

American Estate & Trust, LC,
GOLD BULLION TRUST FUND
Disclosure Statement, Terms And Conditions

Date: November 1, 2009

Notices:

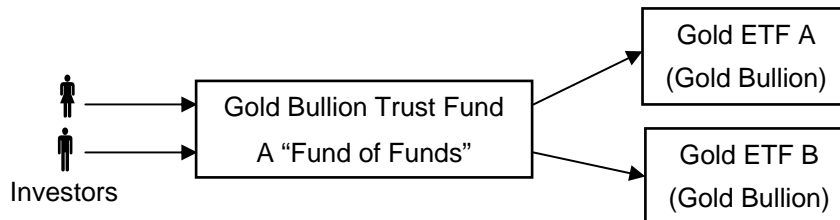
This Disclosure Statement is not a solicitation nor an offer for sale of interests in the Gold Bullion Trust Fund. This Disclosure Statement is provided for informational purposes and as part of the documentation of any investment which you might voluntarily make in the Trust Fund. Note that an investment in the Trust Fund does involve risk, see the "Risk Notice and Disclaimer" topic at the end of this document.

For AET Fiduciary Clients Only. The Gold Bullion Trust Fund is an optional investment choice for investors who first become an IRA, other retirement plan, or private trust account client of American Estate & Trust, LC (referred to hereafter as "AET"). This Trust Fund is only available for investment after establishing one of those types of accounts and a fiduciary relationship with AET where the company holds your investment in trust. Investors may be any of: A business organization, individuals, existing trust, IRA or other pension/retirement plan, non-profit organization, government entities, escrow funds, etc. The Trust Fund is professionally and actively managed by AET, which is regulated by the Financial Institutions Division of the State of Nevada.

Gold Investment Strategy and Objectives. The Gold Bullion Trust Fund seeks to correspond generally to the day-to-day movement of the price of gold bullion, and seeks to track as closely as possible the inflation hedging, disaster protection and other benefits which investing in physical gold would provide. It is a primary objective of the Trust Fund for its value to reflect, at any given time, the price of gold which is indirectly owned by the Fund at that time, less the expenses and liabilities of the Fund. The ultimate asset of the Trust Fund is physical gold bullion, with each investor owning an indirect interest in a physical inventory of gold. The gold bullion interest is represented to the investor by an ownership share of the Trust Fund (see the "*Gold Value Held For Each Client...*" topic below).

A further major objective of the Trust Fund is to meet the above stated investment goals with lower expenses, lower risks, better security and liquidity, and without the hassles and barriers involved in physical gold investing.

Gold Fund of Funds. Rather than purchasing and holding physical gold bullion directly, the Trust Fund invests in a type of gold bullion fund known as an "exchange traded fund" or ETF. ETFs are a very common and highly popular alternative to regular mutual funds. ETFs trade publicly, mostly on the New York Stock Exchange, and have the advantages of a regular mutual fund with few or none of the disadvantages. Buying and selling ETFs works exactly the same as trading shares of publicly traded stock, and each ETF is fully registered and regulated very similarly to the stock of publicly traded corporations. Gold ETFs do purchase and hold physical gold bullion, so shares of a gold ETF represent a direct interest in a corresponding amount of physical gold. The ETFs always store their bullion in the safest and most secure depositories, the same place where banks, governments and other large institutions pay to have their gold stored. Investing in gold ETFs provides a highly convenient and fast system for purchasing and selling gold, with the best and fastest method of liquidating gold holdings, and with less expense and hassle than purchasing physical bullion directly. See the diagram below for an illustration of the Trust Fund structure.



There are numerous gold ETFs which are publicly traded, and each one experiences price fluctuations which closely track the daily price changes in gold bullion. To provide the best gold ETF vehicle, the Gold Bullion Trust Fund spreads its investments among a number of gold ETFs, rather than investing in a single one. The logic and objectives for using multiple gold ETFs are: The Gold Bullion Trust Fund can diversify its gold holdings among several countries, which provides better security (gold in one country cannot be confiscated by another country or subjected to the other country's risks); the Trust Fund can benefit from better liquidity (ability to quickly cash in a client's investment); the Trust Fund can be liquidated at a better re-sale price than one can obtain with physical gold holdings, especially if you own odd amounts of physical gold (which is almost always the case); and the Trust Fund can quickly move from one gold ETF to another when there are obvious benefits to such a move.

Gold Value Held For Each Client. The Gold Bullion Trust Fund pools all investor money into one fund, much the same as ordinary mutual funds do. The Trust Fund, acting as a single investor, then invests that money pool in the various gold ETFs which it selects. The ETFs, in turn, do buy and hold a corresponding amount of physical gold with the money which is invested in the ETF. Each AET client or investor owns a share of the Trust Fund, and that share will *generally* correspond to a given number of ounces of gold held in the ETFs. For example, if a given client invested \$50,000 in the Trust Fund on a day when the price of gold closed at \$1,000 per ounce, then that client's share of the Trust Fund would represent approximately 50 ounces of gold. The reason that the client's quantity of gold is approximately, rather than exactly, 50 ounces in this example, is that the Trust Fund will maintain some amount of the total investment pool in cash and there will be trustee management fees and expenses charged to the Fund (see the topics, "Front End Load" and "Trustee Management Fees" below).

AET reports each investor's position in the Trust Fund in dollars, and *not in ounces of gold*. But, investors can estimate the amount of gold which their investment represents by dividing their current dollar investment amount by the current price of gold in ounces. Bear in mind this calculation will provide an estimate only, not an exact amount of gold, due to timing issues, various reporting sources for gold prices, Trust Fund and ETF fees and expenses, etc.

Performance Benchmark. The gold price benchmark which the Trust Fund attempts to track is the daily closing price of physical spot gold, as derived from pit gold trades of 100 troy ounce bars, and as reported by the Comex division of the New York Mercantile Exchange. This benchmark or index is often referred to simply as "Comex gold". The Comex spot gold pricing index is an internationally recognized standard and is a very accurate reflection of the fair market value of physical gold which is traded on a given trading day (vs. futures prices, which are the prices of gold that is to be delivered to the buyer on a specific future date). Note that while the Gold Bullion Trust Fund endeavors to closely track the Comex gold benchmark, each client investor's net asset or investment value will generally be somewhat less than is indicated by the benchmark for the reasons stated in the topic above, "*Gold Value Held For Each Client*".

To find the day's Comex gold spot price, go to one of these web sites weekdays, after 1:30 PM EST:

<http://www.nymex.com/index.aspx> - find the Market chart of commodities pricing, and look for the pricing next to "Gold (GC)"

<http://www.marketwatch.com/> - find the Market chart, look for "Gold". Note: Intra-day, this price can be out of sync with the above web site

Another source from which to get a daily price of spot physical gold sales is the London "gold fixing – PM" index, priced in USD (U.S. dollars). This price is published twice a day by The London Bullion Market Association. Note, though, that this pricing source is not the benchmark for the Gold Bullion Trust Fund, and the London daily fix can vary somewhat from the above referenced Comex benchmark price:

<http://www.lbma.org.uk/index.php>

Also be very aware that a *large* number of gold prices quoted by various media outlets are not spot gold prices, they are futures prices. This is the price of gold which is to be delivered to the buyer on a specific future date, and therefore the futures price will not match the day's spot gold prices.

Investment Minimums and Limits. The total allowed to be invested in the Gold Bullion Trust Fund is unlimited, but a minimum investment of \$5,000 is required. The Fund trustee has the authority, but not the obligation, to accept additional investments from any given client investor at any time.

Liquidating Your Investment, Withdrawing Funds. Client investors may request a liquidation of any portion of their investment in the Gold Bullion Trust Fund at any time. AET will liquidate enough ETF shares held in the Trust Fund to meet each request. Execution of your order will occur on the same day for requests received by 12:00 noon EST, if the stock markets are open on that day. Any liquidation requests which are received after 12:00 noon EST, or received on a day when the stock markets are not open, will be executed on the next regular trading day.

Typically it takes 3 to 5 days for ETF trades (liquidations) to return the cash to the Trust Fund. AET will pay your withdrawal request sooner if there is sufficient cash in the Trust Fund bank account, and typically that would be the case. However, there may be cases where your withdrawal request requires the full 3 to 5 settlement days before your cash can be sent out. Note also that AET's default method of paying withdrawals is by direct wire transfer to your bank account.

Fund Legal Structure. The Trust Fund is a pooled investment fund which is formed and operated as a trust. A great many private and publicly traded investment funds are formed as trusts, including gold ETFs. This is common

practice. The trustee and fund manager is American Estate & Trust, LC (AET), a Nevada trust company. For more information about AET, go to www.TrusteeAmerica.com and click on “About AET”.

Front End Load. To cover sales, marketing and general overhead costs, there is a one time, up front charge of one percent (1%) for new money from an investor. This front end load or commission will reduce your initial investment by one percent. Note though, that purchases of physical gold are subjected to commissions of typically from two to five percent, so an investment in the Gold Bullion Trust Fund will normally result in a larger gold position than investing in physical gold would yield, even after paying the Trust Fund one percent front end load. There are no termination loads or fees charged to your investment no matter how long you maintain your investment in the Trust Fund.

Trustee Management Fees. AET charges on going trustee management fees as follows*:

- 1.50% of net asset value for investments of \$5,000 to 49,999.99
- 1.25% of net asset value for investments of \$50,000 to 99,999.99
- 1.00% of net asset value for investments of \$100,000 to 499,999.99
- 0.50% of net asset value for investments of \$500,000 +

Using the above table, ongoing trustee management fees are charged as a percentage of each client investor's net asset value (NAV) in the Trust Fund, as calculated on an annualized basis. The management fee is calculated and collected quarterly by multiplying each client investor's NAV times the applicable percentage from above, and then pro-rating that amount for one quarter of a year. The fee is calculated and collected at the end of each quarter based on each client investor's NAV at that time. If a client investor liquidates some or all his/her/its holdings before the end of a calendar quarter, then the trustee management fee will be prorated for the portion of the quarter that the client investor had money in the Trust Fund. Also note that with a thirty (30) day notice, AET reserves the right to change the percentages charged for these fees, and AET reserves the right to restructure the NAV ranges which determine the applicable percentage.

* Note: At the end of each quarter, any net asset value of the Trust Fund which exceeds the Comex gold benchmark, measured after subtracting the above listed sales load and trustee management fees, that excess will be retained by AET as an additional management fee. However, this fee will not reduce your benchmark tracking net asset value and is payable to AET only when and if an excess amount of value above the benchmark, minus the above fees, is generated.

Other Fees. There are no additional fees for shipment, storage, insurance, etc. charged by AET or the Gold Bullion Trust Fund as there would be with an investment in physical gold. Those costs are greatly minimized and built into the price of the ETF shares which the Gold Bullion Trust Fund purchases, so there again a Trust Fund investment normally results in a larger gold investment position than investing in physical gold would yield.

Transparency: Auditing, Reporting to Investors. American Estate & Trust, LC (AET), is a state of Nevada licensed trust company, meeting state requirements for capital reserves and bonding. The company is regulated and examined by the Financial Institutions Division (FID) of the state of Nevada, which is the state's financial institutions regulatory body. Background checks on the principals of AET have been performed by FID. As a trust company, AET must maintain minimum capital reserves and meet stringent standards of honesty, competence, compliance with the law, etc. AET is a member of and an “accredited business” with the Better Business Bureau of Southern Nevada. The company's record with the BBB can be checked out at <http://southernnevada.bbb.org>.

On a regular basis AET prints and mails, or emails, statements to all client accounts. Statements may be specially requested from AET at any time and may be delivered electronically. As AET receives cash contributions or deposits from client investors (new money to be invested for the client), AET sends an email notice for each such cash receipt to the client investor, stating the dollar amount and date of receipt, so the client investor knows immediately that AET did receive their money. A disclosure or report is available on request, on a monthly basis, which provides in depth details on the investment holdings of the Gold Bullion Trust Fund.

Tax Treatment of Gains and Losses. Note: This topic on “Tax Treatment” must not be considered as tax advice, nor is it offered for purposes of tax planning. In all cases a client investor in the Trust Fund should seek the advice of a competent professional tax advisor, tax attorney or CPA.

The Gold Bullion Trust Fund is a “grantor trust” under federal tax law. This means that any item of income, gain or loss which occurs in the Trust Fund or in the ETFs which the Trust Fund invest in, that income, gain or loss will

pass through the Trust Fund, not subject to any tax treatment, and flow directly to the investors. Therefore client investors in the Trust Fund will be subject to any tax event which occurs in the ETF gold investments or in the liquidation (sale) of their Trust Fund interests, though retirement fund (IRA, 401(k), etc.) investors will have special tax treatment (see next paragraph).

Retirement Accounts. Generally, all traditional (IRA, 401(k), etc.) retirement plan investors will have deferral of any tax recognition which may occur from an investment in the Trust Fund, and all Roth (IRA, 401(k), etc.) retirement plan investors will never be subject to any tax recognition which may occur from an investment in the Trust Fund. Generally, all traditional (IRA, 401(k), etc.) retirement plan investors will owe taxes on 100% of each distribution which they eventually take from their retirement plan, regardless of how much of the total plan value was contributed to the plan from the investor's non-retirement income and regardless of how much was earned or lost in the plan as income or capital gains.

Taxpaying Investors. Generally, for taxpaying investors; that is, excluding retirement/pension and non-profit organization money, an investment in the Trust Fund represents an interest in physical gold which is held by the various ETFs which the Trust Fund invests in. Gold is a capital asset, so generally any gain or loss involved in an investment in the Trust Fund will be a capital gain or loss, and will be short term gains/losses for investments held less than a year and will be long term gains/losses for investments held for one year or longer. The taxpaying investor's basis in the gold or Trust Fund investment is simply the amount which the investor paid for its investment in the Trust Fund.

If any of the ETFs sell some gold, to pay their internal expenses for example, that sale will represent a capital gain or loss to taxpaying investors (except for a "zero" gain/loss) in the Trust Fund, and that gain or loss will be reported to the taxpaying investors by the Trust Fund. Likewise, if a taxpaying investor liquidates (sells) some or all its interests in the Trust Fund, that sale will result in a gain or loss (except for a "zero" gain/loss) and the taxpaying investor will be subject to either short or long term capital gains or losses on that sale.

Under current law, gains recognized by taxpaying investors from the sale of "collectibles," including gold bullion, held for more than one year are taxed at a maximum rate of 28%, rather than the lower rate which is applicable to most other long-term capital gains. Therefore, any gain recognized by a taxpaying investor which comes from the liquidation (sale) of interests in the Trust Fund, or from internal sales inside an ETF, and where the investor has held its interests in the Trust Fund for a year or more, such gain will generally be taxed at a maximum rate of 28%. The tax rates for short term or less than one year capital gains are generally the same as ordinary income rates.

Risk Notice and Disclaimer. An investment in the Gold Bullion Trust Fund involves risks, including the possible loss of principal. Because shares of the Trust Fund are created to reflect the price of the gold which is held in the Trust Fund's ETF investments, the market price of the shares will be as unpredictable as the price of gold is. Also, the ETFs which the Trust Fund invests in charge fees, and American Estate & Trust charges fees (see above).

AET is regulated by the Financial Institutions Division of the State of Nevada. But the Trust Fund is not FDIC insured or guaranteed and is not regulated by the SEC Investment Company Act of 1940. The safety of your principal is guaranteed and backed only by the exchange traded fund (ETF) investments of the Gold Bullion Trust Fund. To minimize risk, Trust Fund money is spread across, invested in, numerous ETFs so that the poor results of any one ETF, if any, should have a limited effect on the Trust Fund. American Estate & Trust, LC assumes no liability for losses in the underlying ETF investments of the Trust Fund or for any losses which are due to a decline in the market price of gold.

Agreement

I/We wish to invest IRA or other retirement or private trust funds in the American Estate & Trust, LC (AET) *Gold Bullion Trust Fund* ("Trust Fund"). I/We understand that I/we must first establish an IRA, other retirement plan, or private trust account with AET and that my/our investment will be made with the funds which I/we place in that account. The amount which I/we wish to invest in the Trust Fund at this time is stated below. I/We accept and subject my/our AET account's investment in the Gold Bullion Trust Fund to the above Terms and Conditions. I/We understand the risks which are involved with this voluntary investment choice:

Amount Which I/We Want to Invest In The *Gold Bullion Trust Fund* At This Time: \$ _____

My Account Type Is or Will Be (individual persons with non-retirement money must select "Trust (Living or Other)"):

- IRA Trust (Living or Other) 401(k) Corp/Company Non-Profit Org Escrow Funds Gov't Entity

(Print Name of Account or Account Owner)

(Signature of Account Owner or Legal Representative)

(Write In The Date)

(Print Name of 2nd Account Owner-If Applicable*)

(Signature of 2nd Account Owner-If Applicable*)

(Write In The Date)

* A second account owner will typically apply only in cases of married couples using non-retirement money, and legal entities, non-profits, government entities, etc. which desire or are required by their own policy or rules to have two signers on the account records.

American Estate & Trust, LC

6900 Westcliff Dr., No. 603
Las Vegas, NV 89145

Ph. 866-654-6111 ♦ info@TrusteeAmerica.com
www.TrusteeAmerica.com ♦ www.IRAcentral.com