

**Annexure 7****Contract Specification – Gold 9999 12.5 kg T+2 – UAEGD – Gift City & Chennai**

<b>Description</b>	UAEGD GOLD 12.5 kg 9999 T+2
<b>Contract Type</b>	T+2
<b>Trading Period</b>	Exchange Business Days (Monday to Friday). Exchange Business Days exclude the Exchange Holidays declared at the beginning of Calendar Year and published on Exchange Website.
<b>Trading Session</b>	Monday to Friday: 09:00 Hrs to 21:30 Hrs Indian Standard Time (IST).
<b>Trading Unit</b>	12.5 kg
<b>Price Quote</b>	US Dollars per Troy Ounce
<b>Minimum Order Size</b>	12.5 kg
<b>Maximum Order Size</b>	500 kg
<b>Tick Size (Minimum Price Movement for Premium)</b>	US \$ 0.01
<b>Initial Margin</b>	<ul style="list-style-type: none"> <li>Sellers: 100% BDR</li> <li>Buyers: To be paid in form of Cash only Minimum 10% or 2 days VAR whichever is higher</li> </ul>
<b>Settlement</b>	
<b>Delivery Logic</b>	Compulsory in BDR form in the Demat account
<b>Delivery Unit</b>	12.5 kg
<b>Settlement Day(s)</b>	T+1 The buyer has the flexibility of early settlement on T+1  T+2 The final settlement will be on T+2
<b>Quality Specifications</b>	9999 Purity, These Gold bars should be serially numbered Gold bars supplied by UAE Good Delivery (UAEGD) approved suppliers or other suppliers as may be approved by IIBX. These Gold bars are to be submitted along with supplier's quality certificate.
<b>Country of Origin</b>	While depositing Gold Bar of 9999 purity in the vaults, the qualified supplier must produce a Certificate of Origin issued by the concerned authorities in UAE.
<b>Settlement Mechanism</b>	Weight of the bar shall be within 10.9 kilograms (350 fine troy ounces) to 13.4 kilograms (430 fine troy ounces) and final settlement will take place accordingly as per exact weight.
<b>BDR Pay-in</b>	Early Pay-in of BDR on T day (T- Trade Day)
<b>Funds Settlement Pay-in</b>	The contract will provide flexibility to the buyer to provide balance funds on T+1 day or T+2 day but not later than 17:30 Hrs of T+2 day.
<b>BDR Pay-out</b>	T+1

	<p>On receipt of funds pay-in BDR pay-out will be processed at 12:30 Hrs, 15:30 Hrs, 17:30 Hrs and 21:30 Hrs IST.</p> <p>T+2 On receipt of funds pay-in BDR pay-out will be processed at 12:30 Hrs, 15:30 Hrs, and 17:30 Hrs IST.</p>
<b>Funds Settlement Pay-out</b>	<p>T+1 1st Cycle - 12:30 Hrs to 14:30 Hrs IST 2nd Cycle - 15:30 Hrs to 17:30 Hrs IST 3rd Cycle - 17:30 Hrs to 19:30 Hrs IST Final Cycle - 21:30 Hrs to 23:30 Hrs IST</p> <p>T+2 1st Cycle - 12:30 Hrs to 14:30 Hrs IST 2nd Cycle - 15:30 Hrs to 17:30 Hrs IST Final Cycle - 17:30 Hrs to 19:30 Hrs IST</p>
<b>Penalty Structure for Non-Payment of Funds</b>	<p><b>Penalty Structure:</b></p> <p>In case of Buyer Defaults to pay funds within T+2 days, buyer will be required to “Penalty Amount + Replacement Cost”.</p> <p><b>Penalty Amount:</b> 3% of Traded Price</p> <p><b>Replacement Cost:</b> Difference between traded price and the last spot price on the pay-out date, if the spot price is lower than Traded Price, else this component will be zero.</p> <p>Norms for apportionment of Penalty Amount:</p> <ul style="list-style-type: none"> <li>✓ 1% of penalty shall go to seller who was entitled to receive fund.</li> <li>✓ 1% of penalty shall be deposited in the Settlement Guarantee Fund (SGF)</li> <li>✓ 0.75% of penalty shall be earmarked for Consumer Education and Protection Fund (CEPF)</li> <li>✓ 0.25% of penalty may be retained by IIBX towards administration expenses</li> </ul>
<b>Delivery Vaults</b>	<p>GIFT City, Chennai and other IFSCA approved vaults.</p> <p>List of Vaults are available on the India International Depository IFSC Limited (IIDI) website - <a href="http://www.iidi.co.in">www.iidi.co.in</a>.</p>