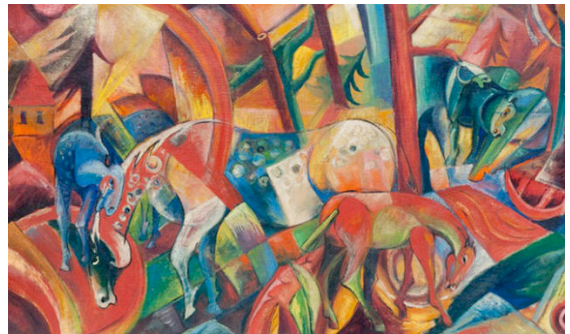


BLOUIN ARTINFO

Master Forger Wolfgang Beltracchi to Repay Trasteco for €2.9 Million Counterfeit Painting

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Lawyers representing master forger Wolfgang Beltracchi and Cologne's Lempertz auction house leaked on Monday morning that Beltracchi, not Lempertz, would reimburse Maltese company Trasteco Ltd for a painting sold at Lempertz in 2006 as the work of Heinrich Campendonk. Trasteco purchased "Rotes Bild mit Pferden" for €2.88 million (\$3.74 million). According to a verdict in the Cologne District Court earlier this fall, the auction house was to be fully responsible for reimbursing Trasteco after having forked over an initial payment of €800,000 (\$1.1 million), the buyers' premium on the sale.



At the time, the court argued that scientific testing was necessary because of the work's high valuation, then estimated to go for around €800,000 (\$1.1 million). Lempertz disputed that decision, telling ARTINFO at the time that they did not feel that they should be more heavily implicated in the work's verification than authors of catalogues or experts.

According to the unofficial announcement, Beltracchi has been charged with reimbursing the additional €2 million (\$2.6 million). Following the regional court's decision in September, Lempertz immediately took possession of several properties owned by Beltracchi. A Lempertz official close to the matter tells ARTINFO that they immediately sold off one Freiburg property for €2.95 million (\$3.84 million) in order to cover these costs. They have since reimbursed Dimitri de Faria Castro, the Ukrainian buyer behind Trasteco and several other alleged money laundering operations, for the full purchase price plus interest. Unfortunately another of Beltracchi's properties in France was too heavily borrowed against to be worth anything to the auction house.

Though Lempertz concedes that they will still lose both money and reputation from the extended Beltracchi debacle, the legally binding nature of the suit means that their immediate struggle has come to an end. And, owing to their quick action in repossessing Beltracchi's property, Lempertz has been significantly less financially impacted than other houses such as Sotheby's and Christie's (where another fake Campendonk was also sold). Though the two houses have outstanding claims against the forger in excess of €20 million, according to Lempertz, "There is no money left."

Negotiations continue regarding Beltracchi's responsibility for the initial €800,000 payment, with lawyers expecting a resolution by Monday evening or Tuesday morning. The auction house also hinted that further legal proceedings might arise from this series of Beltracchi-created Campendonks. Allegedly, a minimum of 12 further Campendonk forgeries were all certified within a single catalogue raisonné published by Dr. Andrea Firmenich.