



SMART FUND

HENARCH GALLERIES
ART FUND



INITIAL COIN OFFERING

TOKENOMICS

FUND TYPE	SMARTFUND
ISSUER	HENARCH GALLERIES
TOTAL SUPPLY	20,000.00
PUBLIC PRICE	\$250
PRE-SALE PRICE	\$225
PRE-SALE CLOSING DATE	1ST NOVEMBER 2023
PUBLIC SALE OPENING DATE	2ND NOVEMBER 2023
PUBLIC SALE CLOSING DATE	TBC
MINIMUM TERM	MINIMUM 12 MONTHS
ELIGIBILITY	PRIVATE INVESTORS
EXPECTED ANNUAL ROI	18%
PAID	QUARTERLY
LEGAL ADMINISTRATORS	LawBEAM
WEBSITE	WWW.HENARCHGALLERIES.COM
EMAIL	SMARTFUND@HENARCHGALLERIES.COM

ABOUT US

SMART FUND is an actively managed art fund specialising in the tokenisation of art assets using cryptocurrency. Our objective is to provide investors with access to the art market through a secure and transparent investment platform that leverages the benefits of blockchain technology.

Our investment strategy involves acquiring high-value assets and tokenising them into fractional ownership units that are tradable on a secure blockchain platform. By doing so, we aim to provide investors with a diversified portfolio of art assets that are easier to buy and sell with a lower barrier to entry.

Our management team has extensive experience in both the art market and the crypto industry, ensuring that our fund is well positioned to capitalise on the growing demand for digital assets.

We are committed to delivering strong returns to our investors while maintaining a rigorous risk management framework. Our investment approach is focussed on identifying high-quality art assets that have the potential to appreciate over medium to long term, while also managing risks associated with the art market and crypto industry.

Our fund is open to accredited investors who meet our minimum investment requirements. We aim to raise a total of £5Million in capital with a minimum expected return of 18% per annum.



CEO STATEMENT

"Having formed the advisory service at the beginning of a global pandemic, our clear vision and determination to work with only the best-established artists in the industry and offer the very best contemporary artwork to both collectors and investors, has allowed us to be in the position that we are now.

With two advisory offices in Surrey & London, and a flagship gallery in Central London, Henarch Galleries have an advantageous future.

The next phase for us is to take our operation overseas and launch our very first Dubai Gallery, allowing us to offer our services and show case our works to a wider audience and also get a firm foothold in the digital currency space that we know has a huge appetite for this type of investment."



Neville Swann
CEO
SMART FUND



GALLERY DIRECTOR STATEMENT

Greetings from the heart of London's thriving art scene! I'm Olivia O'Neill, Gallery Director here, and I'm thrilled to guide you through our gallery, strategically located between the bustling business district and the birthplace of street art. With my extensive experience, including leading flagship galleries for a renowned global group, I've hit the ground running since June.

My eclectic taste in art ranges from new classicism to street art, with a special appreciation for 20th-century masters like Warhol and Chagall. At Henarch, we're passionate about nurturing emerging talent and providing them with a platform to grow.

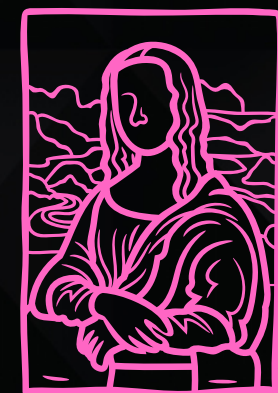
What sets art apart is its ability to maintain value even during economic uncertainty. I take pride in helping clients diversify their portfolios by introducing them to the art world. It offers both aesthetic pleasure and the potential for financial returns. Who knows, you might even stumble upon the next Banksy.

I'm excited to embark on this art journey with you. Every piece in our gallery has a unique story, waiting for you to discover.

Welcome to Henarch, where art knows no limits, and opportunities abound.



OLIVIA O'NEILL
GALLERY DIRECTOR
HENARCH GALLERIES



ART MARKET OVERVIEW



In the current climate, many investors are trying to have their savings diversified. As a result, they are investing in tangible, alternative asset classes, especially ones with returns that outperform conventional products provided by high streets.

An asset class cited as top investment (in comparison to others of its kind) is art. Internationally, the artwork economy has consistently grown one year after another. After suffering the worst recession in more than a decade in 2020 due to the strictures brought about by COVID-19, the art market rallied to a nearly unforeseeable degree in 2021, achieving a level even higher than that of the year before the pandemic started.

Aggregate Sales by dealers and auctioneers reached \$65.1 Billion, soaring by 29% from 2020, according to the 2022 Art Basel and UBS Global Art Market Report, written by the cultural economists and founder of arts economics, Dr. Clare McAndrew *. (*artbasel.com)

Some have difficulty putting their trust in other people when it comes to investments, particularly when FCA investigations and wrongdoings continuously make headlines. Whether they are experienced or new, one bonus for investors is that by investing in artwork through the Henarch Galleries Art Fund, they will have a completely asset backed investment with full liquidity through the tokenisation of the fund.

Of course, asset class investments aren't anything new. Pension Funds like the British Rail Pension Fund invested £70 million in 1974. Since they invested in art nearly 50 years ago, the fund ended up diversifying its portfolio, hedging against inflation. So it wasn't long before others began investing in art, something investment and fund managers continue to do to this day.

Art is a straightforward investment. One negative aspect of conventional models is how overwhelming they can get. This is especially true of stock markets, where corporate lingo is designed to cause confusion rather than be informative. However art is a tangible investment, and Henarch Galleries Art Fund simplifies the process of helping you obtain it. One great thing about art, is that it is recession-proof. When the market takes a downturn, artwork tends to flourish. A bank cannot spend your artwork, then refuse to repay you.

FUND INVESTMENT STRATEGY

Our investment strategy is focussed on acquiring high-value art assets significantly below market value and tokenising them into fractional ownership units that are tradeable on a secure blockchain platform. By doing so we aim to provide investors with a diversified portfolio of art assets that are easy to buy and sell, with a low barrier to entry.



We have a team of experienced art market professionals who identify and acquire high quality art assets that have the potential to appreciate over the long term. Our investment approach is focussed on maintaining a balanced portfolio of art assets across different styles, periods, and artists.

We will leverage the buying power of the fund to secure significant discounted rates on the artwork from the artists we have selected to work with as well as other sources we have access to, in order to be able to achieve the highest possible sale price in the retail market.

TARGET MARKET



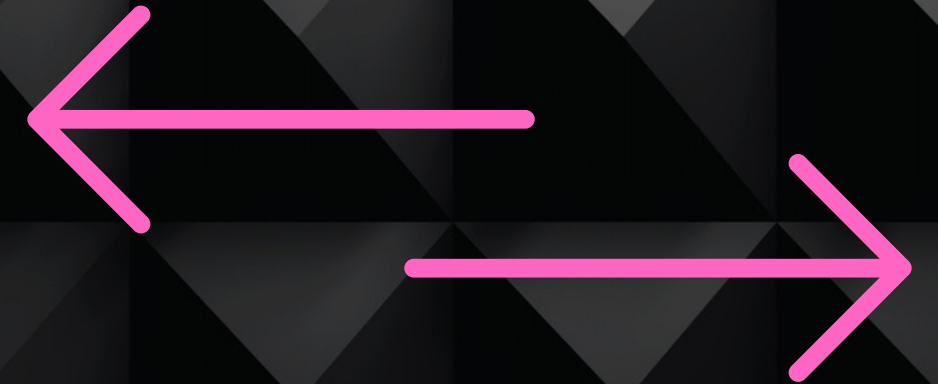
Our target market includes accredited investors who are interested in investing in the art market but may not have market knowledge, expertise or time to source and acquire these high value assets. By tokenising the art assets, we provide investors with a seamless barrier to entry in the art market.

Our fund is also attractive to crypto investors who are looking for alternative investment opportunities that can outperform the banks, offer security and stability and leverage the use of blockchain technology. The use of blockchain technology provides secure and transparent trading of the tokens, and allows far more liquidity when it comes to exiting the market, ensuring there is complete transparency throughout.

The opportunity will be available to investors from all backgrounds worldwide excluding USA, Jordan & Hong Kong.

All AML will be carried out by **Tokeny Solutions** to ensure full compliance throughout.

AQUISITION & SALE



Investors will be able to purchase individual units at a price of \$250 per unit.

There will be a total allocation of 20,000 units available.

With a maximum 2,000 units available at a discounted rate of \$225 per unit through our initial coin offering (ICO).

The investment will be based on an 12 month rolling contract, with written notice required 30 days prior to the end of the investment period or a further 12 months will automatically be applied to the term.

All investors choosing to remain within Smart Fund year two will be rewarded with an additional 2%, bringing your returns target to 20%.

All interest repayments will be reflected quarterly.

EXPECTED RETURNS



SMART FUND: Anticipating 18% Annual Returns. We aim to provide investors with a diversified portfolio of art assets that have the potential to appreciate in value over the long term. Any profit above and beyond the 18% return will result in a 50/50 profit share between token holders and smart fund.

We manage the risks associated with the art market and the crypto industry through a rigorous risk management framework.

THE TECHNOLOGY



Smart Fund optimises the use of the ERC-3643 Token protocol. This open-source suite of smart contracts enables the issuance, management, and transfer of permissioned tokens. This allows token issuers to tokenise any real world asset or financial product, enforce compliance and control their tokens, on any EVM blockchain, even on public blockchains.

ERC-3643

THE VISION

Henarch Galleries Art Fund wants to become the leading art asset manager in the tokenised art space. Enabling Crypto investors the chance to purchase tangible assets with their digital currency.

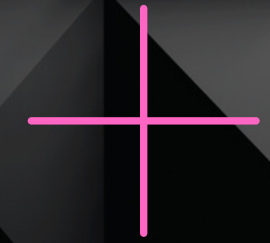
Some of the proceeds of the fund will be utilised to open up a physical gallery in the heart of Dubai where there is growing appetite for the art sector from both collectors and investors alike. This will allow for the artwork owned within the fund to be sold via multiple channels and across multiple continents.



THE RAISE & FUND DATA

Smart Fund's initial raise will be capped at £5Million, with the option of being able to extend this continuously as the fund develops and grows. Anticipating 18% annual returns with a minimum investment of 10 units equating to \$2,500. There will be an initial minimum holding period of 12 months to enable the artwork to grow in value and for the fund to be able to begin trading the various art pieces that have been purchased.

The fund will purchase artwork from the primary market at a minimum of 30% below market value, in turn selling the artwork to collectors via the London Gallery initially, as well as various online portals, through Henarch Galleries Art Advisory, and eventually through the Dubai Gallery which will be opened using some of the proceeds of the fund.



THE TEAM



The Henarch Galleries team have over 45 years combined experience working with the art and alternative investment sector. Having established itself as one of the leading advisory services in the art market, with offices in London's trendy Borough Market area and a gallery just a short walk from Liverpool Street station, the Henarch team believe that the art market should be accessible to everybody, meaning their clientele are generally collectors and investors from all backgrounds.

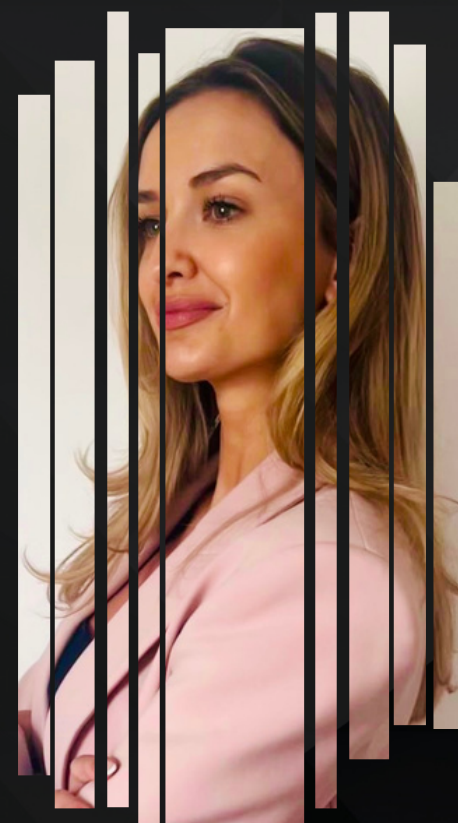
Specialising in Contemporary artworks by Emerging, Established, Red Chip & Blue Chip artists, Henarch Galleries showcase some of the most exciting modern art, and thanks to the thriving art market they have proven themselves as a great store of value to hedge against the crushing rise of inflation and the volatility and low performance levels of many other high-street or bank-based opportunities.

THE TEAM



NEVILLE SWANN

CEO
LONDON



OLIVIA O'NEILL

GALLERY DIRECTOR
LONDON



LIAM O'CONNOR

COMMERCIAL DIRECTOR
UAE



MADIHA BELKAS

MARKETING COORDINATOR
UAE

OUR PARTNERS



HENARCH GALLERIES

SUMMARY



SMART FUND offers accredited investors and crypto investors alike an opportunity to invest in a diversified portfolio of high value art assets through a secure and transparent tokenised investment vehicle.



HENARCH GALLERIES
ART FUND

FUND STRUCTURE

- MANAGEMENT FEE – 2%
- CUSTODIAN FEE – THIS 0.25% OF FUNDS NET ASSET VALUE
- LEGAL & ADMINISTRATIVE FEES – 2%
- MARKETING FEES – 5%
- DISTRIBUTION FEES – 1%

ADDRESS

HENARCH GALLERIES

32 ARTILLERY LANE,
LONDON,
E1 7LS

[HTTPS://WWW.HENARCHGALLERIES.COM](https://www.henarchgalleries.com)

LEGAL REPRESENTATION

LAWBEAM LTD
71 SHELTON STREET
COVENT GARDEN
LONDON WC2H 9JQ

[HTTPS://WWW.LAWBEAM.IO](https://www.lawbeam.io)

TOKENISATION COMPLIANCE SECURITY

TOKENY SÀRL
LUXEMBOURG
HOUSE OF FINANCIAL TECHNOLOGY
9 RUE DU LABORATOIRE
L-1911 LUXEMBOURG

[HTTPS://TOKENY.COM](https://tokeny.com)



SMART FUND



18%

RETURNS TARGET



SMART FUND