

Confidentiality Agreement

THIS CONFIDENTIALITY AGREEMENT (the "**Agreement**") is made and entered into as of the day set out below with BMG Group Inc. and its subsidiaries Bullion Custodial Services Inc., BMG Management Services Inc., BMG Marketing Services Inc. and BMG DSC Inc. (hereinafter referred to collectively as the "**BMG Group of Companies**" or "**BMG**"), and the person or entity signing as "**Recipient**" below.

1. **Definitions.** For purposes of this Agreement:

"**BMG Group of Companies**" and "**BMG**" of the shall mean any, all and any combination of BMG Group Inc. and its subsidiaries Bullion Custodial Services Inc., BMG Management Services Inc., BMG Marketing Services Inc. and BMG DSC Inc. as the context may require;

"**Confidential Information**" shall mean any and all information and Materials delivered or made available to Recipient by BMG relating to the Hedge Fund and including without limitation any matter described in or contemplated by the Term Sheet. Confidential Information excludes any information that:

- (a) has been or is obtained by Recipient from a source independent of BMG that is not subject to a confidentiality agreement with BMG,
- (b) is or becomes generally available to the public other than as a result of an unauthorized disclosure by Recipient or its personnel, or
- (c) is independently developed by Recipient without reliance in any way on the Confidential Information or Materials provided by BMG;

"**Hedge Fund**" shall mean BMG Diversified Hedge Fund, as described more particularly in the Term Sheet;

"**Materials**" shall mean all memoranda, notes, records, business plans, financial information, policies, procedures, agreements or other documents, in writing and all other media, including all copies, extracts, and summaries thereof, containing any Confidential Information with reference to or in any way relating to the Term Sheet;

"**Intellectual Property Rights**" shall mean any and all patent rights, copyright rights, trademark rights, mask work rights, trade secret rights, *sui generis* database rights and all other intellectual and industrial property rights of any sort throughout the world (including any application therefore), any ideas, concepts, developments, technology, work of authorship, trade secrets, software, firmware, content, audio-visual materials, tools, process, technique, know-how, data, plans, devices, apparatus, specifications, designs, prototypes, layouts, works, programs, codes, documentation or other material or information, tangible or intangible, whether or not it may be patented, copyrighted,



trademarked or otherwise protected (including all versions, modifications, enhancements and derivative works thereof); and

"**Term Sheet**" shall mean the term sheet in respect of the Hedge Fund, together with any amendment thereto or supplement thereof.

2. **Limited Use.** Recipient acknowledges that it is to be given access to the Confidential Information and Materials solely for purposes of considering the opportunity to invest in the Hedge Fund or to pursue any other relationship with BMG in respect of the Hedge Fund or any other matter described in or contemplated by the Term Sheet. Recipient agrees that:
 - (a) it will not use the Confidential Information except as contemplated in this Section 2,
 - (b) it will keep the Confidential Information confidential at all times, and
 - (c) it will not copy or modify the Materials, or any copy, adaptation, transcription, or merged portion thereof, except as expressly authorized by BMG.

Recipient shall limit its disclosure of the Confidential Information and Materials to employees within its own organization whom BMG could reasonably expect to have a legitimate need to receive such Confidential Information and Materials in order to accomplish the authorized use.

3. **Proprietary Protection.** BMG shall have sole and exclusive ownership of all right, title, and interest in and to the Confidential Information, Materials, and "Intellectual Property Rights" including ownership of all copyrights and trade secrets pertaining thereto, subject only to the rights and privileges expressly granted by BMG.
4. **Non-Compete.** Recipient agrees and covenants that because of the confidential and sensitive nature of the Confidential Information and because the use of, or even the appearance of the use of, the Confidential Information in certain circumstances may cause irreparable damage to BMG and its reputation, or to clients of BMG, Recipient shall not, until the expiration of three years after the termination of the relationship between BMG and Recipient, engage, directly or indirectly, or through any corporations or associates in any business, enterprise or employment which is directly competitive with the Hedge Fund and any other business or operation describe in or contemplated by the Term Sheet, including, without limitation, the Existing Funds (as defined in the Term Sheet).
5. **Term and Termination.** Upon the earlier of BMG's request or the completion of the authorized use, Recipient shall promptly return or destroy all Materials and discontinue all further use of the Confidential Information. Upon BMG's request, Recipient shall promptly certify that such action has been taken. The restrictions contained in this



Agreement shall remain in effect until three years after the return or destruction of all Materials.

6. **General.** The interpretation and enforcement of this Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as set forth below as of the _____ day of _____ 20__.

BMG GROUP OF COMPANIES

By:

Name:

Nick Barisheff

Title:

*President and Chief Executive Officer of each of
BMG Group Inc.
Bullion Custodial Services Inc.
BMG Management Services Inc.
BMG Marketing Services Inc.
BullionCorp In.*

SIGNED, SEALED & DELIVERED

In the presence of:

}
}
}
}

Witness

[NAME OF RECIPIENT]

