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ICM Music Royalty Fund – Distribution Increase

We're excited to share that ICM Music Royalty Fund has announced a **distribution increase of 1 cent/month (12 cents/year)**, effectively a 15.8% to 19% per unit increase. Revenues have been exceeding estimates from the more material catalogues this year, including Nathan Chapman (Taylor Swift), Spiff TV (Anuel AA), Grossman (Gordon Lightfoot), Brian Gallimore (Tim McGraw) and Sleeping with Sirens.

New annual distribution rates (paid monthly) are below:

- **Series ADV:** \$0.75/unit (6.9% current yield)
- **Series F:** \$0.86/unit (7.8% current yield)
- **Series FUSD:** \$0.86/unit (7.8% current yield)
- **Series I:** \$0.88 (8.0% current yield)

Long term sustainability & stability of the distribution remains top priority. There are several factors supporting the need to increase distribution rates:

- All taxable income needs to be allocated to unitholders, and underlying portfolio cashflow is outpacing the distribution rate
- Government statutes set revenue sharing rates that must be paid to artists:
 - Rates went from 10.5% to 15.1% between 2018 and 2022
 - The new agreement set at 15.35% will be in place for the next 5 years
- Revenue impact of price increases ([ex. Spotify raising prices by 9%](#))
- Additional revenue sources as new streaming platforms come to market

Forward-Looking Statements and discussions in this communication and other forward-looking statements reflecting our current expectations that involve risks and uncertainties. These forward-looking statements include, but are not limited to, statements concerning any potential future global economic impacts on our business, supply chain or human resource constraints, our ability to hire top talent, our strategy, competition, future operations and production capacity, future financial position, future revenues, projected costs, profitability, expected cost reductions, capital adequacy, expectations regarding demand and acceptance for our technologies, growth opportunities and trends in the market in which we operate, prospects and plans and objectives of management. The words "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "plans," "projects," "will" "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that we make. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation, in all risks. We do not assume any obligation to update any forward-looking.