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TEXAS® PRECIOUS METALS

Secure Depository

SOC 3
Relevant to Security

AICPA SOC
aicpa.org/soc4so
SOC for Service Organizations™

MAY 15, 2025 TO JANUARY 31, 2026

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I. Independent Service Auditor's Report

Texas Precious Metals, LLC
959 N US Highway 95 E
Shiner, TX 77984

To the Management of Texas Precious Metals, LLC:

Scope

We have examined Texas Precious Metals, LLC's accompanying assertion in Section II titled "Texas Precious Metals, LLC's Assertion" (assertion) that the controls within Texas Precious Metals, LLC's Secure Depository (system) were effective throughout the period May 15, 2025 to January 31, 2026, to provide reasonable assurance that Texas Precious Metals, LLC's service commitments and system requirements were achieved based on the trust services criteria relevant to security (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (With Revised Points of Focus – 2022)*, in AICPA *Trust Services Criteria*.

Service Organization's Responsibilities

Texas Precious Metals, LLC is responsible for its service commitments and system requirements and for designing, implementing, and operating effective controls within the system to provide reasonable assurance that Texas Precious Metals, LLC's service commitments and system requirements were achieved. Texas Precious Metals, LLC has also provided the accompanying assertion about the effectiveness of controls within the system. When preparing its assertion, Texas Precious Metals, LLC is responsible for selecting, and identifying in its assertion, the applicable trust services criteria and for having a reasonable basis for its assertion by performing an assessment of the effectiveness of the controls within the system.

Service Auditor's Responsibilities

Our responsibility is to express an opinion, based on our examination, on management's assertion that controls within the system were effective throughout the period to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria. Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination included:

- Obtaining an understanding of the system and the service organization's service commitments and system requirements
- Assessing the risks that controls were not effective to achieve Texas Precious Metals, LLC's service commitments and system requirements based on the applicable trust services criteria
- Performing procedures to obtain evidence about whether controls within the system were effective to achieve Texas Precious Metals, LLC's service commitments and system requirements based on the applicable trust services criteria

Our examination also included performing such other procedures as we considered necessary in the circumstances.

Inherent Limitations

There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls.

Because of their nature, controls may not always operate effectively to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria. Also, the projection to the future of any conclusions about the effectiveness of controls is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, management's assertion that the controls within Texas Precious Metals, LLC's Secure Depository were effective throughout the period May 15, 2025 to January 31, 2026, to provide reasonable assurance that Texas Precious Metals, LLC's service commitments and system requirements were achieved based on the applicable trust services criteria is fairly stated, in all material respects.

Baker Tilly US, LLP

Houston, Texas
May 20, 2026

II. Texas Precious Metals, LLC's Assertion

We are responsible for designing, implementing, operating, and maintaining effective controls within Texas Precious Metals, LLC's Secure Depository (system) throughout the period May 15, 2025 to January 31, 2026, to provide reasonable assurance that Texas Precious Metals, LLC's service commitments and system requirements were achieved based on the trust services criteria relevant to security (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (With Revised Points of Focus – 2022)*, in AICPA *Trust Services Criteria*. Our description of the boundaries of the system is presented in Attachment A and identifies the aspects of the system covered by our assertion.

We have performed an evaluation of the effectiveness of the controls within the system throughout the period May 15, 2025 to January 31, 2026, to provide reasonable assurance that Texas Precious Metals, LLC's service commitments and system requirements were achieved based on the trust services criteria. Texas Precious Metals, LLC's objectives for the system in applying the applicable trust services criteria are embodied in its service commitments and system requirements relevant to the applicable trust services criteria. The principal service commitments and system requirements related to the applicable trust services criteria are presented in Attachment B.

There are inherent limitations in any system of internal control, including the possibility of human error and the circumvention of controls. Because of these inherent limitations, a service organization may achieve reasonable, but not absolute, assurance that its service commitments and system requirements are achieved.

We assert that the controls within the system were effective throughout the period May 15, 2025 to January 31, 2026, to provide reasonable assurance that Texas Precious Metals, LLC's service commitments and system requirements were achieved based on the applicable trust services criteria.

Attachment A - Texas Precious Metals, LLC's Description of the Boundaries of Its Secure Depository

A. System Overview

1. Services Provided

Texas Precious Metals, LLC (Texas Precious Metals) is a prominent gold and silver bullion dealer headquartered in Shiner, Texas. Established in 2010, the company caters to first-time and professional investors in precious metals. Texas Precious Metals offers a wide range of products, including gold and silver coins, bars, and rounds. The company is known for its low premiums, free shipping, and exceptional customer service, making it a preferred choice for investors.

In addition to its retail operations, Texas Precious Metals operates the Texas Precious Metals Depository (TPMD), a private, secure storage facility for gold, silver, platinum, and palladium bullion. This facility ensures that customers' investments are safely stored and easily accessible.

Serving as the scope of this SOC 2 examination, Texas Precious Metals offers depository services to securely store metal for direct and institutional clients. The depository is supported by 24/7 surveillance, onsite security guards during business hours, biometric access controls, and an advanced monitoring system.

2. Infrastructure

The scope of this SOC 2 Type 2 examination covers Texas Precious Metals depository facility located at 50 County Road 356, Shiner, Texas 77984. Texas Precious Metals deploys, maintains, and monitors redundant hardware and infrastructure environments within the depository facility to minimize and eliminate single points of failure within the infrastructure supporting environment collocated in the Texas Precious Metals depository.

The depository is designed to meet or exceed typical geographic threats for its location including exceeding seismic zone 3 building requirements to withstand earthquakes and engineered design to withstand EF3 tornadoes.

The depository is supported with fuel generator backup power protection, uninterruptible power supply (UPS) battery backup, fire suppression, video monitoring, cardkey/biometric-controlled access, mantrap with biometrics access, redundant points of entry, and three-way redundant access to Texas Precious Metals internet backbone.

The depository also has an on-site, 24x7x365 video surveillance system and physical security of the depository during working hours. The security personnel monitor alerts the monitoring systems on a real-time basis. The Information Technology (IT) department personnel monitor the health of the environmental systems. In the event of an issue, data center personnel open a ticket, troubleshooting and/or notifying the affected department and/or vendor through a predetermined set of contacts. The tickets are tracked through completion.

Access to the secure depository is controlled using key cards and biometrics. The facility is designed to be carrier grade and meets or exceeds industry standards.

3. Software

Within the depository environment, Texas Precious Metals deploys various software to operate and monitor the depositories security systems. The depository utilizes Geovision to monitor the depository as well as track badge access. The Jira ticketing system is used as the ticketing system to track alerts through to resolution. Microsoft Enterprise 365 is used for access management. Environmental and physical access within the depository is monitored by dedicated control systems and monitored by Facilities personnel.

4. People

Texas Precious Metals functional area organizational structure was adopted in late 2010, wherein the President has responsibility for key functions that extend across all the company's customer types. Texas Precious Metals is led by the President who has a leadership team of direct reports comprised of the Director of Technology, the Director of Finance, the Vice President (VP) of Trading, and the VP of Operations. This leadership team has the ultimate responsibility for the design, development, implementation, operation, maintenance, and monitoring of the system.

ORGANIZATIONAL STRUCTURE

Employees have access to an organizational chart through Texas Precious Metals central file system. Texas Precious Metals offers hands-on coaching and training to employees, as well as ongoing training opportunities to its managers and leaders.

To help Texas Precious Metals empower its employees and ensure a positive culture, an internal knowledgebase exists that contains policies, the Texas Precious Metals Employee Handbook, and other helpful resources that ensure employees are kept abreast of changes to policies and procedures. Employees are informed of material changes to policies and procedures via internal emails.

As part of management's vision to empower employees, and to deliver class leading service through its depository, a VP of Operations position was created. The VP of Operations and the Depository team oversee all aspects of ongoing depository and building operations including facility infrastructure testing, preventative maintenance, service delivery, quality assurance, and adherence to corporate standards and processes.

JOB DESCRIPTIONS

Texas Precious Metals has an organizational chart that defines the departments and hierarchical reporting structure, including data center operations. Human Resources (HR) maintains employee job descriptions. Job descriptions are reviewed and updated as needed to ensure continued compliance with Texas Precious Metals requirements. Job-specific personnel goals are documented for each employee and reviewed by personnel and managers annually.

ACCESS AUTHORIZATION

During the onboarding process, Texas Precious Metals employees are informed of the guidelines, policies, and security rules that all Texas Precious Metals employees adhere to. Security Policies are provided during onboarding of new hires, including new employees and contractors. Access to business tools, functions, and Texas Precious Metals facilities are developed on departmental levels aligned with the specific responsibilities specific to each organizational role, requiring specific approval from managers and/or directors. Texas Precious Metals employees and contractors execute non-disclosure agreements as part of the onboarding process. Access in general is role-based and aligned to skills, training, knowledge, and need.

Upon hiring, the hiring manager completes a New Hire Checklist that, among other things, outlines security access required for the role and corresponding duties assigned. IT Operations provisions appropriate user accounts, assigns temporary passwords, and sets a requirement for immediate password change upon first sign-in. The individual team member's manager is responsible for keeping IT Operations aware of changes to access needs needed, which are tracked in the same employee New Hire Checklist and used upon role change or de-provisioning of the individual.

5. Data

Data controls including security are of the utmost importance to Texas Precious Metals. Texas Precious Metals employees are required to review and acknowledge the Security Policy annually.

Texas Precious Metals does not share customer information with unauthorized internal and external customer personnel. In addition, Texas Precious Metals customer information is not visible or accessible by any other Texas Precious Metals tenant or user.

Texas Precious Metals follows the Data Disposal Policy.

6. Processes and Procedures

GOVERNANCE

Texas Precious Metals processes emphasize manageability, security, availability, access, and uptime across all business functions. Internal policies and documents, including the Texas Precious Metals Employee Handbook, organizational charts, Information Security Policy, and others are readily available on the employee intranet and employees are informed of any significant changes to policies via company-wide email/notification.

Texas Precious Metals depository operations business process and procedures include:

- Physical and logical access control
- Visitor management process
- Employee onboarding/offboarding
- Library of policies and procedures available related to depository security and availability
- Standard operating procedures and checklists
- Change management processes
- IT security and availability policies

- Incident management policies
- Employee handbook policies
- Code of conduct
- Confidentiality agreements
- Hiring and termination policies

INCIDENT RESPONSE PROCESS

Texas Precious Metals has established procedures for incident response and employees are trained in appropriate reporting and handling of incidents. All personnel are all trained in appropriate handling of incidents, including raising tickets for the appropriate departments to contain and resolve the underlying issue.

Texas Precious Metals also has a Business Continuity Plan in place to ensure immediate resource engagement and problem resolution. The Business Continuity Plan is reviewed annually and updated to reflect changes in personnel, responsibilities, and procedures, as needed. The Business Continuity Plan is tested annually to ensure personnel are familiar with the procedures. Texas Precious Metals standard service level agreements (SLAs) for time to restore services is found within its IT policies and systems are monitored to ensure compliance with defined SLAs.

HIRING

Texas Precious Metals conducts interviews and background checks for all new employees prior to employment. Interviews are done with one or more members of the hiring team for prospective new hires, employment verification from the previous employer is conducted. A background check and a drug test are conducted after an offer letter has been signed, and completion of both tests is required prior to the employee start date.

SECURITY TRAINING

Security awareness training is provided to all Texas Precious Metals employees. The training covers multiple topical subjects including: physical security, access controls, and cybersecurity. Mandatory security training occurs upon hiring and is repeated annually.

TERMINATIONS

HR, Facilities, and IT have policies and close collaboration to ensure that user provisioning and deprovisioning occur in a timely manner. If employee or tenant termination is required, the request is treated urgently, and access is removed for all systems and facilities as outlined in a Termination Checklist.

Attachment B – Principal Service Commitments and System Requirements

Texas Precious Metals designs its processes and procedures related to its Secure Depository System to meet its objectives based on the service commitments that Texas Precious Metals makes to customers, the laws and regulations that govern the provision of colocation services, and the financial, operational, and compliance requirements that Texas Precious Metals has established for the services.

Texas Precious Metals establishes operational requirements that support the achievement of security commitments, relevant laws and regulations, and other system requirements. Such requirements are communicated in Texas Precious Metals' system policies and procedures, system design documentation, and contracts with customers. Information security policies define an organization-wide approach to how systems and data are protected. These include policies around how the service is designed and developed, how the system is operated, how the internal business systems and networks are managed, and how employees are hired and trained. Policies centered around logical and physical access to protected information are designed to limit access based on roles and permissions so that the principle of least access is consistently applied across the environment. In addition to these policies, standard operating procedures have been documented on how to carry out specific manual and automated processes required in the management and operation of the data center.