

International Precious Metals Legislation also answers to the Patriot Act I and Act II requirements.

The procedures listed here are specific as to what was issued by the FED and the World Gold Council on June 6th as what are required by law now to be followed on all GLD AU transactions. The specific guidelines as set forth by these two agencies exactly as required now to do AU transactions and you will probably want to keep a copy of this for your records as it is the only legal way of doing these transactions now.

At the stage of Bank Officer to Bank Officer it can also be set up as a Table Top meeting at the bank if the seller and buyer wish, or a ledger to ledger inter-bank contract transaction Bank Officer to Bank Officer.

NEW FED and World Gold Council International Procedure:

1. The Seller or his Mandate issue a full corporate offer. All AU metal offers must show the seller clearly.
2. Only the seller or his legal mandates may issue an AU offer and if it is the mandate issuing it, it must be accompanied by the letter evidencing the receipt of mandate authorization from the seller.
3. All offers received from non-authorized intermediaries will be automatically rejected.
4. The International Precious Metals Legislation does not allow buyers to first send a letter of Purchase Intent because it is considered soliciting and is strictly forbidden.
5. Seller or seller's mandate must move first with an offer which should include metal license details and banking.
6. The Buyer/Buyer's Mandate submits a Letter of Intent and/or RWA (Ready, Willing and Able) with full banking coordinates and permission to do a soft probe.
7. The Seller/Seller's Mandate and Buyer/Buyer's Mandate exchange signed and sealed contract with full banking coordinates.
8. Seller/Seller's Mandate extends an invitation for the Buyer's bullion officer to contact the Seller's bullion officer.
9. The Buyer/Buyer's Mandate accepts the invitation of the Seller's bullion officer.
10. The Buyer's bullion officer initiates the contact with the Seller's bullion officer by KTT.
11. The Seller's bullion officer will be instructed by the Seller to verify the AU metal, the quantity available, and to disclose any/all liens and encumbrances attached to the metal.
12. Upon receipt of the proof of existence of the Au metal and the certificate of authority to sell, the Buyer will instruct his bullion officer to confirm the availability of funds to be used as payment when the gold is delivered.
13. The Buyer and the Seller agree on a window time for exchange. The payment to the Seller will be disbursed within 24 hours against the transfer of ownership of the metal. Commissions will be paid immediately and without delay to each appointed paymaster.
14. The paymaster will likewise pay to the intermediaries their earned commission.