

Sale and Purchase Agreement for Au Bullion

Transaction Code:
Seller's Code:
Buyer's Code:

Note: This agreement can be executed and appear in two different languages, in English and copies. In case of discrepancies, questions or uncertainties, the English original supersede the translation.

THIS CONTRACT WAS ENTERED THIS xxth DAY OF MARCH, 2012 BY AND BETWEEN:

THE SELLER:

Company Name :
Address :

Authorized Signatory :
Title :

Hereinafter called “The Seller”

And

THE BUYER:

Company Name :
Address :

Authorized Signatory :
Title :

Herein, called “The Buyer”.



Private & Confidential - Not for circulation

This document (and any enclosure or attachment) is intended only for the parties named on this Agreement, or their Bank's and contains confidential and legally privileged information. Any use, distribution, modification, copying or disclosure by any other person is strictly prohibited. If you receive this document in error, please notify the sender by return e-mail or facsimile and delete this document (and any copies or attachments) from your computer or destroy your hard copy. The Author and Buyer jointly abd severally disclaim all responsibility from and accept no liability whatsoever for the consequences of any unauthorised person acting or refraining from acting, on any information contained herein.

Buyer's Initials:

Seller's Initials:

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The Signatory Parties

Seller's Name:		
Company:		
Legal address:		
Register number:		
Representative/Title:		
Passport- ./country:		
Telephone:		
Facsimile:		
Cell Phone:		
Email Address:		

(herein, called the Seller)

Seller Bank Details:

Bank:		
Account name:		
Account number:		
Bank address:		
Bank Officer:		
SWIFT:		
Telephone:		
Fax:		



And

Buyer's Name		
Company		
Legal address:		
Register number:		
Representative/Title		
Passport- #./country		
Telephone	+	
Facsimile	+	
Cell Phone	+	
Email Address		

(herein, called the Buyer)

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Details of Buyer's Bank

Bank:	
Account Name:	
Account Number:	
Metal Account:	
Bank address:	
Bullion Officer:	
SWIFT:	
Telephone:	
Fax:	

Whereas,

- A. The **Seller** declare and warrants that he is the Legal Owner of the Au metal and he undertakes to sell and deliver the Commodity with full legal authority and corporate responsibility as Gold Dore Bars and/or as GLD **Gold Bullion** on the terms and conditions stated in this Agreement, having a valid **License to Sell Au metal** and to **Export** it with full necessary export Licenses / Permits.
- B. The **Buyer** declare and warrants that he owns sufficient funds to purchase the Au metal from Seller and his Bank will be able to prove his financing capability upon Seller's presentation of a verifiable proof of a minimal tranche of 1 – 10 MT.

Agreement

This Agreement shall be implemented in accordance with the following terms, conditions and procedures:

1 Terms

Commodity	
Purity	
Format	
Origin	
Delivery	
Contract Quantity	
Contract Duration	
Per Tranche Lift	

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Assaying	
Discount	
Commission	
Payment	
SBO Definition	
BBO Definition	
Price	

2 Warranties and Authorities

2.1 Capacity

The persons signing this agreement warrant that they have full authority vested in them to enter into this agreement. The **SELLER** warrants he is the **Legal Owner of the Au metal** subject of this Contract, or he has full and legal Authority to sell the Commodity, given by the Legal Owner and is legally entering into this agreement. The **BUYER** warrants that he has legal authority and full capability to purchase all offered Commodity at the price and terms recorded herein, and is legally entering into this Agreement. **BUYER** and **SELLER** also agree and covenant not to disclose any proprietary information or client representations outside of the parties to this contract.

2.2 Security

Each person whose signature is affixed hereto further warrants, represents and affirms under the risk and penalty of perjury, that to the best of their knowledge and belief:-

- (a) this transaction does not involve any violation of any law or regulation of Switzerland, or of the United States of America, or of any other country involved in this transaction, nor does it involve any violation of international law.
- (b) no person with whom the signatory is associated or affiliated in any way with regard to this transaction intends to do anything which would (1) violate any law or regulation of Switzerland, or of the United States, or of any other country involved in this transaction, nor of international law; or (2) jeopardize the security or integrity of the United States of America.
- (c) no Specially Designated Nationals, Specially Designated Narcotics Traffickers, Foreign Terrorist Organizations, Blocked Persons, or targeted countries, as designated by the Office of Foreign Assets Control is now or will hereafter (1) be a party to this transaction; or (2) share in any benefits of this transaction.

3. Sale of Au NON - Bullion

3.1 IN CASE OF CONFIRMED GLD - Compliance Bullion

The **SELLER** records:-

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(a) That the **Commodity to be sold hereunder is GLD Gold Bullion**, presently secured at the GLD approved depositories (i.e. RAND Refinery South Africa) but the Buyer will option to refine the Commodity at his expense and takes the Ownership by paying the Commodity upon Final LMBA Refinery Assay Report at his own LBMA Refinery.

or

The Gold Bullion may be taken over from the Seller Depository (Seller's gold Bullion Account at RAND) .

3.2 Assay-Payment Basis

The assaying is to be effected by an internationally recognised, and mutually approved Assayer and the resultant report shall form the basis of payment under this agreement.

3.3 Delivery of Bullion

Prior to delivery and payment, the **Bullion Officer of the Seller's Bank or Refinery** will examine all documents and exchange them with the **Buyer's Bullion Officer**. The **Buyer's Bullion Officer** confirms the **Seller's Bullion-Officer** the capital for the purchase following the agreed Loan-Bond-Procedure **via Swift**. The **Buyer's Bullion Officer** shall receive the **following documents** from the **Seller**:

3.4 Delivery documents:-

At the time of Delivery and Payment, the Seller shall deliver to the Buyer's Bank:-

- (a) Commercial Invoice (4 originals);
- (b) Certificate of Ownership;
- (c) Certificate of Origin;
- (d) Bullion Certificate (if applicable);
- (e) Assayer's Certificates;
- (f) Tally Sheet per Bullion Certificate if applicable);
- (g) Insurance Endorsement / Police;
- (h) Export Permit / License;
- (i) Declaration by Seller/Supplier/Owner stating that he has paid all the duties, charges and taxes or levies to the relevant Authorities in the country of origin and that the metals are free from any liens, taxes, encumbrances or mortgages at delivery;
- (j) Packing list; describing each bar as follows:
- (k) Serial Number as stamped on each bar
- (l) Fineness as stamped on each bar
- (m) Raw Weight as stamped on each bar
- (n) Total Weight as stamped on each bar
- (o) Warrant/Certificate of the Goods as being of non-criminal origin, issued by Seller / Supplier / Owner.



The **Buyer and/or Buyer's Bank Officer** shall have the right to inspect the Gold documents (**Para 3.4 above**) and have them verified by the issuing depository.

PROCEDURE

Buyer's Initials:

Seller's Initials:

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- A) Signing this Sales Purchase Agreement (*SPA*) of a minimal 1 – 10 MT Lot of Gold.
- B) **BUYER** and **SELLER** sign and seal the hard copy of the contract.
- C) Buyer and Seller will exchange this agreement by bounded courier and copy via email.
- D) After finalizing the checking of all relevant documents by the Buyer's bank, Buyer's Bank transfers to Seller's Bank the Amount of Money equalling the agreed Amount of Gold per Tranche (i.e. 1 MT AU = 55 Mio USD) in Form of a Loan to the Seller by conditional Swift in Exchange of a Collateral from an A-rated Bank securing such Money including a basic Interest Rate for one Year, also transferred via Swift from the Seller's to the Buyer Bank.
- E) The agreed Interest of the Loan from the Buyer Side corresponds with the Discount the Parties have agreed to for the Gold.
- F) In case the Buyer wants to sign for a Contract (1 – 5 Years Duration) all further Tranches are paid in the normal Way and the Collateral stays in place as a Security for each and every new Loan from the Buyer Side.

No **PARTIES** are allowed to contact the Bank of the other Party without prior written authorisation, except for the parties involved in this Agreement in the terms and conditions settled in it. Any default in this concern will cause the automatic cancellation of this Agreement and the injured Party will have full right to initiate legal actions demanding compensation of damages and prejudices for the amount of up to **ONE** percent (1%) of the face amount of First Tranche of contract. Excluded hereof are delays which shall in no way under the responsibility of Buyer and or Seller.

4. Transfer of Metal

4.1 Delivery

The Buyer has to report during a banking day if he will option for fresh melting or the readiness for delivery shipment of the Seller's LBMA certified Gold.

The Seller has to deliver and insure on his account the commodity to the agreed airport customs bonded store of the Buyer or other destination. The Buyer will bear on his account the fees of the customs bonded store, the insurance and the transfer to the melting installation. The confirmation of an insurance company has to be provided prior to change of ownership of the commodity.

or:

The gold bullion will be taken over from the Seller's Gold Bullion Account (Seller's depository Bank) into the Buyer's Gold Bullion Account at the same Institution.

Take-over of Commodity by Buyer

a) Melting

Based on the melting record the Seller produces an exact invoice and transfers it to Buyer, in order to dispatch payment during two banking days by SWIFT.

b) The Gold Bullion will be taken over from the Seller's Gold Bullion Account (Seller's depository Bank).

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5. Accounting

The exact invoice will be faxed to Buyer and Buyer's bank. The original invoice including three hard copies will be dispatched by courier service to Buyer's bank and Buyer. Upon crediting the amount in question at Seller's bank, ownership of gold will be transferred from Seller to Buyer.

On the same date as the transfer of ownership of the AU metal to the Buyer and the transfer of the monetary amount to the account of the Seller, the Seller's bank shall transfer by SWIFT payment of fees and commission for the Buyer's and Seller's intermediaries in accordance with contractual terms and agreements.

The Seller's and Buyer's facilitators will be paid by the Seller's bank or the Seller upon completion of the transfer and receipt of payment by the Seller's bank.

6. Discounts

This agreement is for an amount of 1MT Spot from the total of hallmarked gold in the amount of approximately **10 MT** with possible rolls and extensions.

The discount used to derive the total transaction settlement amount from the market price will be as follows:

Two Percent (5%): GROSS discount from the P.M. London Bullion Market Association closing market price on the day of Delivery.

THE CONTRACT PARTICIPATION FEES TO BE PAID BY SELLER WILL BE:

Zero Point Two Percent (0,2 %) CONTRACT PARTICIPATION

7. Payment

Payment to the **SELLER** is to be made in the form of a **SWIFT** wire transfer, and shall be due and payable in good cleared funds in the currency of **EUR (EURO)** or **USD (US Dollar)** Bank to Bank.

8. Force Majeure

The parties hereto shall not be held liable for any failure to perform due to acts of God or civil riot as outlined under the "Force Majeure" clause as stated by the International Chamber of Commerce, Paris, France, which clause is incorporated herein. In the event the London Gold market is not operating on the day of transfer and acceptance the determination and payment of the transaction settlement price shall be suspended until the metal market resumes full and normal activity. Any down time of delivery due to natural or man-made catastrophes will be tracked and pro-rated at the end of this agreement, guaranteeing the **BUYER** a set number of bullion deliveries numbering the same as the number evidenced in the terms of this agreement.

9. Non-Circumvention

All of the parties including their respective consultants/intermediaries hereto agrees not to circumvent any of the parties in any manner, whether directly or indirectly, with reference to this transaction or the selling and purchasing of the stated bullion metals for a period of five years.

10. Binding Authority

This agreement:-

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- is binding on the parties hereto, their personal representatives, successors and assigns in perpetuity.
- Contains the entire agreement between the **PARTIES**. No changes, alterations or substitutions shall be permitted unless the same shall be reduced to writing and signed by the parties hereto. The fulfilment of this agreement is the total commitment in full of all parties to this agreement.
- Shall be construed under the Laws of Switzerland. In the event of disputes, the jurisdiction in Zurich, Switzerland.

11. Conformity with International Regulations

The **SELLER** and the **FACILITATOR** each declare to one another that the commodity offered herein for sale and the origin of the funds used for purchasing the commodity do not contravene any of the following **LAWS** or originate from any illegal or criminal activity:

- A) The Drug Trafficking Act Of 1986;
- B) The Criminal Act of 1988;
- C) The Prevention Of Terrorism (Temporary Provisions) Act Of 1989;
- D) The Criminal Justice (International Cooperation) Act Of 1990;
- E) The Criminal Justice Act of 1993;
- F) Trade Secret Of 1979: Economic Espionage Act of 1993 [18 U.S.C. 1839 (3)];
- g) The Anti-Terrorism Act and the Patriot Act I and II.



12. Execution Requirements

This agreement will be communicated via fax and confirmed by both parties. Said fax is binding and initiate the legal warranty between buyer and seller of this contract.

13. Parties Notification – Communication Addresses

13.1 Buyer

COMPANY:			
MAIL ADDRESS:			
MAIL ADDRESS:			
TELEPHONE:			
FAX:			
CELL PHONE:			
EMAIL:			
AUTHORITY FOR:			

13.2 Seller

COMPANY:			
MAIL ADDRESS:			
MAIL ADDRESS:			

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Seller's Initials:

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Buyer's Code:

TELEPHONE:		
FAX:		
CELL PHONE:		
EMAIL:		
AUTHORITY FOR:		

The aforementioned person is authorized by the Seller and Buyer to undertake the execution of this transaction between Seller and Buyer and between the Seller's bank and Buyer's bank by fax, email and telephone.

In the event of the Seller not being present at the customs bonded store, the aforementioned person shall also be authorized to sign the original of this agreement.

14 Final Clause

In case some regulations of this agreement are not eligible or legally valid, or not operational the remaining regulations shall be valid and binding. Both parties agree to exchange any effectless and infeasible clause with retroactive effect into a legal term, which will come economically nearest to the desired intent. Same applies to regulation required legal gaps of this agreement.

We hereby confirm with full authority that the above terms are agreed and acceptable.

For and on behalf of the Seller:

AUXILIUM GROUP ASIA

On this Date: March 22nd, 2012

(Kazakhstan)

For and on behalf of the Buyer:

On this Date: March 22nd, 2012

()



Authorized by:

Name:

Title:

Nationality:

Passport No.:

Issue Date:

Expiration Date:

Authorized by:

Name:

Title:

Nationality:

Passport No.:

Issue Date:

Expiration Date:

SEAL

SEAL

BUYER'S SIGNATORY SCAN COLOR COPY OF PASSPORT

SELLER'S SIGNATORY SCAN COLOR COPY OF PASSPORT

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Seller's Initials:

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IRREVOCABLE PARTICIPATION AGREEMENT & PAY ORDER

Date:th of March, 2012

Transaction Code:
Buyer Code:
Seller Code

Description of Transaction

Commodity	
Purity	
Format	
Origin	
Hallmark	
Age	
Delivery	
Contract Quantity	
Contract Duration	
Per Tranche Lift	
Assaying	
Discount	
Participation	
Payment	
SBO Definition	
BBO Definition	
Price	



As per Sale and Purchase Agreement For Gold being Au Bullion, the undersigned, with full authority and legal responsibility under penalty of perjury, issue this Irrevocable Participation and Pay-Order Agreement (PPOA) and agree to pay the commission fees to the contract Participants named herein.

The Participation amounts (percentages) shall remain unchanged under this PPOA or the subsequent original fully furnished detailed PPOA hard copies with the appropriate endorsement and are as follows:-

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1. The First Contract Participant and the Beneficiary Details.

Total Participation amount - Zero point Two (0.2%) Percent of each and every tranche of this transaction allocated as follows:-

1.1 Participation amount Due to xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx (0.2%) Percent of each and every tranche of this transaction:

Beneficiary & Paymaster Name :

Passport : TBA

Bank Name : TBA

Bank Address : TBA

Account Name :

Account No. : TBA

SWIFT Code : TBA

Telephone No : TBA

Fax No. : TBA

Special Instructions : SAME DAY TRANSFER AND IMMEDIATE CREDIT

Required Message : "The Remitter is known to us. This is done with Full Banking Responsibility and we are satisfied as to the Source of Funds sent to us."

2. The Second Contract Participant and the Beneficiary Details (NOT APPLICABLE)

Participation amount - Zero point Two (0.2%) Percent of each and every tranche of this transaction allocated as follows:-

2.1 Participation amount Due to Mr. = XXXX point XXXX (0.0%) Percent of each and every tranche of this transaction.

Beneficiary Name & Paymaster :

Passport :

Bank Name :

Bank Address :

Account Name :

Account No. :

SWIFT Code :

Telephone No :

Fax No. :

Special Instructions : SAME DAY TRANSFER AND IMMEDIATE CREDIT

Required Message : "The Remitter is known to us. This is done with Full Banking Responsibility and we are satisfied as to the Source of Funds sent to us."



These Participation percentages (amounts) will be paid to respective paymasters as per the written instructions received with full banking co-ordinates. The respective paymasters shall be responsible to disburse their share of participation due to the beneficiaries named under their group. The payment shall be made without protest, delay or deductions other than normal wire transfer charges.

The Participation Agreement is assignable to beneficiaries, heirs and assignees upon written notices to all parties.

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The Seller/Payor shall pay the participation amounts due to each individual group paymasters, in the manner and in the same day as the Seller received the payment for each and every tranche of this transaction.

In the event that the transaction is not performed or only performed in part, the paymasters or beneficiaries listed herein shall not hold the undersigned and Payor responsible for any expenses, charges and/or cost, nor liable for any civil and criminal actions. And if the paymasters or beneficiaries listed herein are related with terrorism or any crime, the undersigned and Payor shall not have any responsibility to pay for any fee, cost and expenses in this Irrevocable Participation and Pay-Orders Agreement. The unperformed part of this PPOA will therefore automatically become null and void.

This Irrevocable Participation and Pay-Orders Agreement is constituted in accordance to the rules and regulations of international trade upon Fee Protection Agreement, as per ICC Paris last revisions.

Agreed by Undertaken by the Seller :

_____ **Authorized by:**

Name:

Title: Director

Nationality:

Passport No.:

Issue Date:

Expiration Date:

COMPANY SEAL



We, the undersigned parties have caused this agreement to be duly executed. We consider this executed agreement legally binding. This Document is signed as a free act. By setting forth my hand below I warrant we have the complete understanding and authority to enter into THIS IRREVOCABLE PARTICIPATION AND PAY-ORDER AGREEMENT. This Agreement duly executed and agreed and accepted to this March 22nd, 2012

Confirmed and agreed by Buyer:

XXXXX COMPANY

On This Date: March 22nd, 2012

----- **COMPANY SEAL**

Authorized by:

Name:

Title:

Nationality:

Passport No. :

Issue Date:

Expiration Date:

Buyer's Initials:

Seller's Initials: