

THE LOGIC AND WISDOM OF PRECIOUS METALS

a guide for investors and buyers



clear, logical purchase processes that uphold everyone's best interests • satisfying, expedient transactions that build relationships and trust

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Our mission is to be your trusted source for precious metals. We have a long-term, well-capitalized business model. We maintain strong relationships with the worlds' mints and other suppliers to help our customers through stability and change.

Our customers find us reliable and responsive: your order will ship within five days of payment clearance from our distribution center in Calgary, Canada.

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Gold is REAL Money

Throughout history, no paper currency has survived the test of time. Paper currencies have always been inflated until they eventually become worthless. The purchasing power of the US dollar has declined by 98% since 1913 and, unfortunately, the situation is similar for all other currencies. People bought homes in 1913 for a few thousand dollars – or a few hundred ounces of gold. Now people spend hundreds of thousands or millions on a home or the same few hundred ounces of gold. Why? Whether it be for war or just excessive spending, governments and central banks can never resist printing currency – or these days “typing it into existence” – to pay for debts. **No one can print gold.**

“ **currency is money
that has lost its ability
to store value** ”

Have you ever wondered where the credit card company or the bank gets the money to give you to buy a house or groceries? They openly acknowledge that they do not have that money before you spend it. They do not use deposits from savers (if here is anyone left trying to save money in a bank). Instead, you spending the money allows them to type it into existence. It is surprising. Not only can governments create money out of thin air by printing or typing it, banks can too. In fact, most of the currency in existence was not created by central banks but by regular, everyday commercial banks. They are not supposed to make too much, but the only thing really stopping them is convention and some oversight from colleagues. There is also the threat that people will catch on and decide to trade one inflated currency for a better form of money. Yet for the first time in history, all the currencies are inflating at once.

Gold is the only currency which has no liability attached to it. While all paper currencies now come from debt, the value of gold comes from the natural limits on its supply. No matter what collapses, nothing can make your physical gold wink out of existence the way savings and investments can.

“ **the supply of
physical gold is finite**

**as long as it is pure, its
value cannot be diluted** ”

Gold has been real money for several thousand years. When paper money fails, people who own gold still have a type of money which holds its value when banks are bankrupt. Iceland is a recent example of how paper currency can lose its value overnight. With the massive debt levels and money printing in all countries, including the USA, Canada and the UK, the risk of a default everywhere is high. Anyone who holds wealth in

a currency-dependent form is at risk of losing it all. Anyone who holds physical precious metals can benefit from the largest wealth transfer in history.

Gold has at all times represented real wealth as well as being a medium of exchange. “Old money” has always maintained a portion of its wealth in gold because it is one of the safest and most attractive investments for storing and preserving wealth.

Our way of expressing this is to “build your wealth in ounces”.



A Time for Gold

Low Interest: A Problem for Savers

The risk of storing wealth in any kind of account – 401ks, RRSP's, mutual funds, stocks, bonds or savings accounts – is **dwindling value**. As Savers became Investors, they learned that they have to earn enough on their account-type investments **to compensate for inflation**. For some time, it has felt like the necessities are getting more expensive despite positive news reports to the contrary. It feels like our accounts are losing value faster than their increases can compensate. We are not Wall Street speculators. Our dreams are to retire well or own a business – to be with, enjoy and help our friends and family. We want more fulfilling lives. We want to feel safe in the face of an unknown future. Storing wealth securely is the way we can choose the time and place to invest in what matters: people. When the purchasing power of account-type investments is eroding in a low interest economy, people turn to **gold**.

High Currency Supply

Currency supplies are increasing exponentially. Central banks and governments of the world subscribe to the belief that they should encourage the creation of massive amounts of their currencies for economic stability and growth. The amount of gold and silver that exists in the real world is much more stable than the amount of currency that exists electronically. Gold is a more reliable point of comparison for value than currencies when currency supplies are high and volatile.

“ **Traditional investments haven't turned out as people thought.**

401ks, RRSP's, Mutual Funds, Stocks, Savings Accounts – wherever we try to accumulate and store our wealth, people lose value to inflation while incurring fees and the increased risk of an unexpected loss.

Global Entanglements

The world monetary system used to be backed by gold. If you had enough currency, there was a way for you to redeem it for gold. If you felt your currency was losing its purchasing power to inflation, you could exchange it for another more stable currency in a neighboring country or for gold or silver. In the mid 1900s, the nations of the world agreed to tie their currencies' value to the US dollar. Why? After their war spending, no nation had a significant amount of gold left. They didn't want each other's worthless currency however, they did want to trade with each other. In contrast, the US dollar was backed by gold. The US had accumulated the biggest share of the world's investment gold during World War II. Tying to gold through the US dollar was a compromise that helped nations feel confident about doing business together again. Until quite recently, it has been necessary to use the US dollar to buy oil. Even after the US disconnected the dollar from gold in the early 1970s, every country still needed the US dollar to buy oil.

This is where we get the phrase “the US dollar has been the world’s reserve currency” and the term “petrodollar”. Unfortunately, we are profoundly effected by that which we do not influence. Respectively, Russia, China, India, Brazil, South Africa and others are developing ways to trade for oil and to do other business easily without the use of the US dollar.



**BRICS
stands for Brazil, Russia,
India, China and South
Africa which are
industrialising countries,
distinguished by large,
fastgrowing economies
with significant
influence (3 billion
people and \$16 trillion
annual GDP)**

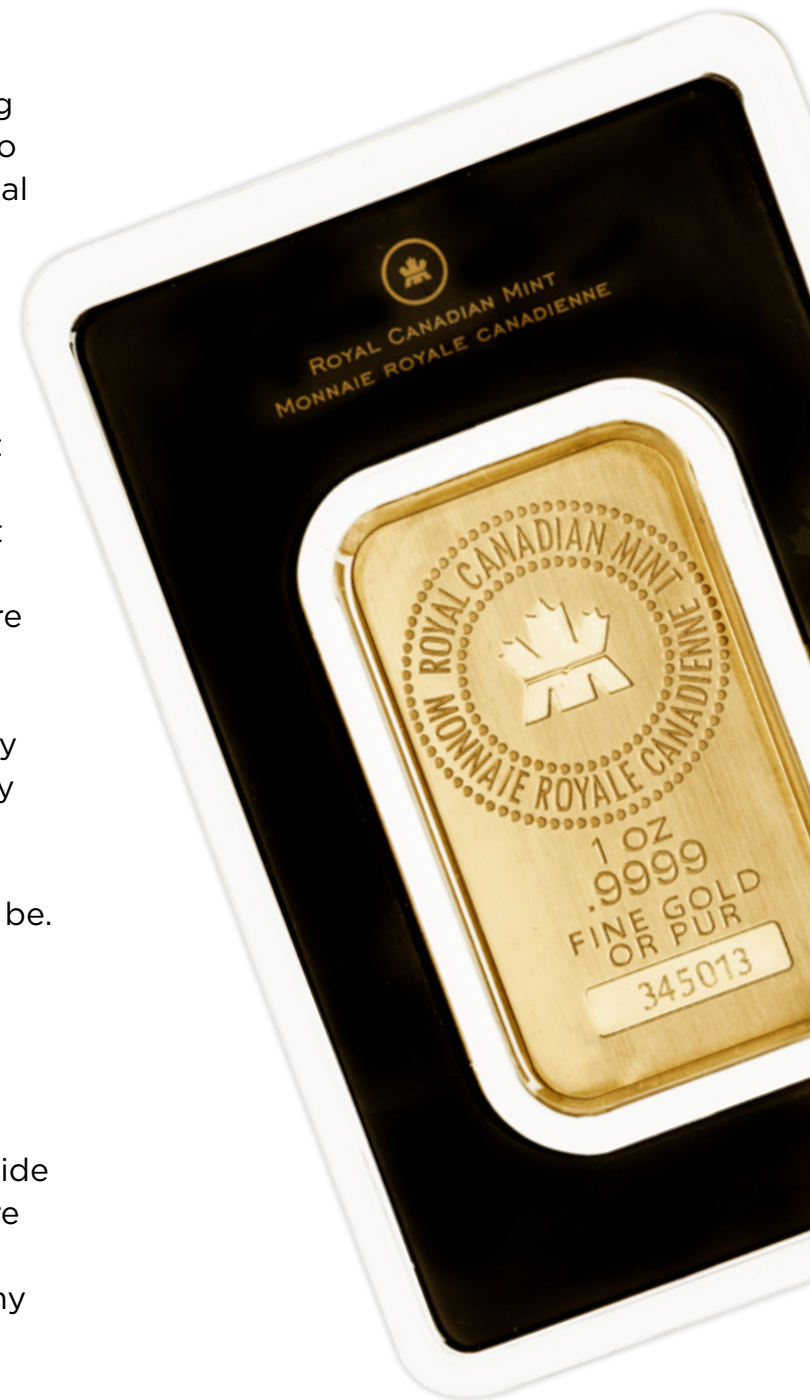


It seems likely that the US dollar is about to lose popularity and all the currencies tied to it will have their value questioned. Gold offers a basis for storing and comparing value when no one knows what will happen next. The world economy is so entangled that it is arguably an

artificial economy. This makes predicting its daily movements both impossible and moot. Owning gold for the longer term is a way to disentangle from unfavorable global changes.

Price Manipulation

It is easy to make a decision about buying precious metals without necessarily being convinced about price manipulation. Why? If there is a manipulation (and there probably is), it favors buyers of precious metals. Some argue that precious metal prices are artificially suppressed. Others argue that they are not meaningfully manipulated. But few argue that precious metal prices are higher than they should be. The range is from prices being too low to being at expected levels. That’s why one can be curious about whether precious metal prices are artificially suppressed and still decide to invest in them. At worst, they are unfettered. At best, their value will get an extra boost at the end of any manipulation.



An Even Greater Time for Silver

Silver is more undervalued than gold. Like a more tightly coiled spring, it is expected to make more dramatic gains than gold. Silver is especially attractive to those who want ambitious gains to magnify and to protect their wealth. The differences between silver and gold work in favor of silver suddenly gaining unprecedented purchasing power. Here are some of the reasons why.

Surprisingly, less silver is available than gold. While gold is more rare below ground, there are far fewer ounces of silver available above the ground. Silver is getting used up faster than we are mining it. New deposits are not being located and the surpluses that have been used to meet demand are decreasing. Low precious metal prices are slowing mining production, therefore further reducing available silver. The United States Geological Service (USGS) has reported that silver may be the first element to go extinct due to the difficulty accessing the world's remaining sources of silver. At some point, it seems unavoidable that each

of these factors will drive the price of silver up.

Silver is used in industries at a greater rate than gold, and is more often unrecoverable. While there is gold in electronics, there is even more silver. There is no substitute for the many new uses of silver in medicine, solar energy, water purification, food packaging and clothing. There is also unprecedented pressure on mints to handle record high orders for Silver Eagles and Silver Maple Leaf coins. At some point, it appears likely that these and related factors will also drive prices up.

“ **SILVER TO GOLD RATIO**
A ratio was stable at
16 ounces of silver to
1 ounce of gold
for thousands of years
and yet now it is 60 to 1. ”

For much of history, it took roughly 16 ounces of silver to buy one ounce of gold. Recently, it takes 60 ounces or more of silver to buy an ounce of gold. Why? This would suggest that the prices are artificially influenced. Whatever the cause, when the difference is corrected, this adjustment will add to the value of silver as an investment. With other types of money unavailable and gold being so valuable, this makes it more difficult to imagine using it for everyday transactions. It is easier to imagine using silver. After all, the dimes and quarters in use in North America were mostly silver only a few short decades ago. As with price manipulation, it is possible to prefer silver without agreeing with every assertion about why silver is so within reach and easy to buy presently. Although gold is probably less volatile and more traditional than silver, for hundreds of years, the value of a whole day's labor has been about 1/10 of an ounce of silver. For now, a minimum wage worker can buy that much silver working fewer than 30 minutes. Silver attracts young, incremental investors who are excited by the apparent enhanced potential of silver over gold.

The Wisdom of Diversifying Beyond “Account” Investments

One reason people keep their wealth – the stored value of their hard work – in *an account* instead of in their personal control is protection from theft. But there is still a risk with any “account”, no matter how trustworthy the institution and no matter how low the fees and taxes. This risk is known as “**dwindling value**”.

When people lose faith in accounts of all kinds to store their wealth, they tend to invest in actual, physical assets like real estate, precious metals, equipment, and natural resources. When what you buy or invest in has *real value in your life* regardless of how much currency it can be sold for, that value has some immunity to inflation and transitional times. The one asset class that has held its value against inflation and economic uncertainty is precious metals – especially gold and silver.

With account-type investments, there are some causes for concern. Fees are high. The various companies involved seem unstable requiring “bailouts”.

They are accruing fines for improper behavior. Too many people find the purchasing power of account-type investments dwindling over time even if their size increases. We want to believe that our pension accounts have been protected, but question whether those in control of the accounts are taking undue risks with our money to make gains despite low interest rates.

It is a good time for physical assets. Real estate is great when it is affordable and local conditions are stable. If a home suddenly loses “market” value, it is still good for living in. Storing wealth in gold and silver is wise as well. Unlike real estate, you can take precious metals with you. If you need to wait out a tumultuous time, you can store wealth as silver and gold. Then, you can either use it directly or convert the gold and silver to a new currency and reestablish a good life once conditions improve.



Small Investor Strategies Worldwide

Individuals and families all over the world, not just in North America, have recently been buying considerably more silver and gold. They are not gambling for short term gain or “speculating” as it is often called. While there are reasons to believe gold and silver are about to gain historically unprecedented purchasing power, these small investors are buying precious metals to store their wealth for the long term. They own precious metals so *they can choose* a time and place in the future to use their wealth for themselves.

A Safe Haven

Gold and Silver are inversely correlated with traditional assets. In a stable market, when other types of investments go down in value, precious metals tend to go up. When asset bubbles burst, gold and silver tend to go up rapidly, too fast to respond.

That is why the main strategy around precious metal investing is *the “safe haven” strategy*. It’s not “buy low and sell high”. It is “buy low and *keep*.”



Precious Metals help protect wealth in uncertainty, in times of low interest rates and high currency supply.



Using the language of the economic news media, more and more people believe there is unavoidable trouble ahead before we will have a “recovery”. That trouble is often referred to by experts as an “adjustment”. They sometimes say you can reduce your “exposure” to the “adjustment” by increasing your “position” in gold and silver. In other words, you can disengage from the turmoil by switching to gold and silver. We are passionate about helping individuals protect and keep their hard earned savings. While we do sell bullion, our business could also be considered *safe haven strategy support*.



Forms and Pricing of Precious Metals for Investment

Forms of Precious Metals

Investment in gold and silver can be made by purchasing bars, rounds, coins, wafers or jewelry. Bars and wafers can be produced by any mint: respected makers generally stamp their identity and the purity of the metal right on the bar or wafer. Rounds can also be made by any mint and are typically stamped with beautiful and meaningful designs. Given that they are similarly shaped, what is the difference between a round and a coin? The difference is that coins are only made or “minted” under the *auspices of a national government*. Besides being bullion-quality precious metals, coins are also *legal tender*. The face value on a coin is generally much lower than the value of the bullion it is made with. Coins, rounds and bars are all considered bullion. There are other innovative forms of precious metals. There is a credit-card-sized wafer of gold, silver, platinum or palladium that breaks apart neatly into 50 one-gram pieces. This is useful in

case one wants to break off a small, precise amount of precious metal for a transaction. Jewelry has some overlap with precious metal investment, as does the practice of selecting coins for their rarity value beyond their bullion and mintage. This is known as *numismatics*, *seminumismatics* or *coin collecting*.

Selecting a Form that Suits You

Generally, the larger the size of bar, wafer, round or coin, the less you pay per ounce. The manufacturing of 20 bars/rounds/coins weighing 1/20th of an ounce each is more expensive than making a single one-ounce bar, round or coin. Precious metals are sometimes measured in grams but more often in *troy ounces*. A troy ounce is 31.1 grams instead of the ounce we are used to in other contexts (the avoirdupois system) which is 28.3 grams. Bars, rounds and coins are available in sizes as large or larger than 1 kg or 100 oz or in sizes as small as a gram or 1/20th of an ounce. Many people like to buy smaller sized bars, rounds and coins. Some people can imagine wanting to

trade or cash in smaller amounts of precious metals when it comes time to use them. People who select larger bars, rounds and coins generally aim to get the best value. We are a good match for those who want either or both.

We reveal our prices and our knowledge of the nuances of mark-ups to help everyone find his or her own best strategy. We love small orders too. We have no minimums. Relationships are what matter and starting them well is worthwhile.

Coins versus Rounds

Coins tend to cost slightly more than rounds of the same size and purity made by private mints. Many people choose coins anyway. Some people enjoy even greater confidence in bullion coins because several government mints have high quality standards. (We only deal with the world's finest mints, both public and private.) Simultaneously, those who choose coins over rounds believe that their recipient will also feel confident when the coins change hands again.

“ **American Gold Eagles contain a full troy ounce of gold as well as some silver to make them more robust and less prone to damage.** ”

Bullion Jewelry

Much of the value of a piece of jewelry is in its design, not just the amount of gold or silver it contains. Worldwide, gold and silver are gifted and treasured as a store of wealth. Some people feel they can travel wearing their wealth more easily and discreetly. For this reason, there is a new category of jewelry gaining popularity: 22 karat gold bullion jewelry. It is of high purity, simple design and created to cost as little as possible over the price of the gold it contains. Many people prefer jewelry. Some people feel more comfortable crossing international borders with jewelry as well as (or instead of) bullion or money.

Numismatics or Coin Collecting

A numismatic coin is a limited coin intended to be collected. A much greater portion of the looked-for value in a numismatic coin comes from its popularity based on its rarity and other qualities unique to the coin. Compare that to a bullion coin, the value of which relates mainly to its precious metal content. While it may require more specialized knowledge, experienced collectors take great pleasure and can enjoy great returns independent of market movement.

“ **COPPER**
While copper is not a precious metal, it is beautiful. We offer it in response to customer demand and we feel it should be regarded as collectable rather than a store of value. ”

Inventory is Reliable

Our business model includes having a large stock of inventory on hand so that we can ship orders quickly – no matter the size. As buyers, we understand wanting shipments to come quickly from a supplier who has the precious metals in stock.

Pricing of Precious Metals

How can you see how much a product or an order will cost? We show the up-to-the minute prices on our website for the products we offer with a shopping cart system to collect your order and review your total. We offer an all-in best price guarantee so you have confidence that your research is sufficient and effective. There are no hidden fees nor commissions. The price you see is the price you pay. The only additional charges are for shipping.

To offer maximum clarity and ease of price comparison, we reveal both the “spot” price and our products’ price on the same page. When people shop for precious metal products, they often use the spot price as a point of comparison. For example, a shopper

might keep in mind the spot price of an ounce of gold when shopping for a coin containing an ounce of gold (like a gold Maple Leaf).

“

**“spot” prices
are the acknowledged
base lines for market
pricing of each of the
precious metals and
they change constantly**

”

The difference between the spot price for an ounce of gold and our price for a gold Maple Leaf, in this example, is called the “premium”. By clearly revealing these prices, we add stability and predictability to the decision-making processes of our customers.

“

**A premium is
the mark up or the cost
above the market price
(or “spot price”) of the
precious metal content
of a bullion product**

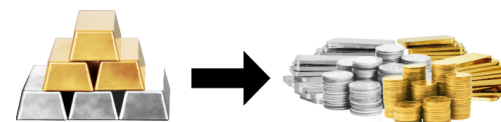
”

Why do we buy and buy back?

We offer a two-way market. We have happily accepted every request to buy bullion from anyone. When we are selling bullion, we are always explicit about whether a product has been owned before or is straight from a mint. When we buy bullion back, our processes for determining its authenticity are rigorous.

Our customers do sometimes want to trade us one form for another, for example larger bars for a variety of smaller bars/wafers/rounds/coins that someone feels might be more easily used. A “trade” is two transactions: a sell and a buy.

Another reason we are willing to buy back the bullion we have sold is to help our customers trust that they have a reliable place to trade their precious metals for currency should the need come up or the timing be right.



Security, Privacy, Authenticity, Storage

Security

The first question of security is “what is the threat?” Owners of precious metals enjoy a natural immunity from many threats, especially “counter-party risks,” but have to take steps to secure them from others.



Counter-Party Risk
There are so many companies, departments and institutions that must function in order for you to get the value of or the benefit from your investment, pension or account. The risk that one of these will fail and alienate you from your money is known as “counter-party risk”.



Something that can be said for account type investments is they cannot be destroyed in a house fire or stolen by a break and enter thief

(except perhaps via identify theft). Storage in a bank safety deposit box causes doubt, too. It exposes one to the risk that an insolvent bank or a bank during a run or “bank holiday” will confiscate or fail to give you timely access to your property. What are the options available to mitigate these threats?

Common Sense Measures

People who want to keep their precious metal and valuables in their physical control have to consider where to keep them. They may consider safes, obscuring the location of valuables, waterproof storage, the deterring of metal detectors, do-it-yourself installations, fire-proofing, decoy safes, etc. They consider whether to tell anyone and, if so, whom. They use their common sense, perhaps choosing multiple options. People are quickly getting reacquainted with the need to think along these lines.

Depository Storage

Storage is an option for those who are ready to own precious metals

but are not prepared to house them all (for example, in a safe at home). It is possible to store bars, rounds, coins and wafers at a private depository, nearby or further away. Working with top industry partners whose customers can easily keep their wealth in multiple locations on multiple continents helps us extend our reach. In a case where people find the stability of their geographical area to be uncertain, it could be appealing to ship to a foreign depository. When you are ready, you can have the depository ship your precious metals directly to you. Under financial and political duress, banks or governments have been known to be tempted to illegally take the contents of bank safety deposit boxes. An advantage to a private depository over a bank safety deposit box is the expectation that, in case of instability, your property will be secure and available to you.

Privacy

Three common topics related to privacy are information security, sanctity of contact information and reporting compliance. Effective use of technology is one of our strengths. We store our information on servers

we physically control. We continually prepare to meet data security challenges, recently deploying advanced security measures including extended validation SSL and perfect forward secrecy. When it comes to marketing communication, we may communicate with you with your permission. Reporting requirements on bullion transactions are modest. Bullion transactions would be reported if they involve cash over \$10,000. No report on transactions involving single checks or bank wires is required. As regulations change, we plan to be compliant with compulsory reporting. We will contest any government request for your data that is outside their legal authority. For your privacy, any shipments we send are obscurely labeled to give the least possible indication of their contents. We actively engage in privacy protection.

Authenticity

The primary way we ensure authenticity is through trusted partnerships with mints who have impeccable reputations to uphold. Because of the qualities of precious metals, they are easier to verify

and harder to fake. Our verification processes when we buy precious metals from the public are rigorous. As mentioned, we are always explicit on our website about whether a product has been owned before or is straight from a mint.

The Advantages to You

Our vision is of an alliance with our customer to help you build your ounces and love doing it. Key elements of that experience are our attention to detail, best prices and diversity of selection. We are fanatical about getting your order right so you can have peace of mind. We keep margins low with efficiency making our best price guarantee easy to offer so you get the best price. The breadth of our products and our responsiveness to our customers' requests will make your decisions fun. On our website, you can make an order any time, day or night, when you are at your best for shopping. The growth we have experienced has been satisfying. We take it as a good sign that our customers are happy. And yet we want to be as receptive and responsive to our customers as possible. We want

to be sure you are more than satisfied. We want to know people are loving building their ounces with us. Here is how we know. We have earned a Better Business Bureau A+ rating. Also, we receive and publish enormous amounts of customer feedback to stay receptive and responsive. We would be delighted for you to read this feedback to see what you can expect out of a relationship with us.



Purchase Processes

A typical first purchase involves the following steps in this order:

1. **Selecting your products**
2. **Locking in an order to confirm the price**
3. **Remitting payment**
4. **Awaiting payment processing and clearance**
5. **Receiving shipment notice(s) with tracking information**
6. **Receiving your shipment**



1 Selecting Your Products

Most people begin at our website. You can use it to build your order in an online shopping cart to see your total and get a quote for shipping costs. Our site makes comparisons easy. We are happy to talk with you on the phone to help think everything through and also to accept and lock in your order. Please consider the shopping cart to be an estimate until the order is locked and the price confirmed.

2 Locking In an Order to Confirm the Price

There are two ways to lock in an order:

- over the phone during business hours or
- on our website any time day or night, on any day of the year.

You either tell us you are ready on the phone or you can use the online button “submit and lock my order”. That is the moment we are obligated to fulfill at that price and you are obligated to go forward with the order.

3 Remitting Payment

Once an order is locked in, we need to receive your payment in a timely fashion (sent within two business days). There are several choices for paying for your order.

Worldwide:

- wire transfer
- Bitcoin

Additional Choices in North America:

- PayPal
- mailing check, draft, or money order

Additional Choices in Canada:

- BillPay in branch or online
- Interac
- pre-authorized debit
- direct deposit

4 Awaiting Payment Processing and Clearance

Most forms of payment reach us quickly and clear in one to three days although mailed payments and direct deposits take longer. There is a chart online with up-to-date information at:

<https://silvergoldbull.com/payment>

5 Receiving Shipping Notice with Tracking Information

Our commitment is to ship your order within five days of your payment clearing. Most of the time we ship quicker than that. You will receive a shipping notification (provided we have your correct, working email address) so you can be prepared for the arrival of your order.

6 Receiving Your Shipment

Your shipment is fully insured until you sign for it. Please examine the box for signs that it has been opened or tampered with before signing for your shipment. Sometimes with larger or heavier orders, the carriers (Fedex, UPS, etc.) require us to break orders down into separate shipments.

Next Steps

There is a step you can take any time to make an upcoming purchase easier. You can **establish a free account** (user name and password), perhaps even allowing us to email you from time to time about events and opportunities. You can set this up on **our website**.

Another step that you can take if you are banking at a Canadian bank is to establish Silver Gold Bull as a payee at a teller or online.

We look forward to connecting with you. Please call, visit our website and/or write us an email. **Let's get our relationship started.**

Learn More

It is true the best investment anyone can make is in his or her own education. We invite you to pursue your own research. If you need someplace to start, you are welcome to visit our **Facebook page** where we link to informative articles and posts as they become available.

It can be daunting to re-evaluate the fundamentals of handling money and investment. Give yourself the opportunity to look deeply at global monetary policy and let your own understanding guide your investment shifts and new life strategies.



Who We Are

Reliable

Change is the only constant: we know that the world will look different in five, ten, thirty and a hundred years. All we have to do to know that's true is look back in history. It seems likely that there will be dramatic changes in the world economy that bode well for owners of physical precious metals. We plan to be here through it all, participating in our community, helping each other and offering people the chance to buy, sell and own precious metals. We expect we too will need to adapt to a new world monetary system. To protect ourselves and our people is what we truly want. We hope everything turns out better than expected and we will be here for our customers for decades to come.

Why We Chose Our Name

We chose our name to be upfront about our stance on owning and keeping significant physical precious metals for protection. We have been committed to this idea for over a decade, since long before we started the company in 2009. When we named ourselves, we decided to be clear and forthcoming that we are permanently enthusiastic about silver and gold: in the language of investment, we are "silver gold bulls". We started by accumulating precious metals ourselves, at the same time influencing and supporting our friends and families to also look more deeply into what is happening within the global economic landscape. After years of that, we decided to formalize our help into a business and seek a wider circle of customers.

And that brings us to today. We are glad that you are reviewing our materials and we are looking forward to exploring together how we can help you. We have highlighted some of the key points we trust you wanted to know more about and we love questions. We hope you will contact us soon and at your earliest convenience.

YOU +  **Silver Gold Bull®** = **LONG TERM MUTUAL SUCCESS**