

KEY INFORMATION DOCUMENT

Investor Class (ISIN: GG00BMXNVC81)

PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

You are about to purchase a product that is not simple and may be difficult to understand.

PRODUCT

Name: Round Hill Music Royalty Fund Limited

Name of PRIIP Manufacturer: Round Hill Music Royalty Fund Limited

ISIN: GG00BMXNVC81

Contact details: JTC@jtcgroup.com or telephone number +44 1481 702400

Date of production of this document: 11th October 2020

WHAT IS THIS PRODUCT?

Type: Round Hill Music Royalty Fund Limited (the “Company”) is an investment company incorporated in Guernsey. It was registered in Guernsey under the Companies (Guernsey) Law, 2008 (as amended) on 05 August 2020.

Objectives: The Company’s investment objective is to provide investors with an attractive level of regular and growing income and capital returns from investment primarily in high quality, music intellectual property.

In order to achieve its Investment Objective the Company will invest in a songwriter’s copyright interest in a musical composition or song (being their writer’s share, their publisher’s share and their performance rights) together with the rights in the recording of the musical composition or song (known as the master recording rights) (“Copyrights”) together with all rights and assets considered by the Investment Manager to be ancillary thereto.

The Company intends to invest in small to medium sized Catalogues that are diversified by artist, genre, decade and royalty type. The Company also, intends to invest predominately in classic, older Copyrights with enduring appeal and which experience consistent usage. Such compositions have generally reached a steady state of earnings and are not subject to the natural decline in earnings and value that typically occurs within the first four to six years of a composition’s life.

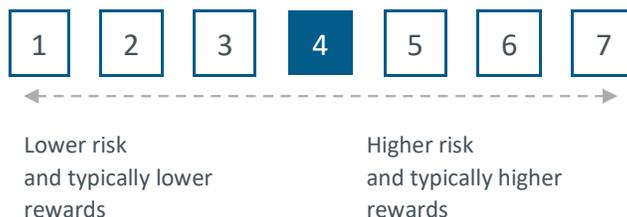
Intended retail investor:

The company may be appropriate for professional investors or professionally advised retail investors seeking quarterly investment income drawn from a portfolio of copyrights, and who are capable of evaluating the potential risks of investing in the Fund and who can afford to hold the investment for a minimum period of 5 years. Most investors will hold this investment as part of a wider investment strategy and not as a single investment.

Maturity: There is no maturity date.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

RISK INDICATOR





This risk indicator assumes you keep the product for 5 years which is the recommended holding period. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of the Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the market or because we are not able to pay you. We have classified this Product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you. This Product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay what is owed, you could lose your entire investment.

PERFORMANCE SCENARIOS

Investment of US\$10,000		Recommended holding period		
Scenarios		1 year	3 years	5 years
Stress Scenario	What you might get back after costs	US\$1,359	US\$2,206	US\$1,273
	<i>Average Return each year</i>	-86.41%	-39.57%	-33.78%
Unfavourable Scenario	What you might get back after costs	US\$8,575	US\$8,557	US\$9,036
	<i>Average Return each year</i>	-14.25%	-5.06%	-2.01%
Moderate Scenario	What you might get back after costs	US\$10,905	US\$13,039	US\$15,591
	<i>Average Return each year</i>	9.05%	9.25%	9.29%
Favourable Scenario	What you might get back after costs	US\$13,991	US\$20,044	US\$27,137
	<i>Average Return each year</i>	39.91%	26.08%	22.10%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest in US\$10,000 from the outset. The scenarios shown illustrate how your investment could perform.

You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get back will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

WHAT HAPPENS IF ROUND HILL MUSIC ROYALTY FUND LIMITED IS UNABLE TO PAY OUT?

As a shareholder of the Company, you will not be entitled to compensation from the Financial Services Compensation Scheme or any other compensation scheme in the event that the Company were unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay amounts due to you on a winding-up. No guarantee scheme applies to an investment in the Company.

WHAT ARE THE COSTS?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest US\$10,000. The figures are estimates and may change in the future.

COSTS OVER TIME

The person selling you, or advising you, about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment of \$10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of the recommended holding period of 5 years
Total Costs	US\$240	US\$879	US\$1,791
Impact on return (RIY) per year	2.40%	2.40%	2.40%

COMPOSITION OF COSTS

The table below shows:

- The impact each year of the different types of costs on the investment returns you might get at the end of the recommended holding period; and
- The meaning of the different cost categories

This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment. (This is the most you could pay and could pay less). The impact of costs already included in the price.
	Exit costs	0.00%	The impact of costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.15%	The impact of the costs of us buying and selling underlying investments for the product.
	Other on-going costs	2.25%	The impact of the costs that we take each year for managing your investment.
Incidental costs	Performance fees	0.00%	The impact of the performance fee. We take these from your investment if the Product outperforms its benchmark. The Performance fee is calculated as 10% of outperformance above the Excess Total Return.
	Carried interests	0.00%	The impact of carried interests.

HOW LONG SHOULD I HOLD IT, AND CAN I TAKE MONEY OUT EARLY?

Recommended holding period: 5 years

The Company is a closed-ended investment company whose ordinary shares are traded on the specialist fund segment of the main market of the London Stock Exchange. This product has no required minimum holding period but is designed for medium to long-term investment. Since the value of investments and the income from them can rise and fall over differing time periods, you should have an investment horizon of at least 5 years when buying an investment of this type. The minimum recommended holding period is therefore 5 years. As the ordinary shares are admitted to trading on the specialist fund segment of the main market of the London Stock Exchange, you may buy or sell shares on any normal business day that the London Stock Exchange is open for business based on trading prices at the time.

HOW CAN I COMPLAIN?

Complaints should be addressed to JTC Fund Solutions (Guernsey) Limited, by writing to PO Box 156, Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, Channel Islands, GY1 4EU. If we cannot resolve your complaint to your satisfaction, you may be entitled to refer it to the Financial Ombudsman Service.

OTHER RELEVANT INFORMATION

We are required to provide you with further documentation, such as the product's latest prospectus, annual and semi-annual reports. These documents and other product information are available online at www.roundhillmusicroyaltyfund.com.