



SILVER BARTER

DOING SUCCESSFUL BUSINESS WHERE TRUE VALUE IS EXCHANGED

Good business deals can be made even without money – simply by applying the ancient legal principle of ‘quid pro quo’, which roughly translates as ‘something for something’. The idea behind this is that trading partners exchange their respective goods, services or rights with each other. Without any money changing hands, though still on the basis of mutual invoicing, the goods being traded themselves function as a medium of exchange in bartering. The focus is on mutual benefit, because the buyer is also the seller and vice versa. This brings economic advantages and promotes mutual cooperation.

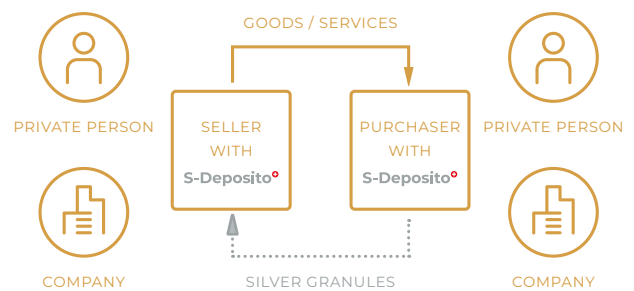
Professional exchange trading, based on what are known as barter transactions or ‘bartering’, is currently experiencing a comeback. At the forefront of this trend are owners of an S-Deposito with BB Wertmetall AG, who can easily use their silver granules as a medium of exchange both on the online portal and in the SILbar app.

What is silver bartering?

Bartering with silver is a tradition that dates back thousands of years. Around 4 000 years ago, Abraham purchased a burial plot near Hebron for 400 shekels of silver (around 4.5 kg) – at that time this was in the form of broken silver scrap (hack silver) that was weighed out. The material value was the important thing, not the form. The transaction was confirmed by witnesses and secured Abraham the legal ownership of the property.

In the same way, silver can still be used for barter transactions today. However, in order for silver barter to be legally and fiscally compliant, some formalities must be observed. With its S-Deposito product, which securely stores the customer’s

property in the form of silver granules in a Swiss duty-free warehouse, BB Wertmetall AG is already helping both private and business customers to comply with the legal and fiscal requirements for professional barter transactions. Haggai silver medals which are in the personal possession of the trading partners also constitute a perfectly good basis for silver bartering.



Why barter silver?

The main benefit is fair trade between trading partners on an equal footing. Ownership of real physical silver, free from third-party rights, is exchanged for goods, services or rights that the vendor requires. And both trading partners enjoy yet further economic benefits. The seller of the goods usually makes a profit, and the seller of the silver is also better off because the silver is valued at the regular purchase price or an improved selling price compared with an exchange into the local currency. Furthermore, there are no transaction costs for either party. The purchaser can also benefit from silver’s tendency to retain its value generally, and in view of its historically high ratio also has a good chance of long-term appreciation as compared with gold.



Your advantages as a trading partner

1. With silver as a standard medium of exchange, you contribute to the development of a community of values while benefiting from steadily growing numbers of potential customers and suppliers.
2. SILbar transactions reduce your transaction costs and decrease your dependence on the systems of credit institutions and affiliated payment service providers, e.g. credit card companies.
3. Circulating assets and reserves in silver do not automatically constitute liability capital for banks, but rather represent liquidity that is protected against the risk of currency crashes or the possible loss of purchasing power.
4. By expanding your transaction options to include the purchase of silver granules and perhaps Haggai silver medals as well, you will be linked to our website with your logo as a trading partner.

Legal and tax classification for businesses

Turnover from silver barter in S-Deposito is subject to direct taxes (income tax or capital gains tax). In accordance with the principle of materiality, the commercial law provisions of OR Art. 957 ff. on commercial accounting and financial reporting must therefore be observed. [OR = Obligationenrecht / the Swiss Code of Obligations].

Special features regarding value added tax

No value added tax is payable on silver granules in Swiss customs warehouses. However, barter transactions must be disclosed to the tax authorities. Companies subject to VAT must declare sales of silver granules from the S-Deposito for the purpose of liquidity (e.g. for payments via a financial institution or for barter purposes as tax-exempt transactions) in their VAT returns. If a company exceeds CHF 100 000, it is subject to VAT liability for the remaining deliveries and services. This increases the cost of services for customers by the applicable VAT rate.

Balancing the books with silver granules

For joint stock companies and corporations (AG, GmbH), S-Deposito holdings are considered assets with an observable market price in accordance with Art. 960b of the Swiss Code of Obligations (OR). Depending on whether they are used for short-term or long-term investments, they must be listed in the balance sheet as 'short-term assets with market value' or

'financial investments'. They are valued on the balance sheet date at the silver price set by the Federal Tax Administration on 31 December of the calendar year. We also use this as a basis for our statements at the end of the year. For financial statements as at 30 June, however, our value – based on BB Wertmetall AG's accounts – can be used. If you require a different statement date, you can request the value as at the balance sheet date. If a company holds silver granules exclusively for resale as merchandise and not as a short-term liquidity investment, they must be allocated to inventories in accordance with OR Art. 960c. Inventories must be valued at acquisition or production cost, as stated in OR Art. 960a. If the realisable value on the balance sheet date subsequently proves lower, the lower value must be applied (loss-free valuation). A higher valuation is not permitted.

Booking price fluctuations

Businesses: Changes in value must be recognised as profit or loss when silver granules are sold or when they are valued on the balance sheet date, either as financial income or as part of inventory changes in the cost of goods.

Private persons: S-Deposito holdings must be valued at the applicable tax rate in your tax return. The value according to BB Wertmetall AG's statement on 31 December is definitive. Any changes in value represent private gains or losses and are not subject to tax.

The SILbar app

In addition to silver barter transactions on the S-Deposito online portal, you can also barter quickly and easily via a smartphone app. Find out more now at <https://silbar.swiss>, subscribe to the newsletter and you can go on to activate the SILbar app as a mobile wallet for an existing S-Deposito account.



About us

We at BB Wertmetall AG in Lenzburg, together with our subsidiary BB Wertmetall GmbH in Leipzig, have set ourselves a clear goal: to help private individuals, families and companies secure and grow their savings in the long term. To this end, we offer innovative products made from pure silver and gold.

Our corporate vision

'We offer biblical solutions for value depositories and means of exchange that put customer benefits first.'

That is why we are constantly developing our silver investment products, in particular, for use as a medium of exchange in barter transactions.

You can find all prices, further information, application forms and the option to apply for an S-Deposito electronically at: <https://silber-deposito.ch>. For Haggai medals, please go to: <https://www.bb-wertmetall.ch/en/haggai-value-purchase/>.