

HONG KONG SECURE STORAGE

# GOLD BULLION PORTFOLIO

"OFF-MARKET" PRIVATE TREATY SALE



## EXECUTIVE SUMMARY | OFFER TO SELL

We are experienced Bullion Sellers with a proven record of successful performance. We hold title of ownership to one of the largest stockpiles of GLD standard bullion on the market. Our product inventories are regularly replenished.

We specialize in large-volume, gold bullion sales to select "high-value" Buyers: Governments, Banks, Multinationals, Institutional Investors, Royal Family/Sovereign Affiliates, Purchasing Consortiums and Ultra High-Net-Worth Individuals.

We represent, with exclusive signatory authority, an alliance of Asia-Pacific countries and operate with full governmental and regulatory approval. Proceeds from bullion sales are used to provide economic development assistance to the Sovereign nations.

Transactions are managed exclusively within the banking system under full banking scrutiny and vigilance and are subject to close regulatory oversight. Procedures are dictated by government Treaty and are 100% Bank-approved and fully time-tested.

Our Transacting Bank is HSBC, Hong Kong, Main Office. Stocks are confirmable, internally, on a "bank-to-bank" basis. Buyers may settle payment in any major Bank in Hong Kong or utilize **HSBC Bank, London, Head Office** or **Bank of China, Beijing**.

Buyers may take delivery directly from Metalor refinery, Hong Kong or at our security warehouse or request that we vault the bullion in HSBC, Hong Kong. We are also willing, after closing, to deliver the product to the Hong Kong Airport, Free Trade Zone.

## DESCRIPTION OF PRODUCT

<b>COMMODITY</b>	: GLD Standard Bullion (GLD specifications)
<b>FORMAT</b>	: 12.5 KG Bars
<b>PURITY</b>	: 999.5/1000 or better fineness
<b>HALLMARK</b>	: Internationally recognized hallmarks (Metalor, Hong Kong)
<b>SERIAL NUMBERS</b>	: Registered with the LBMA
<b>ASSAY REPORTS</b>	: GLD Certification, less than five (5) years old
<b>QUANTITY</b>	: "Large-tonnage" inventory, regularly replenished
<b>STORAGE</b>	: HSBC-approved private security facilities in Hong Kong
<b>INSURANCE</b>	: Insured by Lloyd's of London for its full LBMA market value
<b>TRADE STATUS</b>	: Freely liftable and tradable and fully exportable

## TERMS OF PURCHASE

<b>MODALITY</b>	:	Bank-managed transactions exclusively
<b>DISCOUNT</b>	:	Gross 8% and Net 6% discount to Buyer (LBMA, 2nd fix)
<b>CONTRACT SIZE</b>	:	Flexible, to suit Buyer's requirements. Large-tonnage, multi-Lift contracts available. Minimum 200 MT of product.
<b>FIRST LIFT</b>	:	200 MT of product (fixed amount)
<b>FURTHER LIFTS</b>	:	Flexible Lift size/Lift frequency. Daily, weekly or monthly Lifts. Minimum 200 MT Lift size. One (1)-year contracts available.
<b>DELIVERY</b>	:	FOB Hong Kong. Four assay/delivery options. (See below)
<b>PAYMENT</b>	:	"Ledger-to-Ledger" transfer of cash funds (US Dollars). Other major world currencies accepted.
<b>CONSULTING FEES</b>	:	2% Consultancy Fees payable by Seller as follows: 1% to Seller's side (closed), disbursed by Seller 1% to Buyer's side, disbursed by Seller or Buyer



### "EXPORT-READY" PRODUCT, WITH GOVERNMENT-ISSUED PERMITS

The bullion is sold with full Government Export Approval and Tax-Paid Clearance. The export permits have already been issued and will be listed in the contract and confirmed by our Bank Officer during the Table Top Meeting inside the Bank.

Keep in mind that Hong Kong is a world-renowned "free port" - the third largest free port in the world. There are no restrictions or customs duty on the export of gold bullion. We work closely with Brink's, Hong Kong and can facilitate introductions.



### "BEST-IN-CLASS" ASSAY & DELIVERY OPTIONS

Buyers may attend at our security warehouse with their certified Assayers (or engage the mobile team of Assayers from Metalor or Heraeus, Hong Kong) to assay the Lift amount. We would be pleased to introduce Buyers to the Senior Manager at Metalor.

Alternatively, we will move the initial Lift amount to Metalor for a final assay. Buyers may take delivery, upon closing, directly from refinery storage or we will return the newly assayed bars to the security warehouse and provide Buyers the original SKR.

We can also arrange for HSBC, Hong Kong to collect the re-certified bullion directly from Metalor and transfer the product into the Bank's vault or depository under HSBC's custodial safekeeping. Upon closing, Buyers will receive a new Bank SKR.

We are also willing, after closing, to deliver the Lift amount to the Hong Kong International Airport, Free Trade Zone or we will provide Buyers with "two (2)-weeks" free warehouse storage and insurance cover after purchase.



### "BUYER-FRIENDLY" BANKING OPTIONS FOR SETTLING PAYMENT

Settling payment is managed on a "ledger-to-ledger" basis inside the Buyer's Settlement Bank. This ensures the prompt and orderly transfer of funds on closing.

Buyers may nominate any major Bank in Hong Kong as their Payment Settlement Bank; we will oblige by opening a bank account in the Buyer's chosen Bank. Or we can, upon request, assist Buyers to open a bank account in HSBC, Hong Kong.

Western Buyers are welcome to utilize **HSBC Bank, London, Head Office** - a respected Bullion Bank - for settling payment. Similarly, Asian Buyers who prefer to maintain their purchase funds in Mainland China may utilize **Bank of China, Beijing**.

## TRANSACTION PROCEDURES

The procedures are fully **Bank-compliant** and approved by the Seller's Transacting Bank, HSBC, Hong Kong, Main Office:

1. The Buyer and Seller sign the SPA electronically and lodge the contract with their respective Banks.

**Note:** Manually signed contracts will be exchanged by the Parties inside the Seller's Transacting Bank during the scheduled Table Top Meeting.

2. The Seller's Bank Officer contacts the Buyer's Bank Officer during the scheduled Bank "window time". The Bank Officers engage in a full and frank discussion confirming the POP/POF status of their respective bank customers.

3. The Buyer's Bank Officer transmits a Bank Confirmation Letter via SWIFT 799 to the Seller's Bank Officer confirming Proof of Funds. The Seller's Bank Officer remits during the same scheduled Bank "window time" a SWIFT MT 600 (Precious Metal Trade Confirmation Message) confirming Proof of Product.

**Note:** Where the Buyer's Bank is located in Hong Kong or Mainland China, POP/POF is confirmed via Bank facsimile. The Buyer's Bank Officer transmits a Bank Tear Sheet and receives, in return, a true copy of the Seller's Custodial SKR.

4. The Buyer transfers his purchase funds into his chosen Settlement Bank in Hong Kong. The Seller opens a bank account in the Buyer's Bank to facilitate the "ledger-to-ledger" transfer of payment upon closing. Alternatively, the Seller can assist the Buyer to open a bank account in HSBC, Hong Kong, Main Office.

**Note:** The Buyer may, instead, transfer his funds into **HSBC Bank, London, Head Office** and utilize HSBC Bank, London as the Payment Settlement Bank. Alternatively, the Buyer may utilize **Bank of China, Beijing** for settling payment.

5. The Seller's Bank Officer convenes a Table Top Meeting in HSBC, Hong Kong with the Seller and Buyer's delegation in attendance and provides the Buyer's Bank Officer with authenticated copies of the pertinent product documents.

6. The Buyer, after positive verification of the Seller's product documents, instructs his Bank Officer to block his funds for the value of the Lift amount as a guarantee of payment as per the terms of the Agreement.

7. The Buyer attends at the Seller's security warehouse with his LBMA-certified inspection team and assays the product. Alternatively, at the Buyers' request, the Seller delivers the product to Metalor refinery, Hong Kong for a final assay.

**Note:** The Seller is also willing, upon request, to arrange for HSBC, Hong Kong to collect the newly assayed product from Metalor refinery and move the Au Metal into the Bank's vault or depository.

8. The Seller's Bank Officer, after completion of the final assay, convenes a Table Top Meeting with the Seller and Buyer's delegations in attendance. The Parties' Bank Officers calculate the purchase price, then close the transaction on a "payment-versus-delivery (transfer of title)" basis.

At the Buyer's request, we would be pleased to include a Two Percent (2%) penalty clause for non-performance, based on the purchase value of the Lift amount. Depending on the Lift size, that's a minimum **\$160 Million USD** damages award payable to the Buyer as agreed compensation in the event that we breach the contract.