

GOLD CUSTODY AND SECURITY AGREEMENT

THIS Gold Custody and Security Agreement (“**Agreement**”) is made and entered on the date (“**Execution Date**”) by and among:

Milli Gold India Private Limited, a company incorporated under the provisions of the Indian Companies Act, 2013 and having its registered office at 321A 11th Street Kuberan Nagar Extension, Madipakkam Chennai 600091 (hereinafter referred to as “**Company**” or “**MG**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) of the **ONE PART**;

AND

Party A whose name, address, authorized representative and contact details are detailed in **Schedule 1** (hereinafter referred to as “**Client**”), which expression shall, unless repugnant to the meaning and context hereof shall be deemed to mean and include the successors in title and permitted assigns) of OTHER PART.

MG and the Client shall hereinafter be collectively referred to as the “**Parties**” and individually as “**Party**” as the context may require.

WHEREAS:

- A. MG is in the business of providing escrow services, bullion buying & selling, internet and software enabled online services etc. and provides various services including securing Gold as security for any transaction executed by the Client with its Customers or any other Person.
- B. The Client has approached MG to engage its Services (as more fully described in **Schedule A**) and MG has agreed to provide the said Services on the terms and conditions contained herein.
- C. The Parties are now documenting the various terms and conditions governing their relationship in this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

- 1.1. In this Agreement, the following terms, to the extent not inconsistent with the context thereof, shall have the meanings assigned to them herein below:
 - (a) “**Applicable Law**” means all laws, statutes, ordinances, regulations, guidelines, policies and other pronouncements by any State, governmental authority, including Reserve Bank of India (“RBI”) or arbitrator having the force of law in India.

- (b) **“Authorised Representatives”** shall mean such persons authorized by the Client to sign the Escrow Agreement’s and whose details are provided in Schedule D
- (c) **“Business Day”** means a day on which the MG is open for normal banking business in Chennai during normal banking hours (excluding Saturdays, Sundays and public holidays), and **“Business Days”** shall be construed accordingly. Where any act is required to be performed on a particular day pursuant to this Agreement and such day is not a Business Day, such act shall be performed on the next following Business Day.
- (d) **“Confidential Information”** shall have the meaning as ascribed to in Clause 7.1.
- (e) **“Escrow Agreement”** shall mean the agreement executed between MG, the Client or any of the Authorised Representatives of the Client and a third party (generally being the customer/client of the Client or any person who the Client has a business relationship), wherein the provisions relating to invoking of security by the third party in pursuance to the agreement/understanding between the Client and the third party, and the release of gold to the said third party on the terms and conditions contained therein are provided amongst others.
- (f) **“Execution Date”** shall mean the date on which the last of the Parties have executed this Agreement.
- (g) **“Services”** shall mean the services provided by MG as listed in **Schedule A**.
- (h) **“Gold”** shall mean the physical gold deposited by the Client with MG for the purposes of this Agreement, the details of which are provided in **Schedule B**.
- (i) The terms not defined herein shall have the meaning as set forth in the Escrow Agreement.

1.2. In this Agreement, unless the contrary intention appears:

- (a) any reference to a statutory provision, rule, ordinance or other law shall include any amendment or replacement thereof;
- (b) any document expressed to be “in the agreed form” means a document in a form which has been agreed by the Parties on or before the execution of this Agreement and signed or initialed by or on behalf of the Parties, for the purposes of identification;
- (c) references to Schedules, Clauses and Annexures are, unless otherwise stated, to clauses of and the schedules and annexures to this Agreement;
- (d) words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include bodies, corporate or unincorporated;
- (e) the headings to the Schedules, Clauses and the Annexures are for convenience only and shall not affect the construction or interpretation of this Agreement;

- (f) the terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words refer to this entire Agreement or specified clauses of this Agreement, as the case may be;
- (g) reference to the word “include” shall be construed without limitation;
- (h) any word or phrase defined in the body of this Agreement shall have the meaning assigned to it in such definition throughout this Agreement, unless the contrary is expressly stated or the contrary clearly appears from the context.

2. ENGAGEMENT AND SCOPE OF SERVICES

- 2.1. The Client hereby engages and appoints MG to provide the Services as contemplated under this Agreement and MG has agreed to provide the said Services on the terms and condition as contained in this Agreement.
- 2.2. MG hereby agrees to provide the Services (as described in **Schedule A**) that shall be strictly governed by the terms and conditions of this Agreement and the Applicable Laws.

3. DEPOSIT OF GOLD

- 3.1. Subject to the terms and conditions contained herein and relying on the representations and warranties provided by the Client to MG, MG has agreed to take the custody of the Gold and to provide the Services as contemplated herein on the terms and conditions contained herein.
- 3.2. The details of the Gold deposited by the Client with MG, to enable MG to provide the Services is provided in **Schedule B**.
- 3.3. If, at any time during the subsistence of this Agreement, MG is of the opinion that the Gold provided is inadequate to cover the Services to be provided by MG, then, on MG advising the Client to that effect, the Client shall procure, provide and furnish to MG, to the satisfaction of MG such additional Gold as may be acceptable to MG to cover such deficiency.

4. CONSIDERATION

- 4.1. The charges for the Services provided by MG under this Agreement shall be as per **Schedule C**. All payments by the Client to MG pursuant to this Agreement are due and payable within thirty (30) calendar days after the receipt of invoice by the Client.
- 4.2. Any invoices not paid within 30 days of receipt thereof shall be liable to a delay interest rate of 18% per annum. The Client further agrees that on non-payment of the fees contemplated herein to MG, MG shall have a right notwithstanding anything contained herein, to sell the Gold and satisfy the pending payments from Client.
- 4.3. The payment to be made by the Client to MG shall be subject to deduction of tax as per Applicable Laws.
- 4.4. It is hereby clarified that each Party shall be responsible for complying with the respective tax liabilities and other statutes as applicable to it.

5. RELEASE OF GOLD

- 5.1 The Parties agree that the Gold held as security would be dealt with in terms of the Escrow Agreement and MG shall transfer the Gold in the proportion as mentioned in the Escrow Agreement pursuant to the security invocation release notice.
- 5.2 The Client shall deliver to MG a list of additional authorised signatories who are the Authorised Representatives, in the form set forth in **Schedule D** to this Agreement, with respect to execution of an Escrow Agreement and other actions to be carried out pursuant thereto. MG shall be entitled to rely on such list with respect to the Client until a new list is furnished by the Client and acknowledged by MG. Furthermore, in the event Escrow Agreements are signed by one of the Authorised Signatories on behalf of the Client, or if Gold transfer instructions are given, whether in writing, by facsimile, or through digital mode including Aadhar verification, Email OTP, Mobile OTP or otherwise, MG is authorised to seek confirmation of such instructions by telephone call-back to the person or persons designated on **Schedule D** attached to this Agreement, and MG may rely upon the confirmations or even electronic instructions of anyone purporting to be the person or persons so designated. The details of the persons designated may be changed only by prior notice in writing actually received and acknowledged by MG.

6. REPRESENTATIONS AND WARRANTIES

- 6.1. Each of Parties represents and warrants to the each other that:
- (a) it has the power and authority to execute this Agreement and all other documents pursuant hereto and to perform its obligations hereunder or thereunder and the execution and delivery of this Agreement will not result in breach of any terms and conditions of its constitutional documents, or constitute default under or violation of Applicable Laws or other obligations to which it is bound or any order, judgment or decree of any judicial, quasi-judicial or government body;
 - (b) its obligations under this Agreement and all other documents pursuant hereto constitute legal, valid and binding obligations enforceable in accordance with the terms of this Agreement and the other documents executed pursuant hereto;
 - (c) If at any time after the date hereof, performance by MG of any of its obligations or duties as set out in this Agreement, would be in violation of Applicable Laws that MG was required to comply with at that time, on account of any such regulatory approvals or permissions not having been obtained, then the Client hereto agree to use reasonable endeavors to co-operate with MG in the taking of such steps and actions as may be necessary to enable performance of the Services by MG without being in violation of the Applicable Laws and in the meantime MG shall not be required to perform the relevant obligations or duties hereunder;
 - (d) It is not aware of any legal, quasi-legal, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions, governmental investigations, orders, judgments or decrees of any nature made, existing, threatened, anticipated or pending by or against it which may prejudicially affect the due performance or enforceability of this Agreement and

all other documents pursuant hereto or any obligation, act, omission or transaction contemplated hereunder or thereunder.

6.2. The Client represents and warrants to MG as follows:

- (a) That they are the lawful owner of the Gold and that they have a good and marketable title to the Gold.
- (b) That the Gold is free from any and all liens, security interests, encumbrances, or other claims of ownership or interest and that there are no outstanding agreements, judgements that could prevent or interfere with the transfer of ownership of the Gold or to carry out its obligations hereunder or to provide the Gold as security.
- (c) That the gold is in good condition, free from defects, damage or material issues that could affect its value or marketability, and that it meets the following specifications and standards described below:
 - i. The Gold has the minimum purity level and the weight as described in Schedule B.
 - ii. The Gold is lawfully mined and extracted and is not illegally smuggled.
 - iii. The Gold is genuine and authentic, and has not been treated, altered, or tampered with in any way that would affect its purity, weight or authenticity.
- (d) That they have obtained all necessary licenses, permits or approvals to provide the Gold for the intent as contemplated herein.
- (e) All information provided to the MG is accurate, complete and not misleading.
- (f) That MG will shall not be responsible or liable under this Agreement for any event beyond the reasonable control of such party, including any act of God, fire, earthquake, natural disaster, accident, act of government, or any other act or circumstance that is beyond the reasonable control MG.
- (g) That the Gold can be melted and split into further small portions as may be required to provide the Services contained herein and the Client acknowledges that any loss due to such process is inherent and MG shall not be responsible for the same.
- (h) The list of Authorized Personnel provided are binding on the Client and MG can take any action based on the instructions of the Authorized Personnel.
- (i) The execution of the Escrow Agreement by the Authorized Personnel shall be binding on the Client.

7. CONFIDENTIALITY

- 7.1. All confidential information including details, documents, data, applications, software, systems, papers, statements and business/customer information, business, marketing and financial information and data of company, customer lists, proprietary data and databases, all trade secrets, know how licenses, know how formulae and processes and all other intellectual property whether or not marked confidential shall be considered as "**Confidential Information**". Each Party agrees to treat the Confidential Information of the other Party confidential and irrevocably agrees and undertakes that it shall use the same care and discretion, but not less than reasonable care, to avoid disclosure, publication or dissemination of confidential information as it uses with its own similar information that it does not wish to disclose, publish or disseminate.

- 7.2. The Confidential Information may only be used to perform the obligations under this Agreement.
- 7.3. Either Party may disclose the other Party's Confidential Information only to:
- a. Their respective personnel's on a 'need to know' basis and solely for purposes of providing the Services under this Agreement;
 - b. the extent required by any regulatory authority or under any Applicable Law, however, the disclosing party shall give the other Party notice of such disclosure and assist in any efforts it may undertake to obtain a protective order; and
 - c. with prior written consent of the other Party.
- 7.4. The provisions of the aforesaid clauses shall survive the termination and expiry of this Agreement.

8. INDEMNITY

- 8.1. The Client hereby agrees to indemnify and keep indemnified and hold harmless MG its officers, directors and employees harmless from and against any and all claims, losses, damages, judgements, liabilities, costs and expenses (including legal expenses and reasonable attorneys' fees) arising out of or connected with any claim, demand or action which is inconsistent with any warranty, representation, agreement, breach of trust undertaking or covenant made by the Client, including, but not limited to, any claim by any third party in connection with the foregoing or breach of this Agreement.
- 8.2. The Client hereby agrees to indemnify and keep indemnified and hold harmless MG its officers, directors and employees harmless from and against any and all claims, losses, damages, judgements, liabilities, costs and expenses (including legal expenses and reasonable attorneys' fees) arising out of or connected with any claim, demand or action by virtue of any action taken by the Authorized Representative.

9. GOVERNING LAW; SETTLEMENT OF DISPUTES

- 9.1. The provisions of this Agreement shall be governed by and construed and enforced in accordance with the laws of India.
- 9.2. Subject to the dispute resolution mechanism set forth in Clause 9.3 below, any dispute, controversy or claim between the Parties related to this Agreement shall be resolved by the Courts of Chennai, India.
- 9.3. If any difference or dispute arises between the Parties hereto during the subsistence of this Agreement or thereafter, in connection with the validity, interpretation, implementation or alleged breach of any provision of this Agreement, such dispute shall be referred to a sole arbitrator jointly appointed by the Parties. The arbitration proceedings shall be conducted in accordance with the Indian Arbitration Act, 1996.
- 9.4. The place of arbitration shall be Chennai.
- 9.5. The proceedings of arbitration shall be conducted in the English language.

- 9.6. The arbitrator's award shall be substantiated in writing.
- 9.7. The Parties hereto shall submit to the arbitrator's award, and the awards relating to any disputes hereunder shall be final and binding upon the Parties hereto as from the date they are made, and shall be enforceable in any competent court of law.
- 9.8. The provisions of this Clause 9 shall survive termination of this Agreement.

10. **ASSIGNMENT**

Except as otherwise expressly provided in this Agreement, the Client shall not assign, encumber, dispose of or otherwise transfer its rights under this Agreement or purport to transfer any burden imposed on it under this Agreement without the prior written consent of MG. MG shall have the right to assign, encumber, dispose of or otherwise transfer its rights under this Agreement.

11. **SEVERABILITY**

If one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect under applicable law, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement, and the remaining provisions of this Agreement shall be given full force and effect.

12. **TERM, TERMINATION AND CONSEQUENCES OF TERMINATION**

12.1. **Term**

The term of this Agreement shall be (a) for a period of 5 (Five) years or (b) shall be co extensive with the last of the Escrow Agreement executed between the Parties, whichever is later.

12.2. **Termination without cause**

Before the expiry of the Term of this Agreement, MG may terminate this Agreement at any time, by way of a written notice of 1 (one) month (such notice "**Termination Notice**" and such period "**Termination Notice Period**") to the Client.

12.3. **Termination for Cause**

MG may terminate this Agreement, on the occurrence of any one or more of the following events after giving 1 (one) month's notice in writing to the Client:

- (i) In the event the Client commits a material breach of any of the terms and conditions contained herein, and where the breach is capable of remedy, fails to cure such breach within a period of 30 (thirty) days;
- (ii) If the Client discontinues or ceases to carry on its business;
- (iii) If a petition for insolvency is filed against the Client and such petition is not dismissed within 90 (ninety) days after filing;

- (iv) The representations and warranties made by the Client are untrue; and/or
- (v) Any consent, authorisation, approval or license of or registration with or declaration to governmental or public bodies or authorities required to authorize or required by the Client in undertaking its business is not granted or revoked or terminated or expires and is not renewed or otherwise ceases to be in full force and effect.

12.4. **Consequences of Termination**

- (a) Upon expiration or termination of this Agreement for any reason (a) the balance Gold shall be handed over to the Client on execution of a undertaking acceptable by MG and only when all the Escrow Agreements have completed its term as per the said agreement and (b) all materials, including without limitation, confidential information, provided by either party hereunder will be returned to the other Party.
- (b) Each Party's termination rights set forth in this Agreement are cumulative and are in addition to all other rights and remedies available to the Parties under this Agreement, in law or otherwise.
- (c) Termination of this Agreement shall not however affect any liabilities incurred by the Parties prior to such termination.
- (d) Termination of this Agreement (howsoever occasioned) shall not affect any accrued rights or liabilities of either Party nor shall it affect the coming in to force or the continuance in force of any position hereof which is expressly or implication intended to come into or continue in force on or after such termination. For the avoidance of doubt, clauses, which by their nature ought or intend to survive the termination of this Agreement, shall continue to so survive/ operate following termination of this Agreement.

13. **MISCELLANEOUS**

- 13.1. This Agreement and any document to be provided under this Agreement may be executed in three (3) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument.
- 13.2. The terms and provisions of this Agreement, constitute the entire agreement among the Parties.
- 13.3. This Agreement or any provisions of this Agreement may be amended, modified, waived or terminated only by written agreement duly signed by all the Parties.
- 13.4. This Agreement is for the sole and exclusive benefit of the Parties, and nothing in this Agreement, express or implied, is intended to confer or shall be construed as conferring upon any other person any rights, remedies or any other type or types of benefits.
- 13.5. The rights and remedies conferred upon the Parties shall be cumulative, and the exercise or waiver of any such right or remedy shall not preclude or inhibit the exercise of any additional rights or remedies. The waiver of any right or remedy under this Agreement shall not preclude the subsequent exercise of such right or remedy.

13.6. No printed or other material in any language, including prospectuses, notices, reports, and promotional material which mentions any of the Parties names or any of its respective affiliates by name or details of this transaction or the rights, powers, or duties of the Escrow Agent under this Agreement shall be issued by any other parties hereto, or on such party's behalf, without the prior written consent of the other parties.

13.7. **Electronic mode of communication:** The Parties agree that the Escrow Agent would be entitled to rely on electronic mode of communications and also have the right to authenticate transactions digitally through Aadhar OTP, Email OTP, Mobile OTP or other such applicable modes.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT IN THE PRESENCE OF WITNESSES ON THE DAY, MONTH AND YEAR FIRST ABOVE MENTIONED.

Signed by
Client

Signed by
MG

Name:

Name:

Designation:

Designation:

SCHEDULE 1

Execution Date	
Party A Name & Address	
Party A Mobile No, Aadhaar No, Email ID	
Party A Signature	

SCHEDULE A

DESCRIPTION OF SERVICES

- Escrow services for the transactions executed by the Client or its Authorised Representatives with their customers/clients/business partners on mutually agreed terms and conditions including execution of an Escrow Agreement.
- Storage of the Gold Deposited in a Warehouse Locker
- Insurance for the Gold Deposited
- Melting and Refining of the Gold partially or fully, and making of coins and bars as and when necessary, in order to full-fill the terms and conditions of various Escrow Services.
- Buying and Selling of Gold on the request of parties to the Escrow Agreement.
- Provide an Online Software Platform for the Execution and Management of the Escrow Agreements and to maintain digital transaction history of all such parties and transactions.

SCHEDULE B

DETAILS/DESCRIPTION OF GOLD

SI No	Description	Unique ID given	Assessed Purity % (Min and Max)	Assessed Weight of Gold (Min and Max)	Equivalent 999 Gold Grams

SCHEDULE C

CONSIDERATION/CHARGES

Purity Assessment & Handling Charges : One time charges at the time of depositing the Gold – 1% of market value on the date of deposit.

Storage Charges : Rs 36 per gram per year

Insurance Charges : As a % of Market Value per year at actuals.

Melting & Purity loss, defined as the difference between assessed karat / purity and grams before melting and actual karat / purity & grams after melting and refining - will be calculated in 999 Gold Equivalent and the same will be charged to the depositor @ Market price as quoted in MCX Exchange

Melting cost, defined as the actual expenses incurred to melt the Gold and refine it to the required specifications for selling at MCX exchange, will be charged to the depositor at actuals.

For all the above Charges GST Extra as applicable at the time of billing

SCHEDULE D

LIST OF ADDITIONAL AUTHORISED SIGNATORIES (OPTIONAL) WHO CAN SIGN ESCROW AGREEMENTS

Name, address and relevant details	Relationship with Client	Mobile No	Email ID	Aadhaar No
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