  
 4 DIA is good quality, your point is --  
 5 A. There aren't enough collectors out  
 6 there to absorb that volume of property.  
 7 Q. The next one you mentioned was  
 8 different Impressionist -- the differences  
 9 between the Impressionist and Modern sector  
 10 versus the Contemporary sector?  
 11 A. Correct.  
 12 Q. What did you mean by that?  
 13 A. I have some examples in my report.  
 14 The Impressionist sector, there have been good  
 15 quality paintings that have come on the market  
 16 that have disappointed in their results.  
 17 Whereas, if the same caliber of  
 18 work had come on the market in the Post War --  
 19 or when the same caliber of art has come on the  
 20 market in the Post War sector it does far better  
 21 and it sometimes even exceeds the estimates.  
 22 Whereas, the others tend to fall short of the  
 23 estimates.  
 24 Q. When you say Contemporary you also  
 25 used the phrase Post War, do you mean the same

1 Michael Plummer  
 2 in both?  
 3 A. They are often used  
 4 interchangeably. Sotheby's uses only the term  
 5 Contemporary, Christie's uses Post War and  
 6 Contemporary. I've fallen into the habit of  
 7 referring to them somewhat interchangeably  
 8 because I've worked at both houses.  
 9 Q. In connection with your analysis of  
 10 the malaise of the American Art that you  
 11 referred to earlier, I believe you mentioned all  
 12 of the factors that you relied on, but you  
 13 didn't with respect to issues on Old Masters.  
 14 Is there anything that you relied  
 15 on for your analysis?  
 16 A. The same for all the others. I  
 17 relied on the same factors for all of the  
 18 sectors.  
 19 Q. Those would be your knowledge  
 20 through conversations with people in the art  
 21 industry, correct?  
 22 A. Right.  
 23 Q. Would they also be your knowledge  
 24 of comparable sales?  
 25 A. Yes.

1 Michael Plummer  
 2 Q. Would it also be your knowledge of  
 3 more recent sales that you get through private  
 4 knowledge?  
 5 A. Yes. Indices, auctions performance  
 6 against their estimates; all of the things that  
 7 I've listed previously for all the other  
 8 sectors.  
 9 Q. The indices and the auction  
 10 performance, those are publicly available  
 11 information, correct?  
 12 A. Well, the indices you have to pay  
 13 to use, but if you paid money you can use them.  
 14 So I guess in essence they are the same.  
 15 Q. The same with respect to the public  
 16 information regarding the results of auctions?  
 17 A. Yes. However, we compile a lot of  
 18 information manually and have to because there  
 19 is a manner in which the auction houses report  
 20 their information which distorts it. So we  
 21 often compile and manually arrange it ourselves  
 22 so that we can decipher it more accurately than  
 23 how the auction houses report it.  
 24 Q. How do the auction houses report it  
 25 that distorts it?

1 Michael Plummer  
 2 A. Well, this is an issue we've gone  
 3 on record with the auction houses with in the  
 4 past. Beginning in the downturn of the '90s,  
 5 Sotheby's took a policy and Christie's soon  
 6 followed, that because the sales results were  
 7 looking anemic they decided to start posting the  
 8 sales results with the buyer's premium and  
 9 comparing them to the estimates, low and high  
 10 estimates for the sale which don't include  
 11 buyer's premium. So in essence they're goosing  
 12 up their results.  
 13 So when we do our analysis we go  
 14 back and manually extract the buyer's premium  
 15 when making comparisons against low and high  
 16 estimates so that we gather more accurate  
 17 results.  
 18 There are many sales that in the  
 19 press look like they've come in between the low  
 20 and high estimates, when in reality they will  
 21 have fallen short of the low estimate because  
 22 that buyer's premium is creating this  
 23 distortion.  
 24 Q. What is the buyer's premium? I had  
 25 about an hour conversation about this in our

1 Michael Plummer  
 2 last deposition and I still don't understand it.  
 3 A. The buyer's premium, I will try to  
 4 make it straightforward and simple. The buyer's  
 5 premium is a commission added on by the auction  
 6 house, and it's a tiered commission, and they've  
 7 now muddled with it so much that I don't have it  
 8 as part of my memory anymore.  
 9 Up to X number it's say 20 or  
 10 25 percent; up to X number it's the next  
 11 increment, it drops down to the next thing like  
 12 15 percent or something, and then after that  
 13 over 2 million or some such number it drops down  
 14 to I believe 12 percent.  
 15 So it can make a differential  
 16 depending on the value of the works of somewhere  
 17 around an average of 13 percent to up as high as  
 18 25 percent in the return.  
 19 Q. In a real-life hypothetical example  
 20 using round numbers, let's assume there was a  
 21 piece of art or even a collection of art that  
 22 was valued at \$100 million and it was sold at  
 23 auction, and assuming there was some tiered  
 24 commission; there would be commissions as you  
 25 had described for different tiers. That

1 Michael Plummer  
 2 commission is paid by whom?  
 3 A. It's paid by the buyer as part of  
 4 the purchase price.  
 5 Q. So if the purchase price was 100  
 6 million, and just for rounding numbers that are  
 7 simple, and there was going to be a 10 percent  
 8 total commission would the buyer have to pay 110  
 9 million?  
 10 A. Correct.  
 11 Q. So your point is that the auction  
 12 houses started including that additional 10  
 13 million as part of the sale of the value of the  
 14 art, correct?  
 15 A. Which is legitimate, except that  
 16 when they compare it to the pre-sale estimate  
 17 which doesn't include it that's buyer's premium.  
 18 So to use your example, if we said that the  
 19 estimate was 80 to, let's say the estimate was  
 20 100 to 120 million and it sold for 100 million  
 21 and they put on the buyer's premium, it really  
 22 sold at the low estimate, but once they put the  
 23 buyer's premium on they would say it sold in  
 24 between the low and high estimate, which is a  
 25 distortion of the health of the market.

1 Michael Plummer  
 2 Q. Understood, and actually very  
 3 clear, thank you. Just so the Court is aware of  
 4 the process. Part of the process in an auction,  
 5 and using our hypothetical round numbers, would  
 6 be the buyer's premium, the buyer pays that.  
 7 So then there is this hundred  
 8 million. From that hundred million, would that  
 9 go to the seller or would there be other costs  
 10 deducted before it goes back to the seller?  
 11 A. If it were indeed a \$100 million  
 12 item nothing would go back to the house from the  
 13 seller because they would have a fantastic deal.  
 14 But if it were an average item of lower value  
 15 then there would be a seller's commission  
 16 charged as well, again in the 20 percent range  
 17 or higher.  
 18 Q. So the auction house is getting a  
 19 buyer's premium commission from the buyers and  
 20 at the same time would be getting a seller's  
 21 commission from the seller?  
 22 A. Right.  
 23 Q. That could be the equivalent of the  
 24 buyer's commission?  
 25 A. It could be.

1 Michael Plummer  
 2 Q. Is it typical in the industry that  
 3 it is?  
 4 A. It depends on the sector, the  
 5 desirability of the property, the clout of the  
 6 client, the power of the client's negotiator or  
 7 agent. There are instances when in highly  
 8 desirable situations, and we've written about  
 9 this, a seller gets back part of the buyer's  
 10 premium as a rebate.  
 11 Q. So that the seller's commission is  
 12 lower then, or at least it gets a rebate on  
 13 that, correct?  
 14 A. Well, no. I'm saying that the  
 15 seller's commission might be zero or they might  
 16 get part of the buyer's premium.  
 17 Q. As well?  
 18 A. As well.  
 19 Q. So it would increase the ultimate  
 20 return on the sale?  
 21 A. Correct.  
 22 Q. You mentioned the impact of the  
 23 litigation as another factor you took into  
 24 account?  
 25 A. Yes.

1 Michael Plummer  
 2 Q. What resources did you use as the  
 3 basis for that opinion?  
 4 A. I used research into various other  
 5 examples that are mentioned in my report. One  
 6 of the most relevant cases was the Fisk  
 7 Stieglitz collection, which was tied up in Court  
 8 for five years by the Attorney General of the  
 9 state of Tennessee.  
 10 Q. Anything else?  
 11 A. There were some other examples I  
 12 use in the report. I can't remember right now  
 13 what they are, but they're outlined in the  
 14 report.  
 15 Q. Other than the examples in the  
 16 report, was there anything else that you relied  
 17 on?  
 18 A. I don't believe so, other than what  
 19 is in the report and what materials are  
 20 referenced in the report.  
 21 Q. Have you had personal experience in  
 22 being part of a sale of a collection of art that  
 23 was held up in litigation?  
 24 A. No, but I am familiar with the  
 25 importance of clear title in the selling of art

1 Michael Plummer  
2 at auction and the problems that result. I am  
3 very sensitive to that issue and aware of its  
4 relevance.

5 Q. In connection with applying this  
6 factor, did you do any research regarding the  
7 title of the art at the DIA?

8 A. It was in the data that was given  
9 to me by the DIA which is outlined in the  
10 report, the donors were listed with the items.

11 Q. In addition to the donors being  
12 listed, was there any information regarding the  
13 transferability and alienability of the art?

14 A. I did not research that.

15 Q. So in connection with your opinion  
16 regarding the impact of that litigation, you  
17 were assuming, for purposes of this opinion,  
18 that there might be some concern regarding the  
19 alienation of this art or the transferability of  
20 this art, and as such you're applying that  
21 factor, correct?

22 A. I would say that it's more than an  
23 assumption. I am fairly, certain based on my  
24 experience in the art market, that there will be  
25 litigation to stop the sale of art that has been

1 Michael Plummer  
2 gifted to the museum.

3 I should add in addition, I also in  
4 the course of researching this report did speak  
5 to various museum professionals on other matters  
6 such as the art lending and that sort of thing,  
7 and such issues came up in those conversations  
8 as well.

9 Q. When you say the museum  
10 professionals, you're talking about  
11 professionals at the DIA?

12 A. No, at other museums.

13 Q. In connection with your certainty  
14 that there would be litigation regarding the  
15 transfer of any of this art, did you talk to  
16 anybody at the DIA?

17 A. No.

18 Q. The next thing you mentioned was  
19 the impact of taint in the American sector.  
20 What does that mean?

21 A. I think that the sale of -- and I  
22 address this in several locations in my report,  
23 the sale of the collection of the DIA will be  
24 highly criticized and create an aura around  
25 works from the DIA and their sale that will

1 Michael Plummer  
2 lower their value and/or lower their ability to  
3 be sold, and that a number of collectors will  
4 boycott sales.

5 There's a practical matter that  
6 most collectors in America or around the world,  
7 but particularly in America, are on boards of  
8 directors -- are on the boards of other  
9 institutions, and it is hard to imagine many of  
10 those people bidding publicly or having agents  
11 bid on their behalf for works of art from the  
12 DIA, and not then have backlash within the  
13 institutions which they are supporting.

14 Q. Did you do any formal analysis in  
15 the form of any kind of a survey or attempt to  
16 do something of a -- some type of analysis of a  
17 review of various institutions or collectors to  
18 come to this conclusion?

19 A. No, I did not do a survey; but I  
20 certainly had many collectors and others who  
21 serve as collectors expressing those comments  
22 and those feelings.

23 Q. How many anecdotal expressions  
24 would you --

25 A. Well --

1 Michael Plummer

2 Q. Excuse me. How many anecdotal  
3 expressions like that would you say you  
4 obtained?

5 A. 20 to 30.

6 Q. Go on, you were going to say  
7 something.

8 A. What was I going to say.

9 MR. IRWIN: That's why you started  
10 your question.

11 MR. SOTO: I did not.

12 MR. IRWIN: You were talking about  
13 conversations you had.

14 A. Oh, yes. Also, one of my  
15 consulting specialists worked on the Larry  
16 Salander bankruptcy and she is responsible for  
17 liquidating that collection. Her own experience  
18 with the Larry Salander property is that it has  
19 a taint about it, and particularly around the  
20 high end it's difficult to sell.

21 There is a general problem in the  
22 art market when there is -- when something sort  
23 of has a bad aura around, it can actually affect  
24 price and salability.

25 Q. I'm not familiar with the Larry

1 Michael Plummer  
 2 Salander situation that you're referring to.  
 3 What was the bad aura there?  
 4 A. Larry Salander is a bankruptcy case  
 5 of which there is a lot of public information  
 6 on. He had a large collection of property, I  
 7 think about 4,000 items, in most of the Old  
 8 Masters and 19th Century sectors.  
 9 Larry had enormous amounts of  
 10 property on consignment and he went bankrupt,  
 11 and he owed a lot of consigners money and it was  
 12 a very messy case. He I believe is in jail  
 13 because of it, there were criminal proceedings  
 14 against him.  
 15 Q. You don't expect that anyone in the  
 16 DIA is going to go to jail in connection with  
 17 this bankruptcy, do you?  
 18 A. I was not expecting that.  
 19 Q. Nobody at the DIA has put their art  
 20 on consignment as far as you know, have they?  
 21 A. I don't know.  
 22 Q. In connection with these seven  
 23 factors that we've gone through, do you start  
 24 with a basic appraised value and then apply  
 25 these seven factors as an additional factor in

1 Michael Plummer  
 2 what you're referring to as an evaluation  
 3 instead of an appraisal?  
 4 A. Could you ask that question again,  
 5 please?  
 6 Q. I had asked you if you had done an  
 7 appraisal and you said no, we did an evaluation?  
 8 A. Right.  
 9 Q. You gave me the seven factors as  
 10 factors that you think are part of an evaluation  
 11 that are not typically part of an appraisal,  
 12 right?  
 13 A. Correct.  
 14 Q. What I'm asking is -- I understand  
 15 your view on those seven factors. My next  
 16 question is do you also do an appraisal to begin  
 17 to understand the value of a piece of art and  
 18 then apply these additional factors?  
 19 A. I want to be careful about  
 20 terminology here because I think it can trip us  
 21 up. I created a fair market value by using  
 22 comparables, which is the industry standard  
 23 practice, on the -- which is outlined in the  
 24 report on the top 400 some works of art.  
 25 Then I combined that with the

1 Michael Plummer  
 2 Christie's appraisal and then did a calculation  
 3 to estimate the value of the remainder of the  
 4 collection, and added those numbers together to  
 5 come to an indicative value of the collection on  
 6 which I based the other rest of the analysis.  
 7 Q. I think that might answer my  
 8 question indirectly, but let me make sure. So  
 9 you certainly created, as your report says, what  
 10 you termed the fair market value analysis of the  
 11 top 400 works of art, and you did that by  
 12 looking to see if there were any comparables,  
 13 correct?  
 14 A. Right.  
 15 Q. You were looking for public data  
 16 that would otherwise tell you something about  
 17 the value?  
 18 A. Right.  
 19 Q. Then after you came to some sense  
 20 of that value you also then applied these seven  
 21 factors that you just referred to?  
 22 A. Yes, but we also looked at the art.  
 23 We visited the museum and looked at the art  
 24 which was an important factor.  
 25 Q. For all 400 pieces?

1 Michael Plummer  
 2 A. For most of the 400 pieces. There  
 3 were some that were not available to be seen,  
 4 but as many as we could.  
 5 Q. About 390 plus?  
 6 A. I don't remember the exact number,  
 7 but a substantial percentage of them.  
 8 Q. Would it be over half of it?  
 9 A. Well over half of it.  
 10 Q. So would it be close to maybe  
 11 75 percent of it?  
 12 A. I would say 75 percent is a fair  
 13 guesstimate.  
 14 Q. Let's assume you looked at  
 15 300 pieces of art, you did the comparables; in  
 16 addition to that you got other publicly  
 17 available data regarding the value of the art?  
 18 A. Right.  
 19 Q. You got publicly available data  
 20 regarding the market for that art?  
 21 A. Right.  
 22 Q. That's the beginning step. You  
 23 would then apply these additional seven factors  
 24 if they applied in coming to your valuation?  
 25 A. On a sector-by-sector basis, yes.

1 Michael Plummer  
 2 Q. And that's why the information that  
 3 you got on those 400, you could also use the  
 4 information that Christie's did on its 1,700  
 5 works of art, correct? Because it was a fair  
 6 market value analysis that included comparables  
 7 and public data, correct?  
 8 A. Correct.  
 9 Q. And you relied on that data?  
 10 A. Yes, I did.  
 11 Q. And then having taken Christie's  
 12 1,700 pieces of art and your additional 400  
 13 pieces, or was it an additional 400 or was it  
 14 part and parcel of the same?  
 15 A. There were some -- we didn't do the  
 16 same pieces Christie's did, we did not overlap  
 17 with them.  
 18 Q. For example, Christie's did  
 19 Bruegel?  
 20 A. We did not do the Bruegel.  
 21 Q. The next thing you did was you took  
 22 that body of information, 1,700 or 2,100 works  
 23 of art, and you extrapolate in some way to come  
 24 to an estimate of the remaining 61,000 pieces of  
 25 art, correct?

1 Michael Plummer  
 2 the rest of the collection that a large part of  
 3 it had no value.  
 4 Q. So you assumed in your estimates  
 5 that about a third of the remaining 61,000 had  
 6 no value?  
 7 A. We extrapolated that yes, a portion  
 8 of the remaining collection had no value.  
 9 Q. That proportion was consistent with  
 10 the proportion that Christie's did?  
 11 A. Because we felt that the City of  
 12 Detroit property was a reasonable representative  
 13 sample of the entire collection.  
 14 Q. So in a macro analysis if the City  
 15 of Detroit collection, if the collection at the  
 16 DIA has 62,000 pieces, your estimate is that  
 17 about a third of that or maybe 20 or 21,000  
 18 pieces have no value, and that the remaining 40  
 19 or 41,000 pieces have value, correct?  
 20 A. Roughly. I'll have to defer to my  
 21 report, to the actual numbers in the report.  
 22 The proportions are approximately correct.  
 23 Q. So that's one of the factors that  
 24 you used in your extrapolation. That is to say  
 25 that which was determined to have no value,

1 Michael Plummer  
 2 A. Correct. But there's an important  
 3 bit of data that we haven't discussed which is  
 4 of the universe of works that Christie's looked  
 5 at, about a third of it had no value. That's an  
 6 important data point in extrapolating any kind  
 7 of value on the collection, that there is a  
 8 significant part of it that doesn't have value.  
 9 Q. Let's again make sure we're  
 10 comparing apples and apples here. The 1,700  
 11 that it did appraise had value?  
 12 A. Um-hum.  
 13 Q. It was asked to appraise some  
 14 additional art that it determined with the  
 15 assistance of the DIA had no value?  
 16 MR. O'REILLY: Objection to form.  
 17 A. No. I would say that Christie's  
 18 was given a list of City of Detroit property  
 19 which was about 3,000 items. Christie's  
 20 determined that of that list about a third of it  
 21 had no value.  
 22 Q. So about a third of it had no value  
 23 which left you with 1,700 or so, correct?  
 24 A. Correct. The fact that a third of  
 25 it had no value was irrelevant to extrapolate on

1 Michael Plummer  
 2 correct?  
 3 A. Correct.  
 4 Q. What other factors did you use in  
 5 your extrapolation?  
 6 A. In the extrapolation we used the  
 7 Christie's data and broke it down by sector, and  
 8 then used the profile of the property in each  
 9 Christie's sector and applied that to each of  
 10 the DIA sectors.  
 11 Q. In essence, and again I want to  
 12 make sure I'm understanding what you're saying;  
 13 if you looked at the Christie's appraisal of  
 14 what you call City of Detroit collection, that  
 15 would include all 3,300 that they were  
 16 originally asked to look at, correct?  
 17 A. Correct.  
 18 Q. So you would extrapolate a third of  
 19 them that had no value. Then you would look at  
 20 okay, the remaining 1,700, of that remaining  
 21 1,700 what was the value of each sector?  
 22 A. Right.  
 23 Q. And then you would extrapolate that  
 24 the remaining art in that sector would have that  
 25 same extrapolation, correct?



1 Michael Plummer  
 2 A. Correct.  
 3 Q. So that's another factor. You have  
 4 the no value factor, you have the value factor  
 5 that you just gave. What other factors?  
 6 A. At the moment I can't recall if I  
 7 did use other factors.  
 8 MR. SOTO: It's about 12:20, why  
 9 don't we break, let everybody have some lunch,  
 10 then maybe you can think of those other factors  
 11 and then we'll buzz on from here.  
 12 A. Can I add on to the record  
 13 something you asked me about. When you asked me  
 14 about other people that I spoke to about the DIA  
 15 and the testimony and the project, it would of  
 16 course have been internally within my own team  
 17 and my consulting specialists. I just want to  
 18 make sure that was on the record.  
 19 Q. Of course, the specialists that you  
 20 referred to in your report?  
 21 A. Right, right.  
 22 Q. Absolutely. I understood that.  
 23 Thank you for correcting that.  
 24 THE VIDEOGRAPHER: The time is  
 25 12:19 p.m., and we're going off the record.

1 Michael Plummer  
 2 called it a fair market valuation.  
 3 Q. Was there anything that you as an  
 4 expert in the industry would consider a step  
 5 that is typical to an appraisal that Artvest or  
 6 its consultants and specialists didn't do on  
 7 those 400 or so pieces that you just testified  
 8 about?  
 9 A. You're asking me if I feel that  
 10 there was something that an appraisal would have  
 11 that we didn't do?  
 12 Q. With respect to those 400 pieces?  
 13 A. I would say that we used industry  
 14 best practices for setting a fair market value  
 15 on those pieces.  
 16 Q. Just to make it clear to the Court.  
 17 As I understood from some prior depositions I've  
 18 been in that you've probably read, there are a  
 19 number of types of appraisals?  
 20 A. Correct.  
 21 Q. In the art industry?  
 22 A. Correct.  
 23 Q. One of them is in fact called the  
 24 fair market value appraisal?  
 25 A. Correct.

1 Michael Plummer  
 2 (Lunch recess taken)  
 3 THE VIDEOGRAPHER: This begins  
 4 media unit number 3, the time is 1:20 p.m., and  
 5 we're back on the record.  
 6 BY MR. SOTO:  
 7 Q. Mr. Plummer, how are you?  
 8 A. I'm fine, thank you.  
 9 Q. So just before the break I had  
 10 asked -- we had begun a series of questions  
 11 about the appraisal process and you corrected me  
 12 and said that you didn't do an appraisal, you  
 13 did an evaluation, correct?  
 14 A. Correct.  
 15 Q. So in connection with the  
 16 evaluation that was done by Artvest that is the  
 17 basis of your -- or at least one of the bases of  
 18 your expert report in the Chapter 9 proceeding  
 19 in Detroit, did Artvest do any appraisals of any  
 20 art at the DIA?  
 21 A. We established a fair market  
 22 valuation of, as I mentioned earlier, several  
 23 hundred, I think it was around 400 or so items  
 24 using comparable pricing, and it was done by  
 25 people who are trained as appraisers, but we

1 Michael Plummer  
 2 Q. The other one is the auction  
 3 estimate appraisal?  
 4 A. Correct.  
 5 Q. In connection with the 400 pieces  
 6 of art that you were referring to just moments  
 7 ago that Artvest analyzed, is it your testimony  
 8 that on those 400 pieces of art, Artvest  
 9 completed a fair market value appraisal?  
 10 A. We completed a fair market  
 11 valuation.  
 12 Q. So not an appraisal?  
 13 A. We called it a valuation.  
 14 Q. I'm not even concerned about what  
 15 you call it. I'm concerned about whether or not  
 16 we're comparing apples to apples, and when we  
 17 take your 400 pieces of art that you at Artvest  
 18 reviewed and add them to the 1,700 pieces of art  
 19 that Christie's reviewed, which you rely on in  
 20 your report, Christie's described its analysis  
 21 of those 1,700 pieces of art as a fair market  
 22 value appraisal; do you agree with that?  
 23 A. Yes.  
 24 Q. And you reviewed that?  
 25 A. Correct.

1 Michael Plummer

2 Q. You are talking about the  
3 400 pieces of art that are being evaluated by  
4 Artvest.

5 Is there something that Artvest  
6 didn't do with those 400 pieces of art that  
7 would mean that it is not a fair market  
8 appraisal of those 400 pieces of art?

9 A. There's nothing that we didn't do  
10 that was different from Christie's that would  
11 make it difficult or impossible to combine those  
12 two items as similar numbers derived at with  
13 similar methodologies.

14 Q. Then maybe another way of me asking  
15 this would be so if someone from Christie's  
16 looked at what you did on those 400 pieces of  
17 art and looked at what they did on their 1,700  
18 pieces of art they'd say yeah, that's a fair  
19 market value appraisal of those 400?

20 MR. IRWIN: Form.

21 A. I don't know what they would say, I  
22 can't speculate. I think that they would see  
23 the logic behind it and say that we used the  
24 right logic to come up with a fair market value  
25 on those pieces.

1 Michael Plummer

2 Q. In Christie's report, Christie's  
3 lists the factors that they considered in coming  
4 up with their appraisal, correct?

5 A. Yeah.

6 Q. Are there any factors that they  
7 considered that you did not consider at Artvest  
8 in coming up with a valuation for the 400 pieces  
9 of art?

10 A. I don't have that list in front of  
11 me so I can't recall what is exactly on that  
12 list. To the best of my knowledge, I don't  
13 believe there is any.

14 Q. So who conducted the evaluations as  
15 you put it, using your term, let's stick with it  
16 for now.

17 Who conducted the evaluations of  
18 the 400 pieces of art that Artvest did?

19 A. Betty Krulik who is President of  
20 the Appraisals Association and a dealer in  
21 American Art, who I have a high opinion of and  
22 most in the industry have a high opinion of.  
23 Sabine Wilson, who is also a member of the  
24 Appraisers Association of America and is a very  
25 talented appraiser.

1 Michael Plummer

2 Betty was American Art. Sabine was  
3 Impressionist and Modern Art, Sabine Wilson, and  
4 Kristin Gary who did Old Master paintings, who's  
5 also a member of the Appraisers Association of  
6 America, had worked previously at Colnaghi  
7 Gallery years ago and is an active dealer and so  
8 is very aware of current values, as is Sabine as  
9 well; not a dealer, but very much involved in  
10 the market.

11 Then Joe-Hynn Yang was an expert in  
12 Asian Art at Sotheby's and Christie's, but also  
13 has extensive knowledge of the decorative arts  
14 and three dimensional objects and ancient art,  
15 and he did the other objects, other  
16 non-paintings.

17 Q. Are any of those individuals, the  
18 four individuals you've mentioned, Betty, Sabine  
19 Kristin and Joe-Hynn?

20 A. Yes.

21 Q. Are they employees of Artvest?

22 A. No.

23 Q. So they were retained by Artvest to  
24 do these services?

25 A. Correct.

1 Michael Plummer

2 Q. I don't know if you mentioned it as  
3 to the last one. I know as to Ms. Krulik, Ms.  
4 Wilson, is it Ms. Gary?

5 A. Yes.

6 Q. They are members of the American  
7 Association of Appraisers Or Appraisal  
8 Association of America, correct?

9 A. Correct.

10 Q. So they're qualified to do  
11 appraisals, correct?

12 A. Yes.

13 Q. Is Joe-Hynn Yang an appraiser?

14 A. He is not an appraiser by  
15 profession, but he has 15 years experience and  
16 has worked on numerous appraisals for Sotheby's  
17 and Christie's, and actually worked on the --  
18 was a critical participant in the driver of the  
19 Albright-Knox appraisal, which was a museum sale  
20 that is relevant to this, or irrelevant  
21 depending on how the circumstances play out.

22 Q. You said Albright-Knox?

23 A. Albright-Knox, yeah.

24 Q. Albright being one name with a  
25 hyphen?

1 Michael Plummer  
 2 A. Yeah, it's referenced in the  
 3 report.  
 4 Q. Why do you say that it's relevant  
 5 here?  
 6 A. Well, it's relevant in the  
 7 differences in that sale for the sale of works  
 8 in the DIA collection, because that was a sale  
 9 which was for the replenishment of the  
 10 acquisition funds. So, basically, property was  
 11 being sold to move the museum from one area into  
 12 another and it did very well, versus a sale  
 13 which was done to satisfy debt, such as the  
 14 Delaware Museum which has evidence of not doing  
 15 well; so they're very different animals. Both  
 16 examples are in the report.  
 17 Q. So on the Delaware, the distinction  
 18 you're making is in one it was a de -- is it  
 19 de-accession?  
 20 A. Deaccession.  
 21 Q. The one you're talking about in the  
 22 Albright-Knox, that was a deaccession?  
 23 A. Albright-Knox was a deaccession,  
 24 yes.  
 25 Q. And the other one was not a

1 Michael Plummer  
 2 deaccession?  
 3 A. The other was a deaccession, but it  
 4 was a sale for the purpose of paying down debt,  
 5 rather than replenishing the collection of the  
 6 fund, the collection of the museum.  
 7 Q. I thought deaccession meant you are  
 8 selling it in order to replenish the collection  
 9 with some other form of collection, or something  
 10 like that?  
 11 A. It's my understanding deaccession  
 12 is part of the process of removing a work of art  
 13 from a collection, after which then steps are  
 14 taken to sell it.  
 15 Q. So that can be sold for any number  
 16 of reasons, correct?  
 17 A. It can be sold for any number of  
 18 reasons.  
 19 Q. It's your theory that in the art  
 20 world if it's sold to retire debt, people don't  
 21 like those sales?  
 22 A. It's not only my theory, it  
 23 actually runs into some real practical  
 24 obstacles, such as there are various sanctions  
 25 that are imposed against museums for doing that.

1 Michael Plummer  
 2 So it's not like frowned upon, but there are  
 3 sanctions in Russia now for what it's doing.  
 4 It's public approbation and there  
 5 are organizational approbations for doing such  
 6 things and the museum could lose its  
 7 certification as a museum.  
 8 Q. How many museums are you aware of  
 9 that are owned by a city?  
 10 A. I don't know.  
 11 Q. In the process of being an expert  
 12 for this particular matter, did you take time to  
 13 determine how many museums in America are owned  
 14 by a city?  
 15 A. I did not.  
 16 Q. It is your understanding that the  
 17 DIA is owned by the City of Detroit, correct?  
 18 A. It is my understanding.  
 19 Q. Was the Delaware museum that you  
 20 are talking about owned by the City of Delaware?  
 21 A. I don't believe that it is.  
 22 Q. Or even the State of Delaware? You  
 23 don't know?  
 24 A. I don't believe it is.  
 25 Q. Do you have any other examples

1 Michael Plummer  
 2 other than those two that you think are  
 3 relevant?  
 4 A. I think there are some other  
 5 examples on my report.  
 6 Q. That's why I asked that last part  
 7 that you think are relevant to this issue that  
 8 we're discussing today?  
 9 A. I think those two and some other  
 10 examples in my report are relevant.  
 11 Q. The four individuals that you  
 12 mentioned, I guess you already mentioned that  
 13 Mr. Yang is not a certified appraiser. Are the  
 14 other three certified appraisers?  
 15 A. The other three are certified  
 16 appraisers, but Mr. Yang has the equivalence of  
 17 what the Appraisers Association considers  
 18 certification. He has significant auction house  
 19 experience similar to the experts at Christie's  
 20 who worked on the Christie's appraisal.  
 21 Q. Did you personally conduct any  
 22 appraisals in connection with this expert  
 23 report?  
 24 A. I did not personally. I worked  
 25 with the specialists on their appraisals and

1 Michael Plummer  
 2 reviewed all of their numbers.  
 3 Q. When you say you worked with, what  
 4 does that mean?  
 5 A. I discussed it with them, I  
 6 reviewed it.  
 7 Q. Did you change any of their  
 8 opinions?  
 9 A. No, I did not change them and any  
 10 changes that were made, they made. I did not  
 11 change their numbers.  
 12 Q. Did you think any of their work was  
 13 incorrect?  
 14 A. To the extent that it was we had a  
 15 discussion about it and then any changes were  
 16 made.  
 17 Q. Can you recall any such instances?  
 18 A. There were some small adjustments  
 19 that were made. It wasn't a matter of  
 20 correction but more a matter of opinion, should  
 21 it be this much higher or that much lower, that  
 22 sort of thing, based on comps and different  
 23 things.  
 24 Q. Did anyone else other than the four  
 25 individuals you mentioned and yourself, did

1 Michael Plummer  
 2 overlap, just like there might be a contemporary  
 3 piece that Betty might have expertise on, even  
 4 though she was dealing with America pre-1950,  
 5 and Sabine and Betty might confer on pieces.  
 6 Q. Other than the five of you, was  
 7 anyone else involved in that process?  
 8 A. No.  
 9 Q. How did you ensure quality control  
 10 of the process?  
 11 A. Well, we did the first round of  
 12 comps, first checks for them. We had a process  
 13 in place that we thought was sound. We did the  
 14 first round of comps for them. We then -- they  
 15 then either visited the museum or used high res  
 16 images or the website images enhanced, in most  
 17 cases did both.  
 18 Actually, all of our appraisers  
 19 visited the museum which we felt was rather  
 20 important to the process, except for one of  
 21 them, Betty, who actually had -- knew the  
 22 collection well and had visited the museum many  
 23 times previously, so she was already very  
 24 familiar with the paintings in the collection.  
 25 But Sabine, myself, Joe-Hynn Yang

1 Michael Plummer  
 2 anyone else assist in the appraisal process?  
 3 A. No.  
 4 Q. You mentioned different areas of  
 5 specialty with respect to the specialists that  
 6 you had referred to?  
 7 A. Right.  
 8 Q. How did you divide the appraisals,  
 9 or evaluations as you called them, among these  
 10 consultants?  
 11 A. Based on their expertise.  
 12 Q. After the specialists came up with  
 13 their valuations, I think you just testified  
 14 that you reviewed them?  
 15 A. Right.  
 16 Q. Did anyone else review them?  
 17 A. Well, we worked in a fashion that  
 18 we all worked off of a common document on Google  
 19 Documents, so they were open for review by the  
 20 others on the team.  
 21 Q. So that each person could comment  
 22 on the other person's work?  
 23 A. Yes, and in some instances there  
 24 were comments made and some consultations.  
 25 There are a couple of instances where there was

1 Michael Plummer  
 2 and Kristin all visited the museum, and we feel  
 3 actually that our visit actually explains why  
 4 there are some discrepancies between our  
 5 appraisals and the other appraisals, because  
 6 those visits in the first-hand inspection  
 7 actually made a difference, and that was one of  
 8 the ways we ensured quality control.  
 9 Q. As I understand your testimony, the  
 10 way you ensured quality control is that you  
 11 visited the museum?  
 12 A. That was one way.  
 13 Q. What was the other way?  
 14 A. The other way was that we did the  
 15 first round of comps, then the specialists did  
 16 their own additional comps, and then they -- we  
 17 reviewed -- they put their logic in of how they  
 18 came to their conclusions and then we reviewed  
 19 those and came up with final numbers.  
 20 Q. When you say "we did the first  
 21 round of comps" who's the "we"?  
 22 A. Artvest, my team.  
 23 Q. That was you?  
 24 A. And Anya, and another woman who was  
 25 working for us on a temporary basis.

1 Michael Plummer  
 2 Q. Who was that?  
 3 A. Her name was Perry Silverman.  
 4 Q. Perry?  
 5 A. Perry.  
 6 Q. P-e-r-r-y?  
 7 A. Yes; and she had had experience in  
 8 searching for comps at Christie's.  
 9 Q. Were you aware of the fact that  
 10 Christie's didn't -- not all of the specialists  
 11 who worked for Christie's analysis of the 1,700  
 12 visited the museum?  
 13 A. No, I know all of them didn't, but  
 14 a number of them did.  
 15 Q. So were you concerned in relying on  
 16 Christie's analysis that some of their  
 17 specialists didn't visit the museum?  
 18 A. No, because I think the important  
 19 fact was that a core group of Christie's did.  
 20 It's not that each expert has to see each piece,  
 21 it's just that they are a representative from  
 22 the body doing the appraisal, visiting the  
 23 museum and seeing it. They can then compare  
 24 notes, they can take a photograph and they can  
 25 talk to the other.

1 Michael Plummer  
 2 Q. So is it your understanding that  
 3 the Christie's individuals who were doing the  
 4 Old Masters visited the museum and reviewed the  
 5 other works?  
 6 A. I don't remember which individual  
 7 experts visited the museum and which didn't, but  
 8 I know that a core group of Christie's  
 9 specialists did go to the museum and did examine  
 10 the works.  
 11 Q. Right. I heard you say that  
 12 before. What I'm asking is different. What I'm  
 13 asking is that core group, wouldn't they have  
 14 been involved in only reviewing the area of art  
 15 that they were interested in?  
 16 MR. IRWIN: Form.  
 17 A. No, not necessarily.  
 18 Q. Do you know whether or not they  
 19 were or weren't?  
 20 A. At this point I don't remember who  
 21 did which set of appraisals and who did not.  
 22 Q. You don't know whether a person who  
 23 did a set of appraisals for American Art, for  
 24 example, also took the time to review the Old  
 25 Masters, do you?

1 Michael Plummer  
 2 A. No, I don't. I don't remember.  
 3 Q. So when you say it's important to  
 4 have a core group but not all go, if not all  
 5 went it may be that some of the sectors were  
 6 simply not seen personally, correct?  
 7 A. I don't remember which sectors were  
 8 seen. I would be surprised if an important  
 9 sector such as Old Masters or American had not  
 10 been viewed, in particular because those sectors  
 11 are the largest sectors.  
 12 Q. So visiting the museum you say is  
 13 important, correct?  
 14 A. Seeing the subject work is  
 15 important.  
 16 Q. Why is that?  
 17 A. Because you see the physical nature  
 18 of the object. You can miss things in  
 19 photographs. Like, for instance, we put a much  
 20 higher value on a Daga that when you see it up  
 21 close -- than Winston did -- that when you see  
 22 it up close it's smudged and it's incomplete and  
 23 unfinished it's just a sketch; where Winston  
 24 didn't see it and they gave it a much higher  
 25 value because they thought it was a more

1 Michael Plummer  
 2 complete and finished picture.  
 3 Q. Any other reason?  
 4 A. Another reason would be size. You  
 5 get a sense of a picture, its power on the wall,  
 6 and you're imagining something based on a  
 7 dimension. But to actually see the picture and  
 8 see how it works on a wall is completely  
 9 different from just looking at it as a picture  
 10 on a piece of paper.  
 11 Q. Anything else?  
 12 A. Condition, you get a better sense  
 13 of condition. Now, there may be good condition  
 14 notes that can offset that, but sometimes you  
 15 can see things that may not be captured by  
 16 another person who might have given the  
 17 condition report.  
 18 Q. Anything else?  
 19 A. There are other subjective  
 20 components that an expert would give you, just a  
 21 feeling about it subjectively by seeing it in  
 22 person that you can't convey in a photograph.  
 23 Q. What would those be?  
 24 A. You know, a feeling for whether  
 25 something was -- the shape of it, the look of it

1 Michael Plummer  
 2 in the third dimension, what it was,  
 3 particularly a sculpture, whether it was real or  
 4 fake, for example. That it looked better in  
 5 person than it did in the photograph.  
 6 One of the arts of the auction  
 7 business is to make things look better in the  
 8 catalog than they actually do in real life, and  
 9 so that's one of the major talents. Having run  
 10 marketing at Sotheby's I can tell you that we  
 11 had trained photographers who made things look  
 12 better than they really did, so a photograph can  
 13 do that.  
 14 Q. These subjective elements as you  
 15 called them and these personal reviews that you  
 16 are referring to, they can cut both ways.  
 17 Somebody can look at a piece of art as you did  
 18 and say wow, that's more valuable than it looks  
 19 in the photo and somebody can look at it and say  
 20 that's less valuable, is that correct?  
 21 A. Correct.  
 22 Q. So in connection with the work that  
 23 you were doing you reviewed or your people  
 24 reviewed personally 400 works of art, correct?  
 25 A. Correct.

1 Michael Plummer  
 2 Q. You don't know how many works of  
 3 art were personally reviewed by Christie's you  
 4 testified about earlier?  
 5 A. I don't.  
 6 Q. You understand that even added  
 7 together, the Christie's and your art, you're  
 8 looking at maybe less than 5 percent or around  
 9 5 percent of the entire collection of the DIA,  
 10 correct?  
 11 A. In terms of numbers, raw numbers,  
 12 yes.  
 13 Q. Does it concern you that somebody  
 14 who looked at some significantly smaller  
 15 percentage of 5 percent is extrapolating to the  
 16 value of the entire collection of 62,000 pieces  
 17 of art.  
 18 Did you want those people to look  
 19 at more art?  
 20 MR. IRWIN: Vague, form.  
 21 A. I would not use the word  
 22 extrapolate. We used a formula based by sector  
 23 using the Christie's sample to develop a value,  
 24 and we thought what we had was adequate for our  
 25 purposes.

1 Michael Plummer  
 2 Q. What word would you use if you  
 3 didn't use extrapolate, what do you call what  
 4 you're doing?  
 5 A. We made an analysis of the  
 6 collection and made a projection based on the  
 7 data by sector that Christie's had done, that  
 8 was a reasonable universe of sampling of the DIA  
 9 collection.  
 10 Q. So in other words, you relied on  
 11 Christie's review, you looked at that percentage  
 12 for each sector, and then you applied the  
 13 formula that you just referred to to the entire  
 14 rest of the collection in that sector, correct?  
 15 A. Right.  
 16 Q. So that if indeed of the original  
 17 1/3 of the works of art that were deemed of too  
 18 little value to be appraised, if 10 percent of  
 19 those were Old Masters, then you apply that same  
 20 10 percent figure in your Old Masters as to what  
 21 was too little value to be appraised, correct?  
 22 A. Correct.  
 23 Q. You don't think that's an  
 24 extrapolation?  
 25 A. You can use extrapolation, I use my

1 Michael Plummer  
 2 language. I prefer to say that we made a  
 3 calculation or an analysis.  
 4 Q. Do you have a word for that besides  
 5 what you just described?  
 6 MR. O'REILLY: Form.  
 7 A. The words I used.  
 8 Q. All right. On page 20 of your  
 9 report. As you're turning to page 20, did you  
 10 have someone on your staff who was doing the  
 11 statistical analysis, running the sampling  
 12 analysis that you used for the process that you  
 13 described earlier?  
 14 A. Yes.  
 15 Q. Who was that?  
 16 A. That would be Mr. Anya Bemis.  
 17 Q. Is Anya Bemis a statistician so  
 18 that she would know what is an appropriate  
 19 sample of a given body of art to extrapolate  
 20 from?  
 21 A. Anya Bemis is not a statistician.  
 22 Q. Did you have a statistician so that  
 23 you could appropriately opine that looking at  
 24 some segment of 5 percent of the art at the DIA  
 25 enables you to extrapolate or to apply the

1 Michael Plummer  
 2 process that you described in the way that you  
 3 described to the rest of the art?  
 4 A. We do not have a statistician. It  
 5 was our opinion that that was -- our methodology  
 6 was sound.  
 7 Q. You based that opinion on what?  
 8 A. On my own professional experience  
 9 in the art market.  
 10 Q. Again, are you a statistician?  
 11 A. No, I am not a statistician.  
 12 Q. Are you a sampler?  
 13 A. I am not a sampler.  
 14 Q. You are not an appraisers either,  
 15 correct?  
 16 A. I am not an appraiser.  
 17 Q. You mention on page 20 of your  
 18 report that you did not interact with the museum  
 19 staff directly, but rather communicated only  
 20 through DIA counsel in conducting the appraisal,  
 21 correct?  
 22 A. Correct.  
 23 Q. Would you normally communicate with  
 24 the museum staff when you were conducting an  
 25 appraisal or an evaluation, as you put it?

1 Michael Plummer  
 2 personally?  
 3 A. But our lawyers weren't involved in  
 4 the assessing of the art.  
 5 Q. You didn't communicate with anybody  
 6 at the DIA who was involved in the art, did you?  
 7 You only communicated with your lawyers,  
 8 correct?  
 9 A. Right; and any information that we  
 10 used in terms of the subjective issues of the  
 11 art we garnered ourselves from visiting the  
 12 museum.  
 13 Q. That instance where you didn't  
 14 visit the museum, for example, the one person  
 15 who you said didn't, what did you rely on there?  
 16 A. Betty Krulik.  
 17 Q. Yes.  
 18 A. Well, Betty had been to the museum  
 19 multiple times and was exceptionally familiar  
 20 with the collection and all the pieces that were  
 21 in it. So she didn't need to because she had  
 22 already done so multiple times.  
 23 Q. When you went to the museum were  
 24 you allowed to handle the art?  
 25 A. No.

1 Michael Plummer  
 2 MR. O'REILLY: Form.  
 3 A. It depends on the circumstances.  
 4 Perhaps in a different circumstance I might, but  
 5 in this situation it did not feel appropriate.  
 6 Q. Did this hinder your evaluation of  
 7 the art?  
 8 A. No, it did not.  
 9 Q. There wasn't anything you wanted to  
 10 ask the folks at the DIA about a given piece of  
 11 art, about maybe some of the subjective factors  
 12 that you mentioned earlier that you couldn't get  
 13 from your lawyers?  
 14 A. There was nothing that we needed  
 15 that we couldn't get.  
 16 Q. How many times have your lawyers  
 17 visited the DIA?  
 18 A. I don't know.  
 19 Q. You didn't ask?  
 20 A. How many times did our lawyers  
 21 visit the DIA?  
 22 Q. Yes.  
 23 A. I don't understand its relevance.  
 24 Q. Didn't you just say it's important  
 25 in assessing art that they should see it

1 Michael Plummer  
 2 Q. Is it customary to handle art in  
 3 connection with an appraisal?  
 4 A. It is desirable to do so if you  
 5 can, but that would have been disruptive to the  
 6 museum and we did not do it.  
 7 Q. Turning to page 17 of your report?  
 8 A. Sure.  
 9 Q. I'm looking at what's under the  
 10 label Group 1?  
 11 A. Yes.  
 12 Q. "High value COD works that were  
 13 appraised by Christie's for greater than  
 14 \$750,000 (68 items)."  
 15 A. Right.  
 16 Q. Did you rely exclusively on  
 17 Christie's valuation of those high value pieces  
 18 of art?  
 19 A. I'm not sure what you mean by that,  
 20 relied exclusively on them.  
 21 Q. I guess what I'm trying to figure  
 22 out is did Artvest do an independent analysis of  
 23 any form in connection with the high value City  
 24 of Detroit works that were appraised by  
 25 Christie's as being greater than \$750,000?

1 Michael Plummer  
 2 A. We looked at their valuations and  
 3 reviewed them, but we did not separately set  
 4 values for them. We reviewed them, we found  
 5 them to be accurate and reasonable and relied  
 6 upon them.  
 7 Q. You didn't change them at all?  
 8 A. We did not change them.  
 9 Q. Did you find the wide range of  
 10 values that were provided by Christie's at all  
 11 unusual?  
 12 A. It was not their normal practice.  
 13 Q. So the answer is it was a little  
 14 bit out of the ordinary?  
 15 A. It was a little bit out of the  
 16 ordinary, but it did not make them unusable.  
 17 Q. Did you -- looking at page 17,  
 18 Group 2. It includes City of Detroit or  
 19 actually "COD works" they call them City of  
 20 Detroit works, "appraised by Christie's of lower  
 21 value, that under \$750,000 including property  
 22 for which they assigned limited or no value" and  
 23 the number is 1,654 with a value and 1,038 with  
 24 limited to no value, and 13 that were combined  
 25 in Phase III?

1 Michael Plummer  
 2 A. Right.  
 3 Q. That was the total COD appraised,  
 4 reviewed items by Christie's was 2,773, correct?  
 5 A. Correct.  
 6 Q. In this instance did you rely  
 7 exclusively on Christie's valuation for these  
 8 pieces?  
 9 A. Yes, we did.  
 10 Q. Were you satisfied with Christie's  
 11 valuation?  
 12 A. Yes, we were.  
 13 Q. Did you conduct any additional  
 14 analysis or appraisal of these pieces?  
 15 A. We did not.  
 16 Q. Looking on page 18, Group 3.  
 17 Includes "high value, non-COD works in the DIA  
 18 collection." Do you see that?  
 19 A. Yeah.  
 20 Q. "Contained on a list provided by  
 21 the DIA of works that the DIA valued for  
 22 insurance purposes or otherwise of 1 million or  
 23 more, totaling 350 works." Do you see that?  
 24 A. Yes.  
 25 Q. Specifically, what information did

1 Michael Plummer  
 2 the DIA provide you or Artvest with?  
 3 A. They provided us with a report  
 4 which is mentioned in here which had an image,  
 5 the description, the provenance, the methodology  
 6 that it was -- sorry, what funds were used to  
 7 purchase it, and there was some other  
 8 information which I can't quite remember right  
 9 now. Then we of course did additional research  
 10 to supplement what was given to us.  
 11 Q. What's the provenance?  
 12 A. Provenance is the ownership history  
 13 of a work of art. So if it comes out of an  
 14 important family or a sequence of owners who are  
 15 prominent, it can raise the value of a work of  
 16 art.  
 17 Q. What additional resources did you  
 18 look at to supplement what you got from the DIA?  
 19 A. The DIA's own website, some of the  
 20 DIA's own publications and other publications  
 21 and catalog resumes, most of which are referred  
 22 to in this document.  
 23 Q. In your report?  
 24 A. Yeah.  
 25 Q. Anything other than what's referred

1 Michael Plummer  
 2 to in your report?  
 3 A. I subsequently found six other  
 4 books that were referred to that were  
 5 inadvertently excluded, and I can supply that  
 6 list.  
 7 (\*r) MR. SOTO: So when you supply me  
 8 with some of the other things like the  
 9 pioneering report and some other things like  
 10 that, I would love to have that list.  
 11 A. Sure.  
 12 Q. Who provided you the materials that  
 13 you got from the DIA?  
 14 A. Counsel.  
 15 Q. Did the DIA provide you with any  
 16 documentation as to appraisals that they had  
 17 conducted previously on any of the art that you  
 18 were interested in?  
 19 A. Later on in the process we received  
 20 a document that had values in it which we  
 21 thought might have been insurance values. They  
 22 were, however, so whacky, for lack of a better  
 23 word, that we had trouble figuring out really  
 24 what they were because they didn't have, except  
 25 in a couple of instances, they didn't bear much



1 Michael Plummer  
 2 on reality.  
 3 I wouldn't say a couple of  
 4 instances, there were more than a couple of  
 5 instances; but in too many instances they were  
 6 unreliable and way off.  
 7 Q. They were way off in which  
 8 direction, too valuable or too little?  
 9 A. Every way; too little, too high.  
 10 Q. Did you ever ask anyone at the DIA  
 11 what is this, who prepared this?  
 12 A. No. It was -- it seemed not to  
 13 matter. We came to our opinions as to how it  
 14 might have happened but it didn't matter, it was  
 15 not usable.  
 16 Q. What was your own opinion that you  
 17 arrived at?  
 18 A. That curators were sticking numbers  
 19 on things for various reasons and they didn't  
 20 have the market experience to do that. They  
 21 were just sort of randomly assigning numbers  
 22 either based on personal bias or a lack of  
 23 either underestimating or overestimating.  
 24 Q. Have you produced that information,  
 25 the whacky numbers that you got, in connection

1 Michael Plummer  
 2 with that report?  
 3 A. Have I produced it?  
 4 Q. Yes.  
 5 A. No. It's listed here.  
 6 Q. It's one of the items listed?  
 7 A. I believe so.  
 8 Q. If it's one of the items listed  
 9 it's produced with your report.  
 10 Did you know that, if it's listed  
 11 it was produced to me?  
 12 A. I didn't know that.  
 13 MR. SOTO: That's right, Geoff?  
 14 MR. IRWIN: Yes, that specific item  
 15 was produced.  
 16 MR. SOTO: I'm assuming that if  
 17 it's listed as something that you based your  
 18 report on, we received it in a plethora of  
 19 materials that we received from the City and  
 20 DIA.  
 21 MR. IRWIN: So the answer to that  
 22 is yes, as far as I know.  
 23 BY MR. SOTO:  
 24 Q. Did the DIA, as far as you know,  
 25 provide you with any documentation as to the

1 Michael Plummer  
 2 insurance values of the works of art?  
 3 A. No. I mean other than that report  
 4 I told you which may have been insurance values  
 5 or may not, but there is no supplemental  
 6 information.  
 7 Q. But you don't know whether it was  
 8 or wasn't?  
 9 A. I don't know whether it was or  
 10 wasn't.  
 11 Q. Got it. Did you obtain any  
 12 documents from the City of Detroit regarding the  
 13 value of the art?  
 14 A. No. Wait, I don't think so. Let  
 15 me think for a moment. I don't.  
 16 Q. So that it's clear, and I think you  
 17 may have said this earlier. Was each of these  
 18 350 items individually evaluated or appraised by  
 19 your team?  
 20 A. Yes.  
 21 Q. Each of them, appraisals or  
 22 evaluations as you call them, they may be  
 23 evaluations, documented in Exhibit G of your  
 24 report?  
 25 A. I'm sorry, ask me that again.

1 Michael Plummer  
 2 Q. Was each of these evaluations or  
 3 appraisals, however up want to say that  
 4 document, in Exhibit G of your report on page  
 5 72?  
 6 A. Yes, but there are some additional  
 7 work notes that were not summarized here that  
 8 are available and can be supplied.  
 9 Q. Turning to page 72. I see a blank  
 10 page that says "Exhibit G" there?  
 11 A. Right.  
 12 Q. Then it goes on actually from there  
 13 on, Exhibit G?  
 14 A. Right.  
 15 Q. In addition to what's there in your  
 16 report, which is the vast majority of the pages  
 17 in your report; in addition to that there are  
 18 some additional work pages that you have?  
 19 A. Yes.  
 20 Q. How many of those exist?  
 21 A. It's a large file. One of my  
 22 appraisers did -- was uncomfortable putting the  
 23 appraisal logic into this report and she  
 24 compiled separate documents for each one because  
 25 that's how she prefers to work, so I have a file

1 Michael Plummer  
 2 for all those.  
 3 Q. Which appraiser is that?  
 4 A. Sabine Wilson.  
 5 (\*r) MR. SOTO: Again counsel when we  
 6 make our request we will request that file,  
 7 we'll make copies and obviously give you back  
 8 the originals.  
 9 A. We have it in electronic form.  
 10 Q. That's even better. Thanks. What  
 11 is this Exhibit G, in your own description?  
 12 A. This is our reasoning to come up  
 13 with a fair market valuation of these items.  
 14 Q. Who prepared this Exhibit G?  
 15 A. The appraisers that were described  
 16 to you earlier, as reviewed by me.  
 17 Q. So they took the data that they had  
 18 collected and they input it on a form that you  
 19 guys had all agreed to use?  
 20 A. A Google document, yeah.  
 21 Q. A Google document, and that became  
 22 Exhibit G, is that correct?  
 23 A. Yes.  
 24 Q. With the exception of one person  
 25 who had additional information?

1 Michael Plummer  
 2 A. Correct.  
 3 Q. That additional information by  
 4 Sabine Wilson, did she also input at least some  
 5 of the information that's here in Exhibit G?  
 6 A. The values were input, but the  
 7 summarization she did not.  
 8 Q. So this spreadsheet identifies  
 9 specific works of art that includes high and low  
 10 estimated values for each, correct?  
 11 A. Correct.  
 12 Q. Recognizing that there are some  
 13 descriptions that may be missing that you're  
 14 going to supply in this additional  
 15 documentation, was every piece of art listed in  
 16 Exhibit G individually appraised?  
 17 A. Yes. It was individually reviewed  
 18 to arrive at a fair market valuation.  
 19 Q. Were other pieces that are not  
 20 listed -- pieces of art at the DIA that are not  
 21 listed in your Exhibit G, were other pieces  
 22 appraised by folks at Artvest or who were  
 23 working for Artvest?  
 24 A. We evaluated other pieces, they are  
 25 mentioned in that page as a sub group that we

1 Michael Plummer  
 2 identified 73 other pieces that we thought had  
 3 been missed in the list that we had been given  
 4 by the DIA.  
 5 It was our sort of double-check on  
 6 making sure that we were including and weren't  
 7 undercounting what we were reviewing.  
 8 Q. You were reviewing pieces of art  
 9 worth?  
 10 A. Over 750,000. We photographed  
 11 those items while in the DIA and then went back  
 12 and researched them. I put an estimate in here  
 13 at the time because that was rather late in the  
 14 process that we thought it might come in between  
 15 80 and 160 million, and that I would provide  
 16 supplemental information after the fact.  
 17 We have now finished that  
 18 evaluation and it has come in to 70 million to  
 19 122 million, so it's lower than -- a little bit  
 20 lower than the low and a good bit lower than the  
 21 high.  
 22 Q. So of these 73 additional pieces of  
 23 art you're saying they came in at a low value of  
 24 70 million and a high value of 122 million?  
 25 A. Correct.

1 Michael Plummer  
 2 Q. Let me see if I understand the  
 3 process that you started with again. So you got  
 4 a list of 350 or so pieces of art, correct?  
 5 A. Right.  
 6 Q. You got that from the DIA, correct?  
 7 A. Well, actually it was a larger list  
 8 and the overlap -- there was an overlap with  
 9 Christie's, so that ended up netting down to  
 10 350.  
 11 Q. This large list was supposed to be  
 12 works of art worth more than 750,000, correct?  
 13 A. Correct.  
 14 Q. Once you deducted the overlap you  
 15 had 350,000?  
 16 A. 350, Right.  
 17 Q. How did you find the other 73?  
 18 What did you do to find the other 73?  
 19 A. Walking through the museum and  
 20 selecting objects that we thought might possibly  
 21 be of higher value, and then coming back and  
 22 researching, and knowing that they weren't on  
 23 the list, cross-checking against the list then  
 24 assigning values to them.  
 25 Q. Separate and apart from that

1 Michael Plummer  
2 walk-through, did anyone at Artvest actually  
3 look at the list of 62,9000 items of art, the  
4 data that was given to you about that art,  
5 including the images and the valuations and  
6 everything else, to determine if the list that  
7 the DIA had given you was incomplete in any  
8 other way?

9 You did the walk-through, you found  
10 out that it was incomplete, at least for 73  
11 items. Did you then look at the list to find  
12 out well look, there's a lot of pieces of art  
13 here that are in storage, maybe there's more  
14 pieces of art that are more valuable that we  
15 should be considering as well?

16 MR. O'REILLY: Objection to form.

17 A. We looked at the list, but we  
18 determined that going to the museum was the best  
19 process because the information on the list  
20 didn't seem to be helpful enough for that  
21 purpose.

22 Q. Do you know if there are any pieces  
23 of art that are being stored that are not in the  
24 museum that are worth more than \$750,000 at the  
25 DIA, as you sit here today?

1 Michael Plummer

2 A. Can you ask the question?

3 Q. Do you know as you sit here today  
4 whether or not there are any additional pieces  
5 of art that are worth more than 750,000 that are  
6 stored by the DIA, not being shown at the DIA  
7 right now?

8 A. I do not know whether there are or  
9 not.

10 Q. Does anyone else at Artvest know  
11 that?

12 A. No.

13 Q. So looking at page 13 of your  
14 spreadsheet. I think it's what you described to  
15 me earlier but I want to make sure. It's a  
16 column that doesn't have information in it so I  
17 want to make sure that's what you were referring  
18 to earlier.

19 MR. IRWIN: Is it the 13th page in  
20 this document?

21 MR. SOTO: Yes.

22 MR. IRWIN: Okay. So we'll all get  
23 to that.

24 Q. It starts on the top with  
25 paintings, Contemporary Art after 1950, and it

1 Michael Plummer

2 has Betty Krulik's name on it. Then going  
3 across it talks about a 1985 oil on canvas,  
4 Mitchell pieces are in, do you see that?

5 A. I'm not sure where you are.

6 MR. IRWIN: Me neither.

7 Q. It looks like this (indicating).

8 MR. IRWIN: Here, take mine, we'll  
9 swap.

10 A. Okay.

11 Q. Do you see where it says "Summary  
12 Not Provided"?

13 A. Right.

14 Q. It has several of them going down  
15 the page and a few after that on the next page?

16 A. Right.

17 Q. Is that the instances that you were  
18 referring to earlier where Sabine Wilson didn't  
19 provide the information?

20 A. Right.

21 Q. And that's the information you're  
22 going to provide to us later?

23 A. Correct.

24 Q. I just want to make sure. Turn to  
25 page 18 of your report, that's 18 of 72. Do you

1 Michael Plummer

2 see Group 4, that's the additional?

3 A. That's the additional 73 we  
4 discussed previously.

5 Q. Did you participate in that review,  
6 the personal review at the museum?

7 A. Yes.

8 Q. You found some of those 73?

9 A. Together with Joe-Hynn Yang, yes.

10 Q. Was there anybody else with you?

11 A. Just Joe and me.

12 Q. When you were there, I think you  
13 might have testified about this before, you  
14 didn't talk to anybody at the museum to say hey,  
15 what about these?

16 A. No.

17 Q. Had you ever visited the museum  
18 before then?

19 A. No, I never had.

20 Q. Did anyone at the DIA escort you on  
21 the visit?

22 A. No.

23 Q. Was it done during public opening  
24 hours?

25 A. Yes.

1 Michael Plummer  
 2 Q. Did you ever ask anybody why these  
 3 73 works were not included in the original list  
 4 that you got?  
 5 A. No.  
 6 Q. Did you ask your counsel to ask?  
 7 A. No. To address that I would say  
 8 that we assumed, or concluded, or felt that it  
 9 was probably because of the randomness of the  
 10 numbers in some of their insurance lists that  
 11 these may have been similarly disregarded.  
 12 Q. Did you ask anyone if you could  
 13 visit the museum's collection of stored art?  
 14 A. No, we did not.  
 15 Q. You didn't document or appraise any  
 16 of the stored art?  
 17 A. We did not.  
 18 Q. You mentioned the supplement.  
 19 Hadn't you supplemented your report yet?  
 20 A. I did not.  
 21 Q. Do you plan to?  
 22 A. With that list, yes.  
 23 Q. In any other way?  
 24 A. At the moment I don't have plans  
 25 to, but that could change.

1 Michael Plummer  
 2 Q. What would make that change?  
 3 A. I haven't heard the deposition from  
 4 Mr. Wiener, certain things could arise with that  
 5 that would cause me to change.  
 6 Q. Have you reviewed Mr. Wiener's  
 7 report?  
 8 A. I have.  
 9 Q. Does anything in his report lead  
 10 you to want to change your analysis or  
 11 supplement it in any way?  
 12 A. He does not make me want to change  
 13 my analysis, no.  
 14 Q. What about supplementing it?  
 15 A. I'm not sure. I take issue with  
 16 various things in his report and his  
 17 methodology.  
 18 Q. We may get to that. Group 5 on  
 19 page 19. "Balance of the collection. The  
 20 balance of the DIA's collection was evaluated by  
 21 sector using the sample valuation data of the  
 22 COD works appraised by Christie's with a low  
 23 value of at or below \$750,000, and applying an  
 24 average price, sector by sector, based on that  
 25 data." Do you see that?

1 Michael Plummer  
 2 A. Yes.  
 3 Q. So you didn't evaluate each of the  
 4 remaining items of the museum, correct?  
 5 A. Correct.  
 6 Q. When you say you applied an average  
 7 price, I just want to understand and I want the  
 8 Court to understand what you did, correct me if  
 9 I'm wrong.  
 10 So, for example, I'm just using a  
 11 hypothetical, assuming there was a value that  
 12 Christie's gave for the Old Masters of, just  
 13 using round numbers, 100 million, and that was  
 14 for so many pieces of art, you would find the  
 15 average value of those so many pieces of art,  
 16 correct?  
 17 A. Yes.  
 18 Q. And that's the average value you  
 19 would use on all the other pieces of art that  
 20 you didn't evaluate that were in that sector,  
 21 correct?  
 22 A. Correct.  
 23 Q. I use the word extrapolate. You  
 24 extrapolated that out to the rest of the sector,  
 25 correct?

1 Michael Plummer  
 2 A. We applied those values to the rest  
 3 of the sector.  
 4 Q. Let's go back to page 17. We  
 5 discussed earlier that there are different  
 6 methods of appraisal; for example, fair market  
 7 value, auction estimate, correct?  
 8 A. Correct.  
 9 Q. What method of appraisal did  
 10 Artvest utilize in analyzing Groups 1 and 2,  
 11 which are the works that Christie's previously  
 12 valued?  
 13 A. We did not appraise these, I  
 14 thought we had established that. We had -- we  
 15 reviewed their appraisal and concluded that  
 16 their numbers were good.  
 17 Q. So, as you know, Christie's  
 18 conducted a fair market value appraisal,  
 19 correct?  
 20 A. Yes.  
 21 Q. In your words, what is a fair  
 22 market value appraisal?  
 23 A. A fair market appraisal is an  
 24 appraisal arrived at where a ready, willing and  
 25 able seller reaches a price with a ready,

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1 Michael Plummer  
 2 willing and able buyer where there is no duress  
 3 or urgency to sell.  
 4 Q. Are there particular projects in  
 5 which a fair market appraisal is best to use?  
 6 For example, this project that you're involved  
 7 in, is that the best method to use to appraise  
 8 this type of art?  
 9 A. It is our opinion that a fair  
 10 market value, whether it's an appraisal or a  
 11 valuation, is the right approach for this  
 12 project, yes.  
 13 Q. Why is that?  
 14 A. Because you're determining --  
 15 you're trying to establish a value of the  
 16 collection to the City of Detroit in the  
 17 evaluation of this Court case, and to do that  
 18 one were to start with the fair market value of  
 19 the collection.  
 20 Q. You are aware that Christie's  
 21 relied on the market data method in arriving at  
 22 its fair market valuation, correct?  
 23 A. Correct.  
 24 Q. What is the market data method?  
 25 A. It's looking at comparable prices,

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1 Michael Plummer  
 2 which is the same methodology we did.  
 3 Q. Anything else?  
 4 A. That's pretty much essentially it.  
 5 Q. Is that a standard methodology  
 6 that's used in coming up with a fair market  
 7 value?  
 8 A. That's pretty standard, yes.  
 9 Q. Moving on to Groups 3 and 4 on page  
 10 18?  
 11 A. Sir, can I have a quick bathroom  
 12 break?  
 13 Q. Absolutely.  
 14 THE VIDEOGRAPHER: The time is  
 15 2:16 p.m., and we're going off the record.  
 16 (Short break taken)  
 17 THE VIDEOGRAPHER: The time is 2:27  
 18 p.m., and we are back on the record.  
 19 BY MR. SOTO:  
 20 Q. We're going to try to go through  
 21 some of the stuff that will be different and  
 22 hopefully won't be repetitive.  
 23 Your prior testimony was that, in  
 24 fact, the evaluation done by Artvest was to come  
 25 up with a fair market value, correct?

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1 Michael Plummer  
 2 A. Correct.  
 3 Q. Why did you choose that form of  
 4 valuation, a fair market value?  
 5 A. Because we thought it was the most  
 6 appropriate for the circumstance.  
 7 Q. Did you consider using an auction  
 8 appraisal value?  
 9 A. No, because auction values are  
 10 designed to entice bidders to bid on something,  
 11 as I like to say, the low estimate appeals to  
 12 the greed of the buyer and the high estimate  
 13 appeals to the greed of the seller. It's a  
 14 psychological estimate track that's not relevant  
 15 to this situation.  
 16 Q. Very interesting, another added bit  
 17 of information. So, for example, if I were  
 18 trying to put on an auction I would want  
 19 estimates to make people think boy, I'm going to  
 20 get a good value for that?  
 21 A. Um-hum.  
 22 Q. So there would be lower estimates?  
 23 A. Um-hum.  
 24 Q. I got it. I'm not that  
 25 knowledgeable about this, but did you consider

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1 Michael Plummer  
 2 applying the market cash value appraisal method?  
 3 A. It did not seem appropriate either.  
 4 Q. What is the market cash value  
 5 appraisal?  
 6 A. It's deducting the seller's  
 7 commission and any other fees that would be  
 8 related to selling the art. It's often used for  
 9 art loans and other things where you want to see  
 10 what your net cash is going to be for selling  
 11 something.  
 12 Q. When would the market cash value  
 13 appraisal be used?  
 14 A. You would use it for an art loan,  
 15 would be one example.  
 16 Q. Because you would want to know  
 17 after netting it out this is what you have as  
 18 collateral?  
 19 A. Yeah, but it's interestingly, as a  
 20 matter of common practice, the low estimate for  
 21 the auction house would work as well. That's  
 22 often used by lenders rather than net cash  
 23 value.  
 24 Q. So now what's the difference then  
 25 between the market cash value and the fair

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1 Michael Plummer  
2 market value?  
3 A. The fair market value is higher, it  
4 includes the buyer's premium as well.  
5 Q. The fair market value?  
6 A. Yeah. The net cash market value is  
7 not only missing the seller's commission, but  
8 it's also missing the buyer's premium.  
9 Q. So it cuts out commissions and it  
10 leaves what you're going to net out?  
11 A. Exactly.  
12 Q. We've mentioned a number of types  
13 of appraisals. Are there any other types of  
14 appraisals that you are aware of that we haven't  
15 spoken of yet?  
16 We've talked about insurance  
17 appraisals, we've talked about auction  
18 estimates, we've talked about market cash values  
19 and we've talked about fair market values; is  
20 there anything else?  
21 A. There's a replacement value.  
22 Q. Would that be different than the  
23 insurance value?  
24 A. It can be, but it's often used  
25 interchangeably, but a replacement value is a

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1 Michael Plummer  
2 higher value, some people use it as -- some use  
3 it as a retail value. It presumes that there is  
4 a time requirement involved in replacing  
5 something so that a buyer would pay a premium to  
6 replace it.  
7 Q. So it gives, generally speaking, a  
8 higher value?  
9 A. Correct.  
10 Q. Are you familiar with the Uniform  
11 Standards of Professional Appraisal Practice?  
12 A. I am.  
13 Q. What are they?  
14 A. Generally referred to as USPAP,  
15 they're guidelines for conducting appraisals.  
16 Q. Did you review the USPAP at any  
17 time while preparing the DIA evaluation that you  
18 rely on in your expert report?  
19 A. I reviewed it and my appraisers are  
20 USPAP-compliant appraisers, but as it's not --  
21 USPAP is not required by law or any regulatory  
22 body and is often not used by many appraisers, I  
23 didn't think it was critical to this appraisal,  
24 or this evaluation I should say.  
25 Q. Separate and apart from valuations

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1 Michael Plummer  
2 and appraisals, we talked about the market data  
3 method of leading to an appraisal?  
4 A. Right.  
5 Q. Are there any other methods that  
6 you're aware of, other than generally getting  
7 market data that you described earlier?  
8 A. Well, I think that, you know,  
9 market data can also mean data that's not  
10 publicly available. It can also be particularly  
11 when you're dealing with primary market property  
12 that you might need to call around to the  
13 galleries that handle the artists because  
14 they're not yet traded at auction or that the  
15 highest prices are traded at auction.  
16 Q. Looking at page 18 again of your  
17 report, paragraph B. It says:  
18 "Artvest conducted the initial  
19 pricing research and created a source database  
20 of comparables and other records, then shared  
21 that with the consulting specialists who then  
22 did supplemental price searches and other  
23 research."  
24 A. Um-hum.  
25 Q. You've described earlier that you

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1 Michael Plummer  
2 used market data comparables and some additional  
3 private information in coming up with what  
4 Artvest called its source database, correct?  
5 A. Um-hum.  
6 Q. Do you know --  
7 A. Well that's not how I mean source  
8 database. No. Okay. You're correct, you're  
9 correct. Let's go back.  
10 Q. In what you're calling the source  
11 database of comparables and other records, I  
12 believe you testified earlier that included  
13 market data that was available publicly about  
14 the art?  
15 A. Right.  
16 Q. Comparables that you were aware of  
17 both publicly, and some private comparables that  
18 you were knowledgeable of?  
19 A. Right, right.  
20 Q. You mentioned some other indices  
21 and other data that you received on this art.  
22 That was the database that you prepared at  
23 Artvest?  
24 A. Yeah, right.  
25 Q. You shared that with your

1 Michael Plummer  
 2 consultant specialist, correct?  
 3 A. Correct.  
 4 Q. But then you go on to say who then  
 5 supplemented price searches and other research.  
 6 Do you know what they did to supplement that  
 7 database?  
 8 A. Yeah, they then did their own  
 9 searches on Artvest, on Asguard, on Sotheby's  
 10 and on Christie's websites in addition to what  
 11 we gave them, they sort of did their own  
 12 double-check.  
 13 Q. Do you know if they came up with  
 14 additional information?  
 15 A. They did, yes.  
 16 Q. Did you include that additional  
 17 information in the information that you produced  
 18 as supporting?  
 19 A. Those comparables are in the work  
 20 file that I have available to share, that  
 21 electronic document that I referred to earlier.  
 22 Q. That you are going to send us  
 23 later?  
 24 A. Yes.  
 25 Q. Okay. You mentioned on page 20 --

1 Michael Plummer  
 2 am I accurate in my assessment that not every  
 3 piece of work at the DIA had a comparable?  
 4 A. Yes.  
 5 Q. There are some that did not?  
 6 A. Correct.  
 7 Q. How did you value those?  
 8 A. You would look at things that sold  
 9 in related categories.  
 10 Q. You refer to them as once in a  
 11 lifetime pieces of art?  
 12 A. Yeah.  
 13 Q. How many works are sort of once in  
 14 a lifetime?  
 15 A. In the DIA collection?  
 16 Q. Yeah.  
 17 A. I don't know that it's fair to put  
 18 a number off the top of my head on there. Is it  
 19 eight, is it ten, is it five, I don't know.  
 20 Q. Do you recall how many had no  
 21 comparables?  
 22 A. I don't remember how many had none,  
 23 but the non-comparables isn't just to once in a  
 24 lifetime pieces, they're also smaller, less  
 25 expensive works that might not have comparables.

1 Michael Plummer  
 2 Q. So for those where you didn't have  
 3 a comparable you tried to look at to create a  
 4 comparable of some form?  
 5 A. Yes, the closest in another sector.  
 6 Q. In connection with your evaluation,  
 7 is there a specific time period for which a  
 8 comparable is relevant?  
 9 A. That's an interesting question.  
 10 The problem with the art market is that  
 11 sometimes you have to go back many years, even a  
 12 decade or so to find a comparable. So when you  
 13 do that then you have to make an adjustment that  
 14 you think is suitable for the difference in  
 15 time, and the difference in the market then to  
 16 the difference in the market now.  
 17 In some instances actually the  
 18 price could have gone down because the market  
 19 might have been hotter for certain things a  
 20 decade or two ago.  
 21 Q. Let's turn to page 19. In Group 5  
 22 you state that the balance of the DIA's art  
 23 collection was evaluated by sector using the  
 24 sample valuation data of the City of Detroit  
 25 works appraised by Christie's with the low value

1 Michael Plummer  
 2 of at or below 750, and applying an average  
 3 price sector by sector based on the data,  
 4 correct?  
 5 A. Um-hum.  
 6 Q. So here again, just so it's clear  
 7 to the Court, for this lower value, if there was  
 8 ten pieces this lower value from the Christie's  
 9 collection that were in the Old Masters, you  
 10 took the average of those ten and that's the  
 11 average you applied for the remainder of that  
 12 sector, correct?  
 13 A. Correct.  
 14 Q. Is your entire analysis of the  
 15 Group 5 works contained here in this table 2?  
 16 A. What do you mean my entire, do you  
 17 mean the results of the analysis?  
 18 Q. Yes?  
 19 A. Yes.  
 20 Q. Again, the sectors that you  
 21 testified about earlier, those are all the  
 22 sectors that you have identified, correct?  
 23 When you say you did it sector by  
 24 sector you identified the Old Masters, the  
 25 Impressionist, Modernists, the Post War?

1 Michael Plummer

2 A. There are other sectors. There was  
3 the prints and drawings, decorative arts,  
4 silver, arms and armor. The fact that there  
5 were so many sectors gave us the feeling that it  
6 was an appropriate approach to this correction.

7 Q. Where can we find the most complete  
8 list of the sectors that you divided them into?

9 A. This is the listing of the sectors.

10 Q. So indeed the separations in  
11 Exhibit G are the sectors?

12 A. Correct, correct. I think there  
13 are maybe eight, nine, ten, something like that.  
14 Just to clarify, the DIA and Christie's  
15 differentiate in how they classify things in  
16 terms of sector.

17 It's really a commercial  
18 distinction versus a curatorial distinction, and  
19 where we needed to we made the juxtaposition  
20 from one to the other so that they matched up.

21 Q. Did you record the average prices  
22 in each sector somewhere?

23 A. Yes.

24 Q. In the report?

25 A. In this report, no. It was part of

1 Michael Plummer

2 sales results of Sotheby's and Christie's. We  
3 had accumulated that data and we used it for  
4 calculation of BIs.

5 Then we discarded using it for the  
6 DIA collection because we felt there was no way  
7 to make a logical connection between sales of  
8 Sotheby's and Christie's and average prices, and  
9 then using -- and the DIA's average price;  
10 whereas we felt that using a sample of DIA's own  
11 data would be relevant.

12 So I was surprised to see that  
13 Wiener used the average prices from the  
14 Sotheby's and Christie's data that we had  
15 collected to use his valuation on the  
16 collection.

17 Q. So that's one of the things that  
18 you disagree with what Mr. Wiener did, correct?

19 A. Correct.

20 Q. You mentioned that there were  
21 others, what are they?

22 A. I don't have his report in front of  
23 me. There are some ways in which he matched up  
24 some different methodologies to come to a total  
25 number that concerned me, and various other

1 Michael Plummer

2 the calculation.

3 Q. I'm trying to figure out how I'm  
4 going to find the average prices in each sector.  
5 Will it be in that thing you send me  
6 electronically?

7 A. I could put it in that thing that I  
8 send you electronically.

9 Q. That would be helpful in trying to  
10 figure out what averages you used in making your  
11 calculation.

12 A. Sure.

13 Q. Thank you. Stepping back in a  
14 hypothetical situation. Aside from evaluating  
15 each of the 62,000 pieces and coming up with a  
16 number or applying the method that you did  
17 apply, because I've heard about those two, you  
18 testified about what you applied and obviously  
19 the other one will take quite a while.

20 Is there any other way that you can  
21 think of doing this kind of a valuation of this  
22 large a collection?

23 A. Yes, there was a methodology that  
24 we examined and we rejected within about an  
25 hour, which was using the average prices of

1 Michael Plummer

2 things that I would have to have his report in  
3 front of me and my notes to go into.

4 Q. You state that to the extent this  
5 methodology has a bias, this is again back on  
6 your page 19, it is likely to overstate the  
7 value of the DIA collection?

8 A. Correct.

9 Q. How?

10 A. Because when we did the average  
11 value by sector we got some large average values  
12 in different sectors like African and others,  
13 and drawings; then we just used an average value  
14 based on a total average of the Christie's data.  
15 We actually did an alternate cut and it dropped  
16 it down from valuing that part of the collection  
17 from 600 million to 1 something billion,  
18 1.2 billion, to about I think it's 130 million  
19 to 300 million or something hike that.

20 So we felt going into it that it  
21 was a bias, and also because we considered the  
22 DIA property to have been purchased  
23 strategically and that it was property bought by  
24 the City of Detroit for the museum to raise the  
25 profile of the museum.



1 Michael Plummer  
 2 So it was more likely to be a  
 3 higher concentration of quality property, a  
 4 balance of property that was given to the  
 5 museum, which would include dregs along with  
 6 high quality of stuff, which often comes in  
 7 collections that are donated.

8 Q. On page 19 you also state that for  
 9 property value "below 5,000 I attributed an  
 10 effective value of zero"?

11 A. Yes.

12 Q. Why?

13 A. Because we felt that the cost of  
 14 handling that, and unlike the other property  
 15 where no commission would have been charged, we  
 16 felt that there would have been a commission  
 17 charged for the handling of that property  
 18 because it has a high nuisance value, and  
 19 Sotheby's and Christie's try not to sell or  
 20 value a property in that price range.

21 In fact, Sotheby's just went into a  
 22 new venture with eBay to try and find a way to  
 23 solve that problem. So we felt that the cost of  
 24 handling it would net out to zero for the value  
 25 of it.

1 Michael Plummer  
 2 directors are important. They spend a lot of  
 3 money making donations to museums and  
 4 cultivating those relationships.

5 If they were to sell this art they  
 6 would destroy their relationship with the museum  
 7 community in America and that is a high price to  
 8 pay, and it would do serious damage to their  
 9 brand. I think that the fallout that Christie's  
 10 received after just doing the appraisal was  
 11 indicative of how much more magnified it would  
 12 be if they were to actually handle the sale of  
 13 the DIA property.

14 Q. Did you speak with anyone at  
 15 Sotheby's about this to determine whether they  
 16 would --

17 A. Hum, I did not --

18 Q. That they would not touch it with a  
 19 10-foot barge pole. Was it a 10-foot barge  
 20 pole? I just want to be sure.

21 A. A 10-foot barge pole. I avoided  
 22 speaking to people at the auction houses about  
 23 this project that I'm working on. I did hear  
 24 someone senior at one of the auction houses say  
 25 such a thing. I am very aware of Sotheby's

1 Michael Plummer  
 2 Q. If you know, if someone were to  
 3 approach Sotheby's or Christie's, given your  
 4 experience with both enterprises, with a project  
 5 like the monetization of the art collection at  
 6 the DIA, well, let's ask that later. Let me ask  
 7 the first question. Strike that.

8 If someone were to approach  
 9 Sotheby's or Christie's, both enterprises that  
 10 you're familiar with, with a project to sell the  
 11 collection at the DIA, would that be the kind of  
 12 project that would be a pretty exciting project  
 13 to both entities, a very valuable collection,  
 14 well thought of?

15 A. It's a valuable collection, it's  
 16 well thought of. My business opinion after  
 17 being in this industry for 35 years and worked  
 18 at both houses, is that I don't think either  
 19 house would touch it with a 10-foot barge pole  
 20 because they -- both houses, just to explain,  
 21 have museum departments that cultivate  
 22 relationships with the museums.

23 Museum sales are important to their  
 24 business, curator's opinions are important to  
 25 their business, relationship with the museum

1 Michael Plummer  
 2 long-standing commitment to the City of Detroit,  
 3 it used to be headquartered in Detroit.

4 Its largest shareholder for many  
 5 years was a donor to the museum and ran a  
 6 building fund. He still has a close  
 7 relationship to the senior management of  
 8 Sotheby's. He has a wing named after him in the  
 9 DIA. I find it hard to imagine, knowing what I  
 10 know of the management of Sotheby's, that they  
 11 would do it.

12 Q. So it's your view that if someone  
 13 were to agree to handle the sale of a collection  
 14 like that, that they would exclude from that the  
 15 works of art that are below 5,000 for which you  
 16 attribute an effective value of zero?

17 A. I'm sorry, I'm not following the  
 18 collection.

19 Q. What I'm trying to figure out is  
 20 you say they may be worth 5,000 or less, you  
 21 attributed zero, and when you testified about it  
 22 you said it's because it costs a lot of money to  
 23 handle that art and get it ready.

24 But in the context of an  
 25 overarching sale of an entire collection like

1 Michael Plummer  
 2 the City's collection at the DIA, would that  
 3 still be true, would they still be of no value  
 4 in your mind?  
 5 A. Yes, I think it's going to be a  
 6 difficult property to get rid of because it's  
 7 thousands upon thousands upon thousands of items  
 8 which would require years to be sold.  
 9 Q. How many works of art fall in this  
 10 category at the DIA, this below 5,000?  
 11 A. I don't remember.  
 12 Q. Do you have anything you can refer  
 13 to in your report that would refresh your  
 14 recollection?  
 15 A. I don't have numbers, but I have  
 16 that 45.98 percent were between 1,000 and 5,000  
 17 in value.  
 18 Q. 45.89 percent of the overall DIA  
 19 collection?  
 20 A. Right.  
 21 Q. Did you review the publicly  
 22 available information for sales at Sotheby's and  
 23 Christie's to determine how many sales they've  
 24 had in the last year or so, two years or so of  
 25 art that's valued below \$5,000?

1 Michael Plummer  
 2 A. I did not, but I have been  
 3 involved -- I have not.  
 4 Q. Moving on to Table 1 on page 18.  
 5 The figures in this table come from Christie's  
 6 evaluation, correct?  
 7 A. Yes.  
 8 Q. Are you aware that Christie's did  
 9 not actually appraise all 2,760 pieces?  
 10 A. Yes, I am aware of that.  
 11 Q. They didn't appraise 1,038 items,  
 12 correct?  
 13 A. I believe that's -- well, what they  
 14 did was they decided that they were not of  
 15 sufficient value to appraise.  
 16 Q. So they didn't appraise them,  
 17 correct?  
 18 A. They did not appraise them, but  
 19 they did essentially assign them a value of  
 20 zero.  
 21 Q. In your table you attribute no  
 22 value to them at all, correct?  
 23 A. Correct.  
 24 Q. Did you review any of those 1038  
 25 items to see if you agreed with Christie's that

1 Michael Plummer  
 2 they were of insignificant value?  
 3 A. We had the data and we did look at  
 4 it, yes.  
 5 Q. And you agreed with their  
 6 assessment?  
 7 A. Yes.  
 8 Q. Turning to Table 2. The figures on  
 9 this table include Christie's valuations and  
 10 Artvest's additional valuations, correct?  
 11 A. Yes, correct.  
 12 Q. And you come to the conclusion that  
 13 the entire museum should have appraised or  
 14 evaluated the collection at between 2.7 billion  
 15 and \$4.6 billion, correct?  
 16 A. Correct.  
 17 Q. In coming to this conclusion you  
 18 didn't inspect or value any of the remaining  
 19 57,181 works of art, did you?  
 20 A. We did not. We valued them by  
 21 virtue of the calculation we made, but we did  
 22 not inspect them.  
 23 Q. On page 20 you exclude some works  
 24 thought to be by?  
 25 A. Modigliani.

1 Michael Plummer  
 2 Q. The G is silent?  
 3 A. Yes.  
 4 MR. SOTO: Every day I work as a  
 5 lawyer I learn something I didn't know the day  
 6 before.  
 7 Q. Modigliani?  
 8 A. Modigliani.  
 9 Q. Why are you insinuating that the  
 10 works of art at the museum are not authentic?  
 11 A. Because they are not in the Ceroni  
 12 catalogue resume, and there is a lot of  
 13 controversy in that market right now, and there  
 14 is a number of fakes around, and there is  
 15 alternate catalog resume out there that has  
 16 fakes in it.  
 17 So it's a hot controversial topic  
 18 and Christie's should stop selling works that  
 19 are not in Ceroni, and Sotheby's is reluctant to  
 20 do so as well. So the common practice is to  
 21 give it a value of zero or a minimal value;  
 22 certainly not to value it as a real Modigliani.  
 23 Q. How many works of art does a museum  
 24 have that are Modiglianis?  
 25 A. I don't remember the total amount.

1 Michael Plummer  
 2 I think that Christie's did value one and I  
 3 believe there were two which we had took issue  
 4 with, if I remember correctly.  
 5 Q. So they did one?  
 6 A. And we had two.  
 7 Q. You took issue with them both?  
 8 A. I believe so, but I can't remember  
 9 for certain.  
 10 Q. Do you know if the museum insured  
 11 those pieces?  
 12 A. I don't remember.  
 13 Q. Do you know if there was an  
 14 insurance value for any of those pieces?  
 15 A. I don't remember.  
 16 Q. You also excluded the Diego Rivera?  
 17 A. Yes.  
 18 Q. Why was that?  
 19 A. It is -- according to the standards  
 20 of the Appraisers Association of America, and  
 21 Liz von Habsburg agreed with this analysis as  
 22 well, so it's two of us who came to the same  
 23 conclusion that if an important -- if a mural is  
 24 a part of a building and it would damage it to  
 25 remove it, it should be valued as part of the

1 Michael Plummer  
 2 real estate of the building and not separately  
 3 as a work of art, because it really is not  
 4 removable.  
 5 This is really particularly true of  
 6 the Diego Rivera murals because they are so  
 7 large that they would have to be sliced up in  
 8 the middle of the imagery in order to move them,  
 9 and that would cause one set of damage, plus the  
 10 active removal would cause another set of damage  
 11 so then they would require heavy restoration.  
 12 The damage would be an injury to the work and it  
 13 would -- it just -- it can't be valued as a  
 14 salable work of art.  
 15 Q. Do you know how the DIA initially  
 16 acquired this work of art?  
 17 A. It's my understanding that they  
 18 were a gift from Ansel Ford, if Ansel is  
 19 correct, and that they were painted by Diego  
 20 while he camped out there for a period of time  
 21 to complete them, and that actually just after  
 22 completing those he rushed up to New York to  
 23 paint the ones at Rockefeller Center that were  
 24 then subsequently painted over by Nelson  
 25 Rockefeller. This is a masterpiece.

1 Michael Plummer  
 2 Q. Did they have to remove the works  
 3 from Ansel Ford's site to the DIA?  
 4 A. No, I was not aware of that.  
 5 Q. So they were painted at the DIA?  
 6 A. They were painted at the DIA.  
 7 Q. That's what I'm trying to ask. Is  
 8 it possible, do you know of murals of this type  
 9 that have been moved?  
 10 A. There have been some smaller murals  
 11 moved from churches and things.  
 12 Q. Did you consider the possibility of  
 13 doing that when you valued the Diego Rivera?  
 14 A. As I said, we did consider it, and  
 15 we talked to a Diego Rivera expert as well.  
 16 It's as I said for the reasons I mentioned,  
 17 breaking them up and giving that kind of risk.  
 18 Q. Looking at what has been called the  
 19 market issues affecting sales, we're going to go  
 20 to page 24. Your report attempts to address  
 21 some market issues that may affect the value of  
 22 the collection, correct?  
 23 A. Um-hum.  
 24 Q. On page 24.  
 25 MR. O'REILLY: Just verbal answers.

1 Michael Plummer  
 2 Q. Whenever anybody wants to take  
 3 another break some time in the middle of the  
 4 afternoon to get some coffee or something,  
 5 whatever you want.  
 6 A. Okay. Thank you.  
 7 Q. Paragraph 37 on page 24 says, "A  
 8 significant segment of DIA's collection is in  
 9 areas that have fallen out of favor with  
 10 collectors." Correct?  
 11 A. Correct.  
 12 Q. The performing sectors that you  
 13 identify that have fallen out of favor, and you  
 14 mentioned some of them earlier, were American  
 15 Art pre-1950, Old Masters and 19th Century  
 16 European paintings?  
 17 A. Um-hum.  
 18 Q. And then also Impressionist and  
 19 Modern Art, correct?  
 20 A. Correct.  
 21 Q. What is the basis for this opinion?  
 22 How did you determine that these were  
 23 underperforming sectors?  
 24 A. Well, I think the index here from  
 25 Mei-Moses points this out on page 24. I think

1 Michael Plummer  
2 that's a factual representation. I would say  
3 also every day of my business both with Artvest  
4 and also with Spring Masters, working with  
5 dealers and collectors in these areas, and just  
6 this past week I had the same conversation with  
7 five different dealers in these areas that said  
8 the same thing that I'm saying here.

9 So this is borne out in everything  
10 I experience. So I would, you know, challenge  
11 you to find a dealer out there who would  
12 disagree with this, or an auction house expert.

13 Q. Did you do any research to  
14 determine what was the basis of this chart 18  
15 that you have here, the 2003 index?

16 A. I know how the Mei-Moses index is  
17 completed. I've known Michael Moses for ten  
18 years, I've been studying indexes in the art  
19 industry. I actually helped construct one that  
20 we used for a period of time several years ago.

21 I know he uses repeat sales index.  
22 I know some people don't like that, I'm  
23 perfectly fine with it because I think his  
24 database is now complete enough to be  
25 representative of the art market. Ten years ago

1 Michael Plummer

2 Q. That is because?

3 A. I thought this made the case in and  
4 of itself. Mei-Moses, except for a few people,  
5 he is well regarded.

6 Q. You're not concerned with the fact  
7 that he uses repeat sales limits?

8 A. No --

9 Q. Excuse me, limits the database that  
10 he's using?

11 A. No, because I tracked it over ten  
12 years and compared it to other indices I'm  
13 perfectly comfortable with this.

14 Q. The other indices that you referred  
15 to earlier, are they consistent with this one in  
16 the analysis of the value of these sectors?

17 A. Yes.

18 Q. Looking at your chart, it appears  
19 as though all sectors declined in 2008, correct?

20 A. Yes, 2008 was a bleak time for  
21 everybody.

22 Q. This was as you testified about  
23 earlier, the financial crisis that you referred  
24 to?

25 A. Yes.

1 Michael Plummer  
2 I would have said not, but I think it is  
3 absolutely fine now.

4 Q. Ten years ago the difference would  
5 have been what?

6 A. Because he didn't have enough  
7 samples in his database, but he's flushed it out  
8 fully enough that when I compare it to other  
9 indices it actually is comparable.

10 Q. When you say he uses repeat sales  
11 what does that mean?

12 A. It means he gets -- he's gone back  
13 to the 19th Century to get data from a property  
14 that comes back up to auction and then he  
15 measures the price of the same piece each time  
16 it's auctioned and uses that as a data point.  
17 The merits are that he's using a bucket of data  
18 that is actually using identical pieces.

19 Q. Did you consider using any  
20 additional indices to support your conclusion  
21 here, besides the Chart 18, Mei-Moses?

22 A. I did, and I know they show very  
23 similar thing. Art Market Research has the  
24 similar results, but I did not feel it necessary  
25 to apply it here.

1 Michael Plummer

2 Q. Isn't it also true that in a down  
3 market that turnover falls because collectors  
4 are less willing to sell at a depressed rate,  
5 they would rather just hold on to it and sell  
6 later?

7 A. Yes, we had commented on that.

8 Q. As the nation recovers would you  
9 expect that the interest in those sectors would  
10 also increase?

11 A. Not necessarily, for a couple of  
12 reasons. One is that the art market is driven  
13 by a global collector base, and if you're asking  
14 about less recovers I don't think it's  
15 necessarily a linear connection.

16 I also say perhaps more importantly  
17 that the problem with these sectors is that  
18 young collectors, new buyers are moving almost  
19 exclusively into Post War, not into these other  
20 sectors, so they're not getting the new blood  
21 that they need.

22 Q. Looking at your chart, it appears  
23 that the Impressionist and Modern Art sector is  
24 on the rise again, correct?

25 A. From this Mei-Moses index?

1 Michael Plummer  
 2 Q. Yes.  
 3 A. No. I wouldn't say that. I would  
 4 say that the Modern sector is doing better than  
 5 the Impressionist part of the sector, and  
 6 benefits a little bit from spillover from the  
 7 Post War and Contemporary since it's the sector  
 8 just before that; but that sector is pretty  
 9 flat.  
 10 Q. So these green lines here?  
 11 A. The green lines, you can see it  
 12 came back in 2010, but it hasn't shown  
 13 noticeable appreciation between 2011 and 2013.  
 14 In fact, there have been some disappointing  
 15 sales in that area which are mentioned in this  
 16 document.  
 17 Q. Are you familiar with Zhang Yi, an  
 18 author of the TEFAF?  
 19 A. TEFAF.  
 20 Q. T-E-F-A-F, TEFAF Art Market Report?  
 21 A. I am familiar that he's contributed  
 22 to that report as a freelancer, but I actually  
 23 have a very close relationship with the woman  
 24 who actually writes the full report, Clare  
 25 McAndrew, that's who I tend to correspond with

1 Michael Plummer  
 2 and communicate with.  
 3 Q. Looking at your report, tab 4?  
 4 A. Table 4 you mean?  
 5 Q. Let me hand you as Exhibit 3.  
 6 (Plummer Exhibit 3, Victor Wiener's  
 7 Expert Report in this Chapter 9 proceeding,  
 8 marked for identification.)  
 9 BY MR. SOTO:  
 10 Q. As Exhibit 3 let me hand you a copy  
 11 of Victor Wiener's report. Exhibit 3 is marked  
 12 here, it's Victor Wiener's Expert Report in this  
 13 Chapter 9 proceeding.  
 14 You testified earlier that you  
 15 reviewed that, correct?  
 16 A. Correct.  
 17 Q. You mentioned that there were a  
 18 number of things that you disagreed with,  
 19 correct?  
 20 A. Correct.  
 21 Q. You've mentioned a few of them  
 22 already, correct?  
 23 A. Correct.  
 24 Q. Take a few moments to take a look  
 25 at it and see if there are any other areas you

1 Michael Plummer  
 2 find particularly disturbing to you?  
 3 MR. O'REILLY: Objection to the  
 4 form.  
 5 A. I would say at the start that I  
 6 have my own notes and thoughts on this that I  
 7 can't summarize this fully in this exchange with  
 8 you.  
 9 Q. You don't have to summarize them  
 10 fully, just things that are of major disturbance  
 11 to you that you find that are particularly in  
 12 error?  
 13 A. I would say that the value of the  
 14 collection is in error.  
 15 Q. Why is that?  
 16 A. Because I think that it's grossly  
 17 overvalued.  
 18 Q. Why?  
 19 A. Because in his methodology, if you  
 20 look at his methodology step-by-step chart,  
 21 number 3, he's chosen 387 units, which we don't  
 22 know why he's chosen those that he's put a value  
 23 on, where he has put in a supplement based on  
 24 his assumption that the DIA sale is going to be,  
 25 as he puts it, a sale of the century.

1 Michael Plummer  
 2 He has not revealed what that  
 3 supplement is, but it appears to be a multiple  
 4 of three or four or many times, and there  
 5 doesn't seem to be a clearly understandable  
 6 basis for that calculation.  
 7 Then he uses Christie's and my  
 8 appraisal values which he has criticized, but  
 9 yet he uses them. I don't think he criticized  
 10 Winston's, but he uses theirs as well. Then in  
 11 step 3 he has used the DIA values, insurance  
 12 values which we have already mentioned. We did  
 13 an analysis of and found them to be irrelevant.  
 14 Q. Are those the ones you described as  
 15 whacky?  
 16 A. Yes.  
 17 Q. So you're assuming those are the  
 18 insurance values?  
 19 A. Yes. Most likely, to the extent if  
 20 they are insurance values they would be  
 21 replacement values which, as I said, would be  
 22 the highest value. Victor did a net cash  
 23 valuation for step 1. He used our numbers,  
 24 Christie's, Artvest and Winston's which are fair  
 25 market value.

1 Michael Plummer  
 2 He then used a replacement value  
 3 methodology for step 3. Then he went back to  
 4 what would be the equivalent of fair market  
 5 value because he used Christie's and Sotheby's  
 6 data.  
 7 For step 4 he used my data to  
 8 basically get an average value based on sales of  
 9 Sotheby's and Christie's, which I told you we  
 10 rejected that methodology as being unsound, as  
 11 there not being any logical connection between  
 12 the property sold at Sotheby's and Christie's  
 13 from what's in the DIA. So he uses all of these  
 14 different methodologies and all of these  
 15 different values to arrive at 8 million 552.  
 16 Q. Anything else that comes to mind as  
 17 you look at it?  
 18 A. Well, he makes claims about my  
 19 process which he had no knowledge of, which are  
 20 untrue. There are other things.  
 21 Q. Let me walk you through some that  
 22 you might have mentioned that I had while  
 23 everyone was eating?  
 24 A. Sure.  
 25 Q. Turn to page 21 of the report. I'm

1 Michael Plummer  
 2 marketing at Sotheby's. He mentions the  
 3 celebratory effect of the Jackie O sale, as I  
 4 mentioned earlier. I worked at Sotheby's on  
 5 that sale so I have real world insight on that  
 6 kind of thinking and marketing.  
 7 To put on a show if you will, to  
 8 put on a promotional effort that we did at  
 9 Sotheby's for Jackie O, or that was even done  
 10 for the Albright-Knox property, there has to be  
 11 a positive feeling behind the celebrity or the  
 12 institution.  
 13 If there is taint you can't market  
 14 it that way, you can't do a big celebratory  
 15 sale, it works against you, it actually  
 16 backfires. So you couldn't do a big, splashy,  
 17 this is the DIA sale, that's not possible.  
 18 In fact, what is comparable to the  
 19 DIA sale is the Klimt paintings that were sold  
 20 in 2006 at Christie's, where they were Nazi  
 21 property that had been given to the Vienna  
 22 Museum and then restituted. Those paintings did  
 23 well, but they did well not because they were  
 24 property from the museum. In fact, the museum  
 25 provenance was hidden in the marketing. The

1 Michael Plummer  
 2 pointing these out to you because you may have  
 3 mentioned something about it and I would be  
 4 interested on what your view is about this,  
 5 correct?  
 6 A. Yes.  
 7 Q. On page 21, the paragraph under  
 8 "Museum provenance" under "The Effects of  
 9 Selling Museum and Celebrity Art":  
 10 "It is apparent that works of fine  
 11 and decorative art, and other collectibles from  
 12 museums and other significant collections  
 13 perform much better at auctions than similar  
 14 objects lacking notable provenance."  
 15 Do you agree with that?  
 16 A. In many instances, but not all.  
 17 Q. How about in the context of the  
 18 collection at the DIA?  
 19 A. I don't think it would apply to the  
 20 collection of the DIA, and I have reasons for  
 21 believing that.  
 22 Q. And why is that?  
 23 A. If the collection were sold it  
 24 would have the taint that I described. If  
 25 the -- now I'm wearing my hat as former head of

1 Michael Plummer  
 2 story that was told was about their restitution  
 3 to the owner.  
 4 So yes, it's true in certain  
 5 circumstances, museum provenance can be  
 6 meaningful and important, but it has to be the  
 7 right circumstance otherwise it can work against  
 8 you.  
 9 I take the case that I use in my  
 10 paper about the Delaware Museum. They went out  
 11 thinking they had \$30 million worth of art to  
 12 sell, that has not gone well, they've been  
 13 sanctioned. They are now expecting that art to  
 14 bring in \$19 million worth and they've had to  
 15 lower their expectations of what they will be  
 16 able to pay down.  
 17 MR. O'REILLY: Ed, I don't want to  
 18 interrupt your flow, do you mind if I take a  
 19 break?  
 20 MR. SOTO: Sure.  
 21 THE VIDEOGRAPHER: The time is  
 22 3:16 p.m., we're going off the record.  
 23 (Short break taken)  
 24 THE VIDEOGRAPHER: This begins  
 25 media unit number 4, the time is 3:27 p.m., and

1 Michael Plummer  
 2 we're back on the record.  
 3 BY MR. SOTO:  
 4 Q. Mr. Plummer, looking at the report  
 5 before you, Exhibit 3, at page 44. Mr. Wiener  
 6 is commenting on your report there?  
 7 A. Okay.  
 8 Q. The paragraph you see:  
 9 "In brief, Dr. Barth opines that  
 10 most, if not all, the discounts applied by the  
 11 Artvest Report are unsustainable because of  
 12 reliance upon unsupported data. The Barth  
 13 Report goes through each discount the Artvest  
 14 Report applies and shows that the data is either  
 15 lacking or inconsistent with the conclusions  
 16 reached. As such, the Barth report concludes  
 17 that the Artvest Report is unreliable."  
 18 Do you see that?  
 19 A. I see that.  
 20 Q. Did you have a chance to review the  
 21 Barth report?  
 22 A. I did.  
 23 Q. What were your conclusions on that  
 24 report?  
 25 A. I felt it was -- I disagreed with

1 Michael Plummer  
 2 her conclusions. She -- her experience and  
 3 education in the art world is a certificate at  
 4 Sotheby's works of art program, which actually I  
 5 used to oversee as part of my role at Sotheby's.  
 6 I think that she's speaking from a  
 7 place of not real art world experience and I am,  
 8 and I think that actually the conclusions are  
 9 supported, the data is supported, and I stand by  
 10 it.  
 11 Q. Anything more than that?  
 12 A. I probably have more, but I would  
 13 have to, you know, prepare for it.  
 14 Q. In connection with the next  
 15 paragraph that starts:  
 16 "The Artvest Report also dismisses  
 17 all expressions of interest by three potential  
 18 purchasers," do you see that?  
 19 A. Yes.  
 20 Q. Did you read that purchase of it?  
 21 A. Yes, I did.  
 22 Q. Did you read the next paragraphs  
 23 that address those potential purchases?  
 24 A. Which paragraph are you referring  
 25 to?

1 Michael Plummer  
 2 Q. The first one is the first  
 3 paragraph on the potential "See Artvest Report,  
 4 39 to 40," do you see that? "The Artvest Report  
 5 also dismisses all expressions of interest"?  
 6 A. Yes.  
 7 Q. What is your opinion on that  
 8 conclusion?  
 9 A. I reviewed the expressions of  
 10 interest and I stand by what I say in my report.  
 11 In fact, I'm not sure why they can disagree with  
 12 what I've said because it's pretty  
 13 straightforward.  
 14 Q. The next paragraph talks about,  
 15 well, let's see:  
 16 While VWA did not have direct  
 17 access to the three potential purchasers,  
 18 according to Houlihan, Poly International  
 19 Auction House, who expressed interest in  
 20 purchasing all Chinese works for up to \$1  
 21 billion, Yuan Capital, who also expressed  
 22 interest in purchasing 116 pieces for \$895  
 23 million to \$1.4 billion, and Catalyst  
 24 Acquisitions/Bell Capital Partners, who  
 25 expressed interest in purchasing the entire

1 Michael Plummer  
 2 collection for \$1.7 billion."  
 3 Did you try to contact any of those  
 4 individuals in connection with the preparation  
 5 of your report?  
 6 A. I did not. I am familiar with  
 7 Poly. I expressed in my report that I was  
 8 unfamiliar with the others. And, as I recall in  
 9 my report, I believe that I was talking about  
 10 whether or not the value of the collection would  
 11 measure up to what these people were interested  
 12 in buying, and as I read the documents  
 13 subsequently of what they offered as their  
 14 indications of interest, there is no binding  
 15 commitment there, and all of them allow an out  
 16 to provide a lower value offer if the collection  
 17 is lower or the section of the collection is  
 18 lower than what they're asking for. That's  
 19 pretty much all I said, except for with regard  
 20 to Ian Peck which is a different issue, and the  
 21 loan.  
 22 Q. I was about to go to Ian Peck, but  
 23 before I do. Did you try to contact these  
 24 individuals or any other potential monetization  
 25 entities?

1 Michael Plummer  
 2 A. I did not.  
 3 Q. You were not asked to either?  
 4 A. I was not asked to.  
 5 Q. Now you were going on to Ian Peck.  
 6 What more did you have to say about his view?  
 7 A. Well, it's interesting. He says  
 8 that my expense calculations are inaccurate, yet  
 9 they are what is in his offer, not only in the  
 10 Houlihan Lokey document, but I read the details  
 11 of his indication of interest that he submitted  
 12 to Houlihan Lokey, and the numbers that I used  
 13 are the numbers that he has in his offering  
 14 documents.  
 15 So I'm surprised -- I'm not  
 16 surprised. I am perplexed that he would say  
 17 that they are inaccurate, when actually the  
 18 documentation submitted supports what I said.  
 19 Q. Anything else?  
 20 A. With regard to the report?  
 21 Q. Yes.  
 22 A. We could go through it page by  
 23 page. I have numerous objections to it, but I'm  
 24 not sure that's the best use of your time today.  
 25 Q. We can certainly come back and do

1 Michael Plummer  
 2 that, but what I'm asking is a little bit  
 3 different. I appreciate your willingness to do  
 4 that.  
 5 As you sit here today, are there  
 6 any things that you find particularly egregious  
 7 or inaccurate that you haven't testified about  
 8 already?  
 9 A. I mentioned the ones that are top  
 10 of mind. There are others, but I would have to  
 11 go through the report to find them.  
 12 Q. Going back to -- we were talking  
 13 about your report page 6 of 72 in your report,  
 14 paragraph 23 which is actually on page 7,  
 15 paragraph 23 is on page 7.  
 16 A. Okay.  
 17 Q. You state that:  
 18 "Four sectors of the art market  
 19 constitute 98% of the value of the fine art  
 20 market: European, Modern Art, Impressionist and  
 21 Post-Impressionist Art, European Old Master  
 22 Paintings, and Post War and Contemporary Art.  
 23 Of those four sections, three have declined in  
 24 value since 2011."  
 25 Do you see that?

1 Michael Plummer  
 2 A. Right.  
 3 Q. Other than what you've already  
 4 testified about today, I know you've mentioned  
 5 this before, why do you believe those sectors  
 6 have declined?  
 7 A. For the reason I stated, that  
 8 collectors are migrating into Contemporary Art  
 9 to the exclusion of other sectors.  
 10 Q. Did you notice that the volume and  
 11 sales of those same three sectors in 2012 and  
 12 2013 exceeded previous session models?  
 13 A. Yes.  
 14 Q. Is it possible that the  
 15 Impressionist and Modern paintings sectors  
 16 declined because there were few high quality  
 17 works on the market during the depressed period?  
 18 A. I think some people believed that,  
 19 but I think that it's a function of the reason  
 20 that I stated. That, as I said, comes from not  
 21 only looking at the data but actually talking to  
 22 the dealers in the field, which I indicated  
 23 earlier, dealers and auction house specialists.  
 24 Q. Going to paragraph 25 of your  
 25 report which is on page 9, looking at

1 Michael Plummer  
 2 subparagraph A. You state that:  
 3 "Selling at or below the low  
 4 estimate is more the norm, and selling at the  
 5 higher end of the estimate range becomes an  
 6 anomaly."  
 7 Do you see that?  
 8 A. Yes.  
 9 Q. You point to the example from  
 10 Christie's evening auction as support for that,  
 11 right?  
 12 A. Right.  
 13 (Plummer Exhibit 4, Article  
 14 prepared by Zhang Yi entitled "Review of Expert  
 15 Witness Report of Michael Plummer, Artvest  
 16 Partners, Dated July 8, 2014", marked for  
 17 identification.)  
 18 Q. Let me hand you Exhibit 4.  
 19 MR. SOTO: For the record,  
 20 Exhibit 4 is an article prepared by Zhang Yi,  
 21 which is Z-h-a-n-g, Yi, Y-i, two separate words  
 22 entitled "Review of Expert Witness Report of  
 23 Michael Plummer, Artvest Partners, Dated July 8,  
 24 2014."  
 25 Q. Have you seen this before?



1 Michael Plummer  
 2 A. I have, yes.  
 3 Q. It's one of the supplements or one  
 4 of the exhibits to Mr. Wiener's report, correct?  
 5 A. Correct.  
 6 Q. Did you review this?  
 7 A. I did.  
 8 Q. Will you take a look at that report  
 9 in paragraphs 7 through 8?  
 10 A. Yes.  
 11 Q. He states that your analysis as to  
 12 Christie's evening sales was incorrect, I'm  
 13 quoting him:  
 14 "The Artvest Report is incorrect  
 15 about Christie's auction data for the evening  
 16 sales of Impressionist and Modern Art. The  
 17 turnover of that section on May 6th was  
 18 \$285.9 million, and the estimate was between  
 19 \$244.5 million to \$360.4 million." Do you see  
 20 that?  
 21 A. Right.  
 22 Q. Did you check this man's data to  
 23 determine whether you were right or he was  
 24 right?  
 25 A. I did.

1 Michael Plummer  
 2 Q. What was the result?  
 3 A. I was right. What's curious is  
 4 that I have here the 172 is the hammer price,  
 5 and we say that that's the hammer price, and he  
 6 seems to be disregarding that because he's using  
 7 the price plus the buyer's premium which, as I  
 8 told you, distorts the market. So he seems not  
 9 to be adjusting, making the proper adjustments  
 10 we are which shows the real activity in the  
 11 marketplace.  
 12 Q. So the difference between the 285.9  
 13 number that Mr. Yi refers to you believe that it  
 14 includes the buyer's premium?  
 15 A. It includes the buyer's premium,  
 16 but it looks like it includes something else. I  
 17 checked the 172 million and that is the correct  
 18 price, or the hammer price.  
 19 Q. Looking at paragraph 25 B in your  
 20 report, page 10. Your analysis assumes that the  
 21 increase in international art purchases, and I'm  
 22 quoting you here, is not likely to be repeated  
 23 over the next five years. In fact, with growth  
 24 now concentrated almost exclusively in the Post  
 25 War Contemporary sector, I estimate that

1 Michael Plummer  
 2 excluding a price disruption in this sector,  
 3 growth of the art market will remain choppy over  
 4 the near to mid-term in all other sectors other  
 5 than Post War and Contemporary?  
 6 A. Um-hum.  
 7 Q. What's the basis for that opinion?  
 8 A. The basis for that is, as I said,  
 9 all of the data that I talked to you before, all  
 10 of the conversations I talked to you about,  
 11 everything that I've mentioned up to now as to  
 12 my sources of information.  
 13 I should add that I used this in my  
 14 analysis for Citibank last year in the problems  
 15 that Christie's was facing going into the  
 16 future, and the activist investors, Dan Loeb and  
 17 the others, based their activity with Sotheby's  
 18 based on my analysis with Christie's.  
 19 So I would say that my theory is  
 20 not just something that I pulled out of the air,  
 21 but something that is grounded in real world  
 22 experience that others have taken action on,  
 23 financial action on.  
 24 Q. Turn again to Mr. Yi's analysis in  
 25 your report, Exhibit 4. Exhibit 4, page 6 of

1 Michael Plummer  
 2 that exhibit?  
 3 MR. IRWIN: Did you say paragraph 6  
 4 or page 6?  
 5 MR. SOTO: Page 6, paragraph 21.  
 6 Q. Take a moment to read that. I  
 7 assume you have read it before?  
 8 A. Yes. He's saying the opposite of  
 9 what I say. As I said, he may not have  
 10 evidence, but he's not active in the art world  
 11 the way I am on a day-to-day basis.  
 12 Actually, and let me add that I  
 13 have actually had this conversation with Clare  
 14 McAndrew who writes the report that he's  
 15 purporting to actually represent, and she  
 16 actually has agreed with me.  
 17 Q. Looking then back on the TEFAF  
 18 report that you rely on in your report. It  
 19 states that:  
 20 "Emerging markets are increasing  
 21 their importance in the global wealth hierarchy  
 22 and have been growing at faster rates than more  
 23 developed markets, a trend that is expected to  
 24 continue."  
 25 Did you disagree with the TEFAF

1 Michael Plummer  
 2 report?  
 3 A. No, I don't agree with that -- I  
 4 don't disagree with that.  
 5 Q. Where is the disconnect then  
 6 between your view that this -- are they talking  
 7 about two different sectors of art, is that what  
 8 I'm missing here?  
 9 The TEFAF report says that emerging  
 10 markets will continue to grow, correct?  
 11 A. They will continue to grow, but it  
 12 doesn't say by how much and at what pace.  
 13 Q. It says at faster rates than  
 14 developed market?  
 15 A. Still, it's not saying what that  
 16 impact will be on the larger art market and what  
 17 percentage. All I'm saying is it's not going to  
 18 be the kind of growth that happened from 2003 to  
 19 2012, some years will be up, some years will be  
 20 down. I'm not denying that there won't be  
 21 growth at all.  
 22 Q. So your analysis is that there  
 23 won't be growth, it just might not be as fast as  
 24 it was before?  
 25 A. It might not be as fast as it was

1 Michael Plummer  
 2 in the past.  
 3 Q. Turning to page 25 of your report.  
 4 Under museum purchases you state that:  
 5 "Few sales would be to other  
 6 museums, both because other museums are likely  
 7 to boycott such sales, as well as because  
 8 funding constraints limit their participation in  
 9 the marketplace." Correct?  
 10 A. Correct.  
 11 Q. What is the basis for your  
 12 statement that museums are likely to boycott the  
 13 sale?  
 14 A. Comments made by other museum  
 15 professionals to me.  
 16 Q. Those were again not at the DIA,  
 17 but at other museums?  
 18 A. At other museums.  
 19 Q. I think you testified earlier you  
 20 spoke to about 20 people?  
 21 A. People either in museums or  
 22 associated with museums.  
 23 Q. Can you recall which museums you  
 24 spoke with about the potential sale of art at  
 25 the DIA?

1 Michael Plummer  
 2 A. I promised the people that I talked  
 3 to that I would not reveal who they were.  
 4 Q. Assuming for the moment that the  
 5 DIA did sell its collection, is it your opinion  
 6 that museums would refuse to bid on the, I think  
 7 you described it as once in a lifetime sale  
 8 artworks that you described earlier?  
 9 A. I think there are a number of  
 10 obstacles in the bidding. I think that they  
 11 would be reluctant to, some of them would  
 12 boycott, some of them would have difficulty --  
 13 most of them would have difficulty coming up  
 14 with the funding of the magnitude of some of the  
 15 master works.  
 16 Q. Let's take the example of "The  
 17 Wedding Dance"?  
 18 MR. IRWIN: Sorry, are you done?  
 19 Q. I'm sorry.  
 20 A. I'm not sure. For the moment I'm  
 21 done.  
 22 Q. Take the example of "The Wedding  
 23 Dance" by Peter Bruegel. Is it your testimony  
 24 here that museums would -- if it was going to be  
 25 sold as a City work of art by the DIA, is it

1 Michael Plummer  
 2 your opinion that there would be no museums that  
 3 would bid on that once in a lifetime sale of  
 4 art?  
 5 A. No, I didn't use any -- I never  
 6 used no or all or anything; I just said that it  
 7 would not be the solution that people might  
 8 think it is. I can't sit here and say that no  
 9 one would bid on anything, but I can sit here  
 10 and say that if you're liquidating 100 master  
 11 works that are worth, you know, a billion  
 12 dollars or \$800 million, whatever it works out  
 13 to be, that the museum community is going to  
 14 come up with \$800 million to be able to buy  
 15 those works of art.  
 16 (Plummer Exhibit 5, Article by  
 17 Katherine Boyle from the Washington Post, dated  
 18 October 6, 2013, entitled "Poor Detroit: What  
 19 money giveth, It can taketh away", marked for  
 20 identification.)  
 21 BY MR. SOTO:  
 22 Q. Let me hand you Exhibit 5.  
 23 Exhibit 5 is an article by Katherine Boyle,  
 24 B-o-y-l-e, from the Washington Post, dated  
 25 October 6, 2013, it's entitled "Poor Detroit:

1 Michael Plummer  
 2 What money giveth, It can taketh away." Do you  
 3 see that?  
 4 A. Yes.  
 5 Q. Have you reviewed this article  
 6 before?  
 7 A. I have, yes.  
 8 Q. What occasioned your review of this  
 9 article?  
 10 A. I read it when it came out.  
 11 Q. The article discusses the potential  
 12 sale at the DIA, correct?  
 13 A. Right.  
 14 Q. Certainly read all of it. If you  
 15 read it already I'm going to ask you some  
 16 questions on the second page where you're  
 17 quoted?  
 18 A. Um-hum.  
 19 Q. As saying:  
 20 "In situations where a museum is  
 21 deaccessioning important pieces, boycotts are  
 22 rare. It's a market driven by opportunism, and  
 23 this would be an opportunity. While one  
 24 collector sits on their hands, another won't."  
 25 Do you see that?

1 Michael Plummer  
 2 A. Aha.  
 3 Q. Did you still agree with that  
 4 statement?  
 5 A. This is part of a much fuller  
 6 conversation which got distilled down into two  
 7 sound bites in this piece. What I said was much  
 8 more nuanced, and I think is reflected in my  
 9 report which is, when I said that the taint  
 10 would happen in this collection I was  
 11 referring -- in terms of my numeric approach I  
 12 only applied it to the American sector, and the  
 13 reason for doing that is reflected -- this  
 14 comment reflects that.  
 15 I think outside of America the  
 16 buyers will be less impacted, they'll be less  
 17 concerned about whether it's from the Detroit  
 18 collection. That kind of nuance gets lost in an  
 19 article in the Washington Post, they're just  
 20 trying to get a couple of sound bites out of  
 21 you, but I think it's better reflected in my  
 22 report.  
 23 Q. In the Washington Post you were  
 24 essentially stating in your opinion that in a  
 25 more global market one collector might sit on

1 Michael Plummer  
 2 their hands, but another won't?  
 3 A. Right.  
 4 Q. You still agree with that, correct?  
 5 A. And that applies to the  
 6 Impressionist sector and the Contemporary  
 7 sectors where I did not factor in a discount.  
 8 But in the American market, for reasons stated  
 9 in the report, I do think people would sit on  
 10 their hands and they would not be opportunistic.  
 11 Q. Is it your view that people in the  
 12 global market are not interested in American  
 13 Art?  
 14 A. Yes. American Art is collected  
 15 almost exclusively by -- no, not almost, it is  
 16 collected exclusively by Americans.  
 17 Q. You further state in this article:  
 18 "There's an enormous amount of  
 19 wealth in this country, and we have some of the  
 20 most active buyers at auction. We shouldn't  
 21 immediately come to the conclusion that someone  
 22 from overseas would buy these works."  
 23 Do you remember making that  
 24 statement?  
 25 A. I do.

1 Michael Plummer  
 2 Q. There you're talking about the  
 3 wealth in America, correct?  
 4 A. Right. I was specifically refer to  
 5 the Post War and Contemporary sector where I did  
 6 not take a discount because, unlike the American  
 7 sector, I don't think the collectors in that  
 8 sector care much about the DIA and would be  
 9 quite -- could be voracious in going after some  
 10 of the works in that collection.  
 11 Q. So the paragraph above the quote I  
 12 just read you says:  
 13 "It's also possible American Art  
 14 collectors would respond to keep the works in  
 15 this country. Some of the most expensive works  
 16 purchased at auction have been sold to American  
 17 collectors: Hedge fund manager Steven Cohen  
 18 bought Picasso's "Le Reve" for \$155 million.  
 19 Billionaire financier Leon Black bought one of  
 20 Edward Munch's "The Scream" for \$120 million.  
 21 It's possible that major museums could partner  
 22 with wealthy buyers to keep the most expensive  
 23 works in the United States." Correct?  
 24 A. I didn't say this, this is the  
 25 author's language.

1 Michael Plummer  
 2 Q. Do you think that's correct?  
 3 A. I don't know. I don't know  
 4 because -- I don't want to speculate on these  
 5 individuals and the logic of this because I  
 6 don't necessarily agree with it.  
 7 Q. There would be wealthy Americans  
 8 who might want to keep American Art in America,  
 9 correct?  
 10 A. Well, American Art wouldn't --  
 11 there are no buyers for American Art outside of  
 12 America. I'm saying American Art will be  
 13 difficult to sell at all because the collector  
 14 base would find the collection tainted.  
 15 Q. Even private individuals, like  
 16 these wealthy hedge fund owners?  
 17 A. Well, these hedge fund owners don't  
 18 buy American Art.  
 19 Q. Is that your statement?  
 20 A. Let me clarify. We're talking  
 21 about American Art pre-1950; all of the examples  
 22 here are Contemporary Art or Modern Art. Steve  
 23 Cohen does not buy American Art pre-1950, Leon  
 24 Black, to my knowledge, doesn't buy American Art  
 25 pre-1950, so I don't think that this is really

1 Michael Plummer  
 2 relevant to the point I'm making.  
 3 They do buy Contemporary Art, which  
 4 I mentioned earlier was a sector that I do think  
 5 that this logic -- the logic that buyers would  
 6 bid in that area.  
 7 Q. Let's go to page 26 of your report.  
 8 Paragraph 39 you state:  
 9 "In this section, I anticipate and  
 10 quantify various different potential factors  
 11 that, based on either current market conditions  
 12 or historic precedent, are likely to have a  
 13 financial effect on the sale of the art from the  
 14 DIA collection. Many of these factors are not  
 15 taken into account in any standard appraisal or  
 16 fair market situation. I also apply the  
 17 discount factors for various sale scenarios."  
 18 Do you see that?  
 19 A. Um-hum.  
 20 Q. Now we've discussed some of these  
 21 issues before, correct?  
 22 A. Um-hum.  
 23 Q. Didn't you say that you conducted a  
 24 fair market value evaluation, correct?  
 25 A. Correct.

1 Michael Plummer  
 2 Q. So in addition to the fair market  
 3 value evaluation, you added additional elements  
 4 that you refer to as factors that are not taken  
 5 into account in the standard appraisal, correct?  
 6 A. Correct.  
 7 Q. Is there a reason why you wouldn't  
 8 have included those factors in your appraisal to  
 9 begin with, why those factors wouldn't be  
 10 included if you're really trying to get a fair  
 11 market value?  
 12 Doesn't that mean when you said  
 13 earlier what a willing seller would sell at and  
 14 what a willing buyer would buy at?  
 15 MR. IRWIN: Form.  
 16 A. I felt that the way to get the most  
 17 transparent and accurate -- the most transparent  
 18 and logical approach was to apply it en mass so  
 19 that the reasoning could be understood. I'll  
 20 give you a counter-example which is that Wiener  
 21 approach provided a supplement, he did it piece  
 22 by piece, but it's not transparent. So it's not  
 23 understandable what methodology he used and how  
 24 he applied it. Here you can see my logic, you  
 25 can understand it and you can debate it.

1 Michael Plummer  
 2 Q. Would you agree with me that some  
 3 appraisers, like even some you're familiar with,  
 4 would include some of the factors you used in  
 5 coming at an appraisal value?  
 6 A. They might consider some of them  
 7 for certain pieces but not for others, some of  
 8 these they wouldn't consider the all.  
 9 Q. Let me go through your opinions and  
 10 get some information on the basis other than  
 11 what might be here. So on paragraph 41 which is  
 12 on page 26 you say:  
 13 "An immediate liquidation of the  
 14 art collection will result in selling the DIA  
 15 collection at a fraction of its fair market  
 16 value."  
 17 Do you see that?  
 18 A. Um-hum.  
 19 Q. What's the basis of that  
 20 conclusion?  
 21 A. Well, I give examples below, or the  
 22 example below, the Matisse collection, which is  
 23 a classic example of that. I think that you  
 24 could even look at the offers on the table for  
 25 that Houlihan Lokey brought forward as actually

1 Michael Plummer

2 examples of exactly that, that they are offers  
3 to get a block of property below value and at a  
4 serious discount.

5 Q. So the reason why an immediate sale  
6 would bring a fraction of it, other than the  
7 examples you've given would be what, there's too  
8 much art on the market at one time; is that it?

9 A. There are actually various points  
10 to support this. One is this real-life example  
11 of Acquavella. Two is that if you put too much  
12 of a certain thing on the market you will  
13 depress prices, which is a blockage discount.  
14 Three, there is the fact that I use as a rule of  
15 thumb -- I mean, in the art market it is  
16 standard practice that the loan to value ratio  
17 for an art loan is 50 percent.

18 And the logic behind that, and this  
19 is something that I -- when I mentioned to you  
20 that I was setting up lending capacities with  
21 banks at Christie's, this is a philosophy I got  
22 into with great complexity with the underwriters  
23 at various banks that the -- this is a  
24 long-standing tradition in the art market,  
25 because 50 percent is felt to be a -- the most

1 Michael Plummer

2 works of art if they have sold quickly. So I  
3 didn't need to do a survey, this is based on  
4 real world experience.

5 Q. So in your experience, how many  
6 loans have you participated in to date?

7 A. I don't know, but many.

8 Q. More than 10?

9 A. More than 10.

10 Q. More than 20?

11 A. Possibly. I haven't kept count.

12 Q. More than 30?

13 A. Possibly. I don't remember.

14 Q. What would be your outside number?

15 A. I don't know. There are not just  
16 loans that have gone through, there are loans  
17 that have been negotiated that have not gone  
18 through. There are multiple discussions for  
19 things that don't come to fruition.

20 Q. I'm trying to understand the basis  
21 for your opinion. Based on the experience that  
22 you have just described, possibly more than 30  
23 as you put it; you're saying that those loans  
24 take the art as collateral under the assumption  
25 that on a quick sale it would only get

1 Michael Plummer

2 valid number for a fast sale of a work of art  
3 which is why it is used in lending.

4 That is supported by the fact that  
5 nearly every lender uses that number. Now,  
6 notwithstanding that, Art Capital Group used  
7 20 percent in its offer to the DIA, but that's  
8 an exceptional circumstance and an exceptional  
9 offer.

10 Q. So beyond your experience with  
11 Citibank, were there any other studies that you  
12 relied on for the 50 percent number?

13 A. No. I'm saying that there were no  
14 studies. I'm saying that with my experience  
15 with all the art -- I have a relationship with  
16 all of the art lenders in the art industry and  
17 do business with most of them. I'm saying that  
18 the practices amongst all of them, and including  
19 Sotheby's and Christie's, and in developing the  
20 art lending program at Christie's where we use  
21 the same practice, it is 50 percent.

22 It is 50 percent because that has  
23 been a long-standing custom, business custom in  
24 the art world, that that is a value you can  
25 expect to get from a work of art or a group of

1 Michael Plummer

2 50 percent of whatever the value is?

3 A. Right.

4 Q. So for collateral purposes, if they  
5 had to have a quick sale then they would assume  
6 they would only get 50 percent; and that's the  
7 point you're making, correct?

8 A. Yes.

9 Q. Then you extend that analysis and  
10 say so, if there had to be a quick sale of the  
11 DIA art, you would expect that the most you  
12 would get is 50 percent of what its value is; is  
13 that what you're saying?

14 A. That is what I'm saying. I'm  
15 saying that it's based on not just that loan  
16 criteria, but also the real world experience of  
17 Acquavella, and also the current offers on the  
18 table for the DIA collection from Houlihan  
19 Lokey. I think that they reflect that kind of  
20 thinking and valuation.

21 Q. Why do you assume that there would  
22 have to be a quick sale of the loan to the DIA  
23 for its art?

24 A. I'm not assuming there has to be.  
25 I'm assuming that if this route were taken this

1 Michael Plummer  
 2 would be the outcome.  
 3 Q. If there were a quick sale?  
 4 A. If there were a quick sale. Which  
 5 is one of the reasons why I laid this out in  
 6 this manner, so that we could debate which  
 7 scenarios might take place. I'm not assuming  
 8 that one scenario or another would take place,  
 9 that's for the Court to decide, or the DIA to  
 10 decide, or the City of Detroit to decide; I'm  
 11 just describing what would happen in various  
 12 scenarios.  
 13 Q. So then following your logic, if  
 14 there wasn't a quick sale then this factor  
 15 wouldn't apply; if there was a sale over time,  
 16 over a long period of time?  
 17 A. I outlined that scenario later on  
 18 and I do not use a blockage discount in that  
 19 scenario.  
 20 Q. In the Matisse example that you  
 21 provided, that you were referring to earlier, do  
 22 you know what the loss factor was there?  
 23 A. I don't. That data wasn't  
 24 available to me.  
 25 Q. Did you do the analysis?

1 Michael Plummer  
 2 A. I count the numbers from Sotheby's  
 3 report. That data is internal Sotheby's data  
 4 and it's not available.  
 5 Q. Let's turn to the blockage discount  
 6 again, page 27 of your report. You state that a  
 7 blockage discount is similar to an immediate  
 8 liquidation discount, correct?  
 9 A. Correct.  
 10 Q. But results from selling a large  
 11 group of similar items in a short time, correct?  
 12 A. Correct.  
 13 Q. That's what you describe as a  
 14 blockage discount?  
 15 A. Right.  
 16 Q. Is there anything else you would  
 17 describe as a blockage discount?  
 18 MR. IRWIN: Form.  
 19 A. I don't know what you're really  
 20 asking me. I think this is sufficient for the  
 21 purposes here.  
 22 Q. So this assumes that the pieces  
 23 would be sold in a short period of time again,  
 24 correct?  
 25 A. Yes, it is.

1 Michael Plummer  
 2 Q. What do you qualify as a short  
 3 period of time?  
 4 A. I don't think I specified here, but  
 5 I would say anything other than an orderly  
 6 liquidation which is given, and the other  
 7 example would be a short period of time.  
 8 Q. I have no idea what that means.  
 9 What would you say is an ordinary liquidation?  
 10 A. Further on I do say what an orderly  
 11 liquidation is, five to eight years is what I  
 12 say.  
 13 Q. So anything other than a five to  
 14 eight year sale would be a short period of time?  
 15 A. Yes. I mean, I hadn't thought  
 16 about three, five years or whatnot; but I would  
 17 say if you sold it in a one to two-year period  
 18 you would be facing a liquidation issue.  
 19 Q. Let me see if I get this right. A  
 20 one to two-year period you clearly would be  
 21 facing a blockage discount, correct?  
 22 A. Or a liquidation discount.  
 23 Q. Or a liquidation discount, but  
 24 maybe beyond that it would depend?  
 25 A. Correct, it would depend.

1 Michael Plummer  
 2 Q. So if the items were not sold in  
 3 the short period of time, then again this  
 4 blockage discount might not apply, correct?  
 5 A. Correct.  
 6 Q. What is the blockage discount that  
 7 you applied?  
 8 A. In this instance I -- well, I  
 9 really treat it as liquidation discount, which  
 10 is 50 percent.  
 11 Q. So you used that same 50 percent  
 12 number?  
 13 A. Yeah, in the charts I didn't  
 14 differentiate, I only applied one discount, a  
 15 liquidation discount. I didn't differentiate  
 16 between blockage and liquidation.  
 17 Q. Again, do you have any studies to  
 18 support the application of this discount rate  
 19 and the blockage discount?  
 20 A. No. I rely on the data that I just  
 21 gave you on the liquidation discount.  
 22 MR. IRWIN: For clarification  
 23 purposes. When you're asking these questions do  
 24 you mean other than what's stated in the report?  
 25 MR. SOTO: No. He gives me the

1 Michael Plummer  
 2 data in his report, I've looked at that and I'm  
 3 asking him if there's anything other than that,  
 4 because in his report he doesn't have any  
 5 studies, so I'm asking him if there are any  
 6 studies.  
 7 A. I think studies are irrelevant. I  
 8 have real-life experience and I've given you the  
 9 examples.  
 10 Q. So you have real-life experience  
 11 for a number of the loans?  
 12 A. No, I have real-life experience for  
 13 the number of lenders. It is common policy  
 14 amongst all art lenders to use 50 percent. It's  
 15 not just my experience with my loans, it's my  
 16 experience with knowing what Citibank does, what  
 17 JPMorgan does; and having conversations on a  
 18 regular basis with Citibank, with JPMorgan, with  
 19 Chase and HSBC, with Barclays, with all of these  
 20 institutions.  
 21 Q. Do you think as an expert that that  
 22 makes it a more reliable factor, that a lender  
 23 which would want to have collateral for their  
 24 loan requires a 50 percent valuation of an item  
 25 they're taking in as collateral, that somehow

1 Michael Plummer  
 2 liquidation issue right now with a client who's  
 3 defaulted, and we are expecting 50 percent.  
 4 Q. Is there any publicly available  
 5 data that we can review to determine the  
 6 validity of your opinion?  
 7 A. No, but I would suggest if you  
 8 wanted to speak to some of the banks that I've  
 9 referenced, they would probably support my  
 10 opinion.  
 11 Q. Right. Again, the banks are  
 12 looking for collateral. I'm asking for publicly  
 13 available data on sales?  
 14 A. I think if you would ask some of  
 15 the banks about some of their liquidations you  
 16 might find data.  
 17 MR. IRWIN: Outside of the report?  
 18 Outside of the example, the Acquavella example  
 19 that he gives in the report?  
 20 MR. SOTO: Right.  
 21 MR. IRWIN: So other than  
 22 Acquavella.  
 23 MR. SOTO: We've already seen  
 24 Acquavella. Acquavella doesn't come to  
 25 50 percent by the way, but that's a different

1 Michael Plummer  
 2 that's indicative of what the market would be?  
 3 A. That is their view of a liquidation  
 4 value, and having worked through liquidations at  
 5 Sotheby's and Christie's that has turned out to  
 6 be generally a fair number to use in real life.  
 7 Q. So that's what I was asking. I'm  
 8 asking you for real-life examples; not what a  
 9 banker that wants to make a loan might want for  
 10 his collateral, but in fact what an immediate  
 11 sale brings in.  
 12 In your experience, how many  
 13 immediate sales did you work on at Sotheby's?  
 14 A. At Sotheby's and Christie's, I  
 15 don't remember because that's a long time ago;  
 16 but there were a number of them that I either  
 17 worked on or reviewed in the prospect of setting  
 18 up the program at Christie's, and 50 percent was  
 19 a valid number to use.  
 20 Q. So what you're saying is that in  
 21 your experience and this unknown number of  
 22 immediate sales, that what you would expect to  
 23 get for a valued piece of art is about  
 24 50 percent of whatever its value was?  
 25 A. Correct. I'm working on a

1 Michael Plummer  
 2 issue.  
 3 BY MR. SOTO:  
 4 Q. Is there any privately available  
 5 data that you could point me to that in  
 6 immediate sales sellers realize, generally  
 7 speaking, 50 percent of the value of their art?  
 8 A. I don't know what else I can point  
 9 you to.  
 10 Q. You state that the IRS for tax  
 11 purposes uses a discount range between  
 12 25 percent and 46 percent?  
 13 A. Yes.  
 14 Q. That's a pretty wide range,  
 15 correct?  
 16 A. Correct.  
 17 Q. What is that rate based on?  
 18 A. It's based on the precedence set in  
 19 the case in the estates of David Smith and  
 20 Georgia O'Keeffe, as I outlined here.  
 21 Q. Would you agree with me that the  
 22 blockage discount applied for tax purposes is  
 23 different than that applied in a sale itself?  
 24 A. Yes.  
 25 Q. Looking at page 27 of your opinion.

1 Michael Plummer  
 2 We're on paragraph 44 where you talk about  
 3 unsold rates. Your report states, "Standard  
 4 appraisals and valuations do not take into  
 5 account auction unsold rates."  
 6 Do you see that?  
 7 A. Yes.  
 8 Q. Again, when you refer to "unsold  
 9 rates" are you referring to what you testified  
 10 about earlier, which is items that would have  
 11 been offered for sale at an auction, but didn't  
 12 actually sell?  
 13 A. Correct.  
 14 Q. Then those auctions would be --  
 15 those items would be then either given back to  
 16 the original owner or offered again at a lower  
 17 rate?  
 18 A. Correct.  
 19 Q. Is that it?  
 20 A. Correct.  
 21 Q. That's the unsold rate. Is it  
 22 possible, I mean I see your statement, but I'm  
 23 wondering is it even possible to factor this in  
 24 advance of a sale?  
 25 How do you know what's not going to

1 Michael Plummer  
 2 sell in advance of a sale?  
 3 A. Well, you don't, but you can say  
 4 you're going to sell 100 percent of the property  
 5 is the point I'm making. So to take the full  
 6 valuation and expect that you're going to get  
 7 that valuation, and not account for unsold, is  
 8 an incorrect way to determine your value,  
 9 because you have a rather substantial amount  
 10 that's going to remain unsold. I think it's  
 11 particularly misleading in a situation like this  
 12 where decisions are being made on the ultimate  
 13 value.  
 14 Q. Why is that?  
 15 A. Well, because I think if you don't  
 16 include it, it overstates the value and  
 17 liquidity.  
 18 Q. I see what you mean. Let me see if  
 19 I see what you mean. You mean it overstates the  
 20 value of the overall collection because there  
 21 will be some that won't be sold?  
 22 A. And it also overstates the  
 23 liquidity, and the liquidity is something that  
 24 we write and talk about in the market a lot,  
 25 because the market is an extremely illiquid

1 Michael Plummer  
 2 market and the unsold rates are part of that  
 3 illiquidity problem.  
 4 So if you have an appraisal that  
 5 says that you have \$100 million worth of  
 6 property, and you're expecting to get \$100  
 7 million worth of cash when \$20 million of that  
 8 isn't go to sell, you have a illiquid value of  
 9 \$80 million, and that's a big variance.  
 10 Q. You don't think you're taking the  
 11 unsold rate and discount it and factor it in  
 12 twice?  
 13 In other words, what you're saying  
 14 is the unsold rate is if you don't take it into  
 15 account you're distorting the overall value of  
 16 the collection because there's going to be  
 17 something that isn't sold.  
 18 Then you're also saying that in  
 19 addition to that, you're overstating the  
 20 liquidity and another factor has to be taken in?  
 21 A. No.  
 22 Q. It's that same factor?  
 23 A. It's the same factor.  
 24 Q. Okay. I just want to make sure.  
 25 You state that the average unsold rate is

1 Michael Plummer  
 2 20 percent, correct?  
 3 Again, let me ask you, what's the  
 4 source of those rates?  
 5 A. It's in the back, it's an exhibit  
 6 in the back. It's the Christie's and Sotheby's  
 7 data actually which Wiener used for his own  
 8 estimates of the collection.  
 9 Q. Your chart also lists the average  
 10 unsold rates for different sectors, correct?  
 11 A. Yes.  
 12 Q. That's because you're taking it  
 13 from the Christie's and Sotheby's data for  
 14 different sectors?  
 15 A. Yes.  
 16 Q. Why did you apply an average unsold  
 17 rate of 20 percent when the data that you  
 18 supplied you used an average rate of 20 percent?  
 19 A. I'm sorry?  
 20 Q. You applied an average unsold rate  
 21 of 25 percent for the DIA. Look at page 28,  
 22 Table 4?  
 23 A. What page are you on?  
 24 Q. Page 28 of your report, it's got a  
 25 table. Correct me if I'm reading this wrong.



1 Michael Plummer

2 You have your top four sectors listed, correct?

3 A. Right.

4 Q. Then you have a balance of  
5 collection 20 percent, 25 percent. So the  
6 average you used, if I'm understanding it right,  
7 it says here in D:

8 "It is important to note that much  
9 of this unsold property could and would be sold  
10 over time, but it is customary business practice  
11 to devalue a work by 20% of the low estimate  
12 after it has bought in."

13 So you're saying here's going to be  
14 the average?

15 A. Right.

16 Q. I thought you were saying the  
17 average unsold was 20 percent, so you do a  
18 discount of 20 percent for the unsold. You do a  
19 discount of the entire valuation because  
20 20 percent of it is going to be unsold, correct?

21 A. I'm not discounting the collection  
22 here, I'm just showing what the potential of the  
23 BIs could be. I actually do it differently in  
24 the present value calculation, where I actually  
25 do a more thorough analysis where I discount the

1 Michael Plummer

2 unsold and then I add them back in a few years  
3 later after -- at a 20 percent valuation.

4 So that's more reflective of my  
5 thinking on this. This was just an illustrative  
6 of the potential for unsold in different  
7 categories.

8 Q. So this is just illustrating the  
9 potential into categories, but when you did the  
10 calculation you did use a 20 percent discount  
11 value?

12 A. I did use the 20 percent discount  
13 value.

14 Q. That's what I'm trying to get at.  
15 Page 28, paragraph 45. In your report you state  
16 that:

17 "The size of a liquidation of the  
18 DIA collection would be beyond Christie's and  
19 Sotheby's guarantee capacities."

20 What's the basis of that  
21 conclusion?

22 A. The basis of that is the Sotheby's  
23 financial statement with their loan limitations,  
24 which I dictate below. I also, having been  
25 inside Christie's and knowing their balance

1 Michael Plummer

2 sheet, and knowing their balance sheet  
3 limitations, I know what they have to spend on  
4 guarantees and what their limitations are.

5 Q. So it's your assumption then that  
6 if they wanted to participate in something like  
7 this, they couldn't get any other financing to  
8 be able to participate in it?

9 A. I think that this would be a very  
10 large level of risk, and in the past when  
11 Sotheby's and Christie's were presented with  
12 collections of this size they have chosen not to  
13 go out and get a financing partner for it. So  
14 based on past experience I would say so.

15 Q. But you don't know if that's a set  
16 policy, correct?

17 A. I don't know if it's a set policy.

18 Q. It's been a while since you worked  
19 for either Sotheby's or Christie's?

20 A. It's been a while since I worked  
21 for either Sotheby's or Christie's.

22 Q. You state that on page 29,  
23 paragraph 46 --

24 A. We're assuming that Sotheby's and  
25 Christie's would be wanting to sell them in the

1 Michael Plummer

2 first place.

3 Q. I'm just asking the questions, I'm  
4 not assuming what they would do. Do you?

5 A. No.

6 Q. Paragraph 46, page 29. You state  
7 in your report that the auction houses may,  
8 "refuse to sell due to the controversy  
9 surrounding a disposition and potential damage  
10 to their brand and relationships with the  
11 broader Museum community"?

12 A. Yes.

13 Q. You testified about this earlier?

14 A. Correct.

15 Q. Do you have anything more to add to  
16 that testimony that you recollect, now that  
17 you're looking at your opinion here?

18 A. No, I think I covered this, I  
19 covered this earlier.

20 Q. I didn't ask you earlier. Did you  
21 speak to anyone at Christie's about this  
22 opinion?

23 A. Someone at Christie's expressed  
24 their opinion to me in a social setting.

25 Q. Off the record?

1 Michael Plummer  
 2 A. Off the record.  
 3 Q. And you couldn't give me their name  
 4 because you promised not to?  
 5 A. Yes.  
 6 Q. What about Sotheby's?  
 7 A. I did not have a conversation with  
 8 Sotheby's about it.  
 9 Q. Christie's did complete and submit  
 10 their report that you relied on in your opinion,  
 11 correct?  
 12 A. Um-hum.  
 13 Q. So despite what you described  
 14 earlier as bad press they didn't back out of it,  
 15 they finished the work and they got it done,  
 16 correct?  
 17 A. Correct.  
 18 Q. You also note that the impact of  
 19 not selling through Sotheby's or Christie's  
 20 would reduce the sale value by 20 to 40 percent?  
 21 A. Right.  
 22 Q. Other than your subjective belief  
 23 that it would reduce it by 20 to 40 percent not  
 24 to sell it through Sotheby's and Christie's,  
 25 what is the basis of this discount factor?

1 Michael Plummer  
 2 MR. IRWIN: Form. Go ahead.  
 3 A. The basis is I have samples of  
 4 others earlier in the report where the valuation  
 5 ranges in works of art by various artists are  
 6 off by a larger percentage than that. So I felt  
 7 this was a conservative approach based on those  
 8 examples I gave, and my own personal experience  
 9 of buying in the marketplace on behalf of the  
 10 buyers and selling.  
 11 Q. The examples you're referring to  
 12 are the examples in the report?  
 13 A. In the report.  
 14 Q. Any others?  
 15 A. No.  
 16 Q. Given the volume of the artworks at  
 17 the DIA, wouldn't it be wise to sell that many  
 18 artworks to a variety of sources, including  
 19 maybe a variety of auction houses?  
 20 A. You could do it, I just believe  
 21 that if you sell other than at Sotheby's and  
 22 Christie's you won't get the prices.  
 23 Q. Let me ask you to turn to page 31.  
 24 We're just flying through this thing, paragraph  
 25 49. You state that:

1 Michael Plummer  
 2 "For a collection of the magnitude  
 3 of the DIA's, maximizing art asset value  
 4 requires selling over a minimum of five to eight  
 5 years." Correct?  
 6 A. Um-hum.  
 7 Q. That's what you testified about  
 8 just a moment ago, correct?  
 9 A. Correct.  
 10 Q. What is that estimated time period  
 11 based on?  
 12 A. Well, I mentioned much earlier in  
 13 the testimony that that is essentially the plan  
 14 of almost any art investment structure out  
 15 there, that it would be a six to eight year  
 16 period. That's just a commonly held belief and  
 17 practice that the market can only absorb so much  
 18 material at a time, and if you're going to  
 19 maximize value you need to have a lengthy, a  
 20 long enough ramp time so that you can pick and  
 21 choose your seasons and your periods and put the  
 22 property in the right auctions.  
 23 Q. I'm glad you clarified that,  
 24 because I thought when you were testifying  
 25 earlier, that what you were saying is if you

1 Michael Plummer  
 2 were going to set up an investment fund you have  
 3 to hold the art for five to eight years before  
 4 you begin the process of selling, so that it has  
 5 some ability to increase in value; but you were  
 6 saying something different now?  
 7 A. No, I'm not. I'm saying the same  
 8 thing. I'm saying that you would hold the art  
 9 for a couple -- you would sell the art from a  
 10 fund over a five to eight year period as well,  
 11 so I'm saying it's consistent.  
 12 Q. You don't have to hold it for a  
 13 five to eight year period then begin to sell it,  
 14 just sell it over a five to eight year period?  
 15 A. Sell it over a five to eight year  
 16 period.  
 17 Q. Thank you. Do you have any  
 18 reliable sources or studies to support this?  
 19 MR. IRWIN: Form.  
 20 A. I do not have anything other than  
 21 common art investment fund practice. However, I  
 22 would say if you wanted to look at the offering  
 23 documents of most of the art investment funds  
 24 out there you would find that strategy  
 25 articulated.

1 Michael Plummer  
 2 Q. Paragraph 32 -- page 32, paragraph  
 3 50. Looking at number C. You say, "Based on  
 4 other museum deaccessions to pay debts." Do you  
 5 see that?  
 6 A. Yes.  
 7 Q. What other art museums do you know  
 8 that have had deaccessions to pay debts?  
 9 A. The de Valera Museum.  
 10 Q. Any others?  
 11 A. Well, the Fisk was one that was  
 12 attempted but blocked, and then it went through,  
 13 but under the agreement of the Attorney General.  
 14 Q. So you have Delaware and Fisk in  
 15 Tennessee, correct?  
 16 A. Yes.  
 17 Q. Anywhere else?  
 18 A. Then there is also the attempted  
 19 sale of the Rose Museum by Brandeis, but that  
 20 sort of got stopped dead in its tracks. It  
 21 didn't even make it to the point of sale because  
 22 of the public outcry.  
 23 Q. The rose Museum by Brandeis  
 24 University?  
 25 A. Yes.

1 Michael Plummer  
 2 Q. Any others?  
 3 A. Those are the only ones that I  
 4 report and those are the only ones that I am  
 5 aware of at the moment.  
 6 Q. You say, "Court challenges are  
 7 likely from the Michigan Attorney General." Do  
 8 you see that?  
 9 A. Um-hum.  
 10 Q. What is the basis of that? Have  
 11 you spoken to somebody at the Michigan Attorney  
 12 General's office?  
 13 A. No. Based on what has happened to  
 14 various sales in New York and other places, I  
 15 would expect that the Attorney General and also  
 16 the Attorney General has come out, yes, the  
 17 Attorney General has come out as a matter of  
 18 record and says that he opposes the sale. So it  
 19 would be logical to assume that he would bring  
 20 action as Attorney General, as other states  
 21 have.  
 22 Q. When you say the Attorney General  
 23 has come out and said he opposes the sale, are  
 24 you basing that on the Attorney General's  
 25 opinion that the art is held in trust?

1 Michael Plummer  
 2 A. Yes.  
 3 Q. Is there anything else that you're  
 4 basing it on?  
 5 A. And basing it on the activities of  
 6 the New York Attorney General of various sales,  
 7 and the Attorney General of the State of  
 8 Tennessee.  
 9 Q. So assuming the situations in  
 10 Tennessee and New York are not the same because  
 11 they weren't dealing with a city-owned museum, a  
 12 publicly-owned museum; do you have any other  
 13 reason to think that a Michigan State Attorney  
 14 General would oppose the sale?  
 15 MR. IRWIN: Form.  
 16 A. That's not entirely true because  
 17 the Fisk example and the New York Attorney  
 18 General issues on other instances pertained to  
 19 the sale of property that was gifted; and we're  
 20 not just talking about the City of Detroit  
 21 purchase property, we're talking about gifted  
 22 property that was bequested and has  
 23 restrictions.  
 24 So it is not an assumption, or  
 25 illogical to assume, that the Attorney General

1 Michael Plummer  
 2 of Michigan would step in and block the sale of  
 3 property that had been gifted to as a bequest or  
 4 whatever.  
 5 Q. Did you or anyone else at Artvest  
 6 do an analysis of the legal structure that  
 7 existed in Tennessee with respect to the Fisk  
 8 Museum?  
 9 A. That was beyond the scope of our  
 10 job.  
 11 Q. The answer is no then, correct?  
 12 A. No.  
 13 Q. Did you or anyone else at Artvest  
 14 do a legal analysis of the structure of the  
 15 legal position that was involved in the New York  
 16 example that you are giving?  
 17 A. No.  
 18 Q. Did you or anyone else at Artvest  
 19 do an analysis of the legal structure involved  
 20 in the Delaware Museum?  
 21 A. No, we did not.  
 22 Q. Did you retain anyone else to do  
 23 it?  
 24 A. We did not. May we take a break?  
 25 MR. SOTO: Absolutely.

1 Michael Plummer  
 2 THE VIDEOGRAPHER: The time is  
 3 4:26 p.m., and we're going off the record.  
 4 (Short break taken)  
 5 THE VIDEOGRAPHER: The time is  
 6 4:40 p.m., and we're back on the record.  
 7 BY MR. SOTO:  
 8 Q. Looking at page 32, paragraph 50 C.  
 9 Beyond what you've testified about already  
 10 regarding why you think litigation challenges  
 11 are possible, and what you have in your report;  
 12 beyond those two things, is there anything else  
 13 that you rely on to support that opinion?  
 14 A. No.  
 15 Q. So in your statement such as those  
 16 on page 39 of your report where you say, make  
 17 sure I'm quoting it right, "Heirs of former  
 18 donors as well as current donors are likely  
 19 to" --  
 20 MR. IRWIN: Are you in the middle  
 21 of the page?  
 22 MR. SOTO: Yes. I'm trying to find  
 23 it myself.  
 24 A. What page are you on?  
 25 MR. IRWIN: He's on 39.

1 Michael Plummer  
 2 MR. SOTO: I thought I was on 39.  
 3 MR. IRWIN: You are, you were a  
 4 third of the way down.  
 5 MR. SOTO: Paragraph C.  
 6 Q. Where you say:  
 7 "Heirs of former donors, as well as  
 8 current donors, many still prominent leaders in  
 9 the Detroit community, and the DIA corporation  
 10 itself, are likely to pursue every legal option  
 11 necessary to stop or delay the sale of any of  
 12 the art potentially, leading to years of  
 13 litigation."  
 14 Do you see that?  
 15 A. Um-hum.  
 16 Q. You didn't talk to anyone else  
 17 about that other than -- did you talk to anybody  
 18 about it?  
 19 A. No.  
 20 Q. You didn't, okay. Looking at your  
 21 table. Is it your assumption that any  
 22 litigation would be a five-year litigation?  
 23 A. Based on the Fisk, yes.  
 24 Q. So you're basing it on the Fisk  
 25 litigation?

1 Michael Plummer  
 2 A. Yes.  
 3 Q. Again, you didn't do any analysis  
 4 of the Fisk litigation?  
 5 A. No.  
 6 Q. You don't know what was involved  
 7 this?  
 8 A. No.  
 9 Q. You know it didn't involve a  
 10 City-owned museum, correct?  
 11 A. I know it did involve the intention  
 12 of the bequester, and that was at the heart of  
 13 the matter.  
 14 Q. Did you do an analysis of the  
 15 intentions? I think I asked you about this  
 16 earlier, but if I didn't I should ask it now,  
 17 and if I did let me know.  
 18 Did you do an analysis of any of  
 19 the restrictions that might exist on the  
 20 transfer of any of the art that's now part of  
 21 the DIA collection?  
 22 A. I think you did ask it but I'll  
 23 answer it again, I did not.  
 24 Q. Thanks for being patient with me.  
 25 In paragraph -- well it's page 36 of your

1 Michael Plummer  
 2 report, Table 6.  
 3 Here you apply the litigation  
 4 discount factor and reduce the value by an  
 5 additional 2 million, I think it's 2,539,108, do  
 6 you see that?  
 7 A. Right.  
 8 Q. Where did you come up with this  
 9 figure?  
 10 A. It's in the table in the back, the  
 11 calculation is either 70 or 71. I hopes this  
 12 matches the right table with the right  
 13 calculation. So this would match to page 70.  
 14 Q. So page 70 is Exhibit F, Table 8?  
 15 A. Right.  
 16 Q. The present value of orderly  
 17 liquidation?  
 18 A. Right.  
 19 Q. Where does the number come from?  
 20 A. Which number are you asking where  
 21 does that number come from?  
 22 Q. I was asking earlier where did you  
 23 come up with the 2,539,108 as a count for  
 24 litigation?  
 25 A. That is the net effects of these

1 Michael Plummer  
 2 column-by-column calculations of no income until  
 3 year six, only the expense of carrying the  
 4 collection. Then starting in year seven you  
 5 would sell 20 percent of the collection; year  
 6 eight, 20 percent; year 9, 20 percent; 15 in  
 7 year 10; 15 in year 11.  
 8 Taking out -- adding back the  
 9 unsold property we offer three years later, the  
 10 administrative expenses, and then bringing it  
 11 back to a discounted net present value.  
 12 Q. So this table reflects under  
 13 scenario B, litigation Fisk, correct?  
 14 A. Yes.  
 15 Q. Under less average unsold loss  
 16 factor?  
 17 A. Yes.  
 18 Q. You reflect a 26.20 percent loss  
 19 factor, correct?  
 20 A. Right. Then it's added back.  
 21 Q. Where is it added back?  
 22 A. It's added back in year 10 and year  
 23 11.  
 24 Q. So this is the add-back re-offered  
 25 unsold property?

1 Michael Plummer  
 2 A. This table is cut off because this  
 3 goes out for another couple of years, it's just  
 4 cut off here.  
 5 Q. So it goes beyond year 11?  
 6 A. Yeah, it must go on to year 12. I  
 7 don't remember because I don't have it front of  
 8 me.  
 9 Q. Take a look and see if you're  
 10 looking at the same thing I'm looking at?  
 11 A. Yeah. I'm doing this from memory,  
 12 but I think it might go beyond year 11.  
 13 Q. The one I got in the mail didn't.  
 14 So if you have one that does that might be  
 15 helpful?  
 16 A. I could be wrong about this, I'm  
 17 doing this from memory.  
 18 Q. Remember, there's no closed-book  
 19 test here, you can look at everything. So now  
 20 looking at application of discount fees, page  
 21 37, paragraph 56. You state:  
 22 "I conclude that the range of  
 23 values the DIA collection will sell for, using  
 24 the mid estimate value, values, would be between  
 25 1.1 billion for the present value of an orderly

1 Michael Plummer  
 2 sale after a prolonged litigation (the most  
 3 likely outcome, Scenario D) to \$1.8 billion for  
 4 the present value of an orderly liquidation  
 5 without litigation, a less likely outcome." Do  
 6 you see that?  
 7 A. Yes.  
 8 Q. In paragraph 56 you state that:  
 9 "Using the low estimate value of  
 10 about \$2.7 billion, and assuming all of the  
 11 worst factors, including issues with extended  
 12 litigation and a discount for unsold items, the  
 13 value of the collection would sell for between  
 14 0.9 billion to 1.4 billion," correct?  
 15 A. Correct.  
 16 Q. And your analysis is documented on  
 17 Table 7, well I guess Table 6 and 7 on pages 36  
 18 and 37, correct?  
 19 A. Correct.  
 20 Q. You only apply the discount factors  
 21 to the low and mid estimates, correct?  
 22 A. Correct.  
 23 Q. Why didn't you apply them to the  
 24 high estimate?  
 25 A. Because I don't think that the high

1 Michael Plummer  
 2 estimate is relevant to this case.  
 3 Q. So you created a high estimate  
 4 though, didn't you?  
 5 A. I did create a high estimate, yes.  
 6 Q. You say it's not relevant for what  
 7 reason?  
 8 A. Because of the fact of the areas  
 9 where the property is in, the controversy around  
 10 the collection, disagreeing with Wiener on the  
 11 ability to market it and promote it. The high  
 12 estimate really is something that is reserved  
 13 for things that are really sort of untainted,  
 14 that is just stellar property in a hot area, and  
 15 a lot of the DIA property is not in a hot area  
 16 either. So for all of the reasons that I've  
 17 outlined previously.  
 18 Q. Let me see if your methodology is  
 19 what I think it is. You first said you did a  
 20 valuation, correct?  
 21 A. Um-hum.  
 22 Q. And then you said separate and  
 23 apart from that valuation you applied factors to  
 24 what you valued that appraisers might not apply.  
 25 You gave all specific areas of them and we

1 Michael Plummer  
 2 testified at length about them today, or you  
 3 did, correct?  
 4 A. Yes.  
 5 Q. So even though you did an  
 6 evaluation that had a low range, a mid range and  
 7 a high range, you didn't apply any of those  
 8 seven factors to the high range, did you?  
 9 A. No.  
 10 Q. So in addition to taking discounts  
 11 for the seven factors that you say you took into  
 12 account that maybe an appraisal wouldn't, you  
 13 were also adding another factor, which is your  
 14 subjective view that gee, this high rate just  
 15 doesn't apply here?  
 16 MR. IRWIN: Form.  
 17 Q. This high evaluation just shouldn't  
 18 even be applied here, correct?  
 19 A. I said in this particular instance  
 20 I didn't think that it applied.  
 21 Q. So why -- how did you set the high  
 22 valuation to begin with? What did you do to set  
 23 the high valuation to begin with? You looked at  
 24 comparables, correct?  
 25 A. Right.

1 Michael Plummer  
 2 Q. You looked at all the market data  
 3 that was publicly available, correct?  
 4 A. Right.  
 5 Q. You looked at the indices that you  
 6 paid for from some other not publicly available  
 7 sources, correct?  
 8 A. Right.  
 9 Q. You talked to people that you knew  
 10 within Sotheby's and Christie's and others about  
 11 sales that others might not even know about,  
 12 correct?  
 13 A. Right.  
 14 Q. And you contacted individuals in  
 15 the industry that you have contact with on a  
 16 daily basis because of your position in the  
 17 industry, and because of your position as an art  
 18 fair owner and participant that other people  
 19 don't, correct?  
 20 A. Right.  
 21 Q. You took all that information into  
 22 account in deciding I think a low estimate would  
 23 be this, I think a high estimate would be this,  
 24 and I think a middle estimate would be this,  
 25 correct?

1 Michael Plummer  
 2 MR. IRWIN: Form.  
 3 A. The middle estimate is calculated  
 4 based off of a high estimate. If I were to use  
 5 the high estimate I would be saying that of the  
 6 56,000 items, or whatever number it is, they  
 7 would all be selling for the high estimate.  
 8 That the average selling price of the entire  
 9 collection would be selling at the high  
 10 estimate.  
 11 What I've done is I've used the mid  
 12 estimate, because that assumes that you will be  
 13 getting halfway between the low and the high.  
 14 So I'm accounting for the high by a mid  
 15 estimate, that takes into account the high and  
 16 the low. So the idea that the entire collection  
 17 would sell for at the high level is to me  
 18 inconceivable.  
 19 Q. Let me see if I'm understanding  
 20 that. You did a high estimate and a low  
 21 estimate?  
 22 A. Right.  
 23 Q. And the mid is just literally the  
 24 middle range?  
 25 A. Correct.

1 Michael Plummer  
 2 Q. So what you're doing in your  
 3 analysis, if I'm understanding it now, I may be,  
 4 is saying look, in calculating what discounts  
 5 I'm going to take after I do my evaluations,  
 6 I'll take the mid range valuation because in  
 7 your mind, having put together the valuations,  
 8 that's the most likely one. Is that correct to  
 9 say?  
 10 A. I'd say it is -- it and the low  
 11 estimate are likely scenarios. I do not think  
 12 that the high estimate is the likely scenario  
 13 because that presupposes that everything would  
 14 come up a high estimate, or higher.  
 15 Q. So your charts show the discounts  
 16 off the low estimates and the discounts off the  
 17 middle estimates, but they don't show the  
 18 discounts off the high estimates?  
 19 A. Correct.  
 20 Q. So with respect to your ultimate  
 21 conclusion, you've simply eradicated the high  
 22 estimate for purposes of coming to your  
 23 conclusion.  
 24 You have a conclusion as to the low  
 25 estimate with discounts and you have a

1 Michael Plummer  
 2 conclusion as to the mid range with discounts?  
 3 MR. IRWIN: Form.  
 4 A. I don't think that's an accurate  
 5 portrayal because the mid estimate is factored  
 6 by using the high estimate. All I am saying is  
 7 I don't think it is possible to sell everything  
 8 in this collection at an average value of the  
 9 high estimate.  
 10 Q. And you think that it's more likely  
 11 that everything will sell at the low estimate?  
 12 A. I think that it is possible that it  
 13 could sell at the low estimate. Oftentimes  
 14 things sell below the low estimate.  
 15 Q. Wouldn't you agree with me that if  
 16 you took your discounts off the high estimate  
 17 your conclusion would be a higher sale value,  
 18 correct?  
 19 MR. IRWIN: Form.  
 20 A. If I took my conclusions off of the  
 21 high estimate?  
 22 Q. Your discounts?  
 23 A. My discounts, yes, it would be a  
 24 higher valuation.  
 25 Q. And you didn't do that?

1 Michael Plummer  
 2 A. I did not do that.  
 3 Q. You didn't want to do that?  
 4 MR. IRWIN: Form.  
 5 MR. O'REILLY: Form.  
 6 A. I didn't think it was relevant to  
 7 do so.  
 8 Q. But it was relevant to value them,  
 9 as you suggested in your expert report you  
 10 valued them, correct?  
 11 It was relevant to get all that  
 12 information that we just went through, correct?  
 13 A. Correct.  
 14 Q. Based on all of that information  
 15 that was relevant to you, you do have a high  
 16 range, correct?  
 17 A. I do have a high range, yes. I  
 18 would also add that in the art industry, it is  
 19 generally common practice to base most decisions  
 20 off of low estimates; not mid or not high, but  
 21 low.  
 22 Q. What you're doing here is simply  
 23 basing your analysis on the mid and low.  
 24 There's no business decision here, it's just  
 25 your analysis, correct?

1 Michael Plummer  
 2 A. My analysis is based on my business  
 3 practices and the way I conduct my business.  
 4 Q. So when you did your valuations and  
 5 you did your comparables, and you did what all  
 6 that information was and you got information on  
 7 high valued estimates, didn't that take some of  
 8 the market factors into account for those  
 9 estimates?  
 10 A. I don't understand your question.  
 11 Q. So when you do comparables you come  
 12 up with some comparables that are higher and  
 13 some that are lower, correct?  
 14 A. Right.  
 15 Q. That's how you get the high  
 16 estimates and the low estimates, correct?  
 17 A. Right.  
 18 Q. That takes into account market data  
 19 and market information, right?  
 20 A. Right.  
 21 Q. So there must be some market data  
 22 that supports your high estimate, correct?  
 23 A. I'm not arguing that a high  
 24 estimate for a work is wrong. I'm arguing that  
 25 making an assumption that the entirety of the

1 Michael Plummer  
 2 collection would sell at the high estimate is  
 3 not a solid premise for doing this analysis.  
 4 Q. You don't have to do that to show  
 5 the actual discounts off the high estimate. You  
 6 can just have them there, then you can come to  
 7 whatever conclusion you think is appropriate to  
 8 apply to that.  
 9 You could, in fact, have submitted  
 10 a report to the Court that allowed the Court to  
 11 say I see what the discounts are on the high  
 12 estimate, I see what the discounts are on the  
 13 mid-estimate, and I see what the discounts are  
 14 on the low estimate. I'll say let's assume that  
 15 only half of it sells for the high and only half  
 16 of it sells for the low.  
 17 But you didn't do that in your  
 18 report. You didn't give the estimates for the  
 19 high one, did you?  
 20 MR. O'REILLY: Form.  
 21 A. No, I do not.  
 22 Q. So your calculation makes several  
 23 conclusions, doesn't it? Let's look back on  
 24 page 31.  
 25 First of all, on page 31, paragraph

1 Michael Plummer  
 2 49 C, right, you assume that it would take 18  
 3 months to two years to adequately catalog the  
 4 collection in the first place, correct?  
 5 A. Yes.  
 6 Q. What's the basis of that  
 7 assumption?  
 8 A. Based on the preparations that went  
 9 into Albright-Knox and other sales. That you  
 10 have such a quantity of property that in order  
 11 to do the proper amount of research on its  
 12 salability, and how you want to sell it and plan  
 13 for the sale of it, plan for the marketing of  
 14 it, all of that would take an extended period of  
 15 time.  
 16 Q. Are you aware of the fact that the  
 17 DIA has had on other occasions other people look  
 18 at its collection, that may indeed have done  
 19 some of the cataloguing that you're talking  
 20 about here?  
 21 A. I know they've done the  
 22 cataloguing, that's not the same as the  
 23 cataloguing for sale. The cataloguing that's  
 24 already done would be used, but whoever was  
 25 selling it would want to evaluate it from the

1 Michael Plummer  
 2 say that it was an assumption.  
 3 Q. That assumption is based on, again,  
 4 your review of whatever materials you had,  
 5 correct?  
 6 A. Correct.  
 7 Q. Because you haven't spoken to  
 8 anyone at the DIA, correct?  
 9 A. Correct.  
 10 Q. Your next one is you assume that  
 11 the sales would take place through a public  
 12 rather than private auction?  
 13 A. Correct.  
 14 Q. What's the basis of that  
 15 assumption?  
 16 A. As I outlined elsewhere in the  
 17 report that most legal, court related, other  
 18 transactions or transparencies required are more  
 19 often than not done by auction, because if you  
 20 sell things privately there is a degree of  
 21 confidentiality involved that can allow for a  
 22 conflict of interest or a lack of transparency  
 23 on value.  
 24 If you sell something privately  
 25 your client is buying it privately because they

1 Michael Plummer  
 2 lens of selling it, and look for various  
 3 information that may not be included in the  
 4 museum cataloguing.  
 5 Q. So is it your --  
 6 A. And additional scholarship.  
 7 Q. Sorry, I didn't mean to interrupt.  
 8 A. No, just an additional scholarship.  
 9 Q. So is it your assumption then that  
 10 the DIA has not done prior cataloging for sale?  
 11 A. They haven't done sale cataloging  
 12 which is different.  
 13 Q. That's your assumption, correct?  
 14 A. No, it's my -- I've seen some of  
 15 their cataloguing and I don't think it's the  
 16 same as cataloguing it for sale.  
 17 Q. Did you speak to anyone at the DIA  
 18 about whether or not they had done other  
 19 cataloguing for sale prior to this?  
 20 A. No, I have not talked to them about  
 21 that.  
 22 Q. So you don't know that for a fact,  
 23 you are assuming that?  
 24 MR. IRWIN: Form.  
 25 A. I am assuming that, and I actually

1 Michael Plummer  
 2 don't want the price disclosed. It's hard for  
 3 me to imagine that you could sell works from the  
 4 DIA privately, without disclosing the prices,  
 5 how that could be accomplished with City-owned  
 6 property.  
 7 Q. You assume an annual expense of 6  
 8 million related to the storing and the  
 9 administering of the art collection, correct?  
 10 A. Yes.  
 11 Q. What's the basis of that  
 12 assumption?  
 13 A. That's my assumption based on the  
 14 size of the museum, the size of the collection,  
 15 insurance costs, heat, humidity control, all of  
 16 that; and it decreases over time as the  
 17 collection is sold off.  
 18 Q. Did you speak with anybody who's  
 19 currently involved in the storing and  
 20 administering of the art collection as to what  
 21 it's costing them to do it now?  
 22 A. I did not, no.  
 23 Q. Did you look at the publicly  
 24 available information on what those storage  
 25 costs are now?



1 Michael Plummer  
 2 A. I did not.  
 3 Q. You assume a discount rate of  
 4 12 percent based on the volatility of the  
 5 market, correct?  
 6 A. Correct.  
 7 Q. What's the basis of that  
 8 assumption?  
 9 A. Going back to the art investment  
 10 topic and the art investment funds, generally  
 11 the 12 percent or higher number is expected by  
 12 investors in the art market to compensate for  
 13 the volatility of the market.  
 14 Q. You reviewed the Barth report  
 15 previously, correct?  
 16 A. Yes.  
 17 Q. Did you dispute what she suggests  
 18 the closer percentage rate would be here for the  
 19 discount rate based on the volatility?  
 20 A. I completely dispute it. I don't  
 21 think she has sufficient experience to weigh in  
 22 on that matter.  
 23 Q. Turn back to page 36 of your  
 24 report.  
 25 A. Okay. I would like to take a quick

1 Michael Plummer  
 2 break.  
 3 MR. SOTO: Sure.  
 4 THE VIDEOGRAPHER: The time is  
 5 5:01 p.m., and we're going off the record.  
 6 (Short break taken)  
 7 THE VIDEOGRAPHER: This begins  
 8 media unit number 5, the time is 5:09 p.m., and  
 9 we're back on the record.  
 10 BY MR. SOTO:  
 11 A. In your one of your last lines of  
 12 questioning I had forgotten and misspoke. The  
 13 \$6 million number was a number that I had gotten  
 14 from Rich that was done at the DIA, the cost of  
 15 holding the collection and storing it.  
 16 Q. So \$6 million was indeed something  
 17 that the DIA has estimated that would cost?  
 18 A. Yes. I made a mistake.  
 19 Q. That's perfectly appropriate to  
 20 correct. I think we were going to page 36. Do  
 21 you see that, Footnote 1?  
 22 A. Um-hum.  
 23 Q. It says, "Unsold rates included in  
 24 present value calculation"?  
 25 A. Um-hum.

1 Michael Plummer  
 2 Q. On page 31, which contains your  
 3 present value calculation, if you go back to  
 4 that and take a look at it.  
 5 I don't see where it includes -- I  
 6 don't see where your present value calculation  
 7 mentions the unsold rates. I'm trying to figure  
 8 out what unsold rates apply?  
 9 MR. IRWIN: Form.  
 10 MR. O'REILLY: Objection to the  
 11 form.  
 12 A. I'm confused with what you're  
 13 asking me.  
 14 Q. I'll start again. The footnote  
 15 says, "Unsold rates are included in the present  
 16 value calculation"?  
 17 A. Right.  
 18 Q. Turn to page 31. I'm trying to  
 19 understand it.  
 20 A. Okay. Page 31.  
 21 Q. It contains your present value  
 22 calculation, correct?  
 23 A. Right.  
 24 MR. IRWIN: At page 31,  
 25 assumptions.

1 Michael Plummer  
 2 A. 49 C?  
 3 Q. No, I'm beyond the assumptions.  
 4 Maybe I'm using the wrong page.  
 5 A. If you're looking for the present  
 6 value charts they're in the back. It's 70 or  
 7 71.  
 8 Q. 70 is the one you used before and  
 9 you have present value. It should be 71 I think  
 10 for this one. So again, it's Table 9, page 71  
 11 of 72. I see a present value of 1 million?  
 12 A. 366?  
 13 Q. Yes.  
 14 A. And 850.  
 15 Q. At the bottom. So where is the --  
 16 I guess it's the?  
 17 A. The unsold rate is the deduction  
 18 144, 144, 144 and then the add-back is 115,740,  
 19 115,740, so they're two different rows.  
 20 Q. I see. So the deductions are the  
 21 ones over here on the right, 7, 8, 9 and 10?  
 22 A. Right.  
 23 Q. And then the add-back is 010?  
 24 A. Right.  
 25 Q. So that explains that. Thank you.

1 Michael Plummer  
 2 Going back to your assumptions on page 31.  
 3 Your calculations assume a discount  
 4 rate of 20 percent for not selling through  
 5 Christie's and Sotheby's, correct?  
 6 A. Um-hum.  
 7 Q. You testified about that earlier,  
 8 correct?  
 9 A. Um-hum.  
 10 Q. Then your calculations also assume  
 11 a discount rate of 50 percent for the market  
 12 disfavor of the American sector, correct?  
 13 MR. IRWIN: Are we supposed to be  
 14 following somewhere in the document?  
 15 MR. SOTO: Well yes, I was going  
 16 through the assumptions that start on page 31,  
 17 then I added to that the other assumptions that  
 18 he testified about earlier.  
 19 MR. IRWIN: The impression was that  
 20 we were following along on the page and it's not  
 21 tracking.  
 22 MR. SOTO: I'm sorry. Let me start  
 23 again.  
 24 Q. So in addition to the assumptions  
 25 that you list here in your chart, which is C:

1 Michael Plummer  
 2 Q. You did not apply the discount for  
 3 the American sector disfavor?  
 4 A. Correct.  
 5 Q. You did not apply the discount for  
 6 the market crash?  
 7 A. Correct.  
 8 Q. Are you familiar with what has been  
 9 referred to as the grand bargain?  
 10 A. Yes.  
 11 Q. Are you aware that the DIA has  
 12 pledged a \$100 million contribution to the  
 13 museum?  
 14 A. Yes.  
 15 Q. Maybe I should say the DIA Corp.  
 16 has pledged a \$100 million contribution to the  
 17 museum?  
 18 A. Yes.  
 19 Q. Would you agree that your  
 20 valuation, without applying any discount  
 21 factors, far exceeds the 100 million  
 22 contribution?  
 23 MR. IRWIN: Form.  
 24 A. I don't know. I am not following  
 25 your logic, nor do I understand what you're

1 Michael Plummer  
 2 "I use the following assumptions in  
 3 calculating present value discount." You used  
 4 those, correct?  
 5 A. Um-hum.  
 6 Q. Beyond those present value discount  
 7 assumptions you also apply other discounts,  
 8 correct?  
 9 One that you testified about at  
 10 length was the fact that look, there's a  
 11 disfavor for the American sector, correct?  
 12 A. I do not apply that in the present  
 13 value scenario.  
 14 Q. You just applied that in general?  
 15 A. No. I applied that only in  
 16 scenario B, which is sort of just a straight  
 17 illustrative, illustration of application of  
 18 things; but I do not apply that in scenario C or  
 19 D.  
 20 Q. In determining the present value  
 21 you did not apply the other discounts?  
 22 A. No.  
 23 Q. So you did not apply the discount  
 24 for the Sotheby's or Christie's --  
 25 A. No.

1 Michael Plummer  
 2 asking.  
 3 Q. The valuation you have, if you  
 4 don't apply your discounts to it; the valuation  
 5 you have of the art exceeds the \$100 million  
 6 contribution that's being pledged by the DIA  
 7 Corp., correct?  
 8 A. Yes.  
 9 Q. Would you agree that even in the  
 10 worst-case scenario that you present, the value  
 11 of the DIA collection far exceeds the \$100  
 12 million pledged by the DIA Corp.?  
 13 MR. O'REILLY: Form.  
 14 A. Yes.  
 15 Q. Let's look at pages 39 and 40 of  
 16 your report. On pages 39 and 40 you critique  
 17 the bids that were received by Houlihan for the  
 18 collection, correct?  
 19 A. Correct.  
 20 Q. What's the basis for your critique?  
 21 MR. O'REILLY: Form.  
 22 A. Looking at the -- what was in the  
 23 Houlihan Lokey materials in terms of what was on  
 24 offer.  
 25 Q. I might have asked you this about

1 Michael Plummer  
 2 some of them, but let me ask you about all. Did  
 3 you contact any of the proposed bidders that  
 4 were included in the Houlihan report?  
 5 A. No, I did not.  
 6 Q. Let's turn to your critique of  
 7 Christie's recommendations that are on page 42.  
 8 Do you see that?  
 9 A. Um-hum.  
 10 Q. You say that Christie's was, by the  
 11 time they completed this section of their  
 12 report, dis-incentivized to develop this line of  
 13 argument fully, possibly due to market backlash  
 14 from the DIA and other market participants. Do  
 15 you see that?  
 16 A. Um-hum.  
 17 Q. What's the basis for that  
 18 statement?  
 19 A. As I said, the comment by someone  
 20 at Christie's who was off the record.  
 21 Q. That's it?  
 22 A. Well, and also my own reading of  
 23 those proposals and how flimsy they were and  
 24 un-flushed out, as I say here. They didn't  
 25 really seem like they were given anything other

1 Michael Plummer  
 2 than a passing thought. There were no expenses,  
 3 no revenues, no timelines; it was just really a  
 4 cursory examination.  
 5 Q. Did you speak with the person who  
 6 put that analysis together at Christie's to  
 7 discuss --  
 8 A. I did not.  
 9 MR. IRWIN: Let him finish.  
 10 Q. -- to discuss with that person what  
 11 he was intending to do with these potential  
 12 alternatives?  
 13 A. I did not.  
 14 Q. Have you since you read their  
 15 report?  
 16 A. I have not.  
 17 Q. On page 42, paragraph 69, you state  
 18 further that Christie's "no longer has in-house  
 19 intellectual capital to conduct their  
 20 monetization analysis." Do you see that?  
 21 A. Um-hum.  
 22 Q. What's the basis of that statement?  
 23 A. I was an in-house at Intellectual  
 24 Capital and I am no longer with the firm, and my  
 25 business partner Jeff as well.

1 Michael Plummer  
 2 Q. So it's your position that in its  
 3 current iteration, Christie's does not have the  
 4 capability to do this analysis?  
 5 A. Yes.  
 6 Q. Did you talk to anybody at  
 7 Christie's about that opinion?  
 8 MR. O'REILLY: Form.  
 9 A. Let's just say I am aware of their  
 10 searches for staff and whatnot and know that  
 11 they are -- they do not have that capital,  
 12 intellectual capital.  
 13 Q. Would you be surprised to find out  
 14 that they disagree with that statement?  
 15 A. No, I'm not surprised at all.  
 16 Q. You mentioned that Christie's  
 17 Financial Services Group was terminated in 2009,  
 18 correct?  
 19 A. Correct.  
 20 Q. And that's who you worked for,  
 21 correct?  
 22 A. Correct.  
 23 Q. Is there no one else at Christie's  
 24 capable of conducting an assessment of  
 25 monetization alternatives for a museum, in your

1 Michael Plummer  
 2 opinion?  
 3 A. I don't think that -- if there is,  
 4 they certainly didn't do it in this exercise.  
 5 Q. So in terms of the alternative to  
 6 monetization schemes that you referred to, your  
 7 evaluation assumes they will be sold, correct?  
 8 A. I'm sorry, can you ask that again,  
 9 please?  
 10 Q. Your evaluation and all of your  
 11 values and your charts assume the art is going  
 12 to be sold, correct?  
 13 MR. IRWIN: Form.  
 14 A. I am not sure. I can't answer that  
 15 question in that way that you asked it because  
 16 what I do is value the collection if it were to  
 17 be sold. I'm not assuming that it's being sold.  
 18 Q. Let me ask it differently then.  
 19 Your valuations are based on a proposed sale of  
 20 the art, correct?  
 21 A. These are results that would be the  
 22 result of a sale, but I'm not assuming it will  
 23 be sold.  
 24 Q. But they're based on a proposed  
 25 sale, correct?

1 Michael Plummer  
 2 A. Correct.  
 3 Q. Did you consider, aside from  
 4 critiquing Christie's alternatives to a sale;  
 5 did you consider alternatives to a sale ways to  
 6 monetize the art collection at the DIA, other  
 7 than a sale?  
 8 A. I did not.  
 9 Q. Have you or Artvest ever  
 10 participated in the collateralization of  
 11 artworks?  
 12 A. What do you mean by that?  
 13 Q. You talked about being involved in  
 14 loans before, art loans you called them?  
 15 A. Right.  
 16 Q. To me that means the art is being  
 17 used as collateral for a loan, correct?  
 18 A. Correct.  
 19 Q. So have you or Artvest ever  
 20 participated in the collateralization of any  
 21 artwork in any form, whether it's in a loan or  
 22 some other way?  
 23 A. Are you asking me if I played a  
 24 role in art being used as collateral in a loan?  
 25 Q. Yes.

1 Michael Plummer  
 2 Q. Is it your testimony that based on  
 3 those valuations, you think the most they could  
 4 get is 50 percent of those valuations because  
 5 it's a loan?  
 6 MR. O'REILLY: Objection to the  
 7 form.  
 8 A. Under standard lending practices  
 9 they would only be able to get 50 percent.  
 10 According to the offer from Art Capital Group  
 11 he's offering 20 percent, which is a really low  
 12 number in our practices.  
 13 Whenever a loan is discussed the  
 14 issue that I keep coming back to is who is going  
 15 to service the debt, which is substantial, and  
 16 who's going to pay off the loan, because I'm  
 17 working through a bankruptcy situation right now  
 18 with a client, if the loan isn't paid off the  
 19 lender gets to sell the art.  
 20 So, in effect, if you have a loan  
 21 for let's say half of the value of the  
 22 collection and you can't pay that back,  
 23 basically you have sold that collection to the  
 24 lender for half of the value of its worth.  
 25 Q. Let me see if I'm understanding

1 Michael Plummer  
 2 A. Yes, many times.  
 3 Q. You've testified about -- you  
 4 guesstimated at a number, but you testified  
 5 about your work with art lenders during your  
 6 testimony today, correct?  
 7 MR. O'REILLY: Form.  
 8 Q. Correct?  
 9 A. Correct.  
 10 Q. How much would you advise the City  
 11 of Detroit it could get as a loan using the  
 12 DIA's entire collection as collateral?  
 13 A. Well, I think that presupposes I  
 14 would advise them to do that.  
 15 Q. No, it doesn't, I'm just asking you  
 16 the question. Assuming there was going to be a  
 17 loan, how much would you advise the City of  
 18 Detroit it could get as a loan if it used the  
 19 DIA's collection as collateral?  
 20 A. I can't answer that without knowing  
 21 where the funds would come from and how they  
 22 would be paid back.  
 23 Q. You have the valuations that you  
 24 went through, correct?  
 25 A. I understand that.

1 Michael Plummer  
 2 your testimony here. So what you're saying then  
 3 is if you were going to take a loan against the  
 4 art of the DIA, it's your view that you would  
 5 probably be limited to 50 percent of the  
 6 valuations that you gave, correct?  
 7 MR. IRWIN: Asked and answered.  
 8 Q. That's one of the parts of the  
 9 answer, correct?  
 10 A. Correct.  
 11 Q. The other part of the answer is you  
 12 would have to be able to put together some sort  
 13 of a plan to pay for the cost of that loan,  
 14 correct?  
 15 A. Correct.  
 16 Q. Both the interest on the loan and  
 17 ultimately to pay the loan back, correct?  
 18 A. Correct.  
 19 Q. So, in essence, if there were a  
 20 Plan of Adjustment that were put together for  
 21 the City of Detroit in connection with a Chapter  
 22 9 proceeding, that indeed took into account  
 23 whatever the cost of the loan would be, and the  
 24 repayment of the loan over whatever is the  
 25 appropriate period of time negotiated by the

1 Michael Plummer  
 2 parties, you would expect that they could then  
 3 possibly get a loan for 50 percent of the value  
 4 of the art as you've valued it, correct?  
 5 MR. IRWIN: Form.  
 6 A. Yeah, if they have a strategy that  
 7 accomplishes all of those things.  
 8 Q. Give me a second because I think  
 9 you've answered a lot of this. This is  
 10 something that I don't know that you testified  
 11 about but I'm not understanding, maybe you have.  
 12 On page 43, paragraph 71 G?  
 13 A. 70 G.  
 14 Q. Oh, yeah, sorry. It says, it seems  
 15 to say:  
 16 "Most asset-backed lenders have  
 17 extreme provisions for the lender in a situation  
 18 of default, levying both higher interest rates  
 19 and onerous "agency" fees to liquidate the  
 20 property."  
 21 So here all you're saying is look,  
 22 if there were a default, the typical asset-based  
 23 lender or art lender has these kinds of  
 24 provisions; that's all you're saying?  
 25 A. Well, yes; but I perhaps could have

1 Michael Plummer  
 2 gone on to say more, which is that oftentimes  
 3 those default terms are vaguely written and  
 4 clients end up in default unknowingly or  
 5 unwillingly.  
 6 Q. If there is going to be some kind  
 7 of a monetization of the art, like through a  
 8 loan or something like that, you should get  
 9 lawyers like the ones you have here for the DIA  
 10 to help them make sure that that doesn't happen,  
 11 correct?  
 12 A. Or ones like you.  
 13 Q. Have you or anyone else at Artvest  
 14 ever participated in the creation of a  
 15 masterpiece trust?  
 16 A. No, I haven't.  
 17 Q. On page 45 of your report you say  
 18 the creation of a Masterpiece Trust to be  
 19 accessed by members of a museum consortium is  
 20 too blue-sky.  
 21 Am I reading that right? It says  
 22 too blue-sky to be substantively helpful?  
 23 A. Yes.  
 24 Q. What is the basis of that opinion?  
 25 A. Well, because they did not describe

1 Michael Plummer  
 2 how long it would take, where the money would  
 3 come from. The fact that most other  
 4 institutions having already very aggressive and  
 5 ambitious development plans which are outlined  
 6 below.  
 7 It was my opinion that this was an  
 8 idea that was not substantiated in any way,  
 9 shape or form and that also would take an  
 10 enormous amount of time to implement, and it  
 11 wasn't discussed how it could be done in an  
 12 expeditious way.  
 13 Q. But you recognize that there are  
 14 many very young museums that have just been  
 15 created throughout the country, correct?  
 16 A. Yes, but that doesn't mean they're  
 17 funded well enough to come up with the kinds of  
 18 moneys that you're talking about.  
 19 Q. And also throughout the world, I  
 20 don't know why I limit it to the country --  
 21 we've board them, that's all right, I'm still  
 22 interested.  
 23 A. There are. But again, I think it's  
 24 an idea that is not flushed out well enough to  
 25 be taken seriously.

1 Michael Plummer  
 2 Q. Are you aware of any meaningful  
 3 masterpiece trusts that have been put in place  
 4 by other museums?  
 5 A. I am not. That doesn't mean they  
 6 may not exist, but I am not.  
 7 Q. Did you do any studies to determine  
 8 whether there were any other masterpiece trusts  
 9 being used by museums in the world to monetize  
 10 their art?  
 11 A. I did not.  
 12 Q. Have you or Artvest ever  
 13 participated in structuring long-term leases of  
 14 artwork?  
 15 A. No.  
 16 Q. What experience do you or Artvest  
 17 have in connection with structuring long-term  
 18 leases of artwork at all?  
 19 A. We haven't, that's not in our line  
 20 of business.  
 21 Q. On page 44, paragraph 71, you  
 22 state:  
 23 "This option would have the same  
 24 effect of depriving the DIA of some of its most  
 25 prized works, yet for far less of a financial

1 Michael Plummer  
 2 benefit. Based on deals made with other partner  
 3 museums, Guggenheim Museum & Bilbao, Guggenheim  
 4 & Abu Dhabi and the Louvre & Abu Dhabi, such an  
 5 arrangement would be unlikely to net more than  
 6 20 million to 100 million in total for a 10 to  
 7 15 year deal and would result in the removal of  
 8 many high value works from the walls of the  
 9 DIA."  
 10 Do you see that?  
 11 A. Yes.  
 12 Q. What is the basis of that opinion?  
 13 A. The situations I lay out below, A  
 14 through E.  
 15 Q. Other than what you lay out in A  
 16 through E, is there anything else that you base  
 17 that opinion on?  
 18 A. F through G.  
 19 Q. Okay. Other than A through G, is  
 20 there anything else?  
 21 A. No.  
 22 Q. So I read A through G, and I'm  
 23 wondering where did the calculations come from  
 24 that you used to come up with the numbers that  
 25 you have here, were they in some public

1 Michael Plummer  
 2 documents?  
 3 A. They were in the documents  
 4 referenced here. They're in several of the  
 5 press reports.  
 6 Q. So other than what you sent us and  
 7 what you referenced, the press reports, that's  
 8 what you relied on?  
 9 A. That's what I relied upon.  
 10 Q. Have you or Artvest ever  
 11 participated in the sale and permanent loan of  
 12 artwork?  
 13 A. That's a confusing question. The  
 14 sale and permanent loan, are you meaning to  
 15 combine both as to one question?  
 16 Q. I think what I'm referring to here  
 17 on page 46, Christie's recommendation 4?  
 18 A. Yes. I see what you're asking.  
 19 No, we have not. I have not.  
 20 Q. Did you conduct any analysis before  
 21 you arrived at the conclusion that you state in  
 22 paragraph 75? And I'm reading it:  
 23 "It is hard to imagine how this  
 24 type of program would attract a new type of  
 25 donor who is not already supporting the

1 Michael Plummer  
 2 institution."  
 3 A. Did I prepare any?  
 4 Q. Did you do any analysis to support  
 5 that conclusion?  
 6 A. I did not.  
 7 Q. Did you speak to any donors --  
 8 A. Let me correct that. You threw me  
 9 off with the question. As I said, I did talk to  
 10 several museum people, which I cannot divulge  
 11 because they were off-the-record conversations.  
 12 Q. Did you speak to any donors  
 13 regarding their interest in a sale and permanent  
 14 loan program?  
 15 A. I did not speak to any donors, but  
 16 I did speak to an expert on donors who was  
 17 responsible for many of the major gifts at  
 18 various museums and has a tremendous insight  
 19 into donor mentality.  
 20 Q. Who was that?  
 21 A. Again, it was an off-the-record  
 22 conversation.  
 23 Q. So other than the off-the-record  
 24 conversation that you're referring to, did you  
 25 do any additional analysis?

1 Michael Plummer  
 2 A. No, I did not.  
 3 Q. Have you or Artvest ever  
 4 participated in coordinating, and you may have  
 5 because you worked with the fair, in  
 6 coordinating a traveling exhibition?  
 7 A. In coordinating a traveling  
 8 exhibition?  
 9 Q. Yes.  
 10 A. No, we have not.  
 11 Q. On page 46 of paragraph 76. You  
 12 state:  
 13 "By Christie's own admission, this  
 14 a less than desirable alternative, as such  
 15 expositions are "costly to mount" and raise very  
 16 little relative to their total expense." Do you  
 17 see that?  
 18 A. Yes.  
 19 Q. And it goes on to state "Such  
 20 revenues range from as little as 20,000 for  
 21 small exhibitions to 600,000 for blockbuster  
 22 exhibitions."  
 23 What is the basis of that  
 24 statement?  
 25 A. The museum administrative officials

1 Michael Plummer  
 2 that I referred to previously have handled the  
 3 budgets for such exhibits.  
 4 Q. Is that someone that you can't  
 5 divulge at this point?  
 6 A. It's in that same group of people I  
 7 mentioned before.  
 8 Q. So you state that you have -- other  
 9 than that statement, you've had no experience  
 10 with any of these traveling, whatever they call  
 11 it, traveling exhibitions, correct?  
 12 A. Back in my Acoustiguide days I  
 13 actually was dealing with the financial -- I was  
 14 working with the museums and their setting up of  
 15 those exhibitions, and their profits that they  
 16 expected to get from their audio tours and other  
 17 things, and their attendance numbers based on  
 18 the exhibition and that sort of thing. So I did  
 19 have experience back in that part of my career.  
 20 Q. That would have been a long time  
 21 ago, correct?  
 22 A. That would have been a long time  
 23 ago.  
 24 Q. Counting for inflation and other  
 25 expenses, you're not aware of what they cost

1 Michael Plummer  
 2 million the DIA has already committed as its  
 3 contribution to the grand bargain." Do you see  
 4 that?  
 5 A. Um-hum.  
 6 Q. What's the basis for that  
 7 statement?  
 8 A. What I've laid out in the report  
 9 thus far.  
 10 Q. Other than what you've testified  
 11 about today and what you've laid out in your  
 12 report; is there any other source or information  
 13 you're relying on for that opinion?  
 14 A. I have nothing supplemental to  
 15 provide here today.  
 16 Q. Other than what you've testified  
 17 about today and what you referred to in your  
 18 report, you haven't done any additional  
 19 analysis?  
 20 A. Not other than what is here and  
 21 I've testified to.  
 22 Q. Were you asked to render an opinion  
 23 regarding the cultural impact of the museum, the  
 24 DIA, on the City of Detroit?  
 25 A. No.

1 Michael Plummer  
 2 now, are you?  
 3 A. Yes, I am, because these numbers  
 4 came from talking to museum people this year,  
 5 just recently.  
 6 Q. Is there any either publicly  
 7 available or privately available study or data  
 8 that you can refer to for the basis of your  
 9 calculation?  
 10 A. No.  
 11 Q. Other than the conversation you  
 12 had, correct?  
 13 A. Correct.  
 14 Q. Do you know what that person was  
 15 basing it on?  
 16 A. They were basing it on their own  
 17 in-house experience of exhibitions.  
 18 Q. So on page 48 of your report.  
 19 Looking at paragraph C:  
 20 "My review of the practicality and  
 21 the reasonableness of the monetization  
 22 alternatives described in Christie's preliminary  
 23 report to the City of Detroit: They do not have  
 24 a reasonable expectation of either raising  
 25 meaningful money or exceeding even the \$100

1 Michael Plummer  
 2 Q. Looking at page 48, paragraph 78.  
 3 It says as I'm reading it:  
 4 "Rather than being a source of cash  
 5 to creditors or a burden on the current city, in  
 6 fact, the DIA is the single, most important  
 7 cultural asset the City currently owns for  
 8 rebuilding the vitality of the City." Do you  
 9 see that?  
 10 A. I do.  
 11 Q. Did you write that statement?  
 12 A. I did.  
 13 Q. What is the basis of that  
 14 statement?  
 15 A. My opinion.  
 16 Q. Your personal opinion?  
 17 A. My personal opinion based on my  
 18 years of experience in the art industry.  
 19 Q. That opinion isn't dealing with  
 20 anything to do with the art industry, it's  
 21 dealing with the cultural impact of the museum  
 22 on the City of Detroit, correct?  
 23 A. It's dealing with the DIA as an art  
 24 institution and the impact of art institutions  
 25 in the city.

1 Michael Plummer  
 2 Q. What experience do you have in  
 3 valuing cultural assets like the statement you  
 4 made there?  
 5 A. I don't have experience.  
 6 MR. SOTO: I don't have any other  
 7 questions. I thank you very much Mr. Plummer  
 8 for your patience with me. Any other questions  
 9 from anyone?  
 10 MR. O'REILLY: No questions.  
 11 MR. SOTO: Anyone on the phone? In  
 12 which case this concludes our deposition. You  
 13 have a right to review the testimony, and in  
 14 reviewing it you can certainly fix grammatical  
 15 errors, things that you see as misspellings or  
 16 things like that, things that you think might  
 17 have been taken down wrong.  
 18 You don't get to substantively  
 19 change your testimony, unless of course you say  
 20 no I meant not, and there's no not in there,  
 21 then that's a different issue. So you'll get a  
 22 chance to do that and you can coordinate that  
 23 with your counsel.  
 24 THE WITNESS: Okay.  
 25 THE VIDEOGRAPHER: The time is 5:45

1 ERRATA  
 2 I, MICHAEL PLUMMER, wish to make the  
 following changes, for the following reasons:  
 3  
 4 PAGE LINE  
 5 \_\_\_\_\_ CHANGE: \_\_\_\_\_  
 6 REASON: \_\_\_\_\_  
 7 \_\_\_\_\_ CHANGE: \_\_\_\_\_  
 8 REASON: \_\_\_\_\_  
 9 \_\_\_\_\_ CHANGE: \_\_\_\_\_  
 10 REASON: \_\_\_\_\_  
 11 \_\_\_\_\_ CHANGE: \_\_\_\_\_  
 12 REASON: \_\_\_\_\_  
 13 \_\_\_\_\_ CHANGE: \_\_\_\_\_  
 14 REASON: \_\_\_\_\_  
 15 \_\_\_\_\_ CHANGE: \_\_\_\_\_  
 16 REASON: \_\_\_\_\_  
 17 \_\_\_\_\_ CHANGE: \_\_\_\_\_  
 18 REASON: \_\_\_\_\_  
 19  
 20 \_\_\_\_\_  
 21 WITNESS' SIGNATURE DATE  
 22  
 23  
 24  
 25

1 Michael Plummer  
 2 p.m. August 1, 2014, this completes today's  
 3 video deposition of Michael Plummer.  
 4 (Time Noted: 5:45 p.m.)  
 5  
 6 -----  
 7 MICHAEL PLUMMER  
 8  
 9 Subscribed and sworn to before me  
 10 this day of , 2014.  
 11  
 12 -----  
 13 Notary Public  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

1 C E R T I F I C A T E  
 2  
 3 I, Roberta Caiola, a Shorthand  
 4 Reporter and Notary Public within and  
 5 for the State of New York, do hereby  
 6 certify:  
 7  
 8 That the statements, colloquy  
 9 and testimony contained herein is a  
 10 true record of the proceedings in this  
 11 matter.  
 12  
 13 I further certify that I am  
 14 not related to any of the parties  
 15 involved in this proceeding, and that  
 16 I am in no way interested in the  
 17 outcome of this matter.  
 18  
 19  
 20 -----  
 21 ROBERTA CAIOLA  
 22 Dated: August 3, 2014  
 23  
 24  
 25