

CONTRACT NUMBER: A1234

SELLER'S CODE: XXXXXXXX

BUYER'S CODE: AGGT2467

SALE AND PURCHASE AGREEMENT (SPA) OF NON-REFINED GOLD (AU) BARS

This Agreement is entered into by and between:

COMPANY NAME:	
BUSINESS ADDRESS:	
REGISTERED ADDRESS:	
REGISTRATION No:	
EXPORT LICENSE No: <i>(if you don't have one, please complete Company Name, Contact Details, & Export License No of the Export License Holder)</i>	
REPRESENTED BY (Name/Title):	
PASSPORT (Country, Number, Expiry):	
COUNTRY:	
TELEPHONE:	
MOBILE:	
E-MAIL:	

(hereinafter referred to as "**THE SELLER**")

AND

COMPANY NAME:	D GOLD GENERAL TRADING FZC
LICENSE No:	4832
CUSTOMS IMPORTER CODE No:	UK-8401643
REPRESENTED BY (Name/Title):	Mr. Lewis Moore, Administrative Manager
PASSPORT (Country, Number, Expiry):	United Kingdom, XXX, Exp. XX-XXX-XXXX
REGISTERED ADDRESS:	Commercial Quay, 84 Commercial St, Leith, Edinburgh EH6 6LX, United Kingdom
COUNTRY:	United Kingdom
MOBILE 1:	
E-MAIL:	info@dkegoldfzc.com

(Hereinafter referred to as "**THE BUYER**")

*The Seller and the Buyer hereinafter referred to separately as the "**Party**" and jointly as the "**Parties**"*

WHEREAS, the Seller wishes to sell and deliver non-refined gold (Au) bars in raw and non-refined dory bars (hereinafter referred as "**Gold Bars**") to the Buyer, who wishes to purchase and receive such, subject to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the promises and mutual covenants herein set forth, both Parties agree the following:

Seller's Initial

Buyer's Initials

1. SCOPE OF AGREEMENT – DEFINITIONS

- 1.1 The Seller hereby agrees to sell and deliver Gold Bars to the Buyer (who hereby accepts to purchase and receive such) under the Specifications and subject to the terms and conditions of this Agreement.
- 1.2 For the purposes of this Agreement the following definitions shall have the following meaning, it being agreed and understood that should there be any term defined but not used in the Agreement, this may not be used by any Party as an argument in a way that is detrimental to the other Party:

“Advance Payment”	means other than its literal meaning, that the Seller may need some money to pay for the taxes, insurance, transportation, etc. to be able to ship his goods to the Buyer;
“ARDLC”	means Auto Revolving Documentary Letter of Credit. This is rarely used, since if an ARDLC is issued auto revolving for 12 months, it would mean that the full funds for all 12 months have to be deposited and blocked by the issuing bank. So, if for example a monthly shipment is for \$10 million, and is auto revolving for 12 months, then \$120 million must be deposited and held as collateral by the bank. That is why always a SBLC is issued that needs only funds for one month/shipment and when the payment is transferred for this shipment, then you can always have the SBLC auto revolving every month;
“Assayer”	means an assayer or assay company nominated by the Buyer and licensed by the Governmental authorities of the Import and/or Export Country in order to assay the Gold Bars in their offices or at the Buyer's nominated Security Company's Bonded Warehouse;
“Assay Result”	means the results issued by the Buyer's Nominated Assayer (following an assay of a given shipment of Gold Bars to be performed by the Buyer's Nominated Assayer in their laboratory or in the Bonded Warehouse) ascertaining the specifications (including purity) of each shipment of Gold Bars, and issues the assay certificate;
“ASWP”	means Any Safe World Port/Airport;
“AU”	means Gold - Aurum Utallum (AU);
“BBO”	means Buyer's (Bullion) Bank Officer;
“BCL”	means Bank Capacity/Comfort Letter;
“Bonded Warehouse”	means a secured building owned or leased or operated by the Buyer's nominated Security Company or bank fully licensed by the Import Country's Authorities for (a) storage, acceptance and release of shipments upon receipt of formal instructions; and (b) third party inspection and assaying;
“BRL”	means a Bank Reference Letter issued by the Buyer, Seller or Financier and sent only via bank to bank Swift MT799
“Bullion”	Bullion refers to precious metals in bulk form which are regularly traded on Commodity Markets . The value of bullion is typically determined by the value of its precious metals content, which is defined by its purity and mass. The specifications of bullion are often regulated by market bodies or legislation. In the European Union, the minimum purity for gold bullion, which is treated as investment gold with regards to taxation, is 99.5% for gold bullion bars.
“Business Day”	means a day on which banks are open for business in the United Kingdom or the UAE or Cyprus or the country of Import or Export;
“Buyer”	means the person or company that is the direct buyer of the commodity

	from the Seller;
“CIF”	means Cost, Insurance, Freight, each being expenses covered by the Seller;
“CIS”	means Client (or Customer or Broker or Financier, as the case may be) Information Sheet that must be submitted prior to any financial transaction;
“Day” or “day”	means a calendar day;
“DGCX”	means Dubai Gold and Commodities Exchange;
“DGD”	means the Dubai Good Delivery standard that was developed by DMCC in 2005 as an international benchmark for quality and technical specification in the production of gold and silver for the DGCX. The objective of the standard is to increase confidence in the industry, create opportunities for trade finance activities and to provide the technical robustness in line with globally accepted best practices. The DGD standard for the DGCX prescribes 1kg gold bars of 99.5% or better purity and standard silver bars ranging from 900-110 ounces at a minimum 99.9% purity. This standard further complies with both DMCC's Practical Guidance for Responsible Sourcing and the Signet Responsible Sourcing Protocol in the US. Hallmarked Gold Bars from Refineries with only the DGD standard are acceptable to the UAE banks.;
“DMCC”	means Dubai Multi Commodities Centre (www.dmcc.ae), a strategic initiative of the government of Dubai with a mandate to provide the physical, market and financial infrastructure required to set up a commodity market place in Dubai;
“EDT”	means Electronic document transmissions which shall be deemed valid and enforceable in respect of any provisions of this Contract. As applicable, this agreement shall be:- Incorporate U.S. Public Law 106-229, “Electronic Signatures in Global and National Commerce Act” or such other applicable law conforming to the UNCITRAL Model Law on Electronic Signatures (2001) and ELECTRONIC COMMERCE AGREEMENT (ECE/TRADE/257, Geneva, May 2000) adopted by the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). EDT documents shall be subject to European Community Directive No. 95/46/EEC, as applicable. Either Party may request hard copy of any document that has been previously transmitted by electronic means provided however, that any such request shall in no manner delay the parties from performing their respective obligations and duties under EDT instruments.;
“Export Country”	means the country where the Seller will export the Gold Bars (commodity) from;
“FCO”	means the Full Corporate Offer sent by the Buyer or Seller on their company letterhead and indicating all terms and conditions including the quantity and the discount based on the LBMA prices being offered, etc. and is usually signed by the Seller and the Buyer before proceeding with a CIS, BRL, SPA, etc.;
“Final Commercial Invoice”	means the Final Commercial Invoice that is issued by the Seller after the commodity finally arrives, then the net weight report will be issued and together with the assay results, the LBMA price and all the rest of the expenses are known, then the Final Commercial Invoice would be issued by the Seller, which must be signed by both the Seller and the Buyer in the presence of one of the Buyer's Bank Officers or any other party that is listed in the SPA;
"Fixing"	means the Second Fixing, whereupon the price of gold is fixed on the

	Gold Market at 3:00 P.M. London local time, in accordance with the rules of the London Bullion Market Association (LBMA);
“Financier”	means an entity (bank, private company or individual) that provides the financing to the Seller (or occasionally to the Buyer), in order for the Seller to either buy the goods locally, or pay any expenses and then ship to the Buyer. Usually the Buyer issues the SBLC to the Financier after receipt from the Financier of a PB and the Financier transfers a percentage of the funds to the Seller, either from his own reserves or via a credit line or loan from a bank;
“FOB”	means Free or Factory on Board to represent that the Buyer covers all expenses up to his Import Country;
“GLD”	means Good London Delivery and this term relates to a set standard of gold bullion that regulates bar size, weight, acceptable Hallmarks (stamp of the refiner), serial numbers, year of manufacture and of course fineness (purity level).
“Gold Bars”	means Gold or Gold Dore Bars, Aurum Utalium (“AU”);
“Government”	means the Government of the Country of Import or Export;
“Governmental Authorities”	means the Parliament or Congress of the Import or Export Country or the Government, any ministry, statutory body or office, authority (including any regional, state, local or municipal authority) or division thereof or any quasi-governmental or independent regulatory body or any agency, inspectorate or corporation (other than the Buyer) owned or controlled by the Government of the Import or Export Country, or any sub-division thereof (including any regional or local authority), or acting pursuant to authority granted to it by the Laws of the Export Country;
“Hallmark”	means an official mark or seal applied only by a registered Refinery accepted by the banks after the item has been assayed to determine that its purity conforms not only to the standards set down by the law but also with the maker's claims as to gold content. Any inaccuracy would mean the loss of the Refinery's license.
“ICC”	means International Chamber of Commerce;
“ICPO”	means Irrevocable Corporate Purchase Order;
“IMFPA”	means Irrevocable Master Fee Protection Agreement;
“Import Country”	means the country where the Buyer will import the Gold Bars into;
“Incoterms 2010”	means International rules for the interpretation of the most commonly used trade terms in international trade, published by the International Chamber of Commerce in 1936 and amended in 1953, 1967, 1976,1980,1990, 2000 and 2010.
“Intermediary”	means a person or company acting as an agent/mandate of the Seller and sometimes the Buyer as well;
“Kg”	means Kilogram, which is equal to = 1,000 grams, or equal to 32.15 troy ounces;
“KPC”	means Kimberley Process Certificate that is mandatory to accompany rough diamonds;
“KYC”	means Know Your Client (or Customer or Broker or Financier, as the case may be) that must be submitted prior to any financial transaction and is similar to CIS;
“LBMA”	means the London Bullion Market Association;
“L/G”	means Bank Letter of Guarantee issued by the bank and sent via Swift

	MT760 under URDG 758 rules or latest version (since the ISP 98 rules are usually used only for SBLC's);
"LC"	means a fully cash backed Letter of Credit via MT760 under the ISP98 Banking rules or via MT700 under the UCP 600 rules, to be decided by the Buyer's Bank;
"LoI"	means Letter of Intent/Interest;
"Manifest"	means, among other meanings, a manifest for diamonds which is a list of each diamond specifying the number of carats, the colour, the clarity, the shape, the price, etc.;
"MT103"	means a SWIFT message format used for making payments. MT103 SWIFT payments are known as international wire transfers, telegraphic transfers
"MT199"	means a is an Interbank Message used between two banks to transmit a SKR or a free format message engaging two bank's readiness to move forward with a transaction, usually a private one. A MT199 swift message is easily explained as a "chat" message. Basically you use this format <ul style="list-style-type: none"> ▪ when a transfer order has been sent and you want to "notify" the beneficiary bank in order to sort out something, ▪ or to find out if funds have been applied, ▪ or basic other info.
"MT760"	means a SWIFT Message Type that Bank Guarantees are sent and received by inter-communicating banks. When sending a Bank Guarantee by SWIFT, the SWIFT Operator will enter the details on this Message Type relating to the specifics of the Guarantee. It is only Bank Guarantees that are sent with this Message Type 760.
"MT799, MT999"	means a simple text message, sent bank to bank. This is used for a bank to bank proof of funds, only. The MT799 is not a form of payment and it is not a bank undertaking or promise to pay. It is simply a bank to bank confirmation of the funds on deposit, nothing more. Different formats may include bank letters, phone/fax verification, online account access, verification of deposit form (VOD), bank to bank Swift, Certificates of Deposit (CD's) and/or account statements. For beginners, both are classified by SWIFT as "free format message", the difference is that for an MT799, banks must exchange a so called BKE authenticator... which means a test key is automatically coded into the sent message, and decoded at the receiving end. So, an MT799 is approved by two Bank Officers and thus is authenticated. An MT999 is the same as MT799, just without this test code, therefore its considered unauthenticated, and MT999 messages have no value whatsoever, unless confirmed via a separate test key. The MT999 is approved only by one Bank Officer.
"NCNDA"	means Non Competing Non Disclosure Agreement that is usually valid for three years and prohibits any of the parties in the agreement to separately try and do business with the third party in the agreement;
"Net Weight Report"	means a report from a third party (Refinery, Assayer or Security Company) nominated by the Buyer with the final and accepted by both parties (Seller and Buyer) net weight of the commodity;
"Nominated International Airport"	means any airport nominated by the Buyer, where the Seller would ship the commodity;
"Ounce"	means troy ounce, which is equal to 31.1034768 grams, or 1 Kilo being equal to 32.1507466 troy ounces;

“Party(ies)”	means the Seller, the Buyer and sometimes the Financier and/or the Intermediary that usually also sign the SPA;
“PB”	means Performance Bond (Bank Letter of Guarantee) accepted ONLY from a top 100 global bank via Swift MT760 under URDG 758 rules or latest version;
“PoF Blocked”	means Proof of Funds usually via a bank L/G with funds being blocked from the Buyer's account and under administrative hold for the Seller, and released to the Seller only after all the terms and conditions of the SPA are met;
“PoF Unblocked”	means Proof of Funds of the Buyer and sent by a bank via a letter or a bank to bank swift, in order to prove to the Seller that the Buyer has the funds available for the agreed transaction and the Buyer will not need to find the funds from other sources other than his own accounts;
“PoP”	means Proof of Product sent by the Seller's bank to the Buyer's bank via a bank to bank swift;
“Preliminary Assay Report”	means, in respect of any shipment of Gold Bars, the assay report and certification ordered by the Seller and obtained from a state assay office in the country of origin or export country of the Gold Bars prior to the sale;
“Price”	means the final price of the commodity as calculated according to the agreed terms and conditions of the SPA;
“Product”	means AU Gold Dore Bars;
“Proforma Commercial Invoice”	means an invoice that is issued based on the information known only to the Seller prior to shipping the commodity to the Buyer's nominated destination and is usually issued for Customs purposes only, and for issuing the Performance Bond (PB) prior to issuing the SBLC;
“Purity”	means the percentage of concentration of Gold (AU) in a Gold Dore Bar;
“Purity Adjustment”	means an amount in relation to the purity of the Gold Bars which is equal to the difference between pure gold content of 999.9 % purity and the purity ascertained by the Assay Result, in case the declared fineness (purity) ascertained by the Assay Result is less than 999.9%. As an illustrative example, if a specific shipment is ascertained by the Assay Result to have a purity of 92.50%, then the Purity Adjustment shall be - 7.50% (99.99 % pure gold purity – 92.50% Assay Result Purity = - 7.49%);
“Refine” or “Refining”	means refining (cleaning) the gold to a Purity level of 99.50% or better, and the issuance of a refinery certificate;
“Refinery”	means any Refinery nominated by the Buyer and licensed by the Import Country's Governmental Authorities (doing smelting and/or assaying and/or the refining and conversion of gold bars to refined gold of 99.5% or better purity) and located in the Import Country or any “Good Delivery” (GD) listed London Bullion Market Association (LBMA) member or registered and recognized affiliate thereof, or “Dubai Good Delivery” (DGD) listed by DMCC in the UAE;
“RWA”	means Ready, Willing and Able sent via bank to bank Swift MT799;
“SBLC”	means a fully cash backed Stand By Letter of Credit via MT760 under the ISP98 Banking rules or via MT700 under the UCP 600 rules, to be decided by the Buyer's Bank.
“SBO”	means Seller's (Bullion) Bank Officer
“Security &	means an internationally recognized Security, Transport & Bonded

Transport Company	Warehouse Services Company licensed either by the Import Country or by the Export Country Governmental Authorities to be selected and designated by the Buyer or the Seller with mutual consent. In the UAE, the only acceptable companies are Brinks, G4S, Via Mat and the Government owned Transguard;
"Seller"	means the person or company that is the direct seller of the commodity to the Buyer;
"SCO"	means Soft Corporate Offer it is identical to the FCO, and it is usually an unsigned version of the FCO;
"SKR"	means Safe Keeping Receipt to be sent to the Buyer by the Security Company that is storing the commodity or sent via a bank to bank swift confirming that they have in their possession/storage the commodity;
"Smelting Company"	means a company nominated by the Buyer that smelts gold into bars in a weight determined by the Buyer;
"SPA"	means Sales & Purchase Agreement;
"Spot Market Bid"	means the spot market bid price (as given on the KITCO website – www.kitco.com – or other related industry websites)
"Specifications"	means the detailed specifications of the commodity including quantity, quality, packaging, etc.;
"Tonne"	means one (1) metric tonne (or "Metric Ton"), and it is abbreviated as "MT"
"T/T"	means Telegraphic Transfer or Telex Transfer, often abbreviated to TT, is a historic term used to refer to an electronic means of transferring funds overseas. Historically "T/T," meant a cable message from one bank to another in order to effect the transfer of money. Prior to the existence of electronic payment networks this was often directly between banks via a Telex message.
"TTM"	means Table Top Meeting among the Bullion Officers of the Buyer and Seller and/or their lawyer without the presence of any Intermediaries or Mandates (usually held at the Seller's bank offices where the commodity is held and can be inspected and at the same time, the Seller can present his PoF);
"UAE"	means the United Arab Emirates;

The masculine gender includes the neuter and feminine and vice versa.

The singular number includes the plural and vice versa

2. COMMODITY SPECIFICATIONS

2.1. The commodity to be sold under this Agreement shall have the following specifications (the **"Specifications"**):

- Commodity: Gold Dore Bars
- Fineness: Delivered at 92%+ Purity per thousand of the fine Gold or better (as per Certificate of Analysis / Assay at origin)
- Assay: Only Buyer's Nominated Refinery or Assayer accepted as final
- Country of Origin: Ghana
- Country of Export: Ghana
- Packing: International Accepted Metal box.

3. QUANTITY

3.1 The total net weight of Gold Bars to be sold under the terms of this Agreement shall be Two Thousand Four Hundred kilograms (2,400 Kgs), to be sold and sent through 12 monthly

Seller's Initial

Buyer's Initials

shipments of Two Hundred kilograms (200 Kgs) each, with possible rolls & extensions agreed in writing by both Parties

- 3.2 Each shipment shall be delivered upon good and satisfactory delivery of the previous shipment and upon full and satisfactory payment settlement to the Seller of the previous shipment.

4. PRICE - INTERMEDIARY

- 4.1 The price for the sale of each shipment of Gold Bars shall be determined in accordance with the methodology outlined in Annex B herein (the "Price"). The Parties hereby expressly and unreservedly agree and accept the Price and the methodology for the determination of the Price as fair and reasonable and in accordance with the Parties' business arrangement and accord and in any case waive any right to contest such.

- 4.2 The Buyer hereby acknowledges that the Seller has been introduced to the Buyer through by Ms. Afra bin Beyat (the "Intermediary"). The Buyer undertakes to pay the Intermediary fees agreed and that have been deducted from the Seller's price and owed to the Intermediary at the same time as payment is transferred to the Seller, pursuant to a certain intermediary services agreement concluded amongst the Buyer and the Intermediary (as such intermediary services agreement is in force and effect) in the manner stipulated in said agreement.

5. CONDITIONS FOR CONSUMMATION OF SALE

- 5.1 The consummation of the sale and delivery of any shipment of Gold Bars pursuant to this Agreement (including, but not limited to, delivery thereof and payment of the Price) is subject to fulfilment of the following conditions:

5.1-1 all representations and warranties of Seller pursuant to this Agreement are true, correct, complete and not misleading upon signature of this Agreement and shall remain such throughout until the moment of the sale and delivery of all Gold Bars to the Buyer;

5.1-2 Delivery by the Seller to the Buyer, at least four (4) Business Days prior to discharge of any shipment of Gold Bars, copies of the documents mentioned in Clause 11 herein, in order, *inter alia*, to enable the Buyer to use its reasonable endeavours to confirm with the customs authorities that there is no serious reason for the Gold Bars not to be cleared by the Import Country customs authorities (pre clearance), it being agreed and understood that nothing in this provision discharges the Seller or his authorized Representatives mentioned in Clause 17 from its obligation and sole responsibility to clear the Gold Bars with the Import Country customs authorities pursuant to Clause 6.4;

5.1-3 Pre clearance (if at all possible) by the Import Country customs authorities of the documents sent pursuant to Clause 5.1-3 herein and written confirmation by the Buyer to the Seller to this end, at least two (2) Business Days prior to discharge of any shipment of Gold Bars, it being agreed and understood that nothing in this provision discharges the Seller from its obligation and sole responsibility to clear the Gold Bars with the Import Country customs authorities pursuant to Clause 6.4;

5.1-4 Provided that all documents listed in Clause 11 have been delivered to the Buyer, the Buyer's bank issues a PoF for up to One Hundred per cent (100%) of the Proforma Commercial Invoice value, in order to prove to the Seller that the Buyer has the funds available in his bank accounts and he is capable of paying the value of the shipment within 3 banking days after receipt of the refining certificate is delivered to the Buyer;

5.1-5 Dispatch of the shipment of Gold Bars by the Seller at his cost under his trading license and export license, and strictly following all legal regulations, not later than ten (10) Business Days from fulfilment of the last of conditions mentioned in 5.1-2 – 5.1-4 above to the Nominated International Airport under the terms stipulated in Clause 6 herein;

5.1-6 Clearance of the Gold Bars by the Import Country customs authorities at Buyer's cost under his trading license and strictly following all legal regulations, but always at Seller's full responsibility that all documentation necessary for import are acceptable to the Import Country's customs authorities, usually within three (3) Business Days if all documentation required is received, from arrival of the shipment to the Nominated International Airport, in the manner stipulated in Clause 6.4 herein;

5.1-7 Transfer of the Gold Bars at Buyer's expense to the Buyer's nominated Security Company or Assayer or Refinery or Bonded Warehouse under the terms stipulated in

- Clause 6 herein;
- 5.1-8 Assay of the Gold Bars by the Buyer's nominated Assayer at its premises or in the Bonded Warehouse and issuance, within four (4) Business Days (if the gold bars are in 5kg weight each and total weight is not more than 200Kg, otherwise the Assay Report may take longer) from clearance by the Import Country customs authorities, of the Assay Result confirming also that said Gold Bars meet the Specifications with a margin of 5% deviation in relation to the purity (the Assay Result to be notified in writing by the Buyer to the Seller pursuant to Clause 5.1-10). In case the Seller sends any shipment of gold in a non homogenous form, then the Seller (or the Buyer on behalf of the Seller pursuant to a mandate given by this agreement by the Seller to the Buyer hereby) shall instruct the Security Company to: (a) transfer the gold to a Refinery or a Smelting Company, in order to be smelted or refined. After smelting or refining, the Gold will be placed in sealed boxes and the Seller from that point on will not be able to touch the gold and in case the seal has been tampered with, the smelting or refining and weighing process will have to be done again at the Seller's expense. The smelting or refining and weighing can be done in the presence of the Seller or one (and only one) of his representatives, if the Seller so requires; and (b) to receive the smelted or refined Gold Bars and transfer such back to the Buyer's nominated Security Company or Assayer or Refinery or Bonded Warehouse in order for the Assayer to perform the necessary assay for the issuance of the Assay Result (the Assay Result to be notified in writing by the Buyer to the Seller pursuant to Clause 5.1-10) and the Security Company or the Assayer or the Refinery or the Smelting Company to perform the necessary net weight for the issuance of the Net Weight Report pursuant to Clause 5.1-9. It is acknowledged and accepted that, if the bars are not homogeneous and need to be smelted or refined, then, one additional Business Day is required for the smelting or refining of each 100Kg. The Seller shall be solely responsible for the implementation of the procedure mentioned in this Clause 5.1-8 and shall take all necessary actions to this end. The previous sentence notwithstanding, any and all associated costs incurred for the transfer of the Gold Bars to the Refinery, their smelting or refining and their return to the Buyer's nominated Security Company or Assayer or Refinery or Bonded Warehouse, as stipulated above, shall be borne and paid by the Buyer on behalf of the Seller and shall be set-off and deducted from the Final Commercial Invoice amount;
- 5.1-9 Weighting of the Gold Bars and issuance of the final/actual net weight report by the Assayer or the Refinery or the Smelting Company (the "**Net Weight Report**") and the weight will be accepted by Seller and Buyer. Weighting of the Gold Bars shall be performed in the presence of the Seller and the Buyer or their authorized representatives in this agreement, should they choose to be present;
- 5.1-10 Written notification by fax or email from the Buyer to the Seller (or their authorized representatives in this agreement), not later than one (1) Business Day following the latest of (a) issuance of the Assay Result or (b) issuance of the Net Weight Report, informing the Seller of: (i) the Assay Result and the Net Weight Report; and (ii) the Price of the shipment of Gold Bars as per the calculation of Annex B herein;
- 5.1-11 Issuance and delivery by the Seller to the Buyer (or their authorized representatives in this agreement) of the Final Commercial Invoice, for an amount equal to the Price, as such has been determined as per the by the calculation of Annex B herein and has been included in the Buyer's notification of the previous Clause 5.1-10 **and** signature of such by the Buyer and the Seller (or their authorized representatives in this agreement) in the presence of one of the Buyer's Bank officers or the Buyer's Lawyer (and optionally the Seller's lawyer as well if one is assigned by the Seller for such a task) or Assayer's representative or Refinery's representative in the Import Country in order to automatically complete the transfer of ownership ("**Final Commercial Invoice**");
- 5.1-12 The Buyer agrees that the Seller is entitled, at his option, to be represented by his authorized representative in this agreement during Customs Clearance at the Buyer's Nominated Airport. If agreed by the Security Transport Company and/or the Refinery, the Seller's representative is authorized to accompany the transport of the gold to the Buyer's Nominated Refinery and to witness smelting or refining of the gold and verification of the purity and/or taking samples by the Assayer in order to process them in his laboratory;

- 5.2 In relation to the conditions mentioned in Clauses 5.1-2 to 5.1-11 (inclusive), fulfilment of each condition (beginning with the one mentioned in Clause 5.1-2) is a requirement in order for the fulfilment of the next one.
- 5.3. In case any of the conditions precedent stipulated in Clause 5.1 is not fulfilled properly and punctually **or** in case any shipment of Gold Bars is not sent as per the time schedule mentioned in Clause 8 of this Agreement then: (a) the sale of the respective shipment of Gold Bars shall not be consummated and consequently transfer of ownership and possession of the said Gold Bars from the Seller to the Buyer shall not be effected and the Buyer shall have the right to terminate the Agreement with immediate effect by a unilateral written notification to the Seller and only after paying for all the costs incurred so far. In case of non fulfilment of the conditions mentioned in Clauses 5.1-7 to 5.1-9 (inclusive) **or** in case any shipment of Gold Bars is not sent as per the time schedule mentioned in Clause 8 of this Agreement , then the Buyer, in addition to its right to terminate the Agreement by a unilateral written notification to the Seller, it shall have the right to collect any damages and losses (including loss of opportunity, potential costs paid by the Buyer pursuant to this Agreement in relation to customs clearance, security, transport, storage, smelting or refining, assaying, and all other expenses) incurred, such indemnification being considered as fair and reasonable by the Parties; and (ii) the Seller shall be obliged to ship the Gold Bars back to the origin airport at its own expenses (if such Gold Bars have been shipped).
- 5.4. The Buyer may (but in any case is not obliged to) waive fulfilment of any conditions stipulated in Clause 5.1 herein by a unilateral written notification to the Seller.
- 5.5 The Seller hereby expressly and unreservedly agrees and accepts the procedure in relation to the issuance of the Assay Result and Net Weight Report and notifications of its results by the Buyer as fair, reasonable and in accordance with the Parties' business arrangement and accord and waives any right to dispute the content of such. Moreover, the Parties acknowledge and accept that the maximum number of Assay Results for each Gold Bar (assuming only that each Gold Bar is homogenous) that can be performed within one (1) day are one hundred (100). So, if the Gold Bars are 1Kg each, then this means that a total of only 100Kg of gold can be assayed per day. If the Gold Bars are 12.5Kgs each, then it means that up to 1,250Kg of Gold can be assayed per week.

6. DELIVERY TERMS

- 6.1 Each shipment of Gold Bars shall be shipped to the Nominated International Airport and, upon Customs clearance by the Import Country Customs Authorities shall be delivered by the Seller to the Security Company, to be transferred and kept by the Security Company in their Bonded Warehouse for the purposes of this Agreement. The Security Company shall deliver the Gold bars to the Buyer's Refinery or Smelting Company or Assayer in the presence of the Seller (or their authorized representatives in this agreement), in case they are present, as per Clause 7.
- 6.2 All Gold Bars shall be insured by the Seller against all risks until delivery to the Buyer pursuant to the terms of this Agreement on the Seller's expense.
- 6.3 The export document processing, taxes, duties, freight & insurance costs and other expenses imposed on or required up to delivery of the Gold Bars to the Nominated International Airport, shall be borne by the Seller.
- 6.4 The import procedure (including clearance by the Import Country customs authorities) shall be the responsibility of the Seller, provided however that all associated fees taxes and levies, as well as, all security transport and associated costs from the Nominated International Airport to the Bonded Warehouse, including cost of assaying, etc. and until the moment of transfer of ownership or termination of the Agreement pursuant to Clause 12 herein shall be borne and paid directly by the Seller, including the expenses of re-smelting or refined in case the Gold Bars sent by the Seller are not homogeneous which, if paid by the Buyer, will be deducted from the Final Commercial Invoice;
- 6.5 The Seller is obligated to notify the Buyer at least three (3) days prior to shipment all details of the airline, date of loading at the export country, flight number, date and time of arrival at the Import Country. Failure to do so may result in delays in Customs Clearance, and/or Assaying, and/or refining, and the Buyer shall be held harmless and blameless.
- 6.6 The Buyer undertakes to use its reasonable endeavours, subject always to applicable law, to facilitate the Seller in order to obtain clearance of the Gold Bars by the Import Country customs authorities; to this end the Buyer shall, should the Seller requires so, designate to the Seller any licensed customs clearance third parties or shall make available to the Seller any

Seller's Initial

Buyer's Initials

Buyer's licensed customs clearance personnel.

6.7 All delivery dates mentioned in this agreement assume that the Seller notifies the Buyer at least four (4) days in advance and the Customs Clearance Agents, the Assayer and especially the Refinery or Smelting Company that the gold bars will be taken for re-smelting or refined if they are not homogeneous agree to do it on the estimated time as planned in this agreement if everything runs smoothly, otherwise there may be delays beyond the Buyer's control, since all the service providers (Security Company, Customs Brokers, Assayers, Refineries, Smelting Companies) are in no way controlled by the Buyer and they will quote their own delivery times.

7. TRANSFER OF OWNERSHIP AND PAYMENT TERMS

7.1 Ownership and possession of the Gold Bars shall remain at all times with the Seller and it will only pass from the Seller to the Buyer upon signature by the Buyer and the Seller (or their authorized representatives in this agreement) of the Final Commercial Invoice in the presence of the Buyer's Bank officer or Assayer's representative or Refinery's representative in the Import Country pursuant to Clause 5.1-11 herein. Once ownership and possession of the Gold Bars passes from the Seller to the Buyer pursuant to the previous sentence, the Security Company shall transfer and deliver the Gold Bars according to the Buyer's instructions.

7.2 In case the sale of any shipment of Gold Bars is not consummated for any reason whatsoever and the Agreement is terminated by the Buyer pursuant to Clause 5.3 herein, then the Security Company shall deliver to the Seller the Gold Bars, and the Seller will be responsible to pay for all charges incurred after arrival and also all shipping charges back at their place of origin.

7.3 Provided that transfer of ownership and possession of the Gold Bars to the Buyer has occurred pursuant to Clause 7.1. herein, the Buyer shall, within three (3) Business Days from signature by the Buyer and the Seller of the Final Invoice pursuant to Clause 5.1-11 herein: (a) transmit through wire transfer the Price for the respective shipment of Gold Bars to the bank account designated by the Seller in Clause 9.2. herein; and (b) transmit through wire transfer any remuneration owed to the Intermediary as agreed under a separate agreement between the Buyer and the Intermediary for the respective shipment of Gold Bars.

7.4 A copy of the swift provided by the Buyer's bank direct to the Seller or his representative or his bank in relation to the transfer of any amount to the bank account designated in writing by the Seller shall constitute full proof of the payment of such amount.

8. SHIPPING AND DELIVERY SCHEDULE

8.1 The shipping schedule of the Gold Bars to be sold under the terms and conditions of this Agreement shall be as follows;

8.1-1 The first Two Hundred Kilograms (200 Kgs) Gold Bars delivery shall be made not later than ten (10) Business Days from fulfilment of the last of conditions mentioned in 5.1-2 – 5.1-5.

8.1-2 Provided that the consummation of the sale of the first shipment of Gold Bars has been effected pursuant to the terms and conditions of this Agreement, the Seller shall deliver shipments as per the delivery schedule provided by the Seller in Annex A.

9. SELLER'S BANK COORDINATES

9.1 The Seller designates the following bank as the bank where price for the sale of the Gold Bars shall be sent through wire transfer by the Buyer:

BANK NAME:	
BANK ADDRESS:	
BANK TEL / FAX:	
BIC /SWIFT CODE:	
BANK OFFICER:	
TELEPHONE:	
EMAIL:	
ACCT. HOLDER NAME:	
ACCT. NUMBER (USD):	
REFERENCE CODE:	

9.2 The Seller may change the bank account that is mentioned herein, provided he does so in writing (designating on the same document the new bank account details) at least five (5) Business Days prior to the issuing of the payment by the Buyer's bank.

10 BUYER'S BANK COORDINATES

10.1 The Buyer designates either one or all of the following banks as the banks who shall be transferring the payment:

10.1.1

BANK NAME:	
ADDRESS:	
SWIFT:	
BANK OFFICER:	
TELEPHONE:	
E-MAIL:	
ACCOUNT BENEFICIARY NAME:	

10.2 The Buyer may change at any time the payment transferring bank mentioned in Clause 10.1 herein.

11. DELIVERY DOCUMENTS

11.1 Each shipment and delivery shall be identified with all appropriate contract numbers. Copies of the documents shall be sent for customs preclearance (if at all possible and done by the Import Country customs authorities) as provided in Clause 5.1-3 herein and original documents will be provided with shipment at the port of destination:

11.1-1 Three original Proforma Commercial Invoices in favour of the Buyer with Consignee, the Buyer's nominated customs clearance and Security Transport and Storage Company (G4S or Brinks), based on the weight and purity of the Gold Bars ascertained by the Preliminary Assay Report, minus the discount offered and based on the second fixing of the previous day's price LBMA ("for customs purposes only") ("**Proforma Commercial Invoice**");

11.1-2 Certificate of origin and Certificate of circulation of merchandise;

11.1-3 Full set Original Bill of Landing / Bill of Entry (BOE) / Customs Declaration Form with no marking of any kind, Air Waybill marked "Air Freight Pre-Paid" and showing the Gross, Net weight, showing the shipment description as "believed to contain gold" cargo and showing the Harmonized Custom Code for Raw Gold Ingot form 71081210;

11.1-4 Fully completed Client Information Sheet ("**CIS**") ten days prior to contract signature and shipment, as found at our website at: [CIS for Sellers.doc](#);

11.2 The above four documents are mandatory for customs clearance and transfer of payment, while the following documents may be optionally required by the Refinery, the banks and Governmental Authorities so in order to avoid any delays, the Seller is strongly advised to also submit them on time:

11.2-1 Inventory of goods - packing list with gross and net weight of the gold content, net weight of each Gold Bar, number of Gold Bars per box serial numbers of packing boxes;

11.2-2 Insurance Certificate;

11.2-3 Export license;

11.2-4 Certificate of ownership stating that Seller is the lawful owner of the goods;

11.2-5 Export Permit;

11.2-6 Preliminary Assay Report;

11.2-7 Customs Certificate and taxes receipt of the country of origin;

11.2-8 Title of exportation and declaration by Seller/Supplier/Owner stating that payment of all duties, charges and taxes to the relevant authorities at origin, that the Gold Bars is of non-criminal origin, unencumbered and free of any liens, transferable and exportable;

11.2-9 Shipping Approval Certificate;

11.2-10 Any other documentation requested by Import and Customs Authorities in the Import

Country or the Refinery in the Import Country that may even request full details of the mine that the gold was produced from;

11.2-11 Further required documentation if the Gold comes from the DRC or any neighbouring country to the DRC or a country that the Import Country requires such documentation, as follows:

- UN clearance;
- Interpol clearance certificate;

11.2-12 Compliance that the gold contains no Deleterious Elements as shown in detail in Annex C (Deleterious Materials).

12. REPRESENTATION AND WARRANTIES

12.1 The Seller represents and warrants that

12.1-1 It is the rightful legal owner and beneficiary of the Gold Bars offered herein for sale.

12.1-2 The Gold Bars offered herein for sale (a) meet the Specifications; and (b) do not have any impurities, or contain material, which are hazardous to persons and environment.

12.1-3 The Gold Bars offered herein for sale are: (a) free and clear of any and all claim, lien, security interest, charge, pledge, mortgage, option, encumbrance, right of pre-emption, right of first refusal, or other restriction or right of any third party of any kind or an agreement, arrangement or obligation to create any of the foregoing (including but not limited to holding in trust for the benefit of another, interests arising from options, indentures, and security agreements; and (b) have been obtained by the Seller in compliance with the rules of any applicable legislation.

12.1-4 The Gold Bars offered herein for sale can be transferred by the Buyer to any third party without restrictions anywhere in the world.

12.1-5 The Gold Bars offered herein for sale are not related in any way whatsoever to any terrorist and/or criminal activities and they have been obtained, maintained into the ownership and possession of the Seller and are offered to the Seller in a way that does not contravene to any provision of:

- The Narcotic Drugs (Control, Enforcement and Sanctions) Act 1990 (PNDCL 236),
- The Criminal Offences Act 1960 (Act 29),
- Anti-Money Laundering Act 2008 (Act 749) and its Regulations (L.I. 1987),
- Anti Terrorism Act 2008 (Act 762) ,
- The Minerals and Mining Act, 2006 (Act 703) and its Regulations,
- Any other applicable legislation

12.1-6 The Gold Bars offered herein for sale do not have any impurities, or contain material which can disturb the refining process or the assay and as well influence the environmental protection processes. Penalties will apply should the Gold delivered to Buyer contain any Deleterious or Hazardous Material. Additional charges due to the excessive impurity content of the gold will be deducted from the amount payable to the Seller. Buyer and Refinery have the right to refuse acceptance of the gold and keep the Performance Bond proceeds as penalty, besides having the right to take the Seller to court for further damages..

12.2 The Buyer represents and warrants that the origin of the funds used for purchasing the Gold Bars does not contravene to any provision of:

- The Narcotic Drugs (Control, Enforcement and Sanctions) Act 1990 (PNDCL 236),
- The Criminal Offences Act 1960 (Act 29),
- Anti-Money Laundering Act 2008 (Act 749) and its Regulations (L.I. 1987),
- Anti Terrorism Act 2008 (Act 762) ,
- The Minerals and Mining Act, 2006 (Act 703) and its Regulations,
- Any other applicable legislation

12.3 Each Party hereby represents and warrants in respect of itself, to the other Party that:

12.3-1 it is lawfully incorporated and existing under the laws of its jurisdiction.

12.3-2 it has the necessary power to enter into and perform its obligations under this Agreement.

12.3-3 this Agreement has been duly authorised and executed by it and constitutes valid, legally binding and enforceable obligations upon it.

12.3-4 neither the entry into this Agreement nor the implementation of the transactions

contemplated by it will result in:

- (a) a violation or breach of any provision of its articles of association, statutes by-laws or other constitutional documents;
- (b) a breach of, or give rise to a default under, any contract or other agreement to which it is a party or by which it is bound;
- (c) a violation or breach of any applicable laws or regulations or of any order, decree or judgement of any court, governmental agency or regulatory authority applicable to it

and in case of breach of any such undertaking, representation or warranty, the Party in breach agrees to indemnify and keep indemnified the other Party against any and all losses, liabilities, costs and expenses suffered or incurred by the other Parties in relation to any such breach

12.3-5 no action, proceeding, litigation or dispute against it is presently taking place or pending which would or might threaten or inhibit its ability to perform its obligations under this Agreement.

12.3-6 all governmental or official approvals, consents, notarisations, legalisation and registrations required in relation to the making, performance and validity of this Agreement have been obtained by it at the time they were required and are, to the extent required, in full force and effect.

13. APPLICABLE LAW AND JURISDICTION

13.1 This Agreement shall be governed by the English law.

13.2 Any disputes arising out of, or in context with this Agreement or related to any agreement concluded as a result of this Agreement shall be settled by Arbitration. The seat of the arbitration tribunal shall be under the rule of conciliation and arbitration of the International Chamber of Commerce Court of Arbitration, and the English language shall be the language of the contract and proceedings. Jurisdiction and venue of arbitration shall be in London, United Kingdom.

14. FACSIMILE COPIES AND COMMUNICATIONS

14.1 This Agreement shall be accepted to be legal and binding by both parties if executed and sent by fax and/or email and/or registered mail or courier, and at the same time, send by courier and submitting the courier company name and air waybill tracking number, direct to the parties concerned at the contact details contained within this Agreement.

14.2 Any communication for the purposes of this Agreement shall be effected through e-mail and/or fax and/or registered mail or courier at the contact details contained within this Agreement

15. CONFIDENTIALITY

15.1 Subject to Clause 15.2 herein, each Party shall keep in confidence and not disclose to any third party or use for any purpose other than as authorised by this Agreement, the content and existence of this Agreement (or any discussions and negotiations pertaining thereto), as well as, all 'Confidential Information' which was provided to it by the other Party or any other Party's representatives, in respect of such Party and such Party's officers, shareholders, client's and business without the written authorization of the disclosing Party. For the purpose of this Agreement, the term '**Confidential Information**' means any information which a Party ('**Receiving Party**') receives from the other Party ('**Disclosing Party**') in writing or other tangible form. Notwithstanding the foregoing, Confidential Information does not include any information that:

- (a) is already known to the Receiving Party at the time of its receipt from the Disclosing Party; or
- (b) is or becomes publicly available without breach of this Agreement by the Receiving Party; or
- (c) is made available to a third party by the Disclosing Party without restriction on disclosure; or
- (d) is received by the Receiving Party from a third party without, to the Receiving Party's best knowledge, any obligation of confidentiality; or
- (e) is independently developed by the Receiving Party without use of the Disclosing Party's Confidential Information.

15.1 Any Party may disclose the existence and/or content of this Agreement to any of its legal or

financial advisors, bankers, employees or consultants, provided that this is necessary for the purposes of this Agreement.

16. COVENANTS AND ACKNOWLEDGMENTS

- 16.1 Each Party covenants to use its best efforts in the full spirit of co-operation to promptly achieve the purpose set forth herein.
- 16.2 The Parties hereby acknowledge that the Seller has undertaken and promised, after having made any diligent inquiry itself and through its specialized advisors that the Gold Bars to be shipped pursuant to this Agreement can be imported to the Buyer's nominated airport in the Import Country and shall procure that any legal action required to this end shall be promptly taken.
- 16.3 Each party on behalf of itself and acknowledges and agrees with the other Party that:
 - 16.3-1 in entering into this Agreement neither party has relied on any representation or statement made prior to entry into this Agreement; and
 - 16.3-2 the only remedy available to either party for breach of this Agreement shall be for breach of contract under the terms of this Agreement and it shall have no right of action against any other party in respect of any representation or statement made prior to entry into this Agreement. Nothing in this Agreement shall, however, operate to limit or exclude any liability for fraud.

17. MISCELLANEOUS

- 17.1 This Agreement together with any documents referred to in it constitutes the entire agreement and understanding between the Parties and supersedes any previous oral or written agreement between them (which shall be deemed to have been terminated by mutual consent) relating to subject matter hereof .
- 17.2 If any term, covenant, condition or provision of this Agreement, or their application to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.
- 17.3 Waiver by party of performance of any covenant or condition under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver of any other covenant or condition under this Agreement.
- 17.4 Time is of the essence in the performance of services under this Agreement.
- 17.5 The Parties agree that the present business arrangement reflected in this Agreement is on a non exclusive basis.
- 17.6 No variation of or supplement to this Agreement, or of any of the documents referred to in it, shall be valid unless it is in writing and signed by or on behalf of each of the Parties .
- 17.7 This agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, and all the counterparts together shall constitute one and the same instrument.
- 17.8 Unless otherwise notified in writing by the Seller to the Buyer, the following additional persons can only represent and bind the Seller for the purposes of this Agreement:

Full Name:	SELLER'S REPRESENTATIVE 1
Passport No/Country:	

Full Name:	SELLER'S REPRESENTATIVE 2
Passport No/Country:	

- 17.9 Unless otherwise notified in writing by the Buyer to the Seller, the following additional persons can only represent and bind the Buyer for the purposes of this Agreement:

Full Name:	
Passport No/Country:	

Full Name:	
Passport No/Country:	

CONTRACT NUMBER: A1234

SELLER'S CODE: XXXXXXX

BUYER'S CODE: AGGT2467

FOR & ON BEHALF OF THE SELLER:

Company:	
Position:	
Name:	
Passport No/Country:	
Date:	

Authorized Seller's Signature & Company Stamp

FOR & ON BEHALF OF THE BUYER:

Company:	EKA GOLD GENERAL TRADING FZC
Position:	Administrative Manager
Name:	John Woods
Passport No/Country:	United Kingdom, XXX, Exp. XX-XXX-XXXX

Authorized Buyer's Signature & Company Stamp

EDT (Electronic document transmissions):

EDT (Electronic document transmissions) shall be deemed valid and enforceable in respect of any provisions of this Contract. As applicable, this agreement shall be:- Incorporate **U.S. Public Law 106-229**, "Electronic Signatures in Global and National Commerce Act" or such other applicable law conforming to the UNCITRAL Model Law on Electronic Signatures (2001) and ELECTRONIC COMMERCE AGREEMENT (**ECE/TRADE/257, Geneva**, May 2000) adopted by the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). EDT documents shall be subject to **European Community Directive No. 95/46/EEC**, as applicable. Either Party may request hard copy of any document that has been previously transmitted by electronic means provided however, that any such request shall in no manner delay the parties from performing their respective obligations and duties under EDT instruments.

Seller's Initial

Buyer's Initials

CONTRACT NUMBER: A1234

SELLER'S CODE: XXXXXXXX
BUYER'S CODE: AGGT2467

Seller's Certificate of Incorporation

www.dkegoldfzc.com

Seller's Initial

Buyer's Initials

CONTRACT NUMBER: A1234

SELLER'S CODE: XXXXXXX
BUYER'S CODE: AGGT2467

Seller's Passport Colour Copy

www.dkegoldfzc.com

Seller's Initial

Buyer's Initials

CONTRACT NUMBER: A1234

SELLER'S CODE: XXXXXXX
BUYER'S CODE: AGGT2467

Buyer's Passport Colour Copy

NOT AVAILABLE TO BE SENT VIA EMAIL, BUT AVAILABLE TO BE SHOWN IN DUBAI

www.dkegoldfzc.com

Seller's Initial

Buyer's Initials

CONTRACT NUMBER: A1234

SELLER'S CODE: XXXXXXX
BUYER'S CODE: AGGT2467

Buyer's License

www.dkegoldfzc.com

Seller's Initial

Buyer's Initials

ANNEX A
Delivery Schedule

SHIPMENT N° SHIPPING DATE (DAY/MONTH) QUANTITY OF SHIPMENT (*1)
 DESTINATION (Free zone)

DELIVERY	QUANTITY	MONTH
1	200 Kg	1 st Month
2	200 Kg	2 nd Month
3	200 Kg	3 rd Month
4	200 Kg	4 th Month
5	200 Kg	5 th Month
6	200 Kg	6 th Month
7	200 Kg	7 th Month
8	200 Kg	8 th Month
9	200 Kg	9 th Month
10	200 Kg	10 th Month
11	200 Kg	11 th Month
12	200 Kg	12 th Month
TOTAL QUANTITY	2400 KG	ROLLS& EXT

*1 +/-5% (Plus / Minus Five Per Cent)

END OF PAGE

Seller's Initial

Buyer's Initials

ANNEX B

Price

The price for the sale and purchase of each shipment of Gold Bars shall be the LBMA second Fixing price per Ounce on the date of the final assay, per troy ounce of pure gold content of 999.9% purity, on the previous day of the date of written notification by the Buyer to the Seller on the Assay Result pursuant to Clause 5.1-10, reduced by an amount equal to the Purity Adjustment (if applicable) as per the Assay Result, further reduced by a discount amount of XXX per cent (XX%), multiplied by the net weight of such Gold Bars (following, for the avoidance of doubt, their potential smelting or refining pursuant to Clause 5.1-9) as such has been determined in the Net Weight Report by the Security Company and/or Buyer's Nominated Assayer and/or Buyer's Nominated Refinery, and in case the gold bars are not homogenous, minus any expenses (for smelting or refining and making them homogeneous, expenses for the Security Transport & Insurance Fees required for moving the gold bars safely for smelting or refining) that will be incurred and paid by the Buyer on behalf of the Seller in case the Seller does not pay them.

In case any expenses (like security transport, melting or refining, VAT, etc.) that have been paid by the Buyer on behalf of the Seller, including turning the bars to a homogeneous form, all this amount will be deducted from the amount owed as per the Final Commercial Invoice.

END OF PAGE

ANNEX C

DELETERIOUS ELEMENTS

The Seller shall advise Buyer in advance prior to shipment if the Gold contains any of the following deleterious elements which exceed Iron 2.00%; Copper 10.00%, Zinc 5.00%, Lead 2.50%, Nickel 2.00%, Bismuth 0.50%, Mercury 0.20%, Arsenic 0.20%, Beryllium 0.20%, Cadmium 0.50%, Antimony 0.50%, Selenium 0.20%, Tin 0.20%, and Tellurium 0.20%.

Penalties will apply should the Gold delivered to Buyer contain levels in excess of these levels. Additional charges due to the excessive impurity content of the gold will be deducted from the amount payable to the Seller. Buyer has the right to refuse acceptance of the gold and keep the Performance Bond proceeds as penalty, besides having the right to take the Seller to court for further damages.

In the following the most common impurities in refining material are specified and limits are formulated below which the material is acceptable without additional amounts being charged to the Supplier.

These limits are to be considered as indications by Buyer and have to be re-evaluated depending on the material and the process of refining it is destined for.

Class I: Impurities, which are hazardous to personal and environment:

Element		Acceptable levels
Radioactive		none
Mercury	Hg	none
Arsenic	As	max. 100 ppm
Cadmium	Cd	max. 100 ppm

Class II: Impurities, which can disturb the refining process and as well influence the environmental protection processes:

Element		Acceptable levels
Lead	Pb	max. 2.5%
Tin	Sn	max. 3%
Selenium	Se	max. 500 ppm
Tellurium	Te	max. 500 ppm
Bismuth	Bi	max. 100 ppm
Antimony	Sb	max. 100 ppm

There are other elements, which may be present in refining material, that do not have hazardous properties or disturb the processing significantly if present in minor quantities but may disturb severely the homogenization and sampling due to the fact that they produce a heavy segregation when the Gold solidifies. These elements in particular are Iron (Fe), Nickel (Ni) and Cobalt (Co). This list is not representative for all material compositions and subject to adjustment by in case of necessity.

In case the Dore bars or alluvial Gold in form of powder supplied by the Seller contain impurities that are deleterious to other persons or to the refining process, the Buyer shall have the right to either

- Reject the Shipment; all expenses incurred by the Buyer in connection with the rejected Shipment being for the account of the Seller, or
- Ask for additional payments from the Seller in order to cover any additional cost that the Buyer incurs in connection with such deleterious elements.

Seller's Initial

Buyer's Initials