



ABC  
BULLION®



# THE FAST-START GUIDE: HOW TO BUY & SELL BULLION





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# ABC BULLION®



From The ABC Bullion Showroom  
Pitt St, Sydney  
New South Wales  
Australia

Dear Investor

Welcome to your Fast-Start Guide.

My name is Janie Simpson, CEO of ABC Bullion.

I've prepared this guide for investors like you, whether you're a first-time, individual investor looking to protect your wealth or a superannuation fund trustee looking to diversify, ABC Bullion can help you.

For thousands of years, people have turned to gold and other precious metals as a safe store of wealth.

But, if you're like most new precious metal investors, you're probably wondering how it all works and before you take the plunge, you'd like to make sure you have all your questions answered.

This Fast-Start Guide answers the questions we get asked most often by new investors looking to buy - or sell - bullion.

The guide is designed to give you the information you need to get started in bullion trading quickly and easily, so you can invest (or divest) quickly and easily when you need to.

**Janie Simpson**

Chief Executive Officer, ABC BULLION  
Australian Bullion Company (NSW) Pty Ltd



1 KILO

FINE SILVER

# HOW TO BUY

## Why Invest In Precious Metals?

There are two main reasons people invest in gold and other precious metals: security and capital gain.

### Security

A common motivation behind holding precious metals or other physical assets is to increase the security of wealth. By security, we mean protecting your hard-earned money by investing in a “hard asset” that has a track record of retaining value.

For example, in the early 1900s, an ounce of gold would have been convertible to a 3-piece suit, despite the fact that the price of an ounce of gold back then was only US \$20! Nowadays, over a century later, the price of gold has risen to \$1600 – but (here comes the important bit...) that would still buy you a 3-piece suit. Despite fluctuations in currency, that single ounce of gold has stored wealth for 100 years.

Another characteristic of precious metals that appeals to investors is that the price often moves counter-cyclically. That is, when other assets are booming, precious metals and other commodities tend to become relatively inexpensive. Typically, when other asset classes are struggling investors get nervous and traditionally turn to gold, driving its price up. This means gold and the other precious metals can act as shock absorbers for your investment portfolio.

### Capital Appreciation

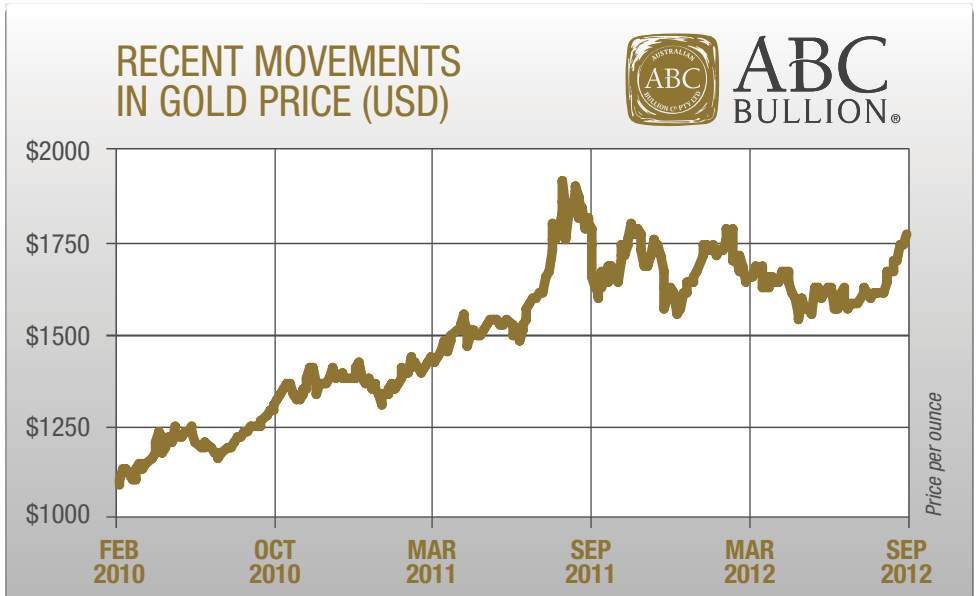
Another key reason many investors choose to hold precious metals is to try make what they hope will be a capital gain.

Like any investor, you're sure to have an opinion on the likely direction of the gold price.

Although there are no guarantees with any investment class, there's no doubt that precious metals have enjoyed a remarkable bull run over the past 12 years.

THE FAST-START GUIDE:

So, if you think that the price of precious metals will continue to increase over the long term, and you buy and hold metal, you are hoping to make a capital gain on your purchases. Even though the price of precious metals fluctuates continually, their purchasing power over the long term has been remarkably stable.



Above: Recent movements in gold price (USD) (source: [www.abcbullion.com.au](http://www.abcbullion.com.au))

## How Are Precious Metals Priced?

The price of precious metals, and indeed any other commodities, are determined by international markets.

At any one time, precious metals have what is known as a ‘spot price’, which is like a wholesale price for the purchase of the metal for immediate delivery. This “spot price” is typically quoted in US dollars and expressed in terms of troy ounces. Be careful though, because a troy ounce is a little bit heavier than a standard imperial ounce.

When you hear the price of a precious metal mentioned in the news, it is usually the spot price (in USD) being quoted. Very few people actually pay this amount for gold or silver (with the exception of very large mercantile purchases).

Here’s how the price you pay for a precious metal is determined by a trader such as ABC Bullion:

1. The spot price in US dollars is gathered from international live market data
2. The spot price is converted into Australian Dollars (AUD) using the prevailing exchange rate
3. A small trading margin, or premium, is added depending on the product. This varies between traders and covers the costs of transport, converting the bullion into various sizes, and other costs such as brands, or the finish of the bar (i.e. whether it is cast or minted).

**LATEST MARKET PRICES**  
 24 September 2012 2:28 pm Exchange Rate: USD = AUD - 1.2308

GOLD			SILVER		
PRODUCT	BULLION PRICE AUD	BUY BACK PRICE AUD	PRODUCT	BULLION PRICE AUD	BUY BACK PRICE AUD
ABC Gold Bullion			ABC Silver		
ABC 1kg Cast	\$1,727	\$1,688	ABC 1kg Cast	\$1,687	\$1,648
Gold 1oz Unallocated Storage	\$1,706	\$1,666	1kg Unallocated Storage	\$1,667	\$1,628
ABC 1oz 999.99 9g Cast	\$1,663	\$1,627	ABC 1kg Mined	\$1,666	\$1,627
ABC 1oz Cast	\$1,449	\$1,396	SHAG 1kg Cast	\$16,176	\$16,114
ABC 100g Cast	\$1,666	\$1,626			

Above: The ABC Bullion Website gives you total transparency on the calculations of pricing

## Why Invest In Physical Metal Rather Than Etf's (Paper Metal)?

Many people fall into the trap of buying an exchange traded fund (ETF) rather than physical metal.

An ETF is a kind of unit investment security that is traded on the stock market and is meant to track the value of a commodity such as gold or silver, or an index such as the ASX100.

There are too many problems with ETFs to mention in this guide, but here are just a couple of the main reasons you should be careful to invest in physical metal instead of ETFs:

- **The price of your ETF may not actually track the price of metal**  
Although these funds do generally track the price of real precious metals closely, there is no guarantee that this will continue to be the case, and indeed the ETF sellers almost always state this in the fine print (which you should read very carefully if you are considering an ETF).
- **ETFs require a paper market for liquidity**  
An investment in an ETF is only liquid (able to be cashed in) if you find a buyer for your paper AND you can make a trade. It is possible that due to technical issues (such as a stock market failure or closure) you are unable to liquidate your position. Real, physical, precious metals, on the other hand, are always fully tradable "by hand."

## GST-free Bullion

New investors are often surprised to learn that pure gold, silver and platinum bullion is GST exempt in Australia.

To be eligible for this tax exemption, it is important that the metal is 99.99% pure (for gold) and 99.9% pure (for silver & platinum), because these are the minimum purities for tradable bullion.

The GST exemption for bullion is good news for investors as it means you can use bullion as a pure investment form (like cash or shares), with no loss to taxation each time you trade in the market.

## Selecting Your Bullion

Unlike other assets such as diamonds or property, when you buy and trade precious metals, you are able to establish exactly what you are buying, and how much it is worth.

However, there are a few factors for you to consider when you decide the right bullion investment for you:

- **Brands** – which brand to buy?
- **Types of bullion** – what type of metal ingot to buy?
- **Nationality** – where is the metal minted or cast?
- **Purity** – how pure is the metal?

## Brands of Metal

Buying a globally reputable brand is important because if you want to sell your precious metal back at a later date, you will find this very easy if you have a recognised brand (hallmark) stamped on your bullion.

Most traders will want a higher trading premium (margin) for brands they don't recognise – and sometimes they may even need to do a chemical test (assay) to assess purity of an unknown brand.

Some brands you can trust in Australia are:

- **ABC** – our own bullion brand and recognised instantly In Australia
- **PAMP Suisse** – the world's leading independent Swiss bullion maker



Above: PAMP Suisse minted gold bars

## Bullion Types

There are two types of bullion – cast and minted.

Cast bullion is made when liquid metal is poured into a mould. Though it is still shiny, it is quite normal for the metal to have marks and swirls forming naturally on the bar as it cools.

Minted bullion is made from a sheet of metal which is then stamped out, just like a coin. Often, you will find minted products thinner, with a prized, polished appearance which often also carries intricate designs, again like coins.

Your choice of minted or cast bullion is one that is really down to personal preference. We find that for most investors, cast bullion is more than acceptable. However, many people prefer the finish of minted bullion – especially people who are giving the bullion to a lucky friend as a gift.

## Nationality

Precious metals are sourced all over the world and many countries have well known local brands.

You should be confident with a major Australian brand of bullion. If you are planning to travel, and are seeking the maximum in recognised branding, Swiss bullion is also a very good choice.

## Purity

Gold from ALL reputable brands will be 99.99% pure. This is the minimum purity for gold that you should accept for trading purchases, and is known in the trade as

“four nines” gold. Often you will see the numbers 9999 stamped on gold bullion, which means the same thing. For silver, platinum and palladium, the industry standard is 99.9% purity, or ‘three nines’.

## How Much Precious Metal Should You Buy?

This is a very common question, and the answer varies with every investor depending on the risk profile they want with their portfolio.

Often, new investors choose to accumulate their holdings of precious metals slowly and build up over time. Some, on the other hand, decide to make a major purchase in an instant, transferring funds from other investments (often from a self-managed super fund).

For more advice on how much precious metal you should buy, or indeed, how much of each metal you should buy, ABC Bullion recommends that you speak to your Financial Advisor.



## How To Make Your First Purchase With ABC Bullion

The easiest way to invest in precious metals is to open an account with ABC Bullion. That way, we take care of your trades, storage and insurance, at very reasonable rates. You can pick up or drop off your metal for storage at any time and you can buy or sell bullion at the prevailing price with a simple phone call or email.

Often people expect opening a metals account will be hard work. But in fact, it's very simple indeed, and once you're an account holder, you can buy or sell almost instantly during our business hours.

And don't forget you can buy bullion online anytime using our web ordering system.

### A Buying and selling with ABC Bullion Initial account set up (once only)

1. Fill in our simple application form and agree to our trading terms
2. Provide 100 points of identification
3. You will be given an account number – you're ready to trade!

### B How to buy (anytime) once you have your account

1. Simply use our online ordering system!
2. Place a phone order at the prevailing rate, using your account number
3. Pop in to see us in our Sydney showrooms

We will email you an invoice (unless you're in store with us)

You then settle your invoice by electronic funds transfer, cheque (must clear) or cash.

You arrange to collect your metal in person, have it delivered or placed into storage.

## C How to sell bullion (anytime)

Simply bring your bullion into our Sydney showroom and receive your funds via cheque or bank transfer

OR

1. Phone ABC Bullion, to arrange a sale at the prevailing 'buy back' rate
2. Your nominated bank account will receive the proceeds

The screenshot shows the ABC Bullion website interface. At the top, there is a navigation bar with links for 'HOW TO BUY', 'CHARTS & PRICES', 'SERVICES', 'SELF-MANAGED SUPER', 'ABC BLOG', and 'BUY NOW'. Below this is a table of precious metal prices:

Gold \$	1801.51	1782.55
Silver \$	32.71	34.08
Platinum \$	1564.50	1630.30
Palladium \$	646.26	673.40
Exchange Rate	1.642	

Below the table, there is a navigation bar with icons and text for 'OPEN AN ACCOUNT', 'BUY NOW', 'PRICE CHARTS', and 'CONTACT US'. The 'OPEN AN ACCOUNT' button is highlighted with a red box, and a red arrow points to it from the left. To the right of the navigation bar, there is a promotional banner for 'ABC BULLION SEMINAR 2012' on Thursday 18 October, with the subtitle 'GOLD 2013: AN INSIDER'S VIEW'.

Above: It's easy to open an account with the help of the ABC Bullion website

Buying precious metals over the counter at our store is even easier. Just pop in and we will look after you on the spot. The only thing to remember is that you need to bring some identification showing for trades of \$5000 or more.

## Buying Online

If you're a registered client of ABC Bullion, you can also buy bullion using our online trading system.

It really couldn't be easier.

Simply go to [abcbullion.com.au](http://abcbullion.com.au) and log in with your **client code**, **email** and **password**. Otherwise, you can call us to set your online ordering account up and we'll guide you through the process.

Once you are logged in, click "Buy Now" and you'll go to our online store where you can choose from one of the widest ranges of bullion products in the country.

Once you've made your selections, you can go to the cart and commit to your order. It's important to know that orders placed online are legally binding because ABC Bullion secures bullion on your behalf as soon as you place your order.



Above: Log in and take advantage of our online ordering system.

## Storage and Insurance

Secure storage is one of the most important things to consider when you buy precious metals. Precious metals are compact, valuable, and easy to re-sell; unfortunately qualities that are also desirable to criminals. You will need to have a plan for secure storage and insurance.

Fortunately, ABC Bullion can provide you with storage services at a minimal fee depending on the type of metal you purchase from us.

We provide high-security vault storage and Lloyds of London metal replacement insurance for all precious metals bought through us (min. requirements are: 1oz for gold, platinum, palladium and 500g for silver).

Retrieving your precious metal from storage is easy, and usually takes only 1 day if the request is made before 2pm. Larger or particularly bulky collections may require longer lead times due to the logistics and security constraints such holdings entail.

Full details of our storage services and related charges are available on our website: [www.abcbullion.com.au/storage-services/storage](http://www.abcbullion.com.au/storage-services/storage)

**If you are in any doubt please don't hesitate to call us on 02 9231 4511.**



# HOW TO SELL

## When to Sell

Gold, silver and precious metals have been excellent stores of wealth for centuries. However there will probably come a time when you will want to sell some, or all, of your bullion.

If so, ABC Bullion are here to help.

We're a trading business, which means we both buy and sell bullion. If it's time to sell, just contact us and we're sure to give you a great deal.

## Why Do People Sell?

People sell for a number of reasons, and some of the most common are:

- A revised view of the risks of the world, and possibly an increased risk appetite.
- To free up wealth and convert to cash due to retirement or other significant event.
- To change the make-up of their investment portfolio.

Whatever your reason for selling, we can help you.

## What's It Worth?

At ABC Bullion we believe in complete clarity, especially when it comes to pricing. If you want to see our exact buy-back prices for each product, just head to our website price list:

## THE FAST-START GUIDE:

**LATEST MARKET PRICES**  
24 September 2012 2:28 pm Exchange Rate: USD → AUD = \$1.0452

GOLD		SILVER	
USD (price per oz)	\$1763.20	USD (price per kg)	\$1598.21
Base Price \$AU (price per oz)	\$1592.28	USD (price per oz)	\$24.10
Base Price \$AU (price per kg)	\$1592.28	Base Price \$AU (price per kg)	\$1592.28
Base Price \$AU (price per oz)	\$22.89	Base Price \$AU (price per oz)	\$22.89
PRODUCT	BILLING PRICE AUD	BUY BACK PRICE AUD	
ABC Gold Bullion			
ABC 1oz Cast	\$1,737	\$1,690	
Gold 1oz Unallocated Storage	\$1,700	\$1,650	
ABC 1kg Cast	\$9,890	\$9,507	
ABC 2oz Cast	\$3,498	\$3,390	
ABC 10kg Cast	\$9,830	\$9,593	
ABC 5oz Cast	\$9,587	\$9,336	
ABC SILVER			
1kg Unallocated Storage	\$5,997	\$5,900	
ABC 10kg Unallocated	\$999	\$919	
500g 10kg Cast	\$9,375	\$9,311	

Above: The ABC Bullion website lists clear buyback prices for most bullion types.

## How Buy Back Pricing Works:

ABC Bullion are a true trading business - which means we buy back metal with a small trading margin. All our buy back prices are listed on our website and our price lists.

Here's how the buyback price is determined by a trader such as ABC Bullion:

1. The spot price in US dollars is gathered from international live market data
2. The spot price is converted into Australian Dollars (AUD) using the prevailing exchange rate
3. A small trading margin is subtracted to give you the buyback price, regardless of bar size, brand or finish.

**LATEST MARKET PRICES**  
24 September 2012 2:28 pm Exchange Rate: USD → AUD = \$1.0452

GOLD		SILVER	
USD (price per oz)	\$1763.20	USD (price per kg)	\$1598.21
Base Price \$AU (price per oz)	\$1592.28	USD (price per oz)	\$24.10
Base Price \$AU (price per kg)	\$1592.28	Base Price \$AU (price per kg)	\$1592.28
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ABC 10kg Cast	\$9,830	\$9,593	
ABC 5oz Cast	\$9,587	\$9,336	
ABC SILVER			
1kg Unallocated Storage	\$5,997	\$5,900	
ABC 10kg Unallocated	\$999	\$919	
500g 10kg Cast	\$9,375	\$9,311	

Above: The calculation of buyback pricing is also clear

## How to Arrange a Sale

It is very easy to sell your bullion. In most cases you will need to bring it to our showroom in Sydney, or if we hold it in storage for you, you can sell with a simple phone call.

We will then assess the metal, weigh it and determine the buy back price based on the prevailing spot price for the metal.

You are under no obligation, however if you accept our buyback price, we will raise a purchase order, acquire your metal and either write you a cheque for the buyback or issue a bank transfer to your nominated account.

## Watch Out! Some Traps for Bullion Sellers

Here are some of the traps to watch out for if you are selling bullion for the first time.

- 1.** Always deal with a professional bullion trader, not a jeweller or second-hand dealer. Why? Because these people will usually offer you a lower buy-back price, and they will eventually sell your metal to us (or someone like us) anyway.
- 2.** When you buy, always buy a recognised hallmark like ABC or PAMP. This makes it far easier for your dealer to identify and price the bullion. If it is unrecognised, you might even have to wait for testing before you can receive an offer.
- 3.** Watch the exchange rates. Often the trading premium you will pay will be small compared to the shifts in the exchange rate. When the AUD strengthens, you effectively lose out (in buy-back dollar terms).
- 4.** If you need to bring your metal into our showroom, remember to make arrangements for the weight of your metal. We recommend that clients use a sturdy bag, such as a suitcase, with rollers for ease of transport.
- 5.** Be careful. Do not tell people about your trades, and be discreet. The last thing you want is for everyone to know you just received a large payment for some of your precious metals.



GOLD



# ABOUT ABC BULLION

ABC Bullion (Australian Bullion Company (NSW) Pty Ltd is Australia's leading precious metal and gold bullion specialist. We've been trading continuously for 40 years.

Since 1972 – when owning gold bullion became legal for the public - we've offered investors like you the widest range of investment-grade gold and precious metals in Australia.

In fact, we are responsible for one of the cornerstones of the Australian gold trading system: the investment-grade ABC Bullion bar.

We're also trusted as the exclusive Australian distributor for Swiss bullion maker, PAMP - the largest independent refiner in the world.



## 7 reasons you can feel secure dealing with ABC Bullion:

You're right to be concerned about who you decide to deal with.

Here are 7 reasons to consider ABC Bullion:

- 1.** We are one of Australia's longest serving precious metal trading houses - and we have a showroom for you to visit. We encourage you to pop in and talk to us, and to touch and feel our bullion products.
- 2.** We offer guaranteed immediate buy-back for all our brands of bullion to make sure you have access to liquid funds when you need them.
- 3.** We can provide you with metal account trading for your complete convenience and security of bullion trades. Account trading lets you buy and sell precious metals from anywhere.
- 4.** We offer you the widest range of precious metal and bullion products in Australia. You get to choose with full knowledge of your alternatives.
- 5.** Our highly experienced and expert staff can offer you assistance with all aspects of your investment, including high-security storage and insurance for precious metals.
- 6.** We provide you with regular, audit-ready, account statements and keep you up to date with exactly what your precious metals investment is worth.
- 7.** All our bullion sales are backed by physical holdings to give you confidence that you own real, physical metals, not just a promise on paper.

## We're here to help

Customer service is our top priority. If there is something you need to know, or cannot find here, we want to know about it! Please contact us with any question or concern - no matter how small - and we will do our best to answer it for you.

# READY TO BUY OR SELL? CONTACT US TODAY!

Contact us today if you'd like to buy or sell your precious metals.  
Or, if you have any queries, email our customer service team:

**Phone:** (02) 9231 4511

**Email:** [comms@abcbullion.com.au](mailto:comms@abcbullion.com.au)

And of course, you're welcome to visit us at our national showroom:

## **ABC BULLION**

**Level 6, 88 Pitt St  
Sydney, NSW 2000**

**Hours: 9.30am - 5pm weekdays (public holidays excluded)**

Please note that for your safety and security, there are no mobile phones, or photography in our showroom and you may be asked to remove items such as hats and sunglasses.

# FREQUENTLY ASKED QUESTIONS

## The Showroom

**Q: What are your trading hours?**

A: Monday – Friday; 9.30am – 5.00pm

**Q: What is your address and nearest cross street?**

A: Our showrooms are on Level 6, 88 Pitt Street, Sydney, NSW, 2000. The nearest cross street is Hunter St, and the building is opposite Angel Place, near Martin Place.

**Q: What are your closest transport links?**

A: Martin Place is the nearest train station. Wynyard Station (Pitt St. exit) is also conveniently located.

**Q: Is there parking nearby?**

A: There is limited parking on the street, and a paid car park across the road in Pitt Street.

**Q: Will there be a queue when I arrive?**

A: We have 2 separate entrances, one for collections and one for sales. There can be a short wait in the sales department, where each client receives individually tailored service. Queues can be longer following dramatic price fluctuations or on culturally auspicious days such as around Diwali.

**Q: Do I need an appointment?**

A: You do not need to make an appointment to buy, sell or collect bullion. Clients are seen on a first come, first served basis and all clients are given personal service by one of our friendly and knowledgeable staff members. If you are interested in jewellery please contact us on 02 9231 4511 to make an appointment.

**Q: Are there any restrictions in the showroom?**

A: We do not allow any strollers, children or carriages into the showroom for security reasons. However we are more than happy for such items to be left in our comfortable concierge area for the duration of your visit.

For your safety and security there are no mobile phones or photography in the showroom and you may be asked to removed items such as sunglasses and hats.

**Q: Are there facilities for private transactions?**

A: Our newly renovated showrooms feature three Private Consultation rooms for clients who require additional privacy or discretion for larger or more sensitive transactions.

## Buying, Selling And Ordering

**Q: Can I walk in and buy metal over the counter?**

A: In most circumstances, yes. You do not need to have an appointment, or have an account with us prior to coming to our showroom. Clients making purchases of \$5000 AUD or over will need to show some identification and open an account.

**Q: What are the methods of payment available?**

A: In store, we accept cash, EFTPOS, Visa and Mastercard credit cards only. Please note there is a 2.2% fee applicable with credit card payments. You may also settle your invoice by direct bank transfer or by cheque, but please note that the payment will need to clear into our bank account before the metal is released to you. This can take up to four working days.

**Q: Do I need any forms of identification to make a purchase?**

A: If the purchase is \$5000 AUD or over we require at least one form of photo identification i.e. drivers license.

**Q: Is there a minimum age when purchasing precious metal?**

A: Clients need to be 18 years or over to open an account with ABC Bullion.

**Q: Can I sell my precious metal back to you?**

A: We buy back precious metals, even if we were not the original distributors. We will readily accept all major bullion brands.

**Q: How can I arrange to sell my metal to you?**

A: If we hold the bullion in storage for you, simply give us a call to instruct us to make the sale. If you have the bullion in your possession, you simply need to bring it to our Sydney showrooms where we can agree a price with you.

**Q: How will I receive payment from you following a sale?**

A: We will raise a purchase order to be settled by a direct bank transfer into your

nominated bank account or by cheque.

**Q: Do you buy back jewellery?**

A: We do, but only on a refining basis. This means we would melt the jewellery down (at a cost) and then buy back the weight of pure gold, silver or platinum contained within it.

**Q: Can I order online if I do not have a client code?**

A: No. Only customers who hold client codes with us are able to place orders either online or via phone. All other purchases must be made in person, in our showroom.

**Q: Can I cancel or change an internet order?**

A: No. Once you confirm your internet order it is a legal and binding contract. We strongly recommend reading all Terms and Conditions before confirming your order.

## Bullion Trading Accounts

**Q: If I do not want to open an account, what is the maximum I can spend?**

A: For a cash invoice, a client can spend a maximum of \$4,999 in a 24 hour period. If the total purchases within that 24 hour period exceeds \$5000, we are required to open an account.

**Q: What are the advantages of opening an account?**

A: Account holders can take advantage of our internet and phone ordering services. Purchases made on accounts may be freighted (at an additional cost) or placed into storage (only on storage accounts and may be at an additional cost).

**Q: How do I open an account and obtain a client code?**

A: Simply complete the appropriate Application Form and provide documents with proof of full legal name, date of birth and current address (a Driver's License or Passport and utility bill will be sufficient). Original documents can be sighted, in person, at our Pitt St. offices or verified copies can be submitted via post. Copies of ID must be authorised by a Justice of the Peace or similar entity.

**Q: How long does it take to open an account?**

A: If presenting your identification documents in store, we can open the account in moments, and you can make your first purchase on the account immediately. If posting your documents to us, please allow 48 hours after we have received the application for your account to be opened. You will be notified by email when the

account is open and ready for trading.

**Q: How much does it cost to have an account?**

A: There are no costs or associated charges to open an account with us.

**Q: How can I get a storage account?**

A: We simply require 100 points of ID (driver's license and passport are sufficient, but we do accept alternative documents).

If you would like to upgrade your current Trading account, to become a Storage account, all you have to do is submit the additional forms of identification to make up the 100 point check.

**Q: Are my purchases kept secret?**

A: All information you give ABC Bullion will be treated as highly confidential and not revealed to any other party unless required by law.

In compliance with Anti-Money Laundering & Counter-Terrorism legislation, all cash transactions of \$10,000 or greater must be reported by us to AUSTRAC. We are legally required to record transactions over \$5000 on your account. This information is kept on record under strict security and is not available to the government or any other external party except by subpoena or court order.

## Pricing And Products

**Q: How often does the price change each day?**

A: Our prices are updated on a 5 minute cycle, through-out the day and night.

**Q: Can I lock in a price for metal?**

A: Unless you hold an account/client code with ABC Bullion and place an internet or phone order, no price can be locked in. Prices can only be locked in once the invoice has been created and are legally binding contracts.

**Q: What is the spot price?**

A: The spot price is the current trading price of the metal as listed on the metals exchanges, which we use as a base for our prices. The spot price is based on huge, bulk orders of bullion and does not take into account the cost of making the metal into coins or bars, transporting it, storing it or selling to the investor.

**Q: Why can't I buy at spot price?**

A: Trading at spot price is only available to professional members of a metal exchange. ABC Bullion do not buy or sell at spot price. The closest a private investor can get to trading at spot price is to invest in our unallocated metal.

**Q: Why are the selling and buy-back prices different?**

A: The difference between our sale and our buy-back prices is called a spread. These prices are different to allow for the different trading and handling costs associated with us selling and buying precious metals. Like any trader, we make a small margin on sales of bullion, and we make a small margin on bullion we buy back.

**Q: Why are the larger bars closer to the spot price?**

A: Larger bars get closer and closer to the spot price because the cost of barring (creating and handling) the bar reduces relative to the size of the overall investment.

**Q: What is the difference between allocated and unallocated metal?**

A: Unallocated product is where your money is invested in an amount of metal that may not be in the form of a bar. It IS backed by physical metal, but it may be part of a larger bar, or exist as coins or a combination of forms. For this reason it MUST be kept in storage (unallocated storage is free of charge at ABC Bullion). In contrast, allocated metal already exists in bar or coin form and can be collected, delivered or kept in allocated storage (at an additional cost). Because unallocated product IS backed by physical metal, you can have it converted into any of our products, including bars or coins. This process is known as 'barring' and incurs a fee.

**Q: Why is unallocated metal cheaper than allocated?**

A: Unallocated metal is slightly cheaper because there is no barring charge incorporated in the price at the time of purchase. If you decide to withdraw your unallocated metal from your storage account at a later date, a barring charge is incurred. There is no additional charge to sell the metal back to us (without having it barred).

**Q: How many grams are there in 1 troy ounce?**

A: There are 31.1035 grams in a troy ounce. Precious metals are measured in troy rather than imperial, ounces.

**Q: How many troy ounces to the kilo?**

A: There are 32.15 troy ounces to every kilogram.

**Q: Is GST charged on precious metal?**

A: Bullion-grade gold, silver and platinum bullion is GST free. GST is only charged for palladium, jewellery or items such as sovereigns and krugerrands.

**Q: What is the difference between the ABC and PAMP brands?**

A: ABC is our own brand of precious metals, stamped with our logo. The PAMP Suisse brand is a range of Swiss metals, of which ABC Bullion are the exclusive Australian distributors.

**Q: Do you guarantee the purity of the metal?**

A: Yes. All of our metal is 24 carat, and at least 99.9% pure. In addition to this, all the products we stock are stamped with their purity.

**Q: Do your products come with a certificate?**

A: Not all bars have assay certificates, but they are all stamped with our logo and their purity. All PAMP bars are individually numbered and come with assay certificates. Certificates can be separate to the product, or encased in the ingot's packaging.

## Storage, Delivery, Collection

**Q: Can I send someone to collect an order on my behalf?**

A: Yes. If that person is an Authorised Operating Authority OR if they obtain a letter signed and dated by the account holder giving them the authority. In both examples the collector must bring their driver's license or other suitable form of identification.

**Q: How much is the freight/delivery charge?**

A: Freight charges vary as they take 4 factors into consideration: destination, metal type, weight and total value of delivery. Please note that all delivery fees include GST, freight, handling and insurance.

**Q: If I am having my order delivered, how long will it take to reach me?**

A: Orders will be sent out once all monies are cleared. Customers will usually receive their order the following business day after it has left the ABC premises.

**Q: Can I store metal with ABC Bullion if I do not hold a client code?**

A: No

**Q: Is it possible for ABC Bullion to store metal that I did not purchase at ABC Bullion**

A: Yes, but contact us for details of certain restrictions which may apply.

**Q: Does the storage fee include insurance?**

A: Yes, our storage fees include full, market-replacement insurance cover.



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