



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Southern District of New York

FOR IMMEDIATE RELEASE

Monday, May 23, 2022

Former Art Dealer Sentenced To 7 Years For \$86 Million Fraud Scheme

Damian Williams, the United States Attorney for the Southern District of New York, announced today that INIGO PHILBRICK, an art dealer specializing in post-war and contemporary fine art with galleries in London, United Kingdom, and Miami, Florida, was sentenced today to 84 months in prison in connection with a multi-year scheme to defraud various individuals and entities in order to finance his art business. U.S. District Judge Sydney H. Stein imposed today's sentence.

U.S. Attorney Damian Williams said: "Inigo Philbrick grew his purportedly successful art business by collateralizing and reselling fractional shares in high dollar contemporary art. Unfortunately, his success was built on brazen lies, including concealed ownership interests, fake documents, and even an invented art collector. When the house of cards fell apart, Philbrick fled for a remote island in the Pacific, leaving many of his victims without recourse. For his extensive fraud, Philbrick is now sentenced to a substantial prison term."

According to the allegations in the Complaint, Indictment, and statements made in court:

From approximately 2016 through 2019, to finance his art business, PHILBRICK engaged in a scheme to defraud multiple individuals and entities in the art market located in the New York metropolitan area and abroad. PHILBRICK made material misrepresentations and omissions to art collectors, investors, and lenders to access valuable art and obtain sales proceeds, funding, and loans (the "Fraud Scheme").

PHILBRICK knowingly misrepresented the ownership of certain artworks, for example, by selling a total of more than 100 percent ownership in an artwork to multiple individuals and entities without their knowledge; and by selling artworks and/or using artworks as collateral on loans without the knowledge of co-owners, and without disclosing the ownership interests of third parties to buyers and lenders. PHILBRICK furnished fraudulent contracts and records to investors to artificially inflate the artworks' value and conceal his scheme, including a contract that listed a stolen identity as the seller.

Over the years, PHILBRICK obtained over \$86 million in loans and sale proceeds in connection with the Fraud Scheme. Artworks about which PHILBRICK made these fraudulent misrepresentations in furtherance of the Fraud Scheme include, among others, a 1982 painting by the artist Jean-Michel Basquiat titled

“Humidity,” a 2010 untitled painting by the artist Christopher Wool, and an untitled 2012 painting by the artist Rudolf Stingel depicting the artist Pablo Picasso.

By in or about the fall of 2019, PHILBRICK’s Fraud Scheme began to come to light as various investors and lenders learned about the fraudulent records PHILBRICK had provided and the material misrepresentations and omissions he had made. By in or about mid-October, a lender officially notified PHILBRICK that he was in default of approximately a \$14 million loan, and by November 2019, various investors had filed civil lawsuits in multiple jurisdictions regarding PHILBRICK’s Fraud Scheme in connection with various artworks. At around the same time, PHILBRICK’s art galleries in Miami and London closed, and PHILBRICK stopped responding to legal process. PHILBRICK fled the United States shortly before public reporting began about the lawsuits. A fugitive, PHILBRICK resided in Vanuatu from approximately October 2019 until he was arrested there on June 11, 2020, in connection with this case.

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In addition to the prison term, PHILBRICK, 34, a U.S. citizen previously residing in London, United Kingdom, was sentenced to two years of supervised release. PHILBRICK was further ordered to pay a forfeiture of \$86,672,790.

Mr. Williams praised the investigative work of the Federal Bureau of Investigation’s Art Crime Team.

This case is being handled by the Office’s Money Laundering and Transnational Criminal Enterprises Unit. Assistant United States Attorneys Jessica K. Feinstein and Cecilia E. Vogel are in charge of the prosecution.

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USAO - New York, Southern

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