

Client AML and Conflict Free Agreement

The USA Patriot Act

The USA Patriot Act was signed into law on Oct 26, 2001. Title III of the Act makes a number of amendments to the anti-money laundering provisions of the Bank Secrecy Act of 1970 (BSA) with intentions to promote the prevention, detection and prosecution of international money laundering and financing of terrorism. Amongst the provisions are the requirements that all financial institutions (such as precious metal dealers) to establish an anti-money laundering (AML) program and verify the identity of customers. LGS is therefore obligated by law to collect various identifying information.

For the purpose of complying with law and promoting an effective AML program, they require each of us to be alert to possible AML violations. Money laundering is the process of concealing the true origin of criminally derivative earnings so they appear to have legitimate origins. The USA Patriot Act and Bank Secrecy Act apply severe penalties to money launders and also to those who ignore suspicious activity that turns out to be money laundering. It is in your best interest comply, as well as ours.

Anti-Money Laundering Program

Effective on Jan 1, 2016, the Department of the Treasury has issued rules that require precious metals dealers to establish an anti-money laundering program (AML) to comply with the Bank Secrecy Act as amended by the USA Patriot Act. We require certain information to be obtained and reviewed in order to facilitate compliance.

All information requested in the form must be provided in order to declare compliance. All information submitted to LGS is fully confidential and completely safeguarded in the same manner as LGS safeguards its own information. The information has no commercial value other than its intended purpose of compliance with law.

All LGS clients must abide with the rules set forth the USA Patriot Act and the Bank Secrecy Act, unless not a "dealer in precious metals, stones and jewels" as defined in the Interim Final Rule of the USA PATRIOT Act, or (c) is exempt from compliance by one of the following: Retailer exemption that purchase only from other dealers who follow a U.S. anti-money laundering program. OR retailers who purchase less than \$50,000 of covered goods from non-U.S. dealers and members of the general public are exempt from compliance.

Properly licensed and registered pawnbrokers under state or municipal law are specifically exempted from the Interim Final Rule's definition of "dealer", and are not required to comply.

Conflict Free

The trade in conflict minerals, such as gold, is one of the primary drivers of violence in eastern Congo. Conflict minerals fund armed groups, many of whom use violence to secure control of mines and strategic trading routes. From there, gold is sold to smugglers, who illegally transport it to Uganda, Burundi, and Tanzania. Then minerals are moved to, but not limited to, Dubai, middle east, China or India for processing.

LGS fully supports worldwide efforts to ensure that ALL precious metals are sourced from "Conflict Free" zones and refuses all business worldwide unless minerals used by its customers are sources legitimately and "conflict free".

LGS Anti Money Laundering Program: USA PATRIOT Act Information Request Form

LGS Refining respectfully requires the following information be completed and returned by email, fax or letter to LGS prior to conducting business.

Business Information

Legal Name of Business

Name of Individual Completing Form and Title

DBA if different

Driver's Lic.# or Passport# **(Submit a photo copy)**

Business Address

Name and Title of Owner(s):

City State Zip

Business Phone Fax

Type of Organization

Corporation - LLC - Partnership - Sole Proprietorship

Other:

A photo copy of a government issued ID must accompany each individual named above, such as a driver's license, ID or Passport. Attach additional sheets for additional owners (equal to or above 10% ownership interest).

Year Formed State

Federal EIN #

Acknowledgement & Agreement

The signature below is an authorized representative and the information provided on this form is true and accurate. It certifies that the business has in place a written anti-money laundering program or is exempt from this requirement. All materials sourced are "conflict free" and obtained or sourced through legitimate business activities.

Signature: _____

Date: _____

PLEASE RETURN COMPLETED FORM OR SUBMIT WITH INITIAL SHIPMENT:

Mail: LGS Refining
940 Anita Ave
Antioch, IL 60002

Email: info@lgsrefining.com

Fax: 224.788.8145