

ESCROW AGREEMENT

THIS **ESCROW AGREEMENT** (“**Agreement**”) is made and entered on the date and among the Parties mentioned in **Schedule A** hereunder who are referred to as Party A, Party B and Escrow Agent.

Party A, Party B and the Escrow Agent shall hereinafter be collectively referred to as “**the Parties**” and individually as “**Party**” as the context may require.

WHEREAS:

1. Party A and Party B have executed an agreement or arrangement (“**Transaction Arrangement**”) for transactions as detailed in Schedule A;
2. Pursuant to the Transaction Arrangement, the Parties have, *inter alia*, agreed that an Escrow Agent shall be appointed for the purpose of depositing the Gold as security in terms of Transaction Arrangement;
3. In terms thereof the Parties have agreed to appoint [the Escrow Agent on the terms and conditions contained hereinafter.

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) “**Business Day**” means a day on which the Escrow Agent 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;
 - (c) “**Escrow Period**” shall mean a period not exceeding the time period specified in Schedule A from the Execution Date, during which the Gold will be held by the Escrow Agent.
 - (d) “**Execution Date**” shall mean the date on which the last of the Parties have executed this Agreement.
 - (e) “**Gold**” shall mean the physical gold deposited by the Gold Owner pursuant to a Custody Agreement executed between the Escrow Agent and Gold Owner. The details of the gold

deposited are provided to the extent relevant for the purposes of this Agreement is provided in **Schedule B**;

- (f) **"Gold Owner"** shall mean the person who is the legal and beneficial owner of the Gold and has deposited the same with the Escrow Agent pursuant to the Gold Custody Agreement;
- (g) **"Prescribed Limit"** shall mean the maximum of Gold Quantity grams as detailed in Schedule A, that can be released pursuant to the Security Invocation Release Notice.
- (h) **"Transaction Arrangement"** shall mean the arrangement between Party A and Party B as more fully described in Schedule A.
- (i) In the event of a conflict between the terms of the Transaction Arrangement and this Agreement, this Agreement shall govern in respect of matters stipulated herein.

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. Appointment of Escrow Agent

- 2.1 Party A and Party B hereby appoint the Escrow Agent as an escrow agent for the purposes of holding the Gold as security for the purposes as contemplated under the Transaction Arrangement and on default as provided in the Transaction Arrangement to release the said Gold to the extent requested by the Party B in the manner provided in, and in accordance with the terms and conditions of, this Agreement.
- 2.2 The Escrow Agent agrees to be appointed as an escrow agent, and to perform the obligations, duties and functions, and to provide the services and arrangements to be performed and provided by the Escrow Agent, in the manner provided in, and in accordance with the terms

and conditions of, this Agreement.

- 2.3 In consideration of the Escrow Agent agreeing to render its services as provided in this Agreement, simultaneously with the execution of this Agreement, Party A and Party B shall pay to the Escrow Agent the fee plus taxes (the '**Escrow Charges**') as detailed in Schedule A. In the event of any out of pocket expenses to be incurred by the Escrow Agent, Party A agrees to pay the said expenses to the Escrow Agent.
- 2.4 The Escrow Agent acknowledges the sufficiency of this consideration to fulfill its obligations contained in this Agreement.
- 2.5 Notwithstanding anything to the contrary, Parties agree that Agreement shall be valid until the Escrow Period, unless the Parties agree to mutually extend the term of this Agreement. Further, Escrow Agent shall not be liable for any consequences after the expiry of the Agreement under the present clause whether the underlying transaction for which the Gold is held as security has been completed or not.

3. Deposit of Gold

- 3.1. Party A confirms and the Escrow Agent acknowledges that the Gold of Quantity greater than or equal to the Prescribed Limit of this agreement, have been deposited by the Gold Owner with the Escrow Agent pursuant to the Gold Custody Agreement having the date mentioned in Schedule A.

4. Release of Gold and Release Instructions

4.1. Release of Gold

- (a) Upon receipt of a written notice (the "**Security Invocation Release Notice**") in the form as set out in **Schedule D** executed by Party B, with a copy to Party A, during the Term of this Agreement, the Escrow Agent shall transfer the Gold to Party B in the proportion as mentioned under the Security Invocation Release Notice but in no event more than the Prescribed Limit. Party B shall also provide the necessary proof of communication provided to Party A about the Security Invocation Notice.
- (b) The Escrow Agent shall be entitled to conclusively rely on the Security Invocation Release Notice without further inquiry. The Escrow Agent shall release the Gold as above within two Seven (7) Business Days from the date of receipt of the Security Invocation Release Notice. Any such action taken by the Escrow Agent in accordance with such instruction in the Security Invocation Release Notice shall be binding on all the other Parties. The Escrow Agent shall in no manner be under an obligation to withhold the Gold pursuant to the Security Invocation Release Notice
- (c) On release by the Escrow Agent of Gold held by it in escrow as set forth in clause 4.1(a) above, in terms of this Agreement, the Escrow Agent shall stand discharged of all its obligations under this Agreement and this agreement shall have been deemed to have expired.
- (d) Party B, shall have the right to withdraw the Security Invocation Release Notice prior to the period as specified in Clause 4.1 (b) with a with a copy to Party A and the Escrow Agent shall have the right but not the obligation to withhold the release of the Gold.

5. Representations and Warranties

- 5.1. Each of the Party A and Party B represents and warrants to the each other and the Escrow Agent 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 the Escrow Agent of any of its obligations or duties as set out in this Agreement, would be in violation of Applicable Laws that the Escrow Agent was required to comply with at that time, on account of any such regulatory approvals or permissions not having been obtained, then each of the Parties hereto agree to use reasonable endeavours to co-operate with the Escrow Agent in the taking of such steps and actions as may be necessary to enable performance by the Escrow Agent without being in violation of the Applicable Laws and in the meantime the Escrow Agent shall not be required to perform the relevant obligations or duties hereunder; and 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.
- 5.2. The Escrow Agent represents and warrants to the other Parties that it has the power and authority to execute this Agreement and to perform its obligations hereunder and the execution and delivery of this Agreement will not result in breach of any terms and conditions of its constitutional documents, or other obligations to which it is bound or any order, judgment or decree of any judicial, quasi-judicial or government body.

6. Matters relating to Escrow Agent

- a. It is expressly understood that neither the Party A or Party B shall be entitled to withdraw the Gold lying with the Escrow Agent except in accordance with Clause 4 of this Agreement.
- b. The Escrow Agent agrees to hold the Gold and act strictly in accordance with the terms and conditions of this Agreement.
- c. Party A and Party B shall deliver to the Escrow Agent a list of additional authorised signatories, in the form set forth in **Schedule C** to this Agreement, with respect to any notice, certificate, instrument, demand, request, direction, instruction, waiver, receipt, consent or other document or communication required or permitted to be furnished to the Escrow Agent under this Agreement, and the Escrow Agent shall be entitled to rely on such list with respect to any party until a new list is furnished by such party to and acknowledged by the Escrow Agent. Furthermore, in the event Gold transfer instructions are given, whether in writing, by facsimile,

or through digital mode including Aadhar verification, Email OTP, Mobile OTP or otherwise, the Escrow Agent is authorised to seek confirmation of such instructions by telephone call-back to the person or persons designated on **Schedule C** attached to this Agreement, and the Escrow Agent 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 the Escrow Agent.

- d. All notices hereunder shall be made by hand delivery against written receipt or sent by registered air mail, return receipt requested, or through electronic email to the address or number of the Party being notified, as indicated below or to such other address as such Party may have most recently notified to the other pursuant to this section:

If to Party A: As per Address and Contact Details of the Authorized Representative given in Schedule A

If to Party B: As per Address and Contact Details of the Authorized Representative given in Schedule A

If to the Escrow Agent: As per Address and Contact Details of the Authorized Representative given in Schedule A

Any Party may change any address to which Notice is to be given to it by giving Notice as provided above of such change of address.

7. Escrow Agent's Duties and Liabilities

- 7.1. The Escrow Agent shall have only those duties, obligations and responsibilities expressly referred to in this Agreement and no duties, obligations or responsibilities whatsoever shall be inferred or implied against the Escrow Agent. It is understood that the Escrow Agent's only duties and responsibilities shall be to transfer/release the Gold held by it in accordance with this Agreement. Notwithstanding the above, Escrow Agent may from time to time, at its sole discretion, demand certified true copies of underlying agreements / documents etc. relating to the Transaction Arrangement, for a limited purpose of evaluation whether the underlying transaction is compliant with Applicable Laws. Party A and Party B shall solely be responsible for timely submission of such documents to Escrow Agent. Escrow Agent shall not be assumed to have undertaken any additional obligations other than those expressly agreed under the present Agreement, merely because of having knowledge of certain aspects of underlying transaction.
- 7.2. The duties of the Escrow Agent under this Agreement are purely ministerial, administrative and non-discretionary in nature. Neither the Escrow Agent nor any of its officers, employees, or agents shall, by reason of any matter or thing contained in this Agreement, be deemed to

be a trustee for or have any fiduciary relationship with any of the other Parties or any other person.

- 7.3. The Escrow Agent shall not be required to expend or risk any of its own funds or otherwise incur any liability, financial or otherwise, in the performance of any of its duties under this Agreement.
- 7.4. The Escrow Agent shall not be precluded (and neither shall any director or employee of the Escrow Agent or any company or person in any other way associated with the Escrow Agent be precluded) from entering into or being otherwise interested in any commercial, financial or business contacts or in any other transactions or arrangements whatsoever with any of the other Parties or any of their affiliates or associated companies.
- 7.5. The Escrow Agent shall not be bound or affected in any way by any agreement or contract between the Party A and Party B to which the Escrow Agent is not a party and the Escrow Agent shall not be deemed to have knowledge of any provision of those documents unless the substance of such provision is explicitly set forth in this Agreement. The Escrow Agent shall not in any way be required to determine whether or not the terms and conditions of any other agreement or contract between Party A and Party B, have been complied with by such parties. Further, the Escrow Agent shall not be affected with knowledge or notice of any fact or circumstance not specifically set forth in this Agreement.
- 7.6. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any order, judgment, certification, demand, written notice, instruction or request furnished to it under this Agreement without being required to determine the authenticity or the correctness of any fact stated in such document or the propriety or validity of the service of such document. The Escrow Agent may act in conclusive reliance upon any instrument or signature believed by it to be genuine after comparing the signature with the Specimen described in Schedule C hereof, and may assume that any person purporting to give receipt, instruction or advice, make any statement, or execute any document in connection with the provisions of this Agreement has been duly authorised to do so. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document.
- 7.7. Notwithstanding any provision in this Agreement to the contrary, in no event shall the Escrow Agent be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), whether or not foreseeable, even if the Escrow Agent is aware of or has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract, breach of trust, breach of fiduciary obligation or otherwise. This clause shall survive the resignation or removal of the Escrow Agent or the termination of this Agreement.
- 7.8. Notwithstanding anything to the contrary in this Agreement, the Escrow Agent shall not in any event be liable for any failure or delay in the performance of its obligations under this Agreement if it is prevented from so performing its obligations by any existing or future law, order or regulation of a governmental, supranational or regulatory body, regulation of the banking or securities industry, any existing or future act of governmental authority, the lack of any requisite consent, license, approval, authorization, registration, declaration or filing, Act of God, flood, war (whether declared or undeclared), terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown,

computer failure or failure of any telecommunication or money transmission system or any reason which is beyond the control of the Escrow Agent.

- 7.9. Notwithstanding anything contained in this Agreement, the Escrow Agent shall be entitled to restrain from taking actions that are determined by it as being in contravention of Applicable Law.

8. Indemnity

- 8.1. Party A and Party B shall jointly and severally indemnify and keep indemnified and hold harmless the Escrow Agent from and against all actions, proceedings, claims, counter claims, demands, direct liabilities(including tax liabilities), costs and expenses which it may suffer or incur in connection with the performance of its obligations hereunder, except any arising out of the willful default, gross negligence or fraud by the Escrow Agent. All Parties agree that the Escrow Agent shall not be liable for any losses or payments arising out of any income tax liabilities related to the underlying transaction, of Party A or Party B. In case the Escrow agent suffers any such losses or incurs a liability to make payments arising out of any income tax liabilities, then such Party shall indemnify the Escrow Agent to the extent of such liability upon such payment by the Escrow Agent.
- 8.2. In the case of any discrepancy or conflict between the provisions of this Agreement and any other agreement, this Agreement will govern the obligations of the Escrow Agent

9. Conflicts and Disputes

- 9.1. In the event of any ambiguity or uncertainty under this Agreement or in any notice, instruction or other communication received by the Escrow Agent under this Agreement, the Escrow Agent may, in its sole discretion, refrain from taking any action other than to retain possession of all property held in escrow, unless the Escrow Agent receives written instructions, signed by Party A and Party B, which eliminates such ambiguity or uncertainty.

10. Governing Law; Settlement of Disputes

- 10.1. The provisions of this Agreement shall be governed by and construed and enforced in accordance with the laws of India.
- 10.2. Subject to the dispute resolution mechanism set forth in Clause 10.3 below, any dispute, controversy or claim related to this Agreement shall be resolved by the Courts of Chennai, India.
- 10.3. 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.
- 10.4. The place of arbitration shall be Chennai.
- 10.5. The proceedings of arbitration shall be conducted in the English language.
- 10.6. The arbitrator's award shall be substantiated in writing.

- 10.7. 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.
- 10.8. The provisions of this Clause 10 shall survive termination of this Agreement.

11. Assignment

Except as otherwise expressly provided in this Agreement, neither the Party A or Party B shall 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 the other Party and the Escrow Agent. However it is clarified that the Escrow Agent shall have the right to transfer its rights under this Agreement including assignment without the prior written consent of Party A or Party B.

12. Any corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any corporation or association to which all or substantially all the escrow business of the Escrow Agent may be transferred, shall be the Escrow Agent under this Agreement without further act of any Parties.

13. 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.

14. Termination

- 14.1. This Agreement shall terminate on the earlier of (i) the date as provided under Clause 2, or such extended period as may be agreed to between the Parties and (ii) disbursement of a portion or entire portion of the Gold in accordance with Clause 4 of this Agreement.
- 14.2. The Escrow Agent may resign and be discharged from its duties or obligations under this Agreement at any time by giving not less than sixty (60) days prior notice in writing to the other Parties of such resignation. Such resignation by the Escrow Agent shall be only in any one of the following circumstances (i) internal policy or guideline or decision of the Escrow Agent to withdraw from escrow services or (ii) initiation of insolvency proceedings against the Escrow Agent. The Escrow Agent, upon its resignation, shall deliver the Gold, pursuant to the joint written instructions of Party A and Party B, which shall specify the successor escrow agent. Apart from delivery of Schedule the Gold, the Escrow Agent shall not be bound to act on any instructions issued by the Party A and Party B, either jointly or severally. If Party A and Party B are unable to agree upon a successor escrow agent or issue a joint release notice within such notice period of sixty (60) days, the Escrow Agent shall deal with the Gold in accordance with the Gold Custody Agreement. Upon its resignation Escrow Agent shall be released and discharged from any and all further obligations arising in connection with the Escrow Amount or this Agreement.

- 14.3. Termination under this Clause will be without prejudice to the completion of transactions entered into prior to termination. All remedies under this Agreement shall survive the termination of this Agreement.
- 14.4. Upon termination of this Agreement, the sole responsibility of the Escrow Agent shall be to keep safely the Gold and to deliver the same in accordance with the terms of this Agreement.

15. Miscellaneous

- 15.1. 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. This Agreement may also be executed between the Parties through electronic means.
- 15.2. The terms and provisions of this Agreement, constitute the entire agreement among the Parties.
- 15.3. 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.
- 15.4. 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.
- 15.5. 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.
- 15.6. 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.
- 15.7. **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 though 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
Party A

Signed by
Party B

Name:
Designation:

Signed by
Escrow Agent

Name:
Designation:

SCHEDULE A

DETAILS OF THE PARTIES & TRANSACTION

Execution Date	
Party A Name & Address	
Party A Represented by Name, Mobile No, Aadhaar No, Email ID	
Party A Signature	
Party B Name & Address	
Party B Represented by Name, Mobile No, Aadhaar No, Email ID	
Party B Signature	
ESCROW AGENT Name & Address	
ESCROW AGENT Represented by Name, Mobile No, Aadhaar No, Email ID	
ESCROW AGENT Signature	
PRESCRIBED LIMIT	###.### Grams of 999 Purity
DETAILS OF TRANSACTION BETWEEN PARTY A AND PARTY B	Description of the Arrangement and Documents executed (Example Purchase Order for <Brief Description of the Items / Services> with PO Reference No and PO Date)
TRANSACTION ARRANGEMENT	The Security is being given by Party A to Party B as a surety for _____ (Example Delivery Terms / Payment Terms / Performance Guarantee etc) agreed between Party A and Party B in the business transaction described above.

ESCROW TERM	XX Days from the date of execution of Escrow Agreement
REF NO & DATE OF EXECUTION OF GOLD CUSTODY AGREEMENT EXECUTED BETWEEN GOLD OWNER AND ESCROW AGENT.	e-Contract Ref No ##### dated dd mmm YYYY
ESCROW CHARGES TO BE PAID BY PARTY A	Transaction Fee : Rs ____ Stamp Paper & e-Sign Charges : Rs ____ For all the above Charges GST Extra as applicable at the time of billing

Schedule B

DETAILS OF GOLD

Gold Quantity equal to or greater than the Prescribed Limit given in Schedule A has been deposited by Party A with ESCROW Agent as per the Gold Custody Agreement between Party A and Escrow Agent.

SCHEDULE C

LIST OF ADDITIONAL AUTHORISED SIGNATORIES (OPTIONAL)

PARTY A

Name	Designation	Mobile No	Email ID	Aadhaar No
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PARTY B

Name	Designation	Mobile No	Email ID	Aadhaar No
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ESCROW AGENT

Name	Designation	Mobile No	Email ID	Aadhaar No
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SCHEDULE D

Date: [●]

To

The [Escrow Agent]

Sub: Security Invocation Release Notice pursuant to the Escrow Agreement dated **[date]** executed between *[name all the Parties]*

This has reference to the Escrow Agreement dated [●] executed between *[name of the Parties]* (“**Escrow Agreement**”). Terms used but not defined in this letter shall have the same meaning attributed to them under the Escrow Agreement .

Reference is made to clause 4.1 of the Agreement, we hereby instruct the Escrow Agent to release the *[gms]* of Gold held in Escrow to the person authorized as per the Escrow Agreement in view of the breach of conditions as stipulated under the Transaction Arrangement and [invocation of clause [..]] or [invocation based on agreement between Party A and B] therein.

We agree that the Escrow Agent shall be discharged of its duties on completion.

For Party B

Authorized Signatory