

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-3150

BMC FUND, INC.
(Exact name of registrant as specified in charter)

800 GOLFVIEW PARK (P. O. BOX 500)
LENOIR, NC 28645
(Address of principal executive offices) (Zip code)

CAROL FRYE
BMC FUND, INC.
P. O. BOX 500
LENOIR, NC 28645
(Name and address of agent for service)

Registrant's telephone number: 828-758-6100

Date of fiscal year end: October 31, 2003

Date of reporting period: October 31, 2003

Item 1. Report to Stockholders.

BMC FUND, INC.

FINANCIAL STATEMENTS AND

SUPPLEMENTARY INFORMATION

Year Ended October 31, 2003

CONFIDENTIAL: For the use of shareholders and
the Securities and Exchange Commission only.

BMC FUND, INC.

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BMC FUND, INC.
DIRECTORS AND OFFICERS

DIRECTORS

James T. Broyhill	Winston-Salem, North Carolina
Paul H. Broyhill	Lenoir, North Carolina
William E. Cooper	Dallas, Texas
Lawrence Z. Crockett	Vero Beach, Florida
Jan E. Gordon	Palm Harbor, Florida
Allene B. Heilman	Clearwater, Florida
Gene A. Hoots	Charlotte, North Carolina
Michael G. Landry	Fort Lauderdale, Florida
John S. Little	Naples, Florida
L. Glenn Orr, Jr.	Winston-Salem, North Carolina

OFFICERS

Paul H. Broyhill	President
M. Hunt Broyhill	Vice President
Gene Hendricks	Vice President and Chief Financial Officer
Michael G. Landry	Vice President and Chief Investment Officer
Carol Frye	Secretary and Treasurer

DIRECTOR EMERITUS

Harry Heltzer	Lenoir, North Carolina
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TO OUR SHAREHOLDERS:

We are happy to present to you our report for the year ended October 31, 2003, which we believe contains complete and pertinent financial information.

After two traumatic years, most world stock markets have made dramatic rebounds from their cyclical bottoms.

We are pleased to inform you that over the past fiscal year BMC Fund, Inc. (the "Fund") is up 19%. The Fund's strong performance reinforces the Board's long-term strategy to remain well diversified across asset categories. By maintaining a significant exposure to stocks when they became very unpopular, the Fund's overall asset value increased substantially as equity prices rose.

For the latest fiscal year, earnings including unrealized gains grew to \$23,247,017, which represents an 18.5% increase. Obviously, we cannot expect comparable earnings during the year which will end October 31, 2004, as markets are volatile; however, we are reasonably optimistic that barring an unexpected national or international event the financial markets will continue to improve.

BMC Fund, Inc. became a Regulated Investment Company (RIC) on April 1, 1981. During the year ended October 31, 2003 the Fund paid the following dividends per share:

December 10, 2002 to shareholders of record November 25, 2002	\$.25
March 10, 2003 to shareholders of record February 25, 2003	.25
June 10, 2003 to shareholders of record May 25, 2003	.25
September 10, 2003 to shareholders of record August 25, 2003	.25

Total	\$ 1.00
	=====

The Fund paid a dividend of \$.38 per share on December 10, 2003 to shareholders of record November 25, 2002.

Schedule I is a listing of all the Fund's diversified securities at October 31, 2003, with a total market value of \$127,056,406.

It is our intent to render reports to shareholders each six months.

Paul H. Broyhill, President

M. Hunt Broyhill, Vice President

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the Securities and Exchange Commission only.

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FEDERAL INCOME TAX INFORMATION

We are required by the Internal Revenue Code to advise you within 60 days of the Fund's fiscal year end (October 31, 2003) as to the federal tax status of dividends paid by the Fund during such fiscal year. Accordingly, we are advising you that during the year ended October 31, 2003, the Fund paid distributions to its shareholders totaling \$1.00 per share, comprised of \$0.93 per share ordinary income and short term capital gains which are taxable as ordinary income, and \$0.07 per share long term capital gains which are taxable as such. The shareholders are furnished a Form 1099 in January of each year, which details the federal tax status of dividends paid by the Fund during the calendar year. There were no undistributed capital gains during the fiscal year.

SUPPLEMENTAL PROXY INFORMATION 2003 ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Shareholders of BMC Fund, Inc. was held on July 26, 2003 at Hound Ears Club, Blowing Rock, North Carolina. The meeting was held for the following purposes:

1. To elect the following 10 directors to serve as follows:

Director	Term	Expiring
James T. Broyhill	1 year	2004
Paul H. Broyhill	1 year	2004
William E. Cooper	1 year	2004
Lawrence Z. Crockett	1 year	2004
Jan E. Gordon	1 year	2004
Allene B. Heilman	1 year	2004
Gene A. Hoots	1 year	2004
Michael G. Landry	1 year	2004
John S. Little	1 year	2004
L. Glenn Orr, Jr.	1 year	2004

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2. To vote upon such other business as may come before the meeting.

The results of the proxy solicitation on the above matters were as follows:

Director	Votes For	Votes Withheld	Abstentions
James T. Broyhill	4,802,767	130,514	--
Paul H. Broyhill	4,802,767	130,514	--
William E. Cooper	4,802,767	130,514	--
Lawrence Z. Crockett	4,802,767	130,514	--
Jan E. Gordon	4,802,767	130,514	--
Allene B. Heilman	4,802,767	130,514	--
Gene A. Hoots	4,802,767	130,514	--
Michael G. Landry	4,802,767	130,514	--
John S. Little	4,802,767	130,514	--
L. Glenn Orr, Jr.	4,802,767	130,514	--

There was no other business voted upon at the Annual Meeting of Shareholders.

SUPPLEMENTAL INFORMATION

Paul H. Broyhill, President, Michael G. Landry, Vice President and Chief Investment Officer, and M. Hunt Broyhill, Vice President, are primarily responsible for the day-to-day management of the Company's portfolio. Mr. Paul Broyhill has had such responsibility since the inception of the Fund. Messrs. Landry and Hunt Broyhill have had such responsibility since 2001. Messrs. Landry and Hunt Broyhill have been engaged in asset management for various institutions and high net worth individuals for more than five years. In addition, portions of the Company's portfolio were managed by W. H. Reaves & Co., Inc. ("Reaves &

Co.") until September 30, 2003, when the investment advisory agreement with Reaves was terminated. Reaves was responsible for approximately \$6.0 million of the Fund's portfolio at September 30, 2003. William H. Reaves, who is the Chief Investment Officer of Reaves & Co., was the portfolio manager responsible for the portion of the Company's portfolio managed by Reaves & Co. Mr. Reaves has held his current position with Reaves & Co. for more than five years.

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[LOGO]

DIXON ODOM PLLC(TM)
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and
Shareholders of BMC Fund, Inc.:

We have audited the accompanying statement of assets and liabilities of BMC Fund, Inc. (the "Company"), including the schedules of investments, as of October 31, 2003, and the related statement of operations for the year then ended, the statements of changes in net assets for the year ended October 31, 2003 and the seven months ended October 31, 2002, and the financial highlights for the year ended October 31, 2003, the seven months ended October 31, 2002 and the years ended March 31, 2002 and 2001. These financial statements and financial highlights are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The financial highlights for each of the seven years in the period ended March 31, 2000 were audited by other auditors whose report dated May 19, 2000 expressed an unqualified opinion on the financial highlights for those seven years.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of October 31, 2003 by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements for the year ended October 31, 2003 and the seven months ended October 31, 2002 and the financial highlights for the year ended October 31, 2003, the seven months ended October 31, 2002 and the years ended March 31, 2002 and 2001 referred to above present fairly, in all material respects, the financial position of BMC Fund, Inc. as of October 31, 2003, the results of its operations for the year then ended, the changes in its net assets for the year ended October 31, 2003 and the seven months ended October 31, 2002, and the financial highlights for the year ended October 31, 2003, the seven months ended October 31, 2002 and the years ended March 31, 2002 and 2001, in conformity with accounting principles generally accepted in the United States of America.

/s/ Dixon Odom PLLC

December 11, 2003
Charlotte, North Carolina

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BMC FUND, INC.
STATEMENT OF ASSETS AND LIABILITIES
October 31, 2003

- -----

ASSETS AT MARKET VALUE:	
Investment securities (cost - \$117,112,200)	\$127,056,406
Investments in affiliates - wholly owned subsidiaries (equity value \$22,353,412)	24,721,172
Investment in real estate (cost - \$145,226)	350,000
Cash and short-term investments	1,468,517
Receivables, principally accrued interest	436,852
Other assets	16,665

Total assets	154,049,612

LIABILITIES:	
Notes payable	10,000,000
Payable to broker	70,672
Accounts payable and accrued expenses	69,058

Total liabilities	10,139,730

NET ASSETS AT OCTOBER 31, 2003 - EQUIVALENT TO \$29.17 PER SHARE ON 4,933,281 SHARES OF COMMON STOCK OUTSTANDING	\$143,909,882
	=====
SUMMARY OF SHAREHOLDERS' EQUITY:	
Common stock, par value \$5.00 per share - authorized 70,000,000 shares; outstanding, 4,933,281 shares	\$ 24,666,405
Retained earnings prior to becoming investment company	92,939,370
Undistributed net investment income	8,592,653
Undistributed nontaxable gain	5,194,714
Unrealized appreciation of investments	12,516,740

NET ASSETS APPLICABLE TO COMMON STOCK OUTSTANDING	\$143,909,882
	=====

See accompanying notes to financial statements.

BMC FUND, INC.
STATEMENT OF OPERATIONS
Year Ended October 31, 2003

INVESTMENT INCOME:	
Income:	
Interest-corporate bonds	\$ 999,266
Other interest and dividends	3,113,431
Equity in earnings of wholly-owned subsidiaries	1,546,051

Total income	5,658,748

Expenses:	
Legal and professional fees	110,714
Directors' fees (Note 3)	37,000
Interest expense	256,826
Bank service charges	33,270
Investment expense	59,868
Salaries	270,879
Property and liability insurance	23,484
Depreciation expense	1,798
Taxes and licenses	64,999
Rent	14,100
Office supplies and expense	20,193
Dues and subscriptions	15,949
Travel and entertainment	58,918

Total expenses	967,998

Investment income, net	4,690,750

REALIZED AND UNREALIZED GAIN ON INVESTMENTS:	
Realized gain from investment securities sold	2,696,356
Change in unrealized appreciation of investments for the period	15,859,911

Net gain on investments	18,556,267

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$23,247,017
	=====

See accompanying notes to financial statements.

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BMC FUND, INC.
STATEMENTS OF CHANGES IN NET ASSETS
Year Ended October 31, 2003 and Seven Months Ended October 31, 2002

	2003	2002
	-----	-----
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS:		
Investment income, net	\$ 4,690,750	\$ 2,923,649
Realized gain from investment securities sold	2,696,356	326,548
Change in unrealized appreciation of investment for the period	15,859,911	(17,357,372)
	-----	-----
Net increase (decrease) in net assets resulting from operations	23,247,017	(14,107,175)
Distributions to shareholders from:		
Net realized gain on investment securities	(2,696,356)	(326,548)
Net investment income	(2,236,925)	(2,781,419)
	-----	-----
TOTAL (INCREASE) DECREASE IN NET ASSETS	18,313,736	(17,215,142)
NET ASSETS AT BEGINNING OF PERIOD	125,596,146	142,811,288
	-----	-----
NET ASSETS AT END OF PERIOD (Including undistributed net investment income: 10/31/03 - \$8,592,653; 10/31/02 - \$6,138,828)	\$ 143,909,882	\$ 125,596,146
	=====	=====

See accompanying notes to financial statements.

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BMC FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended October 31, 2003

1. SIGNIFICANT ACCOUNTING POLICIES

BMC Fund, Inc. (the "Company") is a closed-end, diversified investment company registered under the Investment Company Act of 1940, as amended. Prior to becoming a regulated investment company on April 1, 1981, BMC Fund, Inc. operated as a regular corporation. The following is a summary of significant accounting policies followed by the Company in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles for investment companies.

- A. Investment Valuations - The investment securities are stated at market value as determined by closing prices on national securities exchanges. Investment securities include corporate bonds, mutual funds, and common and preferred stocks.

The investments in limited partnerships, other investments and venture capital are stated at estimated fair value as determined by the management of these investments and are approved by the Company's Valuation Committee after giving consideration to historical and projected financial results, economic conditions, financial condition of investee and other factors and events subject to change. Because of the inherent uncertainty of those valuations, the estimated values may differ significantly from the values that would have been used had a ready market value for the securities existed, and these differences could be material.

The carrying value of the investments in wholly owned subsidiaries is based on an independent appraisal of the fair market value of the subsidiaries. Equity in earnings of the wholly owned subsidiaries in the statement of operations represents the current year earnings of the subsidiaries accounted for using the equity method.

The carrying value of the investment in real estate is based on an independent appraisal of the fair market value of the real estate.

- B. Investment Transactions - Investment transactions are accounted for on the date the order to buy or sell is executed. Realized gains and losses on investments are determined on the basis of specific identification of issues sold or matured.
- C. Income Taxes - No federal tax provision is required as it is the Company's policy to comply with the provisions of Subchapter M of the Internal Revenue Code of 1954, as amended, including the distribution to its shareholders of substantially all of its income and any capital gains not offset by capital losses. Also, no state income tax provision has been provided because the states in which the Company has income recognize the tax exempt status of a regulated investment company.

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BMC FUND, INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended October 31, 2003

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

- D. Dividend Policy - It is the Company's policy to pay dividends during the year in sufficient amounts to meet the requirements to maintain its status as a regulated investment company.
- E. Cash and Short-Term Investments - For purposes of financial reporting, the Company considers all investments at financial institutions with original maturities of three months or less to be equivalent to cash. Short-term money market investments managed by third party investors are included in investment securities.
- F. Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. LINE OF CREDIT

On September 25, 2000 (modified on October 20, 2000 and renewed October 14, 2003), the Company entered into an agreement with a bank for an unsecured line of credit in the amount of \$10,000,000 to provide the Company more flexibility in its payment of dividends and management of its investments. The interest rate on any borrowings will be at the LIBOR market index rate plus 125 basis points. No commitment fee is charged on any unused balance. As of October 31, 2003, the Company had borrowings of \$10,000,000 from this line of credit, which expires on July 31, 2004

3. ADVISORY BOARD AND REMUNERATION OF DIRECTORS

The Company does not have an advisory board. The independent directors are paid an annual fee of \$3,000 plus \$1,000 for each meeting attended. Each such independent director is paid an additional \$1,000 for each day attending a committee meeting other than on the date of a board meeting. In addition, all directors are reimbursed for their reasonable expenses incurred in attending meetings.

4. CHANGE OF FISCAL YEAR

The Company changed its fiscal year from March 31 to October 31, beginning with the seven month period ending October 31, 2002. The change was made to facilitate the annual calculation of capital gains that must be paid by each December 31 for the preceding twelve month period ending October 31.

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BMC FUND, INC.

FINANCIAL HIGHLIGHTS

Year Ended October 31, 2003, Seven Month Period Ended October 31, 2002, and Each of the Nine Years in the Period Ended March 31, 2002

The following table presents financial information divided into three parts: per share operating performance, total investment return and ratios and supplemental data for the year ended October 31, 2003, the seven month period ended October 31, 2002, and each of the nine years in the period ended March 31, 2002. The first part, per share operating performance, details the changes on a per share basis of the Company's beginning net asset value to its ending net asset value. The second part, total investment return, is based on the market price of the Company's shares of stock. Part three, ratios and supplemental data, provides additional financial information related to the Company's performance.

PER SHARE OPERATING PERFORMANCE	Seven Months Ended October 31,					
	2003	2002	2002	2001	2000	1999
Net asset value, beginning of period	\$ 25.46	\$ 28.95	\$ 29.44	\$ 31.84	\$ 29.01	\$ 30.55
Net investment income	0.95	0.59	1.13	1.31	2.11	1.04
Net gains (losses) on investments	3.76	(3.45)	(0.30)	(2.13)	2.11	(0.16)
Total from investment operations	4.71	(2.86)	0.83	(0.82)	4.22	0.88
Less distributions:						
Dividends from net investment income	0.45	0.56	0.84	1.58	1.10	1.49
Distributions from capital gains	0.55	0.07	0.48	--	0.29	0.93
Total distributions	1.00	0.63	1.32	1.58	1.39	2.42
Net asset value, end of period	\$ 29.17	\$ 25.46	\$ 28.95	\$ 29.44	\$ 31.84	\$ 29.01
Per share market value, end of period(1)	\$ 26.00	\$ 26.00	\$ 26.00	\$ 26.00	\$ 26.00	\$ 26.00
TOTAL INVESTMENT RETURN(2)	18.12%	(18.85)%*	3.20%	(3.15)%	16.23%	3.38%

RATIOS/SUPPLEMENTAL DATA						
Net assets, end of period (in thousands)	\$ 143,910	\$ 125,596	\$ 142,811	\$ 145,221	\$ 157,057	\$ 143,092
Ratio of expenses to average net assets(3)	0.73%	0.71%*	0.62%	0.49%	0.40%	0.32%
Ratio of net investment income to average net assets(3)	3.52%	3.78%*	3.91%	4.23%	6.99%	3.50%
Portfolio turnover rate	52.51%	31.95%	67.18%	33.65%	94.21%	80.17%
PER SHARE OPERATING PERFORMANCE	1998	1997	1996	1995	1994	
	-----	-----	-----	-----	-----	
Net asset value, beginning of period	\$ 29.33	\$ 29.40	\$ 28.23	\$ 28.02	\$ 28.59	
	-----	-----	-----	-----	-----	
Net investment income	1.26	1.29	1.22	1.28	1.30	
Net gains (losses) on investments	1.95	0.54	1.69	0.46	(0.46)	
	-----	-----	-----	-----	-----	
Total from investment operations	3.21	1.83	2.91	1.74	0.84	
	-----	-----	-----	-----	-----	
Less distributions:						
Dividends from net investment income	1.14	1.16	1.05	1.20	1.21	
Distributions from capital gains	0.85	0.74	0.69	0.33	0.20	
	-----	-----	-----	-----	-----	
Total distributions	1.99	1.90	1.74	1.53	1.41	
	-----	-----	-----	-----	-----	
Net asset value, end of period	\$ 30.55	\$ 29.33	\$ 29.40	\$ 28.23	\$ 28.02	
	=====	=====	=====	=====	=====	
Per share market value, end of period(1)	\$ 26.00	N/A	\$ 26.00	\$ 26.00	N/A	
	=====	=====	=====	=====	=====	
TOTAL INVESTMENT RETURN(2)	12.33%	7.05%	11.17%	6.68%	3.25%	
	=====	=====	=====	=====	=====	
RATIOS/SUPPLEMENTAL DATA						
Net assets, end of period (in thousands)	\$ 150,705	\$ 144,702	\$ 145,036	\$ 139,248	\$ 138,230	
Ratio of expenses to average net assets(3)	0.27%	0.27%	0.29%	0.30%	0.30%	
Ratio of net investment income to average net assets(3)	4.18%	4.39%	4.21%	4.55%	4.60%	
Portfolio turnover rate	26.98%	31.23%	21.75%	32.29%	22.48%	

- (1) Unaudited - Based on stock trades, which are very limited, during that year.
- (2) Unaudited - Computed as follows: income from investment operations divided by per share market value.
- (3) Average is computed on a quarterly basis.
- * Annualized

BMC FUND, INC. SCHEDULE I
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS
October 31, 2003

Debt Issuer	Coupon Interest Rate	Maturity Date	Maturity Value	Market Value	Percent of Net Assets
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CORPORATE BONDS:

GENERAL MTRS ACCEP CORP	5.750%	11/10/03	\$ 200,000	\$ 200,119
CCB FINL CORP	6.750%	12/01/03	605,000	607,277
EASTMAN CHEM CO	6.375%	01/15/04	1,000,000	1,008,070
OAKWOOD HOMES CORP	7.875%	03/01/04	1,000,000	415,000
HERTZ CORP	7.000%	07/01/04	1,000,000	1,019,665
HILTON HOTELS CORP	7.000%	07/15/04	430,000	441,287
TEXTRON INC	6.375%	07/15/04	200,000	206,798
ALBERTSONS INC	6.550%	08/01/04	150,000	154,546
CATERPILLAR FINL SVCS CORP	6.875%	08/01/04	200,000	207,952
DUKE CAP CORP	7.250%	10/01/04	400,000	416,288
DU PONT E I DE NEMOURS & C	6.750%	10/15/04	200,000	209,866
ELECTRONIC DATA SYS CORP	6.850%	10/15/04	200,000	207,000
TARGET CORP	7.500%	02/15/05	200,000	214,282
UNITED DOMINION RLTY TR MT	7.730%	04/05/05	1,000,000	1,067,384
RITE AID CORP	7.625%	04/15/05	1,000,000	1,012,500
NATIONAL CITY CORP	7.200%	05/15/05	200,000	215,253
RYDER SYS INC	6.500%	05/15/05	725,000	765,827
CBS CORP	7.150%	05/20/05	300,000	323,606
PHILLIPS PETE CO	8.500%	05/25/05	50,000	54,986
COX COMMUNICATIONS INC NEW	6.875%	06/15/05	300,000	322,212
ENRON CORP1	6.750%	07/01/05	300,000	--
WORLDCOM INC GA1	6.400%	08/15/05	200,000	73,500
SPRINT CAP CORP	7.125%	01/30/06	80,000	86,495
FORD MOTOR CR CO	6.875%	02/01/06	95,000	99,426
PAINE WEBBER GROUP INC	6.750%	02/01/06	800,000	878,357
PHILIP MORRIS COS INC	6.375%	02/01/06	1,000,000	1,039,578
PROGRESS ENERGY INC	6.750%	03/01/06	100,000	108,821
FEDERAL RLTY INVT TR MTN	6.990%	03/10/06	500,000	537,097
CONTINENTAL CABLEVISION IN	8.300%	05/15/06	300,000	335,949
KEYCORP NEW	7.500%	06/15/06	500,000	560,606
AVALON BAY CMNTYS INC	6.800%	07/15/06	500,000	549,750
TIME WARNER INC	8.110%	08/15/06	150,000	168,955
BANK OF AMERICA CORPORATION	7.125%	09/15/06	200,000	223,762
FIRST NATL BK BOSTON MASS	7.375%	09/15/06	500,000	562,233
SEAGRAM LTD	8.350%	11/15/06	590,000	649,000
UNITED DOMINION REALTY TR	7.250%	01/15/07	500,000	538,177
NORFOLK SOUTHERN CORP	7.350%	05/15/07	150,000	170,153
TELUS CORP	7.500%	06/01/07	60,000	66,634
OWENS CORNING(1)	7.700%	05/01/08	660,000	283,800

TOTAL INVESTMENTS IN CORPORATE BONDS		\$ 16,545,000	\$ 16,002,211	11.12%
		=====	=====	=====

(1) In default

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BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

Company Name	Shares Held	Cost	Market Value	Percent of Net Assets
--------------	----------------	------	-----------------	-----------------------------

MUTUAL FUNDS:

BOND MUTUAL FUNDS:

ABERDEEN ASIA-PACIFIC INCO	140,000.00	\$ 639,718	\$ 844,200	
ABERDEEN GLOBAL INCOME FUND	25,000.00	328,281	340,500	
COLUMBIA HIGH YIELD FUND	118,764.85	1,000,000	1,030,879	
FEDERATED ADJ RATE SEC INS	21,194.72	204,104	203,257	
FEDERATED HIGH YIELD SH BE	174,877.77	1,005,634	1,037,025	
ING PRIME RATE TR SH BEN I	134,600.00	913,390	1,002,770	
NICHOLAS INCOME FUND	473,933.65	1,000,000	1,023,697	
NORTHEAST INVS TR SH BEN I	142,916.46	1,017,442	1,047,578	
PIMCO FUNDS PAC INVT HIGH YIELD	107,018.39	1,004,934	1,019,885	
PIMCO STRATEGIC GLOBAL GOV COM	20,000.00	237,165	242,000	
TEMPLETON GLOBAL INCM COM	97,000.00	711,346	846,810	
VAN KAMPEN SR INCM TR COM	130,000.00	935,797	1,040,000	
VANGUARD BD INDEX FD COM	0.07	1	1	
VANGUARD BD INDEX FD TTL B	98,716.68	1,000,000	1,013,820	

TOTAL BOND MUTUAL FUNDS	\$ 9,997,812	\$10,692,422	7.43%
	=====	=====	=====

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BMC FUND, INC. SCHEDULE I
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

Company Name	Shares Held	Cost	Market Value	Percent of Net Assets
MUTUAL FUNDS:				
STOCK MUTUAL FUNDS:				
ABERDEEN AUSTRALIA EQT COM	98,100.00	\$ 611,441	\$ 824,040	
ARBITRAGE FUNDS SHS	14,788.17	185,000	190,620	
ARIEL GROWTH FD CALV ARIEL	3,632.90	145,448	149,821	
BUILDERS INDEX FUNDS TR ASIA 50	4,000.00	244,960	242,120	
BUILDERS INDEX FUNDS TR EMERGING MKTS	4,000.00	280,060	280,640	
BRANDYWINE FUND INC COM	10,053.62	225,000	232,138	
CITIGROUP INVTS LN FUND COM	5,000.00	70,000	74,650	
CORNERCAP SMALL CAP VALUE FUND	39,782.98	427,671	517,179	
DIAMONDS TR UNIT SER 1	600.00	51,126	58,818	
DODGE & COX STK FD COM	1,569.95	164,147	167,404	
FPA FUNDS FPA CRESCENT	10,957.16	194,065	229,991	
GERMANY FD INC COM	12,000.00	89,229	81,480	
GMO TR FOREIGN II	63,902.32	661,348	755,325	
GMO TR INTL INT VL II	19,384.40	362,935	416,958	
GMO TR REIT FD CL III	46,391.94	521,798	601,704	
GMO TR SML CP VAL III	22,484.36	288,169	311,184	
GMO TR VALUE III	33,419.15	254,197	277,713	
HARRIS ASSOC INVT TR OAKMA	2,715.45	100,302	96,290	
I SHARES INC MSCI HONG KONG	10,000.00	101,260	100,500	
I SHARES INC MSCI JAPAN	12,000.00	105,240	110,880	
I SHARES TR DJ CON NON CYCL	4,000.00	187,140	182,880	
I SHARES TR DJ US HEALTHCR	3,000.00	167,860	159,990	
I SHARES TR DJ US UTILITIES	2,000.00	102,740	108,740	
I SHARES TR MSCI EAFE IDX	4,200.00	520,186	523,320	
I SHARES TR MSCI EMERGING MARKETS	3,000.00	393,810	445,230	
I SHARES TR RUSL 2000 VALU	2,500.00	270,675	375,250	
I SHARES TR RUSSELL 2000 INDEX	1,000.00	88,420	105,500	
I SHARES TR S&P MIDCAP 400	1,450.00	144,286	159,645	
I SHARES TR S&P MIDCP GROW	2,000.00	216,050	232,000	
I SHARES TR S&P SMLCP VALU	3,000.00	261,860	282,750	
MATTHEWS INTL FUNDS ASIAN GROWTH FD	19,058.00	250,000	251,375	
MERGER FD SH BEN INT	6,922.01	101,383	103,622	
MERIDIAN FD INC VALUE FD	4,504.73	148,000	158,116	
MEXICO FD INC COM	22,226.00	396,399	341,391	
MORGAN STANLEY D WITTER ASIA COM	36,000.00	342,626	375,480	
NASDAQ 100 TR UNIT SER 1	37,700.00	1,242,750	1,326,286	
NEW IRELAND FUND INC	15,000.00	159,440	207,150	
OIL SVC HOLDERS TR	3,500.00	204,925	196,630	
PBHG FDS INC MID CAP VAL	11,461.14	172,000	183,951	
PHARMACEUTICAL HLDR TR DEP	3,500.00	302,000	258,720	
REGIONAL BK HOLDRS TR DEPO	1,400.00	163,553	177,030	
ROWE T PRICE CAP APPRE SH	10,519.70	155,179	175,363	
ROWER T PRICE INTL FDS NEW	14,666.67	110,000	119,387	

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BMC FUND, INC. SCHEDULE I
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

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BMC FUND, INC. SCHEDULE I
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

Company Name	Shares Held	Cost	Market Value	Percent of Net Assets
ROYCE FD LOW PRICED	4,805.96	\$ 60,096	\$ 63,150	
ROYCE FD TOTAL RETURN	24,913.68	239,092	253,621	
ROYCE VALUE TR INC COM	17,734.00	283,530	299,705	
SECTOR SPDR TR SBI INT-ENERGY	10,000.00	288,600	242,800	
SECTOR SPDR TR SBI INT-TECH	5,000.00	78,650	98,100	
SECTOR SPDR TR SBI INT-UTIL	11,000.00	264,940	242,550	
SELECTED AMERICAN SHS INC COM	5,108.99	150,000	158,583	
SEMICONDUCTOR HLDRS TR DEP	9,000.00	242,400	374,850	
SPAIN FD COM	25,200.00	214,302	239,652	
SPDR TR UNIT SER 1	13,500.00	1,441,388	1,421,550	
SWISS HELVETIA FD INC COM	24,246.00	274,783	284,406	
TAIWAN FUND INC COM	10,000.00	82,878	120,000	
TEMPLETON DRAGON FD COM	37,000.00	405,009	579,420	
TWEEDY BROWNE FD INC GLOBA	7,824.63	153,542	146,555	
VANGUARD HORIZON FD CAP OP	4,472.38	100,058	108,589	
VANGUARD HORIZON FD STRATE	6,935.60	106,714	123,870	
VANGUARD INDEX TR SML CP V	10,224.95	100,000	110,123	
VANGUARD SPECIALIZED PRECIOUS	10,511.79	104,950	163,038	
VANGUARD SPECIALIZED REIT	10,131.48	131,600	145,589	
VANGUARD WHITEHALL FDS SEL	9,844.33	142,314	138,805	
VANGUARD WORLD FD INTL GR	6,007.50	253,811	287,880	
WASATCH ADVISORS FDS CORE	6,206.11	210,777	223,792	
WASATCH ADVISORS FDS MICRO	24,525.00	147,000	171,920	
		-----	-----	
TOTAL STOCK MUTUAL FUNDS		16,661,112	18,167,809	12.62%
		-----	-----	-----
TOTAL INVESTMENTS IN MUTUAL FUNDS		\$ 26,658,924	\$ 28,860,231	20.05%
		=====	=====	=====

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BMC FUND, INC. SCHEDULE I
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
October 31, 2003

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BMC FUND, INC. SCHEDULE I
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
October 31, 2003

Company Name	Cost	Market Value	Percent of Net Assets
OTHER INVESTMENTS:			
LIMITED PARTNERSHIPS:			
ASSET ALLIANCE BARCLAY CTA INDEX FUND, LP	\$ 3,000,000	\$ 3,000,000	
INSTITUTIONAL BENCHMARKS SERIES LLC:			
-CONVERTIBLE HEDGE SERIES	1,620,000	1,959,344	
-DISTRESSED SECURITIES SERIES	2,400,000	2,730,192	
-EVENT DRIVEN MULTI-STRATEGY SERIES	2,140,000	2,308,884	
-EQUITY MARKET NEUTRAL	1,240,000	1,085,819	
-MERGER ARBITRAGE SERIES	1,600,000	1,689,493	
JMG CAPITAL PARTNERS LP	1,000,000	2,203,080	
MARINER PARTNERS, LP	750,000	1,237,730	
STARK INVESTMENTS LP	1,000,000	2,009,381	
WALNUT INVESTMENT PARTNERS LP	191,525	191,525	
	-----	-----	
	14,941,525	18,415,448	12.80%
	-----	-----	-----

OTHER INVESTMENTS:

"SERVES "CERTIFICATES-BANK OF AMERICA	500,000	360,000	0.25%
	-----	-----	-----
VENTURE CAPITAL:			
LEARNINGSTATION.COM	500,000	300,000	
PIEDMONT VENTURE PARTNERS	97,333	9,733	
PIEDMONT VENTURE PARTNERS II LP	239,864	23,986	
	-----	-----	
	837,197	333,719	0.23%
	-----	-----	-----
TOTAL OTHER INVESTMENTS	\$16,278,722	\$19,109,167	13.28%
	=====	=====	=====

BMC FUND, INC.
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
October 31, 2003

SCHEDULE I

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BMC FUND, INC.
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
October 31, 2003

SCHEDULE I

- - - - -

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
COMMON STOCKS:					
CONSUMER DISCRETIONARY					
Apparel & Accessories	3,500	ABERCROMBIE & FITCH CO	\$ 98,840	\$ 99,750	
	3,500	CHICOS FASHIONS INC COM	105,982	119,340	
	3,000	CLAIRE'S STORES INC COM	108,508	116,100	
			-----	-----	
			313,330	335,190	
Auto Parts & Equipment	4,500	AUTOZONE INC COM	407,101	432,450	
	56,300	DELPHI AUTO SYS CORP COM	494,537	501,070	
			-----	-----	
			901,638	933,520	
			-----	-----	
Broadcasting & Cable TV	10,000	FOX ENTMT GROUP INC CL A	260,543	277,000	
	8,000	LIBERTY MEDIA CORP NEW COM	95,290	80,720	
	5,000	XM SATELLITE RADIO HLD COM	68,020	74,750	
			-----	-----	
			423,853	432,470	
Casinos & Gaming	2,500	MULTIMEDIA GAMES INC COM	94,063	94,025	
			-----	-----	
Computer & Electronics Retail	2,500	BEST BUY INC COM	113,555	145,775	
			-----	-----	
Department Stores	8,100	SEARS ROEBUCK & CO COM	287,314	426,303	
			-----	-----	
Homebuilding	1,700	PULTE HOMES INC COM	138,557	147,067	
			-----	-----	
Home Improvement Retail	2,700	LOWES COS INC COM	123,023	159,111	
			-----	-----	
Household Appliances	3,500	RENT A CENTER INC NEW COM	110,699	109,235	
			-----	-----	
Housewares & Specialties	50,000	WATERFORD WEDGWOOD	179,499	177,500	
			-----	-----	
Leisure Products	150,600	HEAD N V NY REGISTRY SH	378,412	347,886	
			-----	-----	
Movies & Entertainment	6,000	NETFLIX COM INC	78,650	343,800	
			-----	-----	
Restaurants	3,000	CBRL GROUP INC COM	109,484	116,310	
	27,800	MCDONALDS CORP COM	627,228	695,000	
			-----	-----	
			736,712	811,310	
			-----	-----	
Specialty Stores	3,000	STAPLES INC COM	67,110	80,160	
			-----	-----	
TOTAL CONSUMER DISCRETIONARY			3,946,415	4,543,352	3.16%
			-----	-----	-----

BMC FUND, INC.
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

SCHEDULE I

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
CONSUMER STAPLES					
Agricultural products	30,000	CONAGRA FOODS INC COM	\$ 678,370	\$ 715,200	
	4,500	IDEXX LABS INC COM	186,371	207,350	
			-----	-----	
			864,741	922,550	
			-----	-----	
Brewers	4,500	CONSTELLATION BRANDS CL A	128,060	141,165	
			-----	-----	
Drug: Retail	23,000	CVS CORP COM	643,820	809,140	
			-----	-----	
Food: Retail	27,400	ALBERTSONS INC COM	696,791	555,946	
	25,968	KONINKLIJKE AHOLD N V SPON	472,807	219,949	
	2,500	KROGER CO COM	45,595	43,725	
			-----	-----	
			1,215,193	819,620	
			-----	-----	
Food Distributors	12,300	NESTLE S A SPONSORED ADR	201,834	677,004	
			-----	-----	
Household Products	2,000	LANCASTER COLONY CORP COM	80,579	79,420	
			-----	-----	
Packaged Foods	5,000	CADBURY SCHWEPPE'S PLC ADR	120,200	130,000	
	33,421	DEL MONTE FOODS CO COM	293,012	317,834	
	11,900	HEINZ J H CO COM	399,291	420,427	
			-----	-----	
			812,503	868,261	
			-----	-----	
Personal Products	2,000	KIMBERLY CLARK CORP COM	105,552	105,620	
			-----	-----	
Soft Drinks	5,000	PEPSICO INC COM	180,006	239,100	
			-----	-----	
TOTAL CONSUMER STAPLES			4,232,288	4,661,880	3.24%
			-----	-----	-----
ENERGY					
Integrated Oil & Gas	7,300	BP PLC SPONSORED ADR	352,450	309,374	
	4,400	CHEVRONTXACO CORP COM	319,718	326,920	
	12,646	CONOCOPHILLIPS COM	709,984	722,719	
	19,104	EXXON MOBIL CORP COM	445,938	698,374	
	1,700	IMPERIAL OIL LTD COM NEW	47,853	67,609	
	17,000	PETROCHINA CO LTD SPONSORE	341,060	618,800	
	14,200	ROYAL DUTCH PETE CO NY REG	744,041	630,196	
	16,200	SHELL TRANS&TRAD PLC NEW Y	663,410	618,192	
	6,000	TOTAL FINA S A SPONSORED A	444,924	468,420	
			-----	-----	
			4,069,378	4,460,604	
			-----	-----	

BMC FUND, INC.
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

SCHEDULE I

BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
Oil & Gas Exploration	800	ANADARKO PETE CORP COM	\$ 35,106	\$ 34,896	
	1,500	APACHE CORP COM	101,415	104,580	
	2,500	DEVON ENERGY CORP NEW COM	124,322	121,250	
	3,000	ENCANA CORP COM	111,538	103,110	
	500	ENERGEN CORP COM	16,300	18,435	
	38,000	ENERPLUS RES FD UNIT TR G	596,050	1,028,280	
			-----	-----	
			984,731	1,410,551	
			-----	-----	
Oil & Gas Drilling	3,500	BAKER HUGHES INC COM	115,185	98,910	
			-----	-----	
Oil & Gas Equipment & Services	14,000	GULFTERRA ENERGY PRTRN COM	470,956	546,140	
			-----	-----	
Oil & Gas Refining & Marketing	23,600	ASHLAND INC COM	683,939	878,864	
	10,000	CHINA PETE & CHEM CORP	307,659	327,900	
	5,000	VALERO ENERGY CORP NEW COM	184,539	213,500	
			-----	-----	
			1,176,137	1,420,264	
			-----	-----	
Pipeline	8,200	BUCKEYE PARTNERS L P UNIT	265,823	354,486	
	4,450	CHESAPEAKE UTILS CORP COM	72,150	108,491	
	5,000	KANEB PIPE LINE PARTNR SR	206,491	232,900	
	13,000	KINDER MORGAN ENERGY UT LT	453,576	556,920	
	4,000	NORTHERN BORDER PARTNR UNI	174,367	159,400	
	30,500	ONEOK INC NEW COM	565,364	606,645	
	19,500	TEPPCO PARTNERS L P UT LTD	582,467	735,150	
			-----	-----	
			2,320,238	2,753,992	
			-----	-----	
TOTAL ENERGY			9,136,625	10,690,461	7.43%
			-----	-----	-----
FINANCIALS					
Banks	20,136	ABN AMRO HOLDINGS ADR	306,653	422,252	
	12,900	AMSOUTH BANCORPORATION COM	235,099	304,698	
	6,000	BANCO SANTANDER CENTRAL HI	51,020	57,180	
	7,100	BB&T CORP COM	233,022	274,557	
	9,550	COMERICA INC COM	474,886	491,634	
	3,750	FIRST BANCORP P R COM	84,551	124,875	
	3,000	FLEETBOSTON FINL CORP COM	120,840	121,170	
	1,000	GOLDEN WEST FINL DEL COM	60,520	100,430	
	3,000	INDYMAC BANCORP INC COM	76,216	88,200	
	13,700	US BANCORP DEL COM NEW	232,933	372,914	
	22,300	WASHINGTON MUT INC COM	785,598	975,625	
	2,000	WELLS FARGO & CO DEL COM	83,119	112,640	
			-----	-----	
			2,744,457	3,446,175	
			-----	-----	

BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
Consumer Finance	24,000	ANNALY MTG MGMT INC COM	\$ 468,350	\$ 392,160	
	15,000	ANWORTH MORTGAGE ASSET COM	175,340	210,600	
	2,000	CAPITAL ONE FINL CORP COM	108,900	117,000	
	2,500	RADIAN GROUP INC COM	93,125	132,250	
	4,000	THORNBURG MTG INC COM	97,370	109,000	
			-----	-----	
			943,085	961,010	
			-----	-----	
Diversified Financial Services	16,300	ALLIANCE CAP MGMT HLDGS	560,954	547,191	
	19,400	ALLIED CAP CORP COM	434,984	482,090	
	2,500	CHICAGO MERCANTILE HLDG	173,270	169,875	
	10,133	CITIGROUP INC COM	390,531	480,304	
	4,000	DORAL FINANCIAL CORP COM	168,430	194,800	
	6,000	FIRST AMERN CORP CALIF COM	148,868	171,900	
	10,950	FRIEDMAN BILLINGS RMSY	99,000	218,124	
	3,055	HSBC HLDGS PLC SPON ADR NE	170,984	229,339	
	19,192	ING GROEP N V SPONSORED AD	492,390	399,961	
	2,000	MOODYS CORP COM	104,020	115,660	
	3,500	NATIONAL COMMERCE FINANCIAL	81,260	96,145	
	2,000	SLM CORP COM	75,980	77,220	
			-----	-----	
			2,900,671	3,182,609	
			-----	-----	
Insurance	37,803	AEGON N V ORD AMER REG	621,548	495,975	
	29,300	AXA SPONSORED ADR	516,393	556,700	
			-----	-----	
			1,137,941	1,052,675	
Insurance Brokers	6,000	AFLAC INC COM	172,080	218,880	
			-----	-----	
Multi Line Insurance	1,800	AMERICAN INTL GROUP COM	140,148	109,494	
	11,000	CIGNA CORP COM	626,182	627,550	
	1,500	EVEREST REINS GROUP LTD COM	115,717	124,425	
			-----	-----	
			882,047	861,469	
			-----	-----	
REITs	1,000	AVALONBAY CMNTYS INC COM	50,490	45,670	
	4,000	BOSTON PROPERTIES INC COM	147,670	177,000	
	6,700	BRE PROPERTIES INC CL A	157,948	216,745	
	10,000	DUKE WEEKS REALTY CORP COM	237,400	292,800	
	5,500	EQUITY RESIDENT PPTYS SH B	145,795	160,875	
	10,000	GETTY REALTY CORP NEW COM	185,058	247,500	
	6,000	HEALTH CARE REIT INC COM	157,400	198,900	
	6,600	HOSPITALITY PPTYS TR COM S	158,067	242,022	
	25,000	HRPT PROPERTIES TRUST	212,511	234,000	
	7,300	KILROY RLTY CORP COM	152,564	210,970	

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BMC FUND, INC. SCHEDULE I
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

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BMC FUND, INC. SCHEDULE I
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
	5,100	KIMCO REALTY CORP COM	\$ 124,448	\$ 212,466	
	5,000	MILLS CORP COM	141,180	204,000	
	7,000	PROLOGIS TR SH BEN INT	194,970	206,780	
	6,000	PUBLIC STORAGE INC COM	208,890	240,000	
	4,800	SIMON PPTY GROUP NEW COM	130,092	216,384	
	6,000	SOVRAN SELF STORAGE COM	137,595	203,100	
	4,000	VORNADO REALTY TR SH BEN INT	144,772	202,200	
	5,000	W P CAREY & CO LLC COM	114,600	161,750	
	3,000	WEINGARTEN REALTY INVS SH	135,682	129,810	
			-----	-----	
			2,937,132	3,802,972	
			-----	-----	
TOTAL FINANCIALS			11,717,413	13,525,790	9.40%
			-----	-----	-----
HEALTH CARE					
Biotechnology	4,000	AMGEN INC COM	230,000	247,040	
	2,000	BECKMAN COULTER INC COM	92,274	99,300	
			-----	-----	
			322,274	346,340	
			-----	-----	
Health Care Distributors & Services	2,500	AMERICAN HEALTHWAYS COM	46,175	97,500	
	10,000	APRIA HEALTHCARE GROUP COM	234,717	290,000	
	7,500	CARDINAL HEALTH INC COM	453,719	445,050	
	7,900	DYNACQ INTL INC COM	111,391	132,246	
	3,000	FIRST HEALTH GROUP CP COM	87,990	73,410	
	6,400	LABORATORY AMER HLDGS COM	238,330	226,880	
	5,500	LINCARE HLDGS INC COM	181,580	214,363	
	500	PEDIATRIX MED GROUP COM	22,944	26,725	
	5,000	RENAL CARE GROUP INC COM	175,630	187,550	
			-----	-----	
			1,552,476	1,693,724	
			-----	-----	
Health Care Facilities	2,000	HCA INC COMMON	82,840	76,500	
			-----	-----	
Health Care Equipment	7,000	ICU MEDICAL INC COM	201,347	236,600	
	1,000	MEDTRONIC INC COM	45,990	45,570	
			-----	-----	
			247,337	282,170	
			-----	-----	
Health Care Supplies	2,000	BARD C R INC COM	137,398	160,100	
	2,000	COOPER COMPANIES INC NEW	87,830	86,900	
			-----	-----	
			225,228	247,000	
			-----	-----	
Managed Health Care	2,500	COVENTRY HEALTH CARE COM	127,475	132,375	
	2,500	PACIFICARE HEALTH SYS DEL COM	130,145	148,750	
			-----	-----	
			257,620	281,125	
			-----	-----	

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BMC FUND, INC. SCHEDULE I
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
October 31, 2003

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BMC FUND, INC. SCHEDULE I
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
Pharmaceuticals	27,700	BRISTOL MYERS SQUIBB COM	\$ 742,653	\$ 702,749	
	5,500	FOREST LABS INC COM	275,047	274,655	
	2,800	GLAXOSMITHKLINE PLC SPONSO	149,654	121,212	
	10,300	MERCK & CO INC COM	624,315	455,775	
	1,500	MYLAN LABS INC COM	34,700	36,225	
	15,000	PFIZER INC COM	217,065	474,000	
	3,000	PHARMACEUTICAL RES COM	85,550	216,840	
	1	PHARMACIA CORP COM	--	34	
	36,700	SCHERING PLOUGH CORP COM	855,987	560,409	
	4,000	SICOR INC COM	83,060	107,120	
	4,000	TARO PHARMACEUTICAL INDS ORD	256,809	257,040	
			-----	-----	
			3,324,840	3,206,059	
			-----	-----	
TOTAL HEALTH CARE			6,012,615	6,132,918	4.26%
			-----	-----	-----
INDUSTRIALS					
Aerospace & Defense	2,000	AAR CORP COM	9,040	21,800	
	8,200	BOEING CO COM	324,836	315,618	
	2,500	CURTISS WRIGHT CORP COM	149,310	185,000	
	2,000	GENERAL DYNAMICS CORP COM	157,620	167,400	
	7,000	INVISION TECHNOLOGIES COM	166,906	190,190	
	2,100	UNITED TECHNOLOGIES CP COM	144,152	177,849	
			-----	-----	
			951,864	1,057,857	
			-----	-----	
Air Freight & Logistics	1,000	LANDSTAR SYSTEMS INC COM	54,520	73,020	
			-----	-----	
Building Products	3,500	U S G CORP COM NEW	49,666	50,575	
			-----	-----	
Construction & Engineering	1,500	HALLIBURTON CO COM	33,836	35,820	
			-----	-----	
Electrical Components & Equipment	11,800	EMERSON ELEC CO COM	614,866	669,650	
	21,000	GENERAL ELEC CO COM	615,292	609,210	
	2,500	ITT INDUSTRIES INC IND COM	164,750	169,975	
			-----	-----	
			1,394,908	1,448,835	
			-----	-----	
Employment & Educational Services	2,500	ITT EDUCATIONAL SVCS COM	114,674	120,375	
			-----	-----	
Industrial Conglomerates	1,400	3M COMPANY	80,148	110,418	
	14,700	FLUOR CORP NEW COM	446,449	545,076	
	31,000	TYCO INTL LTD NEW COM	468,701	646,530	
	50,000	VISTEON CORP COM	330,438	323,000	
			-----	-----	
			1,325,736	1,625,024	
			-----	-----	

BMC FUND, INC.
 INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
 October 31, 2003

SCHEDULE I

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
Industrial Machinery	20,000	FEDERAL SIGNAL CORP COM	\$ 309,960	\$ 295,800	
	1,500	FRANKLIN ELEC INC COM	82,710	92,985	
	18,800	STANDEX INTL CORP COM	410,022	478,460	
			-----	-----	
			802,692	867,245	
			-----	-----	
TOTAL INDUSTRIALS			4,727,896	5,278,751	3.67%
			-----	-----	-----
INFORMATION TECHNOLOGY					
Application Software	4,500	MICROSOFT CORP COM	117,865	117,630	
			-----	-----	
Computer Storage & Peripherals	6,500	DRS TECHNOLOGIES INC COM	165,182	156,390	
	3,000	E M C CORP MASS COM	57,720	62,718	
			-----	-----	
			222,902	219,108	
			-----	-----	
Computer Hardware	16,700	HEWLETT PACKARD CO COM	308,895	372,577	
	5,000	INTERNATIONAL BUS MACH COM	347,752	447,400	
	109,800	SUN MICROSYSTEMS INC COM	516,845	433,710	
	10,000	WESTERN DIGITAL CORP COM	119,170	134,500	
			-----	-----	
			1,292,662	1,388,187	
			-----	-----	
Electronic Equipment & Instruments	6,000	CREE INC COM	102,466	106,500	
	1,500	HERLEY INDS INC DEL COM	23,820	28,200	
	2,000	L-3 COMMUNICATIONS HLDGS COM	92,420	93,480	
	33,200	MOTOROLA INC COM	432,683	449,196	
			-----	-----	
			651,389	677,376	
			-----	-----	
Internet Software & Services	2,250	EXODUS COMMUNICATIONS COM	33,637	--	
	1,140	VELOCITYHSI INC COM	--	--	
			-----	-----	
			33,637	--	
			-----	-----	
IT Consulting & Services	3,500	COMPUTER SCIENCES CORP COM	156,615	138,670	
	2,000	FIRST DATA CORP COM	82,510	71,400	
	4,000	SUNGARD DATA SYS INC COM	107,079	112,200	
	2,900	SYMANTEC CORP COM	186,214	193,285	
			-----	-----	
			532,418	515,555	
			-----	-----	
Networking Equipment	7,500	CISCO SYS INC COM	154,135	156,975	
			-----	-----	
Semiconductors	5,000	INTEL CORP COM	135,675	164,750	
	15,120	TAIWAN SEMICONDUCTOR SPONS	123,070	167,227	
			-----	-----	
			258,745	331,977	
			-----	-----	

October 31, 2003

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BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
Telecommunications Equipment	200 22,000	ALLTEL CORP COM BCE INC COM	\$ 9,182 371,166	\$ 9,454 497,420	
			380,348	506,874	
TOTAL INFORMATION TECHNOLOGY			3,644,101	3,913,682	2.72%
MATERIALS					
Aluminum	6,000	ALCAN ALUMINIUM NEW COM	189,955	239,580	
Diversified Chemicals	6,000 8,900	AKZO NOBEL NV ADR AVENTIS SPONSORED ADR	232,541 527,884	189,960 471,344	
			760,425	661,304	
Diversified Metals & Mining	5,000	ALLIANCE RES PARTNR LP UT	121,950	146,650	
Gold	9,000	NEWMONT MINING CORP COM	268,250	394,020	
TOTAL MATERIALS			1,340,580	1,441,554	1.00%
TELECOMMUNICATION SERVICES					
Integrated Telecommunication Services	27,800 35,000 16,000 3,000 2,922 6,000	BELLSOUTH CORP COM CHINA UNICOM LTD ADR DONNELLY R R & SONS COM SBC COMMUNICATIONS INC COM TELEFONICA S A SPONSORED A VERIZON COMMUNICATIONS COM	808,193 332,600 398,407 74,819 95,848 242,353	731,418 320,600 416,000 71,940 109,283 201,600	
			1,952,220	1,850,841	
Wireless Telecommunication Services	25,000 3,000	CHINA MOBILE HONG KONG ADR NEXTEL COMMUNICATIONS CL A	351,716 68,180	354,250 72,330	
			419,896	426,580	
TOTAL TELECOMMUNICATION SERVICES			2,372,116	2,277,421	1.58%
UTILITIES					
Electric Utilities	20,500 14,500 7,000 3,000	CALPINE CORP COM CONSTELLATION ENERGY COM DOMINION RES INC VA COM DUKE ENERGY CORP COM	117,147 395,579 385,662 56,402	94,505 527,365 431,200 54,450	

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BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

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BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

Sectors and Industries	Shares Held	Company Name	Cost	Market Value	Percent of Net Assets
	20,000	DUKE ENERGY CORP CORP UNIT	\$ 397,650	\$ 272,000	
	11,700	ENERGY EAST CORP COM	236,777	262,665	
	6,700	EXELON CORP COM	334,772	425,115	
	4,000	FIRSTENERGY CORP COM	119,307	137,560	
	5,500	FPL GROUP INC COM	316,586	350,570	
	5,250	MDU RES GROUP INC COM	88,685	118,808	
	8,000	NATIONAL FUEL GAS N J COM	178,283	178,800	
	10,812	PHILADELPHIA SUBN CORP COM	261,089	255,379	
	2,700	SOUTH JERSEY INDS INC COM	86,549	102,411	
	27,000	TECO ENERGY INC COM	419,935	354,510	
			-----	-----	
			3,394,423	3,565,338	
			-----	-----	
Gas Utilities	10,000	ATMOS ENERGY CORP COM	219,680	245,000	
	7,500	QUESTAR CORP COM	234,832	238,125	
			-----	-----	
			454,512	483,125	
			-----	-----	
Multi Utilities & Unregulated Power	3,000	NSTAR COM	119,910	140,100	
	6,000	PUBLIC SERVICE ENTERPRISE COM	245,584	245,220	
	5,000	SEMPRA ENERGY COM	133,819	139,000	
	4,000	SOUTHERN CO COM	118,680	119,200	
	5,000	UGI CORP NEW COM	147,196	154,000	
			-----	-----	
			765,189	797,520	
			-----	-----	
Water Utilities	5,841	SOUTHWEST WTR CO COM	74,038	83,526	
			-----	-----	
TOTAL UTILITIES			4,688,162	4,929,509	3.43%
			-----	-----	-----
TOTAL INVESTMENTS IN COMMON STOCKS			\$ 51,818,211	\$ 57,395,318	39.89%
			=====	=====	=====

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BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

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BMC FUND, INC.

SCHEDULE I

INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)

October 31, 2003

Company Name	Shares Held	Cost	Market Value	Percent of Net Assets
PREFERRED STOCKS:				
BELLSOUTH CAP FDG CORP QUI	15,000	\$ 383,660	\$ 388,500	
CADBURY SCHWEPPES DEL PFD	9,700	246,894	251,715	
ESPIRITO SANTO OVERSEA PRE	9,600	248,448	243,072	
GRAND MET DEL L P PFD GTD	9,000	244,800	239,400	
NATIONAL WESTMINSTER SPON	9,600	249,792	251,328	
		-----	-----	
TOTAL INVESTMENTS IN PREFERRED STOCKS		\$ 1,373,594	\$ 1,374,015	0.95%
		=====	=====	=====

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BMC FUND, INC. SCHEDULE I
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
October 31, 2003

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BMC FUND, INC. SCHEDULE I
INVESTMENTS IN SECURITIES OF UNAFFILIATED ISSUERS (CONTINUED)
October 31, 2003

Industries	Company Name	Cost	Market Value	Percent of Net Assets
Short-term Investments	Parkway Bank Certificate of Deposit	\$ 125,000	\$ 125,000	
	Evergreen Money Market Fund	4,190,464	4,190,464	
		-----	-----	
Total Short-term Investments		\$ 4,315,464	4,315,464	3.00%
		=====	-----	-----
TOTAL INVESTMENTS - MARKET VALUE			\$ 127,056,406	88.29%
			=====	=====
Aggregate gross unrealized appreciation of security values			\$ 14,651,060	
Aggregate gross unrealized depreciation of security values			(4,706,854)	

Net appreciation of security values			9,944,206	
Tax cost of securities			117,112,200	

			\$ 127,056,406	
			=====	
Total market value of securities				

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BMC FUND, INC. SCHEDULE II
INVESTMENTS - OTHER THAN SECURITIES
October 31, 2003

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BMC FUND, INC. SCHEDULE II
INVESTMENTS - OTHER THAN SECURITIES
October 31, 2003

Description	Market Value at End of Period
INVESTMENT LAND:	
Residential acreage including subdivided lots in Caldwell, Rutherford and Wilkes Counties, NC	\$ 350,000 (a) -----
TOTAL	\$ 350,000 =====
Aggregate appreciation of investment land and buildings	\$ 204,774
Tax cost of investment land and buildings	145,226 -----
Market value of investment land and buildings	\$ 350,000 =====

(a) Non-income producing property

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BMC FUND, INC. SCHEDULE III
INVESTMENTS IN AFFILIATES
October 31, 2003

(a) Non-income producing property

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BMC FUND, INC. SCHEDULE III
INVESTMENTS IN AFFILIATES
October 31, 2003

Issuer	Number of Shares Held At October 31, 2003	Amount of Equity In Net Profit And Loss for the Period	Amount of Dividends (1)	Value at October 31, 2003
Broyhill Industries, Inc. - wholly owned subsidiary	1,000	\$ (1,234)	\$ --	\$ 585,505
P. B. Realty, Inc. - wholly owned subsidiary	1,000	1,547,285 -----	-- -----	24,135,667 -----
TOTAL		\$ 1,546,051 =====	\$ -- =====	\$ 24,721,172 =====

(1) All of the dividends received by BMC Fund, Inc. from its wholly owned subsidiaries have been credited to the investment account since BMC Fund, Inc. is accounting for its investment in the subsidiary companies on the equity method.

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Item. 2. Code of Ethics.

On July 26, 2003, the Board of Directors of the Registrant adopted (a) a Code of Ethics for the principal executive officer and principal financial and accounting officer.

(c)-(e) N/A

(f) A copy of the Code of Ethics is attached as an exhibit.

Item 3. Audit Committee Financial Expert.

The Board of Directors of the Registrant has determined that L. Glenn Orr, Jr., a member of its Audit Committee, is an Audit Committee financial expert. Mr. Orr is an

independent director of the Registrant.

Item 4. Principal Accountant Fees and Services.

(a) Audit Fees: \$21,340.38 for the year ended October 31, 2002; \$24,297.77 for the year ended October 31, 2003.

(b) Audit Related Fees: \$0 for the years ended October 31, 2002 and October 31, 2003.

(c) Tax Fees: \$4,045.00 for the year ended October 31, 2002; \$600.00 for the year ended October 31, 2003.

(d) All Other Fees: \$1,650.00 for the year ended October 31, 2002; \$1,277.00 for the year ended October 31, 2003.

(e) (1) A copy of the Audit Committee's pre-approval policies and procedures is attached as an exhibit.

(e) (2) One hundred percent of the services described in items 4(a) through 4(d) was approved in advance by the Audit Committee pursuant to paragraph (c) (7) (i) (C) of Rule 2-01 of Regulation S-X.

(f) None of the hours expended on the principal accountant's engagement to audit the Registrant's financial statements for the year ended October 2003 was attributed to work performed by persons other than the principal accountant's full-time, permanent employees.

(g) N/A

(h) N/A

Item 5. Audit Committee of Listed Registrants

N/A

Item 6. [Reserved]

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

The Board of Directors of the Registrant adopted Proxy Voting Policies and Procedures on July 26, 2003 and amended them October 30, 2003. A copy as amended is attached as an exhibit.

Item 8. [Reserved]

Item 9. Controls and Procedures.

Within the 90 days prior to the filing date of this report, the Registrant carried out an evaluation under the supervision and with the participation of Registrant's management, including Registrant's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Registrant's disclosure controls and procedures pursuant to Rule 30a-3(b) of the Investment Company Act of 1940. Based upon the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Registrant's disclosure controls and procedures are effective in ensuring that information required to be disclosed in Form N-CSR is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms.

There were no significant changes in the Registrant's internal controls over financial reporting that occurred during the second fiscal half-year that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 10. Exhibits.

(a) The Code of Ethics (Exhibit 10(a)(1)), Audit Committee Pre-Approval Policy (Exhibit 10(a)(2)), and Proxy Voting Policies

and Procedures (Exhibit 10(a)(3)) are attached as exhibits.

(b) A certification of each of the principal executive officer and principal financial officer of the Registrant as required by Rule 30a-2 under the Investment Company Act of 1940, as amended, and the officer certifications as required by Section 906 of the Sarbanes-Oxley Act of 2002 are attached as exhibits.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BMC Fund, Inc.

By (Signature and Title) /s/ D. E. Hendricks
D. E. Hendricks
Vice President and
Chief Financial Officer

Date: December 17, 2003

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Paul H. Broyhill
Paul H. Broyhill
President and Chief Executive Officer

Date: December 17, 2003

By (Signature and Title) /s/ D. E. Hendricks
D. E. Hendricks
Vice President and
Chief Financial Officer

Date: December 17, 2003

DOCUMENT TYPE: EX-99

Exhibit 10(a)(1)

CODE OF ETHICS FOR
SENIOR FINANCIAL OFFICERS
OF BMC FUND, INC.

This Code of Ethics applies to the chief executive officer, chief financial officer, and principal accounting officer or controller (individually, a "Senior Financial Officer" and collectively, the "Senior Financial Officers") of BMC Fund, Inc. (together with its subsidiaries, the "Company"). Its purpose is to promote honest and ethical conduct and compliance with the law, particularly as related to the maintenance of the Company's financial records and the preparation of financial statements filed with the Securities and Exchange Commission. The obligations of this Code of Ethics supplement, but do not replace, the Company's Code of Ethics applicable to all Access Persons.

1. Senior Financial Officers are expected to carry out their responsibilities honestly and with integrity, exercising at all times their best independent judgment.

2. Senior Financial Officers must avoid situations in which their own interests conflict, or may appear to conflict, with the interests of the Company. A conflict situation can arise when a Senior Financial Officer takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest also arise when a Senior Financial Officer, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. In any case in which a Senior Financial Officer finds himself or herself with an actual or apparent material conflict of interest, he or she must promptly disclose it to the Chairman of the Audit Committee so that the Audit Committee may review the transaction or relationship. The Audit Committee will have final authority to determine how the situation should be resolved. In furtherance of the above, no Senior Financial Officer may:

- (a) Work for, or receive payments for services or accept gifts of more than a nominal value from, any investment adviser or other provider of services to the Company or from any of the Company's portfolio companies.
- (b) Serve on the board of directors or a similar body for an outside company or government agency, other than a non-profit or community organization, without the approval of the Audit Committee.
- (c) Provide a gift to any person or entity that would violate any law.

3. Senior Financial Officers are responsible for assuring full, fair, accurate, timely and understandable disclosure of relevant financial information to shareholders and investors. In particular they are responsible for assuring that the Company complies with SEC rules governing disclosure of financial information. Among other things, Senior Financial Officers shall:

- (a) Establish and maintain internal controls and procedures and disclosure controls and procedures designed to assure that financial information is recorded, processed and transmitted to those responsible for preparing periodic reports and other public communications containing financial information so that they are complete, accurate, and timely.
- (b) Oversee the appropriate personnel to help ensure that the internal controls and procedures and disclosure controls and procedures are being followed.
- (c) Carefully review each periodic report for accuracy and completeness before it is filed with the SEC and carefully review each public communication containing financial information before it is released.
- (d) Promptly disclose to the Audit Committee and the Company's independent auditors any material weaknesses in, or concerns regarding, the Company's disclosure controls or internal controls.
- (e) Never create or maintain secret or unrecorded funds, assets, or

accounts, or intentionally make a payment or approve an invoice, expense report or other document that is incorrect, misleading or inaccurate.

(f) Comply at all times with applicable governmental laws, rules and regulations.

4. Senior Financial Officers are responsible for promptly bringing to the attention of the Audit Committee or the full Board of Directors:

- (a) Any matters that could compromise the integrity of the Company's financial reports;
- (b) Any disagreement with respect to any material accounting matter; and
- (c) Any violation of this Code of Ethics or of any law or regulation related to the Company's accounting or financial affairs.

5. No Senior Financial Officer may discharge, demote, suspend, threaten, harass, or in any other manner discriminate against an employee in the terms and conditions of employment because of any lawful act done by the employee (1) to provide information, cause information to be provided or otherwise assist in an investigation regarding any conduct which the employee reasonably believes constitutes a violation of law, including any rule or regulation of the SEC, or any provision of federal law relating to fraud against shareholders; (2) to file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed (with any knowledge of the employer) relating to an alleged violation of law, including any rule or regulation of the SEC, or any provision of federal law relating to fraud against shareholders; or (3) to make any report pursuant to the Company's Procedures for Reporting Complaints About Accounting and Auditing Matters.

6. The Audit Committee shall approve any waiver or amendment of this Code of Ethics, and any such waiver or amendment shall be disclosed promptly, as required by law or SEC regulation.

7. A failure by any Senior Financial Officer to comply with the laws or regulations governing the Company's business, this Code of Ethics or any other Company policy or requirement may result in disciplinary action, including termination, and, if warranted, legal proceedings. The Audit Committee will investigate violations and appropriate action will be taken in the event of any violations of this Code of Ethics.

Adopted: July 26, 2003

DOCUMENT TYPE: EX-99

Exhibit 10(a)(2)

BMC FUND, INC.

AUDIT COMMITTEE PRE-APPROVAL POLICY

To preserve the independence of the auditing firm engaged to provide audit services to BMC Fund, Inc. (the "Company"), the Audit Committee has established the following policy:

1. It is the policy of the Audit Committee that any engagement of an independent auditing firm to provide audit or non-audit services must be specifically approved in advance by the Audit Committee in accordance with this Policy, except as specifically provided in paragraph 3 below.
2. Consistent with this Policy, the Audit Committee must specifically approve in advance the terms and conditions of and fees for each audit engagement, as well as any changes in such terms, conditions and fees resulting from changes in audit scope, Company structure or other matters. The audit engagement letter may include the provision of audit services, audit-related services and non-audit services (such as review of the Company's tax returns), provided such non-audit services are not prohibited by Regulation S-X of the Securities and Exchange Commission (the "SEC").
3. Notwithstanding paragraph 1, the independent auditors may provide, without further pre-approval by the Audit Committee, (i) advice regarding the calculation of the amount of dividends and other distributions the Company is required to make in order to preserve its status as a regulated investment company under Subchapter M of the Internal Revenue Code, (ii) services relating to the preparation, printing, mailing and filing of the Company's semi-annual report to shareholders as filed with the SEC and (iii) such other non-audit services permitted under Regulation S-X as requested by management of the Company, provided the total amount of the services Provided in accordance with this paragraph 3 does not exceed \$15,000 during any fiscal year.
4. Management and the independent auditors will account for any service provided by the independent auditors by the following categories in order to enable the Company to satisfy its annual proxy statement disclosure obligations: Audit Services, Audit-Related Services, Tax Services and Other Services.

5. Under no circumstances may the independent auditors perform any of the following non-audit services:

- * Bookkeeping or other services related to the accounting records or financial statements of the audit client*
- * Financial information systems design and implementation*
- * Appraisal or valuation services, fairness opinions or contribution-in-kind reports*
- * Actuarial services*
- * Internal audit outsourcing services*
- * Management functions
- * Human resources
- * Broker-dealer, investment adviser or investment banking services
- * Legal services
- * Expert services unrelated to the audit

The Audit Committee, the independent auditors and management should consult the SEC's rules and relevant guidance to determine

the precise definitions of these services and the applicability to the Company of exceptions to certain of the prohibitions. The list of prohibited services set forth above is not exclusive. Prohibited services also include any service that would cause the auditors to (i) function in the role of management, (ii) audit their own work or (iii) serve in an advocacy role for the Company.

6. The independent auditors and the Chief Financial Officer or his or her designee will (i) submit to the Audit Committee written requests or applications for the independent auditors to provide services that require specific pre-approval by the Audit Committee, including a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence, and (ii) inform the Audit Committee in writing, at least annually, of each service performed by the independent auditors pursuant to the general pre-approval by the Audit Committee in paragraph 3 of this Policy.

Adopted July 26, 2003

* Unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of the audit client's financial statements.

DOCUMENT TYPE: EX-99

Exhibit 10(a)(3)

BMC FUND, INC.
PROXY VOTING POLICIES AND PROCEDURES

BMC Fund, Inc. (the "Fund") invests in voting securities of a variety of portfolio companies in order to achieve the Fund's investment objective of providing a maximum level of income for shareholders consistent with maintaining the Fund's long-term purchasing power. The Fund's Board of Directors, acting on behalf of the Fund, has the right, and the obligation, to vote proxies relating to the Fund's portfolio securities. The Board has delegated to the Investment Committee and the Treasurer proxy voting authority, subject to the Board's continuing oversight. In discharging this authority, the Investment Committee and the Treasurer must act in a manner that is consistent with the best interests of the Fund and its shareholders.

The following policies will govern the Investment Committee's and the Treasurer's voting of proxies relating to the Fund's portfolio securities:

General Policies

1. Delegation of Proxy Voting Decisions: The Fund will not delegate proxy voting decisions to any third party, including its external investment advisers. Proxy voting decisions will be made on behalf of the Fund by the Investment Committee or by the Treasurer of the Fund in accordance with the Investment Committee's direction. The Investment Committee or Treasurer may consider, to the extent deemed appropriate, recommendations of nationally recognized institutional shareholder representative groups, such as Institutional Shareholder Services, in determining how to vote proxies.

The Investment Committee will instruct the Treasurer how to vote proxies with respect to securities acquired on behalf of the Fund by an external investment adviser without consultation with such adviser. The Investment Committee will instruct the Treasurer how to vote proxies with respect to securities acquired on behalf of the Fund by an internal portfolio manager after consultation with such portfolio manager. Notwithstanding the above, the Treasurer may vote proxies in favor of the recommendation of the board of directors of a portfolio company with respect to the election of directors and the appointment or ratification of auditors without specific instruction from the Investment Committee.

2. Matters Affecting Shareholder Rights. If a portfolio company submits to its shareholders a matter that, in the view of the Investment Committee, adversely affects the rights of the portfolio company's shareholders as a whole, the Investment Committee will cause the proxy to be voted against the proposal. If the Fund's ownership of the portfolio securities represents more than five percent of the portfolio company's outstanding voting securities, the Investment Committee will notify the portfolio company's management of the Fund's opposition to the proposal and encourage the portfolio company to withdraw the proposal.

3. Consideration of Views of Management of Portfolio Company. Except as otherwise provided in this Policy, in considering how to vote a proxy relating to a portfolio security, the Investment Committee will generally defer to the views of management of the portfolio company if the portfolio security has performed in accordance with the Fund's expectations (taking into account not only the performance of the portfolio company but also industry and economic factors over which the portfolio company has no control).

4. Conflicts with Affiliated Persons. If a matter submitted to a vote of the shareholders of a portfolio company presents a conflict between the

interests of the Fund's shareholders and the interests of any affiliated person or investment adviser of the Fund, the Investment Committee will cause the proxy relating to the portfolio security to be voted in accordance with the best interests of the Fund and its shareholders as a whole, without consideration of the interests of the affiliated person or investment adviser. If the affiliated person of the Fund whose interests conflict with the interests of the Fund and its shareholders is a member of the Investment Committee, such person will recuse himself or herself from the Investment Committee's consideration of the matter.

5. General Principle: The most important factor to be considered by the Investment Committee in evaluating how to vote proxies relating to portfolio securities is the financial impact of the matter on the Fund's investment. The Investment Committee may also take into account non-financial considerations, including those described in the Global Sullivan Principles of Corporate Social Responsibility, but such factors are secondary to financial considerations.

Specific Policies

The Treasurer, on behalf of the Fund, will cause a proxy to be voted against, or cause the Fund's authority to vote in favor to be withheld, for the following issues when submitted to a shareholder vote:

1. Classified Boards. The Fund believes that it is in the best interests of the Fund and its shareholders for portfolio companies to be able to elect a full slate of directors at each annual meeting.

2. Dual Class Capitalization. The Fund believes that it is in the best interests of the Fund and its shareholders for portfolio companies to oppose capital structures that diminish the rights of the Fund's voting shares.

3. Golden Parachutes. The Fund believes that it is in the best interests of the Fund and its shareholders for the Fund to oppose proposals that would grant excessive awards to employees in the event of termination of employment following a change in control.

4. Blank Check Preferred Stock. The Fund believes that it is in the best interests of the Fund and its shareholders for the Fund to oppose blank check preferred stock proposals, because this type of preferred stock gives the company's board of directors discretionary authority over voting, conversion, dividend and other rights at the time the stock is issued and is susceptible to abuse. The Fund might vote in favor of this provision if the company's board provides assurances that this provision would not be used without advance shareholder approval in a change in control situation or that the voting rights of a series of preferred stock are limited to one vote per share.

5. Re-pricing of Outstanding Options. The Fund believes that it is in the best interests of the Fund and its shareholders for the Fund to oppose excessive re-pricing of outstanding options for officers and directors, because doing so usually would be inconsistent with the incentive nature of the stock option plan as originally adopted and could result in unfair dilution of the Fund's investment in the company.

6. Supermajority Voting. The Treasurer, on behalf of the Fund, will vote against supermajority voting provisions because the Fund believes that a simple majority provides shareholders with a better means to effect change.

The Treasurer, on behalf of the Fund, will vote for the following issues when submitted to a shareholder vote:

1. Adoption or Extension of Shareholder Rights Plans. The Treasurer, on behalf of the Fund, will vote for shareholder rights plans if shareholders are given the opportunity to vote on the plan and the plan is subject to a limited term and is tied to an overall corporate strategy.

2. Stock-based Compensation Plans. The Treasurer, on behalf of the Fund, will vote for stock-based compensation plans because the Fund believes in providing appropriate equity incentives to corporate employees for increasing shareholder value. The Treasurer will analyze each plan approval or plan amendment to be sure that the stock-related compensation plan aligns the interests of corporate

management with those of the shareholders.

3. Increases in Authorized Common Stock. The Treasurer, on behalf of the Fund, will vote for increases in authorized common stock as long as the increase is reasonable under the circumstances.

4. Confidential Voting. The Treasurer, on behalf of the Fund, will vote for confidential voting proposals because the Fund believes that shareholders should have the right to vote in private, thus enabling them to maintain their independence and, in the case of employee shareholders, to vote without fear of retribution.

Disclosure of Voting Policies

These Policies are available to shareholders of the Fund without charge, upon request, by calling the Secretary of the Fund (collect at 828-758-6100, extension 22). The Fund will mail a copy of these Policies by first class mail to any shareholder requesting a copy within three business days after the request is made. The Policies will also be available on the Securities and Exchange Commission's website (<http://www.sec.gov>).

Adopted: July 26, 2003

Revised: October 30, 2003

DOCUMENT TYPE: EX-99.CERT

Section 906 Certification

I, D. E. Hendricks, Chief Financial Officer of BMC Fund, Inc., certify that:

1. The Form N-CSR of BMC Fund, Inc. for the period ended October 31, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form N-CSR of BMC Fund, Inc. for the period ended October 31, 2003 fairly presents, in all material respects, the financial condition and results of operations of BMC Fund, Inc.

Date: December 17, 2003
/s/ D. E. Hendricks
D. E. Hendricks
Chief Financial Officer

Section 906 Certification

I, Paul H. Broyhill, Chief Executive Officer of BMC Fund, Inc., certify that:

1. The Form N-CSR of BMC Fund, Inc. for the period ended October 31, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form N-CSR of BMC Fund, Inc. for the period ended October 31, 2003 fairly presents, in all material respects, the financial condition and results of operations of BMC Fund, Inc.

Date: December 17, 2003
/s/ Paul H. Broyhill
Paul H. Broyhill
Chief Executive Officer

DOCUMENT TYPE: EX-99.CERT

I, D. E. Hendricks, certify that:

1. I have reviewed this report on Form N-CSR of BMC Fund, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Reserved
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal half-year (the registrant's second half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 17, 2003
/s/ D. E. Hendricks
D. E. Hendricks
Chief Financial Officer

I, Paul H. Broyhill, certify that:

1. I have reviewed this report on Form N-CSR of BMC Fund, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects

the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Reserved

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal half-year (the registrant's second half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 17, 2003
/s/ Paul H. Broyhill
Paul H. Broyhill
Chief Executive Officer