



INVESTMENT ACTIVITIES

INBOUND

- 1 **Client receives SA Bullion International brochure.**
- 2 **Client receives an Investment Illustration of the investment** using the most recent gold price. Client understands that the actual transaction price will differ from the illustration as it will be at an unknown future price.
- 3 **Client completes the SA Bullion International Facility investment form.** The form is also signed by Financial Advisor if applicable. Client submits form and supporting documents to the SA Bullion Client Service team at business@sabullion.co.za or business@sabullion.com.
- 4 **SA Bullion Service Team reviews documentation** and runs client screening. SA Bullion submits documentation to Sovereign Trust compliance team in Mauritius for review and screening. Sovereign Trust submits documentation to Mauritius Commercial Bank (MCB) for final compliance. Process takes three business days.
- 5 **Client arranges transfer of US Dollar funds to SA Bullion International.**
 - The client either personally arranges transfer of funds; alternatively
 - The client makes use of the services of SA Bullion preferred forex dealer Exchange4Free. SA Bullion will initiate the process but associated administrative work is performed by Exchange4Free. This company does not charge for administrative work. The client may quickly and easily act on Single Discretionary Allowance funds (max R1 million per resident per calendar year), and/or procure a South African Revenue Service Tax Clearance Certificate (FIA001) to permit offshoring of a maximum of R10 million per resident per calendar year. Client will transfer Rands to their own new bank account with Mercantile Bank that is under the control of Exchange4Free. Exchange4Free will arrange an exchange rate and then remit the US Dollar funds to the SA Bullion International account with MCB in Mauritius. For this component of their service Exchange4Free charges a negotiated rate of 0.4%.
- 6 **SA Bullion Dealing Desk transacts with a gold refinery** in Johannesburg, Zurich or Dubai on behalf of Client. Process takes two to three business days.
- 7 **SA Bullion informs Brinks of new consignment.** Brinks performs collection and high-security conveyance of gold bars to vaulting facility at Brinks Dubai or Brinks Zurich.
- 8 **SA Bullion International Transaction Advice is generated** and emailed to Client. Details include Client name, date, types of gold products acquired, quantity of gold products acquired and value.
- 9 **Client's undeployed cash (cash remainder following purchase) remains in SA Bullion International's Client Account** credited to Client and is utilised as source of funding for SA Bullion fees into the future.

SERVICING

- 10 **SA Bullion maintains audit, vaulting and insurance of Client gold holdings.** SA Bullion transacts for new contributions or withdrawals per Client instruction.
- 11 **SA Bullion produces monthly client statements** (reflecting gold holdings and cash) and customer invoices which are emailed to Client.
- 12 **SA Bullion produces quarterly reports which are emailed to Client.**

OUTBOUND

- 13 **The reverse takes place where Client disinvests** and requires cash settlement. SA Bullion arranges liquidation to refinery from which gold was purchased.
- 14 **Where Client wishes to take delivery of their gold** SA Bullion arranges with Brinks for delivery to Client or collection by Client. SA Bullion arranges settlement of charges and recovers same from client.

GOLD PRICING



KRUGERRAND

Gold Price ex Rand Refinery
+ 5% premium



MINTED BAR 100G

Gold Price ex LBMA
+ 2.5% premium



CAST BAR

Gold Price ex LBMA
+2.5% for first 5 bars
+2.0% for next 5 bars
+1.5% for next 5 bars
+1.0% for further bars

FACILITY FEE AND SETTLEMENT

The SA Bullion International Facility applies a fee rate of 1% per annum. Fees are accumulated daily ($1\%/365 \times$ number of days) and billed each month.

Following purchase of gold, the cash remainder is credited to the client and utilised for fee settlement into the future. When the cash remainder is depleted, SA Bullion International will approach Client for cash contribution or instruction to sell a unit of gold to raise cash.

SERVICING OFFICE

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