

General Terms and Conditions of Sale for AGX Coin

Lode Association Establishment, Liechtenstein (afterwords referenced as “us” or “we”)

§ 1 General

- (1) The terms and conditions set out below shall form part of the agreement concluded with us.
- (2) Our General Terms and Conditions of Sale shall apply in accordance with the most recent version and to all subsequent transactions without any need of express reference thereto or agreement thereon at the conclusion of such transaction.
- (3) We hereby object to any counter confirmation, counter offer or other reference by the Buyer to its general terms and conditions; any dissenting terms and conditions of the Buyer shall only apply if we have confirmed the same in writing.
- (4) The Buyer may not assign any claims arising from transactions with us without our written approval.

§ 2 Offers; Orders

- (1) Our offers shall not be binding; in particular with reference to quantities, price and delivery time.
- (2) Orders placed by the Buyer shall not be regarded as accepted until these have been confirmed by us by sending the tokenized pick-up slip (see section 4) to the wallet address of the Buyer.

§ 3 Prices; Weight

- (1) Our prices shall exclude any statutory VAT which shall be payable at the date of delivery or pick-up.
- (2) If, as a result of a change of law between the agreement date and the delivery date, additional or increased charges – in particular duties, levies, currency compensation payments, shall be payable, then we shall have the right to increase the purchase price accordingly. The same shall apply to any fees for examination.
- (3) The purchase price shall be based on the weight as determined at the loading. A customary weight decrease during transport shall be at the risk of the Buyer.

§ 4 Tokenized pick-up slip; Quality

- (1) For all silver sold by us we issue a tokenized pick-up slip (hereinafter “AGX Coin”) on the hyper ledger blockchain and/or other blockchain protocols.
- (2) At the time of pick-up and/or the time of scheduling a delivery the Buyer must have an approved account at the AGX platform at www.agxpay.com, which includes an approved KYC/AML procedure. At the time of pick-up and/or the time of scheduling a delivery the AGX Coins must be sent to the designated wallet shown on the AGX platform account.
- (3) Without an approved account on the AGX platform (www.agxpay.com) and transfer of the AGX Coins to the designated wallet no schedule of a pick-up, a pick-up or scheduling of a delivery is possible.
- (4) The AGX Coin represents the right to pick-up one (1) gram of silver per token. The AGX Coin does not include any shipment costs for the silver and is only representing the right for pick-up at the vaulting partners of ours.
- (5) The partial transfer of claims under the AGX Coin is not permitted. The transfer of AGX Coin occurs exclusively through the Blockchain where the AGX Coin was issued at by us. A transfer of the AGX Coin outside the blockchain is not permitted.
- (6) The Buyer has the right to transfer the AGX Coin to a third party by transferring the tokenized pick-up slip on the respective blockchain to a third party (e.g. The Buyer uses the AGX Coin tokenized pick-up slips like a gift card) in accordance with the subsequent provisions.

(7) The holder of those AGX Coin will be entitled to receive the one gram of silver per AGX Coin from us.

(8) Pick-up of the silver or delivery of the silver can only be requested from holders of the AGX Coins. We may assume that the respective holder of the AGX Coin is also the creditor of the respective pick-up/delivery claims for the silver. We will therefore also be relieved of its liability by service to an AGX Coin holder who is not a creditor. **The Buyer understands that if he loses access to the AGX Coin(s) and/or transfers them to a third party he will lose his/her right to receive any silver from us. The Buyer understands that working with tokenized pick-up slips (AGX Coin) creates certain specific risks repeated to blockchain technology and token and the Buyer has to take all necessary steps to understand the risk and to handle the AGX Coin properly before buying any silver from us.**

(9) Each holder of AGX Coin (herein after also referenced as the "Buyer") shall makes these Terms and Conditions of the AGX Coins part of a contract with the recipient of the AGX Coin. If the Buyer fails to make these Terms and Conditions of the AGX Coins part of a contract with the recipient of the AGX Coins, the Buyer will hold us harmless of all costs and damages that might arise out of this.

(10) At all times of the issuance of AGX Coins represents the physical silver will already held. We never sell silver that is not already in our possession and is already existing in our vaults.

(11) If the Buyer does not pick-up the silver represented by the AGX Coin within 5 working days after we issued the AGX Coin to the Buyer, we hereby agree to hold the silver in custody for the token holder and the token holder of the AGX Coins will become subject to the following fees: XXXX. ADD FEES AND UNDER WHICH CONDITIONS If we are holding the silver in custody for the Buyer as described before our liability is limited to the selection of a proper vaulting partner. We will not be liable for any losses or damages that occur if the silver was not picked up by the Buyer within 5 working days after we send the AGX Coin(s) to the Buyer.

(12) In addition to the previously mentioned fees for late pick-up/custody for every transfer of AGX Coins on the Blockchain the following fees will be charged by us: XXXXX 100OZ plus define minimum amounts

(13) Unless otherwise agreed or confirmed by us in writing, the quality of the silver shall be in accordance with customary trade practice. TARNISH MINOR VISUAL IMPERFECTIONS are fine, silver is sold by weight and measure.

Fees:

Transaction Fees - Public Blockchains

Public blockchains will charge their native platform fees (if the platform has fees). The Lode Association will not receive any of those fees.

Additionally, the Lode Association will charge a tiered transaction fee to all transactions that take place on a public chain. See the following chart:

Where A is the amount sent, all values are in AGX.

Transaction Amount	Fee Charged	Maximum Fee for Tier
$A \leq 10$	1.0%	0.1
$10 < A \leq 250$	$0.1 + 0.4\% \cdot (A-10)$	1.06
$250 < A \leq 2500$	$1.06 + 0.2\% \cdot (A-250)$	5.56

2500 < A <= 25'000	$5.56 + 0.07\% * (A-2500)$	21.31
25000 < A <= 2'500'000	$21.31 + 0.007\% * (A-25000)$	173.25

Demurrage, charged annually by reducing the value of all AGX Coins on a specific public chain. The rate for demurrage is approximately equivalent to 1% annually, deducted no more frequently than daily, and no less frequently than once a year.

Currently the rate is 0% on public blockchains that support the above mentioned transaction fee.

On public blockchains that do not support the above mentioned fee structure the demurrage rate will be targeted at 1% annually, calculated and deducted daily, at a rate of 0.00274% each day.

This is implemented on the Hyperledger platform as a negative interest rate, and will act as invisible inflation on the public blockchain, gradually reducing the value of the AGX Coins that are on that platform.

Example: There are 10,000,000 AGX Coins set aside in Hyperledger to be represented on a public platform, and so 10,000,000 AGX Coins are minted on the public platform to represent them. Demurrage is applied at a rate of 0.00274% per day, and so after one day 274 AGX Coins will be deducted from the backing of the public platform coins, while the number in circulation on the public platform doesn't change.

This is primarily to cover the cost of vaulting.

Currently there are no platforms this is planned for, as all platforms currently on the road map support the transaction fee schedule above.

Redemption Schedule

Redemptions may only be done by qualified bullion dealers or qualified individuals.

Redemptions have a minimum size of 1000 Troy Ounces silver bullion.

There will be a 200 AGX administrative fee.

Redemptions are exclusively for an integer multiple of 100 Troy Ounce bars, at the rate of 3110 AGX for per 100 Troy Ounce bar.

Example: 31'300 AGX will cover the Administration fee, and the redemption rate, and the recipient will receive ten 100 Troy Ounce bars (1000 ounces, and the minimum).

Example: 311'200 AGX will cover the Administration fee and the redemption rate, and the recipient will receive one hundred 100 Troy Ounce bars (10,000 ounces).

Redemptions will only be accepted for AGX Coins that are based on Hyperledger, from a customer who has completed their KYC and due diligence processes. AGX Coins from public blockchains will first need to be migrated back to Hyperledger before they will be accepted.

§ 5 Pick-Up, Shipment; Delivery MINIMUM PICKUP PLUS FEES

- (1) Pick-up of the silver always requires an appointment scheduled with an approved account on the AGX platform (www.agxpay.com). If the AGX Coin holder chooses to get the silver delivered he must pay the shipment costs in advance. The silver shall be transported uninsured and in any event at the risk of the Buyer. This shall also apply in cases of any delivery free of charge and regardless of which means of transport shall be used. Any transport insurance shall be provided only upon express demand of the Buyer. Any costs arising therefrom shall be at the expense of the Buyer only.
- (2) The selection of the place of dispatch and the transport route and the means of transport shall, in the absence of any written arrangement dictating otherwise, be subject to our reasonable discretion and be without liability for the cheapest and fastest transport.
- (3) If the Buyer provides the means of transport, then it shall be responsible for its availability on time. We shall immediately be informed of any delays. Any costs arising therefrom shall be at the expense of the Buyer.
- (4) We shall have the right to reasonable delivery in installments.
- (5) Our delivery obligation shall at all times be subject to timely and orderly access to the silver from our vaulting partners.
- (6) Unless otherwise expressly agreed in writing, any indicated time of delivery or unloading shall be non-binding.
- (7) Any inability to supply as a result of *force majeure* or other unforeseen incidents outside our responsibility including, without limitation, strike, lock out, acts of public authorities, subsequent cease of export or import opportunities and our reservation of timely supply from our own supplies in accordance with subsection (5) above shall, for their duration and in accordance with their impact, relieve us from the obligation to comply with any agreed time for delivery and unloading. They shall entitle us to also withdraw from the Agreement which shall not result in any compensation claims of the Buyer.
- (8) If any agreed time of delivery or unloading shall be exceeded and there shall be no incident referred to in subsection (7) above, then the Buyer must specify to us a reasonable cure period of minimum two weeks. If we shall fail to meet such deadline also, then the Buyer shall have the right to rescind the Agreement but shall have no right to seek compensation for breach of contract or default unless in cases of willful misconduct or gross negligence on our part.

§ 6 Duty to Inspection and Objection

- (1) Upon delivery at the agreed destination or (in the event of self supply) upon taking possession, the Buyer shall immediately
 - a) check quantities, weight and packaging and record any objections thereto on the delivery note or consignment note and/or the acknowledgement of receipt/warehouse removal note of the storage and
 - b) conduct a quality check representatively on a spot check basis and for such purpose, open the packaging (if applicable) and to check all attributes of the silver.
- (2) In case of a notice of defect the Buyer shall comply with the following procedures and deadlines:
 - a) The notification shall be made by no later than the expiry of the working day on which the delivery of the silver to the agreed destination or on which possession of the silver has been taken. In the event of an objection to a hidden defect which, despite a first inspection in accordance with subsection (1) above, has remained undiscovered a different deadline regime shall apply. In such case the objection must be raised within the earlier of the expiry of the working day on which the defect has been discovered but in any event by no later than two weeks after delivery or take over of the silver.
 - b) The detailed notice shall be delivered to us within the aforementioned deadlines in writing, by telegraph, telex or fax. Any notice by telephone conversation shall not be accepted. Any notice to sales representatives, commission agents or agents shall not be valid.
 - c) The notice must clearly specify the kind and amount of the alleged defect.

d) The Buyer agrees to make available for inspection the objected silver at the place of inspection; such inspection may be done by us, our suppliers, vaulting partners or any expert we may have designated.

(3) No objections with regard to quantities, weight or packaging of the silver shall be possible unless a note has been placed on the delivery note or a consignment note or a receipt of acknowledgement in accordance with subparagraph (1) (a) above. Moreover, any right to object shall cease to exist, when the Buyer has mixed, used or resold the silver delivered or shall have started its processing.

(4) Any silver for which objections shall not have been raised in accordance with the procedures and deadlines set out above shall be regarded as approved and accepted.

§ 7 Warranty; Limitation of Liability

(1) Upon justified objections which shall have been raised in accordance with the procedures and deadlines hereunder, the Buyer shall have the right to claim a reduction in the purchase price which shall be without prejudice to our right, to provide the return of the objected silver.

(2) The Buyer shall not be entitled to any further rights or remedies. In particular, we shall not be responsible for any compensation based on breach of contract or default unless the silver shall lack a characteristic that we shall have expressly guaranteed or in cases of willful misconduct or gross negligence on our part.

§ 8 Payment

(1) Our purchase price claims are net cash amounts and payable free of any deduction upon receipt of the invoice unless other payment terms shall have been agreed.

(2) We shall accept promissory notes and cheques only upon specific arrangement and only in lieu of payment. Any fees for discount bills or promissory notes shall be at the expense of the buyer and immediately payable.

(3) If the invoice amount shall not have been settled within 10 calendar days after the date of invoice or as at another due date, then we shall without the need to a separate warning notice have the right to recover default interest in a proven amount but in any event an amount equalling 3% above the base rate of the European Central Bank.

(4) If the Buyer's business shall be operated beyond the ordinary course of business which shall include, without limitation, acts of seizure or a situation where a protest in relation to promissory notes or cheques has been made, payments shall be delayed or even discontinued or judicial or out of court settlement or insolvency proceedings shall have been petitioned or opened or proceedings in accordance with the Insolvency Act or similar regulations shall have been petitioned, then we shall have the right to declare all our claims arising from the business relationship as immediately due and payable, even if we shall have accepted promissory notes or cheques. The same shall apply if the Buyer shall be in payment default towards us or other incidents shall surface which give rise to doubts about its creditworthiness. Moreover, we may in such event demand prepayments or a security deposit or rescind the Agreement.

(5) The Buyer shall have no right to set off, retention or reduction unless the underlying counterclaims have been conclusively determined by a court or expressly acknowledged by us.

§ 9 Retention of Title

(1) We shall retain full title of the silver that have been delivered until the Buyer has discharged all claims arising from the business relationship which shall include any account balance and claims from refinancing or reverse promissory notes.

(2) The Buyer shall have the right to dispose of the silver delivered by us within the ordinary course of business. The authority granted hereunder shall cease in the cases referred to in § 8 (4) above. Moreover, we may withdraw the sales authority of the Buyer through written notice if it shall be in breach of any obligation owed to us and shall in particular be in payment default or we shall become aware of other incidents that give rise to doubts about its creditworthiness.

(3) The Buyer's right to process the silver delivered shall also be subject to the limitations set out in subsection (2) above. The Buyer shall not acquire title to the fully or partly processed silver; the processing shall be free of charge for our benefit as Seller. If we should, for whatever reason, lose our rights under the retention of title, then it is hereby agreed between us and the Buyer that we shall acquire title upon processing of the silver and the Buyer shall remain custodian of the silver which shall be free of charge.

(4) If the silver in which we have retained title shall be inseparably assembled or mixed with metals that are third party property, then we shall acquire co-title in the new silver or the mixed stock. The proportion of title shall follow from the proportion of the invoice value of the silver delivered by us under retention of title and the invoice value of the other silver.

(5) Silver in which we shall acquire sole or co-title in accordance with subsection (3) and (4) shall, the same as with regard to the silver delivered under retention of title according to subsection (1) above, be regarded as silver delivered under retention of title for the purposes of the following paragraphs.

(6) The Buyer hereby assigns to us all claims arising from the resale of the silver delivered under retention of title. Such claims shall also include claims against the bank which, within the scope of such sale, shall have issued or confirmed a letter of credit for the benefit of the Buyer (= reseller). We hereby accept such assignment. If the silver delivered under retention of title shall be a processed good or a mixed stock, where, in addition to the silver delivered by us, only such silver exist that are either the Buyer's property or a third party property as a result of a (simple) retention of title, then the Buyer shall assign all of the claim arising from the resale. In the other case, i. e. in the event of a conflict between pre-assignment claims by other suppliers, we shall be entitled to receive any resale proceeds on a pro rata basis which shall be determined in proportion to the invoice value of our silver and the other processed or mixed silver.

(7) Where our claims shall be undoubtedly be secured through the assignment and retention by more than 125%, any surplus of receivables and/or silver delivered under retention of title shall, upon demand of the Buyer, be released in accordance with our choice.

(8) The Buyer shall be authorized to collect any receivables arising from the resale of silver. Such authority shall cease to exist in the event that there shall no longer be an ordinary course of business as defined in § 8 (4) above. Moreover, we may withdraw the Buyer's authority to collect, if it shall be in breach of any obligation owed to us and shall in particular be in payment default or we shall become aware of other incidents that give rise to doubts about its creditworthiness. If the above authority shall cease to exist or be withdrawn by us, then the Buyer shall upon our demand immediately specify to us its debtors in the claims assigned and provide us with all information and documentation necessary for collection.

(9) In the event of any third party action against our silver delivered under retention of title or any receivables assigned to us, the Buyer shall notify such party of our property/our right and immediately inform us about such action. The Buyer shall bear the costs of any intervention.

(10) If the Buyer shall be in breach of contract, in particular in payment default, then it shall, upon our demand, immediately return to us all silver delivered under retention of title and assign to us any repossession claims against any third party in conjunction with such silver. Any repossession or enforcement proceedings with regard to the silver delivered under retention of title shall not be regarded as a rescission of this Agreement.

(11) In the cases referred to in § 8 (4) above, we may require the Buyer, to inform us about the claims arising from the resale that have been assigned to us in accordance with § 9 (6) above including its debtors. Following such information, we shall have the right to disclose the assignment as we consider appropriate.

§ 10 Empties

The Buyer agrees to return to us empties of the same type, amount and value that it shall have received for the purposes of delivery. All empties shall be returned in a clean state in accordance with applicable laws. If the Buyer shall be unable to return the same at the delivery of our silver, then it shall immediately ensure a settlement of the account of empties (duty to deliver). If the Buyer shall be in default of the duty to settle the account of empties, then we may, if a reasonable cure period shall have been specified, refuse the acceptance and demand compensation from the buyer.

STANDARDIZED INDUSTRY/COURIER APPROVED SHIPPING CONTAINERS

§ 11 Final Provisions

- (1) The place of performance for deliveries shall be the respective place of destination.
- (2) For our benefit, the courts of Vaduz, Liechtenstein shall have jurisdiction over all disputes arising from this Agreement.
- (3) The laws of Liechtenstein shall apply. International purchase laws shall not apply. This shall, in particular, refer to the UN Convention (CISG) on the International Sale of Goods.
- (4) The invalidity of any provision of these general terms and conditions of sale shall not affect the validity of the other provisions. Invalid provisions shall be deemed to be replaced by such valid provisions that shall be suitable to implement the economic purpose of the deleted provision to the greatest extent possible.

We have stored data of the Buyer on accordance with the Liechtenstein Data Protection Act.