



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.



Acceptable Collateral

Acceptable collateral consists solely of the following high-quality, widely recognized, and highly liquid precious metal products, in each case acceptable to the Bank in its sole discretion and meeting minimum purity, marketability, and custody standards.

Approved Government-Minted Bullion Coins

Legal tender bullion coins issued by sovereign mints, standard bullion strikes only (not proofs, special editions, or collectibles), limited to the following:

Gold Coins

The following gold sovereign bullion coins are acceptable in standard fractional and one-ounce denominations:

- American Gold Eagles
- American Gold Buffaloes
- Canadian Gold Maple Leaf's
- Austrian Gold Philharmonics
- British Gold Britannia's
- Australian Gold Kangaroos
- South African Krugerrands

Silver Coins

- American Silver Eagles
- Canadian Silver Maple Leaf's
- Austrian Silver Philharmonics
- British Silver Britannia's
- Australian Silver Kangaroos
- South African Silver Krugerrands

Approved Bullion Bars

Investment-grade bullion bars produced by LBMA-approved, COMEX/NYMEX-approved, or otherwise recognized refiners, clearly stamped with refiner name, metal type, weight, and purity, limited to the following sizes: (Click the links below to ensure bars are eligible)

- **Gold:** 1 oz, 10 oz [Good Delivery Current List - Gold | LBMA](#)
- **Silver:** 10 oz, 100 oz [Good Delivery Current List - Silver | LBMA](#)

General Requirements

- All collateral must meet or exceed the Bank's minimum fineness requirements for the applicable metal; provided that standard sovereign-minted alloyed gold bullion coins (including American Gold Eagles and South African Krugerrands) are acceptable notwithstanding their lower fineness, as their value is derived from total precious metal content.
- All collateral must be in good, marketable condition and acceptable to the Bank upon inspection.
- The Bank reserves the right to require testing, third-party authentication, or assay at the borrower's expense.



- Collateral shall be valued solely based on the prevailing spot price of the underlying metal, net of applicable discounts applied in accordance with the Bank's collateral valuation policies.
- Numismatic, collectible, proof, or premium value is expressly excluded from valuation.

Ineligible Collateral

Ineligible collateral includes, without limitation, jewelry, scrap metal, commemoratives, medals, damaged or altered items, encased products, unapproved bar sizes, unapproved coin types, mixed or unverified lots, or any products whose value is derived primarily from rarity, condition, or collector demand.

The Bank reserves the right to amend the list of eligible collateral, approve or reject specific items, impose additional verification or custody requirements, and decline any collateral at any time in its sole discretion.

Storage and Custody of Collateral

All pledged precious metals collateral must be delivered into and maintained in the possession or control of Battle Bank, held for the benefit of the Bank in a Battle Bank-controlled allocated or unallocated metals account at a Brinks U.S. vaulting facility acceptable to the Bank.

Custody & Control

- The collateral shall, at all times, be subject to the Bank's exclusive control and first-priority perfected security interest.
- The borrower shall have no right to access, withdraw, substitute, or encumber the collateral except as expressly approved in writing by the Bank.

Storage Fees

- Storage fees for **non-segregated** storage are charged at an annual rate of **0.50% of the market value of the metals held, billed quarterly** in arrears, based on the Bank's valuation methodology in effect at the time of billing. **Segregated** accounts are charged at an annual rate of **0.75% of the market value of the metals held, billed quarterly** in arrears.

Third-Party or Dealer Storage

- Battle Bank has agreements with certain precious metals dealers. Metals currently held by an approved third-party dealer may be pledged as collateral only after physical transfer to a Battle Bank-controlled account at a Brinks U.S. vaulting facility approved by the Bank.
- Once transferred, all pledged metals are under the exclusive control of the Bank and subject to the Bank's perfected security interest.
- Borrowers shall continue paying all storage fees to the original third-party dealer in accordance with their existing dealer agreements.
- No pledged metals may remain in a third-party or dealer facility; collateral is deemed unacceptable unless physically held in a Bank-controlled vault.