



CANADA'S WEALTH GUARDIANS

RISK DISCLOSURE STATEMENT AND CLIENT ACKNOWLEDGEMENT

Risk Disclosure Statement

THE PRICES OF PRECIOUS METALS ARE UNPREDICTABLE AND VOLATILE. BORROWING MONEY TO ACQUIRE PRECIOUS METALS INCREASES THE RISK OF THE PURCHASE. PURCHASES OF PRECIOUS METALS THAT ARE FINANCED ARE VERY HIGH IN RISK. YOUR RISK OF LOSS WHEN PURCHASING AND SELLING PRECIOUS METALS IS HIGH REGARDLESS OF HOW CURRENT PRICES COMPARE TO PAST MARKET PRICES OF THOSE PRECIOUS METALS.

AAA Vault Inc. ("AAA Vault"), a company existing under the laws of the Province of Ontario, Canada, makes no representations as to the advisability of purchasing and selling precious metals. AAA Vault encourages you to understand your risks. If you have any questions regarding this document or the accompanying documents, you may telephone AAA Vault at (416) 368-6889. The ownership of physical precious metals can be made through various vehicles. The following represents some, but not all, areas of risk and costs that are inherent with the various methods of ownership of physical precious metals which require consideration and evaluation by prospective customers:

1. You will only make money purchasing and selling precious metals if the value of the precious metal moves favourably enough to compensate you for various fees, including: (a) commissions imposed by AAA Vault; (b) the "spread" between the bid and ask prices of the precious metal, quoted by AAA Vault; and (c) interest and service fees charged by AAA Vault.
2. You are required to maintain sufficient equity in your account to meet the AAA Vault minimum equity requirements that will be disclosed, in detail, prior to each opening transaction and confirmed in writing that will be mailed to you within after each transaction is confirmed. In the event the value of your collateral causes your equity to fall below the amount required, a call for additional funds (an "Equity Call") to increase your equity may be triggered. In this event, you will be required to remit funds to meet the call within short notice.
3. If at any time the equity in your account falls below the forced liquidation equity level regardless of whether an equity call has been issued, or if an Equity Call is not met within the required time, the collateral in your account may be force liquidated. If you owe AAA Vault precious metals that you have borrowed, the action taken is a forced purchase. You must read the AAA Vault Loan, Security and Storage Agreement for full terms and conditions. Please make sure that you understand Equity Calls and forced liquidations before you purchase and sell precious metals.
4. Precious metals owners should note that on any given day trading in precious metals may be restricted, suspended or halted entirely for any number of reasons. When such situations occur, it may be difficult or impossible to purchase or sell physical precious metals or to know when the exchange market will resume activity, Although AAA Vault makes every effort to provide its customers

with the ability to purchase and sell, AAA Vault cannot guarantee access to markets for either purpose. Additionally, products purchased from AAA Vault when sold to any third party may be required by that third party to subject the precious metals to inspection and assay at the owner's expense. As tax laws are constantly changing, AAA Vault suggests that the undersigned consult a tax advisor as to how current tax laws may affect the outcome of contemplated purchases or sales before entering into any agreement to purchase precious metals.

5. AAA Vault, and many recognized depositories, provides financing services which allow the undersigned to borrow up to a designated percentage of the value of precious metals which are held in the non-segregated storage facilities of (or for the benefit of) AAA Vault. Interest rates and various fees will vary from one institution to another. Consult an account representative about all costs and fees associated with financing precious metals with AAA Vault. All customers wishing to make use of financing need to understand the following: (a) should the value of the precious metals decline, AAA Vault reserves the right to demand either a principal loan reduction or the provision of additional acceptable collateral from the undersigned; (b) AAA Vault also reserves the right to liquidate all or part of the precious metals acting as collateral for the loan without any prior notice to the undersigned; (c) the ongoing cost of borrowing (interest charges and/or carrying fees) will increase the break-even price of the precious metals purchased or being used to support collateral for the loan. Therefore, precious metals purchased with the use of financing must increase in price sufficiently enough to offset the cost of borrowing before an actual profit can be generated by selling the precious metals; (d) increased risk is created by a debt obligation of the undersigned to AAA Vault. There are no guarantees that the undersigned will be able to resell the undersigned's precious metals for an amount equal to or greater than the unpaid balance due to AAA Vault and the undersigned is responsible for any and all deficiencies. It is therefore possible to lose or gain more than the amount of the undersigned initial purchase price when financing is used.

6. Upon full payment plus the commissions to AAA Vault, precious metals purchased can be either delivered directly to the undersigned's designated point of delivery or stored with AAA Vault. Where the undersigned chooses to finance the purchase of precious metals, AAA Vault does not hold the purchased metals nor the funds received in trust for the undersigned and there is no storage charge for purchased metals until the full price plus the commissions are paid. Most home deliveries take place via drop shipment from AAA Vault via registered insured mail and are subject to handling fees postage and insurance.

7. The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

8. Any verbal or written statements made to you by any representative of AAA Vault that is inconsistent with the risks set forth herein should be reported immediately to AAA Vault (e.g., "realistically, at its current price, your metal can only go up in value"). If at any time you perceive any communication with a representative to be offensive or unprofessional in nature (e.g., high pressure, unresponsive to requests), or you have some other complaint, it should be reported to AAA Vault, preferably in writing.

Client Acknowledgements

The undersigned acknowledges that:

(a) each transaction made by the customer is a purchase or sale of physical precious metals product for immediate delivery and is not a "FUTURES CONTRACT, OPTION ON A FUTURES CONTRACT" OR "SECURITIES" transaction;

- (b)** for each transaction (purchase or sale) made by the undersigned, AAA Vault acts as principal. The undersigned is therefore purchasing directly from, or selling directly to, AAA Vault's own inventory;
- (c)** the choice of payment "in full" or the use of leverage/collateralized financing is that of the undersigned;
- (d)** purchases made for drop shipment "Home Delivery" must be paid "in full", including all related costs, prior to shipment;

- (e)** the undersigned has the intent, but not the obligation, to take home delivery;
- (f)** that all conversations between the undersigned and AAA Vault may be recorded by AAA Vault;

- (g)** that all orders (purchase or sale) placed by the undersigned with AAA Vault are final and therefore, are not subject to cancellation or modification, unless mutually agreed to in writing by the undersigned and AAA Vault;

- (h)** the decisions of the undersigned to purchase or sell precious metals products is solely that of the undersigned, and the undersigned is aware of the inherent risks involved in owning precious metals;

- (i)** AAA Vault and its representatives are not regulated by a Canadian or other regulator, commission or government body; and

- (j)** commissions charged to the undersigned by AAA Vault, are a maximum of % of the total market value on purchases and % of the total market value on sales.

The risk noted herein do not purport to disclose all of the risks and other significant aspects of engaging in the purchase or sale of physical precious metals. In light of these risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Purchasing or selling physical precious metals is not suitable for all members of the public. You should carefully consider whether the purchase or sale of physical precious metals is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

By signing below, the undersigned certifies that this Risk Disclosure Statement and Client Acknowledgement has been read and understood by the undersigned.

Signature of Account Holder

Signature of Joint Applicant

Date

Date

Print Name of Account Holder

Print Name of Joint Applicant