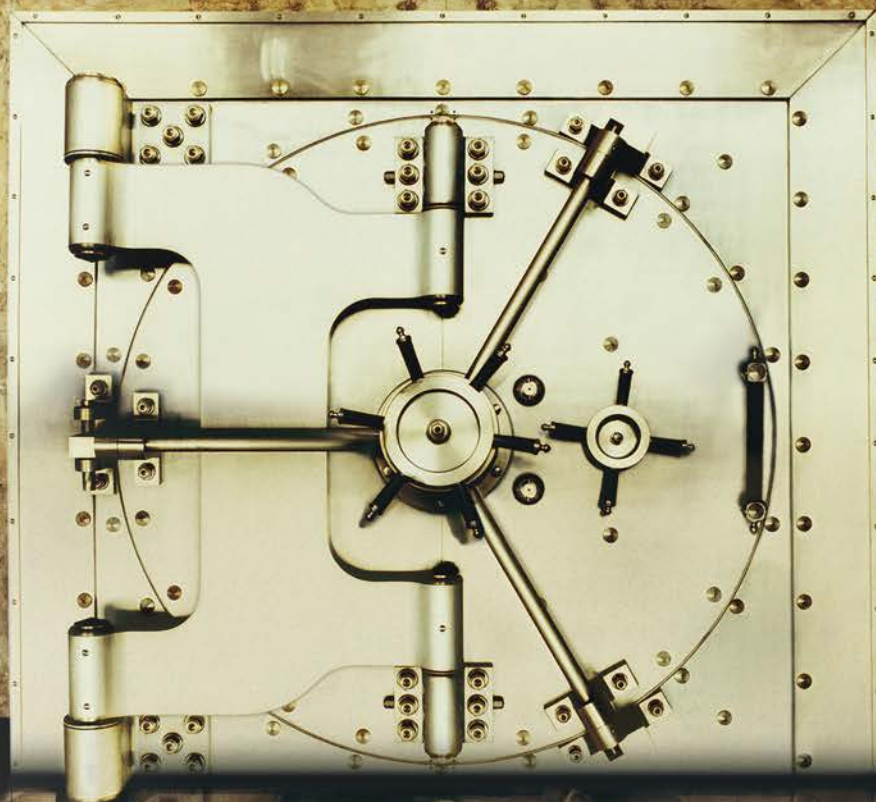


# UNCOMPROMISED BULLION

FOR ABSOLUTE SECURITY



**BMG Funds**

# BMG Funds

## Security Commitment

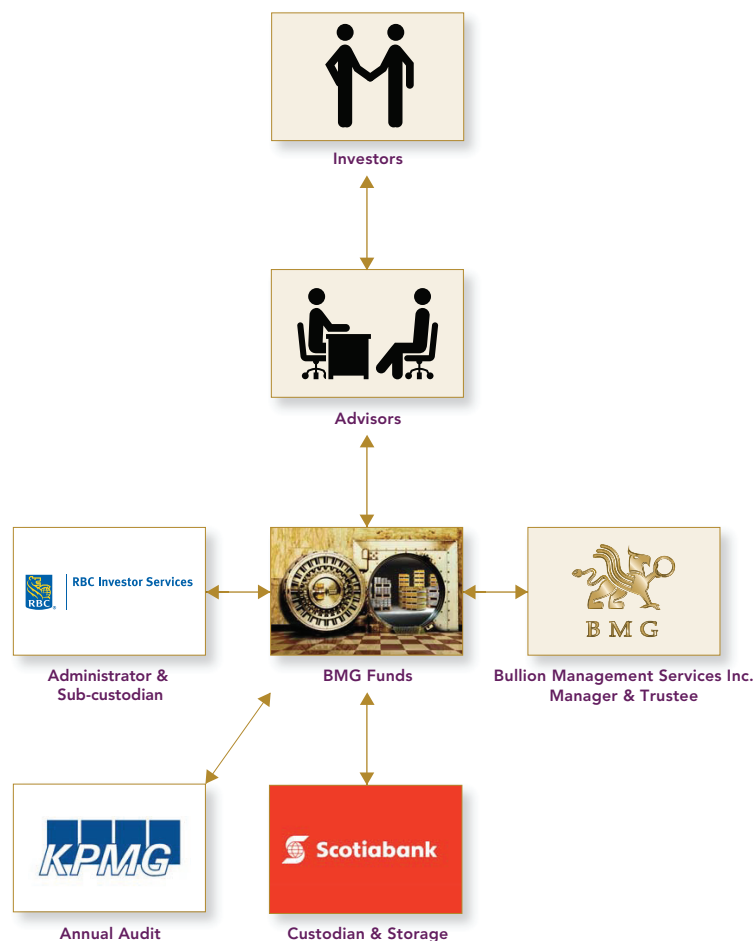
- BMG BullionFund, BMG Gold BullionFund and BMG Gold Advantage Return BullionFund (BMG Funds) are open-end mutual fund trusts in which the investor buys units. The trust holds title on behalf of the unitholders of the Funds.
- The Bank of Nova Scotia is the Custodian of BMG BullionFund and BMG Gold BullionFund Funds' assets.
- The Bank holds physical custody of the Funds' bullion and provides storage on an allocated and insured basis from all other bullion holdings.
- The bullion is allocated: serial numbers and exact bar sizes are recorded for every bar held in custody.
- Under the Holding Account Agreement, The Bank of Nova Scotia has agreed to maintain the broadest form on insurance commercially available on the bullion against all risks except war, terrorist events, nuclear incident and government confiscation. Also, Bullion Management Services Inc.\* has taken out additional insurance on behalf of the funds.
- The Bank of Nova Scotia may not appoint a sub-custodian without prior consent from Bullion Management Services Inc. Any sub-custodian must meet OSC securities guidelines and requirements of National Instrument 81-102.
- The Funds' bullion is held in trust for the unitholders and is therefore not subject to any third-party claims, including those of The Bank of Nova Scotia, RBC Investor Services or Bullion Management Services Inc.
- RBC Investor Services Trust is the Sub-custodian/ Administrator of the Funds' bank account and is responsible for the Funds' banking, record-keeping, daily valuation and processing of all purchases and redemptions. RBC is the custodian for BMG Gold Advantage Return BullionFund.
- Bullion holdings are physically counted and confirmed annually by the Funds' auditors, KPMG LLP.

\* Bullion Management Services Inc. is a wholly owned subsidiary of Bullion Management Group Inc.

An investment in BMG Funds includes a full safety and security commitment to all unitholders

- **BMG BullionFund** has a fixed investment strategy of investing one-third of all subscription proceeds in each gold, silver and platinum bullion. **BMG Gold BullionFund** invests only in unencumbered, fully allocated gold bullion. As such, Bullion Management Services Inc. will not attempt to time the market or stray from the investment strategy. Performance is not dependent on trading skills of a portfolio manager. Manager style drift is not possible. **BMG Gold Advantage Return BullionFund** couples monthly fixed cash distributions equal to at least \$0.07 per unit with an underlying asset of physical gold by investing only in Class I units of the BMG Gold BullionFund (the Underlying Fund).
- Unlike other bullion investment vehicles, the Funds do not invest in bullion proxies such as certificates or futures contracts.
- The Funds do not employ any leverage, leasing or hedging strategies and do not rebalance holdings.

## Business Structure



# BMG Funds Investing Process

## PURCHASES

- Request the purchase of **BMG BullionFund**, **BMG Gold BullionFund** and or **BMG Gold Advantage Return BullionFund** units through a broker, mutual fund dealer, bank or direct investment.

## ADVISOR

- Advisor orders are processed through FundSERV for units of BMG Funds

## RBC INVESTOR SERVICES

- Administrator of BMG Funds
- Sub-custodian of the Funds' cash
- Custodian for BMG Gold Advantage Return BullionFund
- Sole signing authority on Funds' bank account
- Calculates daily valuation of NAV and NAV per unit
- Responsible for the Funds' banking and recordkeeping
- Processes all purchases and redemptions
- Pays authorized Fund expenses

## BULLION MANAGEMENT SERVICES INC.

- Manager and Trustee of BMG Funds
- Purchases bullion on behalf of the Funds
- Monitors Administrator and Custodian
- Approves Fund expenses
- Assures compliance with securities regulations
- Ensures filing and reporting completed as required

## THE BANK OF NOVA SCOTIA

- Custodian of BMG BullionFund and BMG Gold BullionFund
- Takes delivery of the bullion
- Holds physical custody of the Funds' bullion in its Toronto vault
- Bullion is allocated by serial number, weight, purity and refiner
- Funds' bullion is separated from those of the Bank's other custodial clients' assets and the bank assets
- Insures bullion

## KPMG LLP

- Auditor of BMG Funds
- Audits and verifies the Funds' holdings annually

## REDEMPTIONS

- Investors may redeem units daily
- Fund units will be redeemed at that day's Net Asset Value based on the London PM Fix
- Redeemed in physical bullion (conditions apply)

# BMG Difference: Uncompromised Bullion

## BENEFITS:

**BMG BullionFund**, **BMG Gold BullionFund** and **BMG Gold Advantage Return BullionFund (BMG Funds)** offer the same benefits as owning gold, silver or platinum without compromising any precious metal's fundamental attributes.

## LIQUIDITY

- Units purchased daily
- Units redeemed daily
- Purchase or redeem at Net Asset Value
- Liquidity of global bullion markets

## PEACE OF MIND

- Uncompromised Bullion
- Safe and secure
- No dependency on third parties
- No possibility of third-party claims
- Assets not someone else's
- Transparent
- Audited annually
- Allocated
- Insured
- Performance not dependent on management skills

## CONVENIENCE

- Purchase by phone
- Purchase online
- Delivery, storage and insurance included
- Available through all major banks, brokers, on-line accounts and mutual fund dealers



See *Real Wealth Protection* brochure for more details on BMG Funds.

To learn more about BMG Funds;  
**BMG BullionFund, BMG Gold BullionFund and  
BMG Gold Advantage Return BullionFund**  
contact your financial advisor or  
Bullion Management Group Inc.

**North America**

Toronto: 905.474.1001

Vancouver: 604.601.2023

Toll free: 888.474.1001

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Hong Kong: 852.2251.8843

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[www.bmgbullion.com](http://www.bmgbullion.com)

[www.bmgfunds.com](http://www.bmgfunds.com)

**FundSERV Codes:**

**BMG BullionFund:**

BMG100: Class A-FE units CDN\$

BMG104: Class A-LL units CDN\$

BMG101: Class A-FE units US\$

BMG105: Class A-LL units US\$

BMG600: Class F units CDN\$

BMG601: Class F units US\$

**BMG Gold BullionFund:**

BMG200: Class A-FE units CDN\$

BMG204: Class A-LL units CDN\$

BMG201: Class A-FE units US\$

BMG205: Class A-LL units US\$

BMG202: Class F units CDN\$

BMG203: Class F units US\$

**BMG Gold Advantage Return BullionFund:**

BMG300: Class A-FE units CDN\$

BMG304: Class A-LL units CDN\$

BMG301: Class A-FE units US\$

BMG305: Class A-LL units US\$

BMG302: Class F units CDN\$

BMG303: Class F units US\$

*Commission, trailing commissions, management fees and expenses may all be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated.*



**BULLION  
MANAGEMENT  
GROUP INC.**