

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
FORT LAUDERDALE DIVISION

CASE NO.: 20-CV-61254-AHS

DAVID BISHOP, individually, as trustee of the Bishop Family Living Trust, and as custodian of his retirement account, SANDRA BISHOP, individually, as trustee of the Bishop Family Trust, and as custodian of her retirement account, and EILEEN BATTEN, individually, as trustee of the Eileen F. Batten & Richard N. Batten Trust, and as custodian of her retirement account,

Plaintiffs,

v.

ROSS BALDWIN, JEFF JOHNSON, CARRIE JOHNSON, ANDRE CARDOSO, KATHLEEN HOOK, NATIONAL COIN BROKER, INC., NCB WHOLESALE CO., and PRECIOUS COMMODITIES, INC.,

Defendants.

**JURY TRIAL DEMANDED**

**SECOND AMENDED COMPLAINT FOR DAMAGES**

Plaintiffs, David Bishop, individually, as trustee of the Bishop Family Trust, and custodian of his IRA account, Sandra Bishop, individual, as trustee of the Bishop Family Trust, and as custodian of her IRA account, and Eileen Batten, individually, as trustee of Eileen F. Batten & Richard N. Batten Trust, and as custodian of the applicable IRA accounts, files this Second Amended Complaint<sup>1</sup> against Defendants, Ross Baldwin, Jeff Johnson, Carrie Johnson, Andre Cardoso, Kathleen Hook, NCB Wholesale Co., Precious Commodities, Inc. and National Coin Brokers, Inc., and alleges as follows:

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<sup>1</sup> This Second Amended Complaint is filed pursuant to Rule 15(a)(2) of the Federal Rules of Civil Procedure with written consent from the Defendants that have appeared in this action.

### **JURISDICTION AND VENUE**

1. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332 based on diversity of citizenship and amount in controversy. Specifically, as set forth below, Plaintiffs are citizens of the States of South Carolina and Ohio. Defendants are Florida corporations and citizens of the State of Florida. More than \$1 million is in controversy in this action. The amount of each Plaintiff's respective claims exceeds \$75,000.

2. Venue is proper pursuant to 28 U.S.C. § 1391 because all or substantially all of the events giving rise to Plaintiffs' claims occurred in Broward County, Florida.

### **THE PARTIES**

3. Plaintiff, David Bishop, is an individual residing in, and a citizen of, the State of Ohio. Mr. Bishop is bringing this action individually, as custodian of his IRA account, and as the trustee of the Bishop Family Trust.

4. Plaintiff, Sandra Bishop, is an individual residing in, and citizen of, the State of Ohio. Mr. Bishop is bringing this action individually, as custodian of her IRA account, and as the trustee of the Bishop Family Trust.

5. Plaintiff, Eileen Batten, is an individual residing in, and a citizen of, the State of South Carolina. Mrs. Bishop is bringing this action individually, as the custodian of her individual IRA account, and as trustee of the Eileen F. Batten & Richard N. Batten Trust.

6. Defendant, Ross Baldwin ("**Baldwin**"), is an individual residing in Broward County, Florida and is a citizen of the State of Florida. At all times material to this matter, Mr. Baldwin was the owner, president, and agent of Defendant National Coin Broker, Inc.

7. Defendant, Carrie Johnson ("**Mrs. Johnson**"), is an individual residing in Miami-Dade County, Florida. On information and belief, at all material times, Mrs. Johnson was a

founder, principal, and agent of NCB Wholesale, Inc., and the founder of Precious Commodities, Inc.

8. Mrs. Johnson has concealed her whereabouts within the meaning of Florida Statutes § 48.181. A process server has attempted to serve Mrs. Johnson at the following residential and business addresses, which are affiliated with Mrs. Johnson in the public records, on the following dates, without success:

- 402 Lincoln Road, #402, Miami Beach FL 33139 — where she was served in a related case — on July 16, 2020
- 50 South Pointe Drive, Apt 615, Miami Beach FL 33139 (residential address) on July 17, 2020
- 50 South Pointe Drive, Apt 615, Miami Beach FL 33139 on July 21, 2020
- 402 Lincoln Road, #402, Miami Beach FL 33139 on July 28, 2020
- 8935 Dickens Avenue, Miami Beach, FL 33139 (residential address) on August 7, 2020;
- 402 Lincoln Road, #402, Miami Beach FL 33139 on August 10, 2020 while conducting a stakeout;
- 402 Lincoln Road, #402, Miami Beach FL 33139 on August 11, 2020;
- 8935 Dickens Avenue, Miami Beach, FL 33139 on August 18, 2020;
- 210 Washington Avenue, Miami Beach, FL 33139 on September 1, 2020.

9. Defendant, Jeff Johnson (“**Mr. Johnson**”), is an individual residing in Miami-Dade County, Florida. Mr. Johnson is the husband of Mrs. Johnson and was, at all material times, the principal and agent of NCB Wholesale, Inc. along with his wife. He also was the founder of Precious Commodities, Inc. (Mr. Johnson and Mrs. Johnson are collectively referred to herein as “**the Johnsons**”).

10. Mr. Johnson has concealed his whereabouts within the meaning of Florida Statutes § 48.181. A process server has attempted to serve Mr. Johnson at the following

residential and business addresses, which are affiliated with his home and business addresses in the public records, on the following dates, without success:

- 402 Lincoln Road, #402, Miami Beach FL 33139 — where he was served in a related case — on July 16, 2020
- 50 South Pointe Drive, Apt 615, Miami Beach FL 33139 (residential address) on July 17, 2020
- 50 South Pointe Drive, Apt 615, Miami Beach FL 33139 on July 21, 2020
- 402 Lincoln Road, #402, Miami Beach FL 33139 on July 28, 2020
- 8935 Dickens Avenue, Miami Beach, FL 33139 (residential address) on August 7, 2020;
- 402 Lincoln Road, #402, Miami Beach FL 33139 on August 10, 2020 while conducting a stakeout;
- 402 Lincoln Road, #402, Miami Beach FL 33139 on August 11, 2020;
- 8935 Dickens Avenue, Miami Beach, FL 33139 on August 18, 2020;
- 210 Washington Avenue, Miami Beach, FL 33139 on September 1, 2020 (residential address).

11. Defendant, Kathleen Hook (“**Hook**”), is an individual residing in Miami-Dade County, Florida. At all times material to this matter, Ms. Hook was the nominal officer and registered agent of NCB Wholesale, Inc. On information and belief, Hook is the mother of Carrie Johnson.

12. Hook has concealed her whereabouts within the meaning of Florida Statutes § 48.181. A process server has attempted to serve Hook at the following business and residential addresses, which are affiliated with her home and business addresses in the public records, on the following dates, without success:

- 402 Lincoln Road, #402, Miami Beach FL 33139 — where she was served in a related case — on July 16, 2020
- 1060 Brickell Ave., Unit 1209, Miami FL 33131 (residential address) on July 17, 2020;



- 1060 Brickell Ave., Unit 1209, Miami FL 33131 on July 20, 2020;
- 1060 Brickell Ave., Unit 1209, Miami FL 33131 on August 3, 2020;
- 1060 Brickell Ave., Unit 1209, Miami FL 33131 on August 17, 2020;
- 1060 Brickell Ave., Unit 1209, Miami FL 33131 on August 27, 2020;
- 210 Washington Avenue, Miami Beach, FL 33139 on September 1, 2020 (residential address).

13. Defendant, Andre Cardoso (“**Cardoso**”), is an individual, who, upon information and belief, resides in Miami-Dade County, Florida. Cardoso was and is the president of Precious Commodities Inc., and purportedly ran the day-to-day business beginning in year 2016.

14. Cardoso has concealed his whereabouts within the meaning of Florida Statutes § 48.181. A process server has attempted to serve Cardoso at the following business and residential addresses, which are affiliated with Cardoso in the public records, on the following dates, without success:

- 402 Lincoln Road, #402, Miami Beach FL 33139 — where he was served in a related case — on July 16, 2020;
- 402 Lincoln Road, #402, Miami Beach FL 33139 on July 17, 2020;
- 402 Lincoln Road, #402, Miami Beach FL 33139 on July 21, 2020;
- 210 Washington Avenue, Miami Beach, FL 33139 on September 1, 2020 (residential address).

15. NCB Wholesale Co. (“**NCB Wholesale**”), is a Florida corporation which conducted business out of its office located in Miami-Dade County, Florida. NCB Wholesale’s sole officer, and registered agent, is Kathleen Hook. Kathleen Hook cannot be located at the addresses identified above or at NCB Wholesale’s principal place of business or address for its registered agent at 1688 Meridian Ave., Unit 700, Miami Beach FL 33139. The owner of that address, a Regus (co-working space), has confirmed that NCB Wholesale no

longer maintains working space, an address, or a mailbox at that location. Therefore, Plaintiffs intend to affect service by serving the Secretary of State under Florida Statutes § 607.0504(3).

16. National Coin Broker, Inc. (“NCB”) is a Florida corporation, which conducted business out of its office located in Miami-Dade County, Florida.

17. Precious Commodities, Inc. (“PCI”) is a Florida corporation, which conducted business out of its office located in Broward County, Florida. At all material times, PCI’s sole shareholder, director, and registered agent, was Andre Cardoso. On information and belief, PCI never employed anyone and has no partners. Andre Cardoso cannot be located at the addresses identified above, or at PCI’s principal place of business and address for its registered agent at 401 E. Las Olas Blvd., Ste 1400, Ft. Lauderdale FL 33301. The owner of that address, Carr Workspaces (co-working space), has confirmed that PCI no longer maintains working space, an address, or a mailbox at that location. Therefore, Plaintiffs intend to affect service by serving the Secretary of State under Florida Statutes § 607.0504(3).

### **FACTUAL ALLEGATIONS**

#### **A. The Ponzi Scheme**

18. In April, 2009, Baldwin incorporated NCB to take advantage of the collapsing equities markets in the United States and concurrent fear among older retail investors in order to sell “alternative” precious metal assets — particularly to elderly clients that sought to avoid the volatility of the financial markets.

19. At all material times, Baldwin has been the sole principal, president, and owner of NCB.

20. In June, 2014, on information and belief, the Johnsons incorporated NCB Wholesale and listed Kathleen Hook as its agent and officer.

21. In June, 2014, the Johnsons incorporated PCI.

22. On information and belief, Cardoso became the sole shareholder, director, and registered agent, of PCI in or around the year 2016. On information and belief, PCI never employed anyone and had no partners.

23. NCB Wholesale and PCI were set up by the Johnsons, in agreement with Baldwin, in order to take advantage of Baldwin's elderly clients that had purchased precious metals and/or those clients that would purchase precious metals in the future from Baldwin.

24. Specifically, Baldwin would convince his clients that owned or intended to purchase precious metals that they could make money on their precious metals by "leasing" them to PCI, which would pay interest and maintain the precious metals in the RoboVault located in Broward County, Florida.

25. Purportedly, PCI would fund the lease payments to the owners of the precious metals by collateralizing third-party precious metal transactions on a short term basis.

26. All precious metals leased to PCI by plaintiffs and others were supposed to be kept in the RoboVault in Fort Lauderdale and fully insured.

27. At all times, the metals leased to PCI were owned by the Lessors, which included Plaintiffs.

28. On information and belief, the reality of the scheme was quite different. Precious metals purchased from Baldwin or NCB — that were shipped from Baldwin's clients to the RoboVault pursuant to a PCI lease — were then taken and sold by, on information and belief, Baldwin and/or Mr. and Mrs. Johnson.

29. Small amounts of the proceeds from those sales were transferred to the bank account of NCB Wholesale, which amounts were then used to fund PCI's account in order to

make the interest payments owed to the Lessors and cover basic overhead. The remaining funds were retained for the benefit of the individual defendants to this action.

30. The only way to continue the scheme was for Baldwin to find new owners/purchasers of precious metals, have those owners/purchasers “lease” the metals to PCI, and then eventually sell those metals to fund the accruing monthly lease obligations of PCI and retain the remainder.

31. On information and belief, PCI had no legitimate source of income from collateralized transactions that could pay the lessors to PCI.

32. When the money ran out in or around April, 2019, no more funds could be transferred from NCB Wholesale to PCI, and the lease payments to the lessors — including Plaintiffs — ceased.

33. On information and belief, based on an investigation by law enforcement, none of the precious metals leased to PCI remained in the RoboVault after October 10, 2018.

34. In summary, Baldwin and the Johnsons ran a Ponzi scheme using, among other things, the corporate entities of NCB, NCB Wholesale, and PCI. Effectively, they would convince victims to purchase precious metals through NCB, transfer precious metals to PCI under a leasing program that was supposed to keep those metals in a secure and insured vault, sell those metals at various times, and use the funds to partially pay interest on the “loan” using NCB Wholesale, and to pay for their lifestyles and pay small amounts to Andre Cardoso and Kathleen Hook, among others, until the money ran out.

35. On information and belief, Hook and Cardoso were unaware of the scheme, but retained the benefits of the scheme by allowing their identities to be used to create and operate PCI and NCB Wholesale, respectively.

36. There was no way to repay the victims of the scheme in the long run.

37. The scheme was designed solely to transfer wealth from Plaintiffs and other precious metals owners to one or more of the Defendants.

38. The Johnsons and Baldwin engaged in a conspiracy to defraud all NCB/PCI clients, which included the Plaintiffs, resulting in the conversion and losses of approximately \$7 million worth of precious metals owned by lessors to PCI.

**B. Eileen and Richard Batten**

39. In or around March, 2015, Ross Baldwin represented to Eileen Batten that a silver leasing program functioned as a secured metals depository out of the RoboVault in Fort Lauderdale, Florida.

40. Mrs. Batten was about 80 years old at the time.

41. Baldwin represented that if Mrs. Batten transferred her silver that she bought from him or NCB, she would receive approximately 5% annual return and would continue to own the silver.

42. Further, Baldwin represented the metals would be kept in a secured, insured, vault, which insurance would cover the entire amount of the precious metals.

43. Additionally, Baldwin represented that Mrs. Batten would not have to pay storage fees.

44. On Baldwin's recommendation and advice, and because Mrs. Batten was dependent on the expertise and advice of Baldwin with respect to the precious metals markets, Mrs. Batten entered into a series of "lease" transactions with PCI on behalf of her IRA and as trustee of the Eileen F. Batten & Richard N. Batten Trust. *See* Composite Exhibit 1.<sup>2</sup>

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<sup>2</sup> Certain contractual documents attached are incomplete. Defendants are, or should be, in possession of complete contractual agreements. Mrs. Batten has attached the contractual documents in her possession, custody and control.

45. The lease transactions caused Mrs. Batten to transfer 55,544 ounces of physical silver bars to the vault at Fort Lauderdale RoboVault.

46. That amount constituted nearly all of the Battens' life savings.

47. That amount of silver has a current market value in excess of \$900,000.00.

48. At all times, Mrs. Batten and/or her trust was the owner of that silver.

49. On information and belief, the silver was taken from the Fort Lauderdale RoboVault by the Johnsons and/or Baldwin and sold.

50. Baldwin represented to Mrs. Batten, however, that the silver had been received and was stored in the RoboVault.

51. Mrs. Batten relied on that representation to continue with the purported lease program.

52. Baldwin and/or the Johnsons used a small portion of the sale proceeds from Mrs. Batten's silver to deposit amounts into NCB Wholesale's account, which would then deposit funds into PCI's account, in order to make small "interest" payments intermittently on the lease to Mrs. Batten and/ her IRA custodian through March, 2019.

53. In March 2019, all lease payments stopped.

54. On information and belief, NCB, NCB Wholesale, Baldwin, and/or the Johnsons, converted Mrs. Batten's silver for their own benefit, kept her complacent with small interest payment for years using a small portion of the sale proceeds from her silver, and then, when the scheme ran out of money, discontinued payments that could not be made.

55. No silver was, or could be, returned to Mrs. Batten for her IRA account and trust.

56. On information and belief, cash proceeds from the sale of Bishops' silver was used to fund the lifestyles of Baldwin and the Johnsons, and to benefit Hook and Cardoso as well.

57. Mrs. Batten had no reason to suspect the conversion or Ponzi scheme until the payments stopped in April 2019 and a subsequent investigation was conducted by law enforcement.

**C. David and Sandra Bishop**

58. In or around December, 2016, Ross Baldwin represented to David Bishop that the silver leasing program functioned as a secured metals depository out of the RoboVault in Fort Lauderdale, Florida.

59. At the time, Mr. Bishop and his wife, Sandra Bishop, were about 70 years old.

60. David and Sandra Bishop were (and are) both trustees of the Bishop Family Trust.

61. Baldwin represented – at that time – that if the Mr. Bishop transferred silver into the leasing program, he and his wife would receive approximately 5% annual return and would continue to own the silver.

62. Further, Baldwin represented to Mr. Bishop that the metals would be kept in a secured, insured, vault, which insurance would cover the entire amount of the precious metals.

63. Additionally, Baldwin represented that Mr. Bishop would not have to pay storage fees.

64. On Baldwin's recommendation and advice, and because the Bishops were dependent on the expertise and advice of Baldwin with respect to the precious metals markets, the Bishops, on behalf of their trust and individual IRA accounts, entered into a series of

“lease” transactions with PCI, as amended, beginning in early January, 2017. *See* Composite Exhibit 2.<sup>3</sup>

65. The lease transactions caused the Bishops to transfer 32,349 ounces of physical silver bars to the vault at the Fort Lauderdale RoboVault.

66. That amount constituted nearly the entire life savings of the Bishops.

67. That silver has a current market value in excess of \$500,000.00.

68. On information and belief, the silver was taken from the Fort Lauderdale RoboVault by Baldwin and/or the Johnsons and sold.

69. Baldwin represented to the Bishops, however, that the silver had been received and was stored in the RoboVault.

70. The Bishops relied on that representation in continuing with the purported lease program.

71. Baldwin and/or the Johnsons used a small portion of the sale proceeds from the silver to deposit into the bank account for NCB Wholesale, which then deposited small amounts into the account for PCI, to make small “interest” payments intermittently on the leases, as amended, through March, 2019.

72. The lease payments ceased in April, 2019.

73. On information and belief, Baldwin and/or the Johnsons, individually or through NCB or NCB Wholesale, converted the Bishops’ silver that was stored in the RoboVault, maintained through retirement accounts and the trust, for their own benefit, kept the Bishops complacent with small interest payment for years using a small portion of the sale

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<sup>3</sup> On information and belief, certain contractual documents attached may be incomplete and/or drafted to reflect the wrong entities or person leasing the silver. The Bishops have attached the contractual documents in their possession, custody and control. Defendants are, or should be, in possession of complete contractual agreements.



proceeds from the precious metals, and then, when the scheme ran out of money, discontinued payments that could not be made.

74. No silver was, or could be, returned to the owners — the Bishop Family Trust and the Bishops as custodians of their respective IRA accounts.

75. On information and belief, cash proceeds from the sale of Bishops' silver was used to fund the lifestyles of Baldwin and the Johnsons, and to benefit Hook and Cardoso as well.

76. The Bishops had no reason to suspect the conversion or Ponzi scheme until the payments stopped in April 2019 and a subsequent investigation was performed by law enforcement.

77. All conditions precedent to bringing this action have occurred or been waived.

### **COUNT I** **CONVERSION**

78. Plaintiffs re-alleges and adopts all of the allegations set forth in paragraphs 1 through 77 above.

79. This is an action for conversion against Baldwin, NCB, the Johnsons, and NCB Wholesale.

80. NCB and Baldwin sold silver to Plaintiffs and induced them to transfer their silver under a leasing program to PCI.

81. PCI then entered into lease agreements with Plaintiffs wherein PCI would take possession of Plaintiffs' silver, and would hold that silver in the RoboVault to use on collateralized deals.

82. Plaintiffs transferred their silver to the RoboVault under the terms of the lease with PCI at the direction of Baldwin and NCB.

83. Baldwin and/or the Johnsons then converted the silver by removing it from the RoboVault, selling it on the market at various times, using those proceeds to fund PCI on a *de minimus* basis through NCB Wholesale, and otherwise retained the proceeds from that sale for themselves and others, as set forth above.

84. At all materials times, Plaintiffs and their respective trusts were the rightful owners of the silver they transferred to the vault at RoboVault that was purportedly maintained by PCI.

85. Plaintiffs have respectively demanded their return of their silver, but the silver has not been returned. Alternatively, a demand was futile because the silver was converted and there was no means to deliver it to Plaintiffs.

86. Plaintiffs have been deprived possession of their respective silver in a manner that equates to conversion.

**WHEREFORE**, the Plaintiffs demands judgment against Baldwin, NCB, Mr. Johnson, Mrs. Johnson, and NCB Wholesale, jointly and severally, for actual damages in an amount to be determined by the trier of fact, costs of the lawsuit, pre- and post-judgment interest, and such other relief as the trier of fact deems just and appropriate.

**COUNT II**  
**CONSPIRACY TO CONVERT ASSETS**

87. Plaintiffs re-alleges and adopts all of the allegations set forth in paragraphs 1 through 77 above.

88. Individual defendants, including Baldwin and the Johnsons, agreed in or around June 2014 to a series of unlawful acts that would convert Plaintiffs' silver for their own benefit and benefit of others.

89. The underlying tort was the conversion of Plaintiffs' silver, as alleged in Count I (which Count is hereby incorporated, including paragraphs 78 through 86).

90. Each individual defendant named above had his or her own role in the conspiracy and performed overt acts in furtherance thereof:

a. The Johnsons established PCI using a false name in order to have an entity to enter into the purported lease agreements;

b. The Johnsons established and managed NCB Wholesale using Hook as a nominal officer, which was used at times to sell Plaintiffs' silver, to collect money from the sale of Plaintiffs' silver, and to deposit some in PCI's account to fund *de minimus* lease payments to Plaintiffs;

c. Baldwin agreed to provide the clients that intended to purchase, or had purchased, precious metals through him or his company NCB and to induce those clients into entering into the purported lease scheme, which he did;

d. The Johnsons and/or Baldwin converted the silver and used small amounts of the proceeds to pay interest and keep the scheme afloat.

91. Plaintiffs have suffered significant damages in the loss of nearly their entire life's savings, as set forth herein, through the conversion of their respective silver.

**WHEREFORE**, the Plaintiffs demand judgment against Baldwin, Mrs. Johnson, and Mr. Johnson, jointly and severally, for actual damages in an amount to be determined by the trier of fact, costs of the lawsuit, pre- and post-judgment interest, and such other relief as the trier of fact deems just and proper.

**COUNT III**  
**BREACH OF FIDUCIARY DUTY AGAINST ROSS BALDWIN**

92. Plaintiffs re-alleges and adopts all of the allegations set forth in paragraphs 1 through 77 above.

93. Baldwin, as an expert in precious metals and advisor to Plaintiffs, who relied upon Baldwin to advise them and protect their interests, owed a fiduciary duty to Plaintiffs.

94. Baldwin's role as fiduciary is evidenced by his purported letter to PCI lessors, in which he claims to be attempting to resolve the issue of the non-payments on the leases in 2019.<sup>4</sup> *See Exhibit 3.*

95. Plaintiffs relied on Baldwin for his advice in connection with the purchase of silver and entering into the leasing program with PCI. Indeed, Baldwin was the expert on the precious metals markets, and Plaintiffs were reliant and dependent on Baldwin to protect their interests in the transactions.

96. Baldwin breached that fiduciary duty by convincing the Plaintiffs to purchase precious metals through his company, NCB, and then enter into the PCI leasing scheme that would necessarily result in the complete loss of all silver purchased by Plaintiffs.

97. As a result, Plaintiffs have suffered financial damages in the form of the loss of nearly their entire life's savings.

**WHEREFORE**, the Plaintiffs pray that this Court enter judgment in their favor against Baldwin for actual damages and punitive damages in an amount to be determined by the trier of fact, costs of the lawsuit, pre- and post-judgment interest, and such other relief as the Court deems just and appropriate.

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<sup>4</sup> Meanwhile, the attorney referenced in his letter is a criminal defense attorney — presumably retained by Baldwin for his own benefit.

**COUNT IV**  
**BREACH OF CONTRACT AGAINST PCI**

98. Plaintiffs re-alleges and adopts all of the allegations set forth in paragraphs 1 through 77 above.

99. PCI entered into lease agreements, as amended, with Plaintiffs in their respective roles as trustees and custodians.

100. Under the terms of the lease, PCI was required to maintain Plaintiffs' silver and pay interest on its value.

101. PCI breached the terms of the lease agreements by allowing Plaintiffs' silver to be removed and sold by other Defendants and by failing to make interest payments under the respective leases.

102. Plaintiffs have suffered damages as a consequence of PCI's breaches.

**WHEREFORE**, the Plaintiffs pray that this Court enter judgment in their favor and against PCI for actual damages in an amount to be determined by the trier of fact, costs of the lawsuit, pre- and post-judgment interest, and such other relief as the trier of fact deems just and appropriate.

**COUNT V**  
**UNJUST ENRICHMENT AGAINST ALL DEFENDANTS**

103. Plaintiffs re-alleges and adopts all of the allegations set forth in paragraphs 1 through 77 above.

104. Plaintiffs conferred a benefit on all defendants by transferring their silver to PCI that was converted and sold by certain Defendants, as set forth above, which was used to benefit all Defendants by retaining portions of the proceeds from those sales.

105. Defendants voluntarily accepted and retained the benefits conferred.

106. Defendants' acceptance and retention of the benefits under these circumstances (of theft and/or conversion, as set forth in Count I, which is incorporated herein) makes it inequitable for Defendants to retain such benefits without returning the amounts accepted to Plaintiffs.

107. Defendants have been unjustly enriched by Plaintiffs' transfer of silver that was sold and used for Defendants' benefit.

**WHEREFORE**, the Plaintiffs pray that this Court enter judgment in their favor against all Defendants for actual damages in an amount to be determined by the trier of fact, costs of the lawsuit, pre- and post-judgment interest, and such other relief as the Court deems just and appropriate.

**DEMAND FOR JURY TRIAL**

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs demand a trial by jury in this action of all issues so triable.

Respectfully submitted,

**WEINBERG WHEELER HUDGINS  
GUNN & DIAL, LLC**

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that this document has been electronically filed on September 2, 2020, and a copy of the foregoing pleading will be delivered via electronic transmission generated by CM/ECF to all counsels of record.

/s/ Aaron M. Cohn

Aaron M. Cohn, Esq.

# **EXHIBIT 1**



*Duplicate***Depository Silver Lease Program**

This agreement entered into on 3 day of March 2015, sets forth the terms and conditions under which:

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Eileen F Batten & Richard N. Batten, Trust

- ("Lender" or "Lessor")

may lend/lease to

Precious Commodities Inc. ("Borrower" or "Lessee").

**1. Terms of the lease**

a) Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement pursuant to which Lessor will lend to Precious Commodities Inc. quantities of Silver described and detailed in clause 2 of this Agreement. The execution of this document creates the facility whereby the Lender may lend to the Lessee the Leased Silver, under the terms and conditions set forth under this Agreement.

b) The Lease shall be governed by this Lease Agreement (the "Agreement").

c) The Lease may be renewed, subject to the prior approval of the Borrower. Any such renewal shall be subject to the terms and conditions of the original lease, except as expressly modified at the time of such renewal.

**2. Lease Details**

a) Unit identification/serial number in which the Silver is contained:

b) Silver Amount (a minimum of 500 Troy Ounces is required): **13,986** Type: **1oz ASE**

c) Location of the Silver (RoboVault of Florida, hereafter "Vault") storage:  
3340 SE 6<sup>th</sup> Avenue Fort Lauderdale, FL 33316

d) Lease Commencement Date: 3/3/15

e) Lease Term: The Lease Term will initially be ("Lease Term");

☒ 36months ☐ 60 months ☐ 120 month ☐

starting on the Lease Commencement Date. The Lease automatically renews indefinitely for an additional Lease Term unless terminated by either party in writing at least 30 days prior to the expiration date.

f) Lease Fee: The Lease fee to be paid by the Borrower is the one specified in the Clause 3 of this Agreement.

g) Payment Date: Net Monthly (paid as detailed in Clause 14)

**3. Lease Fee**

a) With respect to the Lease hereunder, Lessee unconditionally promises to pay to the Lessor a fee ("Lease Fee"). The Lease Fee shall be calculated on the first day of the Lease Term as follows:

i) Quantity: 7,528 Troy Ounces of Leased Silver.

ii) Lease Rate: \$ 0.0786 <sup>5.5%</sup> ~~3.5%~~ Annual return..

iii) Lease Fee: Original silver spot price x quantity x lease rate / 12

7,528

\$ 0.0786

\$ 591.70

*IRA  
acct*

*\$ 7100.40  
per  
year*

b) Method of Payment

Lessee shall pay by bank transfer/deposit and/or corporate check on the last day of each monthly Lease Term.

c) Lessee hereby unconditionally promises to pay Lessor interest on any Lease Fee payable by Lessee under this Agreement that shall not be paid to the Lessor when due hereunder, for each day during the period from and including the date such payment is due to but excluding the date the same is paid in full, at a rate per annum equal to the prevailing US Prime Rate ("Prime") two percent (2%) per annum.

*in  
IRA*

d) If Lessee shall fail to return any Leased Silver (or its fungible equivalent) to the Lessor when due hereunder, then notwithstanding anything in this Agreement to the contrary, for each day during the period, from and including the date of such return is due, excluding the date such Leased Silver is returned, Lessee agrees to pay all associated fees and costs of Lessor based on the then-current market situation. Such fees and costs shall be payable from time to time, on demand of Lessor.

**4. Delivery**

Lessor specifically agrees to deliver all Leased Silver (at its sole expense) pursuant to Lessee's instructions and specifications. All Leased Silver shall be transferred to Lessee at such location as the Lessee shall designate on the commencement date of this Lease. Lessor specifically warrants that Lessor is authorized to enter into this Lease Agreement and to deliver the Leased Silver hereunder.

Additionally, Lessor specifically warrants to Lessee that Lessor holds good and marketable title to the Leased Silver, free and clear of all liens, pledges, mortgages, encumbrances, easements, charges, claims, restrictions, purchase options, and/or agreements limiting the use or transfer of the leased metal.

#### **5. Risk of Loss & Usage of Leased Silver**

Lessee shall be responsible for, and agrees to indemnify and hold harmless Lessor against any sales, use, personal property, value added or other taxes (including penalties) that may arise relating to this Agreement, any Leased Silver hereunder, or the use thereof.

The Lessee shall also be responsible for, and agrees to indemnify and hold harmless Lessor against, any liability, claim or expense relating to any Leased Silver or the use thereof, including, without limitation, any product, environmental, or toxic waste liability claims.

Lessee shall be responsible for all risk of loss, damage or disappearance from any cause whatsoever of, or with respect to, any Leased Silver from the time of delivery to Lessee until the Leased Silver is returned to the Lessor.

Lessor acknowledges that the Leased Silver delivered to the Lessee under this Agreement is fungible in nature and that Lessee's obligation to return the Leased Silver is specifically limited to returning like weights and grades, as per industry standards and practices.

Lessee acknowledges that it shall maintain, in its possession and/or control, the specific property borrowed or property of similar nature that is fungible with the property borrowed hereunder.

Lessor specifically authorizes Lessee to trade or alter the form of the Leased Silver in the Lessee's normal course of business.

**Any such fabrication and/or alteration shall not relieve the Lessee from its obligation to return fungible property in the form, weight and grade as was originally borrowed hereunder. However, at the term of the Lease, Lessor and Lessee may agree that the Leased Silver will be returned in a different form, weight and grade as originally borrowed.**

Lessor shall not be responsible for Lessee's use of the Leased Silver.

## **6. Default**

Is hereby understood and agreed that in the event the Lessee shall:

- a) Fail to return the Leased Silver promptly upon maturity at the end of the Lease.
- b) Default in the prompt payment or performance of any obligation to Lessor hereunder, and fail to cure such default immediately after receipt of written notice from Lessor of such default
- c) File a petition or otherwise commence or authorize the commencement of a proceeding under any bankruptcy or similar law relating to the protection of assets from creditors or have any such petition filed or proceeding commenced against it
- d) Otherwise become bankrupt, insolvent or be unable to pay its debts as they fall due
- e) Without prior notice to Lessor, merge or consolidate with any unaffiliated company, or sell all or a substantial portion of its assets, or to materially increase its liabilities or to withdraw or redeem material portions of its equity capital.

Lessor shall have the right to immediately and at any time thereafter to liquidate (or close out) any and all outstanding Leases and to liquidate any and all Deposited Collateral and other property held to satisfy the Lessee's obligation to Lessor, if any. Lessee shall remain liable for, and shall promptly remit to Lessor, all costs associated with liquidation of the Lease Agreement.

*Lessor's rights under this Paragraph shall be in addition to, and not in limitation of, any other right that Lessor may have, whether by agreement, operation of law or equity, or otherwise. In particular, nothing herein shall limit Lessor's right to reclaim or seek to reclaim any metal to which it retains title under the terms of this Agreement.*

## **7. Non-regulated nature of Transactions**

This Agreement authorizes the parties to enter into a transaction in a "non-regulated physical commodities" which is the Leased Silver. A physical transaction of Silver metal is bound by the Uniform Commercial Code and is not subject to any additional regulation by any governmental or self-regulatory authority.

Nothing contained in this agreement shall constitute a solicitation to trade or authorization to enter into, or shall entitle the parties to enter into regulated futures, options on regulated futures, securities or options on securities transactions.

Unless alternate forms of delivery are agreed upon by Precious Commodities Inc., all transactions entered into under this Agreement shall be satisfied by the actual taking or making of physical delivery of the merchandise bought, sold, borrowed or lent subject to industry standards and practices.

The Lessee specifically acknowledges that the Commodity Exchange Act, as amended does not cover the "non-exchange traded cash transactions" in physical precious metals.

#### **8. Representations**

Lessor and Lessee each represent and warrants to the other as follows:

- a) It is duly authorized to enter into this Lease Agreement
- b) The person executing this Agreement and all other documents, agreements, schedules hereunder on its behalf is authorized to do so
- c) Its execution of this Agreement does not violate any agreement by which it is bound or by which any of its assets are affected

#### **9. Warranties**

Each party warrants that the Leased Silver delivered or returned by it hereunder is consistent with the specifications provided herein.

There are no express warranties other than herein specified.

There are not warranties which extend beyond the description of the leased silver described in this Agreement, no warranty of merchantability, or of fitness for a particular purpose, or any warranties of any other nature shall be implied.

Time is of essence under this Agreement.

#### **10. Amendments**

No provision of this Agreement shall in any respect be waived, altered, modified or amended unless its waiver, alteration, modification or amendment is committed to in writing and signed and accepted in writing by an authorized officer of Precious Commodities Inc.

#### **11. Assignment**

The provisions of this Agreement shall be continuous and shall inure to the benefit of Precious Commodities Inc. its successors and assigns and shall be binding upon the Lessee and/or the estate, personal representatives, administrators and successors of the Lessor.

The Lessor shall not assign any rights or delegate any obligations hereunder without having sought and received prior written consent of a duly authorized officer of Precious Commodities Inc. and any attempt at such assignment or delegation without such consent shall be void.

#### **12. No implied waiver**

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of the provision itself. The failure of either party to exercise its rights under this Agreement shall not constitute a waiver of such right.

### 13. Severability

Nothing contained in this Agreement shall be construed as to require the commission of any act contrary to local, state or federal law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing the transactions hereunder, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of this Agreement shall continue full force and effect.

### 14. Notes

All communications

**If sent to Lessor shall be sent to**

Company Name: Eileen F Batten & Richard N. Batten, Trust

Address: 126 Scarlet Oak Place, Aiken, SC 29803

Telephone: 803 - 641 - 4740

Fax: - -

Payment Method:



Check to: Name *Desired on Check* Eileen F. & Richard N. Batten



Bank Transfer: Account Number

Routing Number 053202208

Name of Bank First Community Bank

Phone Number of Bank 803 - 293 - 2400

**If sent to the Lessee shall be sent to:**

Company Name: Precious Commodities Inc.

Address: 401 E. Las Olas Blvd Suite 1400 Fort Lauderdale, FL 33301

Telephone: 954.332.2324

Fax: 786.453.0364

All communication given by mail shall be effective upon their deposit in the United States Mail, postage prepaid, or upon receipt, whichever occurs earlier.

#### **15. Termination**

This Agreement may be terminated by written notice at least five (5) business days' notice prior to the Lease Expiration Date by both parties. Such termination shall not affect any Lease Term outstanding at the time such termination is effective, which shall remain subject to the terms and conditions of this Agreement until all outstanding obligations are performed or liquidated.

It is specifically understood and agreed that all Leases are for a specific Lease Term, and that other than the event of a default or termination (as set forth above), Lessor shall have no right to demand the early return of the Leased Silver, and while Lessee may return the Leased Silver to the Lessor prior

to the expiration date of this Lease, such early return shall not affect the total amount of compensation due Lessor from Lessee (in the form of Lease fees).

Upon the termination of the Lease the Lessee shall settle the lease:

- a) By physical delivery on the Termination Date of the Unit containing the Leased Silver in the form,
- b) AND ONLY IF agreed by the Lessor, by the physical delivery of the Leased Silver in a different unit, form, weight and grade as was originally borrowed which shall occur or shall be deemed to have occurred at the same location of delivery of such unit.
- OR
- c) By the deposit of the market value of the silver into Lessor's account

#### **16. Captions**

Captions contained herein are inserted only as a matter of convenience, and are intended in no way to define, limit or expand the scope or intent of this Agreement or any provisions thereof.

#### **17. Singular Imparts Plural**

The parties acknowledge that where the context hereof requires the singular, the singular shall impart the plural, the masculine shall impart the feminine or neuter.

#### **18. Governing Law**

This Agreement shall be governed by the laws of the State of Florida and the parties agree to be subject to the jurisdiction of the Courts of that State as to any disputes arising out of this Agreement.

**19. Entire Agreement**

This is the complete Agreement between the parties. It can only be changed or modified by a separate writing that is signed by all of the parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

Lessors:

Richard N. Batten  
Signature

13,986  
Vault: Account Number

Ounces Pledged

EILEEN F. BATTEN  
Print Name/Title

3/3/2015  
Date

Vault: Account Number

Ounces Pledged

**Lessee:**

Carlo Aggravi  
Signature

CARLO AGGRAVI  
Print Name/Title



FILE



EDIT IN WORD



DOWNLOAD

PRINT

FIND

**Depository Silver Lease Program**

This agreement entered into on 10 day of March, 2015, sets forth the terms and conditions under which:

Eileen Batten - Richard Batten  
 Eileen Batten and Richard Batten, TRUST - ("Lender")  
 may lend/lease to

Precious Commodities Inc. ("Borrower" or "Lessee")

**1. Terms of the lease**

a) Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement which Lessor will lend to Precious Commodities Inc. quantities of Silver as specified in clause 2 of this Agreement. The execution of this document creates the legal obligation of the Lessor to lend to the Lessee the Leased Silver, under the terms and conditions of this Agreement.

b) The Lease shall be governed by this Lease Agreement (the "Agreement").

c) The Lease may be renewed, subject to the prior approval of the Borrower. The renewal shall be subject to the terms and conditions of the original lease, except as expressly provided in such renewal.

**2. Lease Details**

a) Unit identification/serial number in which the Silver is contained:

b) Silver Amount (a minimum of 500 Troy Ounces is required): 37,076

c) Location of the Silver (RoboVault of Florida, hereafter "Vault") storage location: 3340 SE 6<sup>th</sup> Avenue Fort Lauderdale, FL 33316

d) Lease Commencement Date: 3/10/15

e) Lease Term: The Lease Term will initially be ("Lease Term"):  
☐ 36 months ☐ 60 months ☐ 120 months ☒ 90 Days ☐  
 starting on the Lease Commencement Date. The Lease automatically renews for the same Lease Term unless terminated by either party in writing at least 30 days prior to the expiration of the Lease Term.

f) Lease Fee: The Lease fee to be paid by the Borrower is the one specified in the attached schedule.

g) Payment Date: Net Monthly (paid as detailed in Clause 14)

## 19. Entire Agreement

This is the complete Agreement between the parties. It can only be changed or modified by a separate writing that is signed by all of the parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

**Lessor:**

RICHARD BATTEN

Sileen Batten  
Signature

**Signature**

**37,076**

### **Vault: Account Numbers**

## Cancers Pledged

EILEEN BATTEN  
Print Name/Title

**Print Name/Title****Vault: Account Number**

## Guns Pledged

Date 3-10-2015

**Drugs**

**Laurence**

**Signature**

Print Name/Title

**19. Entire Agreement**

This is the complete Agreement between the parties. It can only be changed or modified by a separate writing that is signed by all of the parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

Lessor:

|                                   |   |
|-----------------------------------|---|
| <u>NGTS/bo Eileen Batten 2986</u> | <u>7528</u>                               |
| Signature                         | Vault: Account Number      Ounces Pledged |
| <u>NGTS/bo Eileen Batten 2986</u> |   |
| Print Name/Title                  | Vault: Account Number      Ounces Pledged |
| <u>NGTS/bo EILEEN BATTEN 2986</u> |   |
| Date                              |   |

Lessor:

|                      |
|----------------------|
| <u>[Signature]</u>   |
| Signature            |
| <u>CARLO AGGRAVI</u> |
| Print Name/Title     |

\$2.40 gas to  
document

### Depository Silver Lease Program

This agreement entered into on 26 day of March 2015, sets forth the terms and conditions under which:

RICHARD N. BATTEN AND EILEEN F. BATTEN REVOCABLE TRUST - (LESSOR) - ("Lender" or "Lessor")

may lend/lease to

Precious Commodities Inc. ("Borrower" or "Lessee").

#### 1. Terms of the lease

a) Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement pursuant to which Lessor will lend to Precious Commodities Inc. quantities of Silver described and detailed in clause 2 of this Agreement. The execution of this document creates the facility whereby the Lender may lend to the Lessee the Leased Silver, under the terms and conditions set forth under this Agreement.

b) The Lease shall be governed by this Lease Agreement (the "Agreement").

c) The Lease may be renewed, subject to the prior approval of the Borrower. Any such renewal shall be subject to the terms and conditions of the original lease, except as expressly modified at the time of such renewal.

#### 2. Lease Details

a) Unit identification/serial number in which the Silver is contained:

b) Silver Amount (a minimum of 500 Troy Ounces is required): **29,030** Type: **1oz ASE**

c) Location of the Silver (RoboVault of Florida, hereafter "Vault") storage:  
3340 SE 6<sup>th</sup> Avenue Fort Lauderdale, FL 33316

d) Lease Commencement Date: 3/10/15

e) Lease Term: The Lease Term will initially be ("Lease Term"):

☒ 36months ☐ 60 months ☐ 120 months ☐

starting on the Lease Commencement Date. The Lease automatically renews indefinitely for an additional Lease Term unless terminated by either party in writing at least 30 days prior to the expiration date.

f) Lease Fee: The Lease fee to be paid by the Borrower is the one specified in the Clause 3 of this Agreement

g) Payment Date: Net Monthly (paid as detailed in Clause 14)

**3. Lease Fee**

a) With respect to the Lease hereunder, Lessee unconditionally promises to pay to the Lessor a fee ("Lease Fee"). The Lease Fee shall be calculated on the first day of the Lease Term as follows:

i) Quantity: 29,030 Troy Ounces of Leased Silver.

ii) Lease Rate: \$ 0.0728 <sup>5 5/6</sup> ~~3 3/4~~ % Annual return..

iii) Lease Fee: Original silver spot price x quantity x lease rate / 12

29,030

\$ 0.0728

\$ 2,112.8

**b) Method of Payment**

Lessee shall pay by bank transfer/deposit and/or corporate check on the last day of each monthly Lease Term.

c) Lessee hereby unconditionally promises to pay Lessor interest on any Lease Fee payable by Lessee under this Agreement that shall not be paid to the Lessor when due hereunder, for each day during the period from and including the date such payment is due to but excluding the date the same is paid in full, at a rate per annum equal to the prevailing US Prime Rate ("Prime") two percent (2%) per annum.

d) If Lessee shall fail to return any Leased Silver (or its fungible equivalent) to the Lessor when due hereunder, then notwithstanding anything in this Agreement to the contrary, for each day during the period, from and including the date of such return is due, excluding the date such Leased Silver is returned, Lessee agrees to pay all associated fees and costs of Lessor based on the then-current market situation. Such fees and costs shall be payable from time to time, on demand of Lessor.

**4. Delivery**

Lessor specifically agrees to deliver all Leased Silver (at its sole expense) pursuant to Lessee's instructions and specifications. All Leased Silver shall be transferred to Lessee at such location as the Lessee shall designate on the commencement date of this Lease. Lessor specifically warrants that Lessor is authorized to enter into this Lease Agreement and to deliver the Leased Silver hereunder.

Additionally, Lessor specifically warrants to Lessee that Lessor holds good and marketable title to the Leased Silver, free and clear of all liens, pledges, mortgages, encumbrances, easements, charges, claims, restrictions, purchase options, and/or agreements limiting the use or transfer of the leased metal.

#### **5. Risk of Loss & Usage of Leased Silver**

Lessee shall be responsible for, and agrees to indemnify and hold harmless Lessor against any sales, use, personal property, value added or other taxes (including penalties) that may arise relating to this Agreement, any Leased Silver hereunder, or the use thereof.

The Lessee shall also be responsible for, and agrees to indemnify and hold harmless Lessor against, any liability, claim or expense relating to any Leased Silver or the use thereof, including, without limitation, any product, environmental, or toxic waste liability claims.

Lessee shall be responsible for all risk of loss, damage or disappearance from any cause whatsoever of, or with respect to, any Leased Silver from the time of delivery to Lessee until the Leased Silver is returned to the Lessor.

Lessor acknowledges that the Leased Silver delivered to the Lessee under this Agreement is fungible in nature and that Lessee's obligation to return the Leased Silver is specifically limited to returning like weights and grades, as per industry standards and practices.

Lessee acknowledges that it shall maintain, in its possession and/or control, the specific property borrowed or property of similar nature that is fungible with the property borrowed hereunder.

Lessor specifically authorizes Lessee to trade or alter the form of the Leased Silver in the Lessee's normal course of business.

**Any such fabrication and/or alteration shall not relieve the Lessee from its obligation to return fungible property in the form, weight and grade as was originally borrowed hereunder. However, at the term of the Lease, Lessor and Lessee may agree that the Leased Silver will be returned in a different form, weight and grade as originally borrowed.**

Lessor shall not be responsible for Lessee's use of the Leased Silver.



## **6. Default**

Is hereby understood and agreed that in the event the Lessee shall:

- a) Fail to return the Leased Silver promptly upon maturity at the end of the Lease.
- b) Default in the prompt payment or performance of any obligation to Lessor hereunder, and fail to cure such default immediately after receipt of written notice from Lessor of such default
- c) File a petition or otherwise commence or authorize the commencement of a proceeding under any bankruptcy or similar law relating to the protection of assets from creditors or have any such petition filed or proceeding commenced against it
- d) Otherwise become bankrupt, insolvent or be unable to pay its debts as they fall due
- e) Without prior notice to Lessor, merge or consolidate with any unaffiliated company, or sell all or a substantial portion of its assets, or to materially increase its liabilities or to withdraw or redeem material portions of its equity capital.

Lessor shall have the right to immediately and at any time thereafter to liquidate (or close out) any and all outstanding Leases and to liquidate any and all Deposited Collateral and other property held to satisfy the Lessee's obligation to Lessor, if any. Lessee shall remain liable for, and shall promptly remit to Lessor, all costs associated with liquidation of the Lease Agreement.

Lessor's rights under this Paragraph shall be in addition to, and not in limitation of, any other right that Lessor may have, whether by agreement, operation of law or equity, or otherwise. In particular, nothing herein shall limit Lessor's right to reclaim or seek to reclaim any metal to which it retains title under the terms of this Agreement.

## **7. Non-regulated nature of Transactions**

This Agreement authorizes the parties to enter into a transaction in a "non-regulated physical commodities" which is the Leased Silver. A physical transaction of Silver metal is bound by the Uniform Commercial Code and is not subject to any additional regulation by any governmental or self-regulatory authority.

Nothing contained in this agreement shall constitute a solicitation to trade or authorization to enter into, or shall entitle the parties to enter into regulated futures, options on regulated futures, securities or options on securities transactions.

Unless alternate forms of delivery are agreed upon by Precious Commodities Inc., all transactions entered into under this Agreement shall be satisfied by the actual taking or making of physical delivery of the merchandise bought, sold, borrowed or lent subject to industry standards and practices.

The Lessee specifically acknowledges that the Commodity Exchange Act, as amended does not cover the "non-exchange traded cash transactions" in physical precious metals.

#### **8. Representations**

Lessor and Lessee each represent and warrants to the other as follows:

- a) It is duly authorized to enter into this Lease Agreement
- b) The person executing this Agreement and all other documents, agreements, schedules hereunder on its behalf is authorized to do so
- c) Its execution of this Agreement does not violate any agreement by which it is bound or by which any of its assets are affected

#### **9. Warranties**

Each party warrants that the Leased Silver delivered or returned by it hereunder is consistent with the specifications provided herein.

There are no express warranties other than herein specified.

There are not warranties which extend beyond the description of the leased silver described in this Agreement, no warranty of merchantability, or of fitness for a particular purpose, or any warranties of any other nature shall be implied.

Time is of essence under this Agreement.

#### **10. Amendments**

No provision of this Agreement shall in any respect be waived, altered, modified or amended unless its waiver, alteration, modification or amendment is committed to in writing and signed and accepted in writing by an authorized officer of Precious Commodities Inc.

#### **11. Assignment**

The provisions of this Agreement shall be continuous and shall inure to the benefit of Precious Commodities Inc. its successors and assigns and shall be binding upon the Lessee and/or the estate, personal representatives, administrators and successors of the Lessor.

The Lessor shall not assign any rights or delegate any obligations hereunder without having sought and received prior written consent of a duly authorized officer of Precious Commodities Inc. and any attempt at such assignment or delegation without such consent shall be void.

#### **12. No implied waiver**

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of the provision itself. The failure of either party to exercise its rights under this Agreement shall not constitute a waiver of such right.



### 13. Severability

Nothing contained in this Agreement shall be construed as to require the commission of any act contrary to local, state or federal law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing the transactions hereunder, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of this Agreement shall continue full force and effect.

### 14. Notes

All communications

If sent to Lessor shall be sent to

Company Name: RICHARD N. BATTEN & EILEEN F. BATTEN,  
REVOCABLE TRUST,

Address: 126 Scarlet Oak Place, Aiken, SC 29803

Telephone: 803 - 641 - 4740

Fax: - - -

Payment Method:

☒ Check to: **Name Desired on Check** Eileen Batten and Richard Batten  
☒ Bank Transfer: **Account Number** 2131005277  
**Routing Number** 053202208  
**Name of Bank** FIRST COMMUNITY BANK  
**Phone Number of Bank** 803-293-2400

If sent to the Lessee shall be sent to:

Company Name: Precious Commodities Inc.

Address: 401 E. Las Olas Blvd Suite 1400 Fort Lauderdale, FL 33301

Telephone: 954.332.2324

Fax: 786.453.0364

All communication given by mail shall be effective upon their deposit in the United States Mail, postage prepaid, or upon receipt, whichever occurs earlier.

#### **15. Termination**

This Agreement may be terminated by written notice at least five (5) business days' notice prior to the Lease Expiration Date by both parties. Such termination shall not affect any Lease Term outstanding at the time such termination is effective, which shall remain subject to the terms and conditions of this Agreement until all outstanding obligations are performed or liquidated.

It is specifically understood and agreed that all Leases are for a specific Lease Term, and that other than the event of a default or termination (as set forth above), Lessor shall have no right to demand the early return of the Leased Silver, and while Lessee may return the Leased Silver to the Lessor prior

to the expiration date of this Lease, such early return shall not affect the total amount of compensation due Lessor from Lessee (in the form of Lease fees).

Upon the termination of the Lease the Lessee shall settle the lease:

- a) By physical delivery on the Termination Date of the Unit containing the Leased Silver in the form,
  - b) AND ONLY IF agreed by the Lessor, by the physical delivery of the Leased Silver in a different unit, form, weight and grade as was originally borrowed which shall occur or shall be deemed to have occurred at the same location of delivery of such unit.
- OR
- c) By the deposit of the market value of the silver into Lessor's account

#### **16. Captions**

Captions contained herein are inserted only as a matter of convenience, and are intended in no way to define, limit or expand the scope or intent of this Agreement or any provisions thereof.

#### **17. Singular Imparts Plural**

*The parties acknowledge that where the context hereof requires the singular, the singular shall impart the plural, the masculine shall impart the feminine or neuter.*

#### **18. Governing Law**


This Agreement shall be governed by the laws of the State of Florida and the parties agree to be subject to the jurisdiction of the Courts of that State as to any disputes arising out of this Agreement.

**19. Entire Agreement**

This is the complete Agreement between the parties. It can only be changed or modified by a separate writing that is signed by all of the parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

Lessor:

  
RICHARD N. BATTEN

  
 Signature

23,030

Vault: Account Number

Ounces Pledged

EILEEN F. BATTEN  
 Print Name/Title

Vault: Account Number

Ounces Pledged

3-28-2015  
 Date

Lessee:

  
 Signature

CARL AGGRAVI  
 Print Name/Title

## Silver Lease Program Agreement

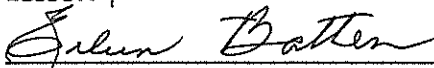
### ADDENDUM

#### Commission Waiver Acknowledgement for National Coin Broker


It is acknowledged and understood that National Coin Broker ("Broker") is entitled to a commission on the Silver Lease Agreement. In principal, that Commission would be five percent (5%) on all silver purchased during Lessor's participation in the Silver Lease Program. As an incentive and as added consideration for Lessor, Broker agrees to delay its Commission until the price of silver reaches twenty-five (\$25.00) per ounce. Consequently, the undersigned, Lessor, in consideration for Broker's willingness to delay its Commission HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Broker is delaying its Commission on all silver bullion purchases made during Lessor's participation in the Silver Lease Program until such time as the price of silver reaches twenty-five dollars (\$25.00) per ounce. At such time, the Commission will be due and payable to Broker and will be five percent (5%) of the initial buy value, which is defined as spot price on silver at time of purchase.
2. Commissions will be paid via personal check, money order, or wire transfer. Commissions may (by prior agreement of the parties), be paid via retention by Broker of liquidation of profit on Silver sold as a result of maturation or early termination of the Silver Lease Program.
3. In the event that Lessor terminates the Silver Lease Program prior to its agreed upon conclusion date, all delayed Commissions shall be immediately due and owing and shall be paid from the liquidation proceeds unless otherwise agreed by Broker.

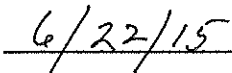
Lessor:



Signature



Print Name / Title



Date

# **Silver Lease Program Agreement**

This agreement entered into on 10 day of January 2018, sets forth the terms and conditions under which: Eileen Batten ("Lender" or "Lessor") may lend/lease to Precious Commodities Inc. ("Borrower" or "Lessee").

## **1. Terms of the Lease**

- a. Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement pursuant to which Lessor will lend to Precious Commodities Inc. quantities of Silver described and detailed in clause 2 of this Agreement. The execution of this document creates the vehicle whereby the Lender may lend to the Lessee the Leased Silver, under the terms and conditions set forth under this Agreement.
- b. The Lease shall be governed by this Lease Agreement (the "Agreement").
- c. The Lease may be renewed, subject to the prior approval of the Borrower. Any such renewal shall be subject to the terms and conditions of the original lease, except as expressly modified at the time of such renewal.

## **2. Lease Details**

- a. Unit identification/serial number in which the Silver is contained: 420-121518
- b. Silver Amount (a minimum of 500 Troy Ounces is Required): 7528
- c. Silver Type: 1 oz pure silver .999
- d. Location of the Silver: RoboVault of Florida, hereafter "Vault" 3340 SE 6th Avenue Fort Lauderdale, FL 33316
- e. Lease Commencement Date: 1/15/18.
- f. Lease Termination Date: 1/15/21. The Lease automatically renews indefinitely for an additional Lease Term unless terminated by either party in writing at least thirty (30) days prior to the expiration date.

- g. Lease Fee: The lease fee is specifically set forth at Clause 3 of the Agreement.
- h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.

### **3. Lease Fee**

- a. With respect to the Lease hereunder, Lessee shall pay to the Lessor a fee ("Lease Fee"). The Lease Fee shall be calculated on the first day of the Lease Term as follows:

- i. Quantity: 7528 Troy Ounces of Leased Silver.
- ii. Lease Rate: 5%
- iii. Lease Fee: \$591.70

- b. Method of Payment: Lessee shall pay by corporate check on the tenth day of the following month after the last day of each monthly Lease Term.

Check payable to: Eileen Batten NGTC

- c. Lessee shall pay Lessor interest on any Lease Fee payable by Lessee under this Agreement that shall not be paid to the Lessor when due hereunder, for each day during the period from and including the date such payment is due to but excluding the date the same is paid in full, at a rate per annum equal to the prevailing US Prime Rate ("Prime") two percent (2%) per annum.
- d. If Lessee shall fail to return any Leased Silver (or its fungible equivalent) to the Lessor when due hereunder, then notwithstanding anything in this Agreement to the contrary, for each day during the period, from and including the date of such return is due, excluding the

date such Leased Silver is returned, Lessee agrees to pay all fees specifically associated with return of the Leased Silver.

#### **4. Delivery**

Lessor specifically agrees to deliver all Leased Silver (at its sole expense) pursuant to Lessee's instructions and specifications. All Leased Silver shall be transferred to Lessee at such location as the Lessee shall designate on the commencement date of this Lease

Lessor specifically warrants that Lessor is authorized to enter into this Lease Agreement and to deliver the Leased Silver hereunder.

Additionally, Lessor specifically warrants to Lessee that Lessor holds good and marketable title to the Leased Silver, free and clear of all liens, pledges, mortgages, encumbrances, easements, charges, claims, restrictions, purchase options, and/or agreements limiting the use or transfer of the leased metal.

#### **5. Risk of Loss and Usage of Leased Silver**

- a. Taxes: Lessor shall be responsible for, and agrees to indemnify and hold harmless Lessee against any sales, use, personal property, value added or other taxes (including penalties) that may arise relating to this Agreement, any Leased Silver hereunder, or the use thereof. In the event that Lessor is an individual, Lessee shall provide Lessor with an IRS Form 1099 for any personal income paid under this Agreement.
- b. Other Liability: The Lessee shall also be responsible for, and agrees to indemnify and hold harmless Lessor against, any liability, claim or expense relating to any Leased Silver or the use thereof, including, without limitation, any product, environmental, or toxic waste liability claims.
- c. Responsibility for Loss: Lessee shall be responsible for all risk of loss, damage or disappearance from any cause whatsoever of, or with

respect to, any Leased Silver from the time of delivery to Lessee until the Leased Silver is returned to the Lessor.

**Lessor acknowledges that the Leased Silver delivered to the Lessee under this Agreement is fungible in nature and that Lessee's obligation to return the Leased Silver is specifically limited to returning like weights and grades, as per industry standards and practices.**

Lessor specifically authorizes Lessee to trade or alter the form of the Leased Silver in the Lessee's normal course of business.

**Any such fabrication and/or alteration shall not relieve the Lessee from its obligation to return fungible property in the form, weight and grade as was originally borrowed hereunder. However, at the term of the Lease, Lessor and Lessee may agree that the Leased Silver will be returned in a different form, weight and grade as originally borrowed.**

Lessor shall not be responsible for Lessee's use of the Leased Silver.

## **6. Default**

It is hereby understood and agreed that in the event the Lessee shall:

- a. Fail to return the Leased Silver promptly upon maturity at the end of the Lease.
- b. Default in the prompt payment or performance of any obligation to Lessor hereunder, and fail to cure such default immediately after receipt of written notice from Lessor of such default.
- c. File a petition or otherwise commence or authorize the commencement of a proceeding under any bankruptcy or similar law relating to the protection of assets from creditors or have any such petition filed or proceeding commenced against it.



- d. Otherwise become bankrupt, insolvent or be unable to pay its debts as they fall due.
- e. Without prior notice to Lessor, merge or consolidate with any unaffiliated company, or sell all or a substantial portion of its assets, or to materially increase its liabilities or to withdraw or redeem material portions of its equity capital.

Lessor shall have the right to immediately and at any time thereafter to liquidate (or close out) any and all outstanding Leases and to liquidate any and all Deposited Collateral and other property held to satisfy the Lessee's obligation to Lessor, if any. Lessee shall remain liable for, and shall promptly remit to Lessor, all costs associated with liquidation of the Lease Agreement.

Lessor's rights under this Paragraph shall be in addition to, and not in limitation of, any other right that Lessor may have, whether by agreement, operation of law or equity, or otherwise. In particular, nothing herein shall limit Lessor's right to reclaim or seek to reclaim any metal to which it retains title under the terms of this Agreement.

#### **7. Non-regulated Nature of Transactions**

This Agreement authorizes the parties to enter into a transaction in a "non-regulated physical commodities" which is the Leased Silver. A physical transaction of Silver metal is bound by the Uniform Commercial Code and is not subject to any additional regulation by any governmental or self-regulatory authority.

Nothing contained in this agreement shall constitute a solicitation to trade or authorization to enter into, or shall entitle the parties to enter into regulated futures, options on regulated futures, securities or options on securities transactions.

Unless alternate forms of delivery are agreed upon by Precious Commodities Inc., all transactions entered into under this Agreement shall be satisfied by the actual taking or making of physical delivery of the merchandise bought, sold, borrowed or lent subject to industry standards and practices.

The Lessee specifically acknowledges that the Commodity Exchange Act, as amended does not cover the “non-exchange traded cash transactions” in physical precious metals.

## **8. Representations**

Lessor and Lessee each represent and warrants to the other as follows:

- a. It is duly authorized to enter into this Lease Agreement.
- b. The person executing this Agreement and all other documents, agreements, schedules hereunder on its behalf is authorized to do so.
- c. Its execution of this Agreement does not violate any agreement by which it is bound or by which any of its assets are affected.

## **9. Warranties**

Each party warrants that the Leased Silver delivered or returned by it hereunder is consistent with the specifications provided herein.

There are no warranties that extend beyond the description of the leased silver described in this Agreement, no warranty of merchantability, or of fitness for a particular purpose, or any warranties of any other nature shall be implied.

There are no express warranties other than herein specified.

## **10. Amendments**

No provision of this Agreement shall in any respect be waived, altered, modified or amended unless its waiver, alteration, modification or

amendment is committed to in writing and signed and accepted in writing by an authorized officer of Precious Commodities Inc.

#### **11. Assignment**

The provisions of this Agreement shall be continuous and shall inure to the benefit of Precious Commodities Inc. its successors and assigns and shall be binding upon the Lessee and/or the estate, personal representatives, administrators and successors of the Lessor.

The Lessor shall not assign any rights or delegate any obligations hereunder without having sought and received prior written consent of a duly authorized officer of Precious Commodities Inc. and any attempt at such assignment or delegation without such consent shall be void.

#### **12. No Implied Waiver**

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of the provision itself. The failure of either party to exercise its rights under this Agreement shall not constitute a waiver of such right.

#### **13. Severability**

Nothing contained in this Agreement shall be construed as to require the commission of any act contrary to local, state or federal law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing the transactions hereunder, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the

event any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of this Agreement shall continue full force and effect.

#### **14. Notices**

All Communications:

**If sent to Lessor shall be sent to:**

Name: Eileen Batten

Address: 126 Scarlet Oak Place Aiken SC 29803

Telephone: 803-641-4740

**If sent to the Lessee shall be sent to:**

Precious Commodities Inc.

401 E. Las Olas Blvd. Suite 1400, Fort Lauderdale, FL 33301

Telephone: 954.332.2324

Fax: 786.453.0364

All communication given by mail shall be effective upon their deposit in the United States Mail, postage prepaid, or upon receipt, whichever occurs earlier.

#### **15. Termination**

This Agreement may be terminated by written notice at least thirty (30) business days' notice prior to the Lease Expiration Date by both parties. Such termination shall not affect any Lease Term outstanding at the time such termination is effective, which shall remain subject to the terms and conditions of this Agreement until all outstanding obligations are performed or liquidated.

It is specifically understood and agreed that all Leases are for a specific Lease Term, and that other than the event of a default or termination (conclusion of Lease Term as set forth above), **Lessor shall have no right to demand the early return of the Leased Silver, and while Lessee may return the Leased Silver to the Lessor prior to the expiration date of this Lease, such early return shall not affect the total amount of compensation due Lessor from Lessee (in the form of Lease fees). Early termination will result in additional fees, penalties and waived commissions that shall be paid by Lessor from any liquidated balance prior to return of same.**

Upon the termination of the Lease Period of the Lease the Lessee shall settle the lease:

- a. By physical delivery on the Termination Date of the Unit containing the Leased Silver in the form,
  - b. AND ONLY IF agreed by the Lessor, by the physical delivery of the Leased Silver in a different unit, form, weight and grade as was originally borrowed which shall occur or shall be deemed to have occurred at the same location of delivery of such unit.
- OR
- c. By the deposit of the market value of the silver into Lessor's account.

#### **16. Insurance**

Lessee shall provide Lessor with insurance coverage for the Leased Silver which shall remain in effect during the Lease Term. Lessor may, by separate documentation, identify a beneficiary of the policy; if Lessor chooses not to designate a beneficiary, Lessee shall make Lessor the beneficiary.

#### **17. Captions**

Captions contained herein are inserted only as a matter of convenience, and are intended in no way to define, limit or expand the scope or intent of this Agreement or any provisions thereof.

**18. Singular Imparts Plural**

The parties acknowledge that where the context hereof requires the singular, the singular shall impart the plural, the masculine shall impart the feminine or neuter.

**19. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of law principles. Venue shall be in the Courts of Broward County, Florida. All provisions hereof shall be interpreted without respect to which party drafted the same.

**20. Entire Agreement**

No future oral statements, promises or commitments with respect to the subject matter hereof or other purported modification hereof, shall be binding upon the parties hereto unless the same is reduced to writing and signed by each party hereto. The parties understand and agree that the foregoing and following, represents all understanding(s) and communication(s) between the parties and constitutes the full and complete terms/conditions of this agreement and services to be provided; and, that by both parties affixing their signatures below shall create an enforceable, bona fide, binding contract between the two parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

**21. Signed**

**Lessor:**

Eileen F. Batten

Signature

EILEEN F. BATTEN

Print Name / Title

1-15-2018

Date

**Lessee:**

\_\_\_\_\_

Signature

\_\_\_\_\_

Print Name / Title

\_\_\_\_\_

Date

## Silver Lease Program Agreement

### *ADDENDUM 1*

#### Designation of Insurance Beneficiary

IRA. SILVER

LEASE

1-15-18

**Silver Lease Program Agreement****ADDENDUM 2****Commission Waiver Acknowledgement for National Coin Broker**

It is acknowledged and understood that National Coin Broker ("Broker") is entitled to a commission on the Silver Lease Agreement. In principal, that Commission would be five percent (5%) on all silver purchased during Lessor's participation in the Silver Lease Program. As an incentive and as added consideration for Lessor, Broker agrees to delay its Commission until the price of silver reaches twenty-five (\$25.00) per ounce. Consequently, the undersigned, Lessor, in consideration for Broker's willingness to delay its Commission HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Broker is delaying its Commission on all silver bullion purchases made during Lessor's participation in the Silver Lease Program until such time as the price of silver reaches twenty-five dollars (\$25.00) per ounce. At such time, the Commission will be due and payable to Broker and will be five percent (5%) of the initial buy value, which is defined as spot price on silver at time of purchase.
2. Commissions will be paid via personal check, money order, or wire transfer. Commissions may (by prior agreement of the parties), be paid via retention by Broker of liquidation of profit on Silver sold as a result of maturation or early termination of the Silver Lease Program.
3. In the event that Lessor terminates the Silver Lease Program prior to its agreed upon conclusion date, all delayed Commissions shall be immediately due and owing and shall be paid from the liquidation proceeds unless otherwise agreed by Broker.

**Lessor:**Eileen F. Batten

Signature

EILEEN F. BATTE N

Print Name / Title

1-15-2018

Date



# Silver Lease Program Agreement

## ADDENDUM 3

### Designation of Beneficiary of Deceased Lessor

I, ELLEN, the Lessor ("Lessor") do now designate the beneficiary or beneficiaries named below to receive any benefits that I would then be entitled to under the contract that become due and payable upon or after my death. I understand that this Designation of Beneficiary relates solely to benefits accrued to me under the Silver Lease Program Agreement. I further understand that this Designation of Beneficiary will remain in full force and effect until I expressly change or revoke it in writing.

Information concerning the Beneficiaries:

| <u>Name</u>          | <u>Address</u>          | <u>Relationship</u> | <u>Share to be Paid</u> |
|----------------------|-------------------------|---------------------|-------------------------|
| RICHARD M.<br>BATTEN | 126 SAGELETT<br>DAK DR. | HUSBAND             | 100%                    |
|                      |                         |                     |                         |
|                      | AIKEN, SC<br>29803      |                     |                         |
|                      |                         |                     |                         |
|                      |                         |                     | Total = 100 %           |

**Lessor:**

Ellen F. Batten

Signature

ELLEN F. BATTEN

Print Name / Title

1-15, 2018

Date

Lessor hereby designates RICHARD M. BATTÉ as the beneficiary under  
HWI Policy Number B1098S163865 as set forth in Paragraph 16 of the Agreement.

## Amendment to Silver Lease Program Agreement

This Amendment to the Silver Lease Program Agreement, entered into between Next Generation FBO Client EILEEN F. BATTEN<sub>(name)</sub> ("Lender" or "Lessor") and Precious Commodities Inc. ("Borrower" or "Lessee"), is made on 6-1-18<sub>(date)</sub>. It is intended to permanently amend the Silver Lease Program Agreement ("Agreement") to correct an existing error as follows: **2(h) is stricken in its entirety; 14 is modified to include Next Generation Services as recipient of all communications to Lessor; Lease Agreement is modified to properly identify signatories thereto.**

### 2. Lease Details

~~h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.~~

14. Notice – All communications, if to Lessor:

Next Generation Trust Company  
c/o Next Generation Services  
75 Livingston Ave, Suite 304  
Roseland, New Jersey 07068  
888-857-8058

Entire Agreement is amended to correct and clarify the parties to the existing Agreement. Next Generation TC on behalf of Client, to be identified by name on each respective existing Lease Agreement.

All other provisions of the Agreement remain unchanged by this Amendment, remain in full force and effect and are ratified and confirmed.

Next Generation TC FBO \_\_\_\_\_:

Precious Commodities, Inc.:

Signature

Signature

Eileen F. Batten

Print Name / Title

Print Name / Title

EILEEN F. BATTEN

Date

6-1-18

Date

Account Holder:

Read and Approved: eb (initials)

## **EXHIBIT 2**

## **Silver Lease Program Agreement**

This agreement entered into on 5 day of January 2017, sets forth the terms and conditions under which: David Bishop ("Lender" or "Lessor") may lend/lease to Precious Commodities Inc. ("Borrower" or "Lessee").

### **1. Terms of the Lease**

- a. Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement pursuant to which Lessor will lend to Precious Commodities Inc. quantities of Silver described and detailed in clause 2 of this Agreement. The execution of this document creates the vehicle whereby the Lender may lend to the Lessee the Leased Silver, under the terms and conditions set forth under this Agreement.
- b. The Lease shall be governed by this Lease Agreement (the "Agreement").
- c. The Lease may be renewed, subject to the prior approval of the Borrower. Any such renewal shall be subject to the terms and conditions of the original lease, except as expressly modified at the time of such renewal.

### **2. Lease Details**

- a. Unit identification/serial number in which the Silver is contained: 410-121316
- b. Silver Amount (a minimum of 500 Troy Ounces is Required): 32,100
- c. Silver Type: pure silver .999
- d. Location of the Silver: RoboVault of Florida, hereafter "Vault" 3340 SE 6th Avenue Fort Lauderdale, FL 33316
- e. Lease Commencement Date: 01/5/17.
- f. Lease Termination Date: 01/5/22. The Lease automatically renews indefinitely for an additional Lease Term unless terminated by either party in writing at lease thirty (30) days prior to the expiration date.

- g. Lease Fee: The lease fee is specifically set forth at Clause 3 of the Agreement.
- h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.

**3. Lease Fee**

- a. With respect to the Lease hereunder, Lessee shall pay to the Lessor a fee ("Lease Fee"). The Lease Fee shall be calculated on the first day of the Lease Term as follows:
  - i. Quantity: 32,100 Troy Ounces of Leased Silver.
  - ii. Lease Rate: 3.9%
  - iii. Lease Fee: \$1,721.36 per month.
- b. Method of Payment: Lessee shall pay by corporate check on the tenth day of the following month after the last day of each monthly Lease Term.

Check payable to: David Bishop.
- c. Lessee shall pay Lessor interest on any Lease Fee payable by Lessee under this Agreement that shall not be paid to the Lessor when due hereunder, for each day during the period from and including the date such payment is due to but excluding the date the same is paid in full, at a rate per annum equal to the prevailing US Prime Rate ("Prime") two percent (2%) per annum.
- d. If Lessee shall fail to return any Leased Silver (or its fungible equivalent) to the Lessor when due hereunder, then notwithstanding anything in this Agreement to the contrary, for each day during the period, from and including the date of such return is due, excluding

the date such Leased Silver is returned, Lessee agrees to pay all fees specifically associated with return of the Leased Silver.

#### **4. Delivery**

Lessor specifically agrees to deliver all Leased Silver (at its sole expense) pursuant to Lessee's instructions and specifications. All Leased Silver shall be transferred to Lessee at such location as the Lessee shall designate on the commencement date of this Lease

Lessor specifically warrants that Lessor is authorized to enter into this Lease Agreement and to deliver the Leased Silver hereunder.

Additionally, Lessor specifically warrants to Lessee that Lessor holds good and marketable title to the Leased Silver, free and clear of all liens, pledges, mortgages, encumbrances, easements, charges, claims, restrictions, purchase options, and/or agreements limiting the use or transfer of the leased metal.

#### **5. Risk of Loss and Usage of Leased Silver**

- a. Taxes: Lessor shall be responsible for, and agrees to indemnify and hold harmless Lessee against any sales, use, personal property, value added or other taxes (including penalties) that may arise relating to this Agreement, any Leased Silver hereunder, or the use thereof. In the event that Lessor is an individual, Lessee shall provide Lessor with an IRS Form 1099 for any personal income paid under this Agreement.
- b. Other Liability: The Lessee shall also be responsible for, and agrees to indemnify and hold harmless Lessor against, any liability, claim or expense relating to any Leased Silver or the use thereof, including, without limitation, any product, environmental, or toxic waste liability claims.



- c. **Responsibility for Loss:** Lessee shall be responsible for all risk of loss, damage or disappearance from any cause whatsoever of, or with respect to, any Leased Silver from the time of delivery to Lessee until the Leased Silver is returned to the Lessor.

**Lessor acknowledges that the Leased Silver delivered to the Lessee under this Agreement is fungible in nature and that Lessee's obligation to return the Leased Silver is specifically limited to returning like weights and grades, as per industry standards and practices.**

Lessor specifically authorizes Lessee to trade or alter the form of the Leased Silver in the Lessee's normal course of business.

**Any such fabrication and/or alteration shall not relieve the Lessee from its obligation to return fungible property in the form, weight and grade as was originally borrowed hereunder. However, at the term of the Lease, Lessor and Lessee may agree that the Leased Silver will be returned in a different form, weight and grade as originally borrowed.**

Lessor shall not be responsible for Lessee's use of the Leased Silver.

#### **6. Default**

It is hereby understood and agreed that in the event the Lessee shall:

- a. Fail to return the Leased Silver promptly upon maturity at the end of the Lease.
- b. Default in the prompt payment or performance of any obligation to Lessor hereunder, and fail to cure such default immediately after receipt of written notice from Lessor of such default.
- c. File a petition or otherwise commence or authorize the commencement of a proceeding under any bankruptcy or similar law



- relating to the protection of assets from creditors or have any such petition filed or proceeding commenced against it.
- d. Otherwise become bankrupt, insolvent or be unable to pay its debts as they fall due.
  - e. Without prior notice to Lessor, merge or consolidate with any unaffiliated company, or sell all or a substantial portion of its assets, or to materially increase its liabilities or to withdraw or redeem material portions of its equity capital.

Lessor shall have the right to immediately and at any time thereafter to liquidate (or close out) any and all outstanding Leases and to liquidate any and all Deposited Collateral and other property held to satisfy the Lessee's obligation to Lessor, if any. Lessee shall remain liable for, and shall promptly remit to Lessor, all costs associated with liquidation of the Lease Agreement.

Lessor's rights under this Paragraph shall be in addition to, and not in limitation of, any other right that Lessor may have, whether by agreement, operation of law or equity, or otherwise. In particular, nothing herein shall limit Lessor's right to reclaim or seek to reclaim any metal to which it retains title under the terms of this Agreement.

#### **7. Non-regulated Nature of Transactions**

This Agreement authorizes the parties to enter into a transaction in a "non-regulated physical commodities" which is the Leased Silver. A physical transaction of Silver metal is bound by the Uniform Commercial Code and is not subject to any additional regulation by any governmental or self-regulatory authority.

Nothing contained in this agreement shall constitute a solicitation to trade or authorization to enter into, or shall entitle the parties to enter into regulated

futures, options on regulated futures, securities or options on securities transactions.

Unless alternate forms of delivery are agreed upon by Precious Commodities Inc., all transactions entered into under this Agreement shall be satisfied by the actual taking or making of physical delivery of the merchandise bought, sold, borrowed or lent subject to industry standards and practices.

The Lessee specifically acknowledges that the Commodity Exchange Act, as amended does not cover the "non-exchange traded cash transactions" in physical precious metals.

#### **8. Representations**

Lessor and Lessee each represent and warrants to the other as follows:

- a. It is duly authorized to enter into this Lease Agreement.
- b. The person executing this Agreement and all other documents, agreements, schedules hereunder on its behalf is authorized to do so.
- c. Its execution of this Agreement does not violate any agreement by which it is bound or by which any of its assets are affected.

#### **9. Warranties**

Each party warrants that the Leased Silver delivered or returned by it hereunder is consistent with the specifications provided herein.

There are no warranties that extend beyond the description of the leased silver described in this Agreement, no warranty of merchantability, or of fitness for a particular purpose, or any warranties of any other nature shall be implied.

There are no express warranties other than herein specified.

**10. Amendments**

No provision of this Agreement shall in any respect be waived, altered, modified or amended unless its waiver, alteration, modification or amendment is committed to in writing and signed and accepted in writing by an authorized officer of Precious Commodities Inc.

**11. Assignment**

The provisions of this Agreement shall be continuous and shall inure to the benefit of Precious Commodities Inc. its successors and assigns and shall be binding upon the Lessee and/or the estate, personal representatives, administrators and successors of the Lessor.

The Lessor shall not assign any rights or delegate any obligations hereunder without having sought and received prior written consent of a duly authorized officer of Precious Commodities Inc. and any attempt at such assignment or delegation without such consent shall be void.

**12. No Implied Waiver**

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of the provision itself. The failure of either party to exercise its rights under this Agreement shall not constitute a waiver of such right.

**13. Severability**

Nothing contained in this Agreement shall be construed as to require the commission of any act contrary to local, state or federal law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing

the transactions hereunder, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of this Agreement shall continue full force and effect.

#### **14. Notices**

All Communications:

**If sent to Lessor shall be sent to:**

Name: The Bishop Family Living Trust

Address: 876 Surrey Trail Cincinnati OH 45245

Telephone: 513-800-1198

**If sent to the Lessee shall be sent to:**

Precious Commodities Inc.

401 E. Las Olas Blvd. Suite 1400, Fort Lauderdale, FL 33301

Telephone: 954.332.2324

Fax: 786.453.0364

All communication given by mail shall be effective upon their deposit in the United States Mail, postage prepaid, or upon receipt, whichever occurs earlier.

#### **15. Termination**

This Agreement may be terminated by written notice at least thirty (30) business days' notice prior to the Lease Expiration Date by both parties. Such termination shall not affect any Lease Term outstanding at the time



such termination is effective, which shall remain subject to the terms and conditions of this Agreement until all outstanding obligations are performed or liquidated.

It is specifically understood and agreed that all Leases are for a specific Lease Term, and that other than the event of a default or termination (conclusion of Lease Term as set forth above), **Lessor shall have no right to demand the early return of the Leased Silver, and while Lessee may return the Leased Silver to the Lessor prior to the expiration date of this Lease, such early return shall not affect the total amount of compensation due Lessor from Lessee (in the form of Lease fees). Early termination will result in additional fees, penalties and waived commissions that shall be paid by Lessor from any liquidated balance prior to return of same.**

Upon the termination of the Lease Period of the Lease the Lessee shall settle the lease:

- a. By physical delivery on the Termination Date of the Unit containing the Leased Silver in the form,
  - b. AND ONLY IF agreed by the Lessor, by the physical delivery of the Leased Silver in a different unit, form, weight and grade as was originally borrowed which shall occur or shall be deemed to have occurred at the same location of delivery of such unit.
- OR
- c. By the deposit of the market value of the silver into Lessor's account.

#### 16. Insurance

Lessee shall provide Lessor with insurance coverage for the Leased Silver which shall remain in effect during the Lease Term. Lessor may, by separate

Add Words of London  
and Policy Info,

documentation, identify a beneficiary of the policy; if Lessor chooses not to designate a beneficiary, Lessee shall make Lessor the beneficiary.

**17. Captions**

Captions contained herein are inserted only as a matter of convenience, and are intended in no way to define, limit or expand the scope or intent of this Agreement or any provisions thereof.

**18. Singular Imparts Plural**

The parties acknowledge that where the context hereof requires the singular, the singular shall impart the plural, the masculine shall impart the feminine or neuter.

**19. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of law principles. Venue shall be in the Courts of Broward County, Florida. All provisions hereof shall be interpreted without respect to which party drafted the same.

**20. Entire Agreement**

No future oral statements, promises or commitments with respect to the subject matter hereof or other purported modification hereof, shall be binding upon the parties hereto unless the same is reduced to writing and signed by each party hereto. The parties understand and agree that the foregoing and following, represents all understanding(s) and communication(s) between the parties and constitutes the full and complete terms/conditions of this agreement and services to be provided; and, that by both parties affixing their signatures below shall create an enforceable, bona fide, binding contract between the two parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

# **Silver Lease Program Agreement**

## ***ADDENDUM 1***

### **Designation of Insurance Beneficiary**

Lessor hereby designates Sandra Bishop as the beneficiary under  
HWI Policy Number B1098S163865 as set forth in Paragraph 16 of the Agreement.

# Silver Lease Program Agreement

## ADDENDUM 2

### Commission Waiver Acknowledgement for National Coin Broker

It is acknowledged and understood that National Coin Broker ("Broker") is entitled to a commission on the Silver Lease Agreement. In principal, that Commission would be five percent (5%) on all silver purchased during Lessor's participation in the Silver Lease Program. As an incentive and as added consideration for Lessor, Broker agrees to delay its Commission until the price of silver reaches thirty-five (\$35.00) per ounce. Consequently, the undersigned, Lessor, in consideration for Broker's willingness to delay its Commission HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Broker is delaying its Commission on all silver bullion purchases made during Lessor's participation in the Silver Lease Program until such time as the price of silver reaches thirty-five dollars (\$35.00) per ounce. At such time, the Commission will be due and payable to Broker and will be five percent (5%) of the initial buy value, which is defined as spot price on silver at time of purchase.
2. Commissions will be paid via personal check, money order, or wire transfer. Commissions may (by prior agreement of the parties), be paid via retention by Broker of liquidation of profit on Silver sold as a result of maturation or early termination of the Silver Lease Program.
3. In the event that Lessor terminates the Silver Lease Program prior to its agreed upon conclusion date, all delayed Commissions shall be immediately due and owing and shall be paid from the liquidation proceeds unless otherwise agreed by Broker.

Lessor:

David Bishop

Signature

David Bishop

Print Name / Title

01/05/17

Date



# Silver Lease Program Agreement

## ADDENDUM 3

### Designation of Beneficiary of Deceased Lessor

<sup>David</sup>  
I, ~~Bishop~~ the Lessor ("Lessor") do now designate the beneficiary or beneficiaries named below to receive any benefits that I would then be entitled to under the contract that become due and payable upon or after my death. I understand that this Designation of Beneficiary relates solely to benefits accrued to me under the Silver Lease Program Agreement. I further understand that this Designation of Beneficiary will remain in full force and effect until I expressly change or revoke it in writing.

Information concerning the Beneficiaries:

| Name                     | Address                           | Relationship | Share to be Paid |
|--------------------------|-----------------------------------|--------------|------------------|
| <del>Sandra Bishop</del> | 876 Surrey Tr.<br>Cinc., OH 45245 | Wife         | 100%             |
|                          |                                   |              |                  |
|                          |                                   |              |                  |
|                          |                                   |              |                  |
|                          |                                   |              |                  |
|                          |                                   |              | Total = 100 %    |

Lessor:

David Bishop

Signature

David Bishop

Print Name / Title

01/05/17

Date

21. Signed

Lessor:

David Bishop  
Signature

David Bishop  
Print Name / Title

01/05/17  
Date

Lessee:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name / Title

\_\_\_\_\_  
Date

21. Signed

Lessor:

David Bishop

Signature

David Bishop

Print Name / Title

01/05/17

Date

Lessee:

Salomon Silvius

Signature

Salomon Silvius / VP

Print Name / Title

02/01/2017

Date

## Amendment to Silver Lease Program Agreement

This Amendment to the Silver Lease Program Agreement, entered into between Next Generation FBO Client David L. Bishop (name) ("Lender" or "Lessor") and Precious Commodities Inc. ("Borrower" or "Lessee"), is made on 6/1/18 (date). It is intended to permanently amend the Silver Lease Program Agreement ("Agreement") to correct an existing error as follows: **2(h) is stricken in its entirety; 14 is modified to include Next Generation Services as recipient of all communications to Lessor; Lease Agreement is modified to properly identify signatories thereto.**

### 2. Lease Details

~~h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.~~

14. Notice – All communications, if to Lessor:

Next Generation Trust Company  
c/o Next Generation Services  
75 Livingston Ave, Suite 304  
Roseland, New Jersey 07068  
888-857-8058

Entire Agreement is amended to correct and clarify the parties to the existing Agreement. Next Generation TC on behalf of Client, to be identified by name on each respective existing Lease Agreement.

All other provisions of the Agreement remain unchanged by this Amendment, remain in full force and effect and are ratified and confirmed.

Next Generation TC FBO \_\_\_\_\_:

Signature David L Bishop

David L Bishop

Print Name / Title

6/1/18

Date

Precious Commodities, Inc.:

Signature \_\_\_\_\_

Print Name / Title \_\_\_\_\_

Date \_\_\_\_\_

Account Holder:

Read and Approved: DLB (initials)

## **Silver Lease Program Agreement**

This agreement entered into on 26 day of July 2017, sets forth the terms and conditions under which: Sandra K Bishop ("Lender" or "Lessor") may lend/lease to Precious Commodities Inc. ("Borrower" or "Lessee").

### **1. Terms of the Lease**

- a. Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement pursuant to which Lessor will lend to Precious Commodities Inc. quantities of Silver described and detailed in clause 2 of this Agreement. The execution of this document creates the vehicle whereby the Lender may lend to the Lessee the Leased Silver, under the terms and conditions set forth under this Agreement.
- b. The Lease shall be governed by this Lease Agreement (the "Agreement").
- c. The Lease may be renewed, subject to the prior approval of the Borrower. Any such renewal shall be subject to the terms and conditions of the original lease, except as expressly modified at the time of such renewal.

### **2. Lease Details**

- a. Unit identification/serial number in which the Silver is contained:  
420-072617
- b. Silver Amount (a minimum of 500 Troy Ounces is Required): 600
- c. Silver Type: pure silver .999
- d. Location of the Silver: RoboVault of Florida, hereafter "Vault" 3340 SE 6th Avenue Fort Lauderdale, FL 33316
- e. Lease Commencement Date: 7/26/17.
- f. Lease Termination Date: 4/26/22. The Lease automatically renews indefinitely for an additional Lease Term unless terminated by either party in writing at lease thirty (30) days prior to the expiration date.



- g. Lease Fee: The lease fee is specifically set forth at Clause 3 of the Agreement.
- h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.

**3. Lease Fee**

- a. With respect to the Lease hereunder, Lessee shall pay to the Lessor a fee ("Lease Fee"). The Lease Fee shall be calculated on the first day of the Lease Term as follows:
    - i. Quantity: 600 Troy Ounces of Leased Silver.
    - ii. Lease Rate: 3.9 %
    - iii. Lease Fee: \$31.20 per month.
  - b. Method of Payment: Lessee shall pay by corporate check on the tenth day of the following month after the last day of each monthly Lease Term.
- Check payable to: Sandra K Bishop NGTC #3419.
- c. Lessee shall pay Lessor interest on any Lease Fee payable by Lessee under this Agreement that shall not be paid to the Lessor when due hereunder, for each day during the period from and including the date such payment is due to but excluding the date the same is paid in full, at a rate per annum equal to the prevailing US Prime Rate ("Prime") two percent (2%) per annum.
  - d. If Lessee shall fail to return any Leased Silver (or its fungible equivalent) to the Lessor when due hereunder, then notwithstanding anything in this Agreement to the contrary, for each day during the period, from and including the date of such return is due, excluding

the date such Leased Silver is returned, Lessee agrees to pay all fees specifically associated with return of the Leased Silver.

#### **4. Delivery**

Lessor specifically agrees to deliver all Leased Silver (at its sole expense) pursuant to Lessee's instructions and specifications. All Leased Silver shall be transferred to Lessee at such location as the Lessee shall designate on the commencement date of this Lease

Lessor specifically warrants that Lessor is authorized to enter into this Lease Agreement and to deliver the Leased Silver hereunder.

Additionally, Lessor specifically warrants to Lessee that Lessor holds good and marketable title to the Leased Silver, free and clear of all liens, pledges, mortgages, encumbrances, easements, charges, claims, restrictions, purchase options, and/or agreements limiting the use or transfer of the leased metal.

#### **5. Risk of Loss and Usage of Leased Silver**

- a. Taxes: Lessor shall be responsible for, and agrees to indemnify and hold harmless Lessee against any sales, use, personal property, value added or other taxes (including penalties) that may arise relating to this Agreement, any Leased Silver hereunder, or the use thereof. In the event that Lessor is an individual, Lessee shall provide Lessor with an IRS Form 1099 for any personal income paid under this Agreement.
- b. Other Liability: The Lessee shall also be responsible for, and agrees to indemnify and hold harmless Lessor against, any liability, claim or expense relating to any Leased Silver or the use thereof, including, without limitation, any product, environmental, or toxic waste liability claims.

- c. Responsibility for Loss: Lessee shall be responsible for all risk of loss, damage or disappearance from any cause whatsoever of, or with respect to, any Leased Silver from the time of delivery to Lessee until the Leased Silver is returned to the Lessor.

**Lessor acknowledges that the Leased Silver delivered to the Lessee under this Agreement is fungible in nature and that Lessee's obligation to return the Leased Silver is specifically limited to returning like weights and grades, as per industry standards and practices.**

Lessor specifically authorizes Lessee to trade or alter the form of the Leased Silver in the Lessee's normal course of business.

**Any such fabrication and/or alteration shall not relieve the Lessee from its obligation to return fungible property in the form, weight and grade as was originally borrowed hereunder. However, at the term of the Lease, Lessor and Lessee may agree that the Leased Silver will be returned in a different form, weight and grade as originally borrowed.**

Lessor shall not be responsible for Lessee's use of the Leased Silver.

## **6. Default**

It is hereby understood and agreed that in the event the Lessee shall:

- a. Fail to return the Leased Silver promptly upon maturity at the end of the Lease.
- b. Default in the prompt payment or performance of any obligation to Lessor hereunder, and fail to cure such default immediately after receipt of written notice from Lessor of such default.
- c. File a petition or otherwise commence or authorize the commencement of a proceeding under any bankruptcy or similar law



- relating to the protection of assets from creditors or have any such petition filed or proceeding commenced against it.
- d. Otherwise become bankrupt, insolvent or be unable to pay its debts as they fall due.
  - e. Without prior notice to Lessor, merge or consolidate with any unaffiliated company, or sell all or a substantial portion of its assets, or to materially increase its liabilities or to withdraw or redeem material portions of its equity capital.

Lessor shall have the right to immediately and at any time thereafter to liquidate (or close out) any and all outstanding Leases and to liquidate any and all Deposited Collateral and other property held to satisfy the Lessee's obligation to Lessor, if any. Lessee shall remain liable for, and shall promptly remit to Lessor, all costs associated with liquidation of the Lease Agreement.

Lessor's rights under this Paragraph shall be in addition to, and not in limitation of, any other right that Lessor may have, whether by agreement, operation of law or equity, or otherwise. In particular, nothing herein shall limit Lessor's right to reclaim or seek to reclaim any metal to which it retains title under the terms of this Agreement.

#### **7. Non-regulated Nature of Transactions**

This Agreement authorizes the parties to enter into a transaction in a "non-regulated physical commodities" which is the Leased Silver. A physical transaction of Silver metal is bound by the Uniform Commercial Code and is not subject to any additional regulation by any governmental or self-regulatory authority.

Nothing contained in this agreement shall constitute a solicitation to trade or authorization to enter into, or shall entitle the parties to enter into regulated

futures, options on regulated futures, securities or options on securities transactions.

Unless alternate forms of delivery are agreed upon by Precious Commodities Inc., all transactions entered into under this Agreement shall be satisfied by the actual taking or making of physical delivery of the merchandise bought, sold, borrowed or lent subject to industry standards and practices.

The Lessee specifically acknowledges that the Commodity Exchange Act, as amended does not cover the "non-exchange traded cash transactions" in physical precious metals.

#### **8. Representations**

Lessor and Lessee each represent and warrants to the other as follows:

- a. It is duly authorized to enter into this Lease Agreement.
- b. The person executing this Agreement and all other documents, agreements, schedules hereunder on its behalf is authorized to do so.
- c. Its execution of this Agreement does not violate any agreement by which it is bound or by which any of its assets are affected.

#### **9. Warranties**

Each party warrants that the Leased Silver delivered or returned by it hereunder is consistent with the specifications provided herein.

There are no warranties that extend beyond the description of the leased silver described in this Agreement, no warranty of merchantability, or of fitness for a particular purpose, or any warranties of any other nature shall be implied.

There are no express warranties other than herein specified.

**10. Amendments**

No provision of this Agreement shall in any respect be waived, altered, modified or amended unless its waiver, alteration, modification or amendment is committed to in writing and signed and accepted in writing by an authorized officer of Precious Commodities Inc.

**11. Assignment**

The provisions of this Agreement shall be continuous and shall inure to the benefit of Precious Commodities Inc. its successors and assigns and shall be binding upon the Lessee and/or the estate, personal representatives, administrators and successors of the Lessor.

The Lessor shall not assign any rights or delegate any obligations hereunder without having sought and received prior written consent of a duly authorized officer of Precious Commodities Inc. and any attempt at such assignment or delegation without such consent shall be void.

**12. No Implied Waiver**

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of the provision itself. The failure of either party to exercise its rights under this Agreement shall not constitute a waiver of such right.

**13. Severability**

Nothing contained in this Agreement shall be construed as to require the commission of any act contrary to local, state or federal law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing



the transactions hereunder, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of this Agreement shall continue full force and effect.

#### **14. Notices**

All Communications:

**If sent to Lessor shall be sent to:**

Name: Sandra K Bishop

Address: 876 Surrey Trail Cincinnati OH 45245

Telephone: 513-800-1198

**If sent to the Lessee shall be sent to:**

Precious Commodities Inc.

401 E. Las Olas Blvd. Suite 1400, Fort Lauderdale, FL 33301

Telephone: 954.332.2324

Fax: 786.453.0364

All communication given by mail shall be effective upon their deposit in the United States Mail, postage prepaid, or upon receipt, whichever occurs earlier.

#### **15. Termination**

This Agreement may be terminated by written notice at least thirty (30) business days' notice prior to the Lease Expiration Date by both parties. Such termination shall not affect any Lease Term outstanding at the time

such termination is effective, which shall remain subject to the terms and conditions of this Agreement until all outstanding obligations are performed or liquidated.

It is specifically understood and agreed that all Leases are for a specific Lease Term, and that other than the event of a default or termination (conclusion of Lease Term as set forth above), **Lessor shall have no right to demand the early return of the Leased Silver, and while Lessee may return the Leased Silver to the Lessor prior to the expiration date of this Lease, such early return shall not affect the total amount of compensation due Lessor from Lessee (in the form of Lease fees). Early termination will result in additional fees, penalties and waived commissions that shall be paid by Lessor from any liquidated balance prior to return of same.**

Upon the termination of the Lease Period of the Lease the Lessee shall settle the lease:

- a. By physical delivery on the Termination Date of the Unit containing the Leased Silver in the form,
- b. **AND ONLY IF** agreed by the Lessor, by the physical delivery of the Leased Silver in a different unit, form, weight and grade as was originally borrowed which shall occur or shall be deemed to have occurred at the same location of delivery of such unit.

OR

- c. By the deposit of the market value of the silver into Lessor's account.

## **16. Insurance**

Lessee shall provide Lessor with insurance coverage for the Leased Silver which shall remain in effect during the Lease Term. Lessor may, by separate

documentation, identify a beneficiary of the policy; if Lessor chooses not to designate a beneficiary, Lessee shall make Lessor the beneficiary.

**17. Captions**

Captions contained herein are inserted only as a matter of convenience, and are intended in no way to define, limit or expand the scope or intent of this Agreement or any provisions thereof.

**18. Singular Imparts Plural**

The parties acknowledge that where the context hereof requires the singular, the singular shall impart the plural, the masculine shall impart the feminine or neuter.

**19. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of law principles. Venue shall be in the Courts of Broward County, Florida. All provisions hereof shall be interpreted without respect to which party drafted the same.

**20. Entire Agreement**

No future oral statements, promises or commitments with respect to the subject matter hereof or other purported modification hereof, shall be binding upon the parties hereto unless the same is reduced to writing and signed by each party hereto. The parties understand and agree that the foregoing and following, represents all understanding(s) and communication(s) between the parties and constitutes the full and complete terms/conditions of this agreement and services to be provided; and, that by both parties affixing their signatures below shall create an enforceable, bona fide, binding contract between the two parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

**Silver Lease Program Agreement**  
**ADDENDUM 1**

**Designation of Insurance Beneficiary**

Lessor hereby designates DAVID BISHOP as the beneficiary under

HWI Policy Number B1098S163865 as set forth in Paragraph 16 of the Agreement.



# Silver Lease Program Agreement

## ADDENDUM 2

### Commission Waiver Acknowledgement for National Coin Broker

It is acknowledged and understood that National Coin Broker ("Broker") is entitled to a commission on the Silver Lease Agreement. In principal, that Commission would be five percent (5%) on all silver purchased during Lessor's participation in the Silver Lease Program. As an incentive and as added consideration for Lessor, Broker agrees to delay its Commission until the price of silver reaches thirty (\$30.00) per ounce. Consequently, the undersigned, Lessor, in consideration for Broker's willingness to delay its Commission HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Broker is delaying its Commission on all silver bullion purchases made during Lessor's participation in the Silver Lease Program until such time as the price of silver reaches thirty dollars (\$30.00) per ounce. At such time, the Commission will be due and payable to Broker and will be five percent (5%) of the initial buy value, which is defined as spot price on silver at time of purchase.
2. Commissions will be paid via personal check, money order, or wire transfer. Commissions may (by prior agreement of the parties), be paid via retention by Broker of liquidation of profit on Silver sold as a result of maturation or early termination of the Silver Lease Program.
3. In the event that Lessor terminates the Silver Lease Program prior to its agreed upon conclusion date, all delayed Commissions shall be immediately due and owing and shall be paid from the liquidation proceeds unless otherwise agreed by Broker.

Lessor:

Sandra K. Bishop

Signature

Sandra K. Bishop

Print Name / Title

8/1/17

Date



# Silver Lease Program Agreement

## ADDENDUM 3

### Designation of Beneficiary of Deceased Lessor

*Sandra K. Bishop*  
I, Bishop the Lessor ("Lessor") do now designate the beneficiary or beneficiaries named below to receive any benefits that I would then be entitled to under the contract that become due and payable upon or after my death. I understand that this Designation of Beneficiary relates solely to benefits accrued to me under the Silver Lease Program Agreement. I further understand that this Designation of Beneficiary will remain in full force and effect until I expressly change or revoke it in writing.

Information concerning the Beneficiaries:

| <u>Name</u>  | <u>Address</u>   | <u>Relationship</u> | <u>Share to be Paid</u> |
|--------------|------------------|---------------------|-------------------------|
| David Bishop | 876 Surrey Trail | husband             | 100%                    |
|              |                  |                     |                         |
|              |                  |                     |                         |
|              |                  |                     |                         |
|              |                  |                     |                         |
|              |                  |                     |                         |
|              |                  |                     |                         |
|              |                  |                     | Total = %               |

**Lessor:**

Sandra K. Bishop

Signature

Sandra K. Bishop

Print Name / Title

8/1/17

Date

**21. Signed**

**Lessor:**

Sandra K. Bishop

Signature

Sandra K. Bishop

Print Name / Title

8/1/17

Date

**Lessee:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name / Title

\_\_\_\_\_  
Date

## Amendment to Silver Lease Program Agreement

This Amendment to the Silver Lease Program Agreement, entered into between Next Generation FBO Client Sandra K. Bishop (name) ("Lender" or "Lessor") and Precious Commodities Inc. ("Borrower" or "Lessee"), is made on 6/1/18 (date). It is intended to permanently amend the Silver Lease Program Agreement ("Agreement") to correct an existing error as follows: **2(h) is stricken in its entirety; 14 is modified to include Next Generation Services as recipient of all communications to Lessor; Lease Agreement is modified to properly identify signatories thereto.**

### 2. Lease Details

~~h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.~~

14. Notice – All communications, if to Lessor:

Next Generation Trust Company  
c/o Next Generation Services  
75 Livingston Ave, Suite 304  
Roseland, New Jersey 07068  
888-857-8058

Entire Agreement is amended to correct and clarify the parties to the existing Agreement. Next Generation TC on behalf of Client, to be identified by name on each respective existing Lease Agreement.

All other provisions of the Agreement remain unchanged by this Amendment, remain in full force and effect and are ratified and confirmed.

Next Generation TC FBO \_\_\_\_\_:

Signature

Sandra K. Bishop

Sandra K. Bishop

Print Name / Title

6/1/18

Date

Precious Commodities, Inc.:

Signature

\_\_\_\_\_  
Print Name / Title

\_\_\_\_\_  
Date

Account Holder:

Read and Approved SKB (initials)

3321 - David Lee Bishop.

## Silver Lease Program Agreement

This agreement entered into on 28 day of December 2017, sets forth the terms and conditions under which: **David Bishop Family Trust**. ("Lender" or "Lessor") may lend/lease to Precious Commodities Inc. ("Borrower" or "Lessee").

### 1. Terms of the Lease

- a. Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement pursuant to which Lessor will lend to Precious Commodities Inc. quantities of Silver described and detailed in clause 2 of this Agreement. The execution of this document creates the vehicle whereby the Lender may lend to the Lessee the Leased Silver, under the terms and conditions set forth under this Agreement.
- b. The Lease shall be governed by this Lease Agreement (the "Agreement").
- c. The Lease may be renewed, subject to the prior approval of the Borrower. Any such renewal shall be subject to the terms and conditions of the original lease, except as expressly modified at the time of such renewal.

### 2. Lease Details

- a. Unit identification/serial number in which the Silver is contained:  
410-121316
- b. Silver Amount (a minimum of 500 Troy Ounces is Required): **31775**
- c. Silver Type: pure silver .999
- d. Location of the Silver: RoboVault of Florida, hereafter "Vault" 3340 SE 6th Avenue Fort Lauderdale, FL 33316
- e. Lease Commencement Date: 12/28/17.
- f. Lease Termination Date: 12/28/22. The Lease automatically renews indefinitely for an additional Lease Term unless terminated by either party in writing at lease thirty (30) days prior to the expiration date.

— 32,100 - initial  
— 325 - sold  
— 31,775 - current in  
invest

- g. Lease Fee: The lease fee is specifically set forth at Clause 3 of the Agreement.
- h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.

**3. Lease Fee**

- a. With respect to the Lease hereunder, Lessee shall pay to the Lessor a fee ("Lease Fee"). The Lease Fee shall be calculated on the first day of the Lease Term as follows:
  - i. Quantity: 31775 Troy Ounces of Leased Silver.
  - ii. Lease Rate: 3.9%
  - iii. Lease Fee: \$1610.99 per month.
- b. Method of Payment: Lessee shall pay by corporate check on the tenth day of the following month after the last day of each monthly Lease Term.

Check payable to: David Bishop.
- c. Lessee shall pay Lessor interest on any Lease Fee payable by Lessee under this Agreement that shall not be paid to the Lessor when due hereunder, for each day during the period from and including the date such payment is due to but excluding the date the same is paid in full, at a rate per annum equal to the prevailing US Prime Rate ("Prime") two percent (2%) per annum.
- d. If Lessee shall fail to return any Leased Silver (or its fungible equivalent) to the Lessor when due hereunder, then notwithstanding anything in this Agreement to the contrary, for each day during the period, from and including the date of such return is due, excluding

the date such Leased Silver is returned, Lessee agrees to pay all fees specifically associated with return of the Leased Silver.

#### **4. Delivery**

Lessor specifically agrees to deliver all Leased Silver (at its sole expense) pursuant to Lessee's instructions and specifications. All Leased Silver shall be transferred to Lessee at such location as the Lessee shall designate on the commencement date of this Lease

Lessor specifically warrants that Lessor is authorized to enter into this Lease Agreement and to deliver the Leased Silver hereunder.

Additionally, Lessor specifically warrants to Lessee that Lessor holds good and marketable title to the Leased Silver, free and clear of all liens, pledges, mortgages, encumbrances, easements, charges, claims, restrictions, purchase options, and/or agreements limiting the use or transfer of the leased metal.

#### **5. Risk of Loss and Usage of Leased Silver**

- a. Taxes: Lessor shall be responsible for, and agrees to indemnify and hold harmless Lessee against any sales, use, personal property, value added or other taxes (including penalties) that may arise relating to this Agreement, any Leased Silver hereunder, or the use thereof. In the event that Lessor is an individual, Lessee shall provide Lessor with an IRS Form 1099 for any personal income paid under this Agreement.
- b. Other Liability: The Lessee shall also be responsible for, and agrees to indemnify and hold harmless Lessor against, any liability, claim or expense relating to any Leased Silver or the use thereof, including, without limitation, any product, environmental, or toxic waste liability claims.



- c. Responsibility for Loss: Lessee shall be responsible for all risk of loss, damage or disappearance from any cause whatsoever of, or with respect to, any Leased Silver from the time of delivery to Lessee until the Leased Silver is returned to the Lessor.

**Lessor acknowledges that the Leased Silver delivered to the Lessee under this Agreement is fungible in nature and that Lessee's obligation to return the Leased Silver is specifically limited to returning like weights and grades, as per industry standards and practices.**

Lessor specifically authorizes Lessee to trade or alter the form of the Leased Silver in the Lessee's normal course of business.

**Any such fabrication and/or alteration shall not relieve the Lessee from its obligation to return fungible property in the form, weight and grade as was originally borrowed hereunder. However, at the term of the Lease, Lessor and Lessee may agree that the Leased Silver will be returned in a different form, weight and grade as originally borrowed.**

Lessor shall not be responsible for Lessee's use of the Leased Silver.

## **6. Default**

It is hereby understood and agreed that in the event the Lessee shall:

- a. Fail to return the Leased Silver promptly upon maturity at the end of the Lease.
- b. Default in the prompt payment or performance of any obligation to Lessor hereunder, and fail to cure such default immediately after receipt of written notice from Lessor of such default.
- c. File a petition or otherwise commence or authorize the commencement of a proceeding under any bankruptcy or similar law

relating to the protection of assets from creditors or have any such petition filed or proceeding commenced against it.

- d. Otherwise become bankrupt, insolvent or be unable to pay its debts as they fall due.
- e. Without prior notice to Lessor, merge or consolidate with any unaffiliated company, or sell all or a substantial portion of its assets, or to materially increase its liabilities or to withdraw or redeem material portions of its equity capital.

Lessor shall have the right to immediately and at any time thereafter to liquidate (or close out) any and all outstanding Leases and to liquidate any and all Deposited Collateral and other property held to satisfy the Lessee's obligation to Lessor, if any. Lessee shall remain liable for, and shall promptly remit to Lessor, all costs associated with liquidation of the Lease Agreement.

Lessor's rights under this Paragraph shall be in addition to, and not in limitation of, any other right that Lessor may have, whether by agreement, operation of law or equity, or otherwise. In particular, nothing herein shall limit Lessor's right to reclaim or seek to reclaim any metal to which it retains title under the terms of this Agreement.

#### **7. Non-regulated Nature of Transactions**

This Agreement authorizes the parties to enter into a transaction in a "non-regulated physical commodities" which is the Leased Silver. A physical transaction of Silver metal is bound by the Uniform Commercial Code and is not subject to any additional regulation by any governmental or self-regulatory authority.

Nothing contained in this agreement shall constitute a solicitation to trade or authorization to enter into, or shall entitle the parties to enter into regulated



futures, options on regulated futures, securities or options on securities transactions.

Unless alternate forms of delivery are agreed upon by Precious Commodities Inc., all transactions entered into under this Agreement shall be satisfied by the actual taking or making of physical delivery of the merchandise bought, sold, borrowed or lent subject to industry standards and practices.

The Lessee specifically acknowledges that the Commodity Exchange Act, as amended does not cover the "non-exchange traded cash transactions" in physical precious metals.

#### **8. Representations**

Lessor and Lessee each represent and warrants to the other as follows:

- a. It is duly authorized to enter into this Lease Agreement.
- b. The person executing this Agreement and all other documents, agreements, schedules hereunder on its behalf is authorized to do so.
- c. Its execution of this Agreement does not violate any agreement by which it is bound or by which any of its assets are affected.

#### **9. Warranties**

Each party warrants that the Leased Silver delivered or returned by it hereunder is consistent with the specifications provided herein.

There are no warranties that extend beyond the description of the leased silver described in this Agreement, no warranty of merchantability, or of fitness for a particular purpose, or any warranties of any other nature shall be implied.

There are no express warranties other than herein specified.

**10. Amendments**

No provision of this Agreement shall in any respect be waived, altered, modified or amended unless its waiver, alteration, modification or amendment is committed to in writing and signed and accepted in writing by an authorized officer of Precious Commodities Inc.

**11. Assignment**

The provisions of this Agreement shall be continuous and shall inure to the benefit of Precious Commodities Inc. its successors and assigns and shall be binding upon the Lessee and/or the estate, personal representatives, administrators and successors of the Lessor.

The Lessor shall not assign any rights or delegate any obligations hereunder without having sought and received prior written consent of a duly authorized officer of Precious Commodities Inc. and any attempt at such assignment or delegation without such consent shall be void.

**12. No Implied Waiver**

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of the provision itself. The failure of either party to exercise its rights under this Agreement shall not constitute a waiver of such right.

**13. Severability**

Nothing contained in this Agreement shall be construed as to require the commission of any act contrary to local, state or federal law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing

the transactions hereunder, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of this Agreement shall continue full force and effect.

#### **14. Notices**

All Communications:

**If sent to Lessor shall be sent to:**

Name: The Bishop Family Living Trust

Address: 876 Surrey Trail Cincinnati OH 45245

Telephone: 513-800-1198

**If sent to the Lessee shall be sent to:**

Precious Commodities Inc.

401 E. Las Olas Blvd. Suite 1400, Fort Lauderdale, FL 33301

Telephone: 954.332.2324

Fax: 786.453.0364

All communication given by mail shall be effective upon their deposit in the United States Mail, postage prepaid, or upon receipt, whichever occurs earlier.

#### **15. Termination**

This Agreement may be terminated by written notice at least thirty (30) business days' notice prior to the Lease Expiration Date by both parties. Such termination shall not affect any Lease Term outstanding at the time

such termination is effective, which shall remain subject to the terms and conditions of this Agreement until all outstanding obligations are performed or liquidated.

It is specifically understood and agreed that all Leases are for a specific Lease Term, and that other than the event of a default or termination (conclusion of Lease Term as set forth above), **Lessor shall have no right to demand the early return of the Leased Silver, and while Lessee may return the Leased Silver to the Lessor prior to the expiration date of this Lease, such early return shall not affect the total amount of compensation due Lessor from Lessee (in the form of Lease fees). Early termination will result in additional fees, penalties and waived commissions that shall be paid by Lessor from any liquidated balance prior to return of same.**

Upon the termination of the Lease Period of the Lease the Lessee shall settle the lease:

- a. By physical delivery on the Termination Date of the Unit containing the Leased Silver in the form,
  - b. AND ONLY IF agreed by the Lessor, by the physical delivery of the Leased Silver in a different unit, form, weight and grade as was originally borrowed which shall occur or shall be deemed to have occurred at the same location of delivery of such unit.
- OR
- c. By the deposit of the market value of the silver into Lessor's account.

#### **16. Insurance**

Lessee shall provide Lessor with insurance coverage for the Leased Silver which shall remain in effect during the Lease Term. Lessor may, by separate

documentation, identify a beneficiary of the policy; if Lessor chooses not to designate a beneficiary, Lessee shall make Lessor the beneficiary.

**17. Captions**

Captions contained herein are inserted only as a matter of convenience, and are intended in no way to define, limit or expand the scope or intent of this Agreement or any provisions thereof.

**18. Singular Imparts Plural**

The parties acknowledge that where the context hereof requires the singular, the singular shall impart the plural, the masculine shall impart the feminine or neuter.

**19. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of law principles. Venue shall be in the Courts of Broward County, Florida. All provisions hereof shall be interpreted without respect to which party drafted the same.

**20. Entire Agreement**

No future oral statements, promises or commitments with respect to the subject matter hereof or other purported modification hereof, shall be binding upon the parties hereto unless the same is reduced to writing and signed by each party hereto. The parties understand and agree that the foregoing and following, represents all understanding(s) and communication(s) between the parties and constitutes the full and complete terms/conditions of this agreement and services to be provided; and, that by both parties affixing their signatures below shall create an enforceable, bona fide, binding contract between the two parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

**21. Signed**

**Lessor:**

David L Bishop  
Signature

David L Bishop  
Print Name / Title

12/28/17  
Date

**Lessee:**

Silvius Saloman  
Signature

Silvius Saloman/ VP  
Print Name / Title

12/28/2017  
Date

3419-Sandra Bishop

## Silver Lease Program Agreement

This agreement entered into on 28 day of December 2017, sets forth the terms and conditions under which: **Sandra K Bishop** ("Lender" or "Lessor") may lend/lease to Precious Commodities Inc. ("Borrower" or "Lessee").

### 1. Terms of the Lease

- a. Precious Commodities Inc. and Lessor hereby enter into a Silver Lease Agreement pursuant to which Lessor will lend to Precious Commodities Inc. quantities of Silver described and detailed in clause 2 of this Agreement. The execution of this document creates the vehicle whereby the Lender may lend to the Lessee the Leased Silver, under the terms and conditions set forth under this Agreement.
- b. The Lease shall be governed by this Lease Agreement (the "Agreement").
- c. The Lease may be renewed, subject to the prior approval of the Borrower. Any such renewal shall be subject to the terms and conditions of the original lease, except as expressly modified at the time of such renewal.

### 2. Lease Details

- a. Unit identification/serial number in which the Silver is contained:  
420-072617
- b. Silver Amount (a minimum of 500 Troy Ounces is Required): 574
- c. Silver Type: pure silver .999
- d. Location of the Silver: RoboVault of Florida, hereafter "Vault" 3340 SE 6th Avenue Fort Lauderdale, FL 33316
- e. Lease Commencement Date: 12/28/17.
- f. Lease Termination Date: 12/28/22. The Lease automatically renews indefinitely for an additional Lease Term unless terminated by either party in writing at lease thirty (30) days prior to the expiration date.

- g. Lease Fee: The lease fee is specifically set forth at Clause 3 of the Agreement.
- h. Payment Date: Net Monthly is set forth in detail at Clause 14 of the Agreement.

### 3. Lease Fee

- a. With respect to the Lease hereunder, Lessee shall pay to the Lessor a fee ("Lease Fee"). The Lease Fee shall be calculated on the first day of the Lease Term as follows:
  - i. Quantity: 574 Troy Ounces of Leased Silver.
  - ii. Lease Rate: 3.9 %
  - iii. Lease Fee: \$29.10 per month.
- b. Method of Payment: Lessee shall pay by corporate check on the tenth day of the following month after the last day of each monthly Lease Term.

Check payable to: Sandra K Bishop NGTC #3419.

- c. Lessee shall pay Lessor interest on any Lease Fee payable by Lessee under this Agreement that shall not be paid to the Lessor when due hereunder, for each day during the period from and including the date such payment is due to but excluding the date the same is paid in full, at a rate per annum equal to the prevailing US Prime Rate ("Prime") two percent (2%) per annum.
- d. If Lessee shall fail to return any Leased Silver (or its fungible equivalent) to the Lessor when due hereunder, then notwithstanding anything in this Agreement to the contrary, for each day during the period, from and including the date of such return is due, excluding



the date such Leased Silver is returned, Lessee agrees to pay all fees specifically associated with return of the Leased Silver.

#### **4. Delivery**

Lessor specifically agrees to deliver all Leased Silver (at its sole expense) pursuant to Lessee's instructions and specifications. All Leased Silver shall be transferred to Lessee at such location as the Lessee shall designate on the commencement date of this Lease

Lessor specifically warrants that Lessor is authorized to enter into this Lease Agreement and to deliver the Leased Silver hereunder.

Additionally, Lessor specifically warrants to Lessee that Lessor holds good and marketable title to the Leased Silver, free and clear of all liens, pledges, mortgages, encumbrances, easements, charges, claims, restrictions, purchase options, and/or agreements limiting the use or transfer of the leased metal.

#### **5. Risk of Loss and Usage of Leased Silver**

- a. Taxes: Lessor shall be responsible for, and agrees to indemnify and hold harmless Lessee against any sales, use, personal property, value added or other taxes (including penalties) that may arise relating to this Agreement, any Leased Silver hereunder, or the use thereof. In the event that Lessor is an individual, Lessee shall provide Lessor with an IRS Form 1099 for any personal income paid under this Agreement.
- b. Other Liability: The Lessee shall also be responsible for, and agrees to indemnify and hold harmless Lessor against, any liability, claim or expense relating to any Leased Silver or the use thereof, including, without limitation, any product, environmental, or toxic waste liability claims.

- c. Responsibility for Loss: Lessee shall be responsible for all risk of loss, damage or disappearance from any cause whatsoever of, or with respect to, any Leased Silver from the time of delivery to Lessee until the Leased Silver is returned to the Lessor.

**Lessor acknowledges that the Leased Silver delivered to the Lessee under this Agreement is fungible in nature and that Lessee's obligation to return the Leased Silver is specifically limited to returning like weights and grades, as per industry standards and practices.**

Lessor specifically authorizes Lessee to trade or alter the form of the Leased Silver in the Lessee's normal course of business.

**Any such fabrication and/or alteration shall not relieve the Lessee from its obligation to return fungible property in the form, weight and grade as was originally borrowed hereunder. However, at the term of the Lease, Lessor and Lessee may agree that the Leased Silver will be returned in a different form, weight and grade as originally borrowed.**

Lessor shall not be responsible for Lessee's use of the Leased Silver.

## **6. Default**

It is hereby understood and agreed that in the event the Lessee shall:

- a. Fail to return the Leased Silver promptly upon maturity at the end of the Lease.
- b. Default in the prompt payment or performance of any obligation to Lessor hereunder, and fail to cure such default immediately after receipt of written notice from Lessor of such default.
- c. File a petition or otherwise commence or authorize the commencement of a proceeding under any bankruptcy or similar law

relating to the protection of assets from creditors or have any such petition filed or proceeding commenced against it.

- d. Otherwise become bankrupt, insolvent or be unable to pay its debts as they fall due.
- e. Without prior notice to Lessor, merge or consolidate with any unaffiliated company, or sell all or a substantial portion of its assets, or to materially increase its liabilities or to withdraw or redeem material portions of its equity capital.

Lessor shall have the right to immediately and at any time thereafter to liquidate (or close out) any and all outstanding Leases and to liquidate any and all Deposited Collateral and other property held to satisfy the Lessee's obligation to Lessor, if any. Lessee shall remain liable for, and shall promptly remit to Lessor, all costs associated with liquidation of the Lease Agreement.

Lessor's rights under this Paragraph shall be in addition to, and not in limitation of, any other right that Lessor may have, whether by agreement, operation of law or equity, or otherwise. In particular, nothing herein shall limit Lessor's right to reclaim or seek to reclaim any metal to which it retains title under the terms of this Agreement.

## **7. Non-regulated Nature of Transactions**

This Agreement authorizes the parties to enter into a transaction in a "non-regulated physical commodities" which is the Leased Silver. A physical transaction of Silver metal is bound by the Uniform Commercial Code and is not subject to any additional regulation by any governmental or self-regulatory authority.

Nothing contained in this agreement shall constitute a solicitation to trade or authorization to enter into, or shall entitle the parties to enter into regulated

futures, options on regulated futures, securities or options on securities transactions.

Unless alternate forms of delivery are agreed upon by Precious Commodities Inc., all transactions entered into under this Agreement shall be satisfied by the actual taking or making of physical delivery of the merchandise bought, sold, borrowed or lent subject to industry standards and practices.

The Lessee specifically acknowledges that the Commodity Exchange Act, as amended does not cover the "non-exchange traded cash transactions" in physical precious metals.

#### **8. Representations**

Lessor and Lessee each represent and warrants to the other as follows:

- a. It is duly authorized to enter into this Lease Agreement.
- b. The person executing this Agreement and all other documents, agreements, schedules hereunder on its behalf is authorized to do so.
- c. Its execution of this Agreement does not violate any agreement by which it is bound or by which any of its assets are affected.

#### **9. Warranties**

Each party warrants that the Leased Silver delivered or returned by it hereunder is consistent with the specifications provided herein.

There are no warranties that extend beyond the description of the leased silver described in this Agreement, no warranty of merchantability, or of fitness for a particular purpose, or any warranties of any other nature shall be implied.

There are no express warranties other than herein specified.

**10. Amendments**

No provision of this Agreement shall in any respect be waived, altered, modified or amended unless its waiver, alteration, modification or amendment is committed to in writing and signed and accepted in writing by an authorized officer of Precious Commodities Inc.

**11. Assignment**

The provisions of this Agreement shall be continuous and shall inure to the benefit of Precious Commodities Inc. its successors and assigns and shall be binding upon the Lessee and/or the estate, personal representatives, administrators and successors of the Lessor.

The Lessor shall not assign any rights or delegate any obligations hereunder without having sought and received prior written consent of a duly authorized officer of Precious Commodities Inc. and any attempt at such assignment or delegation without such consent shall be void.

**12. No Implied Waiver**

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of the provision itself. The failure of either party to exercise its rights under this Agreement shall not constitute a waiver of such right.

**13. Severability**

Nothing contained in this Agreement shall be construed as to require the commission of any act contrary to local, state or federal law. Whenever there is any conflict between any provision of this Agreement and any present or future applicable statute, law, ordinance or regulation governing

the transactions hereunder, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of this Agreement shall continue full force and effect.

#### **14. Notices**

All Communications:

**If sent to Lessor shall be sent to:**

Name: Sandra K Bishop

Address: 876 Surrey Trail Cincinnati OH 45245

Telephone: 513-800-1198

**If sent to the Lessee shall be sent to:**

Precious Commodities Inc.

401 E. Las Olas Blvd. Suite 1400, Fort Lauderdale, FL 33301

Telephone: 954.332.2324

Fax: 786.453.0364

All communication given by mail shall be effective upon their deposit in the United States Mail, postage prepaid, or upon receipt, whichever occurs earlier.

#### **15. Termination**

This Agreement may be terminated by written notice at least thirty (30) business days' notice prior to the Lease Expiration Date by both parties. Such termination shall not affect any Lease Term outstanding at the time



such termination is effective, which shall remain subject to the terms and conditions of this Agreement until all outstanding obligations are performed or liquidated.

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- a. By physical delivery on the Termination Date of the Unit containing the Leased Silver in the form,
- b. AND ONLY IF agreed by the Lessor, by the physical delivery of the Leased Silver in a different unit, form, weight and grade as was originally borrowed which shall occur or shall be deemed to have occurred at the same location of delivery of such unit.

OR

- c. By the deposit of the market value of the silver into Lessor's account.

## **16. Insurance**

Lessee shall provide Lessor with insurance coverage for the Leased Silver which shall remain in effect during the Lease Term. Lessor may, by separate

documentation, identify a beneficiary of the policy; if Lessor chooses not to designate a beneficiary, Lessee shall make Lessor the beneficiary.

**17. Captions**

Captions contained herein are inserted only as a matter of convenience, and are intended in no way to define, limit or expand the scope or intent of this Agreement or any provisions thereof.

**18. Singular Imparts Plural**

The parties acknowledge that where the context hereof requires the singular, the singular shall impart the plural, the masculine shall impart the feminine or neuter.

**19. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of law principles. Venue shall be in the Courts of Broward County, Florida. All provisions hereof shall be interpreted without respect to which party drafted the same.

**20. Entire Agreement**

No future oral statements, promises or commitments with respect to the subject matter hereof or other purported modification hereof, shall be binding upon the parties hereto unless the same is reduced to writing and signed by each party hereto. The parties understand and agree that the foregoing and following, represents all understanding(s) and communication(s) between the parties and constitutes the full and complete terms/conditions of this agreement and services to be provided; and, that by both parties affixing their signatures below shall create an enforceable, bona fide, binding contract between the two parties.

This agreement shall have no force of law until such time as accepted in writing by an authorized representative of Precious Commodities Inc.

**21. Signed**

**Lessor:**

Sandra K. Bishop

Signature

Sandra K. Bishop

Print Name / Title

12/28/17

Date

**Lessee:**

Silvi

Signature

Silvius Saloman/ VP

Print Name / Title

12/28/2017

Date

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# **EXHIBIT 3**



National Coin Broker  
P.O. Box 630611  
Miami, FL 33163

November 14, 2019

To Whom It May Concern:

I am writing this letter in an effort to update you on the situation as it stands with Precious Commodities Inc.

I have received your correspondence and want to inform you that I am working with a lawyer to try to resolve all issues.

In the last nine months, I have exhausted all of my resources to help you and all my clients resolve things, but to date, I have not been successful.

I have called Precious Commodities Inc. to try to resolve this with no success. I have also advised all the clients of Precious Commodities Inc. to send a certified letter to cancel their contract for lack of payment as well as demand their entrusted silver back.

It was never my intention for this to happen to you. I believed the Silver Lease Program to be an excellent opportunity for you.

When I was approached with this opportunity, well before I presented it to you, I consulted with an attorney, who provided the opinion that this was a solid program with a solid contract.

I also had him review all my sales and marketing materials to ensure that nothing was misleading or otherwise confusing or outside what is allowed by law. The program and advised me to proceed to offer the opportunity to my clients.

I never expected that Precious Commodities Inc. would cease all communications with its clients.

I am now working with another lawyer to try to get this situation resolved for you, my valued client. My current lawyer's name is Nathan Diamond. You can contact Mr. Diamond at 305-371-5300.

As we make progress on this, we will be in communication with you so you are informed.

If you are in possession of any additional information that I may not be aware of, please make this information available to my lawyer so that we can resolve this matter as quickly as possible.

Sincerely,

Ross Baldwin  
National Coin Broker