

# **FORWARD GOLD PURCHASE AND SALE AGREEMENT**

## **BY AND AMONG**

**Tagiuk Gold LLC (Tagiuk Mining Company) (The Seller),**

**and**

**Internet Customer (The Purchaser),**

**DATED: as of date of purchase**

### **Preamble**

Purpose: For the forward purchase of material containing one troy ounce of pure gold, with a fineness of at least 0.800 with payment received at the time of execution of this contract and physical delivery taking place as set forth herein.

### **Regulatory Notes:**

- The statements contained herein are though to be accurate at this time, but as with all government regulations, interpretation and enforcement can be arbitrary and capricious.
- Forward Gold Contracts are not regulated securities as defined by the SEC.
- The SEC administers and enforces the federal laws that govern the sale and trading of securities, such as stocks, bonds, and mutual funds, but does not regulate futures trading.
- The Commodity Futures Trading Commission (CFTC) regulates Futures and Futures markets. Futures are a standardized and regulated type of forward contract. This contract is not a Futures Contract.
- Forward Gold Contracts are not futures as defined by the CFTC.
- Gold is an exempt non-agricultural commodity under CEA Section 1a(20) Exempt commodity: The term “exempt commodity” means a commodity that is not an excluded commodity or an agricultural commodity.
- Both the Commodity Exchange Act (the CEA) and CFTC regulations have long recognized a forward contract exclusion from futures contracts.
- CEA Section 1a(47)(B)(ii) Exclusions: The term “swap” does not include any sale of a non-financial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled.

### **Buyer Beware:**

- All contracts for future delivery expose the buyer to risk.
- It is important for you to understand the risks of entering into a forward contract.
- You must conduct your own due diligence on the Seller.
- This forward gold purchase is for delivery of physical gold, it is not meant to provide an expectation of profit.
- The value of this contract is related to the value of the delivered commodity, whose price is set by global market forces. The value of this contract could go down if the price of the commodity goes down.

## 1. Definitions

- 1.1. “**Agreement**” means this purchase and sale agreement and all attached schedules, in each case as the same may be supplemented, amended, restated, modified or superseded from time to time in accordance with the terms hereof.
- 1.2. “**Assumed Fineness**” means the assumed payable mineral content of a batch of raw gold, by means of industry standard assay of a representative sample of that same batch.
- 1.3. “**Business Hours**” means the times during any date, other than a Saturday or Sunday, which a banking institution in Nome, Alaska is open to the public for conducting business.
- 1.4. “**Eligible Transferee(s)**” means a person or entity that is legally able to agree to this *Agreement*.
- 1.5. “**Fair Market Value of One Troy Ounce of Gold**” means the London Bullion Market Association P.M. Fixing price for that weight for the date given, or if there is no such price for that date, the price for the nearest of the preceding five dates, or, if none such fixing exists, another market fixing mutually agreed upon by the Parties.
- 1.6. “**Gold**” means the physical element gold, atomic number 79, element symbol Au. Gold is a non-agricultural commodity, whose forward contracts are exempt from CFTC registration.
- 1.7. “**Mine**” means to physically extract from natural materials and upgrade to a saleable quality.
- 1.8. “**Price per Troy Ounce**” means price is US dollars per troy ounce pure gold content. Price is FOB Nome, Alaska. See: 2.6 Transfer Location.
- 1.9. “**Product**” means the product purchased under this *Agreement*.
- 1.10. “**Transfer Agent**” means a third party responsible for receiving the *Product* from the Seller and delivering it to the Purchaser or Purchaser's designate. Examples include a postal service, financial institution, courier, or other agent mutually agreed to by both the Seller and the Purchaser. An agreement upon an agent shall not be unreasonably withheld by either party. Any costs associated with using an agent will be borne by the Purchaser.
- 1.11. “**Transfer**” means the moment the Seller initiates the transfer to the Purchaser of the *Product*, whereby the *Product* is no longer under the Seller's control but under the control of the Purchaser or a *Transfer Agent*.

## 2. Terms of the Sale

- 2.1. Nature of a Forward Contract:** This *Agreement* is for the purchase of gold that may not yet be mined, for physical delivery in the future, with payment now.
- 2.2. Advance Payment:** The Purchaser shall provide to the Seller and advance payment upon execution of this *Agreement* in the amount \$900, unless listed higher on the website.
- 2.3. Product Purchased:** In exchange for the advance payment being timely received, the Seller agrees to deliver to the Purchaser a quantity of material containing one troy ounce pure gold, with a fineness of at least 0.800 (19.2 karat). The product will come with a Certificate of Authenticity, like the one showed in the pictures on the website.
- 2.4. Delivery Date:** The *Product* purchased shall be available for delivery on December 9, 2019
- 2.5. Transfer Time:** A date and time on or after the Delivery Date and during *Business Hours*, of the Purchaser's choosing, with at least five days notice to the Seller.
- 2.6. Transfer Location:** On or after the Delivery Date, the seller shall make the Product available to the Purchaser at a location of the Seller's choosing within five road miles of a United States Post Office within the City of Nome, Alaska, USA
- 2.7. Guarantees:** Under this *Agreement*, the Delivery is guaranteed by the assets of the Seller. The Purchaser is a creditor of the Seller in a position subordinate to any claims by The City of Nome, The State of Alaska, and The United States of America.
- 2.8. Product Forms:** The default delivery form of the Product shall be raw placer gold whose *Assumed Fineness* shall be documented by the Seller.
- 2.9. Storage:** The cost to store Product that has not yet been *Transferred*, may include storage fees, vault fees, security fees, inventory taxes, transportation costs, insurance cost, and similar. These costs shall be borne by the Seller until December 31, 2019. Thereafter, the costs shall be borne by the Purchaser.
- 2.10. Taxes, Royalties, and Fees:** The Product shall be delivered free from the Alaska mining license tax, Alaska Production Royalty, Leaseholder royalty, and other mining related fees, as these shall be borne by the Seller. Expenses to be borne by the Purchaser may include sales taxes, shipping expenses, wire transfer fees, currency exchange fees, and any other expense traditionally or legally incurred by a purchasing or transferring a good.
- 2.11. Transferrability of Agreement:** Transferring of contracts is discouraged by the Seller, however the seller recognized that is has been the long-standing customary and ordinary practice for forward contracts to be transferable. The Seller shall agree to allow the Purchaser to transfer or assign, this Agreement in whole to any *Eligible Transferee*.

- 2.12. Delivery of Whole Troy Ounces Only:** Splitting the Agreement across multiple transferees is not permitted.
- 2.13. Buy-back:** If the Purchaser requests, the Seller agrees to buy this contract back from the Purchaser on or after the Delivery Date, at *Fair Market Value of One Troy Ounce of Gold*.
- 2.14. Anti-Money Laundering and Known-You-Customer:** The Seller will act in good faith to comply with all laws of the United States, this includes those designed to detect and prevent illegal money transfers. Among the things the Seller will do to ensure compliance currently include:
- a) Requiring from the Purchaser the information for IRS Form 8300 “Report of Cash Payments Over \$10,000 Received in a Trade or Business” if the Purchaser pays the Seller over \$10,000 in cash or currency instruments in a 24 hour period, or in the same transaction.
  - b) Complying with any reporting requirements with regards to delivery of physical gold at the time of the Transfer.
- 2.15. Applicable Law:** This *Agreement* shall be governed by and interpreted in accordance with the laws of the State of Alaska without regard to the conflict of laws provisions thereof.
- 2.16. Waiver:** The failure of either the Purchaser or the Seller to insist on the strict performance of any provision of this *Agreement* or to exercise any right, power, or remedy upon a breach hereof shall not constitute a waiver of any provision of this *Agreement* or limit the Purchaser’s or Seller’s right thereafter to enforce any provision or exercise any right hereunder. A waiver of any provision of this *Agreement* shall not be effective unless provided in writing and signed by the party against whom it is to be enforced.
- 2.17. Defects and Technical Errors:** The methods used to sell this contract may introduce malicious or accidental errors in price or other technical issues. Prices will only be honored as set forth herein. Issuance or transfer of contracts in error or fraud will not be honored. Best efforts will be made to correct errors.
- 2.18. Amendment:** No modification or amendment of this *Agreement* shall be valid unless made in writing and duly executed by the Purchaser and the Seller.

**2.19. Severability:** If any term or other provision of this *Agreement* is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this *Agreement* shall nevertheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this *Agreement* so as to effect the original intent of the parties as closely as possible.

**2.20. Notices.** All notices and other required communications (“Notices”) to the parties to this *Agreement* shall be in writing, and shall be addressed respectively as follows:

a) If to the Seller:

Tagiuk Gold LLC  
PO Box 1370  
Nome, AK 99762  
sales@tagiukgold.com

b) If to the Purchaser:

[www.tagiukgold.com/notices](http://www.tagiukgold.com/notices)  
Email address provided by the Purchaser

By submitting payment in full, the Purchaser executes consent and agreement to the terms herein.

By accepting payment in full, the Seller executes consent and agreement to the terms herein.

Within five days of receipt of the payment, either party may, by email notification to the other party, cancel the transaction and require a reverse of the payment. Any third-party transaction fees charged to return the funds will be borne by the party that requests the cancellation.