



## Precious Metals Line of Credit Term Sheet

Full loan terms will be provided in the loan agreements upon approval.

### **Basic Terms**

**Term:** Five-year revolving line of credit.

**Payments:** Monthly, interest-only

**Interest Rate:** Floating daily at Prime Rate (as quoted in The Wall Street Journal) + 3.25% (without automatic payments) OR 2.75% (with automatic payments)

**Fee:** 0.167% of the Advance Margin Cap, charged at origination and annually while the line remains active.

*Example: \$100,000 of collateral, Advance Margin Cap \$75,000, fee \$125.25 each year.*

### **Collateral & Storage**

**Eligible Collateral:** London Good Delivery-type bars, COMEX/NYMEX-approved bars, or other recognized investment-grade bullion bars, government-minted legal tender bullion coins (e.g., American Eagle, Canadian Maple Leaf, Austrian Philharmonic, Australian Kangaroo), Investment-grade bullion rounds produced by recognized refiners. Silver rounds must be in mint-sealed monster boxes. Examples include legal tender coins and bullion stamped with weight, content, and purity.

*Numismatic or collectible value is not considered—only the spot price of the metal.*

**Storage:** Collateral must be stored in a Battle Bank-controlled account at a Brinks U.S. facility.

- Storage is at borrower expense.
- Metals may be pooled (non-segregated) or segregated for storage. Segregated storage will be charged slightly more.
- When returned, Non-Segregated collateral will match type, format, and quantity—not exact items.
- If stored via a dealer, they will continue billing for storage.

### **Credit Structure**

**Advance Margin:** Advances limited to **50%** of the Daily Collateral Value or the Available Margin Cap, whichever is lower.

*Example: Can advance up to \$50,000 loan on \$100,000 collateral = 50% margin.*

**Cap on Advance Margin:** Set at **75%** of the Collateral Value at origination. This is set at loan origination and sets the cap for how much may be advanced on the line of credit, subject to the Advance Margin.

**Collateral Value:** Spot price (from Bloomberg at 3:00 PM CT on each business day) × pledged ounces. Used to determine the value of collateral each day for Margin Monitoring and Advance Margin purposes.

### **Margin Monitoring & Actions**

**Margin Monitoring:** Collateral monitored daily.

- Maintenance and Liquidation Margins are checked on business days at 3:00 PM CT.
- Margin Call notices are emailed on the day a margin deficiency occurs.

**Courtesy Notice:** Sent when Margin reaches 65%, Just a notification, no action required.

**Maintenance Margin Call:** Triggered at **75%** Margin.

- Borrower has **3 business days** to cure.
- Cure by reducing principal so Margin  $\leq$  **70%**, based on the Daily Collateral Value on the notice date.

**Liquidation Margin:** Triggered at **90%** Margin.

- Bank will immediately liquidate all collateral.