

I: CONDITIONS OF APPLICATION

1 Definitions

“**Approved Dealer**” means an entity to which The Perth Mint has granted the authority to promote the PMCP and liaise with potential Owners;

“**Certificate**” means the precious metals certificate issued to Owners by The Perth Mint in accordance with PMCP Operating Procedures;

“**Governmental Agency**” means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or other entity;

“**The Perth Mint**” means Gold Corporation, a body corporate created by the *Gold Corporation Act 1987* and trading as The Perth Mint;

“**Commodity**” means gold, silver, platinum or palladium held on behalf of an Owner under the PMCP;

“**PMCP**” means the Perth Mint Certificate Program, a program designed and operated by The Perth Mint to service demand for a Commodity;

“**Owner**” means any person or entity who applies for a Certificate with respect to the PMCP and is entered on the PMCP register maintained by The Perth Mint;

“**Storage Facility**” means the safe storage facilities insured, owned and operated by The Perth Mint at its principal office in Perth, Western Australia, or any alternative safe storage facility approved by The Perth Mint.

“**Operating Procedures**” means the Perth Mint Certificate Program procedures published and varied by The Perth Mint from time to time.

2 Allocated Commodity

2.1 An allocated Commodity will be stored by The Perth Mint at the Storage Facility on the following basis:

- (a) an allocated Commodity held on behalf of the Owner in the Storage Facility will be recorded:
 - (1) on the Certificate issued in the Owner’s name; and
 - (2) on the PMCP register maintained by The Perth Mint;
- (b) the Owner will own the allocated Commodity referenced on the Certificate and lodged at the Storage Facility;
- (c) the allocated Commodity may not be used by The Perth Mint during storage; and
- (d) the annual storage fee indicated on the Certificate will be payable by the Owner and collected every three years in arrears. A minimum of one year’s storage fees must be paid on initial purchase of a Commodity, which will not be refunded upon transfer, liquidation or delivery.

3 Unallocated Commodity

- 3.1 An unallocated Commodity will be stored by The Perth Mint at the Storage Facility on the following basis:
- (a) an unallocated Commodity held on behalf of the Owner in the Storage Facility will be recorded:
 - (1) on the Certificate issued in the Owner's name; and
 - (2) on the PMCP register maintained by The Perth Mint;
 - (b) the Owner will own, as an owner in common, an undivided interest in a pool of unallocated Commodities maintained in bulk storage on a fungible basis with the unallocated Commodities of other Owners, which will not permit the identification of the Owner's unallocated Commodity;
 - (c) The Perth Mint may use all or part of an unallocated Commodity for its own account as if it were the owner;
 - (d) any gain or loss arising from any such use of the Commodity will be attributed to The Perth Mint's account; and
 - (e) no storage fees will be payable with respect to unallocated storage.

4 Delivery

- 4.1 The Owner or its authorised agent may at any time request The Perth Mint to deliver all or part of the Commodity evidenced by the Certificate to a place nominated by the Owner. The Perth Mint shall not be obliged to comply with delivery instructions unless:
- (a) the delivery instructions comply with the PMCP Operating Procedures; and
 - (b) the Owner has paid all fees payable to The Perth Mint.
- 4.2 The Owner will incur a fabrication fee for delivery of an unallocated Commodity if no fabrication fee was paid at the time that it was purchased on behalf of the Owner.
- 4.3 The Perth Mint may require full payment of all delivery, handling and fabrication fees, in addition to any outstanding storage fees, from the Owner prior to complying with delivery instructions.

5 Purchase and sale of Commodities

5.1 Prompt payment required

- (a) The total purchase cost for a Commodity purchased from The Perth Mint is payable immediately via an Approved Dealer and must be received by The Perth Mint within **two business days** of the pricing date.
- (b) If the Owner fails to make any payment when due, The Perth Mint will be relieved of all obligations in the transaction and may recover from the Approved Dealer or the Owner as liquidated damages the difference between the purchase price agreed to by the Owner and the price at which The Perth Mint is then offering to buy the Commodity the Owner committed to purchase through the Approved Dealer.

- (c) The Approved Dealer's receipt and acceptance of the Owner's funds after the due date for their receipt shall not constitute a waiver of or limit The Perth Mint's or the Approved Dealer's remedies for the Owner's default and the Owner shall not be entitled to the benefit of any appreciation in the value of the Commodity the Owner committed to purchase but failed to pay for by the due date.

5.2 Title

- (a) While a Commodity is held on behalf of the Owner in the Storage Facility, title shall at all times remain with the Owner.
- (b) Title to a Commodity purchased by the Owner via an Approved Dealer from The Perth Mint shall pass to the Owner upon The Perth Mint's receipt of the purchase cost from the Approved Dealer.
- (c) Title to a Commodity sold by the Owner to The Perth Mint by the Owner's transfer of a Certificate to an Approved Dealer, shall pass to The Perth Mint upon payment of the sale proceeds from the transaction to the Approved Dealer.

5.3 Pricing

The Owner acknowledges that:

- (a) the prices at which The Perth Mint buys and sells a Commodity are based on international precious metal market prices;
- (b) The Perth Mint reserves the right to sell to and buy from the Owner on its own behalf; and
- (c) while The Perth Mint buys and sells precious metals for its own account and for the accounts of its clients, it is not an exchange.

5.4 Default

If the Owner owes The Perth Mint money, the Owner agrees to pay any amount so owed upon demand by The Perth Mint. If Owner fails to pay any sum owed to The Perth Mint by the due date, The Perth Mint may at its sole discretion:

- (a) close the Storage Facility held by the Owner; and/or
- (b) liquidate assets in the Storage Facility in an amount sufficient to pay any amount owed by the Owner, in which case the Owner hereby irrevocably appoints The Perth Mint as its attorney with full power to sell or otherwise deal with assets in the Storage Facility for that purpose; and/or
- (c) deduct the amount owed from any sum due to be paid by The Perth Mint to the Owner through the Owner's Approved Dealer.

6 Joint Account

- (a) If there are two or more Owners as parties to this Agreement, each Owner hereby declares they are the joint owner with each other Owner of rights to the

Commodity lodged in the Storage Facility opened in the names of the Owners as joint tenants with rights of survivorship and not as tenants in common.

- (b) Each Owner shall have full power, either before or after the death of any other Owner, to make withdrawals from the Storage Facility and upon the death of any Owner the balance then remaining in the Storage Facility shall be the absolute property of the survivor or survivors as the sole and absolute owner or owners thereof.
- (c) All obligations of Owners under this Agreement are joint and several. This clause shall apply to all Commodities in the Storage Facility and all cheques and drafts payable to the order of any or all Owners, irrespective of whether or not any such cheque or draft shall bear the endorsement of any or all of them.
- (d) Each Owner hereby jointly and severally on behalf of themselves and their respective heirs, executors, administrators and assigns, agrees to indemnify and save The Perth Mint forever harmless from any and all liability, loss or damage, howsoever arising, for relying on the instructions of any such Owner or by reason of delivery or payment to the survivor or survivors of the balance remaining in the Storage Facility at the time of death of any of the Owners.

7 Nature of terms and conditions

These Application Conditions and the PMCP Terms and Conditions shall apply to all transactions between the Owner and The Perth Mint, including not only storage but also all purchases from and sales to The Perth Mint of a Commodity.

8 Amendment

- (a) The Perth Mint reserves the right to change the terms and conditions of storage and delivery specified on issuance of the Certificate upon mailed notification to the Owner, and continued use of The Perth Mint's services by the Owner after receipt of such notice will constitute acceptance of those changes.
- (b) These Application Conditions may be amended by The Perth Mint upon 30 day's prior notice to the Owner. Continued participation by the Owner in the PMCP constitutes acceptance of the new terms and conditions.

9 Termination

The Perth Mint may terminate the Owner's participation in the PMCP at any time upon 30 day's written notice. Upon termination the Owner shall arrange, unless otherwise agreed to by the parties, to transfer the Certificate to an Approved Dealer for liquidation or accept delivery of a Commodity pursuant to these Application Conditions and the PMCP Terms and Conditions.

10 Force Majeure

The Perth Mint shall not be liable for any loss arising from any delay or non-performance by it of any of its obligations under these Application Conditions and the PMCP Terms and Conditions caused in whole or part by any act of God, government

acts, wars, civil strife, mechanical failure, unusual market behaviour or activity or any other fact or circumstances beyond The Perth Mint's control.

11 General

- 11.1 The Perth Mint reserves the right to reject any application for participation in the PMCP.
- 11.2 On acceptance of an application to participate in the PMCP by The Perth Mint, The Perth Mint shall send to the Owner's Approved Dealer, for delivery to the Owner, a Certificate clearly delineating the Commodity stored on behalf of the Owner, as well as the account name of the Owner. Such a Certificate shall be considered correct unless the Owner or the Owner's authorised agent notifies The Perth Mint no later than ten days after receipt of the Certificate.
- 11.3 If the Owner has authorised an agent (which may include the Owner's Approved Dealer) to provide directions to The Perth Mint on behalf of the Owner in accordance with an operating authority:
 - (a) the Owner represents and warrants that such agent shall not have independent or discretionary authority to give directions on behalf of the Owner to The Perth Mint, and that all directions given to The Perth Mint by the agent are only at the specific instruction of the Owner;
 - (b) The Perth Mint shall be entitled to rely on all directions provided by such agent as directions authorised by and given on behalf of the Owner until The Perth Mint is notified in writing by the Owner that such authority has been withdrawn;
 - (c) The Owner shall hold The Perth Mint harmless for following the directions of such agent until written notice of withdrawal of the agent's authority is received from the Owner by The Perth Mint; and
 - (d) the Owner acknowledges that The Perth Mint is not liable for any loss or damage resulting from The Perth Mint acting reasonably in response to a fraudulent instruction where The Perth Mint has no actual knowledge of the fraud.
- 11.4 The Owner agrees to pay, indemnify and save harmless The Perth Mint from and against any tax or other levy, including any goods or services tax, imposed by any Governmental Agency, now or in the future, in respect of ownership, transfer, liquidation or delivery of the Owner's Commodity or any dealing on any account relating to the Owner's participation in the PMCP.
- 11.5 A schedule of fees may be published by The Perth Mint from time to time, which will include handling and storage and fabrication fees. Any costs incurred in respect of special arrangements requested by the Owner for the delivery or storage of a Commodity must be paid in full by the Owner. Fees may be subject to variation from time to time, and notice of any variation will be forwarded to the Owner.
- 11.6 **The Owner acknowledges and agrees that:**
 - (a) **The Perth Mint has not offered or given and will not provide any investment advice in connection with a Commodity and has not offered**

or given any opinion with respect to the suitability of any Commodity transaction made or which might be made by the Owner;

- (b) **Commodity markets are volatile. Investments in Commodities involve a high degree of risk and are not suitable for all persons. Losses may be incurred both as a result of Commodity price diminution and if price gains do not exceed applicable storage, handling, delivery and related fees. The Owner has read and understands the terms of these Application Conditions and the PMCP Terms and Conditions and acknowledges that all risk of decline in the market value of a Commodity is the Owner's risk and not that of The Perth Mint. If a client is in any doubt as to the suitability of a Commodity as an investment he should contact his legal or financial adviser before commencing trading; and**
- (c) **investment in a Commodity provides no guarantee of interest or yield.**

11.7 The terms of the Owner's involvement in the PMCP, including details provided by the Owner for the purposes of identification, must remain confidential between the parties and their authorised agents (including the Owner's Approved Dealer), subject to any applicable laws, statutes or regulations and the obligations of each party.

11.8 If a Certificate is lost or destroyed, the Owner must notify The Perth Mint immediately on becoming aware of the loss or destruction by sending The Perth Mint a duly executed **Lost Certificate Form** in the format required under the PMCP Operating Procedures. Upon receipt of a correctly executed **Lost Certificate Form**, The Perth Mint will cancel the lost certificate and issue a replacement Certificate in the name of the Owner to the Owner or the Owner's authorised agent (which may be the Owner's Approved Dealer) in accordance with PMCP Operating Procedures.

11.9 These Application Conditions and the PMCP Terms and Conditions shall supersede any oral agreements or representations made on behalf of The Perth Mint.

11.10 The Owner represents and warrants to The Perth Mint that:

- (a) all representations made by the Owner to The Perth Mint pursuant to this application are true and correct; and
- (b) performance by the Owner of these Application Conditions and the PMCP Terms and Conditions will comply with all applicable laws.

II: TERMS AND CONDITIONS

- 1 The Perth Mint, being the trading name of Gold Corporation, a statutory body corporate existing under the *Gold Corporation Act 1987* of Western Australia (“The Perth Mint”) acknowledges insured storage of the commodity described on the Certificate (the “Commodity”) on behalf of the persons identified as the owner on the Certificate (the “Owner”) and agrees to comply with the instructions by the Owner regarding transfer or delivery of the stated Commodity. **Delivery to or upon the instructions of any one person who is an Owner identified on the Certificate shall satisfy The Perth Mint’s obligations hereunder.**
- 2 The Perth Mint and the Owner both acknowledge that **the Certificate is non-negotiable** and that the Commodity described on it is transferable to a new Owner only by executing the Transfer Form on the Certificate and returning it to The Perth Mint, which will amend the register and issue a Certificate in the name of the new Owner. **The new Owner agrees to be bound by the Terms and Conditions expressed on the Certificate. Transfer of a Commodity is not complete unless and until entered in the register of The Perth Mint.**
- 3 The Owner acknowledges that it holds at its election either an unallocated Commodity as an owner in common, or an allocated Commodity. An unallocated Commodity need not be stored separately so as to permit its identification to the Owner and may be maintained in bulk storage on a fungible basis with the Commodities of other clients of The Perth Mint. **The Owner authorises The Perth Mint to deal with all or part of the unallocated Commodity as if it were the owner, subject to its obligations under the Certificate. The Owner acknowledges that The Perth Mint may be the owner of the Commodity at the time the Certificate is issued.**
- 4 **The Owner acknowledges that The Perth Mint is not bound to recognise any security interest in the Commodity described on a Certificate granted by the Owner to any third party.** However, if a third party purporting to be a security holder presents the Certificate for transfer by the Owner in accordance with the Terms and Conditions of the Certificate including the signature guarantee of the Owner itself or by attorney, then The Perth Mint will comply with that instruction by the Owner, amend the register and issue a Certificate in the name of that third party as the new Owner in accordance with the Certificate.
- 5 Subject to these terms and conditions, payment of the cash equivalent of a Commodity due, payable and deliverable by The Perth Mint to the Owner is guaranteed by the Government of the State of Western Australia.
- 6 The Perth Mint and the Owner both acknowledge that the liability to deliver the Commodity specified on this Certificate will be discharged by delivering it in accordance with the instructions of the Owner, **subject to The Perth Mint’s right to deduct all associated charges including, but not limited to, shipping, insurance, accrued storage and fabrication fees as applicable, which shall be at the Owner’s cost. The Perth Mint shall have a lien on the Commodity stored with it and on the proceeds from the sale thereof to secure the payment of such associated charges and for all of its costs in collecting such charges.**
- 7 The Perth Mint and the Owner acknowledge that the Owner’s unallocated Commodity may be converted to an allocated Commodity at any time, which will be available for collection and/or shipment from The Perth Mint no later than **ten business days** from the date of receiving an Owner’s instruction for conversion. An allocated Commodity will be available for collection and/or shipment from The Perth Mint no later than **two business days** from the date of receiving an Owner’s instruction. **The Perth Mint will not be liable or responsible for delivery delays due to causes beyond its control.**

- 8 The Owner acknowledges that The Perth Mint will charge the annual storage fee indicated on the Certificate for allocated storage of a Commodity, which will be collected every three years in arrears. **A minimum of one year's storage fees must be paid on initial purchase of a Commodity, which will not be refunded upon transfer, liquidation or delivery. The Perth Mint reserves the right to close the Owner's storage facility and/or sell any or all of the Owner's Commodity and use the proceeds to recover unpaid storage fees and any other overdue charges.**
- 9 **The Perth Mint reserves the right to change the Terms and Conditions of storage and delivery specified on issuance of the Certificate upon mailed notification to the Owner, and continued use of The Perth Mint's services by the Owner after receipt of such notice will constitute acceptance of those changes.**
- 10 **The Owner acknowledges that The Perth Mint is not liable for any loss or damage resulting from The Perth Mint acting reasonably in response to a fraudulent instruction where The Perth Mint has no actual knowledge of the fraud.**
- 11 The Owner acknowledges it is the Owner's responsibility to safeguard the Certificate and agrees to notify The Perth Mint immediately on becoming aware of the loss or theft of a Certificate. In the event of conflicting claims to a Certificate or the Commodity described on a Certificate, The Perth Mint shall not be required to determine the controversy or to take any action regarding it, but may instead file an action in interpleader in a court of appropriate jurisdiction, which shall include the United States Federal District Court for the Central District of California. The Perth Mint is authorised to deposit with the clerk of the court the Commodity described on the Certificate. **Upon initiating such action, The Perth Mint shall be fully released and discharged of and from all liabilities under the Certificate, except such liabilities as may be occasioned by The Perth Mint's bad faith, gross negligence or wilful misconduct.**
- 12 The Owner and The Perth Mint both acknowledge that the Owner can only sell the Commodity described on the Certificate other than after delivery by transferring the Certificate to an Approved Dealer in accordance with the transfer and liquidation instructions below. **On surrender of a Certificate in this manner The Perth Mint is not bound to enquire as to the satisfaction of any payment to the former Owner.**
- 13 **The Owner acknowledges and agrees that The Perth Mint's maximum liability to the Owner if it fails to make available for delivery the Commodity described on the Certificate pursuant to proper instructions from the Owner shall be the London AM fix price of the Commodity on the delivery date as specified by the Owner's instructions, subject to clause 7.**
- 14 **The Owner acknowledges it must pay, indemnify, and save harmless The Perth Mint from and against any tax or other levy imposed by any governmental agency, now or in the future, in respect of ownership, transfer, liquidation or delivery of the Commodity.**
- 15 **The Owner warrants that all identification material provided to The Perth Mint for the purposes of verifying the Owner's identity is valid and correct.**
- 16 **The Owner acknowledges that the Certificate is issued to the Owner in accordance with the Conditions of Application and Terms and Conditions provided by The Perth Mint to the Owner, and the Owner confirms that it acknowledges and is bound by these Terms and Conditions.**
- 17 The Owner acknowledges that the provisions of the Certificate are subject to the substantive laws of Western Australia.