

Doctrine note #2

“Advertising for gold buying companies”

Preamble

This note aims at listing the rules professionals decided to implement (advertisers, advertising agencies, media and professional organizations). They concern all advertising made by gold purchasing companies and targeting the consumer who will be considered as the seller during the commercial transaction. The following rules fully integrate the social responsibility of the advertiser.

First of all, we would like to remind to all that gold purchasing activities are strictly supervised by French law.

Indeed, the French taxation Code sets that an activity declaration must be addressed to the administration and a police book must be held in order for control authorities to check the traceability of the items and limit concealment risks.

The Financial and Monetary Code notably sets that client’s identity must be verified when there isn’t a physical representation and a declaration must be done at the Tracfin, the service fighting against illegal financial services, in order to point out atypical operations.

Finally, all transactions must be declared by the seller to the fiscal administration and will trigger the payment of a tax.

Moreover, in the case of distance selling, the advertiser must inform the consumer, by any means, on the maximum worth that is insured for the postage.

1- Scope

The present note concerns all advertising related to gold purchasing activities, no matter the form or media used.

2- Precautions to take concerning advertising

Professionals are committed to responsible communications on this subject. Advertising must reconcile freedom of communication and consumer protection, notably vulnerable or uninformed consumers.

Other than legal texts applicable to this activity and ARPP’s Codes, notably the Price Advertising Code and the Note and Overlays Code, professionals commit to respecting the following rules:

2-1 Transparency and advertiser identification

The advertiser publishing the advert must be clearly identified or identifiable. The identification must be perfectly readable/audible and easy to access for the consumer.

The consumer must be able to identify directly the advertiser in the advert and must be able to check his identity thanks to the legal notes.

The advertising must indicate, by all means, that the transaction triggers the payment of a tax by the seller (receipt, information...).

2-2 Advertising clarity, loyalty and truthfulness

Any reference to a competitive positioning, a claim or a testimony must be established on objective, truthful, verifiable and proportionate elements. They must not be presented in a misleading way.

The content of the advert and the promises must be truthful and compliant with loyalty principles.

2-3 Social responsibility and minor protection

Advertising in favor of purchasing gold activities must not, in any way, let the consumer think a payment in cash is possible. Therefore, all visual presentation of cash must be corrected by information pointing out that payment in cash isn't authorized.

Advertising in favor of purchasing gold activities must not, in any way, target minors, since they are legally incapable of subscribing to such a service. Perfectly readable/audible information highlighting that purchasing gold activities is forbidden for minors must be present in all advertising.