RISK DISCLOSURE STATEMENT

FOREWORD: PMI DOES NOT CONDUCT TRANSACTIONS IN FUTURES CONTRACTS OPTIONS ON FUTURES CONTRACTS OR SECURITIES. THEREFORE THIS RISK DISCLOSURE RELATES ONLY TO THE OWNERSHIP, PURCHASE & SALE OF PHYSICAL PRECIOUS METALS BULLION PRODUCTS.

This brief statement of risk cannot disclose all the risks involved in the purchase or sale of Physical Precious Metals Bullion Products. The purchase of them involves a high degree of risk that is not suitable for many members of the public. You should enter into agreement to purchase said products only if you are fully aware of the potential for loss and understand the nature and extent of your rights and obligations. As in any area of ownership, the chances for success in the purchase and sale of said products are influenced not only by the risks involved in such activities, but how well those risks are understood. Individuals considering buying or selling said products are urged to obtain additional information and to ask specific questions (and obtain specific answers) concerning the risks as well as the opportunities.

In purchasing Precious Metals Products, informed decisions – including whether or not to participate at all – should be based on a thorough understanding and careful weighing of the risks attendant to such ownership. Moreover, it should always be kept in mind that what may be attractive and appropriate for one individual may involve risks that are totally unacceptable for another individual. Purchases of these products are not suitable for everyone.

This Disclosure Statement is being given to you to describe the risks that attend the ownership of Precious Metals Products. It should be read and thoroughly understood before any decision is made to engage in such activities. You are urged to thoroughly research and understand the type of activity contemplated before entering into any agreement.

In conclusion, before you open an account with PMI you are urged to review these documents and the terms of the agreement you will be required to enter into with your attorney and accountant; study the nature of the Physical Precious Metals Markets, examine the risks and rewards involved; and seriously consider if you can absorb the potential loss attendant to their ownership.

RISK OF TOTAL OR NEAR TOTAL LOSS

There is no guarantee that the product you purchase today will retain in the future all or any part of their current value. Their supply may become so overabundant that no one will pay for them.

Man-made substitutes may render the product worthless. Finally, there may in the future exist no organized market in which you may sell the products you purchase today.

Since your account with PMI calls for you take title to and possession of the product you purchase immediately, the risk of total or near-total loss is yours.

Only those individuals capable of sustaining such loss should consider purchasing.

RISK OF TRADING HALTS, SUSPENSIONS, AND ORGANIZED MARKET DISAPPEARENCE

You should note that on any given day, trading in categories of Precious Metals Products may be restricted, suspended or halted entirely for any number of reasons. When trading is so restricted, suspended or halted, it may be difficult or impossible to know when the market will resume trading activity.

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PRICE FLUCTUATION

These products are subject to sudden price change and volatile price fluctuation. The value of the product you purchased may dramatically decline in the course of a trading day. Only those individuals capable of sustaining such price fluctuations and risks should consider purchasing.

PURCHASE PRICE

The purchase price for your product as specified by PMI and/or your Independent Broker (Retail Dealer) may, and in all likelihood will include a "markup" over the price quoted on the Commodity Exchanges in that amount which PMI and /or your Independent Broker (Retail Dealer), in its sole discretion, has established at the time your purchase order was entered. Furthermore, credit initiation fees and credit fee expenses (which are applicable if your purchase is partially paid for with a credit facility provided to you by PMI) will increase the overall cost. While the purchase price will customarily be related to the then-existing "spot" price as quoted on the appropriate Commodity Exchanges, the purchase price you pay for your products will almost always be more than the Exchanges quoted price for those products.

CREDIT FACILITIES – RISK OF EQUITY CALL AND FORCED LIQUIDATION

When you purchase utilizing credit, you are initially supplying only a portion of the total purchase price. The balance due is provided by proceeds of a credit facility, which is issued by PMI. If the value of your product subsequently declines, you may be required to remit additional funds to PMI on short notice to avoid liquidation of your product. Additionally, under certain circumstances, your product may be liquidated by the company without prior notice or equity call. YOU SHOULD CARE-FULLY REVIEW THE CUSTOMER ACCOUNT TERMS AND CONDITIONS, WHICH FURTHER EXPLAINS THESE RISKS.

CREDIT FACILITY RISK OF LOSS MAY EXCEED PAYMENTS MADE

When you make a purchase, wherein a portion of the total purchase cost is funded by the credit facility, you are not supplying the total purchase price for the products purchased at the inception of the transaction. There is no guarantee that you will be able to subsequently resell your product for an amount equal to or greater than any unpaid balance outstanding at the time of sale, and you will be responsible for any deficiency due to PMI, as the case may be. Therefore, it is possible to lose more than the amount of your initial investment in this type of transaction.

SALE OR TRANSFER EXPENSES

If you seek in the future to sell or otherwise transfer to third parties the product you may take home delivery of from PMI, you may be required by that third party to subject the product to inspection and assay at your expense.

REFUSAL TO TAKE ORDERS

PMI may refuse to enter into any purchase and/or sale transaction with any customer for any reason whatsoever.

PMI shall not be held liable for loss sustained by any customer for refusal of PMI to purchase and/or sell product to or from that customer or for any claim of loss occasioned by that refusal to do business.

CONFIRMATION – RISK OF ERROR

After each transaction for the purchase or sale, PMI will deliver to you a written confirmation setting forth pertinent information concerning the transaction.

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Unless you notify PMI of any error in any confirmation seventy-two (72) hours after delivery thereof, the confirmation shall be conclusively presumed to be true and accurate in all respects and you may not be able to challenge the contents thereafter.

TAX CONSIDERATIONS

The Tax consequences to you on product transactions may differ on a case-by-case basis. Because of the importance of tax consideration to all product transactions, you should consult with your tax advisor as to how your taxes may be affected by the outcome of the contemplated purchases and/or sales, before entering into any agreement to purchase.

GOVERNMENTAL REGULATION

You should understand that governmental authorities may impose rules or regulations upon either PMI, yourself or both, which could result in a change of the duties, obligations, and rights set forth in your Customer Agreement.

INDEPENDENT BROKERS (RETAIL DEALERS)

Customers who choose to use the services of Independent Brokers (Retail Dealers) do so with the understanding and herein acknowledge that such Independent Brokers (Retail Dealers) are not agents, employees or affiliates of PMI.

The customer in selecting an Independent Broker (Retail Dealer) is authorizing said Independent Broker (Retail Dealer) with full power of attorney to act on behalf of the customer and the customer's account with PMI.

The customer herein instructs PMI to honor the instructions of the customer's selected Independent Broker (Retail Dealer) on behalf of the customer, and in so doing, indemnifies PMI and agrees to hold PMI and its affiliates or assigns harmless as a result of PMI's adherence to the instructions of the customer's appointed Independent Broker (Retail Dealer).

Independent Brokers (Retail Dealers) who chose to introduce you to PMI are independent of PMI. Therefore PMI cannot control the recommendation made by such Independent Broker (Retail Dealer). This is left solely to the discretion of your Independent Broker (Retail Dealer) responsible for your Account. Therefore PMI shall not assume any liability, whatsoever, to the customer for recommendations of purchase and/or sale made by any Independent Broker (Retail Dealer).

The customer herein acknowledges that the customer alone is responsible for all decisions made by him/her regardless of representations or recommendations made by the Independent Broker (Retail Dealer) or PMI.

REMEDIES UPON DEFAULT

If a portion of any purchase is placed in the Customer's Account utilizing the credit facility as provided by PMI, or alternatively there is an open balance due to PMI on customer's account, and customer fails to make any required payment(s), or clear the balance due PMI, as the case might be, PMI in addition to other remedies available and not as a limitation of same, shall have the irrevocable right and irrevocable Power of Attorney of the customer, to liquidate any or all of the CUSTOMER'S existing product reserves in order to pay any obligations of the Customer due PMI.

This may result in customer product reserves acquired in unrelated transactions being liquidated to pay off obligations for any other transaction.

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TERMS OF THE AGREEMENT ARE CONTROLLING

In the event that any provision of this Disclosure Statement conflicts with your Agreement, then to the extent of the conflict and the conflict only, your agreement is controlling.

GLOSSARY

Risk Disclosure Statement	Statement to the customer designed to disclose the risk attendant to the purchasing and selling of Physical Precious Metals Bullion Products.
Customer Account Agreement	Documentation of contract outlining the terms and conditions agreed to by the customer attendant to the customer's account with the PMI.
Customer Profile Form	Information provided by the customer to the company regarding the customer's investment experience and financial condition.
Precious Metals	Gold, Silver, Platinum, Palladium in various Physical forms.
Equity Call	Applies only to credit facility positions wherein a decline in value of the customer's product might result in a demand by PMI for the customer to restore his equity by either reducing his indebtedness to PMI, or provision of additional collateral.
Forced Liquidation	PMI, may at its discretion, liquidate part or the Customer's entire product without prior notice to the Customer, in order to protect equity or to collect demands made to the Customer for payment on which Customer has not performed.
Inspection and Assay	Product delivered home to Customer and subsequently sold to third parties or to PMI, at a later date, may be subject to inspection and assay in order to verify their purity. (For such a case the customer may be subject to fees related to such assay and inspections).
Ask Price	The price of the product, charged by PMI or customer's Independent Broker (Retail Dealer), when the Customer is purchasing said product.
Bid Price	The price paid when the customer sells product (to PMI or any other company, dealer or individual).
Fees Charge	A percentage charged by the Independent Broker (Retail Dealer) based on the total value of a Customer's transaction. (PMI does not control or share in fees charged by the Independent Broker (Retail Dealer).
Storage/Service Fee	The fee charged by PMI based on the weighted average value of the product on an annual basis and is billed to the customer, or his account monthly. Normally this fee is 1.5%.
Credit Fee	The rate of interest charged on unpaid credit balances due to PMI (Refer to Customer Account Terms and Conditions).

PLEASE RETAIN FOR YOUR RECORDS

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