

GOLD GUINEA CONTRACT

Asset Code	GOLDG8
Product Code	GOLDG8F
Series Code	GG8MMMYYYY
Trading System	NMCE's Derivatives Trading and Settlement System
Trading Hours	<u>Monday to Friday</u> :10:00 am to 10:00 pm* <u>Saturday</u> :10:00 am to 2:00 pm
Unit of Trading	8 Grams Gold Coins
Delivery Unit	8 Grams Gold Coins of .999 Fineness and in multiples thereof
Quotation / Base Value	8 grams of fineness .999 (Ex Cochin including of all taxes / levies relating to import duty, customs, but excluding Sales Tax / VAT or surcharge thereon ,local taxes / octroi)
Maximum order size	10 Kg
Tick Size	Rs.1 per 8 grams
Price Band*	Base daily price limit = 3%, 1 st slab of daily price limit = 3% 2 nd slab of daily price limit = 3%; Maximum daily price limit = 9% When the base daily price limit is breached, the relaxation will be allowed up to the first slab without any break / cooling off period in the trade. In case the daily price limit of the 1 st slab is also breached, then after a cooling off period of 15 minutes, the daily price limit will be relaxed as per the limit stated in the 2nd slab. In case of price movement in international markets is more than maximum daily price limit (9%), the same may be further relaxed in steps of 3% with the approval of FMC
Quality Specification	0.999 purity (basis) acceptable up to 0.995 purity appropriated for premium / discount $\text{Discounted Rate} = \frac{\text{Rate of Delivery} * 995}{999}$ Muthoot branded BIS Certified serially numbered in tamper proof packing. Also serially numbered tamper proof Gold Guinea supplied by LBMA approved supplier as approved by NMCE to be submitted along with supplier's quality certificate
Making charges for taking delivery	Buyer shall have to pay making charges in addition settlement price per Gold Guinea which shall be payable to the seller as under: (i) For 0.995 purity – Rs.175/- (ii) For 0.999 purity – Rs.200/-
No. of delivery Contracts in a year	Maximum 12, monthly contracts in a year
Delivery Centers	Muthoot Finance Ltd. Cochin Basis.
Additional delivery centers	Additional delivery centers of Muthoot Finance Ltd at <u>South India Centers:</u> Trivendrum, Kollam, Kottayam, Calicut, Chennai, Coimbtore, Madurai, Trichi, Bangalore, Mangalore, Hyderabad, Trichur <u>North India Centers:</u>

	Kolkata, Ahmedabad, Jaipur, Mumbai, Indore, Delhi, Rajkot, Kanpur, Lucknow
Opening of Contracts	Trading in any contract month will open on the 1 st day of the month, as per the approved calendar
Due Date	Last day of the contract expiry month, in case the last day is holiday previous working day will be considered
Closing of Contract	During the last 5 delivery days till expiry day, if the seller member tenders the vault receipt of Muthoot Finance Ltd to the Exchange Clearing House, it will allocate the same on FIFO basis to the corresponding buyer at a close price of the previous day, since mark to market up to a previous day could be settled through daily clearing, on such matching (allocations). The settlement of such matched position shall be done on (T) + 2 days for fund pay-in and pay-out from the buyers and to the sellers respectively.
Exemption from delivery margin during delivery period	Delivery Margin is exempted on receipt of documentary evidence (viz., Vault Receipt and Quality Certificate) of tendering delivery with the Exchange approved delivery center
Penal Provision	A penalty of 2.5% of the DDR will be imposed on defaulting buyer/seller out of 2% will be credited to IPF and 0.5% will be credited to the counter party Additionally 4% of DDR as replacement cost will be charged from defaulting buyer/seller out of which 90% will be given to the counter party and 10% will be retained by the Exchange as administrative expenses
Delivery Logic	Compulsory Delivery
Initial margin	Minimum 4%
Additional and/ or Special margin	In case of additional volatility, an additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as deemed fit, will be imposed in respect of all outstanding positions.
Delivery period Margin	15%
Submission of intention for delivery at additional delivery center	<ol style="list-style-type: none"> 1. Submission of intention by the buyers to take delivery at the additional delivery centre by 3:00 pm on 5 calendar days prior to the contract expiry month. If it falls on Saturday, Sunday or any other trading holiday it will be one day prior. 2. Exchange will broadcast on the Trader Work Station about the total quantity and delivery centre, where the buyers are interested to take the delivery on the day intention received. 3. Sellers interested to give delivery at such additional delivery centre, may send their intention to the Exchange 5 calendar days prior to the contract expiry month. If it falls on Saturday, Sunday or any other trading holiday it will be one day prior. 4. Only matched quantity will be delivered and deliveries for unmatched quantity will be facilitated by the exchange 5. Buyers to be informed about allocation of delivery at additional delivery centre. (On confirmation by the Exchange, neither seller nor buyer to withdraw from their commitment and if so it will be treated as nonfulfillment of their commitment and in such case a penalty of 6.5% will be imposed on the party in default).
Verification by the Buyer at the time of	At the time of taking delivery, the buyer can check delivery in front of Muthoot personnel. If buyer is satisfied with the quantity, weight

release of delivery	and quality of the material, buyer will hand over the receipt to Muthoot personnel. If not satisfied, he can request for assaying by any of the approved assayers available at that center. If the buyer chooses for assaying, Muthoot person will carry the goods to the assayer's facilities, get it assayed and bring it back to Muthoot facilities along with assayer's certificate. If the assayer's certificate differs from the certificate submitted by the seller in respect of quality or weight materially, then the buyer and seller have to mutually negotiate the final settlement proceeds within 1 day from receipt of assayer's report. However if they do not agree on any mutually acceptable amount arising due to difference in quality or weight within 1 day, then the Exchange will send the goods to a second assayer and in that case, the report received from such assayer will be final and binding on both buyer and seller. The cost of first assaying as well as cost of transportation from Muthoot to assayer's facilities to and fro will be borne by the buyer, while the cost of second assaying, if any, will be equally divided between the buyer and seller. The vault charges during such period of first and second assaying, if any, will be borne by both the buyers and sellers equally. If the buyer does not opt for assaying at the time of lifting delivery, then he will not have any further recourse to challenge the quantity, weight or quality subsequently and it will be assumed that he has received the quantity, weight and quality as per the bill made by the seller.
Delivery Process at additional delivery centers	Delivery will be facilitated at all additional delivery centers even if the corresponding counter party is not available at that particular center
Validation Process on Maturity Date	On receipt of delivery, the Muthoot personnel will do the following validations: a. Whether the selling member is a bonafide member of the Exchange. b. Whether the person carrying Gold Guinea is an authorized representative of the member of the exchange c. Seller delivering coin other than Muthoot brand, will have to provide quality/certification and other supporting document of origin/genuinity of the coin to be tendered through Banks / approved Vaulting agencies d. Whether the quantity being delivered is from Exchange approved refinery e. Whether the serial numbers of all the Gold Guinea is mentioned in the packing list provided along with gold Guinea certicard. Any other validation checks, as they may desire.
Due date rate (DDR)	Exchange shall announce the DDR based on the Cochin Spot price for Gold (10gms) polled on the last day of the expiry of this Gold Guinea contract by around 5.00pm, said spot price will be converted for 8 gms Gold Guinea (Gold spot price per 10 gms X 8/10). No trading shall be allowed after the declaration of DDR i.e. 5 PM on expiry day
Allocation of delivery	As per the DDR on the expiry day.
Close out of outstanding	All outstanding positions on the expiry of contract, not settled by way of delivery in the aforesaid manner, will be settled as per the

positions	due date rate with penalty as per penal provisions.
Limit on open position	Client Level – 2 MT Member Level – 6 MT collectively for all clients or 15% of the market's open position, whichever is higher

*Further extensions in timings upto 11:30 pm will be notified through circulars