



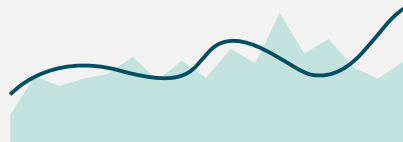
## ARTE COLLECTUM I AB

Product Designer	Arte Collectum AB
AIF Manager	AIFM Capital AB
Maturity	6 years
Currency	EUR
Underlying	Art
Nominal amount	100,000 EUR / profit-sharing loan
Minimum investment	5 profit-sharing loans
Subscription price	100% of nominal amount
Management fee	2.5% per annum
Subscription price	1% of nominal amount
Listing	NGM
Clearing	Euroclear Sweden AB

# Unique art investment with a rate-of-return target of 100% / 12% per year after fees.

## WHY AN ART FUND?

- The art market is unregulated and relatively difficult to navigate.
- Successful investments in art require a major capital commitment as well as expertise and contacts.
- The fund provides access to the Acquisition Committee, which has exceptional knowledge and extensive experience of the global art market.
- A fund managed with the requisite expertise reduces barriers to entry, improves the opportunity to gain access to attractive works and reduces risk by diversifying across several holdings.
- The Acquisition Committee acts in the interests of the investors and is supervised by the Compliance Committee – thereby ensuring transparency and compliance.
- The fund will make artworks available to relevant art exhibitions around the world, which will highlight artists and generate greater potential for value accretion.
- Art has a low correlation to other classes of assets with attractive risk-adjusted returns – an interesting complement to a well-diversified portfolio.



## FUND ORIGIN

Historically speaking, a small number of major global banks and private joint ventures have been successful with art investments in similar funds. Achieving success requires that the Acquisition Committee has extensive expertise and experience in trading art that has the potential to appreciate in value. To promote artists, build provenance and create an accelerated appreciation in value, the Acquisition Committee and the Arte Collectum team will strive to include artworks held by the fund in prestigious museum exhibitions around the world, and to publish them in journals and books. Arte Collectum has its own compliance function, the Compliance Committee, whose main task is to minimise conflicts of interest and ensure that the authenticity and provenance of the artworks are verified. Effective decision-making procedures have also been established between the Investment and Compliance committees, which enable the fund to act on specific purchasing opportunities with short lead times.

## FUND SHARE OWNERS

Arte Collectum intends to regularly send out updates about the development of the fund to the fund share owners with information about the latest purchases, artists' biographies, etc. We are also aiming to invite fund share owners to an annual meeting in Stockholm where the Acquisition Committee present the art portfolio and the events of the year, as well as to arrange trips to Art Basel, Frieze or the Venice Biennial where the Acquisition Committee, lead by Lars Nittve, will act as guides.

## HOW THE INVESTMENT WORKS

The fund is an alternative investment fund (AIF) which was formed as a limited liability company, Arte Collectum I AB. The fund is regulated by the Companies Act and the the Alternative Investment Fund Managers Act. The shares in the fund comprise equity and profit-sharing loans (Debentures). The terms and conditions for the Debentures will regulate fund repayment and return. The fund has a pre-determined maturity of six years and an investment period of three years. In normal market conditions, all fund assets will be sold within the six-year maturity. In abnormal market conditions, it is possible to extend the maturity of the fund by up to two years. Throughout the fund's maturity there will be potential for profit sharing. However, an investment in the fund should be considered as an investment throughout its entire lifetime. The Debentures are intended to be traded on NGM Nordic AIF. The Debentures will be registered with Euroclear Sweden AB, denominated in EUR, prepared in accordance with Swedish law and issued to the holder. The Debentures are issued by the fund for the purpose of raising capital to invest in art that the Acquisition Committee finds appropriate and which, in terms of orientation and categories, aligns with the investment guidelines for the fund. If the investment develops in a positive direction, the intention is for the investors to receive repayment of the Debentures' nominal amount plus profit sharing. In profit sharing, the investor receives 80 percent and Arte Collectum receives 20 percent. The members of the Acquisition Committee receives no current remuneration from the fund, only a performance-based compensation in the form of profit sharing. The Chair of the Acquisition Committee also receives a considerable share of their expected remuneration in the form of profit sharing.

This constitutes marketing communication. Nothing in this marketing communication shall be deemed to constitute financial, legal or other advice. Investors are encouraged to read the prospectus, information brochure and Key Information Document for Arte Collectum I AB before making any investment decisions. Investing in the fund entails a risk. Historic returns are not a guarantee of future returns. Any capital invested in the fund may both increase and decrease in value, and it is not assured that an investor receives all of the invested capital back.

## ACQUISITION COMMITTEE

The primary task of the Acquisition Committee is to create as large an appreciation in value as possible for the underlying art collection throughout the maturity of the investment. The Acquisition Committee has extensive and far-reaching experience of the global art market and has purchased art for a total of 2 billion euro, and they have been successful in trading and value accretion.

### LARS NITTVE | Chair



Lars Nittve is the Chair of the Acquisition Committee. Lars has 45 years' experience of the global art market and has spent many years as head and responsible for the creation of major museums of modern and contemporary art, such as Louisiana in Denmark, Tate Modern in London, Moderna Museet in Stockholm, and is also the director and founder of the M+ art museum in Hong Kong, as well as having worked as an art critic, curator and university lecturer. Lars has wide-ranging knowledge of most aspects of 20th and 21st century art, but with a specific interest as well as insight into specific areas, such as:

- The Pictures Generation - Cindy Sherman, Barbara Kruger, Allan McCollum, Sherrie Levine et al.
- Los Angeles artists from the end of the 1950s to the end of the 1990s, such as Wallace Berman, Ed Ruscha and James Turrell, Jim Shaw and Diana Thater.
- Women artists in general, and a current special interest in abstract expressionism.

Lars has been involved in museum acquisitions to a value of around 200 million euro, and is a leading expert on building collections in collaboration with galleries, auction houses and collectors.

### DEBORAH GUNN | member



Deborah Gunn is a member of the Acquisition Committee. She has more than 15 years' experience of building and shaping collections within a range of different artistic genres. Deborah lives in Seattle and was formerly the assistant director and head of all transactions at the Art Finance Vulcan Art Collections (Microsoft founder Paul Allen's collection). She has made thousands of acquisitions, including

several notable art transactions over the past decade, with impressive returns over the years. Deborah has exceptional access to galleries and dealers around the world and is very familiar with all aspects of due diligence for the purchase, sale and value accretion of art. Deborah believes in the persistent human imperative to create and enjoy art, as well as its lasting cultural impact, and has a particular passion for:

- Abstract artists from the mid-20th century to the present, such as Helen Frankenthaler, Alma Thomas, Mark Rothko, Joan Mitchell, Jackson Pollock, Willem de Kooning, Lee Krasner, Grace Hartigan, Julie Mehtetu and Cecily Brown.
- Contemporary figurative painters such as Njideka Akunyili Crosby, Claire Tabouret, Peter Doig, Jennifer Packer, Matthew Wong and Kerry James Marshall.
- Conceptual artists such as Felix Gonzalez-Torres, Yayoi Kusama, Marina Abramovic, Jenny Holzer, John Cage and Barbara Kruger.

Deborah is a leading international specialist in art investments.

### NIKLAS BELENIUS | member



Niklas Belenius is a member of the Acquisition Committee. He is a third-generation art dealer and collector. Niklas has more than 20 years' experience of the gallery industry, including 15 years of successfully running his own gallery. Niklas has a wide-ranging network of contacts at prominent international galleries. He has

specialised in emerging contemporary art, primarily from the Nordics, Europe and the USA with a particular focus on painting. Niklas has a special passion for:

- American West Coast artists born in the 1940s and 1950s, such as Mike Kelley and Chris Burden.
- Nordic art from the 1960s, particularly the circle around Öyvind Fahlström and Barbro Östlinn, as well as Ulla Wiggen who he has brought back to international renown.
- Emerging and active artists such as Julie Curtiss, Hernan Bas, Stefanie Heinze, Mamma Andersson, Nathalie Djurberg and Hans Berg and Christina Quarles.

Niklas's strengths include his ability to analyse the art market, predicting changes and trends, as well as his intuitive flair for investing in art that generates high returns. He also has extensive experience of working closely with artists and collectors, as well as of facilitating the international careers of emerging and as yet undiscovered artists – an important aspect of the Acquisition Committee's strategy.



## INVESTMENT STRATEGY

The Acquisition Committee will focus on a number of groups of artworks, belonging to different categories, such as particular movements, periods or themes, as well as including opportunist acquisitions. The particular expertise and passion of each member of the Acquisition Committee will be reflected in the investment strategy.

- The portfolio is diversified with a global mandate, focusing on artists who are active at the heart of the art world in: Europe, the USA, Great Britain and Hong Kong.
- The fund aims to exclusively buy the absolutely finest works of art.
- The Acquisition Committee will identify artists and works of art with strong indications of future value accretion over the next 5–10 years.
- Art that has the potential to increase considerably in value as a result of collaboration with the most prominent galleries, major planned institutional exhibitions, and in association with dramatic social change that will have a positive impact on price performance.

**Examples of groups and selections that will be part of the fund can be seen below.**

- Women artists
- Artists from minorities
- Artists who are reappraised by the market as a consequence of a revision of art history
- Established artists who are represented at the 20 foremost galleries in the world
- Up and coming artists who are represented at the 40 foremost galleries in the world
- The 50 most established artists around the world



# ETHICAL INVESTMENTS YIELD BETTER RETURNS

Over the past 20 years, Western culture and its market system has been increasingly engaged in a revisionist process. The process has overturned established hierarchies and, more importantly, reassessed the inclusions and exclusions made by taste makers and historians who have walked in their footsteps over the past two centuries. Even though the process has only just begun, a complete revaluation of the place of women in art history is underway, highlighting women artists from different generations, such as Berthe Morisot, Ljubov Popova or Alice Neel.

We have seen similar developments within music, with Fanny Mendelssohn, Clara Schumann and Lili Boulanger, as well as within architecture and design with the late recognition of Eileen Gray, Charlotte Perriand and Léonie Geisendorf, and many others. All of them forgotten during various periods for one single reason – they were women.

There is a range of exclusions for reasons other than gender. The most obvious and most current following last year’s Black Lives Matter protests is race, where practitioners in all cultural fields were systematically discriminated against and often excluded. In addition, sexual orientation or being born into an ethnic, or even domestic minority in some part of the world, has also been a reason for being excluded from the “stories of the masters”. For example, few people in the art world, including Sweden, Norway or Finland, were aware of or had any expertise in contemporary Sami art before it was presented at documenta 14 in 2017. Since then, we have see a larger number of exhibitions and a subsequent market trend with dramatic price increases.

The art system is changing and is driven by a general ideological change that is reinforced by the fact that there are an increasing number of women and people from minorities in executive roles such as curators, museum directors and collectors. The change is more enlightened and inclusive under pressure from a constantly growing and globalised art market. Some important examples of this ideological change is the acquisition campaign “The Second Museum of Our Wishes” at Moderna Museet 2006-2007, “elles@

centrepompidou” at the Centre Pompidou in 2009, “Modern Women” at the MoMA in New York in 2010 and Louisiana Museum of Modern Art, as well as Kunstsammlung Nordrhein-Westfalen “Die Andere Seite Des Mondes” in 2012. Furthermore, there are more thematic exhibitions, such as “Women

Marshall’s works side by side with Mikalene Thomas and Robert Colescott, as well as the more than 30 American exhibitions, books and events focused on Afro-American art that were planned for 2021.

The increasing awareness of previously disadvantaged artists has positive consequences for their market value. Women artists are slowly moving up the art price ladder, even if the generalisation from the project “The Second Museum of Our Wishes” in 2007 that a woman artist who, in all other respects, was at the same level as her male colleagues previously only attained 10 percent of their market value, is still partly true. But over the past few years, this has changed, and the prices of works by prominent women artists have increased exponentially. The prices of works by prominent women artists have increased exponentially, with

paintings by Joan Mitchell, for example, having increased by as much as 700 percent since the beginning of the century. The interest in black artists has been explosive, and even if the opportunities within this field are more limited, there is still tremendous potential.

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of Abstract Expressionism” at the Denver Art Museum in 2016 or “Elles font l’abstraction” at the Centre Pompidou in 2021. Similar museum-driven projects have also developed within other fields that are in need of a major overhaul. Both from a geographic perspective, such as Tate Modern and M+, and from a race perspective such as the major Kerry James Marshall retrospective “Mastry” organised by the MCA Chicago, the MOCA Los Angeles and the Metropolitan Museum of Art in New York, which took place from 2016–2017. Other examples include the superlative exhibition “Figuring History” in 2018 which brought up the subject of who is represented and who makes art history, and which presented

theme in our investment strategy, but also gives us an opportunity to promote equality and justice in the art industry.

The Acquisition Committee is well equipped to actively collect artists or groups of artists that may be of interest for museums to include in their exhibitions, or even form the core of exhibitions at a museum. This is a strategy that some of the leading commercial galleries have developed with great success over the years. For example, Hauser & Wirth included the completely forgotten 1960s artist Lee Lozano (which also led to an exhibition at Moderna Museet), or David Zwirner’s successful efforts to promote the works of Alice Neel at museums, which consequently increased the value of her works by around 400 percent in just a few years. The Arte Collectum Acquisition Committee will be working in a similar fashion and continue to elevate the status and the artwork of the artists, both by exhibiting their works and by publishing them in journals and books, which can lead to a considerable increase in the value of the fund.

## LOW CORRELATION WITH OTHER ASSET CLASSES

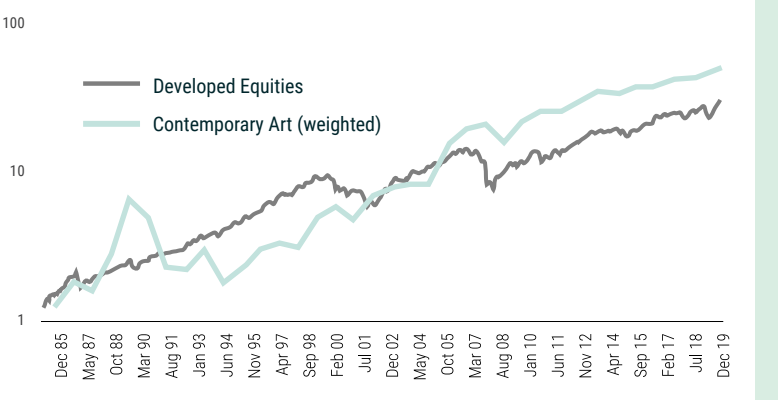
Correlation is measured on a scale from 1 to -1 where 1 = two asset classes that always move in the same direction and -1 = two asset classes that always move in opposite directions.

	Developed Equities	Emerging Market Equities	Developed Investment Grade Fixed Income	High Yield Fixed Income	Emerging Market Fixed Income	Cash	Hedge Funds	Private Equity	Real Estate	Commodities	All Art	Contemporary Art	Impressionist Art
1985-2020													
Developed Equities	1	0.68	0.26	0.72	0.32	0.13	0.78	0.84	0.63	0.22	0.12	0.19	0.13
Emerging Market Equities	0.68	1	-0.03	0.63	0.54	0.09	0.67	0.75	0.55	0.47	0.25	0.27	0.22
Developed Investment Grade Fixed Income	0.26	-0.03	1	0.33	0.11	0.35	0.46	0.15	0.29	-0.21	0.04	0.15	0.00
High Yield Fixed Income	0.72	0.63	0.33	1	0.46	-0.11	0.72	0.79	0.66	0.22	-0.18	-0.17	-0.11
Emerging Market Fixed Income	0.32	0.54	0.11	0.46	1	-0.04	0.46	0.44	0.52	0.58	-0.02	0.11	-0.12
Cash	0.13	0.09	0.35	-0.11	-0.04	1	0.44	-0.12	-0.12	0.08	0.26	0.30	0.31
Hedge Funds	0.78	0.67	0.46	0.72	0.46	0.44	1	0.71	0.51	0.29	0.08	0.15	0.05
Private Equity	0.84	0.75	0.15	0.79	0.44	-0.12	0.71	1	0.75	0.23	0.07	0.10	0.06
Real Estate	0.63	0.55	0.29	0.66	0.54	-0.12	0.51	0.75	1	0.18	0.09	0.16	0.03
Commodities	0.22	0.47	-0.21	0.22	0.58	0.08	0.29	0.23	0.18	1	0.09	0.19	0.05
All Art	0.12	0.25	0.04	-0.19	-0.03	0.26	0.08	0.06	0.09	0.09	1	0.77	0.91
Contemporary Art	0.19	0.27	0.15	0.18	0.10	0.29	0.15	0.10	0.15	0.18	0.77	1	0.55
Impressionist Art	0.13	0.22	-0.01	-0.12	-0.13	0.31	0.05	0.06	0.02	0.05	0.91	0.55	1

## ANNUAL RETURN FROM 1985–2020

Long-Term Asset Class Returns	Estimated Annualized Returns 1985–2020 (%)
Global Developed Market Equity	9.9 %
Global Emerging Market Equity	10.7 %
Global Development Market Investment Grade Fixed Income	6.5 %
Global Hight Yield Fixed Income	8.0 %
Global Emerging Market Fixed Income	8.6 %
Cash	3.2 %
Hedge Funds	8.9 %
Private Equity	13.8 %
Real Estate	8.0 %
Commodities	3.5 %
All Art	8.3 %
Contemporary Art	11.5 %
Impressionist Art	6.8 %

### Higher-Valued Contemporary Art Has Outpaced Developed Equities



Source: Art represented by the Masterworks.io All Art, Contemporary Art and Impress indices; Price-weighted as a clearer performance indicator for the “blue chip” segment defined as works that cost \$500,000 or more. All returns estimated in U.S.dollars. Other asset class returns estimated by Global Asset Allocation team, Citi Private Bank. Past Performance is no guarantee of future returns. © 2020 Masterworks.io LLC; All rights reserved. Indices revised as of November 2020.

# COMPLIANCE COMMITTEE

The Compliance Committee follows regulations, minimizes conflicts of interest and ensures that the authenticity of the works is verified. The Compliance Committee will ensure that any artwork is purchased from established galleries, art dealers, art consultants, auction houses and private collectors. The works must be correctly signed or accompanied by certificates/proofs of authenticity, catalogues raisonnés or equivalent. All works traded on the secondary market must be of reliable provenance. Furthermore, the Compliance Committee shall ensure that the Acquisition Committee invests no more than 20 percent in a single artist and no more than 15 percent in a single artwork.



**RICHARD GOLDMAN** | Member

Richard Goldman is a member of the Compliance Committee. He was formerly the Managing Director of BNP Paribas in London for the Nordic region. He has worked in corporate finance for over 25 years and is currently the head of Red-eye's corporate finance department in Stockholm.



**JENS TILLQVIST** | Member

Jens Tillqvist is a member of the Compliance Committee. He is a partner at the Cederquist Law Firm, where he has worked since 1991. Jens has regularly been recognized as one of Sweden's leading lawyers in employment law by Chambers Europe and Legal 500, and is a partner in Cederquist's Dispute Resolution Practice Group and their Employment and Benefits team.



**BO AHLSTRAND** | Member

Bo Ahlstrand is a member of the Compliance Committee and is currently retired. He was formerly a tax lawyer and partner at the KPMG auditing firm in Stockholm, where he also exhibited a part of his former collection.

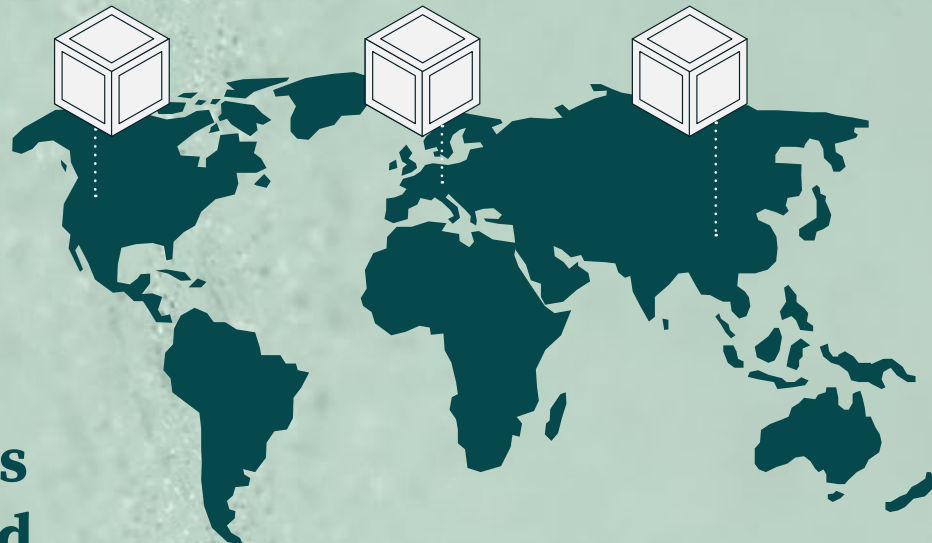
**To promote artists, build provenance and create an accelerated appreciation in value, the Acquisition Committee and the Arte Collectum team will strive to include artworks held by the fund in prestigious museum exhibitions around the world, and to publish them in journals and books.**

# RATE-OF RETURN TARGET AND PROFIT-SHARING

The goal of the fund is to deliver a rate of return of around 12 percent per year after fees, corresponding to a doubling of the invested capital over the six-year maturity of the fund. Performance-based remuneration in the form of profit sharing is paid to Arte Collectum after a nominal amount plus a threshold return of 6 percent of the invested capital has gone to the investors. If the fund achieves a rate of return of more than 15% per year, there is a profit sharing of 30 percent of the surplus profit. In profit sharing, the investor receives 80 percent and Arte Collectum receives 20 percent.

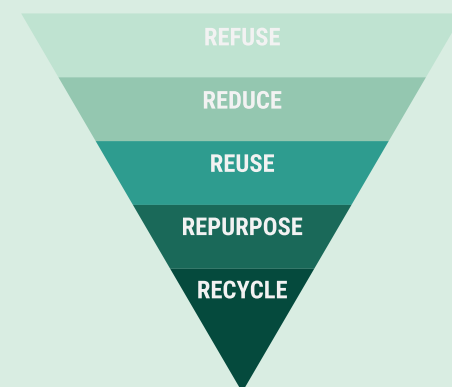


The artworks will be stored in a thoughtful manner and only be transported long distance when it is required.



## ARTE COLLECTUM IS A MEMBER OF THE GALLERY CLIMATE COALITION

The Gallery Climate Coalition is an international charity and member organisation that provides guidelines for environmental sustainability in the art industry. The organization is working to reduce CO2 emissions in the sector by no less than 50% by 2030 (in accordance with the Paris Agreement).



The five “Rs” constitute a guide to managing and reducing waste, and follow a clear hierarchy: **Refuse, Reuse, Reduce, Repurpose, Recycle.** The most important information and the main recommendation is that recycling is the last option.

[galleryclimatecoalition.org](https://galleryclimatecoalition.org)

## INFORMATION ABOUT THE INVESTMENT

### Subscription Period

The Debentures can be subscribed to in connection with each issue. The fund reserves the right to shorten or extend the subscription period, limit the scope of the issue, or cancel the issue if market conditions restrict the possibility of completing an issue of Debentures.

### Taxation

The investment in debentures is subject to taxation, and investors should consult professional advisors about the fiscal consequences of an investment in the Debentures in light of their own circumstances. Tax provisions are dependent on investors’ individual circumstances and can change during the holding period, which may have adverse consequences for investors.

### Listing

An application will be submitted to list the Debentures on the Nordic Growth Market NGM AB or other regulated market.

### Terms and conditions

The prospectus for the Debentures and final terms and conditions for the Debentures will be available at [aifmgroup.se](https://aifmgroup.se) and [artecollectum.com](https://artecollectum.com) after the prospectus has been approved. The prospectus, when it becomes available, will be approved by Finansinspektionen. Investors are asked to review the Prospectus as well as the terms and conditions for the Debentures when they are made available as per the above.

### Information about the risks of the investment

An investment in the Debentures is associated with a number of risk factors that are summarised here, and which should be considered before making an investment decision. The risk factors listed below should only be seen as examples and not as a comprehensive list of the risks associated with the investment. For additional information about these and other risk factors, see the Prospectus for the Debentures.

### Changes to market conditions

Market conditions and economic cycles may cause the investments to fail to increase in value or to reach the expected levels, which in turn may lead to the return on the Debentures not reaching the expected levels or failing to materialize entirely.

### Regulatory risks

The fund is managed by an AIF manager. Changes to applicable rules and regulations may also impact the AIF manager’s operations in a way that occasions increased administrative costs, which can lead to the Fund needing to pay a higher management fee and thereby incurring higher costs. This may lead to a reduced scope for repayment of or return on the Debentures.

### Credit risk

Credit risk refers to the risk that the Fund is unable to fulfil their obligations towards the investor. Obligations refer to repayment on the due date or the repayment date. If the Fund were to become insolvent, the investor risks losing their entire investment, regardless of how the underlying exposure has developed.

### Preferential right for holders of the Debentures

Even though the fund’s other creditors may be few in number, holders of the Debentures will principally be subordinated to any secured creditors and only have an unsecured claim on the fund for the amounts that are attributable to the Debentures. This means that holders of Debentures are commonly paid pro rata with other unsecured creditors. Thus,

there is a risk that holders of the Debentures will lose all or part of their investments if there are creditors with better preferential rights, or other unsecured creditors with claims on the fund, in case the fund is subject to liquidation, company reorganization, bankruptcy or other insolvency proceedings.

### About the Marketing Brochure

This brochure only constitutes marketing material and does not provide a complete picture of the offer and the investment. A complete description and applicable regulations are available in the fund’s prospectus, which has been approved by Finansinspektionen, the Swedish Financial Supervisory Authority, and includes a description of the fund, as well as binding terms and conditions for the offer and the investment in its entirety. Please note that the approval of the prospectus shall not be deemed an approval of the offer and the investment. If anything stated in this brochure is not in accordance with or consistent with the fund’s prospectus, what is stated in the prospectus shall take precedence over the information in this brochure. Before deciding on an investment, investors are encouraged to consult professional advisors and to read the full information in the prospectus. The prospectus is available at [aifmgroup.se](https://aifmgroup.se) and [artecollectum.com](https://artecollectum.com).

### Key Information Document

The properties and risks of the investment are also summarized in a Key Information Document (KID). The Key Information Document is not marketing material. It provides information required by law to help investors understand the investment’s properties, risks, costs and potential profits and losses. It is also helpful when comparing the investment with other products. The Key Information Document is available at [aifmgroup.se](https://aifmgroup.se) and [artecollectum.com](https://artecollectum.com).

### Fees

When making an investment, the investor pays a broker’s commission, normally amounting to 1% of the nominal amount. A broker’s commission is also added when selling on the secondary market during the maturity of the Debentures. In addition to the broker’s commission, an annual administrative fee of 2.5% will be charged on [invested capital]. Please note that the entire fee will be charged at the time of the investment, and the fee will not be repaid in the event of a premature sale. The broker’s commission will be charged as a fee in addition to the subscription price, while other fees will be included in the subscription price.

### Conflicts of interest

Conflicts of interest may arise in Arte Collectum’s operations. Arte Collectum has adopted procedures and guidelines that aim to identify and manage conflicts of interest. Arte Collectum’s interests shall not take precedence over the interests of the clients, and no client shall benefit to the detriment of another client. Areas where conflicts of interest may arise are investigated regularly to ensure that any conflicts of interest are managed in an acceptable manner. The board and management shall be informed of any material conflicts of interest, and the board [and the fund’s shareholder committee] decide on matters of principle concerning conflicts of interest.

### Quotation

Arte Collectum will publish the current price of the Debentures at [artecollectum.com](https://artecollectum.com).



[artecollectum.com](http://artecollectum.com)