

IN ART FUND





THE INNOVATIVE ART FUND BY INVICTAS SA



The most qualified clientele is now looking for alternative investments to those represented by the most traditional securities management.

Our Solution offers an alternative asset of great value, which includes multiple collections of artwork, with a risk-performance ratio inherent in traditional tailor made and characterized by high operational transparency.

Alternative Funds allow you to acquire real, tangible assets. They are able to offer maximum flexibility in investment policy and at the same time offer the investor an opportunity to benefit from the favorable fiscal system of Luxembourg.

The Grand Duchy is, after the United States, the most important player in the Fund industry with state of the art legislation and a particular ability to adapt quickly to the latest changes affecting the financial instrument industry.

FINANCIAL PRODUCTS OVERVIEW

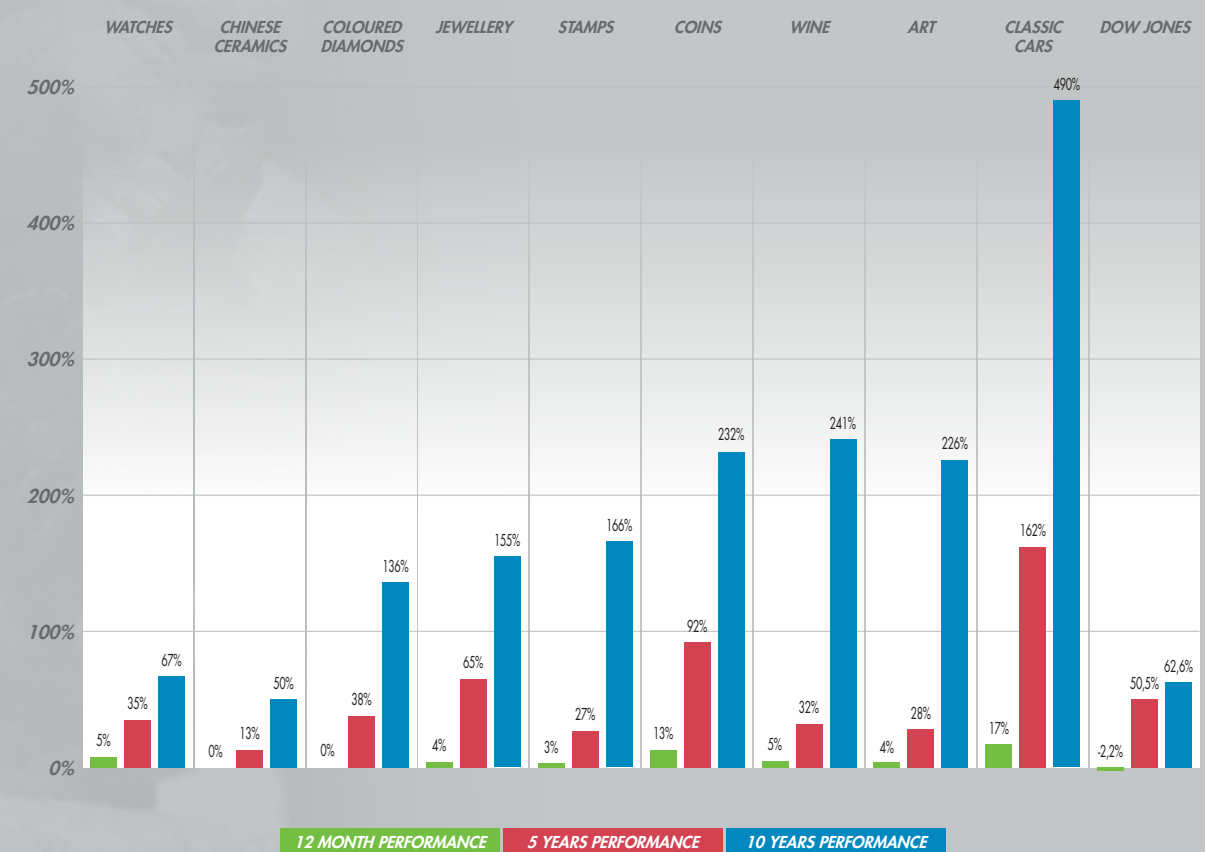
- Financial markets are subject to uncontrollable fluctuations due to economic and political changes.
- Equity markets are risky and can suffer from market volatility even when companies are profitable.
- Interest rates are low and bonds and monetary products are offering poor remuneration.
- All of them are virtual instruments whose value can be zeroed in difficult situations.

SOPHISTICATED INVESTORS

- Already have invested in all types of financial instruments available.
- Are looking for diversification, decorrelation and above all for investments that they can appreciate personally.
- Are interested in tangible precious goods that similar to gold can be considered as safe because they are tangible and react differently than financial products.

TANGIBLE PRECIOUS GOODS

PERFORMANCE OF INVESTMENTS BY ASSET CLASS Q4 2005 TO Q4 2015



Sources: Knight Franks, "The Wealth Report" - 11th edition - 2017

WHAT MAKES IN ART FUND DIFFERENT

- IN ART Fund buys collections of artists that have a track record, once they had a market price, for some reason they were forgotten.
 - IN ART Fund make sure they purchase as much pieces as possible of these artists at good prices to dry out the market.
 - Together with a team of specialists they will promote the artists to bring them back right where their prices were.
 - They will prepare books, will organize exhibitions in the best places, organize auctions on these artists once their prices have pick up again.
 - In five years time IN ART Fund plans to buy, promote and sell at good price with an objective to double the value of the collections.
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- The legal structure of the ART Fund has been set up as a Common Limited Partnership (société en commandite simple), qualifying as alternative investment fund (AIF) as defined under article 1(39) of the 2013 Act on alternative investment fund managers (AIFM Act). The Management of the Fund is assured by the General Partner (INVICTAS S.A.), registered with the Commission de Surveillance du Secteur Financier (CSSF) as an Alternative Investment Fund Manager.
 - IN ART Fund was created by INVICTAS an AIFM company.
 - IN ART FUND is inherent to the experience and the knowledge of IN ART S.A., the adviser entity of the Fund.

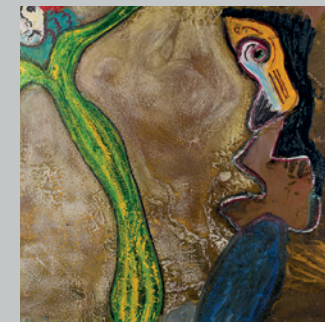
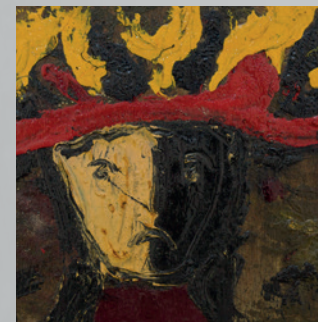
THE COLLECTION OF THE FUND

The Collection is composed of original artwork by post War and Contemporary artists, selecting only exceptional mainly deceased artists as:

MATT LAMB (1932 – 2012)

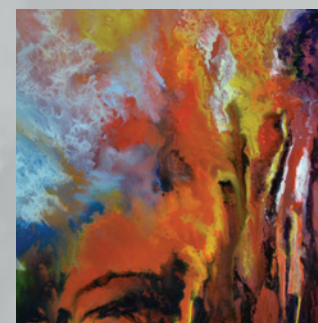
Matt Lamb is considered a shooting star in the international art world. His works are presented in the world's finest Art Galleries and Museums, auctioned at the finest auction houses all over the world. As a painter, sculptor, philosopher and unstoppable globe-trotting dynamo, Matt Lamb was one of the most intriguing, confounding, pigeonhole defying phenomena in contemporary art.

Thanks to the freedom to use materials and colors of contemporary art, critics looking at his Works in the world have found in them traces of the most famous contemporaries: Van Gogh, Picasso...



MARGUERITE de LIMBURG STIRUM (1932)

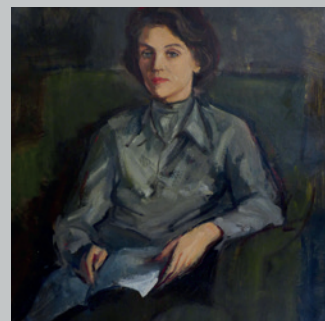
From Belgium, the heart of Europe to a New York training experience, surrealism takes shape in the colors of her descendant, the grait painter Pierre Paul Rubens. She finds innovative forms of expression incorporating glass and nature.



THE COLLECTION OF THE FUND

MICHEL DUTRIEU (1910 -1993)

Founder of the «École de Brabant», he analyzes with pertinence and acuity the last century, the landscapes and faces of those times, with the classic brushstrokes of a 20th century artist, to which he adds a superb use of the light that gives to the skies and clouds of northern Europe an eternal and enchanting beauty.



SERGEI MIROSHNICHENKO (1954)

Member of the Russian Academy of Arts, born and grown in the Taïga, western Ukraine, "Mirosh" study at the Art and Industrial school of Moscow, the Stroganov's school.

Exuberant as Miro, meticulous as Jérôme Bosch, Mirosh explore all the Fine art's techniques with a predilection for the sculpture. The universality of its knowledges enable Mirosh to express himself with a total freedom.

"I want to express all the strength of the life, of the cosmos, of the women, all the very pointed strength. The energy is everywhere. The art express the philosophy of each.

A way to escape the regulated life". Mirosh

Actually, Mirosh is working at the IN ART's Residence artist house located close to Luxembourg city, for a duration of one year.



THE TEAM IS MADE OF

■ Board of Directors

Miguel A Muñoz
Violaine S. Remacle
Alain Balanzategui

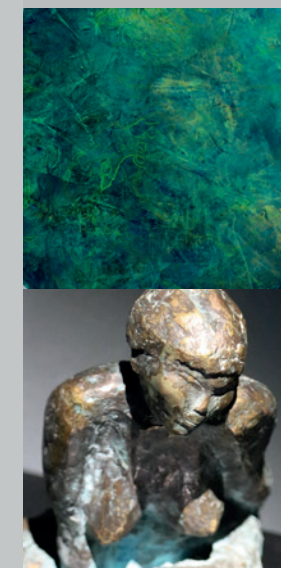
■ Board of Academic Council

Cf infra - Academic Council

■ Legal Advisors

Cabinet Dechert
1 Allée Scheffer
2520 Luxembourg

M&S Law S.à r.l.
205 route d'Arlon
L-1150 Luxembourg



BOARD OF DIRECTORS

Miguel A. Muñoz

CEO Managing Director and founder of MM International Holding S.A.. Mr. Muñoz joined BIL International Bank of Luxembourg in 1976 as a financial advisor. In the 1990s, he contributed to the development of the first Russian / Eastern European offices in Luxembourg. In 1997, Mr. Muñoz founded Fiduciaire Premier Luxembourg specializing in tax planning and accounting services.

Vice President of the Schengen Peace Foundation.

Economist, Miguel Muñoz is also a member of the FIA (Financial Investment Advisor Spain).

Languages: Russian | Spanish | English | French | German | Italian | Luxembourgish.

Violaine S. Remacle

Member since its creation of the INVICTAS board, Director General of IN ART S.A.

Ms. Remacle holds a B.A. in Art, Archeology and Musicology (ULG), a postgraduate in Management and Negotiation (ICHEC Business School) and in International Policy and Strategies (ULB- Brussels University). Manager of the European Commission's External Relations/Economic Cooperation programs in Asia, South America, Africa and the Middle East for 20 years, she is author of several publications.

Currently Vice-President of the Advisory Council for European Affairs in Brussels and Director of several European associations (Schuman Square/One Day).

Languages: English | French | Spanish | Portuguese | Italian | Dutch.

Alain Balanzategui

Fiduciary Services Mr. Balanzategui holds an engineering degree and a Master's degree in Management (ESSEC Business School). He began his career in 1996 with the European banking group DEXIA BIL. After implementing the private banking strategy McKinsey, he joined the Private Banking Line and headed the VIP office of the International Private Banking department. In 2003, he joined Fiduciaire Premier Luxembourg S.A., specializing in financial engineering. Mr. Balanzategui is a member of AIF (Financial Investment Advisor Spain) and was a director of the Spanish Chamber of Commerce in Luxembourg. Languages: English | French | Spanish | German | Luxembourgish.

ACADEMIC COUNCIL

The main purpose of the Academic Council is to be an Independent scientific reference entity of the adviser of the Fund bringing a maximum of transparency in evaluation and selection process. It is composed by experts, academics and scholars from around the world, as:

Dr. Serena Baccaglini

Art and Economics, Università Cattolica del Sacro Cuore, Milano, Italy

Prfa. Patricia Pellegrini

President of the Museo Escuela de Arte, Buenos Aires, Argentina

Kurator Alla Chilova

International Art Projects, Koln, Germany
Collaborator of the State Tretyakov Gallery, Moscow, Russia

Prf. Pierre Brunel

Vice-President Sorbonne University, Paris, France

Prf. Michael Schaebitz

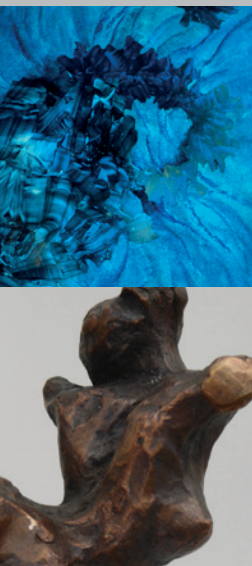
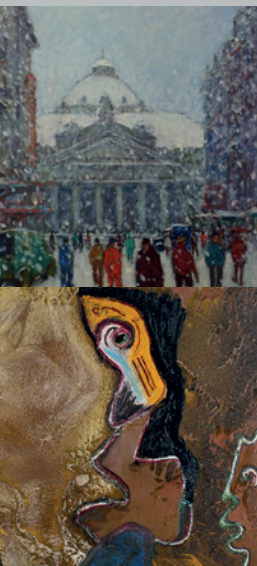
Director Exibo Museum Management, Berlin, Germany

Dr. Joan Abello Juanperre

Executive Director of Reial Cercle Artistic, Barcelona, Spain

Ph D. Rose Marie Gnausch

Art director STF Luxembourg – formerly MOMA, New York, USA



COLLECTION BY ARTIST TYPE

50% DECEASED
POST WAR MASTER ARTISTS

25% HIGH POTENTIAL
CONTEMPORARY ARTISTS

25% YOUNG EMERGING
TALENTS

FUND CHARACTERISTICS

IN ART (I) SCS
A Luxembourg Art Investment Fund based on innovative art strategies of private art collections in order to promote collections in world finest Galleries and Museums, to improve future trends and collection attractiveness in leading new art markets.

Domicile	Luxembourg
Structure	CL Partnership
Fund Currency	€/ \$
Launch Date	01-05-2017
Fiscal Year	31 December
Fiduciary Agent	Fiduciaire Premier S.A.
General Partner	INVICTAS S.A.
AIFM	AIFMD light regime
Fund Advisor	IN ART S.A.
Legal Advisor	Dechert LLP Avocat
Appraiser	TAXART SL
Storage	Luxembourg Freeport
Bank	Luxembourg
Subscription Fee	Up to 4%
Managment Fee	2.5% p.a
Performance Fee	20% (High-Water Mark)
Min Investment	125.000 €/ \$
NAV Calculation	Annual
Life of the Fund	5+2 years

ISIN CODE	FUND NAME
LU1602083682	IN ART I SCS B1 EUR
LU1602083765	IN ART I SCS B2 USD

APPENDIX I: QUESTIONS & ANSWERS

Could you describe the company and the motivation behind it?

- In terms of legal structure, the Art Fund was set up as a limited partnership (société en commandite simple), qualifying as an Alternative Investment Fund (AIF) within the meaning of article 1 (39) of the 2013 Act on Alternative Investment Fund Managers (AIFM Act). The fund is managed by the general partner (INVICTAS S.A.), which is registered with the Commission de Surveillance du Secteur Financier (CSSF) as an AIFM.
- The IN ART FUND was created by INVICTAS, an AIFM company. The IN ART FUND relies upon the experience and knowledge of IN ART S.A., which is the fund's adviser entity.
- In ART S.A. manages museum collections, for example a collection of Picasso's photography, and works with museums from Barcelona to Beijing.
- The main benefits of this legal structure are the competitive cost structure and fast set-up process. It offers a flexible and effective framework combined with general contractual freedom, paving the way for the development of specific strategies in tangible assets and in particular in innovative art strategies.

The Fund is lightly regulated as an AIFM, what does that mean in practice? What is the nature of the supervision to which it is subject?

- AIFMD (the Alternative Investment Fund Manager Directive), introduced in 2013, provides a freer regime for AIFMs funds with less than €100 million in asset under management. This threshold rises to €500 million in cases where the AIFM is unleveraged or does not allow redemptions for five years, the period that is usually required for the development of the specific strategies in private equity or alternative investment strategies in tangible assets. AIFMs are required to register to access this freer regime as opposed to the stricter authorisation criteria that usually apply to retail investors.
- Thus, the general partner of the limited partnership (INVICTAS S.A.) is exempt from strict requirements other than its reporting obligations to the CSSF.
- The IN ART FUND, domiciled in Luxembourg and audited by an external auditor (réviseur d'entreprises), may be subscribed by well-informed/professional investors (in kind or cash) and marketed in the EU in accordance with applicable national private investment rules.

APPENDIX I: QUESTIONS & ANSWERS

Could you briefly introduce the art fund, its performance objective and the strategy used to achieve this performance?

- The IN ART FUND, based in Luxembourg, is a pioneer in innovative art strategies, focused on securing long-term uncorrelated returns through investments in collections of original artwork by post-war and contemporary artists. The selected artists are of exceptional quality and are generally deceased.
- What makes the concept behind the IN ART FUND unique is that it acquires the entire collection of an artist selected with the academic council's approval. Moreover, the fund is characterized by a conviction that past valuations of such works can be restored by implementing a precise, specific strategy in terms of museum exhibitions and catalogue publications.
- Practically, this means for example that the artwork of Matt Lamb (an IN ART FUND artist) will regain the attractive art-market valuation it had 15 years ago. This will be achieved through the implementation of the profile-boosting strategies including holding exhibitions, producing monographies, and managing the artist's image through media and print campaigns.
- Value will be created promoting and marketing the collection in the world's finest galleries and museums. Our target is for the artwork to reach its former value after three years and we expect performance to double between year three and five.
- The target is to continue to boost the attractiveness and performance of the artist's global collection by working with leading auction houses such as Christie's, Sotheby's and others.
- Interest in art as an alternative asset class has grown in recent years in tandem with the emergence of new art investment strategies and opportunities created by new art portfolio structures. Art is increasingly prevalent in the portfolios of investors searching for alternatives assets that offer risk-adjusted returns uncorrelated with more traditional investments.

APPENDIX II: BACKSTAGE

STORAGE

Luxembourg Freeport is the ideal platform for the management of storing, servicing and trading works of art and sets new standards, demanded by investors and collectors. Fine Art Logistics NLC is also an efficient logistics hub allowing viewing and auction sales in the best conditions.

INSURANCE

Specialized fine art insurance broker are selected with great commitment to protect IN ART Fund collection on all-risks, from nail to nail.

VALUATION

The annual valuation of the art has been outsourced to independent major actor monitoring important international auctions. The valuation's methodology, based on a defined algorithm, allows better price estimation and fair market value for a prudent approach.

APPENDIX III: BUSINESS PLAN

EXPENSES	2017	2018	2019	2020	2021	2022	2023	2024
Art - Purchase	15.000	35.000	-	-	-	-	-	-
Catalogues	50	75	100	100	100	100	50	25
Exhibitions	10	20	150	175	200	200	200	75
Storage	30	35	40	40	40	40	20	10
Transport	30	60	60	60	60	60	40	40
Insurance	10	20	20	20	20	20	20	10
Valorisation	15	35	40	45	45	50	25	5
Audit	10	10	12	15	15	18	18	15
Legal Fees	30	20	10	10	20	20	20	20
Marketing Fees	15	25	35	35	40	40	40	40
Fund & Mgt Fees	1.250	1.250	1.250	1.250	1.250	1.250	750	500
Total	1.450	1.550	1.717	1.750	1.790	1.798	1.183	740

REVENUE	2017	2018	2019	2020	2021	2022	2023	2024
Art Sales	1.000	2.000	3.000	3.000	5.000	15.000	35.000	35.000
Art Lending	10	50	100	150	150	150	-	-
other (Interests, .)	250	200	150	25	100	100	275	350
Valorisation	1.400	7.260	7.899	9.785	12.469	11.963	3.678	273
Total	1.660	7.510	8.149	9.960	12.719	12.213	3.953	623

	2017	2018	2019	2020	2021	2022	2023	2024
GAIN	210	5.960	6.432	8.210	10.929	10.415	2.770	-117
AUM (50)	50.210	56.170	62.602	70.812	81.741	92.155	94.925	94.808
Annual Perf.	0%	12%	11%	13%	15%	13%	3%	0%
Base 100	100	112	125	142	163	184	190	190

(X €1.000)



MICHEL DUTRIEU



MICHEL DUTRIEU



MATT LAMB



MATT LAMB



MARGUERITE DE LIMBURG-STIRUM



MARGUERITE DE LIMBURG-STIRUM



SERGEY MIROSHNICHENKO



SERGEY MIROSHNICHENKO





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INVICTAS S.A.

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