



Solit

optimal substance. liquidity. transparency.

Purchase gold and silver at favourable prices – with safe storage

SOLIT Precious Metal Depot



Savings plans possible

Brilliant outlook for gold and silver due to their scarcity

Against the backdrop of escalating sovereign debt combined with quantitative easing (QE) and other expansive monetary policies, as well as shrinking precious metal deposits and resources, gold and silver will undergo a fundamental re-evaluation in the years to come, according to leading precious metal experts. Even in difficult economic times, the value retaining properties of both these precious metals are likely to come into their own.

What is more, the volume of still exploitable precious metal deposits is rapidly shrinking. Raw material experts suggest that the gold and silver peak was reached shortly after the new millennium. Since then, the annual exploitation volume has been decreasing, and since there is a lack of sites for exploitation or exploitable resources on earth, supply is declining. At the same time, the demand for precious metals is increasing due to the constantly growing world population and the growing industrial use, especially that of silver. It may be hard to believe, but the volume of all gold that has ever been mined, and is still available, corresponds to no more than a cube with a side length of 20 m. The amount of silver which is still available in the form of reserves for investment purposes would only serve to produce a cube with a maximum side length of approx. 8 m – and keeps on declining.

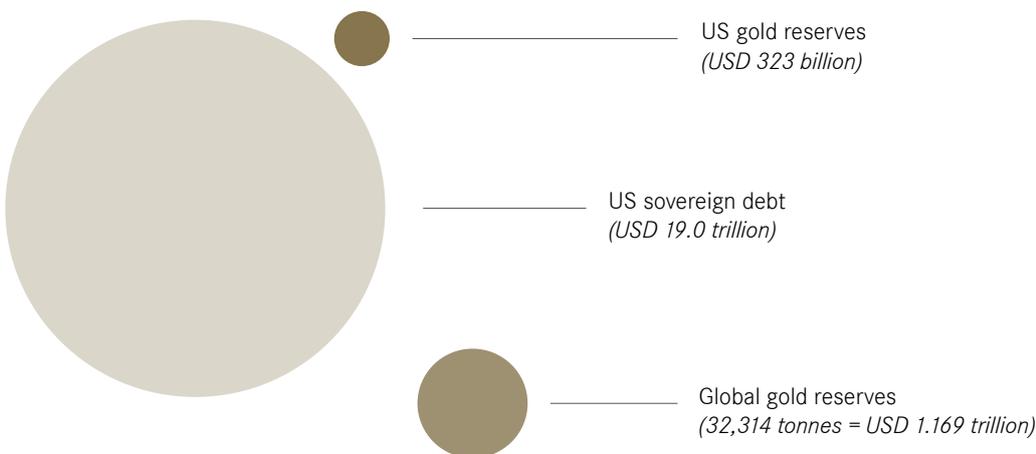
Based on a world population of 7 billion people this would mean that only 22 g of gold and only 4 g of silver are available per person.

Gold-silver-ratio means silver has the potential to catch up

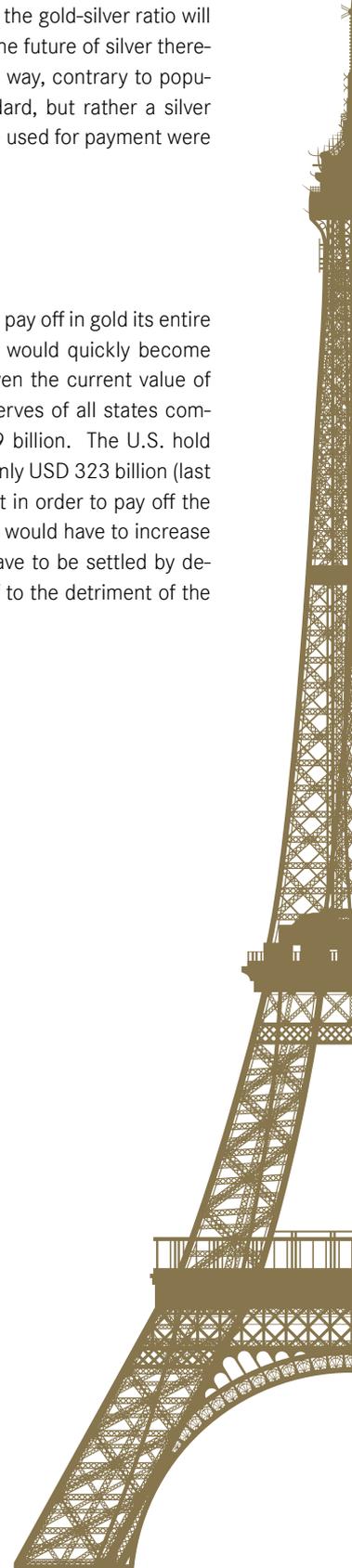
For centuries, the ratio of the value of gold to that of silver was about 15:1. This reflects the estimated proportions of the naturally occurring deposits of both these precious metals. Currently, the gold-silver-ratio is about 79:1 (last updated: February 2016). Silver experts expect that the outlook for the gold-silver ratio will be to approach the long-term average. The future of silver therefore looks particularly promising. By the way, contrary to popular myth, Germany had not a gold standard, but rather a silver standard until 1871: the thalers that were used for payment were made of silver or silver-plated.

Debts and gold

Let's suppose that the U.S. would want to pay off in gold its entire sovereign debt of USD 19,004 billion, it would quickly become evident that this is simply impossible given the current value of gold: according to the IMF, the gold reserves of all states combined have a current value of USD 1,169 billion. The U.S. hold gold reserves which are currently worth only USD 323 billion (last update: February 2016). This means that in order to pay off the U.S. debt in gold, either the value of gold would have to increase more than fifty-fold or the debt would have to be settled by devaluing the USD or by offering debt relief to the detriment of the owners of the liquid assets or loans.



Sources: International Monetary Fund (IMF), World Gold Council (WGC), usdebtclock.org – Last update: February 2016



Development of the value of precious metals

The era of historically unparalleled central bank interventions we have seen since the new millennium has set in motion a long-term bullish price trend for gold and silver – occasional price adjustments offer attractive entry opportunities or later purchase options. This, in turn, also shows the increasing loss of value of all non-precious-metal-backed currencies against gold and silver:

“When gold speaks, the world remains silent”

Throughout history, owners of gold were considered to be wealthy. Entire states could dominate the world because of their wealth in gold, or their paper currency systems collapsed if they did not have sufficient gold reserves.

To this day, it is impossible for states to forego gold reserves altogether. Precisely because of the low level of gold reserves, there is a growing distrust amongst the population about the intrinsic value of their own currency.

Consequently, there is a growing tendency to exchange liquid assets and other capital investments into precious metals, above all into gold. This is a way to preserve value – even over several generations, if need be. Especially in Asian countries it is considered to be chic to enhance ones property with a golden decorative element or ornaments. Increasing wealth in Asia increases the demand for the yellowish, shiny precious metal and increases the prevailing scarcity.

Year	USD	EUR	AUD	CAD	CNY	INR	JPY	CHF	GBP
2001	1.00 %	6.90%	9.60%	7.20%	1.00%	4.40%	16.20%	3.60%	3.80%
2002	24.80%	5.90%	13.50%	23.30%	24.80%	23.90%	12.60%	3.40%	13.20%
2003	19.50%	-0.50%	-10.80%	-1.40%	19.50%	13.50%	7.80%	7.00%	7.30%
2004	5.40%	-1.90%	1.40%	-2.30%	5.40%	1.00%	1.00%	-3.00%	-2.00%
2005	18.40%	35.40%	26.10%	14.50%	15.40%	22.30%	35.60%	36.50%	31.90%
2006	23.00%	10.30%	14.40%	23.30%	19.00%	20.10%	24.40%	13.90%	8.10%
2007	31.30%	18.70%	18.40%	12.50%	22.90%	17.60%	23.20%	22.00%	29.60%
2008	5.50%	10.20%	30.90%	29.40%	-1.30%	29.00%	-14.30%	-2.80%	43.10%
2009	24.00%	21.00%	-2.60%	6.70%	23.90%	20.10%	27.10%	23.00%	12.30%
2010	29.70%	38.80%	13.80%	22.90%	25.40%	24.80%	13.20%	17.10%	34.30%
2011	10.20%	13.90%	10.40%	12.80%	5.10%	30.30%	4.50%	10.70%	10.90%
2012	6.90%	5.10%	5.00%	4.00%	5.80%	10.90%	20.60%	4.30%	2.20%
2013	-28.10%	-31.00%	-16.10%	-23.20%	-30.10%	-19.20%	-12.70%	-29.90%	-29.50%
2014	-1.80%	11.70%	7.10%	7.50%	0.70%	0.20%	11.60%	9.40%	4.40%
2015	-10.40%	-0.20%	0.50%	6.80%	-6.20%	-5.80%	-9.80%	-9.70%	-5.30%
2016	8.60%	12.10%	9.50%	5.30%	16.10%	11.40%	5.40%	10.40%	29.70%
2017	13.10%	-0.80%	4.70%	6.00%	6.00%	6.30%	9.10%	8.30%	3.30%
Annual return	9.60%	8.00%	7.40%	8.40%	8.00%	11.60%	9.50%	6.30%	10.20%

Source: COMEX

Eiffel Tower:

height 324 m

Compared to the size of the Eiffel Tower, the available amount of gold and silver is minute

The available silver

would make up a cube of approx. 8 m side length



The available gold

would make up a cube of approx. 20 m side length



Silver may be the smaller brother, yet scarcity makes it great

Whereas the manufacturing sector is responsible for only 10% of the global demand for gold, it is responsible for approximately 50% of the global demand for silver: due to its chemical properties, silver is an outstanding electrical conductor and is consequently found in any car, monitor or computer. Due to its anti-bacterial properties it is also highly popular in the health sector and for the manufacture of refrigeration equipment. Silver is all around us, day in, day out, without us even noticing. This makes

silver twice as attractive: on the one hand as an asset securing instrument, on the other as a yield-generating product thanks to its natural scarcity. Silver is undergoing a monetary renaissance as the “gold of the common man”. At the same time industrial demand for silver is growing while silver mining declines and deposits above ground are getting scarcer every day. This growing physical scarcity makes a fundamental reassessment of silver inevitable.

Year	USD	EUR	AUD	CAD	CNY	INR	JPY	CHF	GBP
2001	-1.00%	4.80%	7.40%	5.00%	-1.00%	2.30%	13.90%	1.50%	1.70%
2002	4.90%	-11.00%	-4.60%	3.60%	4.90%	4.20%	-5.40%	-13.10%	-4.90%
2003	24.00%	3.20%	-7.40%	2.30%	24.00%	17.80%	11.90%	11.00%	11.30%
2004	14.60%	6.70%	10.30%	6.20%	14.60%	9.90%	9.90%	5.50%	6.60%
2005	30.00%	48.70%	38.50%	25.70%	26.80%	34.40%	48.90%	50.00%	44.90%
2006	45.50%	30.50%	35.30%	45.90%	40.80%	42.10%	47.20%	34.80%	28.00%
2007	15.30%	4.30%	4.00%	-1.20%	7.90%	3.30%	8.20%	7.20%	13.80%
2008	-23.60%	-20.20%	-5.20%	-6.30%	-28.50%	-6.60%	-38.00%	-29.60%	3.60%
2009	47.80%	44.20%	16.10%	27.20%	47.60%	43.20%	51.50%	46.60%	33.80%
2010	83.60%	96.40%	61.10%	74.00%	77.60%	76.70%	60.30%	65.70%	90.10%
2011	-9.90%	-6.90%	-9.70%	-7.80%	-14.10%	6.60%	-14.60%	-9.50%	-9.30%
2012	8.90%	7.00%	6.90%	5.90%	7.70%	12.90%	22.80%	6.20%	4.10%
2013	-36.00%	-38.60%	-25.30%	-31.60%	-37.80%	-28.00%	-22.30%	-37.60%	-37.20%
2014	-19.30%	-8.20%	-11.90%	-11.70%	-17.20%	-17.70%	-8.20%	-10.10%	-14.20%
2015	-11.90%	-1.90%	-1.10%	5.00%	-7.80%	-7.40%	-11.30%	-11.20%	-6.90%
2016	15.40%	19.20%	16.40%	12.00%	23.50%	18.50%	12.10%	17.40%	38.00%
2017	6.40%	-6.70%	-1.60%	-0.30%	-0.30%	0.00%	2.60%	1.80%	-2.80%
Annual return	7.90%	6.40%	5.80%	6.80%	6.40%	10.00%	7.80%	4.70%	8.60%

Source: COMEX

Details about SOLIT's Precious Metal Depot

The SOLIT Precious Metal Depot concept is an investment solution that has been established for many years and is very popular with several thousand customers. It ensures that gold and silver are purchased at attractive wholesale conditions and are kept in highly secure storage in Switzerland. The concept is equally suited for asset building and expansion as well as for financial provision for minors or the backing for pension promises.

The storage concept

Precious metals such as gold and silver have always been regarded as a safe haven, offering protection in stormy times. Especially now, people are increasingly remembering the original currency functions that solid precious metals, such as gold and silver, have fulfilled for millennia. More than ever, gold and silver serve to sustain the value of assets and hold a firm place in any balanced, well-diversified asset portfolio.

Many economic indicators currently support an excellent outlook for precious metals – above all gold and silver – over the coming years. In times of economic slowdown, paired with escalating sovereign debt and an unprecedented expansionary monetary policy, many experts assume that precious metal prices will not only stay stable but will increase or even multiply by the end of the coming decade. Participate directly and independently from the development of the value of gold and silver with the support of professional partners with their optimised purchasing and storage strategy. The SOLIT Precious Metal Depot also offers you the option of a monthly savings plan.

The purchasing strategy

Customers of the SOLIT Precious Metal Depot acquire solid gold and silver bars/bullions. For this purpose, the SOLIT Management GmbH in charge of purchasing and storing the precious metal, will purchase efficient lot sizes in large weight units (generally 1 kg gold bars, 5 kg silver bars or industrial bullions) directly from the mints at favourable institutional purchasing conditions.

Storage

The purchased precious metals are stored, duty-exempt, in Switzerland, in insured, high-security vaults. Due to the joint purchase and joint storage, we can realise a significant reduction in cost (including VAT savings for silver) for you.

Flexibility

The safekeeping agreement concluded between you as a customer and the SOLIT Management GmbH is unlimited. You reserve the right to terminate or partially terminate this agreement at no cost.

If you decide to sell, you have two choices: You either receive the current value of your precious metals, which will be transferred to your bank account, or you can opt for a shipment of the precious metals themselves. After fixing an appointment, you may also pick up your precious metals yourself directly in Switzerland.

Possibility to split into gold and silver

You can decide how you want to split your purchase of precious metals into gold and silver. After receipt of the purchase order you will receive an order of purchase confirmation. Prepayment of the order is required. In case of a savings plan, you will issue the TRESTA Treuhandgesellschaft mbH with a direct debit authorisation. Once the purchase is concluded, you will immediately receive a message specifying the amount of precious metals you purchased in ounces and grams.

Security and transparency

All payment transactions go through an account of the TRESTA Treuhandgesellschaft mbH which the SOLIT Management has no access to. This way, it is ensured that your money is always strictly separated from their own assets.

Bars/bullions for the SOLIT Precious Metal Depot are only purchased from the London Bullion Market Association's (LBMA) Good Delivery List detailing the names of accredited refiners. Access to the vaults is only granted based on the 6-eyes-principle, i.e. if one representative each of the fiduciary, the SOLIT management and the storage facility is present.

Twice a year, an auditing company commissioned by the independent fiduciary checks the inventory of the deposited bars/bullions.

A password-secured specific section of the SOLIT Group's home page allows the customers to view the list of deposited bars/bullions, invoices for the purchases as well as deposit and inventory reports. This way, you can take a look at your current asset overview at any time.

Fiscal treatment

Generally, taxable persons (consumers and businesses) are responsible for their own tax affairs. This is why we recommend to consult your tax advisor in case of any doubts. In Germany, for instance, proceeds from the liquidation of these precious metals remain generally tax free for private investors, if a minimum of 12 months have elapsed between acquisition and resale*.

This can turn out to be a great advantage of a direct investment in precious metals over synthetic financial products.

*Please check the applicable tax regulations which may vary by jurisdiction.

The SOLIT Precious Metal Depot in a nutshell

- ✔ **Direct purchase of lot-based efficient large trading units of the precious metals gold and silver straight from the manufacturer; independent storage of the bars/bullions at the Zürcher Freilager AG in Switzerland.**
- ✔ **Minimum: € 2,000 or a higher amount which is divisible by 100 plus 5% agio.**
- ✔ **Savings plan: As an alternative to a one-off purchase, it is also possible to establish a savings plan of € 50 per month. The savings plan must run for a minimum of 12 months and it is also possible to establish depots for minors.**
- ✔ **Duration: The investment is made for an unlimited period of time and may be terminated without cost at any time.**

Purchasing precious metals at a discount

Considering the price per gram, both gold and silver become cheaper the larger the bar/bullion that is purchased. While the current rate for 1 gram gold bars is € 40, 1 gram only costs €35,50 if bought by the kilogram. This is equivalent to a 19% surcharge. For the SOLIT Precious Metal Depot, the minimum sizes we purchase are therefore 1 kg bars for gold and 5 kg bars for silver, as this means a considerable price advantage over the direct purchase of small bars.

Special conditions for customers of the SOLIT Precious Metal Depot

As a wholesaler, SOLIT purchases precious metal bars/bullions at the agreed preferential prices directly from mints, such as Umicore or Heraeus, for customers of the Precious Metal Depot. Due to the safekeeping facility in the VAT-free transit sector of the Zürcher Freilager AG, purchases of silver bars/bullions are VAT-exempt. As a customer, you reap the full benefit of these advantages.

Particularly attractive SOLIT gold and silver savings plan

Especially for customers who want to purchase gold and silver on a regular basis, the great advantages of the VAT-exempt purchases of large bars/bullions for the SOLIT Precious Metal Depot become very obvious.

To see how this compares to purchases of smaller quantities, we take the example of a monthly savings plan of € 100:

For small amounts, such as € 100 per month, the customer would have to purchase extremely small bars and consequently pay very high supplements. By using the SOLIT Precious Metal Depot concept, you purchase one part of a more favourably priced, VAT-exempt large bar/bullion, which means that you can avoid the high supplements.

The result: with each share of savings you receive considerably more gold (up to 16%) and silver (up to 33%) for your money.



The key advantages of the SOLIT Precious Metal Depot

- ✓ Throughout history, physical gold and silver have offered the best protection from crises at the stock and forex markets
- ✓ Safe storage of the precious metals independent from banks in Switzerland; access to the vault is subject to the 6-eyes-principle
- ✓ Significantly more advantageous purchase conditions (and VAT savings)
- ✓ Can be terminated any time completely and without fees
- ✓ Freedom to demand physical delivery on a monthly basis
- ✓ Also works as a savings plan for long term asset accumulation
- ✓ Freedom to chose the breakdown in gold and silver
- ✓ Cost-efficient collective storage of your precious metals
- ✓ Security ensured by an independent fiduciary and external use-of-funds control body
- ✓ No liability or insolvency risk
- ✓ Establishment of precious metal depot for minors allowed too



Investment with a professional partner at your side

SOLIT

SOLIT Management GmbH

The SOLIT Management GmbH is responsible for the purchase of the precious metals and their safe storage. As a bulk purchaser, SOLIT buys its gold and silver bars/bullions from the manufacturers Umicore and/or Heraeus. Due to mints' distribution paths, these advantages are not available for private customers.

All bars/bullions purchased are registered and are produced by accredited manufacturers from the London Bullion Market Association's (LBMA) Good Delivery List.

Founded in 2008, SOLIT Management GmbH has administered hundreds of millions in precious metal investments.

SOLIT Management Suisse GmbH

For the SOLIT Precious Metal Depot, the SOLIT Management Suisse GmbH is mainly in charge of organising and coordinating deposit and retrieval transactions as well as the insurance of precious metals.

TRESTA

TRESTA Treuhandgesellschaft mbH

All payment transactions go through the account of TRESTA, which the SOLIT management is not authorised to access. This ensures that the customer's funds are always kept separately from their own assets.

TRESTA provides customer support services. It is responsible for the customer

and agreements management as well as for customer support services. It is responsible for ensuring that the inventory of the precious metals deposited in the SOLIT Precious Metal Depots is checked twice a year by a fiduciary who also compiles the relevant report.

Since its foundation, the TRESTA Treuhandgesellschaft mbH has fulfilled the role of the fiduciary for over 10,000 investors and has been managing a total capital of over € 300 million.

Umicore

Umicore AG & Co. KG

With approx. 14,400 employees and a company turnover of € 12.5 billion, the company founded in 1904 under the name "Ateliers de Constructions Electriques de Charleroi" has a leading role in the production and recycling of special raw materials and metals, such as cobalt, Germanium, nickel, zinc, gold, silver and metals of the platinum group.

The main buyers of raw materials are almost all manufacturing industries, mainly the chemical industry as well as the automotive, construction material, jewellery and electronics industries.

Private investors know the company thanks to its embossed Umicore branding, which has been placed on gold, silver and other precious metal bars since 2005.

Umicore is also an accredited manufacturer from the London Bullion Market Association's (LBMA) Good Delivery List whose bars/bullions are accepted worldwide.

Heraeus

Heraeus Holding GmbH

Heraeus is a well-established global precious metal and technology company headquartered in Hanau, near Frankfurt/Main in Germany. The company has been family-owned and managed for over 160 years. The business divisions range from precious metals, materials, technologies, sensors, biomaterials and medical products, such as dental care, pharmaceutical products, to fused quartz and special light sources.

Currently Heraeus holds over 5,900 patents. More than 600 employees in the R&D department are producing an innovative pipeline in 25 development centres in the world. With more than 13,600 employees and over 120 companies, Heraeus generates an annual product turnover of € 4 billion and a precious metal turnover of €16 billion.

Conclusion: For millennia, both gold and silver have proved to be a reliable investment form. And while the exploitable worldwide depots are getting scarcer and scarcer, the demand from both investors and the industry is constantly growing, especially for silver.

As a customer of the SOLIT Precious Metal Depot you have the opportunity to purchase both precious metals at wholesale conditions and benefit from the positive outlook regarding their performance – physically purchased and stored in highly safe vaults independent from banks.

SOLIT Group
Borsigstr. 18
65205 Wiesbaden
Germany

Telephone: +49 (0)61 22 58 70-70
Fax: +49 (0)61 22 58 70-77

info@solit-kapital.de
www.solit-kapital.de

Concept and design
werksfarbe.com

Issued by:

Important Note:

The SOLIT Group assumes no responsibility for the validity, correctness, completeness and quality of the information provided. Liability claims against the SOLIT Group based on damage of a material or non-material nature resulting from the use or failure to use the provided information and/or the use of incorrect or incomplete information are generally excluded, unless the SOLIT Group is proven guilty of wilful intent or gross negligence. All offers are subject to change and non-binding. The SOLIT Group expressly reserves the right to modify, add, and/or delete either parts of or the entire offer without a separate announcement or to cease publication temporarily or permanently.

Last update: 4th February 2016