



TERMS OF USE APPLICABLE TO BAILOR OF THE PRECIOUS METAL

For the purpose of participating in the leasing of the Precious Metal lying in your Precious Metal Account, please read these terms (hereinafter “**Bailor Terms**”) in addition to the Bailment Terms and the End User Terms.

DGIPL reserves the right, at its sole discretion, to change, modify, add or remove portions of these Bailor Terms, at any time and will notify You at least once in a year, or whenever there is a change in the EULA, by email or by posting a conspicuous notice on the Platform. Your continued use of the Platform following the posting of changes shall be deemed to mean that You accept and agree to the revisions made to the EULA. As long as You comply with these Bailor Terms, DGIPL grants You a personal, revocable, non-exclusive, non-transferable, limited privilege to access and use the Platform.

If You are unwilling or unable to be legally bound by this Bailor Terms, please do not use the Platform or otherwise click to accept these Bailor Terms, if and when prompted on the Platform. You cannot accept these Bailor Terms if: (a) You are not lawfully entitled to use the Platform; or (b) if You are not allowed to participate in the bailment of the Precious Metal in furtherance to the End User Terms.

You understand and agree that by accepting these Bailor Terms you are waiving off and relinquishing the appointment of the Trustee under the End User Terms and the rights granted to you under the relevant Trustee Agreement with respect to the Bailed Precious Metal (defined below). You by accepting these terms appoint and authorize DGIPL to act on your behalf as a facilitator of the Bailed Precious Metal and undertake all such acts as it may deem fit to adequately protect your interest.

1. DEFINITIONS

In these Bailor Terms, unless the context or meaning otherwise requires: (a) all capitalized terms used hereunder shall have the meaning prescribed to such terms in the End User Terms as available in the link [here](#); and (b) the following terms shall have the meaning ascribed to them hereunder.

- 1.1. “**Event of Default**” or “**EOD**” means the effect or consequence of any event or circumstance in accordance with the Bailee Terms is or is likely to be adverse to the ability of the Bailee to perform or comply with any of its obligations under the Bailee Terms.
- 1.2. “**Bailment Date**” for the relevant Bailed Precious Metal, shall mean the date on which the relevant Bailed Precious Metal is transferred from your Precious Metal Account to the Bailee Account.
- 1.3. “**Bailed Precious Metal**” shall mean the Precious Metal provided by You to the Bailee on a bailment basis subject to your acceptance of these Bailor Terms.
- 1.4. “**Bailee**” shall mean such Persons who have entered into a binding agreement with DGIPL and who wish to take on bailment basis the Bailed Precious Metal in accordance with the Bailment Terms and these Bailor Terms.
- 1.5. “**Bailee Account**” means account of the Bailee created on the Platform, in accordance with the Bailee Terms.

- 1.6. **“Bailee Terms”** shall mean (a) the agreement executed between the Bailee and DGIPL; and/or (b) the terms and conditions, privacy policy applicable to the Bailee as may be set out the Platform from time to time.
- 1.7. **“Bailment Terms”** shall mean the terms that will be applicable to the Bailment of the Precious Metal between the Bailor and Bailee as specified in **Annexure 1** hereto, together with details of the kind of Precious Metal to be provided on a bailment basis, the bailment term and the Rental payable on the Bailed Precious Metal displayed on the Platform by DGIPL from time to time.
- 1.8. **“DGIPL Platform Partner”** shall refer to any platform partner through which DGIPL provides the Bailor with the facility of participating in the leasing of their Precious Metal.
- 1.9. **“Person”** means any sole proprietorship, unincorporated association, body corporate, corporation, company, partnership or limited liability company.
- 1.10. **“Rental”** with respect to the relevant Bailed Precious Metal, shall mean the rental payable in accordance with the Rental Rate specified in the Bailment Terms and calculated in accordance with these Bailor Terms.
- 1.11. **“Rental Rate”** means, with respect to the relevant Bailed Precious Metal, such rate, in percentage, used in the calculation of Rental, as specified in the Bailment Terms.
- 1.12. **“Rent-Free Period”** means, with respect to the Bailment Terms, the period (if applicable) indicated by DGIPL to the Bailor as it may deem fit in its sole discretion, which shall commence on the Bailment Date.
- 1.13. **“Repayment Date”** shall mean the date on which the repayment of the Bailed Precious Metal is undertaken by the Bailee in accordance with the terms of these Bailor Terms and the Bailee Terms.
- 1.14. **“Security”** shall mean the security provided by Bailee to DGIPL on your behalf, in such form and manner as agreed between the Bailee and DGIPL

2. PROVISION OF THE BAILED PRECIOUS METAL ON BAILMENT

- 2.1. You hereby engage DGIPL to facilitate the provision of the Precious Metal on a bailment basis as per the Bailee’s requirements from time to time, in accordance with these Bailor Terms and the Bailment Terms. For facilitating such provision of the Bailed Precious Metal on bailment basis, You agree and understand that DGIPL is merely acting as a facilitator for and on your behalf and shall be entitled to undertake such actions as it may deem fit to protect your interests in DGIPL’s reasonable judgement in relation to such Bailed Precious Metal.
- 2.2. Upon your acceptance of the Bailment Terms displayed on the Platform or provided to you in writing or made available through the DGIPL Platform Partner, You hereby directly, or through an intermediary acting on your behalf, authorize DGIPL to transfer the relevant Precious Metal from your Precious Metal Account to the account of the relevant Bailee as agreed by You. DGIPL agrees to facilitate the provision of the Bailed Precious Metal on a bailment basis from You to the Bailee, upon receipt of your confirmation in accordance with these Bailor Terms read with the relevant Bailment Terms.
- 2.3. Notwithstanding anything to the contrary contained in these Bailor Terms, it is hereby expressly understood by You that DGIPL shall have no obligation to facilitate any provision of Precious Metal on a bailment basis (notwithstanding confirmation on a Bailment Terms by You) and shall have complete discretion to refuse any request for provision of Bailed Precious Metal on a bailment basis

at any time without giving any reason for such refusal and shall incur no liability in respect of any such refusal.

2.4. You further acknowledge and understand that:

2.4.1. The provision of services on the Platform may be interrupted, including for maintenance, repairs, upgrades, or network or equipment failures. DGIPL strives to keep the Platform up and running; however, all online services suffer occasional disruptions and outages, and DGIPL isn't liable for any disruption or loss You may suffer as a result.

2.4.2. DGIPL may discontinue some or all of the services provided on the Platform, as it may deem fit, including certain features and the support for certain devices and platforms, at any time.

3. BAILMENT OF THE BAILED PRECIOUS METAL

3.1. Upon the display of the Bailment Terms and at any time prior to the expiry of such Bailment Terms as indicated on the Platform or such other time period as may be indicated by DGIPL, You may submit a request for the provision of the Bailed Precious Metal on a bailment basis in the form and manner indicated on the Platform ("**Bailment Request**"). As part of the Bailment Request, You shall specify and confirm to DGIPL, *inter alia*, (a) the quantity of Precious Metal to be transferred as per the Bailment Terms, provided that such quantity shall at all times be more than the minimum quantity (if applicable) indicated on the Bailment Terms (b) your acceptance of the Bailment Terms; and (c) your acknowledgement and acceptance to non-receipt of Rental during the duration of the Rent Free Period, if indicated on the Bailment Terms.

3.2. You understand that You cannot provide on a bailment basis more quantum of Precious Metal than that available in your Precious Metal Account. You further agree and understand that upon placing of your Bailment Request, DGIPL has the right to transfer your Bailed Precious Metal from your Precious Metal Account to the Bailee. You also agree and understand the Bailee has the right of repayment of the Bailed Precious Metal on or prior to the expiry of the term indicated in the Bailment Terms.

3.3. You agree and understand that You shall not be entitled to any Rental and/ or interest on your Bailed Precious Metal during the continuance of the Rent-Free Period (if applicable). In the event that the Bailee fails to request for the Bailed Precious Metal on a bailment basis during the Rent-Free Period, the relevant Bailment Request shall be automatically terminated and the total Bailed Precious Metal transferred to the Bailee Account shall be transferred back to your Precious Metal Account without any further liability to You.

3.4. You represent that you have good title over the Bailed Precious Metal and are entitled to enter into the Bailment. Any loss caused due to incapacity or inability of the Bailor to enter into the Bailment shall be borne by the Bailor.

3.5. Subject to paragraph 3.3 above, You shall be entitled to receipt of Rental from the expiry of the Rent Free Period (if applicable) as indicated on the Bailment Terms or from the Bailment Date if no such Rent Free Period is indicated on the Bailment Terms.

3.6. You shall be entitled to receive the Rental till the Repayment Date which shall be the date as indicated on the Bailment Terms or such other date as agreed between the Bailee and DGIPL at their sole discretion. It is expressly clarified that the Repayment Date may be amended to a date earlier than those specified in the Bailment Terms, at the sole discretion of the Lessee and DGIPL.

3.7. Upon such Bailment Request by the Bailor, the terms governing the bailment of the Bailed Precious Metal delivered to the Bailee shall be in accordance with the terms of these Bailor Terms and the relevant Bailment Terms, which shall be deemed to be incorporated into these terms by

reference. The Repayment Date shall be at the sole discretion of the relevant Bailee subject to the maximum term as indicated on the Bailment Terms. In case of any default by the Bailee to pay the Rental and/or any other dues payable by the Bailee pursuant to the Bailee Terms, You understand and acknowledge that DGIPL shall be entitled to take such actions as it may deem fit to adequately protect your interests.

- 3.8. You acknowledge that your acceptance of the Bailment Terms and the provision of the Bailment Request shall be adequate proof confirming your intention to provide the Bailed Precious Metal on bailment in accordance with the terms contained herein read with the relevant Bailment Terms. DGIPL shall not be liable to You for any claim, under any circumstance, with respect to bailment of the Bailed Precious Metal based on your Bailment Request.

4. CALCULATION OF RENTAL

- 4.1. You agree and understand that the Rental shall accrue and/or shall be reflected on your Precious Metal Account on a monthly basis during the subsistence of the bailment pursuant to the relevant Bailment Terms. Such Rental shall accrue/ be payable from the Bailment Date as indicated by DGIPL to You or upon the expiry of the Rent-Free Period (if so indicated on the Bailment Terms) and shall be calculated based on the Rental Rate indicated in the Bailment Terms on the Bailed Precious Metal until the Repayment Date.
- 4.2. Rental payable by the Bailee shall be calculated on daily/monthly basis and accrue from day to day/month to month and shall be computed on the basis of 365 (Three Hundred and Sixty-Five) days a year and the actual number of days elapsed.
- 4.3. The Bailee shall pay Rental (if applicable) on a monthly basis and shall return the Bailed Precious Metal along (hereinafter collectively "**Repayment Precious Metal**") on the relevant Repayment Date. You agree and understand that the Repayment Precious Metal shall be paid in the relevant grams of Precious Metal which shall be reflected on your Precious Metal Account on a monthly basis (if applicable) and/ or on the Repayment Date (as the case may be).
- 4.4. **YOU UNDERSTAND AND AGREE THAT DGIPL DOES NOT MAKE ANY DEDUCTIONS OR FILINGS ON YOUR BEHALF PURSUANT TO THE PAYMENT OF RENTAL ON YOUR PRECIOUS METAL. PLEASE CONSULT YOUR TAX ADVISORS TO DETERMINE IF YOU HAVE ANY TAX LIABILITY ON THE INCOME EARNED FROM THE RENTAL EARNED ON YOUR PRECIOUS METAL.**

5. RIGHTS GRANTED TO DGIPL

For purpose of effectuating the bailment of the Bailed Precious Metal, You hereby grant and authorise DGIPL to (a) deduct and transfer the Bailed Precious Metal from your Precious Metal Account to the Bailee Account; and (b) undertake all such activities that may be required to be undertaken by DGIPL to effectuate the transaction contemplated under the Bailment Terms read with Bailor Terms; and (c) undertake all such acts to protect your interest in DGIPL's reasonable discretion, including without limitation, holding the Security from the Bailee on your behalf. It is expressly clarified that such authorization shall subsist until the payment of any and all dues payable by the Bailee in relation to the Bailed Precious Metal.

6. TRANSFER OF RIGHTS, RISK AND OWNERSHIP

- (a) You understand and agree that from the Bailed Date, the Bailee shall be solely and completely responsible and liable for any and all Bailed Precious Metal advanced to the Bailee till the Repayment Date.
- (b) You agree and understand that the risk of any loss, theft, detention or damage to, or deterioration in value of the Bailed Precious Metal advanced to the Bailee from whatsoever cause on/after the Bailment Date of the Bailed Precious Metal shall be solely borne by the

Bailee and the Bailee shall be liable to DGIPL and to You for any and all loss or damage to such Bailed Precious Metal.

- (c) It is clarified that there shall be no transfer of title or legal ownership of the Bailed Precious Metal from You to the Bailee at any time.
- (d) You understand that the monetary value of your Bailed Precious Metal may vary between the Bailed Date and the Repayment Date, and shall be calculated as per the Currency Value offered by DGIPL on the Platform.
- (e) You understand that for the Bailment Period, the obligations of the Trustee Administrator and Vault Custodian shall not be applicable to your Bailed Precious Metal in part or as a whole.

7. EVENT OF DEFAULT AND ENFORCING SECURITY

- 7.1. You understand and agree that, in the event an EOD occurs, DGIPL shall notify the same to You. You agree to have authorized DGIPL to collect and enforce the Security on your behalf in the form and manner as decided by DGIPL to adequately protect your interests with respect to the Bailed Precious Metal.
- 7.2. You further understand that the maximum security You have against the non-payment of the Repayment Precious Metal is upto the value of the Security collected by DGIPL on your behalf as on the date of leasing out the Bailed Precious Metal. You further understand that, occurrence of an EOD shall result in enforcing of the Security and thus may result in considerable delay of the payment of Repayment Bailed Precious Metal (as applicable) from the date indicated in the Bailment Terms.
- 7.3. You understand and agree that while DGIPL shall solely as a facilitator endeavour to protect your interest and pay You the adequate Repayment Bailed Precious Metal in accordance with the terms contained herein, DGIPL does not guarantee (a) the adequacy of the Security; or (b) the payment of 100% (One Hundred Percent) of your Bailed Precious Metal and/or the Rental due to You, and any loss suffered by You on the occurrence of EOD shall be at your sole risk.

8. HOLD HARMLESS

- 8.1. You agree and understand that DGIPL is merely a facilitator, facilitating the bailment of the Bailed Precious Metal between You and the Bailee. You have agreed to provide the Bailed Precious Metal on a bailment at your sole risk and have read these Bailor Terms and are aware of the consequences thereof. DGIPL shall not be responsible for your decisions resulting from the bailment of the Bailed Precious Metal.
- 8.2. You hereby release and agree to hold harmless DGIPL, its affiliates/group companies, its directors, officers, employees, agents, successors, advisors, consultants, representatives, and assigns from any and all claims, losses, related suits, actions, proceedings, investigations, judgments, deficiencies, damages, settlements, liabilities, reasonable legal fees and expenses incurred, by You arising due to the acts or omissions of the Bailee or due to the access of or decisions taken on the information provided herein and/or the Bailment Terms.

9. CHANGE IN LAW

You understand and agree that the bailment of the Bailed Precious Metal is at present not regulated by any applicable law and there are no specific guidelines regulating the same by the Reserve Bank of India ("RBI") and/or any other regulatory authority. You understand and agree that, if any introduction or change in the interpretation of any applicable law issued by RBI or any other governmental authority ("**Change in Law**") (a) affects You and/or DGIPL directly or indirectly, including without limitation, with respect to (i) increasing the cost to DGIPL of performing its obligations hereunder; (ii) reducing any amount received or receivable by You hereunder; or (iii) changes the effective return of the Bailed Precious Metal to be received by You hereunder; or (b)

makes it illegal for You to provide the Precious Metal on a bailment basis or otherwise deal in Precious Metal with the Bailee or it becomes illegal for the Bailee to avail the bailment pursuant to the Bailment Terms, then DGIPL may in its sole discretion, terminate this engagement and these Bailor Terms. You acknowledge and understand that any loss suffered by You pursuant to such Change in Law shall be at your own sole risk. You further understand that You will not have any legal recourse in case of any decisions taken by DGIPL in case of such Change in Law.

10. DISCLAIMER

YOU UNDERSTAND AND AGREE THAT USE OF THE PLATFORM AND THE BAILMENT OF THE PRECIOUS METAL IS AT YOUR SOLE RISK. DGIPL DOES NOT GUARANTEE ANY RETURNS, ON ANY BAILMENT OF THE BAILED PRECIOUS METAL CONSUMMATED VIS-À-VIS THE PLATFORM, TO ANY PERSON, EITHER DIRECTLY OR INDIRECTLY. YOU SHALL BE SOLELY RESPONSIBLE FOR UNDERTAKING APPROPRIATE AND EFFECTIVE ANALYSIS BEFORE UNDERTAKING ANY BAILMENT OF THE BAILED PRECIOUS METAL TO THE BAILEE PURSUANT TO THESE BAILOR TERMS. YOU FURTHER ACKNOWLEDGE AND AGREE THAT DGIPL, ITS AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS SHALL HAVE NO LIABILITY TO YOU OR ANY OTHER PERSON FOR YOUR BAILED PRECIOUS METAL OR OTHER DECISIONS IN RELATION THERETO WHILST USING THE PLATFORM.

YOU FURTHER UNDERSTAND AND AGREE THAT UNDER THIS ARRANGEMENT AND PURSUANT TO THE BAILMENT OF THE BAILED PRECIOUS METAL, YOU AT ALL TIMES RETAIN THE TITLE OF, AND REMAIN THE OWNER OF, PRECIOUS METAL AND THAT REPAYMENT WITH RESPECT TO THE BAILED PRECIOUS METAL WILL BE MADE IN GRAMS OF THE RELEVANT PRECIOUS METAL. IF THE CURRENCY VALUE OF THE PRECIOUS METAL FALLS, YOU UNDERSTAND THAT THE CURRENCY VALUE OF YOUR REPAYMENT PRECIOUS METAL WILL FALL AS WELL AND SIMILARLY IF THE CURRENCY OF THE PRECIOUS METAL INCREASES THE CURRENCY VALUE OF YOUR REPAYMENT PRECIOUS METAL WILL INCREASE AS WELL INCREASES,. DGIPL DOES NOT IN ANY MANNER GUARANTEE OR ASSURE THAT THE BAILMENT OF THE BAILED PRECIOUS METAL PURSUANT TO THESE BAILOR TERMS WILL RESULT IN ANY MONETARY PROFIT AND/OR ANY OTHER BENEFIT/RETURN TO YOU.

ANNEXURE 1 – BAILMENT TERMS

The Parties agree and accept these Bailment Terms, which are in addition to the Bailor Terms, End User Terms and Master Facilitation Agreement.

11. DEFINITIONS AND INTERPRETATION

In these Bailment Terms, unless the context or meaning otherwise requires: (a) all capitalized terms used hereunder shall have the meaning prescribed to such terms in the End User Terms as available in the link [here](#) or the Master Facilitation Agreement or the Bailor Terms; and (b) the following terms shall have the meaning ascribed to them hereunder.

- 1.1 “**Applicable Law**” means any applicable national, state, local or other law, statute, regulations, rules, by laws, ordinances, and includes notifications, guidelines, policies, directions, directives, judgment, decree and orders of any regulatory or statutory authority, court, tribunal or recognized stock exchange, and having the force of law.
- 1.2 “**Bailor**” means each such End User identified in the Drawdown Request, who (a) has agreed to provide the Bailee, the Precious Metal on a bailment basis in accordance with the Bailment Terms; and (b) has authorised DGIPL directly, or through an intermediary, on DGIPL’s website or through a DGIPL Partner Platform, to enter into any agreement with the Bailee with respect to the bailment of such Precious Metal and take such other actions as may be required for giving effect to the terms of this Agreement, and shall include such Bailor’s successors, permitted assigns, legal heirs, executors and administrators (as applicable), from time to time.
- 1.3 “**Bailment**” means any/ all bailment of Bailed Precious Metal facilitated by way of execution of one or more Drawdown Requests in accordance with the terms of this Agreement.
- 1.4 “**Bailment Request Form**” or “**BRF**” means (a) the form issued by the Bailee as per the format set out in **SCHEDULE 1**; or (b) such other instructions given by the Bailee to DGIPL, whether orally or in writing, requesting and/or authorizing DGIPL to (i) display the requirements of the Bailee on the Platform for availing Precious Metal on a bailment basis; and (ii) take such other actions as may be required for giving effect to the terms of this Agreement.
- 1.5 “**Business Day**” means a day other than a Saturday, Sunday or other day on which banks in Mumbai are authorized or obligated to remain closed.
- 1.6 “**Effective Date**” shall be the date on which the Bailed Precious Metal under each specific BRF is delivered to the Bailee.
- 1.7 “**Parties**” shall refer to the Bailor and the Bailee collectively, or where used in the singular, shall refer to the Bailor or Bailee respectively.
- 1.8 “**Platform**” means the website located on the Internet domain, <http://www.safegold.com> (including sub-domains) and its associated mobile based software applications/programs (if any) along with all upgrades, enhancement, modifications thereto, which is owned and operated by DGIPL.
- 1.9 “**Rental**”, with respect to the relevant Bailment, shall mean the rental payable in accordance with the Rental Rate (defined below) specified in the Drawdown Request and calculated in accordance with the terms of this Agreement.
- 1.10 “**Rental Period**” means, with respect to the relevant Bailment, the period for which the Bailee procures the Precious Metal on a bailment basis, which shall be the period between the Delivery Date and the Repayment Date.

- 1.11 **“Rental Rate”** means, with respect to the relevant Bailment, such rate, in percentage, used in the calculation of Rental, as specified in the Drawdown Request.
- 1.12 **“Rent-Free Period”** means, with respect to a BRF, the period indicated by DGIPL to the Bailee as it may deem fit in its sole discretion, which shall commence on the date of DGIPL’s receipt of the BRF.
- 1.13 **“Repayment Date(s)”** means, with respect to the relevant Bailment, the date of clearance of Bailed Precious Metal Liability in full, wherein such date may be as specified in the Drawdown Request or such other date(s) as may be agreed between the Parties in writing.

12. PURPOSE AND BAILMENT OF PRECIOUS METAL

- 12.1. DGIPL, besides undertaking the other business activities as indicated in its charter documents, is also in the business of facilitating leasing of physical gold, silver and/or other precious metals (as the case may be) (collectively, **“Precious Metal”**).
- 12.2. The Bailee hereby engages DGIPL to facilitate procurement of Precious Metal from end users of the Platform on a bailment basis as per the Bailee’s requirements from time to time, in accordance with the terms of this Agreement (**“Bailed Precious Metal”**).
- 12.3. The Bailor is a retail end user of the Platform who is desirous of providing their Precious Metal on bailment to the Bailee based on the terms specified in the BRF and listed on the Platform.
- 12.4. DGIPL is acting for and on behalf of the Bailors and shall be entitled to undertake such actions as it may deem fit to protect the interests of such Bailors.
- 12.5. The Bailee acknowledges that its acceptance of the Bailed Precious Metal shall be adequate proof of the Bailee confirming the Bailment for the Bailed Precious Metal in accordance with the terms contained herein read with the Master Facilitation Agreement.
- 12.6. In order to secure the Bailed Precious Metal, the Bailee shall provide Security (as defined below) against the Bailment, which shall be enforceable by DGIPL in case of an Event of Default, as further elaborated in clause 7 below.
- 12.7. It is clarified that these Bailment Terms are agreed to between the Bailor and Bailee, and DGIPL is not a party to these Bailment Terms, but is merely restricted to its role as defined in Clause 3.1.

13. ROLES AND OBLIGATIONS

- 13.1. DGIPL’s role shall be restricted to the following:
- 13.1.1. Facilitating the procurement of Precious Metal on bailment basis on the basis of receiving a request from the Bailee from time to time
- 13.1.2. Notifying end users of the Platform of such request from the Bailee by displaying the terms of the BRF on the Platform, which shall be considered along with these terms as a part of the Bailment Terms.
- 13.1.3. Facilitating the physical delivery of the Bailed Precious Metal to the Bailee as per the Master Facilitation Agreement on the basis of a Drawdown Request received from the Bailee

13.1.4. Enforcement of conditions and protocol in the case of an Event of Default.

14. BAILMENT OF PRECIOUS METAL

- 14.1. The Bailor agrees and understands that during the Rent-Free period, they shall not be entitled to any Rental and/ or interest on their Bailed Precious Metal during the continuance of the Rent-Free Period (if applicable). In the event that the Bailee fails to request for the Bailed Precious Metal on a bailment basis during the Rent-Free Period, the relevant Bailment Request shall be automatically terminated and the total Bailed Precious Metal transferred to the Bailee Account shall be transferred back to the Bailor's Precious Metal Account without any further liability to the Bailor.
- 14.2. Subject to paragraph 3.3 above, the Bailor shall be entitled to receipt of Rental from the expiry of the Rent Free Period (if applicable) as indicated in the Bailment Terms or from the Bailment Date if no such Rent Free Period is indicated on the Bailment Terms.
- 14.3. The Bailor shall be entitled to receive the Rental till the Repayment Date which shall be the date as indicated on the Bailment Terms or such other date as agreed between the Bailee and DGIPL at their sole discretion. It is expressly clarified that the Repayment Date may be amended to a date earlier than those specified in the Bailment Terms, at the sole discretion of the Lessee and DGIPL.
- 14.4. Upon such Bailment Request by the Bailee, the terms governing the bailment of the Bailed Precious Metal delivered to the Bailee shall be in accordance with the terms of the Bailor Terms and these Bailment Terms.
- 14.5. The Repayment Date shall be at the sole discretion of the relevant Bailee subject to the maximum term as indicated on the Bailment Terms.

15. TRANSFER OF RIGHTS, RISK AND OWNERSHIP

- 15.1. The Bailee shall be solely and completely responsible and liable for any and all Bailed Precious Metal advanced to the Bailee under a Bailment from and including the Delivery Date till such time as such Bailed Precious Metal Liability shall have been cleared in full (along with all other fees, charges and other monies due and payable under the provisions of this Agreement) to DGIPL in a manner satisfactory to DGIPL. During the period of Bailment, the Bailee shall be solely responsible for the Bailed Precious Metal and any loss arising thereof shall be borne by the Bailee and compensated to the Bailor or DGIPL acting on behalf of the Bailor, as the case maybe.
- 15.2. The risk of any loss, theft, detention or damage to, or deterioration in value of the Bailed Precious Metal advanced to the Bailee under a Bailment from whatsoever cause on/after the Delivery Date of the Bailed Precious Metal shall be solely borne by the Bailee.
- 15.3. It is hereby agreed and understood between the Parties that property and all rights to title and interest in any Bailed Precious Metal delivered by DGIPL, on behalf of Bailors, under a Bailment shall remain with the respective Bailors.
- 15.4. The monetary value of the Bailed Precious Metal may vary between the Bailed Date and the Repayment Date, and shall be calculated as per the Currency Value offered by DGIPL on the Platform.
- 15.5. For the Bailment Period, the obligations of the Trustee Administrator and Vault Custodian shall not be applicable to the Bailed Precious Metal in part or as a whole.

- 15.6. The Bailor confirms that they have good title over the Precious Metal and any loss arising out of a defect in title over Bailed Precious Metal shall be borne by the Bailor.

16. EVENT OF DEFAULT AND ENFORCING SECURITY

- 16.1. In order to secure the Bailed Precious Metal Liability pursuant to the Bailed Precious Metal, the Bailee shall, simultaneously with execution of the relevant Drawdown Request, provide 110% (One Hundred and Ten Percent) (or such other percentage as may be notified to the Bailee by DGIPL from time to time) of the Currency Value of the Bailed Precious Metal ("**Collateral Amount**"), as security for due performance and fulfilment of the Bailee's obligations, including payment obligations, ("**Security**").
- 16.2. The Bailee herein undertakes and understands that while the Security is provided in the name of DGIPL, the Security is against the Bailed Precious Metal which is provided by the respective Bailors on a bailment basis. DGIPL is merely a facilitator, facilitating the Bailment of the Precious Metal between the Bailors and the Bailee.
- 16.3. The Security shall be provided by the Bailee as prescribed by DGIPL from time to time by way of:
- 16.3.1. Ensuring DGIPL has a lien marked in its favour over fixed deposit(s) held by the Bailee with a bank, details of which shall be intimated to DGIPL ("**Fixed Deposit(s)**"). DGIPL shall have full and complete rights of appropriation and set-off over all such Fixed Deposits; and/or
 - 16.3.2. depositing funds equivalent to the Collateral Amount into such bank account opened and maintained by DGIPL for the purpose of receiving such funds as Security and DGIPL shall have a lien on such funds, along with the right of appropriation and/or set off with respect to such funds lying in such bank account; and/or
 - 16.3.3. furnishing a bank guarantee in favour of DGIPL in a form and drawn on a bank acceptable to DGIPL; and/or
 - 16.3.4. furnishing a letter of credit naming DGIPL as the beneficiary under the said letter of credit and issued by a bank and on terms and conditions acceptable to DGIPL; and/or
 - 16.3.5. in such other manner and form acceptable to DGIPL as DGIPL may from time to time require or stipulate.
- 16.4. In the event an EOD occurs, DGIPL shall notify the same to the Bailor, who agrees to have authorized DGIPL to collect and enforce the Security on their behalf in the form and manner as decided by DGIPL to adequately protect the Bailor's interests with respect to the Bailed Precious Metal.
- 16.5. **The Bailor further understands that the maximum security they have against the non-payment of the Repayment Precious Metal is up to the value of the Security collected by DGIPL on their behalf as on the date of leasing out the Bailed Precious Metal. The Bailor further understands that occurrence of an EOD shall result in enforcing of the Security and thus may result in considerable delay of the payment of Repayment Bailed Precious Metal (as applicable) from the date indicated in the Bailment Terms.**

17. LIABILITY AND OBLIGATIONS OF THE BAILEE

- 17.1. **Calculation of Rental**

- 8.1.1. The Bailee shall be liable to pay the Rental on a monthly basis, being calculated in accordance with this Clause 8.1. Such Rental shall accrue from the Delivery Date and shall be calculated based on the Rental Rate indicated in the Drawdown Request on the Bailed Precious Metal until the expiry of the Rental Period.
- 8.1.2. Rental payable by the Bailee under the provisions of this Agreement shall be calculated on daily/monthly basis and accrue from day to day/month to month and shall be computed on the basis of 360 (Three Hundred and Sixty) days a year and the actual number of days elapsed.

17.2. **Form of Repayment of the Bailed Precious Metal Liability by the Bailee**

- 8.2.1. The Bailee shall return the Bailed Precious Metal and pay the Rental (hereinafter collectively "**Repayment Precious Metal**") in grams of gold of such quality as specified in the Drawdown Request and as accepted by DGIPL in such form and manner as indicated by DGIPL on the relevant Repayment Date(s).
 - 8.2.2. **Annexure II** of the Drawdown Request shall indicate the relevant Repayment Precious Metal calculated at the Rental Rate during the Rental Period. Provided however, should the Bailee decide to clear the Bailed Precious Metal Liability at any time prior to expiry of the rental period indicated on the Drawdown Request From, the Repayment Precious Metal as on such date of prepayment shall be determined in accordance with the provisions of this Clause 8.
- 17.3. Further in the event that the Bailee shall be in default of any or all of its obligations under this Agreement including (but not limited to) any requirement to furnish any Additional Security, DGIPL shall notify the Bailee in writing about the determined Repayment Precious Metal as on such date of default which shall be determined in accordance with the provisions of the MFA and the same shall be valid and binding on the Bailee.

18. **HOLD HARMLESS**

- 18.1. The Parties agree and understand that DGIPL is merely a facilitator, facilitating the bailment of the Bailed Precious Metal between the Bailor and the Bailee. The Bailor has agreed to provide the Bailed Precious Metal on a bailment at their sole risk and has read the Bailor Terms and is aware of the consequences thereof. DGIPL shall not be responsible for the Bailor's decisions resulting from the bailment of the Bailed Precious Metal.
- 18.2. The Parties hereby release and agree to hold harmless DGIPL, its affiliates/group companies, its directors, officers, employees, agents, successors, advisors, consultants, representatives, and assigns from any and all claims, losses, related suits, actions, proceedings, investigations, judgments, deficiencies, damages, settlements, liabilities, reasonable legal fees and expenses incurred, by the Parties arising due to the acts or omissions of either Party or due to the access of or decisions taken on the information provided herein and/or the Bailor Terms or the Master Facilitation Agreement.

10. **REPRESENTATIONS & WARRANTIES**

- 10.1. Each Party represents and warrants to the other that, as on the Effective Date of this Agreement:
 - 10.1.1. it is free to enter into this Agreement without violation of any third-party rights and that entering into this Agreement shall not result in a violation of any agreement or restrictive condition that it may have with any third party;
 - 10.1.2. it is not a party to any arrangement or agreement which shall compromise its ability to carry out its duties; and

- 10.1.3. it shall not enter into any arrangement which would impose any obligation inconsistent with this Agreement or which would restrict or conflict with the performance of its obligations under this Agreement.
- 10.2. The Bailee additionally represents and warrants that (which representation will be deemed to be repeated on each date on which a Bailment is granted and on each day during the currency of this Agreement until all obligations of the Bailee under a Bailment are duly fulfilled to the satisfaction of DGIPL under this Agreement):
- 10.2.1. All the information and documents provided by the Bailee for the creation of the Bailee Account and for the Bailment of the Bailed Precious Metal under this Agreement are accurate, complete and updated.
- 10.2.2. It conducts its business in compliance with Applicable Laws and has not received any notice or other communication from any court, tribunal, arbitrator, governmental agency or regulatory body with respect to an alleged, actual or potential violation and/or failure to comply with Applicable Laws.
- 10.2.3. It has not in the last 3 (Three) years appeared on the RBI (or any other credit information company) list of defaulters.
- 10.2.4. It is not insolvent or unable to pay its debts, and none of its creditors has presented any petition, application or other proceedings for any administration order, creditors' voluntary arrangement or similar relief by which its affairs, business or business assets are managed by a Person appointed for the purpose by a court, governmental agency or similar body, or by any creditor or by the entity itself nor has any such order or relief been granted or appointment made.
- 10.2.5. No order has been made, no petition or application presented, no resolution passed and no meeting convened for the purpose of its winding-up/insolvency or whereby its assets are to be distributed to creditors or shareholders or other contributories nor have they received written notice of any receiver (including an administrative receiver), liquidator, trustee, administrator, supervisor, nominee, custodian or similar official having been appointed in respect of the whole or any part of its business or assets.

11. TERM AND TERMINATION

- 11.1. This Agreement shall commence on the Effective Date and shall continue, unless terminated in accordance with these Terms or the Master Facilitation Agreement.
- 11.2. Upon termination of this Agreement, howsoever arising, all rights, obligations and liabilities of the Parties hereto accrued up to and including the date of such termination and those rights, obligations or liabilities of the Parties stated to survive the termination of this Agreement or which, by their very nature, should survive the termination of this Agreement shall not be affected thereby.
- 11.3. Without prejudice to the foregoing, nothing in this Agreement shall in any manner prejudice the rights of the Parties arising either under this Agreement or under Applicable Law.