

# BMG BullionFund

Class A - US Dollars



BMG BullionFund is a Canadian open-end mutual fund trust that invests only in London Good Delivery gold, silver and platinum bars.

### Investment Objective

The Fund's objective is to provide a secure, convenient, low cost, medium-risk alternative for investors seeking bullion for capital preservation, capital appreciation, portfolio diversification and portfolio hedging.

### Fund Strategy

BMG BullionFund is an open-end mutual fund trust with a fixed investment policy that requires it to purchase equal dollar amounts of unencumbered gold, silver and platinum bullion. The bullion is to be held in allocated, insured storage. No derivatives, futures contracts, options or certificates are used. The maximum cash component is five percent. The fund invests in a responsible manner and adheres to the "criteria for responsible investing."

**No Paper Bullion** - BMG BullionFund does not invest in shares of mining companies, certificates, pooled accounts, closed-end funds, ETFs, derivatives, or bullion proxies of any kind.

**Unencumbered Bullion** - BMG BullionFund does not lease its holdings, and no derivatives, futures contracts or options are used.

**Allocated Storage** - BMG BullionFund's bullion is stored on an allocated and insured basis under a custodial agreement with the Bank of Nova Scotia in their LBMA - member vault in Toronto. Reports on bullion holdings from ScotiaMocatta include details of the refiner, exact weight, purity and serial number for each bar. Bar holdings are published on the BMG website and holdings are audited by BDO Canada LLP as part of their annual audit.

**Third-Party Administrator** - RBC Investor Services is responsible for the Fund's banking, record keeping and daily valuation. RBC Investor Services processes all redemptions and purchases and pays authorized Fund expenses.

### Liquidity

Bullion is bought directly from or sold directly into the global bullion markets. Purchases or redemptions of any size can be accommodated without affecting Net Asset Value. As a result the Fund has the same liquidity as gold, silver and platinum bullion itself. In contrast, the liquidity of closed-end funds and ETFs are dependent on the number of shares that are traded.

### No Counterparty Risk

BMG BullionFund owns the bullion outright, with no dependency on third parties and no possibility of third-party claims.

### Independent of Portfolio Management Skills

BMG BullionFund has a fixed investment policy that cannot be varied without unitholder approval. Risk is avoided since the Fund does not hedge, market time, leverage or rebalance holdings. As a result, performance tracks the price of bullion and not the trading skills of a portfolio manager.

### Tax Efficient

No sales tax or withholding tax is applicable on bullion in Canada. All tax consequences on redemptions flow through to the redeeming unitholder. The BMG BullionFund is approved for all Canadian registered plans, including RRSPs, RRFs & TFSA's.

About BMG Group Inc.

BMG Group Inc. (BMG) is a precious metals bullion company. BMG focuses on protecting investors' wealth through the purchase and storage of physical gold, silver and platinum bullion for wealth protection and true portfolio diversification.

### Risk Rating



See the Fund's Simplified Prospectus, for specific risks.

### Fund Facts

<b>Date of Inception:</b>	January 15, 2002
<b>Net Assets:</b>	\$122,953,470
<b>Assets - Class A:</b>	\$94,491,412
<b>MER:</b>	2.98%
<b>NAV per Unit:</b>	\$6.96
<b>Fund Code*:</b>	BMG101 (A-FE) & BMG105 (A-LL)

Various classes of the Fund offered for sale. Available in Class A, B, C, E, F, G, I, S. Please consult with your advisor to determine which class is appropriate for you.

### Total Fund Holdings

Metal	Ounces
<b>Gold</b>	53,308
<b>Silver</b>	2,645,124
<b>Platinum</b>	11,234

### Terms

<b>Minimum Investment:</b>	\$1,000
<b>Management Fee:</b>	2.25%
<b>Commission:</b>	A-FE up to 5% A-LL 3%
<b>Subscription:</b>	daily
<b>Redemption:</b>	daily
<b>Fund Type:</b>	open-end
<b>Auditor:</b>	BDO Canada LLP
<b>Legal Counsel:</b>	Fasken Martineau DuMoulin LLP
<b>Trustee:</b>	BMG Management Services Inc.
<b>Custodian:</b>	The Bank of Nova Scotia
<b>Administrator:</b>	RBC Investor Services
<b>Currency:</b>	US Dollars
<b>Short-term Trading Fee:</b> (units held < 60 days)	1.5%, 60 days
<b>Low Load Redemption Fees</b>	First Year: 3% Second Year: 2% Third Year: 1% Thereafter: 0%
<b>Low Load Trailer Fees</b>	Year 1-3: 0.5% After Year 3: 1%

**BMG Management Services Inc., a BMG Company | www.bmg-group.com | 888.474.1001**

60 Renfrew Dr, Suite 280, Markham, ON L3R 0E1 Tel 905.474.1001 Fax 905.474.1091 info@bmg-group.com

This document is not to be construed as a public offering and is subject to more detailed information contained in the Simplified Prospectus and Annual Information Form dated September 26, 2016. For non-residents of Canada units in the Fund are restricted to accredited investors and are offered on an exempt basis in those jurisdictions where they may lawfully be sold. Commissions, trailing commissions, management fees and expenses may all be associated with mutual fund investments. Fund performance not available for funds with a history of less than one year. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.



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## Compounded Annual Returns\*

Class A - Inception Date January 15, 2002



\*Compounded Annual Returns are for periods greater than one year

## Current Value of a \$10,000 Investment is \$18,443



## Return and Risk Analysis

<b>Compounded Annual Return Since Inception</b>	3.9%
<b>Best Month (April 2011)</b>	16.0%
<b>Worst Month (October 2008)</b>	-21.6%
<b>Percent Profitable Months</b>	51.6%
<b>Annualized Standard Deviation</b>	
Last 12 Months	12.4%
Since Inception	21.9%
<b>Sharpe Ratio</b>	
Last 12 Months	-0.4
Since Inception	0.3
<b>Sortino Ratio</b>	
Last 12 Months	-0.31
Since Inception	0.01

## Calendar Year Returns

