



CLASS E15 UNITS OF THE BMG DIVERSIFIED HEDGE FUND  
&  
CONVERTIBLE ROYALTY UNITS OF BMG MANAGEMENT SERVICES INC.

(FOR CANADIAN RESIDENT INVESTORS)

INSTRUCTION FORM FOR SUBSCRIPTION AGREEMENT  
FOR  
INVESTORS USING THIRD-PARTY REGISTERED DEALERS OR ADVISERS

**IMPORTANT: The following items in the attached Subscription Agreement must be completed (please check each applicable box to confirm completion):**

- Complete and execute all applicable lines on pages 2 to 5 of the Subscription Agreement.
- Schedule A – Certificate of Accredited Investor Status: Complete if the Subscriber is (i) relying on the accredited investor exemption.
- Schedule B – Permitted Client Suitability Waiver: Complete if the Subscriber is a “permitted client” (and waives suitability).
- Schedule C – Risk Acknowledgement Form for Individual Accredited Investors: Complete if the Subscriber is (i) an individual “accredited investor” and (ii) not a “permitted client”.
- Schedule D – For your information, this schedule contains the Manager’s privacy policy.
- Schedule E – FATCA Self-Certification Form: All Subscribers must complete this form.
- Schedule F – Payment Instructions.

**Contact Information**

BMG Group Inc.  
BMG Management Services Inc.  
BMG Marketing Services Inc.  
200-110 Cochrane Drive  
Markham, Ontario L3R 9S1  
Attention: Compliance Officer  
Telephone: (905) 474-1001  
E-mail: info@bmg-group.com

January 2022



**JOINT ACCOUNT AGREEMENT (ONLY IF SUBSCRIBING AS A JOINT ACCOUNT):**

It is the express intention of the undersigned that ownership of this account be vested as: **(CHECK ONE)**

- Joint tenants** with rights of survivorship and not as tenants in common. Applicable only to those persons residing and domiciled in jurisdictions permitting beneficiary designations other than by will. In the event of the death of either or any of the undersigned, the entire interest in the joint account shall be vested in the survivor or survivors on the same terms and conditions as therefore held, without in any manner releasing the undersigned or their estates from the liability provided for in the terms and conditions herein.
- Tenants in common.** In the event of the death of either or any of the undersigned, the interests in the tenancy as of the close of business on the date of death of the deceased (or on the following business day if the date of death is not a business day) shall be equal unless otherwise specified immediately below.

If the interests are not to be equal, please designate the percentage interest of each tenant:

NAME OF PARTICIPANT OR HIS OR HER ESTATE	%	NAME OF PARTICIPANT OR HIS OR HER ESTATE	%

Any taxes, costs, expenses or other charges becoming a lien against or payable out of the account as the result of the death of the deceased, or through exercise by his or her estate or representative of any rights in the account shall, so far as possible, be deducted from the interest of such deceased. This provision shall not release the deceased's estate from the liability provided for elsewhere in this Subscription Agreement

**B. CORPORATIONS / TRUSTS / OTHER NON-INDIVIDUAL ENTITIES**

<b>ENTITY TYPE:</b> <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____	<b>JURISDICTION OF ENTITY:</b>
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<b>ENTITY NAME:</b>	<b>BUSINESS TYPE:</b>	<b>BUSINESS OR TAX IDENTIFICATION NUMBER:</b>
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**STREET ADDRESS, CITY, PROVINCE AND POSTAL CODE:**

<b>TELEPHONE NUMBER :</b>	<b>FAX NUMBER:</b>
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**SECTION 3 – REGISTRATION INSTRUCTIONS (IF DIFFERENT FROM NAME OF SUBSCRIBER AND ADDRESS SET OUT IN SECTION 2)  SAME AS SECTION 2**

<b>NAME:</b>	<b>ACCOUNT REFERENCE, IF APPLICABLE:</b>
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**STREET ADDRESS, CITY, PROVINCE AND POSTAL CODE:**

**SECTION 4 – DELIVERY INSTRUCTIONS (IF DIFFERENT FROM NAME OF SUBSCRIBER AND ADDRESS SET OUT IN SECTION 2)  SAME AS SECTION 2**  
 If this section is not completed (and BMG and the Manager are not instructed otherwise in writing), the Subscriber will be deemed to have directed that all account information, including financial statements and tax information, be delivered to the Subscriber.

<b>NAME:</b>	<b>ACCOUNT REFERENCE, IF APPLICABLE:</b>
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**STREET ADDRESS, CITY, PROVINCE AND POSTAL CODE:**

**SECTION 5 – ACCOUNT TYPE**

**INDIVIDUAL:**  CASH     REGISTERED PLAN  
 IF REGISTERED PLAN, SPECIFY TYPE: \_\_\_\_\_      **JURISDICTION OF REGISTERED PLAN (IF APPLICABLE):** \_\_\_\_\_

**DEALER:**     NOMINEE ACCOUNT     CLIENT NAME ACCOUNT

<b>SECTION 6 – SUBSCRIBER REPRESENTATION</b>			
<p>By selecting a category below, the Subscriber acknowledges that this section forms part of the “Terms and Conditions of Subscription” of this Subscription Agreement. The Subscriber represents and warrants as follows to BMG and the Manager at the date of this Subscription Agreement and acknowledges and confirms that BMG and the Manager are relying on such representations and warranties in connection with the offer, sale and issuance of Subscription Units to the Subscriber:</p>			
<input type="checkbox"/>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; text-align: center; vertical-align: middle;"><b>Accredited Investor Exemption</b></td> <td style="padding: 5px;">Subscriber is purchasing the Subscription Units as an “accredited investor” as defined in National Instrument 45-106 <i>Prospectus Exemptions</i> and the <i>Securities Act</i> (Ontario), as applicable (such investors must complete the Certificate of Accredited Investor Status in the form attached hereto as Schedule A).</td> </tr> </table>	<b>Accredited Investor Exemption</b>	Subscriber is purchasing the Subscription Units as an “accredited investor” as defined in National Instrument 45-106 <i>Prospectus Exemptions</i> and the <i>Securities Act</i> (Ontario), as applicable (such investors must complete the Certificate of Accredited Investor Status in the form attached hereto as Schedule A).
<b>Accredited Investor Exemption</b>	Subscriber is purchasing the Subscription Units as an “accredited investor” as defined in National Instrument 45-106 <i>Prospectus Exemptions</i> and the <i>Securities Act</i> (Ontario), as applicable (such investors must complete the Certificate of Accredited Investor Status in the form attached hereto as Schedule A).		
<b>SECTION 7 – INSIDER INFORMATION</b>			
1. Do you or your spouse (or the directors, officers, trustees, managing partners or beneficial owners of the Subscriber, if not an individual) own or control, directly or indirectly, 20% or more of the voting rights of a publicly-traded company?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
2. Are you or your spouse (or the directors, officers, trustees, managing partners or beneficial owners of the Subscriber, if not an individual) an insider (i.e., hold 10% or greater interest in a reporting issuer or other issuer whose securities are publicly traded)? (as those terms are defined under applicable securities legislation).	<input type="checkbox"/> Yes <input type="checkbox"/> No		
3. Do you or your spouse (or the directors, officers, trustees, managing partners or beneficial owners of the Subscriber, if not an individual) act as a director or a senior officer (i.e., an officer or one of the five highest paid employees) of a reporting issuer or other issuer whose securities are publicly traded?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
If Yes to any of the above questions, provide name(s) of issuer(s):			
<b>SECTION 8 – CERTIFICATION OF SUBSCRIBER’S DEALER</b>			
<p>This section is to be completed if the Subscriber is using a registered dealer and/or investment advisor (the “Dealer”) and is investing in the Manager and the Hedge Fund on the advice of the Dealer.</p> <p>By submitting this completed Subscription Agreement to BMG Marketing Services Inc., BMG and the Manager, the Dealer hereby acknowledges and confirms that it has fulfilled all relevant “know-your-client”, suitability, anti-money laundering and foreign tax reporting obligations under applicable securities laws. The Dealer also agrees to provide any information requested by BMG Marketing Services Inc., BMG and/or the Manager to assist in discharging obligations under any anti-money laundering and foreign tax reporting obligations.</p>			
_____ NAME OF DEALER (FIRM NAME)	_____ NAME OF INDIVIDUAL DEALER AND SIGNATURE		
_____ DEALER NUMBER	_____ DEALER’S GIIN		
<p>The Subscriber hereby authorizes BMG Marketing Services Inc., BMG and the Manager to rely on and accept instructions from the Dealer on its behalf in connection with redemptions or transfers of the Hedge Fund Units or conversion of the Royalty Units, as permitted, and agrees to indemnify each of BMG Marketing Services Inc., BMG and the Manager against any losses, costs, expenses, claims, damages or liabilities which may be incurred due to reliance on any improper instructions given by the Dealer.</p>			
_____ SIGNATURE OF SUBSCRIBER	_____ SIGNATURE OF JOINT SUBSCRIBER (ONLY FOR JOINT ACCOUNTS)		

**SECTION 9 – CERTIFICATE OF SUBSCRIBER**

By executing this Subscription Agreement, the Subscriber expressly acknowledges that the Subscriber (i) has been given the opportunity to obtain independent legal advice and has either done so or chosen not to obtain such advice; (ii) has sufficient investment knowledge and experience in financial and business affairs to understand and appreciate the sophisticated nature of this investment in the Hedge Fund Units and the Royalty Units; (iii) has received, reviewed and fully understands the Term Sheet and, in particular, has read and understands the risk factors outlined in the Term Sheet; (iv) has had the opportunity to ask and have answered any and all questions the Subscriber may have in relation to this investment; (v) confirms that such investment is consistent with the Subscriber's current investment objectives and needs; (vi) is able to bear the economic risk of loss of this investment; and (vii) has read the Privacy Policy of BMG and the Manager attached hereto and agrees to the terms thereof.

**FOR INDIVIDUALS/JOINT ACCOUNTS**

<p>X _____ SUBSCRIBER SIGNATURE</p> <p>_____ NAME OF SUBSCRIBER</p> <p>DATE: _____, 20____</p>	<p><b>JOINT ACCOUNT HOLDER SIGNATURE, IF APPLICABLE</b></p> <p>X _____ SUBSCRIBER SIGNATURE</p> <p>_____ NAME OF SUBSCRIBER</p> <p>DATE: _____, 20____</p>
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**FOR CORPORATIONS/TRUSTS/OTHER NON-INDIVIDUAL ENTITIES**

<p><b>PERSON(S) AUTHORIZED TO PROVIDE INSTRUCTIONS AND SIGNATURE:</b></p> <p>_____ NAME (LAST, FIRST)</p> <p>_____ TITLE</p> <p>_____ PHONE NUMBER</p> <p>_____ E-MAIL</p> <p>X _____ SIGNATURE</p>	<p><b>(SECOND PERSON IF NECESSARY)</b></p> <p>_____ NAME (LAST, FIRST)</p> <p>_____ TITLE</p> <p>_____ PHONE NUMBER</p> <p>_____ E-MAIL</p> <p>X _____ SIGNATURE</p>
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**SECTION 10 - ACCEPTANCE BY THE MANAGER, ON ITS OWN BEHALF AND ON BEHALF OF THE HEDGE FUND**

This Subscription Agreement is accepted on the \_\_\_\_day of \_\_\_\_\_, \_\_\_\_\_ .  
(month) (year)

**BMG MANAGEMENT SERVICES INC.**

**BMG MANAGEMENT SERVICES INC.,** solely in its capacity as Manager of the **BMG DIVERSIFIED HEDGE FUND**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

THE SUBSCRIBER MUST PROVIDE ALL INFORMATION REQUESTED ABOVE AND IN ALL RELEVANT SCHEDULES TO THIS AGREEMENT, AND EXECUTE THIS AGREEMENT (BY SIGNING PAGE 5 OF THIS SUBSCRIPTION AGREEMENT) AS WELL AS ALL RELEVANT SCHEDULES THAT REQUIRE EXECUTION BY THE SUBSCRIBER. THE SUBSCRIBER MUST ALSO PROVIDE AN AMOUNT EQUAL TO THE AGGREGATE SUBSCRIPTION AMOUNT IN SUCH FORM AS ACCEPTABLE TO BMG AND THE MANAGER IN CANADIAN FUNDS. THE HEDGE FUND UNITS AND THE ROYALTY UNITS ARE SUBJECT TO RESTRICTIONS ON SALE AND WILL BE SUBJECT TO RESTRICTIONS ON RESALE AND MAY NOT BE RESOLD EXCEPT IN RELIANCE ON CERTAIN EXEMPTIONS FROM THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LEGISLATION. A SUBSCRIBER IS ADVISED TO CONSULT HIS, HER OR ITS OWN LEGAL ADVISORS ON ALL MATTERS RELATING TO THIS INVESTMENT.

## TERMS AND CONDITIONS OF SUBSCRIPTION

### *General*

The Subscriber acknowledges the information contained in the Term Sheet including, in particular, those investment considerations described therein under the heading "Risk Factors".

The Subscriber tenders herewith, in full payment of the aggregate subscription price of the Subscription Units set forth in Section 1 of the Subscription Form above, a cheque made payable to BMG Management Services Inc. This subscription will not be accepted and no Subscription Units will be issued to the Subscriber unless the Manager has received the applicable subscription proceeds within such time as stipulated in this Subscription Agreement duly completed. Subscription funds will be kept in trust in a non-interest bearing account for the Subscriber pending the acceptance of the subscription.

The Subscriber acknowledges that a subscription for Subscription Units is subject to the acceptance of this Subscription Agreement by the Manager. The Subscriber agrees that this subscription is given for valuable consideration and shall not be withdrawn or revoked by the Subscriber. The acceptance of this subscription shall be effective upon the written acceptance of this Subscription Agreement by the Manager and the deposit of the Subscriber's payment into the Manager's account (on its own behalf and on behalf of the Hedge Fund, as applicable). This Subscription Agreement and related subscription proceeds shall be returned without interest or deduction to the Subscriber at the address indicated in Sections 2 or 3 of the Subscription Form if this subscription is not accepted. If the subscription is accepted only in part, that portion of the subscription price for the Subscription Units which is not accepted will be promptly returned to the Subscriber without interest or penalty.

### *General Representations and Warranties*

The Subscriber represents, warrants, certifies, acknowledges and covenants to and in favour of the BMG and the Manager as follows:

1. the Subscriber has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of an investment in Royalty Units and the BMG Diversified Hedge Fund, and is able to bear the economic risk of loss of such investment;
2. if the Subscriber is an individual, the Subscriber has attained the age of majority and has the legal capacity and competence to execute this Subscription Agreement and to take all actions required pursuant hereto;
3. if the Subscriber is not an individual, the Subscriber has the right, power and authority to execute this Subscription Agreement and to take all necessary actions, and all necessary approvals have been given to authorize it to execute this Subscription Agreement;
4. this Subscription Agreement, when accepted, will constitute a legal, valid, binding and enforceable contract of the Subscriber, which shall be enforceable against the Subscriber in accordance with its terms;
5. the entering into of this Subscription Agreement and the transactions contemplated hereby will not result in the violation of any terms or provisions of any law applicable to or the constating documents of, the Subscriber or of any agreement, written or oral, to which the Subscriber may be a party or by which he, she or it is or may be bound;
6. the Subscriber is a resident of, or is otherwise subject to the securities legislation of, the jurisdiction set out above on pages 2 or 3, as applicable and is not purchasing Subscription Units for the account or benefit of any person in any jurisdiction other than such jurisdiction;
7. the Subscriber is not a "non-resident", a partnership other than a "Canadian partnership", a "tax shelter", a "tax shelter investment", or an entity an interest in which is a "tax shelter investment" or in which a "tax shelter investment" has an interest, within the meaning of the *Income Tax Act* (Canada), nor is the Subscriber a partnership that does not prohibit investment by the foregoing persons; and in the event that the Subscriber's status in this respect changes, the Subscriber will immediately notify the Manager in writing;

8. if the Subscriber is or becomes a “financial institution” within the meaning of Section 142.2 of the *Income Tax Act* (Canada), the Subscriber will immediately notify the Manager in writing of such status;
9. the Subscriber is aware that using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only, and that if the Subscriber borrows money to purchase Subscription Units, the Subscriber’s responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines;
10. the Subscriber understands that the Subscription Units are being offered on a private placement basis pursuant to applicable exemptions from prospectus requirements under securities legislation in Canada, and are not insured under the *Canada Deposit Insurance Corporation Act*;
11. the Subscriber understands that Bullion Marketing Services Inc., an affiliate of BMG and the Manager, may act as an exempt market dealer pursuant to its registration in the appropriate category in the applicable jurisdictions where Subscription Units are being offered;
12. the Subscriber is aware that there are securities and tax laws applicable to the holding and disposition of the Hedge Fund Units and the Royalty Units and has been given the opportunity to seek advice in respect of such laws and is not relying solely upon information from BMG, the Manager, or, where applicable, their partners, officers, directors, employees or agents;
13. the Subscriber acknowledges and understands that (i) no prospectus has been filed with any securities commission or other regulatory body in connection with the issuance of the Subscription Units; (ii) neither the Manager nor the Hedge Fund currently intends to be being a reporting issuer under applicable securities legislation and accordingly, the Subscriber may not receive certain disclosure or be subject to legislation governing reporting issuers; (iii) it is not anticipated that there will be any public market for the Hedge Fund Units or the Royalty Units; and (iv) it may not be possible to sell or dispose of the Hedge Fund Units or the Royalty Units (i.e., apart from the redemption of the Hedge Fund Units of each Subscriber in the circumstances set out in the Term Sheet) and the Royalty Units may be subject to an indefinite hold period;
14. the Subscriber has received, reviewed and fully understands the disclosure in the Term Sheet that has been provided to the Subscriber and has had the opportunity to ask and have answered any and all questions with respect to the business and affairs of the Manager and the Hedge Fund;
15. the Subscriber is aware of the characteristics of the Hedge Fund Units and the Royalty Units, the nature and extent of personal liability and the risks associated with an investment in Hedge Fund Units and Royalty Units;
16. the Subscriber acknowledges that, provided that such investments are made in accordance with applicable securities legislation, the Subscriber is specifically consenting to an investment in connected issuers (i.e., the Manager and the Hedge Fund);
17. the Subscriber understands that there is no right to demand any distribution from the Manager or the Hedge Fund, other than as specified in the Term Sheet;
18. the Subscriber shall not knowingly transfer his, her or its Hedge Fund Units in whole or in part to a person without the approval of the Manager and will do so only in accordance with applicable securities legislation and as set out in the Term Sheet, and acknowledges that the Royalty Units are non-transferrable;
19. the Subscriber acknowledges that neither the Hedge Fund Units nor the Royalty Units have been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities legislation and Royalty Units and the Hedge Fund Units may not be offered or sold directly or indirectly in the United States or to or for the benefit of a U.S. Person (as defined in Regulation S promulgated under the U.S. Securities Act);
20. **the investment portfolio and trading procedures of the Hedge Fund are proprietary to the Hedge Fund and the Manager and all information relating to such investment portfolio and trading procedures shall be kept confidential by the Subscriber and will not be disclosed to third parties (excluding the Subscriber’s professional advisers) without the written consent of the Manager;**  
and
21. the Subscriber will execute and deliver all documentation and provide all such further information or releases as may be required from time to time by the Manager in order for the Manager and the Hedge Fund, as applicable, to satisfy their obligations under applicable securities legislation, anti-money laundering and anti-terrorist financing legislation and to satisfy domestic and foreign tax reporting and similar filing, to permit the purchase of the Subscription Units on the terms herein set forth and the Subscriber also agrees to deliver such releases or any other documents for income tax purposes, if any, as from time to time may be required by the Manager.

The representations, warranties, covenants and acknowledgments of the Subscriber contained in this Subscription Agreement shall survive the completion of the purchase and sale of the Subscription Units and any subsequent purchase of Subscription Units, and the Subscriber undertakes to notify BMG and the Manager immediately at 280-60 Renfrew Drive, Markham, Ontario L3R 0E1, (or such other address as may be communicated by BMG and/or the Manager to the Subscriber from time to time), of any change in any representation, warranty or other information relating to the Subscriber set forth in this Subscription Agreement.

#### *Purchasing as Bare Trustee or Agent*

If a person is purchasing the Subscription Units as bare trustee or agent (including, for greater certainty, a portfolio manager or comparable adviser) for the Subscriber, such person has notified BMG and the Manager of such fact and:

1. represents and warrants that the bare trustee or agent is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such purchase on behalf of such principal(s), to agree to the terms and conditions contained herein and therein and to make the representations, certifications, acknowledgments and covenants made herein and therein, and that this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid and binding agreement enforceable against, the Subscriber;
2. acknowledges that the Manager, on its own behalf and/or on behalf of the Hedge Fund, is required by law to disclose, on a confidential basis, to certain regulatory authorities, the identity of the Subscriber for whom such person may be acting, and agrees to provide such information as may be required by the Manager to comply with such requirements;
3. represents and warrants that it will provide any such information about the Subscriber that the BMG Marketing Services Inc. reasonably believes necessary to discharge any "know-your-client", "suitability" and any other obligations it may have under applicable legislation; and
4. agrees to indemnify BMG Marketing Services Inc., the Manager and the Hedge Fund against all losses, claims, costs, expenses and damages or liabilities which they may suffer or incur arising from the reliance on, or the breach of, any of the representations, warranties and covenants contained herein by such person.

#### *Anti-Money Laundering and Anti-Terrorist Financing Legislation in Canada*

In order to comply with Canadian legislation aimed at the prevention of money laundering and terrorist financing, BMG Marketing Services Inc., the Manager, and/or the Hedge Fund's administrator, may require additional information concerning investors from time to time, and the Subscriber agrees to provide all such information. BMG Marketing Services Inc., the Manager, and/or the Hedge Fund's administrator, may also be required to disclose identification information in relation to such Subscribers to a third party service provider of web-based anti-money laundering identity verification and search applications, which applications are commonly used as a component of anti-money laundering compliance programs.

The Subscriber acknowledges that if, as a result of any information or other matter which comes to attention of the Manager or BMG, any director, officer or employee of the Manager or of BMG, or their respective professional advisers, knows or suspects that an investor is engaged in money laundering, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by Canadian law or otherwise.

#### *Foreign Tax Reporting*

In accordance with the Intergovernmental Agreement between *Canada and the United States for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention* (the "IGA") and related proposed legislation and guidance, and as required under the *U.S. Foreign Account Tax Compliance Act* ("FATCA"), the Manager is required to report certain information with respect to Subscribers who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA, to the Canada Revenue Agency ("CRA"). The CRA will then exchange the information with the U.S. Internal Revenue Service ("IRS") pursuant to the provisions of the Canada-U.S. Tax Convention. The Dealer has certified that it will comply with all necessary due diligence and reporting obligations under FATCA and the IGA. The Subscriber agrees to provide any FATCA identification documentation requested by its Dealer such that the obligations under FATCA and the IGA may be fulfilled.

The Subscriber acknowledges that if BMG and/or the Manager is required to report information to the CRA in connection with the Subscriber's investment in the Hedge Fund Units and/or Royal Units, such report shall not be treated as a breach of any restriction upon the disclosure of information that may be imposed by Canadian law or otherwise.

#### *Privacy Policy*

Attached as Schedule D hereto is a copy of BMG's and the Manager's Privacy Policy. By signing this Subscription Agreement, the Subscriber consents to the collection, use and disclosure of his, her or its personal information in accordance with such policy.



### ***Governing Law***

This Subscription Agreement and all ancillary documents shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. By the Subscriber's execution of this Subscription Agreement, the Subscriber irrevocably attorns to the exclusive jurisdiction of the Courts of the Province of Ontario.

### ***Language***

The parties hereto confirm their express wish that this Subscription Agreement and all documents and agreements directly or indirectly relating thereto be drawn up in the English language. *Les parties reconnaissent leur volonté expresse que la présente ainsi que tous les documents et contrats s'y rattachant directement ou indirectement soient rédigés en anglais.*

### ***Statutory Rights of Action and Rescission***

If the Manager accepts a Subscription and the corresponding subscription proceeds, the Subscriber may have a right of action against the Manager and/or the Hedge Fund, depending on the residency of the Subscriber, for rescission or damages, corresponding to the rights described in the Term Sheet and available under the securities legislation of the relevant province or territory. Such rights of action for damages or rescission shall be exercised by delivery of notice in writing by the Subscriber to the Manager and/or the Hedge Fund, as applicable, at 280-60 Renfrew Drive, Markham, Ontario L3R 0E1 (or at such other address as the Manager and/or the Hedge Fund may direct from time to time) within the time period specified in the legislation.

### ***Indemnity***

The Subscriber agrees to indemnify each of BMG, BMG Marketing Services Inc., the Manager and the Hedge Fund against all losses, claims, costs, expenses and damages or liabilities which it may suffer or incur or cause arising from the reliance on the representations, certifications and covenants of the Subscriber contained herein by the BMG, BMG Marketing Services Inc., the Manager and/or the Hedge Fund, as the case may be, or the breach of any of such representations, warranties and covenants by the Subscriber.

### ***Limitation of Liability***

BMG, BMG Marketing Services Inc., the Manager and/or the Hedge Fund, and their respective directors, officers, employees and agents, incurring any debts, liabilities or obligations or in taking or omitting any other actions for or in connection with the business and affairs of the Manager and the Hedge Fund, as applicable, is, and will be deemed to be, acting for and on behalf of the Manager and the Hedge Fund and not in their own personal capacities, and the assets of the Manager and the Hedge Fund only will be liable and subject to levy or execution therefor. The Subscriber confirms that each BMG, BMG Marketing Services Inc., the Manager and the Hedge Fund is entitled to the benefit of this section in its own behalf and as agent and trustee on behalf of its respective directors, officers, employees and agents.

### ***Prospectus Exemptions***

The Subscriber acknowledges that, if this Subscription Agreement is accepted, Hedge Fund Units and Royalty Units will be distributed to the Subscriber pursuant to an exemption from statutory requirements that would otherwise require the Hedge Fund, as issuer of the Hedge Fund Units, and the Manager, as issuer of the Royalty Units, to deliver to the Subscriber a prospectus that complies with statutory requirements. In doing so, the Manager and the Hedge Fund will be relying on the representation made in Section 6 – SUBSCRIBER REPRESENTATION on page four of this Subscription Agreement.

### ***Survival***

The representations, warranties, acknowledgements and covenants contained in this Subscription Agreement and any certificate or document delivered pursuant to or in connection with this Subscription Agreement will survive the execution of this Subscription Agreement, and continue in full force and effect and be binding upon the Subscriber notwithstanding the completion of the purchase of Hedge Fund Units and Royalty Units by the Subscriber pursuant hereto and subsequently in the future, and any subsequent disposition by the Subscriber of such securities.

### ***Schedules***

Each of the Schedules attached hereto are incorporated into and form an integral part of this Subscription Agreement, and any reference to this Subscription Agreement includes the Schedules.

### ***Interpretation***

Any reference in this Subscription Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa. The division of this Subscription Agreement into Sections and other subdivisions and are for convenient reference only and do not affect the Subscription Agreement's interpretation. In this Agreement (i) the words "including", "includes" and "include" mean "including (or includes or include) without limitation", (ii) the words "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of".

### ***Assignment***

This Subscription Agreement becomes effective when executed by all of the parties to it. After that time, it will be binding upon and enure to the benefit of the parties and their respective successors, heirs, executors, administrators and legal representatives. This Subscription Agreement is not transferable or assignable by any party to it, without the written consent of the other parties hereto.

### ***Entire Agreement and Headings***

This Subscription Agreement (including the Schedules) constitutes the entire agreement between the parties relating to the subject matter hereof. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the parties in connection with the subject matter of this Subscription Agreement, except as specifically set forth in this Subscription Agreement (including the Schedules). The parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated herein. This Subscription Agreement may be amended or modified in any respect by written instrument only executed by all the parties herein. The Subscriber hereby authorizes BMG and the Manager to correct any errors in, or complete any minor information missing from this Subscription Agreement and the Schedules attached hereto. The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

### ***Counterparts***

This Subscription Agreement may be executed in any number of counterparts, each of which when delivered, either in original or other electronic means, shall be deemed to be an original and all of which together shall constitute one and the same document.

### ***Electronic Subscriptions***

The Manager, on its own behalf and on behalf of the Hedge Fund, shall be entitled to rely on delivery by facsimile machine or other electronic means, of an executed copy of this Subscription Agreement, including the completed Schedules hereto, and acceptance by the Manager in such capacities of such facsimile copy shall be legally effective to create a valid and binding agreement between the Subscriber and the Manager in such capacities in accordance with the terms hereof.

### ***Currency***

All dollar amounts referred to in this Subscription Agreement are in Canadian dollars, unless otherwise specified.

## Schedule A

### Certificate of Accredited Investor Status

TO: **BMG MARKETING SERVICES INC., BMG DIVERSIFIED HEDGE FUND & BMG MANAGEMENT SERVICES INC.**

*Capitalized terms used but not defined herein shall have the same meaning assigned to them as in the Subscription Agreement.*

In connection with the purchase by the Subscriber of the Subscription Units, the Subscriber (or the signatory on behalf of the Subscriber) certifies for the benefit of the Manager, on its own behalf and on behalf of the Hedge Fund, that the Subscriber is a resident of, or the purchase and sale of securities to the Subscriber is otherwise subject to the securities legislation of, the province or territory in Canada where the Subscription Units are being offered and the Subscriber is (and will at the time of acceptance of this Subscription Agreement and any additional subscriptions be) an accredited investor within the meaning of National Instrument 45-106 *Prospectus Exemptions* ("NI 45-106") or the *Securities Act* (Ontario). Specifically, the Subscriber is:

**PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY AND INITIAL:**

- \_\_\_ (a) a Canadian Financial Institution, or a Schedule III bank,
- \_\_\_ (b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada),
- \_\_\_ (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
- \_\_\_ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer,
- \_\_\_ (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- \_\_\_ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the Securities Act (Ontario) or the Securities Act (Newfoundland and Labrador),
- \_\_\_ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada,
- \_\_\_ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec,
- \_\_\_ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,
- \_\_\_ (i) a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada,
- \_\_\_ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities, exceeds \$1,000,000,
- \_\_\_ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000,
- \_\_\_ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year,
- \_\_\_ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000,
- \_\_\_ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements, and that was not formed for the sole purpose of making a representation to this effect in order to qualify as an accredited investor,
- \_\_\_ (n) an investment fund that distributes or has distributed its securities only to
  - (i) a person that is or was an accredited investor at the time of the distribution,
  - (ii) person that acquires or acquired securities in the circumstances referred to in sections 2.10 [Minimum amount investment], or 2.19 [Additional investment in investment funds], or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [Investment fund reinvestment],
- \_\_\_ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt,

- \_\_\_\_ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a province or territory of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be,
- \_\_\_\_ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,
- \_\_\_\_ (r) a registered charity under the Income Tax Act (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded,
- \_\_\_\_ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function,
- \_\_\_\_ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors,
- \_\_\_\_ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser,
- \_\_\_\_ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor; or
- \_\_\_\_ (w) a trust established by an accredited investor for the benefit of his or her family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse or a parent, grandparent, brother, sister, child or grandchild of that accredited investor or of that accredited investor's spouse.

**Defined Terms:**

Certain terms used above are specifically defined by applicable securities legislation, regulation or rules, as follows:

**“bank”** means a bank named in Schedule I or II of the *Bank Act* (Canada);

**“Canadian financial institution”** means:

- (a) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
- (b) bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

**“company”** means any corporation, incorporated association, incorporated syndicate or other incorporated organization;

**“director”** means

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

**“eligibility adviser”** means

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not
  - (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
  - (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

**“executive officer”** means, for an issuer, an individual who is

- (a) a chair, vice-chair or president,
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or

- (c) performing a policy-making function in respect of the issuer;

“**financial assets**” means

- (a) cash,
- (b) securities, or
- (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

“**financial statements**” includes interim financial reports;

“**founder**” means, in respect of an issuer, a person who,

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (b) at the time of the distribution or trade is actively involved in the business of the issuer;

“**fully managed account**” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;

“**investment fund**” has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;

“**person**” includes

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;

“**related liabilities**” means

- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
- (b) liabilities that are secured by financial assets;

“**Schedule III bank**” means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

“**spouse**” means, an individual who,

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
- (c) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta);

“**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

## Schedule B

### Permitted Client Suitability Waiver

TO: **BMG MARKETING SERVICES INC., BMG DIVERSIFIED HEDGE FUND & BMG MANAGEMENT SERVICES INC.**

*Capitalized terms used but not defined herein shall have the same meaning assigned to them as in the Subscription Agreement.*

In connection with the purchase by the Subscriber of the Subscription Units, the Subscriber (or the signatory on behalf of the Subscriber) certifies for the benefit of BMG Marketing Services Inc. and the Manager, on its own behalf and on behalf of the Hedge Fund, that the Subscriber is a permitted client within the meaning of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103"), and hereby waives Bullion Marketing Services Inc.'s obligation to collect know-your client information and determine suitability of the Subscriber's investment in the Hedge Fund Units and the Royalty Units in accordance with sections 13.3 and 13.2(2)(c) of NI 31-103, if applicable. Specifically, the Subscriber is:

**PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY AND INITIAL:**

- \_\_\_\_ (a) a Canadian financial institution or a Schedule III bank;
- \_\_\_\_ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- \_\_\_\_ (c) a subsidiary of any person or company referred to in paragraph (a) or (b), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of the subsidiary;
- \_\_\_\_ (d) a person or company registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than as a scholarship plan dealer or a restricted dealer;
- \_\_\_\_ (e) a pension fund that is regulated by either the federal Office of the Superintendent of Financial Institutions or a pension commission or similar regulatory authority of a jurisdiction of Canada or a wholly-owned subsidiary of such a pension fund;
- \_\_\_\_ (f) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (e);
- \_\_\_\_ (g) the Government of Canada or a jurisdiction of Canada, or any Crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction of Canada;
- \_\_\_\_ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- \_\_\_\_ (i) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
- \_\_\_\_ (j) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a managed account managed by the trust company or trust corporation, as the case may be;
- \_\_\_\_ (k) a person or company acting on behalf of a managed account managed by the person or company, if the person or company is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;
- \_\_\_\_ (l) an investment fund if one or both of the following apply:
  - (i) the Hedge Fund is managed by a person or company registered as an investment fund manager under the securities legislation of a jurisdiction of Canada;
  - (ii) the Hedge Fund is advised by a person or company authorized to act as an adviser under the securities legislation of a jurisdiction of Canada;
- \_\_\_\_ (m) in respect of a dealer, a registered charity under the *Income Tax Act* (Canada) that obtains advice on the securities to be traded from an eligibility adviser, as defined in section 1.1 of NI 45-106, or an adviser registered under the securities legislation of the jurisdiction of the registered charity;
- \_\_\_\_ (n) in respect of an adviser, a registered charity under the *Income Tax Act* (Canada) that is advised by an eligibility adviser, as defined in section 1.1 of NI 45-106, or an adviser registered under the securities legislation of the jurisdiction of the registered charity;
- \_\_\_\_ (o) an individual who beneficially owns financial assets, as defined in section 1.1 of NI 45-106, having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5 million;
- \_\_\_\_ (p) a person or company that is entirely owned by an individual or individuals referred to in paragraph (o), who holds the beneficial ownership interest in the person or company directly or through a trust, the trustee of which is a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction;
- \_\_\_\_ (q) a person or company, other than an individual or an investment fund, that has net assets of at least \$25 million as shown on its most recently prepared financial statements;
- \_\_\_\_ (r) a person or company that distributes securities of its own issue in Canada only to persons or companies referred to in paragraphs (a) to (q)

## Schedule C

### Risk Acknowledgement Form for Individual Accredited Investors

TO: **BMG MARKETING SERVICES INC., BMG DIVERSIFIED HEDGE FUND & BMG MANAGEMENT SERVICES INC.**

**WARNING!**  
 This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

<b>SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER:</b>	
<b>1. About your investment</b>	
Type of securities: <i>Class E15 units, and Royalty units</i>	Issuer: <i>BMG Diversified Hedge Fund, and BMG Management Services Inc.</i>
<b>SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER</b>	
<b>2. Risk acknowledgement</b>	
<b>This investment is risky. Initial that you understand that:</b>	<b>Your initials</b>
<b>Risk of loss</b> - You could lose your entire investment of \$_____. <i>[Instruction: Insert the total dollar amount of the investment.]</i>	
<b>Liquidity risk</b> - You may not be able to sell your investment quickly - or at all.	
<b>Lack of information</b> - You may receive little or no information about your investment.	
<b>Lack of advice</b> - You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to <a href="http://www.aretheyregistered.ca">www.aretheyregistered.ca</a> .	
<b>3. Accredited investor status</b>	
You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	<b>Your initials</b>
• Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	
• Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.	
• Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
• Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	

<b>4. Your name and signature</b>	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	
Signature:	Date:
<b>SECTION 5. TO BE COMPLETED BY THE SALESPERSON</b>	
<b>5. Salesperson information</b>	
<i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i>	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	
<b>SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITYHOLDER</b>	
<b>6. For more information about this investment</b>	
<p>BMG Marketing Services Inc.          BMG Management Group Inc.          BMG Diversified Hedge Fund          200-110 Cochrane Drive          Markham, Ontario L3R 9S1          Attention: Compliance Officer          Telephone: (905) 474-1001          E-mail: <a href="mailto:info@bmg-group.com">info@bmg-group.com</a></p> <p><i>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at <a href="http://www.securities-administrators.ca">www.securities-administrators.ca</a>.</i></p>	
<p><b>Form Instructions:</b></p> <ol style="list-style-type: none"> <li>1. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.</li> <li>2. The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.</li> </ol>	



## Schedule D

### Privacy Policy

BMG GROUP INC. ("BMG") & BMG MANAGEMENT SERVICES INC. (the "Manager")

July 31, 2015

#### Protecting Client Privacy

At BMG and BMS protecting our clients' privacy and the confidentiality of their personal information is fundamental to the way we do business. We recognize that we must be transparent and accountable in how we treat the information clients share with us.

#### How Do We Define Personal Information?

Personal information refers to information that specifically distinguishes clients as individuals and is provided to or collected by us. It includes, for example, name and address, age and gender, social insurance number, banking information, as well as investment and financial information.

#### How and Why Do We Ask for Personal Information?

We obtain most of our information about clients directly from them. This information is gathered, primarily through our detailed account opening forms, which we use in managing clients' account(s). This information is necessary for a number of reasons, including:

- to fully understand clients' investment needs and objectives in order to manage clients' investment portfolios;
- to verify clients' identity and protect against fraud;
- to establish custody accounts that clients' have requested for the safekeeping of the securities that we manage;
- to comply with the regulatory obligations of the securities industry; and
- to comply with the Canada Revenue Agency's ("CRA") income reporting requirements.

We limit the information we collect to what we need for these purposes, and we use it only for these purposes.

In order to provide our products and services to clients we may provide information to other persons:

- where we have client consent;
- where the other parties are agents or suppliers who assist us in serving our clients (e.g. custodians); or
- where we are required or permitted to do so by law (e.g. CRA).

We are required to advise clients that we will be disclosing client name, address and details of pooled fund purchases to the applicable provincial securities commissions. This information is collected indirectly by the various securities commissions under the authority granted to them in securities legislation for the purposes of the administration and enforcement of the securities legislation. By submitting a subscription to BMG and BMS to purchase Class E15 units of the BMG Diversified Hedge Fund and Royalty Units of BMG, clients authorize such indirect collection of information by the provincial securities regulators. If clients have any questions about the collection of this information they may contact the Administrative Support Clerk at the Ontario Securities Commission at 416-593-3684.

#### How We Protect Client Information

We protect client information with appropriate safeguards and security measures. We have security standards to protect our systems and clients' information against unauthorized access and use.

All of our employees, agents and suppliers, as part of their agreements with BMG and BMS, are bound to maintain client confidentiality and may not use the information for any unauthorized purpose.

We monitor and review our procedures and security measures regularly to ensure that they are being properly administered and that they remain effective and appropriate.

We make every reasonable effort to keep clients' information accurate and up-to-date. We retain clients' information for only as long as we require it for the reasons it was collected. When it is no longer required we will destroy or delete it in an appropriate manner.

#### **Questions or Concerns**

If you have any questions or concerns about the privacy and confidentiality of personal information, or if you would like access to your personal information that we have on file, you may contact BMG Compliance Officer at (905) 474-1001.

Investors should be aware that BMG and the Manager are required to file a report, setting out the Subscriber's name and address, the class and series of securities being issued, the date of issuance and the subscription price of the securities issued to the Subscriber. Such information is collected indirectly by the Ontario Securities Commission (the "Commission") under the authority granted to it in securities legislation, for the purposes of the administration and enforcement of the securities legislation of Ontario. By submitting this subscription, the Subscriber authorizes such indirect collection of the information by the Commission. In Ontario, the following official can answer questions about the Commission's indirect collection of the information:

**Administrative Support Clerk**  
Suite 1903, Box 55, 20 Queen Street West  
Toronto, Ontario M5H 3S8  
Telephone: (416) 593-3684  
Facsimile: (416) 593-8122

## Schedule E

### FATCA Self-Certification

The following self-certification is required under the Canadian *Income Tax Act* and allows BMG Group Inc. and BMG Management Services Inc. to comply with the *Foreign Account Tax Compliance Act* (U.S.) ("FATCA").

Legal Name of Investor: \_\_\_\_\_

Address of Investor: \_\_\_\_\_

\*\*\* Please complete Section A or Section B \*\*\*

#### Section A: Individual Investors

1) Is the individual investing through what is considered a "FATCA Exempt Product"? (See Glossary, next page)

Yes If yes, list product type and proceed to Section C. Product Type: \_\_\_\_\_

No

If no, check all boxes that apply, provide the details requested, and proceed to Section C:

I reside in Canada for Canadian tax purposes.

I am a U.S. resident for U.S. tax purposes **or I am a U.S. citizen.**

Provide U.S. SSN or ITIN: \_\_\_\_\_

Provide Canadian SIN or ITN: \_\_\_\_\_

I reside in a country other than Canada or the United States for tax purposes.

Country Name: \_\_\_\_\_

Country TIN (if any): \_\_\_\_\_

#### Section B: Non-individual Investors

By completing this Section B, the investor certifies the following: a) The investor is legally a corporation incorporated in Canada; **AND** b) The investor is a corporation that is **not** a Financial Institution (see glossary).

If the investor cannot certify the above points, please attach a completed Internal Revenue Service (IRS) Form W-8BEN-E or Form W-9 (as appropriate) to this self-certification and proceed to Section C. Do not complete Questions 1) or 2) below.

1) Is the entity an Active NFFE or a Passive NFFE? (Select one)

Active NFFE (If Active NFFE, proceed to Section C.)

Passive NFFE (If Passive NFFE, proceed to Question 2.)

2) If Passive NFFE selected, does the Passive NFFE have any U.S. Controlling Person(s)?

Yes (If yes, provide details of each U.S. Controlling Person(s) below and proceed to Section C.)

No (If no, proceed to Section C.)

#### Details of U.S. Controlling Person(s)

Name	Address	U.S. SSN/ITIN	Canadian SIN/ITN

#### Section C: Acknowledgement

I declare that the information provided on this form is, to the best of my knowledge and belief, correct and complete. I undertake to advise BMG Management Services Inc. immediately of any change in circumstances which causes the information contained herein to become incorrect and to provide BMG Management Services Inc. with an updated self-certification form within 30 days of such change in circumstances.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### **Glossary of Terms**

The following glossary of terms is provided for information purposes only and is general in nature. Please consult your legal or tax advisor for questions regarding your specific situation.

"**FATCA Exempt Product**" the following products should be exempt from FATCA:

Registered Retirement Savings Plan (RRSP)	Registered Disability Savings Plan (RDSP)
Registered Retirement Income Fund (RRIF)	Pooled Registered Pension Plan (PRPP)
Tax-Free Savings Account (TFSA)	Registered Pension Plan (RPP)
Registered Education Savings Plan (RESP)	Deferred Profit Sharing Plan (DPSP)

"**Financial Institution**" the term means: 1) a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company as defined under Article 1(1)(g) of the Intergovernmental Agreement (the Agreement) between the United States of America and Canada, and 2) a Listed Financial Institution within the meaning of Part XVIII of the *Income Tax Act*.

"**Non-Financial Foreign Entity (NFFE)**" the term means any Canadian resident, non-U.S. entity that is not a Financial Institution.

"**Active NFFE**" the term includes any NFFE that derives less than 50 percent of its gross income for the preceding calendar year from passive income, and less than 50 percent of the assets held by the NFFE during the preceding calendar year are assets that produce or are held for the production of passive income. For further details see the CRA website or consult your legal or tax advisor.

"**Passive NFFE**" the term means any NFFE that is not an Active NFFE.

"**U.S. Controlling Person**" the term includes natural persons who are a U.S. citizen or U.S. resident for U.S. tax purposes. For this purpose, the term only includes a natural person who is a director of the corporation, or a natural person who owns or controls, directly or indirectly, 25 percent or more of the shares of the corporation. For further details see the CRA website or consult your legal or tax advisor.

"**SSN**" U.S. Social Security Number.

"**ITIN**" U.S. Individual Taxpayer Identification Number.

**SIN**: Canadian Social Insurance Number.

**ITN**: Canadian Individual Tax Number.

\*\*\*

For more information regarding FATCA and CRA's enhanced financial account information reporting requirements, please visit the CRA website: <http://www.cra-arc.gc.ca/tx/nnrstdnts/nhncdrprtng/menu-eng.html>

For information on IRS Form W-8BEN-E, please visit the IRS website: <http://www.irs.gov/uac/About-Form-W-8BEN-E>

**Schedule F**  
**Payment Instructions**

**FOR PAYMENT BY CERTIFIED CHEQUE OR BANK DRAFT**

Payable to: BMG Management Services Inc.

**FOR PAYMENT BY WIRE TRANSFER**

For CAD (or currency other than USD)

Advise sender of the following wire instructions:

Beneficiary Account:  
**00002 - 1239094**

Beneficiary Name:  
**BMG Management Services Inc.**

Branch Address:  
**200 BAY ST-MAIN FL  
TORONTO, ON M5J 2J5**

Beneficiary Bank:  
**Royal Bank of Canada**

SWIFT: **ROYCCAT2**  
Institution: **003**

**For European Wires IBAN Number:**

- Canadian Banks *do not* have IBAN numbers.
- When clients are requesting an RBC IBAN number, this is simply our Bank Number (003) clients account number, and transit number, combined.
- The IBAN number is *only* for countries (mainly European) that are part of the European Union.