

BMG Funds

FOR ABSOLUTE SECURITY



See Investor brochure for more details on BMG Funds.

For more information or to purchase **BMG Funds** contact your financial advisor or Bullion Management Group Inc.

fundinfo@bmgbullion.com
Toronto: 905.474.1001
Vancouver: 604.727.3644
Toll free: 888.474.1001

www.bmgbullion.com
www.bmgfunds.com

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.



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BMG Funds Security Commitment

- 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 the Funds' assets.
- The Bank holds physical custody of the Funds' bullion and provides segregated storage 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 is required to maintain insurance against all risks except war, nuclear incident or government confiscation.
- 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 Dexia or Bullion Management Services Inc.

* 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

- RBC Dexia 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.
- Bullion holdings are physically counted and confirmed annually by the Funds' auditors, KPMG LLP.
- **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.
- 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.

The BMG Difference

BMG Funds offer investors and their advisors absolute peace of mind by providing one of the strictest, most comprehensive security covenants available anywhere in the world.

BMG Funds investing process

1 PURCHASES

- Request the purchase of BMG Funds units through a broker, mutual fund dealer or bank

2 ADVISOR

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

3 RBC DEXIA

- Administrator of BMG Funds
- Sub-custodian of the Funds' cash
- 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

4 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

5 THE BANK OF NOVA SCOTIA

- Custodian of BMG Funds
- Takes delivery of the bullion
- Holds physical custody of the Funds' bullion in its Toronto vault
- Bullion is allocated. In addition serial numbers and bar sizes are recorded
- Segregates Funds' bullion from those of the Bank's other custodial clients' assets
- Insures bullion

6 KPMG LLP

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

7 REDEMPTIONS

- Investors may redeem units daily
- Fund units will be redeemed at that day's Net Asset Value based on the London PM Fix

Benefits

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
- Transparent
- Audited annually
- Segregated
- Allocated
- Insured

CONVENIENCE

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



BUILD

PROTECT

THRIVE