



Question and Answers on Investing in precious metals:

Q: Why Should I Invest in Gold, Silver, and Other Precious Metals?

A: Historically, precious metals have served as a store of wealth and have long been prized as the only truly reliable hedge against inflation. As tangible commodities with intrinsic value, they offer distinct advantages over stocks, bonds, and other paper assets. While the value of stocks can decline absolutely, precious metals such as gold, silver, palladium, and platinum always retain a value, regardless of market conditions. Even when compared to other hard assets, such as real estate or fine works of art, precious metals compare favorably based on their high degree of liquidity and portability.

Q: What is the Best Way to Invest in These Metals?

A: Bullion - defined as any precious metal coin or bar valued according to its metal content, purity, and weight - is considered by many commodities experts to be the most cost-effective way to invest in physical metal. In addition to providing you with a highly liquid, tangible asset, bullion coins and bars offer you the opportunity to purchase small quantities of precious metals, which allows you to safely and securely build your personal wealth over time.

Q: When Is the Best Time to Start Investing in Precious Metals?

A: Unlike many other investment vehicles, precious metals are real, tangible assets that can easily be obtained in large or small units and accumulated gradually as a reliable store of wealth. Precious metals typically hold their value better over time and yield return on investment more quickly (even in small quantities) than many stocks. In addition, gold, silver, and other precious metals have consistently performed well during periods of political turmoil and economic crisis. If recent events are any indication of what the future holds, now might be the right time to consider investing in precious metals.

Q: How Much of My Portfolio Should I Invest in Precious Metals?

A: Many financial experts recommend maintaining 10%-20% of your portfolio in precious metals at all times to ensure sufficient diversification and to provide a hedge against inflation and market downturns. Recent trends and events, however, might favor increased asset allocation in precious metals beyond the 10% - 20% threshold. Consider the following:

- Demand among investors for gold drove it to an all-time high at over \$1,100 in 2009.
- Silver traded at a 27 year high in 2008
- During times of inflation, precious metals hold their value
- Historically, economic and political instability have placed upward pressure on all precious metals.

Q: Can I add bullion to My IRA?

A: Yes. In fact, as a result of the Taxpayer Relief Act of 1997, investors can now add a wider variety of precious metal bullion products to their IRAs, including gold and platinum coins, silver coins and bars, and palladium bars. The gold American Eagle coin is one example of a bullion product that is perfectly suitable for IRA investment. Additional precious metal products include the silver Canadian Maple Leaf, the platinum American Eagle, and a wide selection of precious metals produced by private mints that meet the government's minimum 99.5% purity standards.

If you have questions you may call The Royal Metals Group toll-free at 877-234-0472 to speak directly with one of our financial counselors. You may also visit www.royalmetalsgroup.com to view current precious metal products available.

Q: Do Bullion Products Come with a Certificate of Authenticity?

A: Yes. A precious metal maker's mark and an indication of weight and fineness are stamped directly onto bullion rounds and bars. The bullion itself, in effect, bears its own "certificate" from whichever mint or refiner produced it, ensuring ease of assay, trade, and sale.

Q: Can I Sell Back the Bullion I Buy?

A: Yes, certainly. Royal Metals Group and many other companies are always ready and willing to purchase precious metals when you wish to sell. In addition, some investors

use a strategy where they invest in precious metals to gauge the market performance of a particular metal over time. They purchase the precious metal in sizable quantities when its price drops below a certain threshold, and then gradually selling it off in smaller increments as the price rises.

Q: Are Bullion Purchases Taxable?

A: Each state in the U.S. independently regulates the sale of bullion products. In Iowa, for example, no sales tax is levied on bullion purchases. Royal Metals Group does not collect any tax on its bullion transactions, nor does it collect sales tax from other states. If you hold bullion as an investment and later sell it at a profit, you are required to report and pay tax on your investment gain.

Q: What Should I Look for When Choosing a Bullion Dealer?

A: Your bullion dealer may be judged in several ways, three important criteria include:

- Privacy: You should have confidence that your bullion dealer takes measures to keep all your transactions strictly confidential. Royal Metals Group has processes in place to ensure your complete confidentiality.
- Expertise: Your dealer should have a respected name in the financial services industry, with a proven track record. Royal Metals Group has people with a proven track record of providing its clients with secure financial investments.
- Reputation: To avoid falling victim to firms that are less than reputable, choose to invest with people that have at least two decades of solid financial services experience and people that have maintained a large, visible presence both in the financial services industry as well as the community. The people at Royal Metals Group have both! Royal Metals Group is a company that you can trust!

Q: What is the easiest and most attractive method to invest in precious metals?

A: The Royal Metals Group automated purchase program! This program brings the power of dollar cost averaging to investors of precious metals. This systematic investment method brings diversification to your portfolio in a simple and cost effective way. Investors specify their monthly investment based on individual risk parameters and investment goals. Payment may be made through a variety of methods (automatic account withdrawal, or wire transfers) – Royal Metals Group makes your precious metals investment and accumulation virtually effortless.