

July 1, 2024

Dear Participating Musician/Beneficiary,

**We are pleased to provide you with your 2024 residual distribution payment** from the Film Musicians Secondary Markets Fund. This residual payment is made to you by the Motion Picture and Television Producers who are operating under the AFM Basic Theatrical Motion Picture Agreement and/or the AFM Basic Television Motion Picture Agreement negotiated by the American Federation of Musicians. If receiving this letter through the mail, you will also find the following enclosed:

- A check or direct deposit voucher
- Your individual Participant's Statement

**Some important notes about this year's distribution:**

- Similar to FY2023, the Fund's overall collections remained high in FY2024 – exceeding \$140 Million
- Each Fiscal Year, the Fund conservatively invests the contributions it receives to benefit Participants and optimize the Fund's long-term financial health. Due to higher U.S. federal interest rates, those investments performed exceptionally well in FY2024. This resulted in returns that offset the entire administrative expense of the Fund for FY2024. There is a note referencing this on the bottom of your Participant Statement. *Please note: This outcome is the result of unique economic conditions, and we cannot predict the future performance of our investments.*
- A summary of the Fund's performance during FY2024 is provided in the Unaudited Summary of Financial Activities below. The final FY2024 audited financial report will be posted on the Fund's website later this year.

<b>Unaudited Summary of Financial Activities</b>		
Estimates as of July 1 for FYE March 31, 2024		
		<u>3/31/2024</u>
Collected Contributions	\$	141,729,273
Required contribution to AFM Employers Pension Fund	\$	(2,092,144)
Amounts set aside pending verifications	\$	<u>(2,252,990)</u>
Contributions available for distribution	\$	137,384,139
Operating Expenses*	\$	(8,902,294)
Retired unclaimed distributions	\$	4,188,760
Interest/Dividends earned after expenses	\$	5,755,458
Required contribution to AFM Employers Pension Fund on net earnings	\$	(93,878)
Cost Basis Adjustment on Investments	\$	<u>691,467</u>
Available for distribution after adjustments	\$	139,023,652
Estimated Employers' share of payroll taxes	\$	(9,100,000)
Reserve for omissions**	\$	<u>(1,639,513)</u>
<b>Projected Distribution Amount</b>	<b>\$</b>	<b>128,284,139</b>
<i>Notes: * Expenses include disbursement of \$612,980 to Participants of previous years' retired unclaimed distributions</i>		
<i>** New beginning balance of \$1,800,000 set for Sept. 2024 omissions distribution</i>		

From all of us at the Fund, we are grateful for the opportunity to serve you.

If you have any questions or need any assistance, we are here to help. Please call us toll-free at (888) 443-6763 or email us at [participantservices@fmsmf.org](mailto:participantservices@fmsmf.org).

Sincerely,



Brian Sickles  
 Executive Director