

# ARTWORK CONSIGNMENT AGREEMENT

This is a customizable starting template, not a finished legal document. Replace every [BRACKETED] field with your specifics, delete or adapt any clause that does not fit your deal, and have a licensed attorney in the governing jurisdiction review it before you or anyone else signs. CyberSygn is not a law firm and this template is not legal advice.

This Artwork Consignment Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[ARTIST/CONSIGNOR LEGAL NAME], an individual or [ENTITY TYPE] located at [CONSIGNOR ADDRESS] (the "**Consignor**"); and

[GALLERY/CONSIGNEE LEGAL NAME], a [STATE] [ENTITY TYPE] with its principal place of business at [CONSIGNEE ADDRESS] (the "**Gallery**").

Consignor and Gallery are each a "**Party**" and together the "**Parties**."

**Recitals.** Consignor owns certain works of art and wishes to consign them to the Gallery for display and sale, and the Gallery wishes to accept them on consignment, on the terms below. Consignor retains ownership of the works until they are sold. In consideration of the mutual promises in this Agreement, the Parties agree as follows.

## 1. Consigned Works

**1.1 Consignment.** Consignor delivers to the Gallery, and the Gallery accepts on consignment, the works of art listed on the attached **Schedule A** (each a "**Work**" and collectively the "**Works**").

**1.2 Schedule.** Schedule A will list, for each Work: title, medium, dimensions, year, a description or image, the Consignor's stated retail price, and a unique inventory number.

**1.3 Title retained.** Consignor warrants that Consignor owns each Work free of liens and has the right to consign it. Title to each Work remains with Consignor until sold and paid for under this Agreement; the Gallery acquires no ownership interest by holding the Works.

**1.4 Consignment, not purchase.** The Gallery holds the Works solely as Consignor's agent for sale and not as a buyer. The Works are not subject to the claims of the Gallery's creditors to the extent provided by applicable law.

## 2. Term and Termination

**2.1 Term.** The consignment begins on the Effective Date and continues for [NUMBER, e.g. 12] months, then renews on a month-to-month basis unless either Party gives [NUMBER, e.g. 30] days' written notice of non-renewal.

**2.2 Termination for convenience.** Either Party may terminate on [NUMBER] days' written notice. Sales agreed before termination remain subject to this Agreement.

**2.3 Return on termination.** On termination, the Gallery will return all unsold Works to Consignor within [NUMBER, e.g. 15] days, in the same condition as received, ordinary wear excepted, at [CONSIGNOR'S / GALLERY'S] expense.

### 3. Pricing and Sales

**3.1 Retail price.** Each Work will be offered at the retail price stated on Schedule A. The Gallery will not sell a Work below that price without Consignor's prior written approval.

**3.2 Discounts.** The Gallery may offer discounts up to [PERCENT, e.g. 10%] without prior approval; larger discounts require Consignor's written consent and reduce the Gallery's commission and Consignor's proceeds proportionally unless the Parties agree otherwise.

**3.3 Authority to sell.** The Gallery is authorized to sell the Works only on the terms in this Agreement and has no authority to pledge, encumber, or otherwise dispose of the Works.

**3.4 Sales taxes.** The Gallery is responsible for collecting and remitting any sales or use tax due on a sale, as required by applicable law.

### 4. Commission and Payment

**4.1 Commission.** On each sale, the Gallery is entitled to a commission of [PERCENT, e.g. 40%] of the actual sale price (net of approved discounts), and Consignor is entitled to the remaining [PERCENT, e.g. 60%] (the "Consignor's Proceeds").

**4.2 Payment to Consignor.** The Gallery will pay the Consignor's Proceeds within [NUMBER, e.g. 30] days after the Gallery receives full payment for a Work.

**4.3 Trust treatment of proceeds.** To the extent provided by applicable law, the Gallery will hold the Consignor's Proceeds in trust for Consignor and will not commingle them in a way that defeats Consignor's interest.

**4.4 Statements.** The Gallery will provide Consignor a written statement [MONTHLY / QUARTERLY] listing Works sold, sale prices, discounts, commissions, and amounts due or paid.

**4.5 Installment sales.** If a Work is sold on an installment or layaway basis, the Gallery will pay the Consignor's Proceeds as and when the Gallery collects payment, unless the Parties agree otherwise in writing.

### 5. Care, Custody, and Insurance

**5.1 Care.** The Gallery will keep the Works in a secure, climate-appropriate environment and handle, store, and display them with the care a professional gallery uses for valuable artwork.

**5.2 Risk of loss.** The Gallery bears the risk of loss or damage to the Works while in its possession, from delivery until sale or return to Consignor.

**5.3 Insurance.** The Gallery will insure the Works against loss, theft, and damage while in its possession for at least [PERCENT, e.g. the Consignor's Proceeds portion / the full retail value] and will name Consignor as a loss payee to the extent of Consignor's interest. The Gallery will provide proof of insurance on request.

**5.4 Loss or damage.** If a Work is lost, stolen, or damaged while in the Gallery's possession, the Gallery will promptly notify Consignor and will pay Consignor the amount Consignor would have received had the Work sold at its retail price, less any commission, or the insured amount, whichever the Parties agree.

### 6. Promotion and Display

**6.1 Display.** The Gallery will use commercially reasonable efforts to display and promote the Works, but retains discretion over curation, placement, and duration of display.

**6.2 Marketing.** The Gallery may photograph and reproduce images of the Works for promotional, catalog, and online sale purposes during the consignment, with appropriate attribution to Consignor.

**6.3 Reproduction rights.** Except for the promotional use above, the Gallery acquires no copyright or reproduction rights in the Works. All such rights remain with Consignor.

**6.4 Attribution.** The Gallery will identify Consignor as the artist or owner in its display and sales materials and will not alter or misattribute the Works.

## 7. Representations and Warranties

**7.1 By Consignor.** Consignor represents that Consignor owns each Work free of liens, that each Work is authentic and as described on Schedule A, and that consigning and selling the Works will not infringe any third party's rights.

**7.2 By Gallery.** The Gallery represents that it is duly authorized to operate as an art dealer in its jurisdiction and will comply with applicable law in displaying and selling the Works.

## 8. Indemnification

**8.1 By Consignor.** Consignor will indemnify the Gallery against third-party claims arising from a breach of Consignor's representations in Section 7.1, including claims that a Work is inauthentic or infringes a third party's rights.

**8.2 By Gallery.** The Gallery will indemnify Consignor against third-party claims arising from the Gallery's handling, storage, or sale of the Works in breach of this Agreement.

**8.3 Procedure.** The indemnified Party will give prompt written notice, allow the indemnifying Party to control the defense, and provide reasonable cooperation.

## 9. Limitation of Liability

**9.1 Exclusion of indirect damages.** Except for the loss-of-Work obligations in Section 5.4 and the indemnities in Section 8, neither Party is liable for indirect, incidental, special, consequential, or punitive damages.

**9.2 Cap.** Except for amounts owed for sold Works, loss or damage to the Works, and indemnification, each Party's aggregate liability will not exceed the total retail value of the Works then on consignment.

## 10. General Provisions

**10.1 Independent parties.** The Parties are independent. The Gallery acts as Consignor's agent solely for the limited purpose of selling the Works and not for any other purpose.

**10.2 Governing law and venue.** This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules, including any applicable consignment-of-fine-art statute of that state. The Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].

**10.3 Assignment.** Neither Party may assign this Agreement without the other's prior written consent.

**10.4 Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

**10.5 Entire agreement; amendment.** This Agreement, with Schedule A, is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

10.6 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

10.7 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the Effective Date.

**CONSIGNOR**

**GALLERY**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed name: **[NAME]**

Printed name: **[NAME]**

Title: **[TITLE OR N/A]**

Title: **[TITLE]**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

*Template provided by CyberSygn. Not legal advice. CyberSygn is not a law firm. Consult a licensed attorney in your jurisdiction before relying on this document.*