



DEPARTMENT OF THE TREASURY  
UNITED STATES MINT  
WASHINGTON, D.C. 20220

PROCEDURES TO QUALIFY FOR THE PURCHASE OF GOLD, PLATINUM and  
PALLADIUM BULLION COINS

1. BACKGROUND

American Eagle Gold Bullion Coins

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Public Law 99-185, enacted December 17, 1985, directs the United States Mint to mint and issue legal tender gold bullion coins. The coins are .9167 fine gold (22 karat), with the following weights and face values:

Weight — in Troy ounces of fine gold	Face (Denomination)	Value
. 1 Ounce		\$50.00
1/2 Ounce		\$25.00
1/4 Ounce		\$10.00
1/10 Ounce		\$5.00

(In addition to the .9167 gold, the coins are composed of .0300 silver and .0533 copper.)

All four denominations of American Eagle Gold Bullion Coins have the same design which changed in 2021. These consist of a symbolic Liberty, an enhanced Saint-Gaudens design on the obverse, and a newly designed Eagle's head on the reverse as described in the law. Each American Eagle Gold Bullion Coin has reeded edge with new variation feature and is inscribed with the denomination, the year of minting or issuance, the inscriptions found on current United States coinage, and the fine gold content. There is no mint mark on American Eagle Gold Bullion Coins.

Sales of American Eagle Gold Bullion Coins began October 20, 1986. The program will continue indefinitely.

American Buffalo Gold Bullion Coins

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Public Law 109-145, enacted December 22, 2005, directs the United States Mint to mint and issue legal tender gold bullion coins that are .9999 fine gold. Currently, these coins are issued with the following weight and face value:

Weight — in Troy ounces of fine gold	Face Value (Denomination)
1 Ounce	\$50.00

Title II of Public Law 109-145 requires the obverse and reverse of the coins struck during the first year of issuance to bear the original designs by James Earle Fraser, which appear on the five-cent coin (nickel), commonly referred to as the "Buffalo nickel," or the "1913 Type 1." The obverse depicts a buffalo, and the reverse, an Indian chief. The design remains the same since 2006, its first year of issuance.

American Buffalo Gold Bullion Coins have reeded edges and are inscribed with the denomination, the year of minting or issuance, the inscriptions found on current United States coinage, and the fine gold content.

The program will continue indefinitely.

### American Eagle Platinum Bullion Coins

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Public Law 104-208, Section 524, permitted the United States Mint to produce and sell legal tender platinum bullion coins. Currently, these coins are each issued in .9995 fine platinum with the following weight and face value:

Weight — in Troy ounces of fine platinum	Face Value (Denomination)
1 Ounce	\$100.00

The coins obverse (front) design, "Portrait of Liberty" features Lady Liberty looking toward the future in a modern interpretation of an American icon, the Statue of Liberty. The reverse (back) design, "Eagle Soaring Above America," depicts an eagle, America's symbol of freedom, spreading its wings high above our great nation at sunrise. American Eagle Platinum Bullion Coins have reeded edges and are inscribed with the denomination, the year of minting or issuance, the symbolic phrases on all current U.S. coin denominations and the fine platinum content. There is no mint mark on the American Eagle Platinum Bullion Coin.

Sale of American Eagle Platinum Bullion Coins began September 23, 1997. The program was temporarily halted in 2009 and re-introduced in 2014. There were no American Eagle Platinum Bullion Coins minted in 2015. The legislation does not require that this program continue indefinitely. Continuation of this program is at the discretion of the Secretary of the Treasury.

### American Eagle Palladium Bullion Coins

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Public Law 114-94 amended 31 U.S.C. § 5112(v) and permits the United States Mint to produce and sell legal tender palladium bullion coins that are .9995 fine palladium with the following weight and face value:

1 Ounce	\$25.00
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The coins obverse (front) design, features a high-relief likeness of Adolph A. Weinman's "Winged Liberty" design, commonly found on the Mercury Dime. The reverse (back) design, features a high-relief rendition of Adolph A. Weinman's 1907 American Institute of Architects medal design which depicts an eagle, America's symbol of freedom, spreading its wings atop a rocky outcrop. American Eagle Palladium Bullion

Coins have reeded edges and are inscribed with the denomination, the year of minting or issuance, the symbolic phrases on all current U.S. coin denominations and the fine palladium content. There is no mint mark on the American Eagle Palladium Bullion Coin.

Sale of American Eagle Palladium Bullion Coins is expected to begin in 2017.

## 11. PURPOSE

The United States Mint is interested in ensuring that the coins minted and issued under its gold, platinum, and palladium bullion coin programs are distributed effectively and efficiently and in a manner that ensures that the bullion coins are competitive with bullion products produced by other international mints. To accomplish this goal, the United States Mint seeks to use private sector distribution channels that ensure that the coins are:

- A. As widely available to the public as possible;
- B. Are bought and sold at prices/premiums that are in line with other similar bullion coin products in the marketplace; and
- C. Bought and sold in a manner that ensures relatively low transaction costs.

Due in part to the commodity-like, investment nature of these coins characterized by constantly fluctuating coin prices, the United States Mint has determined that the most effective and efficient means for bullion coin distribution is through the use of the well-established gold, platinum, and palladium bullion coin distribution network in the private sector. This network typically consists of hundreds of coin and precious metal dealers, participating banks, brokerage companies and other financial intermediaries.

### 111. PURCHASE, PROCEDURES

#### Quantities and Packaging

Gold, platinum, and palladium bullion coins are sold in bulk quantities to business firms, approved by the United States Mint, that have met the qualifying criteria set forth in Section V below. Approved firms can purchase in the following quantities:

Gold	A minimum of 1,000 ounces of gold coins. This can be composed of any combination of one-ounce and fractional pieces, in 500-ounce units (the standard packaged quantity). Purchases above the minimum must be in 500-ounce increments.
Platinum/Palladium	A minimum of 100 ounces of platinum/palladium one ounce bullion coins. Purchases above the minimum must be made in 100-ounce increments.
A maximum order quantity of 15, 000 ounces or \$31.5 million, whichever is less, will be imposed per purchaser per fixing unless otherwise pre-approved by the United States Mint.	
The United States Mint reserves the right to sell less than the minimum quantity, vary the maximum quantity and to suspend all sales at any time as circumstances warrant.	

American Eagle Gold and American Buffalo Gold Bullion Coins are packaged in semi-clear plastic tubes which are placed in vacuum formed inserts in sealed molded plastic shipping containers. The tops of the plastic tubes and the shipping containers are imprinted with the United States Mint seal.

American Eagle Platinum and Palladium One Ounce Bullion coins are packaged in semi-clear plastic tubes which are placed in vacuum formed inserts and sealed in molded plastic shipping containers. American Eagle Platinum Bullion Coins are packaged in 100 coin/oz. boxes. American Eagle Palladium Coins are packaged with 50 one ounce coins per box.

## Pricing

### American Eagle/American Buffalo Gold Bullion

The price of American Eagle and American Buffalo Gold Bullion coins is based on the gold content plus a fixed percentage premium of the gold value.

The pricing of the precious metal content is established using the LBMA Gold Price (PM) on the business date following the day of the order, excluding federal government holidays.

The fixed premiums are:

Weight — in Troy ounces of fine gold .	Premium ( % of LBMA Gold Price (PM))
1 Ounce	3%
1/2 Ounce	5%
1/4 Ounce	7%
1/10 Ounce	9%

These set premiums cover all of the United States Mint's manufacturing, marketing and distribution expenses. The United States Mint reserves the right to alter the pricing mechanisms and vary the premiums charged for gold bullion coins as circumstances dictate. Any such change will not affect orders accepted prior to the announced change.

### American Eagle Platinum/Palladium Bullion

The price of American Eagle Platinum and Palladium Bullion Coins is based on the platinum/palladium content plus a fixed percentage premium of the platinum/palladium value.

The pricing of the precious metal content is established using the LBMA Platinum Price (PM)/LBMA Palladium Price (PM.) on the business date following the day of the order, excluding federal government holidays.

The fixed premiums are:

Platinum

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	Premium
Weight — in Troy ounces of fine platinum of LBMA Platinum Price (PM)	
1 Ounce	+\$65.00

Palladium

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	Premium
Weight — in Troy ounces of fine palladium of LBMA Palladium Price (PM)	
1 Ounce	+\$160.00

These set premiums cover all of the United States Mint's manufacturing, marketing and distribution expenses. The United States Mint reserves the right to alter the pricing mechanisms and vary the premiums charged for gold, platinum or palladium bullion coins as circumstances dictate. Any such change will not affect orders accepted prior to the announced change.

Orders are received by the United States Mint, Bullion Branch, until 3:00 PM ET, Monday through Friday, excluding federal government holidays. Once an order is confirmed in writing by the United States Mint, the order cannot be changed or cancelled by the purchaser. All sales are final.

Payment for gold, platinum, and or palladium bullion coins is accepted only in U.S. dollars by wire transfer of funds on the second business day (standard "two-day value") following the day of the LBMA Gold, Platinum, or Palladium Pricing used in determining the price of the order. Earlier payment/pick-up or delayed pick-up arrangements may be granted.

Purchased coins are authorized for release after receipt of payment is confirmed. All United States Mint gold, platinum, and palladium bullion coins must be picked up freight-on-board (F.O.B.) at the United States Mint at West Point (West Point, New York).

The United States Mint will not repurchase its gold, platinum; or palladium bullion coins.

#### IV. MARKETING SUPPORT

States Mint to be placed on the United States Mint bullion dealer locator at [www.usmint.gov](http://www.usmint.gov). The United States Mint reserves the right to withhold such materials, in its sole discretion, based on factors that it

considers to be in the best interests of the United States Mint's gold, platinum, and palladium bullion coin programs.

#### A. Experienced Market-Maker in Gold/Platinum/Palladium Bullion Coins (Attestation from Accounting Firm)

The United States Mint seeks only the most well-established, industry-recognized, and sufficiently capitalized precious metal wholesalers/market-makers to aid in the primary distribution of the United States Mint's gold, platinum and palladium bullion coin products. Requiring that its APS be highly capitalized ensures that the applying firm will be capable in both up and down markets to actively support and maintain a continuous two-way market in large volumes of United States Mint's gold bullion coins during both stable and volatile market conditions.

Merely providing a two-way, buy-and- sell retail market in the purchase and sale of gold and or platinum bullion coins does not in itself satisfy the spirit and intent of this aspect of the criteria. Rather, applying firms should be widely recognized in the gold and or platinum bullion trading industry as being recognized market-makers/wholesalers in the trading of physical gold and or platinum bullion coin/products. This should, in part, be demonstrated by applicant-provided precious metals trading and bank references. The United States Mint reserves the right to contact these references and other industry sources to validate claims made by the applicant.

The United States Mint may conduct the review of a Dun & Bradstreet report on all applicants as part of its credit and financial review of the applicant. The United States Mint reserves the right to consult with other international mints and industry-recognized bullion coin market-makers in an attempt to verify the applicant's precious metals industry "market-maker"/wholesaler claims.

An applying firm may also be engaged in the retail purchase and sale of gold, platinum, and palladium bullion coins, but it must be able to demonstrate that for a minimum of five continuous years it has maintained a well-established wholesale network of retail coin and precious metal dealers in which it distributes and markets these coins.

In lieu of the five-year history requirement, the United States Mint may consider an applying firm's relative experience/commodities trading stature in the industry if a firm has a minimum of three years continuous experience in the purchase and sale of gold and or platinum bullion/bullion coins at a wholesale level and/or it can also demonstrate it has other significant commodities/bullion trading experience, futures and/or electronic trading activities deemed acceptable by the United States Mint. Firms who are approved to become Authorized Purchasers under this category, shall be granted a oneyear "provisional" Authorized Purchaser distributorship. At the end of one year, the United States Mint will review the firm's bullion coin sales performance and make a determination if it feels that the company should continue as United States Mint Bullion Coin Authorized Purchaser.

1. Membership on a major precious metals exchange such as NYMEX, LBMA, London, Zurich or Tokyo.
2. Volume of gold and or platinum bullion/bullion coins (American Eagle/American Buffalo or other physical bullion/bullion coins) traded over any recent five-year period.
3. Longstanding established relationships with industry-recognized commodity-based clearing houses (used to hedge their bullion trading positions).
4. References to applying firm's position in the marketplace as a significant market maker/wholesaler of physical bullion and or bullion coin products as potentially described in industry trade journals, articles, publications, Web-based stories, etc.
5. Any other evidence that clearly demonstrates a thorough knowledge and expertise in the trading of precious metals/ commodities market.

In addition, the certification from the applying firm's accounting firm must attest that the applying firm:

- Has been actively engaged in wholesale "market-making" bullion and/or bullion coin activities (or other significant commodities/bullion trading activities) for a minimum of five continuous years. This is defined as a firm's historical (five-year minimum history) and present practice of regularly quoting "instantaneous narrow bid-ask wholesale spreads" to other major bullion coin wholesalers for large quantities (100-500 ounces or more) of gold bullion coins.
- If applying under the three-year and/or commodities clause referenced above, the certification from the applying firm's accounting firm must attest to the applying firm's ability for the past three fiscal years to:
  - actively trade in commodities, physical bullion, futures and/or electronic trading activities and offer a wide range of these products and/or services,

- demonstrate the firm has sustained or consistently grown in business size based on tangible net worth,
- the firm is considered reputable via the National Futures Association and/or other documentation such as industry trade journals, articles, publications, Web-based stories

All attestations should clearly demonstrate the applicant's ability to engage as a market-maker in gold and/or platinum/palladium bullion or bullion coins (or other commodities) and **should be made by the applicant's accounting firm.**

- Has a broad base of wholesale, retail and/or institutional clients (a sample listing of those clients/trading partners should be provided for reference purposes) to whom it currently markets and trades gold, platinum, or palladium bullion or bullion coins.
- Has sold 100,000 or more ounces of gold and or platinum or palladium bullion/bullion coins in any 12-month period since 1990, or if not applicable, see commodities/futures/electronic trading certification required above.
- Has a longstanding, established relationship (defined as having been in place for at least one year prior to the application date) with an industry-recognized commodity clearing house that is used to hedge the applicant's bullion trading positions. NOTE: The applicant may be asked to provide a contact at the clearing house who can verify applicant's trading volume claims.

## B. Tangible Net Worth

Interested firms must submit certification from an independent certified public accounting firm recognized by the American Institute of Certified Public Accountants licensed by the jurisdiction in which the company is located to perform an independent audit and as a result of that audit to express an opinion on the financial statements of the company. The auditor will perform the audit in accordance with generally accepted auditing standards and will express an opinion on the financial statements presented by the company attesting that the applying firm possesses tangible net worth of at least \$25 million for the last three of its fiscal years.

This is necessary to ensure the applying firms have sufficient assets to cover their potential settlement obligations with the United States Mint and to protect the United States Mint and third parties from adverse market risk should companies that are insufficiently capitalized not be able to meet their settlement obligations with the United States Mint. In addition, requiring that our APS be highly capitalized ensures that they will be capable in both up and down markets to actively support a continuous two-way market in large volumes of gold bullion coins during both stable and volatile market conditions.

Tangible net worth is defined as the difference between total assets (less intangible assets such as goodwill, organization expenses, subscription lists, patents, licenses and similar items) and total liabilities.

Companies whose tangible net worth is less than \$25 million will be able to meet this criterion by submitting an irrevocable letter of credit in favor of the United States Mint. The letter of credit should be in an amount equal to the difference between its stated tangible net worth and \$25 million. If one of the applicant's year's is over \$20M but less than \$25M, but the applicant's three year annualized tangible net worth exceeds \$25M, then no LC will be required. If the three year annualized tangible net worth is less



than \$25M, then an LC will be required for short fall between \$20M and \$25M. This will protect the United States Mint against any adverse market risk it may incur should an AP fail to honor its settlement obligations and the United States Mint is forced to liquidate any long positions entered upon to hedge an AP's most recent coin purchase(s). However, the company's tangible net worth must be a minimum of \$20 million for the last three of its fiscal years. The letter of credit must be drawn on a bank insured by the Federal Deposit Insurance Corporation. The letter of credit will be used to secure all of the company's financial liabilities to the United States Mint incurred in connection with its purchases of United States Mint Bullion Coins. Title to all gold and or platinum bullion coins purchased by APS will remain with the United States Mint until coins are physically picked up by the AP after payment has been made for them.

### C. Audit by an Independent Certified Public Accounting Firm

Additionally, the auditor will express an opinion on the financial statements presented by the company that the applying firm has a policy of being substantially hedged in its precious metals transactions.

### D. Other

The United States Mint reserves the right to perform credit and other background and reference checks as appropriate to substantiate the creditworthiness and qualifications of any firm applying to become an AP of its gold, platinum or palladium bullion coins.

To protect the interests of the United States Mint and the integrity of the United States Government, the United States Mint reserves the right to refuse or to deny any firm from participation as an AP of its gold, platinum, and palladium bullion coins.

## VI. HOW TO APPLY

Interested firms should submit the required documentation to become an AP for United States Mint gold, platinum and palladium bullion coins to the following address:

United States Mint  
Numismatic and Bullion Directorate  
ATTN: Mr. Jason Laurie  
801 9th Street NW  
Washington, DC 20220 (20001, if sent by Federal Express)

NOTE: A business firm that is applying to qualify as an AP of gold bullion coins and also interested in becoming an AP of American Eagle Platinum, Palladium, and Silver Bullion Coins only needs to submit one documentation package. However, the firm should indicate its interest in being a purchaser of the platinum and silver bullion coins by having its accounting firm also include a statement attesting to its experience in the platinum and silver bullion coin markets as required by the United States Mint application criteria for those respective bullion products. All applicants who qualify to become United States Mint Gold Bullion Coin Authorized Purchasers will also be allowed to purchase United States Mint Platinum and Palladium Bullion Coins.

All documentation must be in English. Applying firms are requested to label "proprietary/confidential" on each page of the documentation submitted which contains proprietary and/or confidential information that should not be made available for public release. Upon receipt, all documents will become the property of the U.S. government and will not be returned.

Business firms with questions regarding the documentation required for qualifying as an AP of gold, platinum, and palladium bullion coins should contact Jason Laurie, Marketing Specialist, Precious Metals Branch, at:

Telephone: (202) 354-7570

E-Mail: Bullion\_Inquiries@usmint.treas.gov

## VII. APPROVAL/DISAPPROVAL

Each firm will be notified periodically in writing regarding its application status. Please note, because of the thorough review process required for these applications, it may take several weeks, on average, to render a decision.

Each approved firm will be assigned a customer number and sent the detailed ordering, payment and pickup procedures for the gold, platinum and palladium bullion coins. In addition, each AP will be required to return a signed agreement stating that it will, among other terms and conditions:

- Maintain an orderly, uninterrupted and liquid two-way market for the gold and or platinum or palladium bullion coins, including buying back and holding inventories in order to maintain stable premiums in unsettled markets.
- Maintain buy/sell premiums for the United States Mint gold and or platinum or palladium bullion coins with as narrow a spread between buy and sell prices as prudent business judgment/market conditions permits. These premiums are to be competitive with those charged for other bullion coins, considering prevailing market conditions
- May in the marketing, promotion or sale of United States Mint gold and or platinum or palladium bullion coins, refer to its firm as an "Authorized Purchaser of United States Mint gold and or platinum or palladium bullion coins," however:

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AP has a connection with the Department of the Treasury or the United States Mint beyond the relationship established by the agreement.

- Shall not use the official seal of the United States Department of Treasury or United States Mint in any manner or use any other United States Department of Treasury or United States Mint intellectual property or trade dress.
- Shall ensure that all advertising, packaging and promotional materials intended for use in connection with the marketing of said coins is accurate and in keeping with the dignity and character of the coins as issuances of the U.S. government. The United States Mint reserves the right to require APS to discontinue usage of any material that it determines does not meet this standard or is objectionable (e.g., print advertisements and/or Web advertisements that promote bullion coins which have not been manufactured and/or no issue date has been established, Web site reference that the firm is an "official U.S. Mint or licensed dealer" of gold/platinum/palladium bullion coins).
- Adhere to the purchase, payment and pick-up procedures for United States Mint gold/platinum/palladium bullion coins attached to the agreement.

The approved firms will also be required to agree that:

- Disputes concerning the purchase of coins under the agreement will be resolved by the United States District Court, District of Columbia, according to federal law, and that the jurisdiction and venue of that court is agreed to by the AP.
- Failure to adhere to the terms and conditions of the agreement may result in immediate unilateral termination of the firm as an AP of gold/platinum/palladium bullion coins. In addition, the United States Mint reserves the right to discontinue selling gold/platinum/palladium bullion coins to an AP if, in the judgment of the United States Mint, the best interests of the U. S. government and the gold/platinum/palladium bullion coin program so indicate.

## VIII. ANNUAL REVIEW OF AUTHORIZED PURCHASERS

The United States Mint will periodically, but at least once a year, review its list of APS of gold/platinum/palladium bullion coins to determine if any changes are required. As part of this review, the United States Mint will review AP bullion coin purchase history from the United States Mint. An AP's direct distributor status could be adversely affected by relatively infrequent purchases. The current APS will not be required to take any action, except to indicate their interest in continuing as APS of gold/platinum bullion coins when contacted by the United States Mint bullion coin representative.

## IX. RIGHT TO MODIFY PURCHASER CRITERIA

The United States Mint reserves the right to modify the qualifying criteria for APS of gold/platinum/palladium bullion coins as deemed necessary for the successful continuation of the gold/platinum/palladium bullion coin program. The criteria for the purchase of the gold/platinum/palladium bullion coins are not issued for the benefit of the public and do not create any right of action in any federal court or in any administrative body.

## X. RIGHT TO REFRAIN FROM APPLICATION REVIEW

The United States Mint reserves the right to temporarily refrain from the review of new AP applications during periods in which the allocation of any bullion product is required. Depending on the United States Mint's ability to meet full market demand, the moratorium on AP application reviews may continue for several months after all allocations have been lifted, but no more than one year after all allocations have been lifted.