

PURCHASE AND STORAGE OF PRECIOUS METALS

"Absolute Storage" Package / Package for Legal Entities / Package for Individuals
Advantages and opportunities of investing in precious metals / Security Guarantees

For thousands of years, gold has been a vital part of economic life throughout many cultures. If we look at gold as a kind of asset, it tends to be particularly attractive in times of economic uncertainty and political instability. One of the latest examples confirming this trend is the increase in the gold price during the COVID-19 pandemic crisis.

According to publications in April 2020 from various sources, such as Bloomberg, Bank of America experts believe that gold will rise in price on inflation expectations, reaching a price of \$3,000 (+ 72.03%) per ounce until October 2021. Earlier, the bank expected that the precious metal will reach \$2,000 per ounce.

The huge financial and monetary incentives that politicians are now resorting to strengthen the economy affected by the coronavirus will significantly increase the attractiveness of gold for investors, according to the financial institution.

"As economic output contracts sharply, fiscal outlays surge, and central bank balance sheets double, fiat currencies could come under pressure, investors will aim for gold." wrote BofA analysts, including Michael Widmer and Francisco Blanche.

The Bank of America forecast is the boldest on Wall Street and far exceeds the historic high of \$1,911.6 an ounce, which was recorded in September 2011, but many experts agree that gold has great growth potential under current conditions.

In March 2020, Goldman Sachs analyst Jeffrey Currie suggested that the gold market reached a tipping point and prices could reach \$ 1800 per ounce within a year. "We have long argued that gold is the currency of last resort, acting as a hedge against currency debasement when policymakers act to accommodate shocks such as the one being experienced now," he said.

The coronavirus pandemic has hit the global economy. To support it, the authorities resorted to unprecedented monetary infusions.

In early April, the Fed announced the largest in its history stimulus package worth \$2.3 trillion. In Europe, EU finance ministers agree on economic support of €0.54 trillion. China poured \$169.7 billion into the economy. However, by launching the "printing press", authorities raised fears of global inflation in world markets. To protect the value of their capital, investors rushed into gold. By mid-April, prices have reached its maximum level since 2012 - \$1,785 per ounce.

"The problem of the coronavirus in the world will be solved in the old proven way - the "printing press ". In this situation, gold looks like a first-class protective asset," wrote Alexander Razuvayev, head of the Alpari Information and Analytical Center. At the same time, the analyst is sure that the Bank of Russia did not make the worst choice - the share of monetary gold in its reserves is 20-22%.

Growth in the gold market has also increased investors interest in the gold mining sector. Many of the industry's companies showed record growth, ahead of the dynamics of gold. "Polyus "shares have grown by 72% since the beginning of the year, and "Polymetal" shares - by 60%.

According to experts of Bank of America, both companies will benefit from rising gold prices and a weakening ruble. Among other companies, "Polyus" and "Polymetal" are also distinguished by the fact that the outbreak of COVID-19 did not affect their work, although due to the coronavirus pandemic, gold production in the world decreased by 6 million ounces.

According to the review of the bank, despite the restrictions that Russia introduced in early April, Russian metallurgical and mining companies, including gold producers, continue to operate so far - unlike some foreign counterparts. Both companies assured that the current problems with gold exports from Russia are temporary.

ADVANTAGES AND OPPORTUNITIES OF INVESTING IN PRECIOUS METALS

Investing in precious metals has been many times considered by investors to be an opportunity to protect their savings from the economic stress and other negative external factors.

There are many reasons to buy gold, and these reasons can be divided into two separate categories.

- 1** One category can be defined as "eternal" reason to buy gold: the advantages of buying remain relevant, no matter what else is happening in the global economy. In addition to gold, there are other precious metals, which are considered sound investment, in particular silver, platinum, and palladium.
- 2** The second category includes factors that are specific to the current economic situation. For example, when the price of gold is increasing rapidly, and such a trend is likely to continue in the foreseeable future, this is an obvious reason to buy gold.

We have compiled a list of the top five reasons to buy gold. It should be noted that this list is a combination of both "eternal" reason and reason based on what is happening in the world right now. In general, this list provides a fair evaluation of why buying gold is a good investment of capital. It should also be noted that, while many of these reasons are relevant for investment in gold in any form, we want to draw attention to the benefits of the acquisition of physical gold and other precious metals:

- Protection from the negative effects of the economic downturn**

During the recession, one of the first measures taken by governments around the world is to print even more paper currency. This means that the global supply of money increases, resulting in an high inflation and currency devaluation. If a large percentage of your savings is kept in currency, your real net worth is significantly reduced. Precious metals offer excellent insurance in case of high inflation, because, when the real value of a currency decreases, the value of gold is steadily increasing.

Thus, if you invest enough money in the purchase of physical gold, any losses incurred by you as a result of inflation will be compensated, to some extent, due to the increase of the value of your gold. In the case of a really serious economic crisis with global implications and a possibility of a banking system collapse, the value of any gold that you own will skyrocket and can be one of the few assets or goods that have at least some real value. This scenario is quite extreme, but the reality is that gold really will protect your savings in case of such developments.

- Full independence from the banking system**

This advantage of investment in precious metals is the key, especially in view of recent events in the financial world. The law does not require stored precious metals to be supervised by any financial regulator. Moreover, stored assets are not owned by the vault, and do not appear on its trade balance, and the only owner of the assets is the holder of the warehouse receipt. Thus, by placing your assets in storage, you protect yourself against potential losses due to negative economic conditions and force-majeure.

- **High demand exceeding production levels**

The only way of producing gold is extracting it from natural gold deposits. Since mining is a long process, the level of gold production may not be able to fully satisfy the demand for it. There is absolutely no reason to assume that the demand for gold will decrease. On the contrary, most likely demand for gold will continue to grow due to the high interest on the part of developing countries to acquire it, and decrease the total amount of natural gold reserves on the planet. As the demand for gold continues to grow, it is logical to assume that the price of gold will rise.

- **Diversification of the investment portfolio**

An average investor is generally well aware of the importance of having a variety of investments in his portfolio, but many investors still tend to buy stocks and bonds. In times of economic downturn, stocks and bonds tend to have a negative impact on the conditions of the investment portfolio, and currency can be significantly devalued. Thus, by investing a significant amount of your capital in gold and other precious metals, you can protect yourself from the fall in the value of your shares and currency depreciation. When the stock market as a whole is in decline, the chances are high that the price of gold will rise. With a good balance of gold and other financial instruments in your investment portfolio, you can significantly protect yourself from serious economic shocks.

- **Ease of purchase**

The most direct way to own gold is to purchase physical gold bars or coins. The primary reason investors choose a gold bar is that it's less expensive than a gold coins, and easier to store. A gold bar takes up less space than the same number of ounces of coins. Gold is easily convertible to cash, and can go with you anywhere.

PURCHASE AND/OR STORAGE OF PRECIOUS METALS OFFER PACKAGES

"Absolute Storage" Package / Package for Legal Entities / Package for Individuals

Given all of the advantages, we found that investing in precious metals is an attractive investment for our group of companies, and developed a new service to support our clients, businessmen and wealthy individuals, who found such investment attractive, with the purchase of precious metals and their allocation for storage in Switzerland and Liechtenstein.

By taking advantage of this offer, our customers get the opportunity to quickly and easily invest their capital in one of the most sought-after assets in the world and place them for storage in one of the safe and secure vaults in Switzerland and Liechtenstein.

SECURITY GUARANTEES

Switzerland and Liechtenstein have a longstanding tradition of protection of private property and individual privacy. That is why these countries are the perfect place for storing your precious metals. When depositing precious metals, you will receive a warehouse receipt as a guarantee of the right to ownership of the asset allocated. At the request of the owner, the assets can be transferred to another person by simple procedure within 24 hours, or to any other private location indicated by the owner of the assets. In addition, the warehouse receipt can be used as collateral for the loan.

Repositories, where the precious metals will be stored, have absolutely no connection with the banking system, thus ensuring complete safety of your assets from situations such as the "haircut" of bank deposits in Cyprus in 2013.

Moreover, all the storage facilities meet the highest safety standards and are carefully selected. All the deposits of precious metals in all repositories are fully insured by Marsh, which is the world's leading insurance broker and risk adviser. This insurance covers all risks of loss of precious metals (for example, due to theft, fire, flood, embezzlement, terrorist acts, etc.) based on the current market price. All clients are provided with Certificate of Evidence of Insurance.

To ensure the safety and security of deposited assets, the entire content of storage facilities are inspected regularly for full compliance with a total number of the issued warehouse receipts. For more information check our **packages** and **contact** our office to request credentials on the selected storage vaults or any other assistance.



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PURCHASE AND/OR STORAGE OF PRECIOUS METALS OFFER PACKAGES
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Given all of the advantages, we found that investing in precious metals is an attractive investment for our group of companies, and developed a new service to support our clients, businessmen and wealthy individuals, who found such investment attractive, with the purchase of precious metals and their allocation for storage in Switzerland and Liechtenstein. By taking advantage of this offer, our customers get the opportunity to quickly and easily invest their capital in one of the most sought-after assets in the world and place them for storage in one of the safe and secure vaults in Switzerland and Liechtenstein.

"ABSOLUTE STORAGE" - THE UNIQUE OFFER PACKAGE FOR PURCHASE AND/OR STORAGE OF PRECIOUS METALS

"Absolute Storage" is a unique product that includes all of the necessary services for safe and secure purchase and storage of such precious metals as gold, silver, palladium and platinum, while providing the benefits of enhanced succession planning and asset protection or to preservation of the anonymity of the beneficial owner of assets.

This offer includes the registration of a company in UAE (RAKICC) with nominee services, the conclusion of the contract with one of the best vaults in Switzerland or Liechtenstein, the purchase of precious metals and their subsequent placement for storage. The guarantee of the right to ownership of the asset allocation is the warehouse receipt, which is issued to the client after the assets are placed in the repository.

The combination of a business located in UAE, which is a jurisdiction with zero corporate taxation and Double Tax Treaty benefits, and the advantages of the safety storage facilities in Switzerland or Liechtenstein, will ensure full anonymity and protection of the assets, while active companies are not subject to CRS or compliance rules of financial institutions, or to Automatic Exchange of Information.

Complete setup package for € 4,525 only

Cost of Administrative Services:

On-boarding compliance fee	€ 250
Registration of a company with nominee directors and shareholders for one year	€ 3,275
Preparing of a contract with the vault for placement of client's assets, preparation of necessary documents, and other administrative matters*	€ 1,000

The cost of storage (including insurance):

Collective storage assets (50,000 - 250,000)**:		
Gold, platinum, palladium	1.75 % of the value of assets/year	
Silver	2.25% of the value of assets/year	
Individual storage assets (250,001-1,000,000) :		
Gold, platinum, palladium	1. 5 % of the value of assets/year	
Silver	2% of the value of assets/year	
Individual storage assets (1,000,001 and above) :		
Gold, platinum, palladium	1.2 % of the value of assets/year	
Silver	1.7 % of the value of assets/year	

*Price does not include the costs of servicing the transactions and placement of assets (secure delivery and transfer from one vault to another or within the vault) which will be charged at an hourly fee.

**Minimum charge CHF 1,000

Apart from the "Absolute Storage", our company offers to its customers two packages of services related to the purchase and storage of precious metals by individuals and legal entities.

PACKAGE 1. PURCHASE AND/OR STORAGE OF PRECIOUS METALS BY LEGAL ENTITIES

Complete setup package from € 1.950

Cost of Administrative Services:

	Option A (RAKICC entity administered by us)	Option B (legal entity administered by third party)
On-boarding compliance fee	€ 250	€ 250
Registration of a company (without nominee services)	€ 1,975	
Preparing of a contract with the vault for placement of client's assets, preparation of necessary documents, and other administrative matters*	€ 1,000	€ 1,700
Total	€3,225	€1,950

The cost of storage (including insurance):

Collective storage assets (50,000 - 250,000)**: Gold, platinum, palladium	1.75 % of the value of assets/year
Silver	2.25% of the value of assets/year
Individual storage assets (250,001-1,000,000) : Gold, platinum, palladium	1. 5 % of the value of assets/year
Silver	2% of the value of assets/year
Individual storage assets (1,000,001 and above) : Gold, platinum, palladium	1.2 % of the value of assets/year
Silver	1.7 % of the value of assets/year

*Price does not include the costs of servicing the transactions and placement of assets (secure delivery and transfer from one vault to another or within the vault) which will be charged at an hourly fee.

**Minimum charge CHF 1,000

PACKAGE 2. PURCHASE AND/OR STORAGE OF PRECIOUS METALS BY INDIVIDUALS

Complete setup package for € 1.500 only

Cost of Administrative Services:

On-boarding compliance fee	€ 250
Preparing of a contract with the vault for placement of client's assets, preparation of necessary documents, and other administrative matters*	€ 1,250

The cost of storage (including insurance):

Collective storage assets (50,000 - 250,000)**: Gold, platinum, palladium	1.75 % of the value of assets/year
Silver	2.25% of the value of assets/year
Individual storage assets (250,001-1,000,000) : Gold, platinum, palladium	1. 5 % of the value of assets/year
Silver	2% of the value of assets/year
Individual storage assets (1,000,001 and above) : Gold, platinum, palladium	1.2 % of the value of assets/year
Silver	1.7 % of the value of assets/year

*Price does not include the costs of servicing the transactions and placement of assets (secure delivery and transfer from one vault to another or within the vault) which will be charged at an hourly fee.

**Minimum charge CHF 1,000

For more information and any further assistance regarding our packages please do not hesitate to contact our office anytime to receive a detailed offer.