



## Framework Agreement

### for the Supply and Safe Custody of Bullions and providing of auxiliary Services

between

**Swiss Gold Club AG**  
Feldeggstrasse 5  
9470 Buchs SG  
Switzerland

(hereinafter referred to as "***the Club***")

and

**Name**

**Address**

(hereinafter referred to as "***the Member***")

Hereinafter together referred to as "***the Parties***"

have entered this Agreement for the Supply and Safe Custody of Bullions and providing of auxiliary Services under the terms and condition as specified herein.

## **A. Swiss Gold Club's legal identity**

Swiss Gold Club AG (Aktiengesellschaft) is a private company limited by shares duly incorporated under the laws of Switzerland and registered in the Commercial Register of the Canton St. Gallen under the number CHE-241.173.656.

## **B. Definition of Bullions**

The Club is supplying its Members with Gold, Silver, Platinum and Palladium in bullions with the following graduations:

### **1. Gold 999.9 / 1000**

- 1 OZ (31.1 g)
- 50 g
- 100 g
- 250 g
- 500 g
- 1000 g

### **2. Silver 999.0 / 1000**

- 500 g
- 1000 g

### **3. Platinum 999.5 / 1000**

- 100 g
- 1000 g

### **4. Palladium 999.5 / 1000**

- 1 OZ (31.1 g)
- 100 g
- 1000 g

The origin of all Bullions corresponds to the "Good Delivery List" of The London Bullion Market Association.

### C. Physical and accounting storage account

The Club will open a physical and accounting storage account for the Member and will keep the customer's valuables segregated physically for accounting purposes.

### D. Purchase, Safe Custody and Sale of Goods

According to the order of the Member, the Club is permitted to buy and sell the Goods on the segregated Member account in the following manner:

1. The physical bullion(s) shall be purchased by the Club according to the Member's order.
2. The Club reserves the right to reject the acceptance of a potential Member without giving reasons.
3. As result of the purchase, the Member becomes the outright owner of the bullions.
4. After purchase, precious metal bullions are delivered and stored in separate vaults designated by the Club. By a separate order of the Club Member, the bullions can be delivered to the address or place specified by the Club Member. The costs of the removal and delivery of precious metal bullions, including insurance, packaging, taxes, duties, fees, customs duties and other expenses, are borne by the Club Member and such expenses are payable before the precious metals are exported / transferred to the Club Member.
5. The physical bullion(s) can also be purchased from another Club's Member according to the Member's order. In such case the outright ownership of the bullion(s) in Safe Custody is transferred within the Club's records from the selling Member to the purchasing Member.
6. By Member's order the balance may be generally refunded only to the Member's account from which the funds were originally received.
7. The Club may use the funds to advance and pay for the services and other charges payable according to this Agreement.

### E. Purchase Procedure

The procedure for the purchase of bullions is as follows:

1. The Member specifies on the Purchase Order Form either:
  - a) the **metal** (Au/Ag/Pt/Pd) and the **quantity**

or

b) the preliminary total **purchase amount in EUR/USD/CHF**.

2. The Club issues a proforma invoice stipulating the preliminary amount to the Member;
3. The Member transfers the preliminary amount to the Club's bank account according to the proforma invoice;
4. Upon the receipt of the preliminary amount at its bank account the Club shall fix the price within three banking days and purchase the bullion(s) for the Member.
5. Upon fixing the price and purchasing the bullion(s), the Club shall issue a final invoice to the Member showing the actual purchase price for the bullion(s), the actual purchase amount and the remaining balance.
6. If the Member desires the bullion(s) to be delivered and deposited with the preferred segregated storage, the Club shall issue and provide the Member with the report about its bullions showing the following items:
  - a) Member's customer number
  - b) Date of report
  - c) Pallet number
  - d) Seal Number
  - e) Quantity
  - f) Bullion Description
  - g) Bullion number
  - h) Bullion Brand
  - i) Gross weight in kg
  - j) Gross weight in OZ
  - k) Purity
  - l) Net weight in kg
  - m) Net weight in OZ
  - n) Depot number
  - o) Value in CHF

Such report shall be considered as accepted by the Member within 10 days from its receipt unless the Member raises objections.

## **F. Invoicing and Value Added Tax**

Upon the instruction by the Member the Club shall issue the invoice in Euro, US-Dollar or Swiss Francs.

The purchase and sale of Gold in Switzerland and the Principality of Liechtenstein is VAT – free.

On the purchase and sale of Silver, Platinum and Palladium, a VAT is applicable in the amount of 7.7%.

## **G. Use of the Remaining Balance**

With regard to the Remaining Balance the Member has the following options:

1. The Member can instruct the Club to refund the remaining balance to the Member's account from which the funds were originally received; or
2. The Member can use the Remaining Balance as payments for further purchase of the bullions of Club's services.

## **H. Ownership of the Funds**

The Member remains the owner of the funds at the Club's account prior to the purchase. Moreover, the Member remains the owner of the Remaining Balance.

## **I. Ownership of the Bullions**

The ownership of the precious metals acquired by the Club Member passes to him at the time of delivery to the storage. A Club Member acquires full and independent mediocre ownership of precious metals. The Club becomes the custodian and dependent direct holder of the precious metals solely in favour and for the benefit of the Club Member.

The Club Member remains the sole owner of the bullions that are stored in special separate storage until they are sold by order of the Club Member or spent by the Club to cover advance payments and payments for services and other fees payable in accordance with sections J, K and L of the present Agreement.

## J. Sale and Purchase Price for Bullions

The price for the purchase and sale of bullions is calculated based on the agreed quantity and weight of the precious metal. The price corresponds to the LBMA quotations for the day and time of the price fixing plus certain bullion which shall be agreed and fixed between the Parties for each individual order.

## K. Safe Custody Pricing

The Safe Custody fee is calculated based on the daily value of the stored precious metals in Swiss Francs per annum.

Precious metal	Storage value (CHF)	Storage fees (p.a.)
Silver	Minimum charge	CHF 500,00
	up to 250'000	1,75 %
	up to 500'000	1,50 %
	up to 1,5 Mio.	1,30 %
	up to 5 Mio.	1,10 %
	up to 8 Mio.	1,00 %
	up to 12 Mio.	0,80 %
	up to 25 Mio.	0,70 %
	> 25 Mio.	Upon request
Gold Platinum Palladium	Minimum charge	CHF 500,00
	up to 250'000	1,50 %
	up to 500'000	1,25 %
	up to 1,5 Mio.	1,00 %
	up to 5 Mio.	0,80 %
	up to 8 Mio.	0,70 %
	up to 12 Mio.	0,60 %
	up to 25 Mio.	0,50 %
	> 25 Mio.	Upon request

When buying precious metal, the Club Member pays the Club the cost of safe storage of the precious metal for 183 calendar days from the date of delivery of the precious metal to the storage, regardless of the goals and intentions of selling, transferring or moving the precious metal during this period.

The fee for the safe storage of precious metal bullion during this period is calculated as the product of the storage rate and the purchase price of the precious metal.

Further safe storage of precious metal is paid by the Club Member once every 90 calendar days, based on the invoice issued by the Club to the Club Member. In this case, the storage fees are calculated for the actual time spent by the precious metal in the storage during these 90 calendar days.

## **L. Payments in Metal**

The Club is entitled to sale the necessary quantity of the bullions in order to cover the payable invoices for the Member.

## **M. Preferred Storage**

The preferred storage of the Club is:

**OZL Offenes Zollager in Liechtenstein AG** / Schliessa 16 / 9495 Triesen / Principality of Liechtenstein.

Upon an instruction of the Member the bullions can be stored at other storages.

## **N. Right to Withdrawal**

A Club Member or a person appointed by him is entitled at any time:

- to withdraw certain or all of his bullions at the storage with a notice of 5 (five) business days;
- to offer third parties the sale of certain or all of his bullions for sale; or

- to require the delivery of certain or all of its bullions to him or to an authorized third party. In this case, delivery is carried out through a specialized logistics company.

## **O. Export of the bullions outside of Switzerland and Liechtenstein**

1. When exporting the bullions from the territory of the Customs Union of the Swiss Confederation and the Principality of Liechtenstein, the export and import conditions of the respective country must be taken into account. A Club Member must independently study the information, obtain a professional advise and independently pay for possible taxes, duties and fees that are charged by state authorities in connection with delivery to the relevant country.

2. If the Club advances taxes, duties and fees, the Club Member must immediately reimburse them to the Club. The costs of logistics and insurance depend on the value and weight of the bullions, as well as the chosen delivery route.

3. If the Club Member picks up the bullions by himself or through an authorized representative, they will be available at the store in Switzerland or in Liechtenstein.

## **P. Insurance**

The bullion stock is insured by a reputable insurer brokered by Marsh Insurance broker, currently Lloyds Insurance.

## **Q. Reporting**

At the beginning of each month the Club will provide the Member with the report showing all details as listed in the clause D 6 a) – o) of this Agreement.

In addition, the Member shall have access to the personal cabinet which enables watching the positions in the portfolio and current value.

## **R. Compliance**

The Club is subject to the Law and Regulations of the Swiss Confederation on combating money laundering and the financing of terrorism:



<https://www.admin.ch/opc/de/classified-compilation/19970427/index.html>

<https://www.admin.ch/opc/de/classified-compilation/20152238/index.html>

This includes the implementation of the relevant provisions (including the identification of the Club Member, determination of the beneficial owner, obligations to clarify details and documentation obligations). Accordingly, the Club Member is obliged to identify itself through a document proving his identity in the original or in a certified copy, as well as provide a written statement of beneficial ownership. If there is an ongoing business relationship between the Club Member and the Club, the Club must also create a business profile. This list of measures is not exhaustive. The Club reserves the right to request additional information at any time to fulfill its obligations in accordance with the Law and the Regulation of the Swiss Confederation on combating money laundering and the financing of terrorism. The Club Member takes note that information about it can be viewed by the competent supervisory authorities at any time.

## **S. Data Protection**

The processing of data by Club Members is carried out by the Club in accordance with the Federal Data Protection Act of the Swiss Confederation (Bundesgesetz über den Datenschutz):

<https://www.admin.ch/opc/de/classified-compilation/19920153/index.html>

The Club Member's personal data will be transferred to third parties, for example, banks, departments, only if it is necessary for the execution of the contract or if required by law.

## **T. Applicable Law**

This Agreement shall be governed by, and construed in accordance with Swiss law.

## **U. Arbitration Clause**

All disputes arising out of or in connection with this contract, including all questions about its existence, validity or termination, shall be settled by a court of arbitration in accordance with the St. Gallen Rules of Arbitration SGSO (Stiftung St. Galler Schiedsordnung), excluding the state courts.

The court of arbitration shall consist of three arbitrators. The arbitrators shall be appointed from the SGSO's list of arbitrators by the parties or, if they do not agree within the time limit, by the SGSO Board.

The language of the court of arbitration shall be German. The place of the court of arbitration shall be Sankt Gallen city.

## V. Signatures of the Parties

**The Member**

**The Club**

**Place, date** \_\_\_\_\_

**Place, date** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Signature** \_\_\_\_\_