

TERM SHEET
AMENDED APRIL 2025

OFFERING OF UNITS OF QWEST ALBANY AVENUE MUSIC FUND

The Fund: **Qwest Albany Avenue Music Fund** (the “**Fund**”) is a trust established under the laws of the Province of Ontario by a trust agreement between Odyssey Trust Company Ltd., (the “**Trustee**”), as trustee of the Fund, and Qwest Fund Advisory and Back Office Services Ltd., as manager of the Fund (“**Manager**”), as amended and restated from time to time (the “**Trust Agreement**”).

Offering: The Fund is offering Class A units (“**Class A Units**”), Class B units (the “**Class B Units**”), Class F units (the “**Class F Units**”), Class G units (the “**Class G Units**”) and Class I units (the “**Class I Units**”). Class A Units, Class B Units, Class F Units, Class G Units and Class I Units are being offered to subscribers that qualify as “accredited investors” under applicable securities laws (collectively, the “**Offering**”). The Class A Units, Class B Units, Class F Units, Class G Units and Class I Units are collectively referred to herein as the “**Units**”. The Units are only available for purchase in U.S. dollars. The Manager may authorize additional classes of Units for issuance without seeking Unitholder approval.

Closings are expected to occur on the last business day of each month. For the Class A Units, the initial closing is expected to occur on June 30, 2025, with subsequent closings expected to occur on the last business day of each month.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part by the Manager, the satisfaction of the conditions set out under “Subscription Procedure” and the right of the Manager to close the subscription books at any time without notice.

Subscriptions for Units will be accepted on the last business day of each month (each, a “**Subscription Date**”) provided the conditions set out under “Subscription Procedure” are satisfied at least 10 days prior to the applicable Subscription Date.

Issue Price: For all Units, other than the Class A Units and Class B Units, the issue price will be the most recently calculated Net Asset Value per Unit of the applicable Class.

For Class A Units and Class B Units, at the initial closing expected to occur on June 30, 2025, the issue price will be \$10.00 per Units and for any subscription thereafter, the issue price will be the most recently calculated Net Asset Value per Class A Unit and Class B Unit, respectively.

Fundserv Codes:

Class A: QWE775

Class B: QWE776

Class F: QWE777

Class G: QWE778

Class I: QWE780

**Minimum
Subscription:** ***Initial Investment***

Class A Units and Class B Units: \$2,500 or such lesser amount as the Manager, in its sole discretion, may accept.

Class F Units: \$10,000 or such lesser amount as the Manager, in its sole discretion, may accept.

Class G Units: \$250,000 or such lesser amount as the Manager, in its sole discretion, may accept.

Class I Units: \$1,000,000 or such lesser amount as the Manager, in its sole discretion, may accept.

Subsequent Investments

For Class A Units and Class B Units, \$2,500 or such lesser amount as the Manager, in its sole discretion, may accept.

For Class F, Class G and Class I Units, \$10,000 or such lesser amount as the Manager, in its sole discretion, may accept.

Subscription Procedure: Each prospective and eligible purchaser who desires to subscribe for Units must:

- (a) complete and sign the form of Subscription Agreement that accompanies this Term Sheet, specifying the aggregate subscription amount and the series of Units being subscribed for;
- (b) pay the subscription price for the Units in accordance with the instructions set out in the Subscription Agreement; and
- (c) complete and sign the Accredited Investor Certificate and, if applicable, the Risk Acknowledgment Certificate attached to the Subscription Agreement as well as any other documents deemed necessary by the Manager to comply with applicable securities laws.

Subscriptions will be received subject to acceptance or rejection, in whole or in part, by the Manager. Any decision to accept or reject a subscription will be made by the Manager in its sole discretion. The Manager reserves the right to close the subscription books at any time without notice. The Manager is not obligated to accept any subscriptions and will reject any subscription the Manager considers to be not in compliance with applicable securities laws. If any subscription is rejected, the Manager will advise the purchaser and return to the purchaser after making the decision to reject the subscription, the Subscription Agreement and any other documentation delivered by the purchaser, as well as the subscription funds without interest.

Investors wishing to subscribe for Units on a Subscription Date must (a) submit a properly executed Subscription Agreement to the Manager by 4:00

p.m. (Eastern time) at least 10 days prior to the applicable Subscription Date and (b) submit payment of the subscription price to the Fund (in accordance with the instructions set out in the Subscription Agreement) no later than 4:00 p.m. (Eastern time) on the date which is two business days prior to the Subscription Date.

Business of the Fund: The Fund is an open-ended investment trust that has been created to invest, directly or indirectly, in music catalogues (international and domestic) which include high-quality music rights including copyrights, publishing rights, performance rights and recording rights that have the right to receive royalties (“**Music Rights**”) in accordance with the Fund’s investment objective described below.

Manager: The Manager acts as the manager of the Fund and is responsible for the management, administration and operations of the Fund pursuant to the terms of the Trust Agreement. The Manager is paid fees for providing services to other related entities. See “Management Fees”.

Music Manager:	Grow To The Light Inc. (the “ Music Manager ”) has been retained by the Fund to manage the Music Portfolio (as defined below) and is responsible for the day-to-day management and administration of the Music Portfolio. All of the voting securities of the Music Manager are owned by Gavin Brown. The Music Manager is paid a fee for its services to the Fund. See “Management Fees”.
Trustee:	The Trustee acts as trustee of the Fund pursuant to the terms of the Trust Agreement.
Investment Objective:	The Fund’s investment objective is to provide the holders of Units (“ Unitholders ”) with the opportunity for long-term growth by investing in a portfolio of high-quality Music Rights (the “ Music Portfolio ”).
Investment Strategies:	<p>To achieve its investment objective, the Fund invests directly or indirectly in, Music Rights. Substantially all of the Fund’s assets will consist of long-term holdings of Music Rights. The Manager expects that the Fund will primarily invest in Music Rights indirectly through Albany Avenue Music Fund LP (the “Music Partnership”), a limited partnership existing under the laws of the Province of Ontario. The general partner (the “General Partner”) of the Music Partnership is Albany Avenue Music Fund GP Inc. (formerly, 1000669076 Ontario Inc.).</p> <p>The Fund may, pending investment in Music Rights (directly or indirectly), invest the net proceeds of the Offering in high-quality short-term fixed income investments.</p> <p>The Music Manager expects that the Fund will hold and/or have exposure to 5-30 Music Rights across a variety of genres, vintages, royalty types and price ranges primarily in the United States and to a lesser extent Canada and internationally. It is expected that the Fund will not hold or otherwise have exposure to more than 25% of its Net Asset Value in any one single artist/song and not more than 60% in a single genre. The Fund may hold Music Rights sourced outside of Canada indirectly through one or more non-Canadian investment vehicles.</p> <p>The Fund may borrow money or employ other forms of leverage to acquire or obtain exposure to Music Rights and for general working capital purposes in an amount not exceeding 30% of the Fund’s Net Asset Value measured at the time of borrowing.</p>
Investment Restrictions:	The Fund shall not undertake any activity or derive income from any source other than the investing of its funds in accordance with the Fund’s investment objective and strategies.
Use of Proceeds:	The Fund will use substantially all of the net proceeds of the Offering to acquire a direct or indirect interest in Music Rights.

Distribution Policy:

The Fund intends to pay a cash distribution of at least 6% per annum. The frequency of distributions will be determined by the Manager. All distributions will be paid in U.S. dollars.

Distributions shall be determined by the Manager in its sole discretion. **Distributions from the Fund will automatically be reinvested in Units of the Fund unless an investor requests to receive distributions in cash.**

In order to receive distributions from the Fund in cash, a Unitholder may elect to receive cash distributions at the time of subscribing for Units. Thereafter, a Unitholder may elect to receive cash distributions by submitting a written request to the Manager on or before the last business day of the month preceding the applicable distribution date, in such form as the Manager, from time-to-time, may prescribe.

For each taxation year, the Fund will ensure that its net income and net realized capital gains have been distributed to such an extent that the Fund will not be liable for income tax under Part I of the *Income Tax Act* (Canada) (the “**Tax Act**”).

Unitholders that are not Unitholders of record on the record date for any distribution will not be entitled to receive that distribution.

Redemptions:

A Unitholder shall be entitled to require payment of the Net Asset Value per Unit of the Series of the class they are redeeming, less, unless otherwise waived by the Manager in its sole discretion, the applicable Early Redemption Fee (in the amount set forth in the table below), if any, on the last business day of each month (each, a “**Redemption Date**”) by delivering written notice to the Manager on or before the redemption notice cut-off time (being 5:00 p.m. (Toronto time) on the date which is 30 days prior to the applicable Redemption Date), in such form as the Manager, from time-to-time, may prescribe.

Timing of Redemption	Early Redemption Fee – Class A and B	Early Redemption Fee – Class F, G and I
Redemption of Units on a date prior to the first anniversary of the “ Acquisition Date ” (being the date on which a Unitholder acquires Units of the Fund (the “ First Anniversary Date ”))	6%	5%
Redemption of Units on a date on or after the First Anniversary Date and prior to the second anniversary of the Acquisition Date (the “ Second Anniversary Date ”)	4.8%	4%
Redemption of Units on a date on or after the Second Anniversary Date and prior to the third anniversary of the Acquisition Date (the “ Third Anniversary Date ”)	3.6%	3%
Redemption of Units on a date on or after the Third Anniversary Date and prior to the fourth anniversary of the Acquisition Date (the “ Fourth Anniversary Date ”)	2.4%	2%
Redemption of Units on a date on or after the Fourth Anniversary Date and prior to the fifth anniversary of the Acquisition Date (the “ Fifth Anniversary Date ”)	1.2%	1%

No Early Redemption Fee shall be payable in respect of any redemption of Units on a date on or after the Fifth Anniversary Date.

In respect of a redemption of Units by a Unitholder, the Fund shall redeem Units in the order in which such Units were issued to a Unitholder and a Unitholder shall, if applicable, pay an Early Redemption Fee on the same basis.

In the event that the Fund has received one or more redemption requests on any given Redemption Date in an aggregate amount exceeding \$100,000, the Fund may in the Manager's sole discretion (a) deliver cash redemption proceeds in an aggregate amount of \$100,000 (or such other amount as may be determined by the Manager) on a pro-rata basis to those Unitholders who submitted a redemption request in respect of such Redemption Date and (b) in respect of the balance of the redemption proceeds, issue an unsecured promissory note (a "**Promissory Note**") with terms of three (3) to five (5) years of such Redemption Date in the discretion of the Manager. The Net Asset Value of the Fund will be available to satisfy the obligations of the Fund under the Promissory Notes.

Redemption proceeds will be paid in U.S. dollars. The redemption proceeds payable in connection with a redemption on a Redemption Date shall be paid to the Unitholder within sixty (60) days of the applicable Redemption Date by way of mailing or delivery of a cheque or by such other method of payment as the Manager may determine in its discretion including electronic funds transfer and/or, if applicable, delivery of a Promissory Note.

Promissory Notes shall bear interest at the Government of Canada yield applicable to the term of the Promissory Note and shall be pre-payable by the Fund at any time without notice, bonus or penalty. Promissory Notes will constitute unsecured obligations of the Fund and will not be transferrable by any holder thereof. The Fund will prioritize the repayment of the Promissory Notes from future subscription proceeds and will use its commercially reasonable efforts, taking into account the interests of the Unitholders as a whole, to redeem the Promissory Notes in cash prior to the applicable term. Promissory Notes will not be qualified investments for tax free savings accounts, first home savings accounts, registered disability savings plans, subscribers of registered education savings plans, and annuitants of registered retirement savings plans and registered retirement income funds (collectively, "**Registered Plans**") under the Tax Act.

In the event that the Fund has received one or more redemption requests on a Redemption Date for an aggregate redemption amount exceeding \$100,000 and the Manager has determined that it is necessary to deliver a portion of the redemption proceeds in the form of a Promissory Note, the Manager will provide notice to the redeeming Unitholders or their advisors of the principal amount and term of the Promissory Note to be issued to such Unitholder on the Redemption Date to allow the Unitholder the opportunity to revoke the Unitholder's redemption request.

The Fund may suspend the redemption of Units or payment of redemption proceeds during any period of time in the event that the Manager determines that conditions exist that render impractical the sale of the assets of the Fund or that impair the ability of the Manager to determine the value of the assets of the Fund.

Transfers:

The Units will not be transferrable except in limited circumstances and may only be transferred in accordance with the terms of the Trust Agreement.

Trading and Resale Restrictions:

The Offering is being made only on a private placement basis to purchasers who are eligible to purchase on an exempt basis under, and subject to compliance with, applicable securities laws. There is no market for the Units. The Units are not transferrable and will be subject to resale restrictions under applicable securities laws.

Management Fees:

The Fund will pay a net asset value based music management fee (the "**Music Management Fee**") to the Music Manager on a monthly basis, plus applicable tax, based on the Net Asset Value of a Series of a class as follows: (i) in respect of the Class A, Class B and Class F Units, 1.334% per annum, (ii) in respect of the Class G Units, 1.15% per annum, and (iii) in respect of the Class I Units, 0.92% per annum.

The Fund will pay a net asset value based management fee (the “**Management Fee**”) to the Manager on a monthly basis, plus applicable tax, based on the Net Asset Value of a Series of a class as follows: (i) in respect of the Class A, Class B and Class F Units, 0.116% per annum, (ii) in respect of the Class G Units, 0.10% per annum, and (iii) in respect of the Class I Units, 0.08% per annum.

In addition, and in accordance with the table below, the Fund shall pay the Manager a monthly fee payable in advance, plus applicable tax, over and above the Management Fee as previously described:

Net Asset Value of all the series of all classes combined for the month	Fees per month
Up to US\$10 million	US\$8,000
Over US\$10 million and up to US\$20 million	US\$9,000
Over US\$20 million and up to US\$30 million	US\$10,000
Over US\$30 million and up to US\$50 million	US\$13,000
Over US\$50 million and up to US\$70 million	US\$14,000
Over US\$70 million and up to US\$100 million	US\$16,000
Over US\$100 million	US\$18,000

The Fund expects to invest substantially all of its assets in Series T units (the “**Series T Units**”) of the Music Partnership in order to obtain exposure to Music Rights.

To the extent that that Fund invests indirectly through another investment vehicle (an “**underlying fund**”) to obtain exposure to Music Rights, there shall be no duplication of Music Management Fees or Management Fees that are payable by the Fund that to a reasonable person would duplicate a fee payable by the underlying fund for the same service.

For greater certainty, provided that the Music Manager is the music manager of the Fund, no Music Management Fees shall be payable by the Fund in respect of the Series T Units of the Music Partnership held by the Fund.

Incentive Fee:

The Fund shall pay an annual incentive fee (“**Incentive Fee**”) in an aggregate amount equal to the sum of: 20% of the amount by which the Net Asset Value per Unit of the applicable Series of a class (before deducting any Incentive Fee payable) on the valuation date at the end of each Fiscal Year exceeds the applicable High Water Mark (defined below), plus applicable taxes.

“**High Water Mark**” means, in respect of a year, an amount equal to the greater of (a) the issue price per Unit of the applicable Series of a class and (b) the highest Net Asset Value per Unit of the applicable Series of a class on the most recent valuation date at the end of each Fiscal Year in respect of which an Incentive Fee has become payable to the Manager at the end of a year, in each case, in excess of a hurdle of 6%.

The Fund shall pay 20% of the Incentive Fee to the Manager and the balance of the Incentive Fee to the Music Manager.

Provided that the Music Manager is the music manager of the Fund, no Incentive Fee shall be payable in respect of the Series T Units of the Music Partnership held by the

Fund.

**Sales Commission and
Due Diligence Fees:**

The Fund will pay registered dealers a sales commission of 6% of the subscription price of Class A Units being purchased, and 1.5% of the subscription price of Class B units being purchased. Class B Units are only available for purchasers that are referred to a registered dealer by the Manager.

No sales commissions are payable in connection with purchases of Class F Units, Class G Units or Class I Units.

The Fund will pay for due diligence fees charged by registered dealers.

Fund Expenses:

In addition to the Management Fee and the Music Management Fee, the Fund shall pay for all operating and administrative expenses in connection with the Fund and the Music Portfolio including accounting, audit, legal fees, trustee fees, reporting to Unitholders, preparation of financial statements, regulatory filing fees, any costs associated with the sourcing, acquisition and holding of Music Rights (including any fees payable to a Music Broker), reasonable out-of-pocket fees and expenses of the Music Manager relating to investment opportunities for the Fund not consummated, fees payable to the Administrator, any private placement fees, fees and expenses payable to any third-party accredited appraiser in connection with the valuation of the Fund's Music Rights, income and withholding taxes as well as all other applicable taxes, including GST/HST, bank charges and interest expenses. The operating and administrative expenses payable by the Fund, plus applicable GST/HST, will be calculated and accrued daily and paid monthly in arrears. See "Fees and Expenses – Fund Expenses".

The Fund will also bear any operating and administrative expenses of the underlying funds in which it may invest from time to time (which for greater certainty shall include the Music Partnership), by virtue of its investment in securities of the underlying funds.

The Fund will also be responsible for all costs and expenses of establishing the Fund and the offering of Units including but without limitation, the fees and expenses of legal counsel and other service providers. The Fund intends to amortize these costs over the five-year period following the date of the initial closing of the offering of Units described herein. The fund also intends to amortize sales commissions on Class A Units and Class B Units over the five-year period following the closing. IFRS does not permit the amortization of such expenses and, as a result, there will be a difference between the Fund's published Net Asset Value and net asset value for financial statement reporting purposes.

Valuation:

The "**Net Asset Value**" of the Fund (meaning the aggregate value of its assets less its liabilities), and the Net Asset Value per Unit will be calculated on a monthly basis.

The Manager oversees the Fund's utilization of a "series accounting methodology" whereby a separate notional series of each Class of Units (each, a "**Series**") will be issued as of each Subscription Date bearing a designation which corresponds to the date on which the particular Units were issued. Upon payment of annual incentive fees, each outstanding Series of Units, will be consolidated into the Base Series on an annual basis. If applicable, at the end of each fiscal year, each Series within the Units, other than the Base Series of the Class, will be re-designated and converted into the Base Series (a "**Series Roll Up**") provided that there is an incentive fee payable in respect of the Series.

The Series Roll Up will be accomplished by amending the Series Net Asset Value of all Units of such Series at such time so that they are the same, and consolidating or subdividing the number of Units of each such Series so that the aggregate Series Net Asset Value of the Series of Units subject to the Series Roll Up held by a Unitholder does not change. The Series Roll Up will be effected at the prevailing Net Asset Value per Unit of the Base Series of Units.

"**Base Series**" means in respect of a Class of Units, the initial Series of such Class issued

on the initial Subscription Date for such Class and includes, for greater certainty, any Units reclassified into Base Series as of the end of each fiscal year pursuant to a Series Roll Up.

Net Asset Value (as such term is used herein) is not a measure used under IFRS and the valuations of and certain adjustments made to the Fund's and the Music Partnership's assets and liabilities used in the determination of Net Asset Value will differ from IFRS. Investors should not consider Net Asset Value to be equivalent to stockholders' equity or any other IFRS measure.

Risk Factors:

An investment in Units will be subject to certain risk factors including but not limited to:

- general risk of investment and potential loss of principal;
- risks relating to the availability of suitable investments for the Fund;
- risks relating to the use of leverage;
- risks relating to the impact of technology such as piracy and counterfeiting;
- risks relating to the infringement of intellectual property rights and the Music Rights held by the Fund;
- risks relating to the expiry of copyrights and other Music Rights;
- risks relating to litigation in connection with Music Rights held by the Fund;
- risks relating to the popularity of the music genre and Music Rights held by the Fund;
- risks relating to the Fund's inability to raise sufficient funds to purchase Music Rights
- risks relating to the lack of market for the Units and resale of Units subject to restrictions;
- risks relating to the liquidity of the Units;
- risks relating to the Fund's portfolio being concentrated in Music Rights;
- large redemption risk;
- risk that the Fund will not achieve its investment objective or desired returns;
- risks relating to changes to income tax, securities and other laws that may adversely affect the Fund;
- currency exposure risk;
- risks relating to reliance on the Manager and the Music Manager;
- withholding tax risk;
- risks relating to the jurisdiction governing the Fund's Music Rights;
- risks relating to the multi-class structure of the Fund and risk that one class may be liable for expenses of another class in certain circumstances;
- risks relating to the various conflicts of interest relating to the Manager and the Music Manager;
- risks relating to possible cyber security breaches of the Fund, the Manager, the Music Manager and/or one or more of the Fund's service providers; and

- risks relating to the limited operating history of the Fund; and risks relating to competitors in the same market for Music Rights as the Fund.

**Income Tax
Considerations:**

This summary of Canadian federal income tax considerations for holders who, at all relevant times, for purposes of the Tax Act, is or is deemed to be a resident in Canada (each, a “**Holder**”), is subject in its entirety to the following assumptions: (a) the Fund will comply at all relevant times with the conditions set out in the Tax Act and otherwise so as to qualify as a “mutual fund trust” as defined in the Tax Act, and (b) in particular, the Fund will elect under the Tax Act to be a “mutual fund trust” from the beginning of its first taxation year. If the Fund does not qualify as a “mutual fund trust” under the Tax Act, the Canadian federal income tax consequences would differ materially from those described below.

A Holder who holds Units as capital property (within the meaning of the Tax Act) will generally be required to include in the Holder’s income for tax purposes for any year the amount of net income and net taxable capital gains of the Fund paid or payable to the Holder in the year. The non-taxable portion of any net realized capital gains of the Fund that is paid or payable to a Holder in a taxation year will not be included in computing the Holder’s income for the year and, provided appropriate designations are made by the Fund, will not reduce the adjusted cost base of the Holder’s Units. Any other amount in excess of the net income and net taxable capital gains of the Fund that is paid or payable to a Holder in that year will generally not be included in the Holder’s income for the year. However, where such an amount is paid or payable to a Holder (other than as proceeds in respect of the redemption of Units), the Holder will be required to reduce the adjusted cost base of the Units by that amount. Any returns of capital will also reduce the Holder’s adjusted cost base. To the extent that a Holder’s adjusted cost base would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Holder and the Holder’s adjusted cost base will be nil immediately thereafter.

Any loss of the Fund cannot be allocated to, and cannot be treated as a loss of, the Holders of the Fund. Upon the actual or deemed disposition of a Unit, including the redemption of a Unit, a capital gain (or a capital loss) will generally be realized by the Holder to the extent that the proceeds of disposition of the Unit exceeds (or is less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition.

The Trust Agreement requires that the Fund distribute its net income and net realized capital gains, if any, for each taxation year to Unitholders to such an extent that the Fund will not be liable in respect of the taxation year for income tax under Part I of the Tax Act.

Each investor should satisfy himself or herself as to the tax consequences of an investment in Units by obtaining advice from his or her own tax advisor.

Eligibility for Investment: Provided that the Fund qualifies and continues to qualify as a mutual fund trust under the Tax Act, the Units of the Fund will be qualified investments under the Tax Act for Registered Plans under the Tax Act.

Holders of Registered Plans should consult with their tax advisors regarding whether Units of the Fund would be a prohibited investment for such accounts or plans for purposes of the Tax Act in their particular circumstances.

Any Promissory Notes received in connection with a redemption of Units will not be qualified investments for Registered Plans under the Tax Act.

Termination:

The Fund does not have a fixed termination date but may be terminated at the discretion of the Manager in accordance with the terms of the Trust Agreement.

Auditor: NVS Professional Corporation will be retained as the auditor of the Fund.

Administrator: SGGG Fund Services Inc. will be retained as administrator to the Fund and will act as transfer agent and registrar for the Fund.