Why Invest in *Art* Through a Regulated Fund?

Seven questions every investor should ask – and our answers

THE STRUCTURE

ANCHORAGE SICAV – Anchorage Art Fund · Liechtenstein SICAV · Closed-ended AIF

Seven questions, in order

Each answer narrows the choice. By the last one, the structure explains itself.

1 **Why art at all?**
Art as an asset class in a diversified portfolio.

2 **Why an instrument, not a painting?**
What direct ownership actually asks of you.

3 **Why a fund?**
Diversification, segregation, governance, a defined exit.

4 **Why regulated?**
Who holds the art, who values it, who answers for it.

5 **Why Liechtenstein?**
EEA access, AIFMD standards, Swiss proximity.

6 **Why not a certificate?**
Creditor of an issuer instead of owner of assets.

7 **Why not a token or NFT?**
A record of entitlement is not legal title.

Why art as an asset class?

A real asset whose value is set by scarcity and collector demand, not by earnings cycles.

Genuine scarcity

The body of work of an established artist is finite, and it shrinks as pieces enter museum and foundation collections permanently.

Different return drivers

Prices respond to rarity, provenance, scholarship and exhibition history rather than to earnings seasons or rate expectations. That produces diversification, not immunity from market stress.

Patience is rewarded

Holding periods measured in years to decades are normal in this market, which suits committed long-term capital and penalises trading.

Cultural durability

Demand for museum-quality work has proven resilient across generations and across currencies.

≥ 50% OF NAV INVESTED IN PHYSICAL ART	Balance in a fixed income sleeve, with Lombard leverage
7–10 yrs CLOSED-ENDED TERM	Seven years, extendable up to three times by one year
6–10% TARGET GROSS IRR	Illustrative only. Not a projection or a guarantee

THE HONEST LIMIT

Art pays no yield, generates no cash flow, and is valued periodically rather than continuously. It belongs in the illiquid alternatives sleeve of a portfolio, and it should be sized accordingly.

Why not simply buy the paintings?

You can. It means personally taking on every function a fund performs once, for a whole portfolio.

DIRECT OWNERSHIP	THROUGH AN INSTRUMENT
What you carry yourself	*What the structure absorbs*
Access and sourcing at gallery and foundation level	One professional team performs each function once
Authentication, provenance and title verification	Costs are shared across the whole portfolio
Negotiation, buyer's premium and transaction taxes	Independent valuation and independent safekeeping
Transport, climate-controlled storage and security	A defined exit mechanism instead of hoping for a buyer
Specialist fine-art insurance and conservation	Exposure to many works from a single subscription
Resale timing, consignment terms and market risk	Reporting your bank and adviser can actually process
Concentration: one or two works, no diversification	A meaningful position without a seven-figure ticket per work

Direct ownership is not wrong – it is a different product. It suits a collector who wants the works on the wall. It does not suit an investor who wants diversified exposure, independent valuation and a defined exit.

Why a fund vehicle?

Pooling is not the point. The point is what pooling makes possible.

1 Diversification instead of event risk

A portfolio across artists, periods and price points. A single disputed attribution or a soft auction does not decide the outcome.

2 Segregated fund assets

Fund assets are legally separate from the manager's and the promoter's balance sheets. Investors are co-owners, not creditors.

3 Access to primary sourcing

Works acquired directly through galleries, foundations, private collectors and selected auctions – channels closed to individual buyers.

4 Governance and reporting

A defined investment policy, a documented valuation process, an audited annual report and formal investor notices.

5 A defined lifecycle

Subscription period, holding period, then an orderly liquidation with an audited final report. Not an open-ended promise.

6 Scale where it pays

Storage, insurance, transport, restoration and legal costs are negotiated once for the whole portfolio and shared.

Why a regulated vehicle?

Three questions decide whether an art investment is safe to make. Regulation answers all three.

WHO HOLDS THE ART

An independent depositary

Bank Frick AG verifies that the fund owns the works and monitors every cash movement, with statutory liability for its duties. Somebody other than the manager confirms the assets exist.

WHO VALUES IT

An audited NAV

Valuation follows a documented process with independent appraisers, and the annual accounts are audited by Grant Thornton AG. The manager does not set the number alone.

WHO ANSWERS FOR IT

A licensed manager and a supervisor

ONE Funds AG is a licensed AIFM with a licence at risk, bound by rules on organisation, conflicts of interest and remuneration, and supervised by the FMA.

WHAT ELSE COMES WITH IT

Full pre-contractual disclosure of strategy, risks and every fee – including art introducer and success fees. Enforceable investor rights. EEA-wide distributability. Units your bank can hold in custody and your adviser can allocate to.

WHAT REGULATION DOES NOT DO

It does not remove investment risk. Art prices can fall, and a substantial or total loss of capital remains possible. What it removes is uncertainty about who holds the assets, who values them, and who answers for them.

Why a vehicle in Liechtenstein?

The only jurisdiction that combines full EEA fund access with a customs and currency union with Switzerland.

EEA membership

Liechtenstein is part of the EEA, so the fund can be marketed to professional investors across the EEA under the AIFMD passport, with third-country private placement beyond it.

EU-equivalent standards

The AIFMG implements the AIFMD, so investors get the same protections as in any EU fund domicile: licensed manager, depositary, disclosure and reporting.

A specialist, accessible regulator

The FMA supervises a concentrated fund market and works to short, predictable approval timelines by European standards.

Mature private-label infrastructure

Licensed AIFMs, depositary banks, auditors and administrators are all present in one small jurisdiction, which shortens decision chains.

Stability

A AAA-rated sovereign with no public debt, and a customs and currency union with Switzerland, so EUR and CHF both work naturally.

THE BRIDGE POSITION

EEA reach, Swiss proximity

Distribution across the EEA, combined with Swiss banking relationships, Swiss storage facilities and CHF settlement where the investor prefers it.

THE SHORT VERSION

For a Swiss investor, Liechtenstein is next door. For an EEA investor, it is inside the single market. Very few domiciles are both.

Why not an art certificate?

Certificates give economic exposure to art. They do not give ownership of it, and nobody independent checks what sits behind them.

THE LEGAL POSITION

You become a creditor

The holder has a claim against the company that issued the certificate, not co-ownership of the works. Issuer and structure risk sit between the investor and the art.

SAFEKEEPING

No depositary exists

No independent institution is obliged to confirm that the works exist, are insured, are where they are said to be, or have not been pledged elsewhere.

VALUATION

Set inside the issuer's chain

A frequently published price on illiquid art is a model output produced by a party with an economic interest in the number, not an audited valuation.

APPROVAL AND REACH

No product review, one market

Typically offered without a prospectus under a professional-investor exemption, in a single country, with no passport and no supervisor that reviewed the structure.

THE TRADE BEING MADE

Certificates are cheaper and quicker to launch, and for some investors that is a rational choice. The saving comes from leaving out the depositary, the audit, the prospectus and the supervision – which is to say, from leaving out the parts that protect the investor. Ask what the certificate's own introduction and success fees are before treating the cost gap as settled.

Why not an NFT or tokenised art?

The question is never the technology. It is what the token gives you a claim on, and against whom.

A token is a record of entitlement, not legal title

Ownership of a physical work is established by law, contract and possession. A token can reference that ownership; it does not by itself create it.

Custody moves to a platform

Keys, wallets and smart contracts replace a depositary bank, without the statutory duties, the balance sheet or the supervision that go with one.

No licensed manager and no audited NAV

There is usually no regulated manager, no independent appraiser process and no auditor signing the valuation.

Continuous pricing can imitate liquidity

A live on-chain quote on a thinly traded token does not make the underlying painting saleable, and can misrepresent both value and exit.

MiCAR does not close the gap

It regulates crypto-asset services and issuers. It does not turn a token into a supervised fund with segregated assets and a depositary.

THE FAIR POINT

Tokenisation is plumbing

Distributed ledgers are a way of recording and transferring holdings. Applied to regulated fund units, they can one day make subscription, transfer and reporting cheaper. That is complementary to a fund, not a substitute for one.

THE ONE QUESTION

If the platform disappears tomorrow, what do I still legally own, and who is obliged to give it to me?

The same asset, four different sets of rights

What actually changes when you choose the wrapper.

	Direct purchase	Certificate / AMC	NFT or tokenised art	Regulated AIF
YOUR LEGAL POSITION	Owner of the works	Creditor of the issuer	Holder of a token referencing an asset	Co-owner of segregated fund assets
INDEPENDENT SAFEKEEPING	You arrange it	None	Platform or wallet	Depositary bank, statutory duties
VALUATION	On sale only	Issuer’s own chain	On-chain quote	Documented process, audited NAV
SUPERVISION	None	Normally none	Service level only	Licensed AIFM, FMA-approved product
DIVERSIFICATION	One or two works	A handful of works	Single asset or basket	Portfolio across artists and periods
DISTRIBUTION REACH	n.a.	Usually one country	Varies, often unclear	EEA passport plus private placement
BANK CUSTODY AND LENDING	No	Rarely	Rarely	Designed for it
ONGOING CHARGES	You bear each cost yourself	Lower headline cost	Platform and service fees	Target 1.7–1.8% of NAV
TRANSACTION COSTS	Buyer’s premium, transport, insurance	Embedded, often undisclosed	Varies	Additional, and fully disclosed

Ongoing charges are a target, not a cap, and are subject to FMA approval and the final constituent documents. Art transaction costs and any performance fee are additional on every route shown, including this one. Cost is the single line where the unregulated routes win; every other line is a right the investor either has or does not have.

Anchorage SICAV – Anchorage Art Fund

Key parameters, per the constituent documents.

STRUCTURE

Legal and regulatory framework

LEGAL FORM	SICAV, umbrella with closed-ended sub-fund
DOMICILE	Principality of Liechtenstein
FRAMEWORK	AIFMG (AIFMD-aligned), supervised by the FMA
ELIGIBILITY	Professional investors only
SERVICE PROVIDERS	ONE Funds AG (AIFM), Bank Frick AG (depositary), Grant Thornton AG (auditor)

TERMS

Strategy and investor terms

ASSET FOCUS	Blue-chip and established fine art, ≥ 50% of NAV
TERM	Closed-ended, 7 years, extendable to 10
SUBSCRIPTION	Up to 3 years, several closings, no redemptions
VALUATION	Annual NAV as of 30 April, audited
MINIMUM INVESTMENT AMOUNT	EUR 500'000*

*Applies to unit class EUR500-D, the class currently open for subscription directly with the AIFM; the EUR125 and EUR500 classes are on hold. Investors considering a smaller commitment are welcome to contact the Distributor to discuss the options available. Fees, costs, the valuation process and the complete risk profile are set out in the constituent documents, which alone govern any subscription. The fund is closed-ended: no redemptions are possible during its term.

Four questions. Ask them of us, and of every alternative.

1 Who independently verifies that the art exists and is owned free of encumbrances?

2 Which authority approved this product, and who supervises the manager?

3 Who calculates the value, and who audits it?

4 Can my bank hold it in custody, and will it lend against it?

CONTACT

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