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ALS Ref: 159178

INDEPENDENT INSPECTION AND AUDIT REPORT

In accordance with your instructions we have performed an independent audit on Gold Investment Coins held by AuCOFFRE.com / LinGOLD.com/ LingORO.com and our findings are as follows:

Material : Gold Investment Coins
Audit Date : 09-12/01/2018 & 26/02/2018
Auditors : ALS Inspection UK Ltd
Customer : AuCOFFRE.com
Vaults : AuCOFFRE.com / LinGOLD.com/ LingORO.com
Vault Location : KBC Bank, Brussels / Bordeaux / Geneva Freeport, La Praille

Principle

The principle of this audit was to confirm that items of gold stored by Members of AuCOFFRE.com / LinGOLD.com/ LingORO.com are physically present in their specified vault and correspond to their individual specifications.

Aim

To provide total reassurance to members that their gold exists and is stored correctly in a suitable environment to ensure maximum security and ideal conditions of conservation that maintain the quality and condition of items stored.



The Vaults / Storage

KBC Bank, Brussels

Situated in KBC Bank Vaults, Brussels they contain a variety of gold bullion and gold coins which are stored on behalf of members. Access to the vaults is strictly controlled by on site security systems. Visits need to be planned in order to make the necessary security arrangements. Within the vault the coins were stored in a safe / deposit boxes, enclosed within albums which allow for quick access to the coins and adequate protection. Bars are also stored within the safe / deposit boxes.

Bordeaux

Situated in a privately owned site in the Bordeaux area they contain a variety of gold bullion, gold and silver coins which are stored on behalf of members. Access is strictly controlled by onsite staff. Coins were stored in a safe / cabinet, enclosed within large albums which allow for quick access to the coins and adequate protection. Bars are also stored within the safe / cabinet.

Geneva Freeport, La Praille

Situated in the Geneva Freeport secure facility they contain a variety of gold bullion, silver bullion, gold coins, silver coins and diamonds which are stored on behalf of members. Access to the vaults is strictly controlled by on site security systems. Only verified staff members are allowed entry and visits need to be planned in order to make the necessary security arrangements. The vaults are under permanent video & electronic surveillance as well as human guards. Within the vaults the coins were stored in safes / cabinets, enclosed within large albums or plastic boxes/ packs which allow for quick access to the coins and adequate protection.

The Method

An audit of the gold coin inventory was carried out. Auditors were presented with the stock list for the gold inventory and were required to check that all gold on the list was present.

A number of the albums and boxes remained fully sealed from the previous year's audit and therefore did not require a comprehensive recheck. For these albums/products, the reference number was checked to ensure the location corresponded with the internal back office.

For large unsealed albums (approximately 300 to 600 coins) the total number of coins was counted and then two coins were selected at random for thorough checking against the stock list and back office database. For small unsealed albums (approximately 60 coins) the total number of coins was counted and then one coin was selected at random for thorough checking against the stock list and back office database. Album number, number of coins, coin references validated and any inconsistencies were recorded in the appendix.



BORDEAUX

None of the albums or products found within the Bordeaux safes were sealed during 2017's audit due to the frequency in which the albums must be accessed. All albums/products were checked and verified.

BORDEAUX – SAFE 1

Safe 1 contained boxes of individual coins. Each coin was counted and the boxes were found to correspond with the internal back office.

For the large and small albums of various gold coins we counted in total 2,716 coins inside the albums plus an additional 10,445 coins in boxes and a further 1,150 individual coins which was a perfect match with the stock list. See appendix FR Coffre Safe 1.

BORDEAUX – SAFE 2

Safe 2 consisted of albums containing coins and boxes of individual coins. Each album and box was checked and all were found to correspond with the back office. In total we counted 11,587 coins in albums plus an additional 34 individual coins.

BORDEAUX – SAFE 4

We also controlled various products including Vera Valor with limited editions. This amounted to 1,659 coins. Under album 5455 there were also 4 bags of gold coins (of which one bag reference was checked and found to be present). Album 5455 also contained 14 individual packets of coins which amounted to 900g in weight. AuCoffre had allocated one reference per 100g. These coins are not yet allocated to customers and the weight is just for AuCoffre's reference. We selected one reference number at random and it was found to be present. All controlled coins were found to be a perfect match with the stock list. See appendix FRANCE 4.

BRUSSELS KBC – (LARGE & SMALL ALBUMS) / (VERA VALOR)

KBC Bank is a new storage facility that is used in place of CBC Bank in Brussels. CBC Bank closed a number of their branches and therefore AuCoffre.com had to transport the products originally stored at CBC Bank to the new safes within KBC Bank, Brussels.

The majority of albums remained sealed with tamper proof sealing tape which was applied during the previous year's audit.

10 albums were found to be unsealed and were therefore checked and verified in the usual manner. There were no discrepancies found.

See Appendix BELGIUM KBC.

SAFE 7, NON-CUSTOMS - GENEVA

Safe 7 contained both large and small albums of mixed gold coins. All albums were checked, the majority of albums were still sealed from the previous audit. Unsealed albums were checked and the coins counted were found to be a perfect match with the stock list. The only albums that were not checked were 3573-3576. 4 Albums which were reported as being empty in the internal stock list. 28,217 gold coins were controlled from both large and small albums. See appendix SWITZERLAND NON-CUSTOMS SAFE 7.



SAFE 8, NON-CUSTOMS - GENEVA

Safe 8 contained both large and small albums of mixed gold coins. Total count of the coins was found to be a perfect match with the stock list. 31,600 gold coins were controlled from both large and small albums. See appendix SWITZERLAND NON-CUSTOMS SAFE 8.

SAFE 5 & 6 –VERA, NON-CUSTOMS – GENEVA

All albums were found to be a match with the stock list apart from the following:

4312 – Back office shows 58 coins however only 57 present. Coin 148591 is part of an LSP lot.

3212 – 3 coins missing, found in LSP

3236 – 4 coins missing, found in LSP

4325 – 3 coins missing, found in LSP

Several of the albums were listed under safe 5 & 6 but were instead found within safe 13. Details below.

The total number of controlled items was 38,240 coins. See Appendix SWISS NON-CUSTOMS VERA VALOR.

SAFE 4 – HALF VERA, NON-CUSTOMS – GENEVA

Coins counted were a perfect match with the stock list.

The majority of albums were still sealed from the 2017 audit and any opened albums were rechecked and sealed.

The total number of items controlled was 17,716 coins. See Appednix SWITZERLAND NON-CUSTOMS SAFE 4.

SAFE 12 – Non Customs Vera Valor – Geneva

All albums located within safe 12 remained in a sealed condition from the previous 2017 audit. All album numbers corresponded with the internal database and were found to be present. The total number of coins present in safe 12 is 6,674 coins. See Appendix CH Non-Customs Safe 12 VV et ½ VV.

SAFE 10003, 10004 AND 10005 - DEDICATED, NON-CUSTOMS – GENEVA

Safe numbers 10003, 10004 and 10005 were checked and found to correspond with the back office. Two of the albums from safe 1004 – 3567 and 6034 - were shown as having zero coins as customers have collected their products. 610 coins were found to be present. See Appendix CH NON-CUSTOMS DEDICATED.

SAFE 6 - LSP, NON-CUSTOMS – GENEVA

Safe 6 was checked and most of the coins were sealed during the 2017 audit. Many of the coins had been sealed behind a tamper proof screen so they did not require re-verification.

Total count was 8,830 gold coins. See Appendix SWISS NON-CUSTOMS LSP GOLD.

SAFE 9, 10 & 11 – CH IN CUSTOMS – GENEVA



Safes 9, 10 & 11 consisted of both large and small albums of gold coins. The album numbers were found to be a perfect match with the database and majority remained sealed from the previous audit.

Total coin count was 33,218 coins. See Appendix - CH IN-CUSTOMS GOLD COINS SAFES

SAFE 9 - LSP, IN-CUSTOMS – GENEVA

Safe 9 contained various LSP products of gold coins. Total count of the coins was found to be a perfect match with the stock list. 1,000 gold coins were controlled from all the LSP products. See appendix SWISS IN-CUSTOMS GOLD LSP.

SAFE 13 – Non Customs, Unsealed

Several albums had been allocated to safe 5 & 6 but were however found unsealed in safe 13. This is for ease of access for customers wishing to collect coins. Albums were checked and found to be in order. Total 2736 coins were checked and accounted for.

IN TOTAL, FROM ALL VAULTS AND LOCATIONS WE REGISTERED 213,473 GOLD COINS

The above report reflects our findings at the time and place of the inspection only and does not refer to any other matters.

The inspection has been performed to the best of our knowledge and ability within the scope of the instructions we have received and in accordance with accepted international standards. This report does not relieve buyers and sellers from their contractual obligations.

For and on Behalf of ALS Inspection UK Limited

Gina Molloy – Precious Metals Department