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**92671 Courbevoie**  
**France**

**Date: 17/02/2017**

**ALS Ref: 146073**

### **INDEPENDENT INSPECTION AND AUDIT REPORT**

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

**Material** : Silver Investment Coins & Bars  
**Audit Date** : 09/01 – 24/01/2017  
**Auditors** : ALS Inspection UK Ltd  
**Customer** : AuCOFFRE.com  
**Vaults** : AuCOFFRE.com / LinGOLD.com/ LingORO.com  
**Vault Location** : Geneva Freeport, La Praille & Bordeaux

#### **Principle**

The principle of this audit was to confirm that items of silver 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 silver 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**

##### **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 & bars were stored in cabinets and boxes, packaged in various materials i.e. plastic packaging, plastic tubes, paper, wooden crates and durable cardboard 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 securely and packaged either in new cardboard boxes from the supplier or in plastic casing for long term storage and protection.

### **The Method**

An audit of the full silver inventory was carried out. Auditors were presented with the stock list for the silver inventory and were required to check that all silver on the list was present. Due to the extensive number of silver coins stored within the vaults sample boxes and packets were selected for thorough checking as counting each individual silver coin was not feasible given the volume of silver coins at both sites. If the number of coins contained within the sample container per group was verified this was assumed to be the case for the remaining containers in that specific group. Further details can be found below.

**Vera Silver Zanzibar**, Bordeaux, not held in customs, stored in 32 groups containing various numbers of coins. 31 of these groups were small groups (containing between 45 to 113 coins) so each coin was counted in these boxes and one coin was selected at random for checking against the database. The physical count of 2,734 coins was found to be a perfect match with the stock list.

Group 5390 had the total number of items listed as 42 but this was actually 42 boxes rather than 42 coins. Each box contained 250 coins (25x10 packs of coins). We selected one box at random and counted 2 packs of 10 coins and 25 packs in the box making 250 coins. This was assumed to be correct for the remaining 41 boxes making a total of 10,500 coins.

Group under ref 5137 had coins in multiple boxes so one coin was picked from each box and the reference was checked against the back office. The total count of 762 coins was found to be a match. In total there were **13,996 Zanzibar coins** counted. See Appendix FRANCE 1 & 4.

11 plastic wallets containing numerous silver coins were also found in Bordeaux under album reference 3017 along with 6 tubes of silver coins found under album 3936 (not yet sold to customs).. See Appendix FRANCE 2 & 4.

**NB. Two additional silver coins** were recorded in Album 4138 under client reference ITJF as per the stock list. See appendix Geneva - SWISS NON-CUSTOMS DEDICATED (coffre 10003).

**50F Hercule silver coins**, Geneva, LSP, not held in customs, were in 5 lots of 1000 coins. Coins were stored in transparent plastic packs of 50 coins, 20 packs per lot – in total 5,000 coins.

We matched the reference of each individual lot to the stock list and counted the total number of packs per lot and all was found to be a match. One lot was then selected at random and all 1000 coins were counted to ensure the lot was complete. See appendix Geneva - SWISS NON-CUSTOMS LSP SILVER.

**10F Hercule silver coins**, Geneva, LSP, not held in customs, were in 6 lots of 1000 coins. Coins were stored in transparent plastic packs of 100 coins, 10 packs per lot – in total 6,000 coins.

We matched the reference of each individual lot to the stock list and counted the total number of packs per lot and all was found to be a match. See appendix Geneva - SWISS NON-CUSTOMS LSP SILVER.



**5F Semeuses silver coins**, Geneva, LSP, not held in customs, were in 29 lots of 1000 coins. Coins were stored in transparent plastic packs of 200 coins, 5 packs per lot – in total 29,000 coins. We matched the reference of each individual lot to the stock list and counted the total number of packs per lot and all was found to be a match. See appendix Geneva - SWISS NON-CUSTOMS LSP SILVER.

**Philharmonic 1 ounce silver coins**, Geneva, not held in customs, one lot of 35 boxes and a second lot of 112 boxes containing 500 coins packaged in 25 tubes of 20 coins - in total 73,500 coins.

**However, this year there was a problem with the safe locking mechanism so we were unable to verify the contents of the safe.**

**Maple Leaf 1 ounce silver coins**, Geneva, LSP, not held in customs, were in one lot of 20 boxes containing 500 coins in each box packaged in 20 tubes of 25 coins - in total 10,000 coins. We opened 2 boxes and selected 2 tubes for counting from each box. All tubes checked had 25 coins inside and both boxes had 20 tubes so this was assumed to be the case for the remaining boxes. See appendix Geneva - SWISS NON-CUSTOMS LSP SILVER.

**Britannia 1 ounce silver coins**, Geneva, LSP, not held in customs, were in one lot containing 10 packets of 100 coins - in total 1000 coins. We found 10 packets and counted 1 of them for a thorough inspection. The pack contained 100 coins so this was assumed to be the case for the remaining packets. See appendix Geneva - SWISS NON-CUSTOMS LSP SILVER.

**Vera Silver 1 ounce silver coins**, Geneva, held in customs were in 3 batches – batch 1 supplied by Huguenin, batch 2 supplied by BHMRYER and batch 3 supplied by Pichard Balme (Saumur – FR).

Coins from Huguenin were in two crates in room E45 – one with 98 boxes and one with 100 boxes. Each box contained 500 coins with 10 rolls of 50 coins in each in total 99,000 coins. One unopened box was selected from each crate and 1 roll of 50 coins was check counted from each box. The counts were correct so this was assumed to be the case for all the remaining boxes. See appendix SWISS IN-CUSTOMS VERA SILVER.

Coins from BHMRYER were in three groups – boxes with a) 100 coins inside b) 250 coins inside and c) 400 coins inside. All were contained in room E45. We counted 20 boxes for group A, 258 boxes for group B and 20 boxes for group C – in total 74,500 coins. One unopened box was selected from each group and 1 pack of 10 coins was check-counted from each box. The total number of packs of 10 equated to the expected total number of coins per box (100, 250 or 400) so this was assumed to be the case for all the remaining boxes. See appendix SWISS IN-CUSTOMS VERA SILVER.



For the Pichard Balme (Saumur – FR) we selected two boxes from a loose batch of 58 boxes (Room E45) for checking. The boxes contained 10 rolls of 50 coins (one roll was counted and assumed to be the case for the remaining 10 rolls) making 500 coins per box. In the loose batch this resulted in 29,000 coins. The two checked boxes were sealed with ALS sealing tape ref 123784.

There were also 6 sealed crates of Pichard Balme (Saumur – FR) Vera Silver Coins (Room E46 / E48) which constituted one lot. From these, one box (number 11) was selected at random and was opened for checking. One roll was checked to contain 50 coins with 10 rolls per box. This was found to be correct so was assumed to be the same for the other boxes and crates. Total number of boxes in each crate was 50 x 6 crates making a total of 150,000 coins in the 6 crates. All boxes were opened and checked to contain silver coins (but not counted). A more thorough counting will be made in the 2018 Audit. See appendix SWISS IN-CUSTOMS VERA SILVER.

#### **Silver Ingots (Vera Silver 999)**

9 crates of silver ingots were opened in our presence and verified. Each box contained 16 ingots apart from box 9 which had only 13 ingots. For each crate one reference was selected from the packing list and was found to be physically present in the crate. Total number of ingots was 141 each weighing about 32.5 kg each (slight variations). Each crate was sealed with ALS sealing tape. Details of the bars can be found in the appendix - SWISS IN-CUSTOMS SILVER INGOTS.

#### **Conclusion**

In summary, apart from the Philharmonic coins and a typing error for some of the Pichard Balme (Saumur – FR) silver coins, all coins listed on the stock list were accounted for. In total, on an extrapolated basis, we found 417,498 silver coins plus a further 6 tubes / 11 plastic wallets of silver coins and 141 silver ingots.

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**

Paul Scales – Precious Metals Department