
Bullion Capital Account Agreement

For completion and submission to Preferred Trust Company, alongside the Preferred Trust Company Buy Direction Letter

I have read and agreed to the terms contained within the Customer Account Agreement

Signed: _____

Name: _____

Date: _____

Client Account Fees:

Trade Execution Fee: 0.9% of the aggregate trade value

Storage Fees: 0.50% per annum for accounts valued up to \$250,000; 0.30% per annum for accounts valued over \$250,000

Withdrawal Fee: \$50 administration fee, plus vault processing fees and transport costs

CUSTOMER ACCOUNT AGREEMENT

BETWEEN

**Australian Bullion Exchange Limited trading as Bullion
Capital**

ACN 149 681 489

(hereinafter referred to as "BC")

AND

Customer

(hereinafter referred to as "Customer")

Version: 6.0

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1 Interpretation

1.1 Definitions

“Account Application” means the documentation or electronic forms utilised by BC to collect requisite account and KYC information wherein the applicant agrees and acknowledges to comply with this Agreement;

“Administrative Custodian” means a person or organisation that is in the business of assisting clients with their self-directed individual retirement accounts and has introduced said clients to BC;

“Agreement” means this account agreement as entered into between BC and the Customer which outlines each Party’s respective undertakings;

“Allocated” means Bullion to which a natural or legal person has legal title, with BC holding it on that person’s behalf as bailee;

“Anti-Money Laundering and Counter-Terrorism Financing Act (‘AML Act’)” includes the legislative rules, regulations, obligations and procedures as promulgated by the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) including any subsequent amendments to the same;

“Approved Location” means any location inspected and approved by BC and/or its Vault Operators wherein Customer may be permitted to accept delivery of and release Bullion outside of the BC Vault Network;

“Australian Bullion Exchange Limited trading as Bullion Capital (‘BC’)” means the company incorporated under the laws of Australia having the Australian Company Number 149 681 489 and whose registered business address is at Level 3, 10 Market Street, Brisbane, Queensland, Australia 4000;

“Australian Privacy Principles (‘APP’)” the legislative framework under the Privacy Act 1988 (Cth), as amended, which dictates the undertakings and processes required by an organisation in relation to the collection and storage of personal information;

“Authorised Trading Agent” means an agent authorised by Customer to:

- a. access;
- b. manage; and/or
- c. execute on;

Customer’s Bullion Account;

“BC Password” means the password given to Customer, which when used in accordance with its User ID provides access to MetalDesk;

“BC Vault” means any vault, authorised depository or other secure facility utilised by BC for the fulfilment of its bailment, storage and logistics obligations and undertakings wherein BC shall use each respective vault as a trading location on MetalDesk;

“BC Vault Network” means every BC Vault, regardless of geographical location or Vault Operator of such BC Vault;

“Bullion” means gold, silver, platinum, palladium, and any other metal in a Prescribed Form as may be agreed between the Parties from time to time;

“Bullion Account” means the account established by BC on behalf of Customer comprised of Cash Balance and Holdings;

“Business Day” means any day by reference to the prevailing time zone and the QAF, except a Saturday, Sunday or a national public holiday, or a day during which trading has been suspended pursuant to any enactment or direction pursuant to the QAF, or a day which BC declares not to be a Business Day;

“Cash Balance” means, in the case of Customer, any cleared credit balance held by BC in the Trust Account on behalf of Customer;

“Confidential Information” means all information and ideas of any kind supplied by one Party to the other Party resultant of the terms of this Agreement where such information and ideas are proprietary in nature and not common knowledge or publically available;

“Daily Storage Fee” shall adopt the definition as provided in Clause 18.3.3; **“Daily**

Finance Fee” shall adopt the definition as provided in Clause 19.8.2.3;

“Delivery Date” means the date(s) identified in the QAF upon which Bullion of a Prescribed Form may be deposited and/or withdrawn from a BC Vault;

“Deposited Bullion” shall adopt the definition as provided in Clause 5.6;

“Electronic Vault Warrant (‘eVW’)” means an electronic certificate having a unique identifying number, which evidences title to an individual Allocated Segregated quantity of Bullion as reflected in MetalDesk;

“Execution Fee” means the fee charged by BC for a transaction executed on MetalDesk. Customer’s Execution Fee can be found within its Account Application;

“Finance Fee” means the monthly fee charged by BC where an eVW has been pledged by Customer within the eVW warrant registry, calculated as a percentage of the Open Pledge Value;

“Holdings” means Bullion to which Customer has legal title, as reflected in MetalDesk. Such Bullion are classified as ‘Deposited’ or ‘To Be Deposited’ Bullion in Holdings;

“Introducing Broker” means a person or organisation that is in the business of introducing Customers to BC;

“Lending Ratio” means the percentage discount (if any) offered from time to time by BC in its absolute discretion to a particular Product;

“Liquidity Provider” means an entity that has been approved by BC to professionally provide sell and/or buy side liquidity within a Product;

“MetalDesk” means the order management, inventory management and execution system utilised by BC;

“Monthly Finance Fee” means the fee charged by PB each month for eVW finance services provided in the previous calendar month;

“Monthly Storage Fee” means the fee charged by BC each month for storage services provided in the previous calendar month;

“Open Pledge Value” shall adopt the relevant definition as provided in Clause 19.8.2.4; **“Ounce”**

shall adopt the relevant definition as provided in Clause 3.2;

“Party” means BC and Customer where each may be collectively referred to as the ‘Parties’;

“Platform Fee” means the fee charged by BC for access and/or use of MetalDesk. Customer’s Platform Fee can be found within its Account Application;

“Prescribed Form” means Bullion in the form of bars or coins unless otherwise mutually agreed between the Parties, where said Bullion is hallmarked by a refinery, is of the an accepted fineness as specified in the QAF and has the appropriate documentation to assure the Bullion’s authenticity;

“Primary Close” means the conclusion of the Primary Session each respective BC Vault; **“Primary Close Reference Price”** the Reference Price of each given Product at Primary Close;

“Primary Close Value” means the monetary value of a Product, calculated by multiplying the most recent Primary Close Reference Price of a Product, and the relevant number of Ounces of that particular Product;

“Primary Session” means the primary hours of trade for MetalDesk as specified within the QAF from time to time;

“Product” means an individual product that is traded upon MetalDesk, identifiable by reference to its ticker including information such as, but not limited to, the BC Vault, refiner, weight and fineness, which resultantly trades at non-identical price(s) to other Products;

“Quality Assurance Framework (‘QAF’) means the framework, rules, protocols and procedures developed by BC to provide the highest levels of assured quality and transparency to Customers;

“Reference Price” shall be equal to the mid-price, as displayed on MetalDesk, representing the midpoint between the best bid and offer prices for a given Product. In the case where no mid-price is available for a Product, due to the absence of a current bid and/or offer on MetalDesk, the mid-price of the relevant precious metal will be utilised instead;

“Secondary Session” means the trading hours that exist outside of the Primary Session;

“Secure Storage Area” means the long-term, insured storage area of a BC Vault, in which Bullion is warehoused after being inspected and approved for storage by the Vault Operator;

“Segregated” means Bullion that is uniquely identifiable and assigned to a particular Customer;

“Storage Fee” means the annual fee charged by BC for storage services provided, which may vary by reference to the monthly volume of trade and metal type. Customer’s Storage Fee can be found within its Account Application;

“Storage Value” means the value of Bullion held by Customer within a BC Vault at Primary Close as calculated by PB in accordance with this Account Agreements;

“To Be Deposited” shall adopt the definition as provided in Clause 5.7;

“Trade Confirmation” means one or more documents or other confirming evidence, which, taken together, confirm the terms of an executed order;

“Trade Cycle” defined as a period of two weeks wherein Bullion which is traded during this period as To Be Deposited must be Deposited in the appropriate BC Vault by no later than the Delivery Date pertaining to a given Trade Cycle. Trade Cycles shall be published on the BC website;

“Trade Value” means the price per unit of a Product, multiplied by the quantity traded;

“Trust Account” means the bank account held by BC with an authorised deposit-taking institution for the benefit of Customers;

“Unsegregated” means Bullion that is stored collectively and considered to be fungible, such a Customer has legal title over a particular quantity and type of Bullion but does not have legal title for any particular unit (that is itemized and serialized bar) of Bullion;

“User ID” means the unique user identification provided by BC to Customer to access MetalDesk;

“Vault Operator” means a specialist storage organisation engaged by BC to provide Bullion storage, infrastructure, transportation and insurance services; and

“Withdrawal Fee” means the fee charged by BC for withdrawal of Bullion from the BC Vault Network. Customer’s Withdrawal Fee can be found within its Account Application.

- 1.2 Words importing the singular shall, where the context permits or requires, include the plural and vice versa. Words importing gender or the neuter shall include both genders and the neuter. Words importing persons shall, where the context permits or requires, include natural persons, any public bodies and any body of persons, corporate or unincorporated.
- 1.3 This Agreement comprises the entire Agreement between the Parties and no earlier representation or agreement, whether oral or in writing, in relation to any matter dealt with in this Agreement shall have any effect from the date of this Agreement. This does not however limit the application to the Customer of the QAF or the terms and conditions of access to MetalDesk or any agreement appointing an Authorised Trading Agent.
- 1.4 Customer herein authorises BC to undertake any further searches or information gathering activities relating and/or connected to this Agreement.
- 1.5 This Agreement may be comprised of any number of counterparts and all such counterparts when executed and taken together shall constitute this Agreement.
- 1.6 Customer herein agrees that it may not assign, transfer, encumber or purport to do any of the aforementioned in relation to this Agreement, including but not limited to assigning, transferring or encumbering the right to or title in Bullion held in Customer’s Bullion Account unless otherwise mutually agreed in writing.
- 1.7 If any of the Clauses of this Agreement are held to be invalid or unenforceable, said invalid or unenforceable Clause shall be read down and/or severed to the extent of its invalidity wherein the remainder of the Agreement shall continue to bind the Parties.

1.8 Customer acknowledges and agrees that BC may amend this Agreement and/or the QAF at any time by providing notice. Customer is deemed to accept and agree to the amendment unless it notifies BC to the contrary within ten (10) Business Days of the date of said amendment notice. Each amendment notice shall be issued by way of notification through MetalDesk upon login. Customer acknowledges and agrees that it is its sole responsibility to monitor the release of any amendments by regularly accessing MetalDesk and checking for same. If Customer does object to the amendment, the amendment will not be binding, but the Customer's Bullion Account will be suspended and will be required to be closed as soon as is reasonably practicable. Any amendment to this Agreement will come into effect on the date specified by BC which will, in most cases, be at least ten (10) Business Days after the notice of amendment has been issued. Any amended agreement will supersede any previous agreement between the Parties and shall govern any transaction entered into after, or outstanding on, the date of the new agreement coming into effect.

2 General

2.1 Governing Law

2.1.1 This Agreement shall be governed by and construed in accordance with the laws for the time being in force in the State of Queensland, Australia, and the Parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in respect of the State of Queensland.

2.2 Joint Owners

2.2.1 Should more than one person own Customer's Bullion Account ("the Owners"), the Owners agree, jointly and individually, that all Bullion in the Bullion Account are held as joint tenants with rights of survivorship; not as tenants in common. Accordingly, the Owners agree each is the agent for the other, and that each is authorised to act individually under the terms and conditions of this Agreement, including exercising the authority to receive, deposit or withdraw the assets held in the Bullion Account any time. Upon the death of one Owner, the Bullion held in the Bullion Account shall become the absolute property of the surviving Owner(s), and the Owners hereby direct and authorise BC to recognise the surviving Owner(s) as Owners of the Bullion Account. The Owners individually and jointly hereby agree to indemnify and hold BC harmless from any liability or damage it may incur from its compliance with this Clause 2.2.1, including the delivery, deposit or withdrawal of the Bullion held in the Bullion Account. The Owners further agree the terms outlined herein shall inure to, and be binding upon each of its heirs, executors, assigns and administrators, as well as themselves.

2.3 Call Recording

2.3.1 BC may record and/or monitor incoming or outgoing communication, on any advertised, operated or related telephone numbers of BC, under or in connection with this Agreement, and/or the QAF, without any such prior notice provided to Customer. Where a recording is made pursuant to this Clause 2.3.1, said recording shall be the sole property of BC and evidence the truth of its contents. Customer acknowledges that it shall not be entitled to access, copy, compel delivery or otherwise, any recording whatsoever unless otherwise required by law.

2.4 Agent Authorisation

2.4.1 Customer herein acknowledges and agrees that it may, through election within MetalDesk, elect its Introducing Broker or Administrative Custodian as Authorised Trading Agent. Customer herein requests that BC effect any order or instruction given by said Authorised Trading Agent on its Bullion Account. For the avoidance of doubt, this election shall not extend to acts which are outside the ordinary course of the Introducing Broker or Administrative Custodian's business, or which are neither necessary nor incidental to its express authority.

2.4.2 For the avoidance of doubt, Customer acknowledges and agrees that the responsibility to manage its Authorised Trading Agent's scope of powers with respect to its Bullion Account shall be entirely that of the Customer. Unless otherwise notified, BC shall rely upon Customer's election in accordance with Clause 2.4.1.

2.4.3 Customer acknowledges and agrees that BC may, from time to time, disclose the Customer's Bullion Account information to its Authorised Trading Agent where required to efficiently administer its Bullion Account.

2.4.4 Customer shall be wholly and individually responsible for any order effected by its Authorised Trading Agent at any time whatsoever and herein agrees and undertakes to hold harmless and indemnify BC from any loss or damage incurred by Customer, whether directly or indirectly, resultant of the election of an Authorised Trading Agent or otherwise.

2.5 Communications

2.5.1 Customer acknowledges and agrees that BC may, from time to time, send marketing, promotional and/or research communications to Customer's provided physical address and/or email address.

2.5.2 BC warrants that it shall take all reasonable steps to comply with best practice e-marketing and spam regulations. BC further warrants that unless stated otherwise in Clause 2.5.3, BC shall not disseminate or sell Customer's personal information within any mailing list or anything analogous thereto, to any unrelated organisations without the express permissions of Customer.

2.5.3 For the avoidance of doubt, Customer acknowledges and agrees that BC may, from time to time, share Customer's personal information with BC's related organisations such as those within the same business group and/or its operational suppliers.

2.5.4 This Agreement shall be construed and interpreted in English. Where BC provides this agreement translated in any other language to any other jurisdiction, each Party acknowledges and agrees that the translation shall only be construed as indicative of the English version and where there exists any inconsistency between the translated version and the English version, the English version shall prevail.

2.6 Assignment

2.6.1 BC may assign its rights or delegate its obligations under this Agreement to a third party through written notice to Customer. BC is not permitted to assign any of its rights or duties under this Agreement to any third party without written authorisation from BC permitting such assignment.

3 Bullion Account

3.1 Opening Bullion Account

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- 3.1.1 With effect from the date of approval of Customer's Account Application and execution by Customer of this Agreement, wherein said approval shall be at the sole discretion of BC, BC herein agrees to maintain a Bullion Account in the name of Customer comprised of Bullion that Customer chooses to hold within the BC Vault Network on an Allocated and Unsegregated basis.
- 3.1.2 BC shall act as bailee of Customer's Holdings unless otherwise expressly agreed between BC and Customer.
- 3.1.3 For the avoidance of doubt, BC may utilise sub-bailees at its discretion for the satisfaction of the representations and undertakings contained herein.
- 3.2 Holdings
- 3.2.1 Ounce shall mean:
- a. in the case of gold, fine troy ounces;
 - b. in the case of silver, troy ounces;
 - c. in the case of platinum, troy ounces;
 - d. in the case of palladium, troy ounces; and
 - e. in the case of any other material, the unit as mutually agreed by the Parties.
- 3.3 Customer's Statements
- 3.3.1 BC will provide quarterly statements for Customer's Bullion Account including the Cash Balance and Holdings as of statement issue date. Each quarterly statement will provide the total Ounce weight held as the case may be, for each respective type of Bullion and its Prescribed Form in addition to an account activity statement detailing its Cash Balance, all orders, deposits and withdrawals executed during the previous financial year.
- 3.3.2 BC will provide Customer with a Trade Confirmation at time of trade execution by way of email facilitated through MetalDesk.
- 3.3.3 BC will provide Customer with a movement summary of any deposit to and/or withdrawal from Customer's Bullion Account within thirty (30) days of any such transaction.
- 3.4 Errors and Omissions
- 3.4.1 If any material error or omission is discovered by Customer on any tax invoice or statement, Customer herein agrees to notify BC within two (2) Business Days of Customer receiving the tax invoice or statement so that BC may investigate the alleged error or omission. With respect to the foregoing, where such notification is not made by Customer to BC within two (2) Business Days of the discovery of such a material error or omission, BC may at its sole discretion, refuse to make such an investigation and shall be excused, relieved and discharged from any liability resulting from loss or damage sustained by Customer.
- 3.4.2 Notwithstanding the aforementioned Clause 3.4.1, BC herein reserves the right to reverse or amend any erroneous entries in Customer's Bullion Account and to take any other associated action that would be required to place the Parties in the position that they would have been if such erroneous entry had not been made.

4 Ownership

4.1 Property of Customer

- 4.1.1 Legal and beneficial title to the Bullion credited to Customer's Bullion Account shall remain with Customer at all times. Any such custodial arrangement as provided within this Agreement shall not deprive Customer of the aforementioned legal and beneficial title whereby BC shall hold the Bullion on behalf of Customer, unless otherwise provided in this Agreement.
- 4.1.2 For the avoidance of doubt, BC shall identify in BC's financial documentation that all Bullion held in Customer's Bullion Account is the legal property of Customer, subject only to Clause 12.

5 MetalDesk

5.1 Access

- 5.1.1 This Clause 5.1 shall be read subject to the platform terms of use as provided upon initial access to MetalDesk.
- 5.1.2 Customer shall be permitted to trade on MetalDesk during a Primary Session or a Secondary Session of any Business Day.
- 5.1.3 Where Customer utilises MetalDesk pursuant to this Agreement, Customer may be charged a Platform Fee in accordance with Clause 18.1.1.
- 5.1.4 BC grants Customer, a non-exclusive, non-transferable, non-redeemable, revocable licence for access to MetalDesk (including the utilisation of any hardware, software, systems and/or communications links furnished by BC at any time as part of MetalDesk) to allow Customer to post bids and offers on MetalDesk.
- 5.1.5 Notwithstanding Clause 5.1.4, BC shall endeavour to provide Customer with access to MetalDesk at all times, unless MetalDesk is undergoing maintenance or there exists a technical fault.
- 5.1.6 Notwithstanding Clause 5.1.4 and with respect to Clause 5.1.5, Customer acknowledges that, to the maximum extent permitted by law, BC shall not be liable under any circumstances whatsoever, under any legal theory whatsoever, for any damages whatsoever for any direct, indirect, incidental, consequential or other loss or damage suffered by you howsoever, through the access or use of the website and/or BC's failure to provide Customer with access or use of the website. Loss or damage shall herein include but not be limited to damage to Customer's computer, computer system, loss of data, good-will and/or other intangible losses, revenue or profits, delay or any loss or damage connected with the aforementioned.
- 5.1.7 In no event whatsoever shall the aggregate liability of BC exceed the greater of one hundred Australian Dollars (AUD \$100) or the amount paid by Customer to BC, if any, in the past twelve months for access and/or use of the website.

5.2 User ID and Obligations for Passwords

- 5.2.1 Customer shall be responsible for all activity resulting from the use of its User ID and BC Password and shall take such steps as are necessary to prohibit any person from using same.

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- 5.2.2 No Customer may enter, or permit entry of, an order, onto MetalDesk under a User ID other than through the person to whom that User ID has been issued, unless expressly excepted in this Agreement.
- 5.2.3 No person to whom a User ID has been issued may disclose or knowingly permit the use of the User ID by another person.
- 5.2.4 Customer shall notify BC immediately upon becoming aware of:
- a. any unauthorised disclosure or use of any User ID or BC Password;
 - b. any unauthorised access to MetalDesk; or
 - c. the need to deactivate any User ID or BC Password.
- 5.2.5 BC may monitor access to and utilisation of MetalDesk by any person. This will be done solely for BC's own purposes and such monitoring and collection of information shall not, as a matter of practice, be disclosed to other persons, including said Customer.
- 5.3 Customer Funds Management
- 5.3.1 Depositing Funds
- 5.3.1.1 BC shall only credit cleared funds held in the Trust Account to the Cash Balance where Customer submits a deposit notification pursuant to Clause 5.3.1.2.
- 5.3.1.2 Any request to deposit funds to the Trust Account shall be effected by way of request through MetalDesk or other recognised form of instruction. Where BC has received such a request pursuant to this Clause 5.3.1.2, BC shall take reasonable steps to facilitate such a deposit as soon as is reasonably practicable.
- 5.3.1.3 Sufficient funds must be received and subsequently cleared in the BC Trust Account to cover Trade Value and any applicable Execution Fees, prior to Customer making any purchase through MetalDesk.
- 5.3.2 Withdrawing Funds
- 5.3.2.1 Unless otherwise instructed by Customer, BC shall only remit cleared funds held in the Trust Account where Customer submits a withdrawal request pursuant to Clause 5.3.2.2.
- 5.3.2.2 Any request for a withdrawal of funds from the Trust Account shall be effected by way of request through MetalDesk or other recognised form of instruction. Where BC has received such a request pursuant to this Clause 5.3.2.2, BC shall take reasonable steps to facilitate such a withdrawal as soon as is reasonably practicable.
- 5.3.3 Trust Account Funds
- 5.3.3.1 At no point in time shall BC use Customer's Cash Balance for the purpose of meeting financial obligations incurred by BC, nor shall BC permit Customer's Cash Balance to be used to meet the trading obligations of other Customers.

5.3.3.2 Customer herein acknowledges and accepts that BC shall not be under any obligation to pay interest on any Cash Balance (and any fees BC may take from such interest). Customer herein waives and foregoes any entitlement to interest (and any applicable fees) derived from the Trust Account. Customer herein acknowledges and accepts that BC will not pay Customer any interest on its Cash Balance and that any interest will accrue to BC and (insofar as Customer is able/and or required to do so), Customer shall assign and convey to BC any beneficial entitlement to such interest.

5.3.3.3 BC and Customer shall each be responsible for any transaction, conversion or other cost charged by its respective authorised deposit-taking institution when making any deposit or withdrawal to or from the Trust Account. Notwithstanding this Clause 5.3.3.3, Customer herein undertakes to reimburse BC for any dishonour or reversal charges that are levied from BC's account resultant of a transaction effected by, or at the direction of Customer.

5.4 Trade Execution

5.4.1 Customer herein acknowledges and accepts that for each trade executed through MetalDesk, BC shall be the counterparty by virtue of contract novation.

5.4.2 Where Customer places an order through MetalDesk and Customer's order is subsequently executed, in whole or in part; Customer may be charged an Execution Fee in accordance with Clause 18.1.1.

5.4.3 With respect to Clause 5.4.2, said Execution Fee shall be charged at the time that an order, or part thereof, is executed.

5.4.4 Customer herein acknowledges and accepts that where Customer successfully executes a purchase through MetalDesk, Customer hereby requests BC to debit from its Cash Balance, at time of trade, the Trade Value, plus any associated Execution Fee.

5.4.5 Customer herein acknowledges and accepts that where Customer successfully executes a sale through MetalDesk, Customer hereby requests BC to credit its Cash Balance, at time of trade, the Trade Value, less any associated Execution Fee due to BC.

5.4.6 Customer herein acknowledges and agrees that there exists no cooling-off or set off functionality within MetalDesk and that all executed transactions and resulting contractual obligations are final. Any unexecuted order, or part thereof, may be withdrawn at any time prior to execution.

5.4.7 Customer herein acknowledges and accepts that where Customer requests a withdrawal of deposited funds from its Cash Balance, BC shall only remit said funds in the name of the person or organisation that made the original deposit.

5.4.8 Where an order is submitted for a quantity of greater than one (1) of a specific Product, the order may be executed in part. If part of an order is not executed, it will remain open until such time as it is executed or Customer cancels it in MetalDesk.

5.4.9 Customer acknowledges that normal pricing relationships may not exist in periods such as that of high volatility or low liquidity.

5.5 Order Priority

5.5.1 BC warrants that all orders as entered into MetalDesk shall be executed in strict price/time priority.

5.6 Deposited Bullion

5.6.1 Deposited Bullion means Bullion that is held in the Secure Storage Area of the associated BC Vault.

5.6.2 Customer shall be permitted to trade upon Deposited Bullion as soon as it is reflected in Customer's Holdings.

5.7 To Be Deposited Bullion

5.7.1 To Be Deposited Bullion Product's means Bullion that is not currently held in the Secure Storage Area of the associated BC Vault. Such Bullion must be deposited by the respective Liquidity Provider by the Delivery Date unless otherwise excepted pursuant to this Agreement.

5.7.2 For the avoidance of doubt, Customer shall be permitted to trade upon To Be Deposited Bullion Product Holdings as soon as it is reflected in Customer's Holdings.

5.8 Unforeseen Delivery Delays

5.8.1 Notwithstanding Clause 5.7.1, Customer herein acknowledges and accepts that where it trades upon a To Be Deposited Bullion Product, it may be the case that unforeseen and/or exceptional delays, including but not limited to delivery delays and/or refinement delays, may interfere with Liquidity Provider's ability to strictly comply with the requirements of the Trade Cycle and the Delivery Date. Resultantly, Customer herein irrevocably and absolutely releases BC and the respective Customer from any and all liabilities whatsoever arising out of said unforeseen and/or exceptional delays.

5.8.2 Where a To Be Deposited Bullion Product is not deposited by the Delivery Date, resultant of an event as detailed within Clause 5.8.1 or as a result of a Liquidity Provider's default, for a consecutive ninety (90) day period, the Customer may request to cash settle any outstanding contractual obligations offended by such an unforeseen and/or exceptional delay by providing notice to BC in accordance with Clause 10.

5.8.3 Where any delivery is interrupted by an event in accordance with Clause 5.8.2, the Parties herein agree that corresponding contractual obligations, as detailed for each transaction, shall be read in accordance with the relevant provisions as detailed upon the respective Trade Confirmation as issued by BC and each Party herein agrees and undertakes to absolutely and irrevocably release the other Party from any liabilities arising out of non-performance of its respective obligations as contained in this Agreement.

5.9 Suspension Of Trade For Failure To Comply

5.9.1 Customer herein acknowledges and agrees that where BC suspends or cancels Customer's ability to trade upon its Bullion Account, to the maximum extent permitted by law, BC shall not be liable under any circumstance whatsoever under any legal theory whatsoever, for loss or damage to Customer or any other persons related or engaged with Customer resultant of said suspension or cancellation, including but not limited to loss of profits or other proprietary trading losses in the event that BC removes an order from MetalDesk or does any other analogous actions upon MetalDesk.

5.10 Proprietary Trade Disclosure

5.10.1 Customer acknowledges and subsequently agrees that BC and/or Liquidity Providers may engage in proprietary trading activities from time to time.

5.10.2 Notwithstanding Clause 5.10.1, BC warrants that it shall take all reasonable steps to ensure that any proprietary trading activity will not be based on any non-public price sensitive information and/or will not adversely affect the interests of Customers.

5.10.3 BC undertakes to obtain similar undertakings from each Liquidity Provider to ensure that each Customer has transparent and equal access to information on MetalDesk.

6 Bullion Deposits

6.1 General

6.1.1 BC may permit Customer to deposit into the BC Vault Network. Each such deposit shall be on a case by case basis wherein Customer will be required to comply with the terms and undertakings of this Clause 6. Customer herein acknowledges and agrees that BC may temporarily or permanently disallow deposits for any reason or no reason.

6.2 Permitted Bullion Deposits

6.2.1 Customer shall only permit Bullion to be deposited into a BC Vault when said Bullion is of a Prescribed Form and satisfies the requirements as prescribed by the QAF.

6.2.2 With respect to Clause 6.2.1, BC may refuse to accept any such deposit or part thereof where BC has a reasonable belief that Customer's Bullion does not satisfy the requirements of the QAF.

6.3 Procedure

6.3.1 Customer may, at its absolute discretion, notify BC of its intention to deposit Bullion into its Bullion Account.

6.3.2 With respect to Clause 6.3.1, all Customer deposits shall be made on a Delivery Date where the following is satisfied:

- a. sufficient notice is provided by Customer to BC pursuant to Clause 6.4;
- b. delivery of the Bullion, which is to be deposited in the Bullion Account of Customer, is in a Prescribed Form and made to a BC Vault at Customer's expense and risk; and
- c. BC reasonably believes that the facilitation of storage of Bullion for Customer is legal insofar as the movement of the Bullion would not breach any applicable law, regulation, court order or otherwise.

6.3.3 BC may, at its ultimate discretion, prescribe reasonable minimum deposit quantities or volumes, measured in the aggregate, for Customer at each BC Vault.

6.4 Notice

6.4.1 Where Customer wishes to deposit Bullion into its Bullion Account, sufficient notice must be provided to BC pursuant to Clause 6.3.2 where said notice:

- a. is given within the time frame prescribed in the QAF. Where said notice does not provide the requisite amount of time, the delivery shall be processed on the following Delivery Date where possible, unless otherwise agreed by the Parties; and
- b. provides any and all information requested by BC. This includes, but is not limited to, details of all Bullion to be deposited, and details of delivery, as prescribed in the QAF.

6.5 Crediting Bullion Account

6.5.1 Where a deposit is made pursuant to this Clause 6, said deposit may take up to forty-eight (48) hours to be credited to Customer's Holdings and visible within MetalDesk. Until such time as the Bullion is credited to Customer's Holdings, Customer shall not be permitted to trade on Bullion, the subject of such a deposit. For the avoidance of doubt, this Clause 6.5.1 shall not interfere with Customer's ability to trade on Bullion that was not related to or contingent upon such a deposit. Customer's Holdings within MetalDesk shall be credited according to the Product type and/or weight of Bullion being deposited.

7 Bullion Withdrawals

7.1 General

7.1.1 At all times, BC shall permit Customer to make a withdrawal from the BC Vault Network unless otherwise excepted pursuant to this Agreement.

7.2 Procedure

7.2.1 Customer may, at its absolute discretion, notify BC to request a withdrawal of Bullion from its Bullion Account.

7.2.2 With respect to Clause 7.2.1, Customer's withdrawal request may only be made for a Delivery Date, whereby BC shall debit Customer's Holdings on MetalDesk and release the Bullion subject to the withdrawal request.

7.2.3 With respect to Clause 7.2.1, where Customer wishes to personally withdraw Bullion from a BC Vault, said withdrawal shall be made on a Delivery Date where the following is satisfied:

- a. sufficient notice is provided by Customer to BC pursuant to Clause 7.3.1;
- b. withdrawal of the Bullion, which is to be debited from the Bullion Account of Customer and removed from the BC Vault is at Customer's expense and risk; and
- c. BC reasonably believes that the facilitation of the collection of Bullion for Customer is legal insofar as the movement of the Bullion would not breach any applicable law, regulation, known court order or otherwise.

7.2.4 With respect to Clause 7.2.1, where Customer requests BC to facilitate delivery of Bullion from a BC Vault, said withdrawal shall be made on a Delivery Date where the following is satisfied:

- a. sufficient notice is provided by Customer to BC pursuant to Clause b;
- b. withdrawal of the Bullion, which is to be debited from the Bullion Account of Customer and removed from the BC Vault, is dispatched to an Approved Location. Customer herein accepts that upon release and subsequent delivery of the Bullion to an Approved Location, Customer shall bear any and all future expense and risk associated with said Bullion; and
- c. BC reasonably believes that the facilitation of the delivery of Bullion for Customer is legal insofar as the movement of the Bullion would not breach any applicable law, regulation, known court order or otherwise.

7.2.5 BC may, at its ultimate discretion, prescribe reasonable minimum withdrawal quantities or volumes, measured in the aggregate, for Customer at each BC Vault.

7.3 Notice

7.3.1 Where Customer wishes to withdraw Bullion from its Bullion Account pursuant to Clause 7.2.3, sufficient notice must be provided to BC where said notice:

- a. is given within the time frame prescribed in the QAF. Where said notice does not provide the requisite amount of time, the withdrawal shall be processed on the following Delivery Date unless otherwise agreed by the Parties; and
- b. provides any and all information requested by BC. This includes, but is not limited to, details of all Bullion to be withdrawn, and details of withdrawal, as prescribed in the QAF.

7.3.2 Where Customer wishes to withdraw Bullion from its Bullion Account pursuant to Clause 7.2.4, sufficient notice must be provided to BC where said notice:

- a. is given within the time frame prescribed in the QAF. Where said notice does not provide the requisite amount of time, the withdrawal shall be processed on the following Delivery Date where possible, unless otherwise agreed by the Parties; and
- b. provides any and all information requested by BC. This includes, but is not limited to, details of all Bullion to be withdrawn, and details of withdrawal and delivery, as prescribed in the QAF.

7.4 Fees

7.4.1 BC may charge a Withdrawal Fee for any Bullion withdrawn from each BC Vault.

7.4.2 Customer herein acknowledges and accepts that where Customer effects withdrawal of its Bullion from a BC Vault, Customer hereby requests BC to debit from its Cash Balance the Withdrawal Fee.

7.5 Debiting Bullion Account

7.5.1 Where Customer requests to withdraw Bullion pursuant to this Clause 7, Customer's Holdings shall be debited according to the Product and quantity being withdrawn. Customer shall be restricted from trading on this Bullion from time of requesting withdrawal.

7.5.2 Customer accepts that when it withdraws Bullion pursuant to this Clause 7 that BC provides no assurances or guarantees whatsoever that the withdrawn precious metal is identical to any Bullion that may have been originally deposited by Customer.

7.5.3 Notwithstanding the above Clause 7.5.2, BC shall ensure that where Customer withdraws Bullion pursuant to this Clause 7, the Bullion that is delivered to Customer shall be one of the following:

- a. in the case of fixed weight contracts, of the same Prescribed Form; or
- b. in the case of various weight pooled contracts, of an identical Ounce weight.

8 Customer's Representations

8.1 Authorised Instructions

8.1.1 Customer hereby represents and warrants that where BC is provided instructions by Customer or Customer's Authorised Trading Agent on its Bullion Account, BC may rely upon and action those instructions where Customer shall have no recourse against BC.

8.1.2 Customer hereby represents and warrants that it shall only deal with Customer's Bullion Account where BC has, or appears to have received instructions from Customer or Customer's Authorised Trading Agent permitting such dealings. Such authorised instructions may be received by any accepted mediums of communication including but not limited to telephone, email, postal mail or any other form of direct communication where mutually agreed by the Parties.

8.1.3 Where authorised instructions have been received by BC pursuant to Clause 8.1.2, said authorised instructions shall remain in force until such time as BC is notified otherwise by the accepted mediums of communication as mutually agreed by the Parties.

8.2 Unclear Instructions

8.2.1 Where authorised instructions have been received by BC pursuant to Clause 8.1.2, BC undertakes to take reasonable steps to obtain clarification around any instruction which is not sufficiently clear. Notwithstanding the aforementioned, BC may at its discretion act upon any instruction which it believes is a reasonably clear direction from Customer or Customer's Authorised Trading Agent or in the alternate, BC may at its discretion refuse to act upon any authorised instruction which it believes to be unclear and/or ambiguous until such time as Customer or Customer's Authorised Trading Agent clarifies any uncertainty in said authorised instruction.

9 Storage of Precious Metal

9.1 Location

9.1.1 All Bullion comprising Customer's Holdings shall be held within a given BC Vault unless in transit to another BC Vault, to Customer, or in transit to some other Approved Location as instructed by Customer.

9.1.2 BC herein undertakes to take all necessary steps to ensure that all BC Vaults and Vault Operators are reputable and provide Customer all reasonable assurances as to its Bullion's safekeeping.

9.2 Insurance

9.2.1 BC herein undertakes that, at all times, it shall maintain, or shall have its Vault Operators maintain comprehensive insurance policies to cover the value of Customer's Bullion from loss, theft or damage caused whilst Customer's Bullion is in the custody, care and control of BC, its Vault Operators and/or its affiliates, agents and/or subcontractors.

9.2.2 For the avoidance of doubt, BC, its Vault Operators and/or its affiliates, agents and/or subcontractors shall be deemed to have taken custody, care and control of Customer's Bullion where said Bullion is physically within BC's, its Vault Operators' and/or its affiliates', agents' and/or subcontractors' possession, evidenced by a signed receipt of same. BC, its Vault Operators and/or its affiliates, agents and/or subcontractors shall be deemed to have relinquished custody, care and control of Customer's Bullion where said Bullion is physically within Customer's, its Authorised Trading Agents' or some other duly authorised person's possession, evidenced by a signed receipt of same.

9.2.3 In the event of loss, theft or damage to Customer's Bullion prior to deposit in the Secure Storage Area of a BC Vault but still within the custody, care and control of BC, its Vault Operators and/or its affiliates, agents and/or subcontractors, the value of said lost, stolen or damaged Bullion shall be determined on a said-to-contain basis by:

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- a. reference to Customer's assay results in respect of Bullion which has been lost, stolen or damaged, or, Customer's stated Prescribed Form of Bullion which has been lost, stolen or damaged, whichever is lower; and
 - b. the price as specified as the first Business Day post meridiem (PM) fix following the day of any loss, theft or damage to the Bullion according to the London Bullion Market Association or the London Platinum and Palladium Market as appropriate, plus reasonable costs associated with the replacement of said lost, stolen or damaged Bullion including, but not limited to, a reasonable premium for such recast where appropriate;

multiplied by the number of Ounces held by Customer.

9.2.4 In the event of loss, theft or damage to Customer's Holdings wherein the Bullion has been admitted to the Secure Storage Area of a BC Vault and/or during release or delivery of such Bullion to Customer by BC, its Vault Operators and/or its affiliates, agents and/or subcontractors, the value of said lost, stolen or damaged Bullion shall be determined by:

- a. reference to the Prescribed Form of Customer's Holdings as reflected in MetalDesk; and
- b. the price as specified as the first Business Day post meridiem (PM) fix following the day of any loss, theft or damage to the Bullion according to the London Bullion Market Association or the London Platinum and Palladium Market as appropriate, plus reasonable costs associated with the replacement of said lost, stolen or damaged Bullion including, but not limited to, a reasonable premium for such recast where appropriate;

multiplied by the number of Ounces held by Customer.

9.2.5 Customer herein acknowledges and agrees that BC shall have no liability howsoever to the Customer or any of its employees, affiliates, agents or subcontractors under or arising in respect of this Agreement for any indirect loss, incidental loss, consequential loss or otherwise including but not limited to loss of profits, revenue, business opportunity or reputation, whether or not BC had knowledge that such loss or damage might be incurred, and whether or not such loss or damage was reasonably foreseeable.

10 Notices

10.1 Form

10.1.1 All notices, consents and other documents authorised or required to be given by or pursuant to this Agreement must be given in writing and either personally served, sent by facsimile transmission or pre-paid registered letter unless otherwise mutually agreed by the Parties.

10.2 Receipt of Notice

10.2.1 A notice, request, consent or other authorised documentation will be deemed received only when actually received or delivered pursuant to Clause 10.1.1.

10.3 Address for Notice

10.3.1 BC's address for notice shall be as follows:

Bullion Capital
PO Box 13240, George Street
Brisbane, Queensland Australia
4003

Telephone: +61 (0)7 3211 3863
Fax: + 61 (0)7 3236 1106

10.3.2 Customer's address for notice shall be the address as detailed in Customer's Account Application, as updated from time to time.

10.3.3 With respect to Clause 10.3.2, Customer shall be solely responsible for informing BC of any address change for such service of notices. Where Customer does not inform BC of a change in its address for notice, and BC subsequently serves a notice upon Customer's previous address where BC has complied with all requirements specified within this Agreement; said service shall constitute valid receipt of notice pursuant to Clause 10.2.

11 Confidentiality

11.1 Disclosure of Confidential Information

11.1.1 Each Party undertakes to apply to all Confidential Information disclosed in accordance with the provisions of this Agreement the same degree of care with which it treats and protects its own proprietary information against public disclosure and not to disclose any Confidential Information to any other party without the written consent of the other Party.

11.2 Required Disclosure

11.2.1 With respect to Clause 11.1, each Party acknowledges that disclosure of Confidential Information may be required by an applicable law, regulation or court order and the other Party herein releases the receiving Party from any breach resultant of such compelled disclosure pursuant to the terms of this Agreement.

11.2.2 With respect to Clause 11.1, Customer acknowledges that BC may disclose information regarding its Bullion Account including but not limited to Cash Balance and Holdings, account activity statement and the security interest held to the following persons:

- a. BC's head office, parent corporation, subsidiaries and/or any other organisation with a common directorship;
- b. consultants and advisors contracted by BC with respect to the management or operation of BC;
- c. any rating agency, insurance provider or credit protection organisation; and
- d. any court, tribunal or regulatory body with jurisdiction over BC and/or Customer.

12 BC Security Interest

12.1 Security Interest and Lien in Customer's Bullion

12.1.1 Customer herein acknowledges and agrees that BC:

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- a. has a security interest in Bullion held in Customer's Holdings; and
 - b. may exercise a lien on Customer's Bullion;

where necessary to secure payment of any unpaid and overdue fees or charges due to BC, determined by reference to the payment terms detailed upon the respective invoice or within this Agreement, including, but not limited to, storage and other service fees and expenses associated with the operation of Customer's Bullion Account or for other amounts Customer may owe BC for any other reason.

12.2 Use of Encumbered Bullion

- 12.2.1 With respect to Clause 12.1.1, where Customer does not pay BC amounts due under the terms of this Agreement; BC may sell or transfer individual items of Bullion comprising Customer's Holdings in sufficient quantities to recover any said outstanding To Be Deposited delivery obligations or amounts due. BC herein agrees to remit to Customer any balance remaining from such sale after a deduction of any amount due and the costs associated with the sale transaction, including but not limited to legal fees where appropriate, by crediting its Cash Balance.

13 Limitation of Liability

13.1 Limitation of Liability

- 13.1.1 To the maximum extent permitted by law, BC shall not be liable under any circumstance whatsoever under any legal theory whatsoever, for loss of or damage to Customer's Bullion Account, regardless of whether such loss is direct, indirect, incidental, consequential or otherwise.
- 13.1.2 To the maximum extent permitted by law, BC shall not be liable under any circumstance whatsoever under any legal theory whatsoever for damages, losses, consequential losses, expenses, penalties, fines, attorney fees or any claims alleged in connection with this Agreement or a relationship between BC with a Customer, Customer's Authorised Trading Agent, Customer's client or any other party.
- 13.1.3 To the maximum extent permitted by law, BC shall not be liable under any circumstance whatsoever, under any legal theory whatsoever for loss of or damage to Customer's Bullion Account, resulting from confiscation, seizure, appropriation, expropriation, requisition for title of use or wilful destruction of the Bullion, or portion thereof, by/or under the order of any Government (whether civil, military or de facto) and/or public authority.
- 13.1.4 In all cases, BC's absolute liability shall not exceed a sum equal to a multiple of five (5) times the fees paid by Customer to BC over the previous twelve (12) months per claim and shall in no event cumulatively exceed AUD 10,000 per calendar year.

13.2 Force Majeure

- 13.2.1 BC shall not be liable for any inability or failure to deliver upon any undertaking, representation, warranty or otherwise, given during the ordinary course of its business; including the obligation to fulfil any of its obligations under this Agreement, in a period during which it may be precluded from so doing due to the direct or indirect result of any matter or event beyond BC's reasonable control including unusual trading conditions, technical failure, labour dispute, judicial action, acts of any government or government agency or subdivision, fire, flood or storm, riot, sabotage, civil disobedience, insurrection, or either declared or undeclared war.

14 Termination

14.1 Termination Rights

14.1.1 This Agreement may be terminated by either Party:

- a. on thirty (30) days' written notice to the other Party; or
- b. immediately by notice in writing to the other Party if the other Party is in material breach of this Agreement and, to the extent that the breach is capable of remedy, that breach is not remedied by the other Party within ten (10) Business Days of it receiving notice from the first Party of the details of the breach and the first Party's intention to terminate.

14.2 Effect Of Termination

14.2.1 If this Agreement is terminated by a Party under this Clause 14.2.1, Customer herein agrees and subsequently requests that BC shall:

- a. remit to Customer its Cash Balance after all outstanding fees and charges due to BC have been settled; and
- b. facilitate the withdrawal of all Bullion from Customer's Bullion Account as soon as is practicable.

14.2.2 If this Agreement is terminated by a Party under this Clause 14.1, Customer shall:

- a. pay all outstanding fees and charges wherein Customer herein agrees and subsequently requests BC to debit its Cash Balance Customer holds to satisfy the intention of this Clause 14.2.2 a, including storage fees up to day of withdrawal; and
- b. take all necessary steps to remove all Bullion from its Bullion Account as soon as practicable in accordance with the withdrawals procedure as promulgated in Clause 7.

14.2.3 Where Customer does not make arrangements for the withdrawal of all Bullion from its Bullion Account, BC shall continue to hold the Bullion of said Bullion Account for a period of not less than thirty (30) days wherein Customer shall remain liable to BC for all Storage Fees resultant of such continuing storage. Where Customer does not remove its Bullion within this time, BC shall herein be entitled (but not required) to close Customer's Bullion Account, sell all Bullion comprising said account and credit its Cash Balance any proceeds from the sale less any amounts due to BC which have been incurred resultant of said sale in addition to any amount due pursuant to the terms of this Agreement.

14.2.4 Where Customer has not contacted BC for a continuous ninety (90) day period after termination of this Agreement pursuant to Clause 14.1, Customer herein requests that BC may remit its Cash Balance.

14.2.5 With respect to Clause 14.2.3, BC shall not be required to release any Bullion unless all fees and charges due to BC have been satisfied before the withdrawal date.

15 Dispute Resolution

15.1 Proceedings

15.1.1 Neither Party may commence arbitration or litigation against the other, relating to any dispute in respect of obligations or undertakings contained within this Agreement, except where that party seeks urgent interlocutory relief from a court, unless the Party has complied with this Clause 15.

15.1.2 Where a Party fails to comply with Clause 16.1.1, that Party accepts and subsequently releases the other Party from being bound by the dispute resolution procedure, as detailed in Clause 15.1.1.

15.2 Disputes Of Invoices

15.2.1 Where Customer disputes the amount of any invoice, statement or otherwise as issued by BC ('Disputed Amount'), Customer herein acknowledges that they must notify BC in writing before the date by which the Disputed Amount is payable, or where said payment has already been effected, as soon as is reasonably practicable where such time is not greater than two (2) Business Days.

15.2.2 Where Customer fails to notify BC pursuant to Clause 15.2.1, the Customer herein acknowledges and agrees that notwithstanding the fact that the Disputed Amount remains disputed, that it shall be required to make payment in accordance with the ordinary payment terms. Upon finalising the dispute, where the Disputed Amount is found to have been in excess of what was owing to BC, BC herein warrants that it shall remit or set-off any amount owing to Customer as soon as is reasonably practicable.

15.3 Procedure

15.3.1 In the event a Party instigates a dispute:

- a. that Party shall give written notice to the other Party nominating a representative to negotiate the dispute ('Dispute Notice');
- b. within five (5) Business Days of receiving the Dispute Notice, the other Party will reply in writing nominating its representative to negotiate the dispute ('Dispute Reply');
- c. the representatives of the Parties shall use its best endeavours to negotiate and settle the dispute wherein if any settlement can be achieved, it should be recorded in writing and signed by both representatives wherein said signed agreement shall be deemed to be binding upon the Parties;
- d. where the dispute has not been resolved within ten (10) Business Days of the receipt of the Dispute Reply, the Parties shall undertake to use its best endeavours to negotiate for a process to resolve the dispute wherein said process is not arbitration or litigation;
- e. where twenty (20) Business Days has elapsed since receipt of the Dispute Reply and the negotiations for an alternative dispute resolution process have been unsuccessful, the Parties may engage in arbitration followed by litigation.

15.4 Costs

15.4.1 Any and all costs incurred by a Party in bringing a dispute shall be borne by said Party, unless otherwise agreed during negotiations or ordered during arbitration or litigation.

16 Anti-Money Laundering and Counter-Terrorism Financing Framework and Australian Privacy Principles

16.1 General

16.1.1 BC takes its obligations under the AML Act seriously and endeavours to align its operations with the purposes and provisions as promulgated by the AML Act, its applicable rules, Regulations and the APP as promulgated by the Privacy Act 1988 (Cth).

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- 16.1.2 BC shall operate thorough identification and verification programs to monitor and report to the appropriate regulatory bodies the activities of BC.
- 16.1.3 BC undertakes to be proactive in the fulfilment of its obligations under the AML Act and Privacy Act 1988 (Cth) and as such will conduct on-going, annual audit checks upon collected and held identification and verification information to ensure compliance with regard to the AML Act and APP's.
- 16.1.4 BC undertakes to protect any information collected and held by BC in a secure fashion to ensure compliance with the AML Act and APP.
- 16.1.5 BC reserves the right, and Customer hereby grants BC an absolute and irrevocable right to release any information collected by BC in order to discharge its obligations under the AML Act to the relevant government authorities, regulatory bodies and/or other necessarily empowered organisations without notice provided the release of information is required to satisfy BC's purposes or required under the AML Act.
- 16.1.6 BC reserves the right to request from Customer any additional information that is required to allow BC to discharge its obligations and its clients' obligations under the AML Act. Where BC has requested documentation from Customer, and that person refuses to comply with the request whether, expressly, impliedly or by conduct; at such time of refusal, BC may revoke, suspend or terminate Customer's Bullion Account and any access to MetalDesk.
- 16.1.7 Where BC has retained, collected and/or recorded information pursuant to this Agreement, BC reserves the right to charge an administrative fee for viewing any and all retained, collected or recorded information upon Customer.
- 16.1.8 With respect to Clause 16.1.7, only the Customer shall be permitted to access any information retained, collected and/or recorded by BC during its operations unless otherwise required by an applicable law.
- 16.1.9 Customer acknowledges and agrees that BC may utilise electronic verification methods to verify the identity of Customer in order to discharge its obligations under the AML Act. Where the Customer does not wish BC to utilise electronic verification methods to verify its identity; Customer shall contact BC in writing at its address for notice detailed in Clause 10.3 requesting an alternative means of verification.
- 16.1.10 Without limiting the aforementioned electronic verification methods as detailed in Clause 16.1.9, BC may request a credit reporting agency, or any analogous organisation, to provide an assessment of whether the personal information provided for within Customer's Account Application matches (in whole or part) personal information contained in a credit information file in the possession or control of the credit reporting agency. Alternatively, Customer acknowledges that BC may request a credit reporting agency, or any analogous organisation, to prepare and provide such an assessment.
- 16.1.11 With respect to Clause 16.1.10, Customer acknowledges that the credit reporting agency, or an analogous organisation, may use the personal information provided by Customer within its Account Application for the purpose of making such an assessment.
- 16.1.12 Where BC is unable to verify Customer's identity via electronic verification methods, BC shall contact said Customer detailing said inability and provide all such reasonable information to the Customer as is required, in addition to offering an alternative means of verification.
- 16.1.13 BC undertakes to take reasonable steps to ensure all retained, collected and recorded information of Customer are accurate and secure, and not release, disseminate or otherwise, to any other persons whatsoever any information for personal gain unless required or compelled by law.

17 Value-Added Taxes ('VAT')

17.1 Interpretation

17.1.1 In this Clause 17, VAT refers to a variety of indirect taxes that may be imposed on the storage, delivery or sale of precious metals which vary depending on the location of the customer, the location of the vault where the precious metals are stored, the location to which the goods are being delivered.

17.2 VAT Gross Up

17.2.1 Subject to Clause 17.2.2, if a Party makes a supply under or in connection with this Agreement in respect of which VAT is payable, the consideration for the supply but for the application of this Clause 17.2 (VAT Exclusive consideration) is to be increased by an amount equal to the VAT exclusive consideration multiplied by the rate of VAT prevailing at the time the supply is made.

17.2.2 Clause 17.1.1 does not apply to any consideration that is expressed in this Agreement to be inclusive of VAT.

17.3 Reimbursements and Indemnification

17.3.1 If a Party reimburses or indemnifies another Party for a loss, cost or expenses, the amount to be reimbursed or indemnified is first reduced by any input tax credit the other Party is entitled to for the loss, cost or expenses, and then increased in accordance with Clause 17.2.

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18 Appendix 1: Fee Schedule

BC shall set the applicable fees to be charged to Customer unless Customer has elected an Introducing Broker or Administrative Custodian wherein said Introducing Broker or Administrative Custodian shall set the applicable fees to be charged. The respective fees are payable to BC for the services rendered and may encompass a commission payable where a Customer has been introduced by an Introducing Broker.

18.1 General

18.1.1 BC shall charge the Execution Fee, Platform Fee, Storage Fee and Withdrawal Fee in accordance with the fee section as prescribed in this Account Agreement.

18.2 Execution Fees

18.2.1 BC shall charge Customer an Execution Fee based upon the aggregate Trade Value in accordance with Clause 18.1.1.

18.3 Storage Fees

18.3.1 BC shall charge a Monthly Storage Fee on Customer's Bullion Account in accordance with Clause 18.1.1.

18.3.2 Monthly Storage Fees shall be calculated daily, invoiced monthly, in arrears, calculated by the sum of the Daily Storage Fees for the previous calendar month.

$$\text{Monthly Storage Fee} = \sum \text{Daily Storage Fee}$$

18.3.3 Daily Storage Fees shall be calculated by dividing Customer's respective Storage Fee by three-hundred and sixty-five (365), representative of the number of days in a calendar year; multiplying this figure by the Holdings Primary Close Value of Bullion of Customer.

$$\text{Daily Storage Fee} = \frac{\text{Storage Fee}}{365} \times \text{Holdings Primary Close Value of Bullion}$$

18.3.4 Daily Storage Fees will only be incurred by Customer in the case of Deposited Bullion Holdings. A day of deposit and/or withdrawal shall be considered a day of storage within a BC Vault, regardless of time of deposit and/or withdrawal on said day. The Daily Storage Fee for a given day will be incurred by the person possessing legal title at Primary Close of that day.

18.4 Withdrawal Fees

18.4.1 BC shall charge Customer a Withdrawal Fee in accordance with Clause 18.1.1 as follows:

- a. an administration fee as defined in Customer's Account Application; and
- b. the collection fee or transportation fee as imposed by the Vault Operator.

18.5 Transportation Fees

18.5.1 Where Customer requests for BC to arrange delivery of Bullion to or from an Approved Location pursuant to Clause 7.2.4, Customer herein acknowledges and agrees that it shall be liable for any designated carrier charges and any insurance charges incurred.

18.6 Notwithstanding Clause 18.1.1, BC, Introducing Broker or Administrative Custodian, where applicable, may reassess the prescribed fees with immediate effect at any time whatsoever, for any reason whatsoever.

18.7 All fees as detailed within this Fee Schedule are exclusive of VAT.

19 Appendix 2: Electronic Vault Warrants

19.1 General

19.1.1 BC has access to a centralized internet based precious metal electronic vault warrant registry within MetalDesk for the non-exclusive use of Customer wherein each eVW evidences ownership of the Bullion the subject of any such eVW on the terms and conditions set out in this Clause 19.

19.1.2 BC shall determine which Products may be the subject of an eVW within MetalDesk. At its sole discretion, BC may increase or decrease the selection of Products eligible to be subject to an eVW. Where BC determines that a Product is no longer eligible to be the subject of an eVW and there exists Bullion the subject of an eVW with a valid status which would otherwise fall into that Product; the determination by BC shall not affect the validity an eVW already in existence.

19.2 eVW Status

19.2.1 Each eVW shall exist as one of the following:

- a. where Bullion has an eVW created upon it, the status shall be valid;
- b. where a valid eVW has been requested to be pledged to the BC, the status shall be pending;
- c. where a pending eVW is subsequently accepted by the BC, the status shall be pledged; or
- d. where a valid eVW is cancelled, the status shall be cancelled.

19.3 Valid Status

19.3.1 Upon the creation of an eVW, the Bullion the subject of the eVW shall no longer be available for trade within its Product upon MetalDesk.

19.3.2 At all times, Bullion, which is the subject of an eVW and which has a valid status, may be withdrawn from the BC Vault Network in accordance with Clause 7. Where such a withdrawal request is made, the Allocated and Segregated item of Bullion, which is the subject of each eVW and which has a valid status, shall be debited from the Customer's Bullion Account. After this occurs, the status of the e-VW will be automatically changed to "cancelled".

19.4 Pledged Status

19.4.1 Bullion, which is the subject of the eVW and which has a pledged status, shall no longer be available:

- a. for trade within its Product upon MetalDesk;
- b. for withdrawal from the BC Vault Network;
- c. to be pledged to any other person; or
- d. to be cancelled;

until such time as said eVW is released by BC and the "pledged" status removed.

19.5 Cancelled Status

19.5.1 Bullion, which is subject of the eVW and which has a cancelled status, shall be either:

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- a. returned to the Deposited Holdings of Customer and available for trade within its respective Product; or
 - b. removed from Holdings of Customer if withdrawn in accordance with Clause 7.

19.5.2 Upon the cancellation of each eVW unique identifying number shall not be permitted to be used again.

19.6 Customer's Undertakings

19.6.1 Customer acknowledges and agrees that the use of the electronic vault warrant registry shall be in accordance with the undertakings and warranties contained within this Agreement and QAF.

19.6.2 Further to the above Clause 19.6.1, Customer undertakes to use the electronic vault warrant registry in good faith and in accordance with all instructions given (where applicable). The use of the electronic vault warrant registry by Customer is entirely at its own risk and subject to the limitations of liability contained within this Agreement at Clause 13.

19.6.3 Customer herein undertakes to hold harmless and indemnify BC from any loss or damage incurred by Customer or any of Customer's clients, employees, or authorized representatives or anyone trading on MetalDesk through Customer's Bullion Account.

19.6.4 For the avoidance of doubt, the limitations of liability and indemnifications contained within Clauses 19.6.2 to 19.6.3 respectively shall include but not be limited to any damage to any other company or any person participating on MetalDesk through the use of Customer's Bullion Account and shall include but not be limited to good-will and/or other intangible losses, revenue or profits, legal claims, actions or judgements, delay or any loss or damage.

19.7 eVW Storage

19.7.1 The storage of Bullion the subject of an eVW shall be altered from an Allocated and Unsegregated basis to an Allocated and Segregated basis.

19.7.2 Where Bullion is stored on an Allocated and Segregated basis by virtue of an eVW, each eVW shall include and record all identifying information, including but not limited to the individual serial number, hallmark and fineness of Bullion.

19.7.3 For the avoidance of doubt, Bullion that has an eVW created upon it shall incur Storage Fees in accordance with Clause 18.3.

19.8 Electronic Vault Warrant Fees

19.8.1 Create, Pledge and Cancel Fees

19.8.1.1 BC shall charge create, pledge and cancel eVW Fees in accordance with the fee section as prescribed in Customer's Account Application.

19.8.1.2 The eVW cancel fee as detailed in this Clause 19.8.1 shall not apply where said eVW is cancelled in accordance with Clause 19.3.2.

19.8.2 Finance Fees

19.8.2.1 BC shall charge a Monthly Finance Fee on Customer's Bullion Account in accordance with this Clause 19.8.2. For the avoidance of doubt, Finance Fees shall be incurred by Customer on a day an eVW is released or cancelled, regardless of time of release or cancellation on said day.

19.8.2.2 Monthly Finance Fees shall be calculated as the sum of the Daily Finance Fees for the previous calendar month.

$$\text{Monthly Finance Fee} = \sum \text{Daily Finance Fees}$$

19.8.2.3 Daily Finance Fees shall be calculated by multiplying Customer's respective Finance Fee by the sum of the Open Pledge Values.

19.8.2.4 The Open Pledge Value of each eVW shall be calculated at the time of transition of each eVW from valid status or requested (whichever is applicable) to pledged status as the Primary Close Value of the Bullion the subject of said eVW, multiplied by each eVW's respective Lending Ratio.

$$\text{Open Pledge Value} = \text{Primary Close Value of Bullion} \times \text{Lending Ratio}$$

19.8.2.5 The Open Pledge Value shall remain constant from the day of transition to pledged until such time as the eVW is:

- a. released from pledged to valid status; or
- b. cancelled from pledged to cancelled status.

19.8.2.6 BC shall determine the applicable Finance Fee to be charged to Customer in accordance with the fee section as prescribed in Customer's Account Application.

19.8.3 BC shall invoice Customer monthly in arrears for Electronic Vault Warrant Fees as detailed in this Clause 19.8, calculated as the sum of the create, pledge, cancel and finance actions for the previous calendar month.