

Cash Transactions and ID Requirements – Policy Guide.

If you purchase gold or silver bullion with cash, please familiarise yourself with our policies regarding legal ID requirements. Below is a summary – our full statement of Policies and Procedures is available on request.

Basic Premises of our policies.

We recognise and understand our clients desire for privacy and confidentiality, however we also have legal obligations with respect to large cash transactions, suspicious transactions, money laundering and terrorist financing. As such we have put in place policies which endeavour to strike a balance between these two requirements.

ID requirements.

Generally, most transactions do **not** require presentation of ID and as a guide, only the following types of transactions will require presentation of ID.

- Transactions involving scrap jewellery
- Large cash transactions
- Transactions where payment is made in advance of pickup.

ID must be in the form of Government Issued Photo ID such as Drivers License, Firearms License, Passport etc.

Transactions involving scrap jewellery

Due to the higher chance of stolen goods being presented, then all scrap jewellery transactions require that a copy of ID is taken. We will also take a photograph of the items along with the ID, to enable us to tie individual items to individual clients – even after the items have been sent for refining. This information is kept on file for at least 1 calendar month from the date of the transaction.

Large Cash Transactions for Bullion

We are required by law to report certain types of transactions to FINTRAC (the governments Financial Transactions agency) As such you will be asked to produce ID if you conduct any of the following types of transactions.

- Single, or multiple transactions within 24 hours which total over \$10,000, and are paid for in cash. Cash means banknotes and coins – this does NOT apply if you are paying by Cheque, Draft, Debit Card or electronic transfer)
- A series of cash transactions which would result in over \$30,000 being paid in 1 business week (Mon-Sat)
- A series of cash transactions which would result in over \$50,000 being paid in 1 calendar month

Transactions where payment is made in advance of pickup

To ensure that we only present the goods to their bona-fine owner, then we request that ID be presented when collecting pre-paid orders. If you have nominated that a third party collect your order, this must be done at the time of ordering, and we will ask for their ID on arrival.

Please speak to a member of staff, or our compliance officer if you have any further questions or concerns regarding our policies in this area.

Example Scenarios for Bullion Transactions

- The following scenarios should help illustrate what information we require and under what circumstances.
- Please note, all rules are PER-PERSON. i.e. should yourself and your spouse each wish to purchase bullion, then our policies apply to each individual in isolation.

| Scenario | ID in store ?* | FINTRAC report ? |
|--|----------------|------------------|
| 1) Behaviour whilst engaging in bullion transactions | | |
| a) Either in person, or on the phone you initiate discussions on tax-evasion, under-the-table transactions, off-the-record transactions, money laundering, or other criminal activity. | Yes | Yes |
| b) Either in person, or on the phone you attempt to coerce employees of Broadside Bullion Inc to deviate from, bend or break established policies set out in this document regarding large cash transactions. | Yes | Yes |
| c) Either in person, or on the phone you ask employees of Broadside Bullion Inc for details of their policy on large cash transactions, and ask for clarification on any area of the policy. | No | No |
| 2) Over the counter sales... | | |
| a) You come in to the store to BUY or SELL gold or silver bullion. The value is under \$10,000 and payment is by CASH, CHEQUE, DRAFT, WIRE or DEBIT | No | No |
| b) You come in to the store to BUY or SELL gold or silver bullion. The value is OVER \$10,000 and payment is by CASH. | Yes | Yes |
| c) You come in to the store to BUY or SELL gold or silver bullion. The value is OVER \$10,000 and payment is by CHEQUE, DRAFT, WIRE or DEBIT. | No | No |
| d) You come in to the store to BUY or SELL gold or silver bullion twice within 24hrs (e.g. Friday afternoon and Saturday morning) The combined total is OVER \$10,000 and payment is by CASH. | Yes | Yes |
| e) You come in to the store to BUY or SELL gold or silver bullion twice within 24hrs (e.g. Friday afternoon and Saturday morning) The combined total is OVER \$10,000 and payment is by CHEQUE, DRAFT, WIRE or DEBIT. | No | No |
| f) You come in to the store to BUY or SELL gold or silver bullion three times in a working week (Mon-Sat), but never within 24hrs (e.g. Monday morning, Tuesday afternoon and Thursday morning) The total of each transaction is under \$10,000 and payment is by CASH. | No | No |
| 3) Bookings by phone or in-person with subsequent payment... | | |
| a) You place an order by phone or in person for gold or silver bullion. The value is under \$10,000. You pay by post, etransfer or WIRE. You collect your bullion at a later date. | Yes | No |
| b) You place an order by phone or in person for gold or silver bullion. The value is OVER \$10,000. You pay by post, etransfer or WIRE. You collect your bullion at a later date. | Yes | No |
| c) You place an order by phone or in person for gold or silver bullion. The value is under \$10,000. You pay by post, etransfer or WIRE. Your order is shipped to you | No | No |
| d) You place an order by phone or in person for gold or silver bullion. The value is OVER \$10,000. You pay by post, etransfer or WIRE. Your order is shipped to you | No | No |
| e) You place an order by phone or in person for gold or silver bullion. The value is under \$10,000. You pay by CASH when you collect your bullion at a later date. | Yes | No |
| f) You place an order by phone or in person for gold or silver bullion. The value is OVER \$10,000. You pay by CASH when you collect your bullion at a later date. | Yes | Yes |
| g) You place a single order, or a series of orders by phone or in person for gold or silver bullion. The combined value is OVER \$10,000. You make 1 payment by CASH when you collect your bullion at a later date. | Yes | Yes |
| h) You place a single order, or a series of orders by phone or in person for gold or silver bullion. The combined value is OVER \$10,000. You make upto 3 payments each under \$10,000 by CASH within 1 week (but never within 24hrs) and you collect your bullion with the final payment. <i>(Not possible if orders total >\$20K under our payment terms since we require full payment within 3 days for all orders over \$5000)</i> | Yes | No |

*** Please Note : Where "ID in store" is required, we need to see the ID, but do not take a copy.**