

11th February 2013

DUBAI MULTI COMMODITIES CENTRE AUTHORITY

**DMCC TRADEFLOW
CORPORATE ACCESS AGREEMENT**

DMCC

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THIS AGREEMENT is made on Monday 11th February 2013

BETWEEN:

- (1) **Dubai Multi Commodities Centre Authority**], established by decree under the laws of the Emirate of Dubai, United Arab Emirates having its registered office at Jumeirah Lakes Towers, Almas Tower, Sheikh Zayed Road, P O Box 48800, Dubai, United Arab Emirates (the “**DMCCA**”);
- (2) Each party which becomes a Tradeflow Owner pursuant to the Letter of Adherence set out in Part 1 of Schedule 1 to this Agreement (each a “**Tradeflow Owner**”);
- (3) Each party which becomes a Tradeflow Finance Party pursuant to the Letter of Adherence set out in Part 2 of Schedule 1 to this Agreement (each a “**Tradeflow Finance Party**”);
- (4) Each party which becomes a Tradeflow Islamic Finance Party pursuant to the Letter of Adherence set out in Part 3 of Schedule 1 to this Agreement (each a “**Tradeflow Islamic Finance Party**”);
- (5) Each party which becomes an Additional Tradeflow Participant pursuant to the Letter of Adherence set out in Part 4 of Schedule 1 to this Agreement (each an “**Additional Tradeflow Participant**”),

(the Tradeflow Owners, the Tradeflow Finance Parties, the Tradeflow Islamic Finance Parties and the Additional Tradeflow Participants, together the “**Tradeflow Participants**”);

- (6) Each party which becomes a Storage Operator pursuant to the Letter of Adherence set out in Part 5 of Schedule 1 to this Agreement (each a “**Storage Operator**”);
- (7) Each party which becomes a Quality Inspector pursuant to the Letter of Adherence set out in Part 6 of Schedule 1 to this Agreement (each a “**Quality Inspector**”);
- (8) Each party which becomes a Storage Inspector pursuant to the Letter of Adherence set out in Part 7 of Schedule 1 to this Agreement (each a “**Storage Inspector**”);
- (9) Each party which becomes a Depository Operator pursuant to the Letter of Adherence set out in Part 8 of Schedule 1 to this Agreement (each a “**Depository Operator**”);
- (10) Each party which becomes an Additional Service Provider pursuant to the Letter of Adherence set out in Part 9 of Schedule 1 to this Agreement (each an “**Additional Service Provider**”),

(the Storage Operators, Quality Inspectors, Storage Inspectors, Depository Operators and Additional Service Providers, together the “**Service Providers**” and each a “**Service Provider**”); and

(the Tradeflow Participants and the Service Providers, together the “**Tradeflow Members**” and each a “**Tradeflow Member**”).

INTRODUCTION:

- (A) DMCCA serves, inter alia, as a centre for the trading of commodities in the UAE and is in a position to offer the Services, with the assistance of the Service Providers, to the Tradeflow Participants, through providing them with access to a centralized internet

based online commodities title receipt system (“**DMCC Tradeflow**”) on the terms set out in this Agreement through which the Tradeflow Participants can make use of some or all of the Services (as defined below).

- (B) Each Tradeflow Participant will make use of the Services in accordance with the terms set out in this Agreement.
- (C) Each Service Provider will provide such part of the Services for which they are responsible to DMCCA and each Tradeflow Participant on the terms set out in this Agreement and the relevant Service Provider Agreements.

IT IS HEREBY AGREED AS FOLLOWS:

1. INTERPRETATION

1.1. In this Agreement:

“**Additional Rules**” means the Rules for Additional Services (if any) attached as Appendix 4, as promulgated, amended and/or replaced from time to time by DMCCA in its discretion;

“**Close Out Settlement Instruction**” has the meaning given to such term in the Security Rules.

“**Confidential Information**” means DMCC Tradeflow Information and Transaction-specific Information.

“**DMCCA Representative**” means each representative to be appointed by DMCCA under Clause 17.1;

“**DMCC Tradeflow**” means the centralized internet based online commodities title receipt system developed by DMCCA that offers Tradeflow Participants the ability to make use of some or all of the Services;

“**DMCC Tradeflow Information**” means any specification, technical description, computer code, or similar information relating to the design, construction or operation of DMCC Tradeflow;

“**Expiring Membership Notice**” has the meaning given to such term in Clause 4.5.3(a).

“**Expiring Service Provider Notice**” has the meaning given to such term in Clause 5.9.3(a).

“**Fees**” means any fees payable by a Tradeflow Member to DMCCA under this Agreement or any Service Agreement.

“**Force Majeure Event**” has the meaning given to such term in Clause 24.2;

“**Goods**” means any goods, commodities or merchandise:

- (a) stored by or under the control of a Storage Operator on behalf of one or more Tradeflow Participants (or which have been or about to be stored); and
- (b) which are of a category that has been approved by DMCCA to be the subject of a Warrant; and

- (c) if requested, which have been identified and confirmed to comply with the description in the Warrant by the Quality Inspector;

“Host to Host User” means a Tradeflow User comprising a Tradeflow Participant which has entered into an Host to Host User Agreement and will access DMCC Tradeflow using host to host technology.

“Host to Host User Agreement” means an agreement between DMCCA and a Host to Host User in relation to the use of host to host technology to access DMCC Tradeflow.

“Intellectual Property Rights” means:

- (a) patents, trademarks, service marks, registered designs, applications and rights to apply for any of those rights, trade, business and company names, internet domain names and e-mail addresses, unregistered trademarks and service marks, copyrights, database rights, rights in software, know-how, rights in designs and inventions;
- (b) rights under licences, consents, orders, statutes or otherwise in relation to a right in paragraph (a);
- (c) rights of the same or similar effect or nature as or to those in paragraphs (a) and (b) which now or in the future may subsist; and
- (d) the right to sue for past infringements of any of the foregoing rights;

“Islamic Rules” means the Rules for Islamic Finance (if any) attached as Appendix 3, as promulgated, amended and/or replaced from time to time by DMCCA in its discretion;

“Islamic Shariah” means Islamic laws and principles.

“Legal Owner” means

- (a) in the case of a Warrant for which a Transfer Notification has not been entered on DMCC Tradeflow, the Originator; and
- (b) in the case of a Warrant for which a Transfer Notification has been entered on DMCC Tradeflow, the Transferee named in the most recent Transfer Notification in relation to that Warrant.

“Letter of Adherence” means each Letter of Adherence entered into between DMCCA and a Tradeflow Member in or substantially in the form set out in the relevant Part of Schedule 1;

“Material Modifications” means modifications to DMCC Tradeflow and/or to any of the Services which, in the sole determination of DMCCA:

- (a) require modifications to a Tradeflow Member's systems; and/or
- (b) result in any of the Services not being available to a Tradeflow Member for more than 16 Working Hours;

“Member Representative” means a representative to be appointed by a Tradeflow Member under Clause 17.1;

“**Operating User**” means, in relation to a Tradeflow Member, a person who has been nominated from time to time by a Principal User for that Tradeflow Member or by DMCCA at the request of the Principal User or Member Representative for that Tradeflow Member to use DMCC Tradeflow on behalf of that Tradeflow Member within the limits of their specified level of access under Clause 8 and which has entered into a User Access Click-Through Agreement with DMCCA;

“**Originator**” means, in respect of Goods, the first person to whom a Warrant is issued by a Storage Operator in respect of those Goods and who is registered by DMCCA as a Tradeflow Owner;

“**Principal User**” means, in relation to a Tradeflow Member, a person who has been nominated by that Tradeflow Member in their Letter of Adherence or by an existing Principal User for that Tradeflow Member or by DMCCA at the request of an existing Principal User or Member Representative for that Tradeflow Member to be the Principal User for that Tradeflow Member on DMCC Tradeflow and which has entered into a User Access Click-Through Agreement with DMCCA;

“**Quality Inspection Agreement**” means an agreement entered into between DMCCA and a Quality Inspector in relation to the inspection of Goods for the purposes of participating in DMCC Tradeflow pursuant to Clause 5.2.1;

“**Representative**” means a DMCCA Representative or a Member Representative as applicable;

“**Rules**” means the Warrant Rules, the Security Rules, the Islamic Rules and any Additional Rules, as the case may be;

“**Secured Obligation**” means an obligation of a Legal Owner to a Tradeflow Finance Party and secured in favour of that Tradeflow Finance Party by way of pledge and Security Notification of the Warrant representing Goods;

“**Security Enforcement Instruction**” has the meaning given to such term in the Security Rules.

“**Security Notification**” means a notification sent by the Legal Owner of a Warrant to DMCCA via DMCC Tradeflow and substantially in the form of Schedule 1 (Form of Security Notification) of the Security Rules, instructing DMCCA to hold that Warrant as pledge security for the benefit of the Tradeflow Finance Party referred to in that Security Notification.

“**Security Rules**” means the Rules for taking Security over DMCC Tradeflow Warrants attached as Appendix 2, as amended and/or replaced from time to time by DMCCA at its sole discretion;

“**Service Agreement**” means each agreement entered into between DMCCA and a Quality Inspector pursuant to Clause 5.2.1, between DMCCA and a Storage Inspector pursuant to Clause 5.3.1, between DMCCA and a Depository Operator pursuant to Clause 5.4.1 or between DMCCA and an Additional Service Provider pursuant to Clause 5.5.1;

“**Service Levels**” means the service levels for DMCC Tradeflow set out in Schedule 3 or set out in the relevant Service Provider Agreement;

“**Service Provider Agreement**” means each Warehouse Agreement or Service Agreement;

“Services” means each service made available by DMCCA (with the assistance of the Service Providers) through DMCC Tradeflow to the Tradeflow Participants set out in this Agreement and Schedule 2;

“Tradeflow Member-specific Information” means Transaction-specific Information and any information or documents provided in or in connection with an application for membership in DMCC Tradeflow;

“Tradeflow Registrar” means the business unit of DMCCA which is responsible for the management of DMCC Tradeflow;

“Tradeflow User” means a Principal User or an Operating User;

“Transaction” means a *bona fide* electronic transaction between two Tradeflow Participants in respect of a Service provided through DMCC Tradeflow;

“Transaction-specific Information” means information concerning:

- (a) volume, quantity, storage or delivery of Goods; or
- (b) the identity of parties transacting in respect of Warrants; or
- (c) without limitation, any other information relating to a Transaction conducted in relation to a Warrant in accordance with this Agreement;

“Transfer Notification” means a request to transfer the legal title to a Warrant and the Goods represented by the Warrant made via DMCC Tradeflow to a Transferee, in accordance with Clause 4.1 (Transfer Notification) of the Warrant Rules;

“User Access Click-Through Agreement” means each user access click-through agreement entered into between a Tradeflow User and DMCCA;

“VAT” means value added tax and any other tax of a similar fiscal nature imposed, from time to time, in the United Arab Emirates or the Emirate of Dubai;

“Warehouse Operation Agreement” means an agreement entered into between DMCCA and the Storage Operator in relation to the operation of a storage facility for the purposes of participating in DMCC Tradeflow pursuant to Clause 5.1;

“Warehouse Standards” means the warehouse standards prepared by the DMCCA for the purpose of inspection and providing a standardised rating system of storage facilities (including Vessels) for Goods the subject of, or to be the subject of, Warrants, as these may be amended or supplemented from time to time at the sole discretion of DMCCA;

“Warrant” or **“DMCC Tradeflow Warrants”** means a secure paper document held by DMCCA (or a Depository Operator appointed by DMCCA) in a secure storage facility and/or recorded electronically on DMCC Tradeflow evidencing legal ownership and title to Goods stored (i) at a Warehouse owned or operated, or (ii) in a Vessel owned, operated, chartered or otherwise controlled, by a Storage Operator and issued by that Storage Operator through DMCC Tradeflow on the terms set out in this Agreement;

“Warrant Rules” means the Rules for DMCC Tradeflow Warrants attached as Appendix 1, as amended and/or replaced from time to time by DMCCA at its sole discretion;

“Working Days” means Sunday to [Saturday] but excluding any day that is a legal holiday in the UAE or a day on which governmental institutions in the UAE are authorised or required by law or other governmental action to be closed; and

“Working Hours” means from [8.00am to 5.00pm] on a Working Day.

1.2. In this Agreement (including the Rules), a reference to:

- (a) **“DMCCA”** includes reference to the DMCCA whether or not acting through the Tradeflow Registrar and a reference to the **“Tradeflow Registrar”** is a reference to the DMCCA (acting through the Tradeflow Registrar);
- (b) a document is a reference to that document as modified or replaced from time to time;
- (c) a person includes a reference to a government, state, state agency, corporation, body corporate, association or partnership;
- (d) a person includes a reference to that person's legal personal representatives, successors and permitted assigns;
- (e) the singular includes the plural and vice versa (unless the context otherwise requires);
- (f) a **“month”** means a calendar month;
- (g) a time of day is a reference to the time in Dubai, unless a contrary indication appears;
- (h) a clause or schedule, unless the context otherwise requires, is a reference to a clause of or schedule to this Agreement; and
- (i) the words “includes” or “including” shall not be read or considered as words of limitation.

1.3. The headings in this Agreement do not affect its interpretation.

2. ESTABLISHMENT OF DMCC TRADEFLOW

2.1. DMCCA has established DMCC Tradeflow as a centralized internet based online commodities title receipt system for Goods on the terms set out in this Agreement through which the Tradeflow Participants can make use of some or all of the Services.

3. DMCC TRADEFLOW OWNERSHIP AND MEMBERSHIP

3.1. DMCC Tradeflow is a web-based warehouse receipt system owned by DMCCA and managed by the Tradeflow Registrar.

3.2. Membership in or use of DMCC Tradeflow does not confer on Tradeflow Members, Tradeflow Users or any officers, employees or agents of a Tradeflow Member any ownership rights in DMCC Tradeflow and no Tradeflow Member may hold themselves out as being owners of DMCC Tradeflow.

3.3. Tradeflow Members may only use logotypes, symbols, designs (whether registered or unregistered), trademarks, patents, copyrights, inventions, database rights, domain names, trade names, distinguishing marks or any other intellectual property rights that

are owned by DMCCA or otherwise relate to DMCC Tradeflow with the prior written consent of the Tradeflow Registrar.

- 3.4. No Tradeflow Member shall make any statement to any person other than DMCCA concerning the specifications, characteristics, capabilities or performance of DMCC Tradeflow other than as contained in any marketing literature produced by or for DMCCA, unless DMCCA has given its prior written approval of that statement.
- 3.5. Each Tradeflow Member acknowledges that DMCCA owns all of the right, title, benefit and interest in all trademarks, logos, designs (whether registered or unregistered), copyrights, patents, inventions, distinguishing marks, domain names, database rights and all other intellectual property rights used in or relating to DMCC Tradeflow.

4. TRADEFLOW PARTICIPANT MEMBERSHIP

- 4.1. Subject to the requirements of Clauses 4.2 and 4.3 below, any corporate entity, firm or individual wishing to become a Tradeflow Participant will be considered for membership following its submission to the Tradeflow Registrar of:
 - (a) a duly executed Letter of Adherence set out in either Part 1 of Schedule 1 (for a Tradeflow Owner), Part 2 of Schedule 1 (for a Tradeflow Finance Party), Part 3 of Schedule 1 (for a Tradeflow Islamic Finance Party) and Part 4 of Schedule 1 (for an Additional Tradeflow Participant) to this Agreement; and
 - (b) such information as DMCCA may require in connection with the legal and financial status and business history of that prospective member (including, without limitation, its trading licence), in form and substance satisfactory to DMCCA.

A person shall only become a Tradeflow Participant when registered as such by DMCCA (following countersignature by DMCCA of such person's Letter of Adherence), and DMCCA may, in its absolute discretion, decide whether or not to accept an applicant as a Tradeflow Participant.

- 4.2. By becoming a Tradeflow Participant, the relevant person agrees to abide by the terms and conditions set out in this Agreement (including, without limitation, the Schedules hereto).
- 4.3. Fees are payable to become a Tradeflow Participant and to use DMCC Tradeflow, comprising:
 - (a) a non-refundable application fee (the “**Application Fee**”); and
 - (b) an annual membership fee (the “**Annual Membership Fee**”); and
 - (c) a fee payable in respect of each Transaction conducted on DMCC Tradeflow (the “**Transaction Fee**”),

each as determined by DMCCA and advised to the Tradeflow Participants from time to time.

- 4.4. Membership in DMCC Tradeflow is not transferable.
- 4.5. Without prejudice to the rights of any other Tradeflow Participant in connection with this Agreement, DMCCA may revoke the membership of any Tradeflow Participant in DMCC Tradeflow if:

- (a) that Tradeflow Participant has committed a breach of this Agreement which in the opinion of the DMCCA is material and:
- (i) is not capable of remedy; or
 - (ii) was capable of remedy but was not remedied within 30 days following the date of a notice to remedy sent by the Tradeflow Registrar via DMCC Tradeflow to such Tradeflow Participant; or
 - (iii) that Tradeflow Participant has failed to pay any Annual Membership Fee or Transaction Fee due from it pursuant to this Agreement within 30 days following the date of the relevant invoice or other notice to pay sent by the Tradeflow Registrar either via DMCC Tradeflow or pursuant to the notice provisions in Clause 30 to such Tradeflow Participant; or
 - (iv) it comes to the attention of the Tradeflow Registrar that any warranty given or deemed to be given by such Tradeflow Participant was untrue at the time that it was so given or deemed to be given; or
 - (v) any corporate action, legal proceedings or other procedure or step is taken (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution) in relation to: (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of that Tradeflow Participant; (ii) a composition, compromise, assignment or arrangement with any creditor of that Tradeflow Participant; (iii) the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of that Tradeflow Participant or any of its assets; (iv) enforcement of any security over any assets of that Tradeflow Participant, or any analogous procedure or step is taken in any jurisdiction; or
 - (vi) that Tradeflow Participant suspends, ceases or threatens to suspend or cease to carry on all or a substantial part of its business (including as a result of a breach by that Tradeflow Participant of any laws or regulations applicable to it in any jurisdiction); or
 - (vii) any authorization (including any trading licence, exchange control approval, waiver, exemption or permission) required under any law or regulation in order to enable that Tradeflow Participant to carry on its business, trade and ordinary activities or to perform its functions under this Agreement or any Secured Obligation is not obtained by that Tradeflow Participant or is revoked or not renewed or otherwise ceases to be in full force and effect; or
 - (viii) that Tradeflow Participant is convicted of a criminal offence in any jurisdiction.
- (b) A Tradeflow Participant may resign its membership in DMCC Tradeflow by written notice to the Tradeflow Registrar to that effect.
- (c) Immediately following a revocation or resignation of membership pursuant to paragraph 4.5.1 or 4.5.2 (as the case may be) above:

- (i) the Tradeflow Registrar shall publish a notice of such revocation or resignation (an “**Expiring Membership Notice**”) to all Tradeflow Participants and Service Providers via DMCC Tradeflow or as otherwise determined by the Tradeflow Registrar; and
 - (ii) from the date of that Expiring Membership Notice, the Tradeflow Participant the subject thereof may not have Warrants issued or endorsed (whether by way of transfer, security or otherwise) to him thereafter.
- (d) Revocation or resignation (as the case may be) of membership shall take effect:
- (i) in the case of a Tradeflow Owner or a Tradeflow Islamic Finance Party, immediately after all Warrants issued or endorsed by way of transfer to such Tradeflow Owner or Tradeflow Islamic Finance Party have been cancelled or transferred to another Tradeflow Owner or Tradeflow Islamic Finance Party; and
 - (ii) in the case of a Tradeflow Finance Party, immediately after all pledges and Security Notifications in its favour have been released;
 - (iii) in the case of an Additional Tradeflow Participant, when permitted under the Additional Rules.
- (e) Each Tradeflow Participant shall remain liable for Annual Membership Fees and Transaction Fees due from him under this Agreement until such fees are paid in full and such fees shall continue to accrue until the the resignation or revocation of membership (as the case may be) of such Tradeflow Participant becomes effective.
- (f) No refund or rebate of any Annual Membership Fee or Transaction Fee will be given to Tradeflow Participants who resign their membership or whose membership is revoked.
- (g) A former Tradeflow Participant may be considered for readmission as a Tradeflow Participant at the sole discretion of DMCCA.

5. SERVICE PROVIDERS

- 5.1. Any person owning or managing warehouses or owning, operating, chartering or otherwise controlling Vessels and arranging for the storage of commodities within the United Arab Emirates (including the territorial waters of the United Arab Emirates) may also apply to become a Storage Operator. Storage Operator applications shall be made by submitting to the Tradeflow Registrar:
- (a) a duly executed Warehouse Operation Agreement (in the form provided or agreed by DMCCA for that Storage Operator);
 - (b) a duly executed Letter of Adherence set out in Part 5 of Schedule 1 to this Agreement;
 - (c) approval of the premises or Vessel in which the storage of Goods will be undertaken by DMCCA; and
 - (d) such information as DMCCA may require in connection with the legal and financial status and business history of that prospective Storage Operator (including, without limitation, its trading licence), in form and substance satisfactory to DMCCA.

- 5.2. Any suitably qualified person (as specified by DMCCA from time to time) may apply to become a Quality Inspector. Quality Inspector applications shall be made by submitting to the Tradeflow Registrar:
- (a) a duly executed Quality Inspection Agreement (in the form provided or agreed by DMCCA for that Quality Inspector);
 - (b) a duly executed Letter of Adherence set out in Part 6 of Schedule 1 to this Agreement;
 - (c) evidence as to qualifications and experience to undertake the role; and
 - (d) such other information as DMCCA may require in connection with the legal and financial status and business history of that prospective Quality Inspector (including, without limitation, its trading licence), in form and substance satisfactory to DMCCA.
- 5.3. Any suitably qualified person (as specified by DMCCA from time to time) may apply to become a Storage Inspector. Storage Inspector applications shall be made by submitting to the Tradeflow Registrar:
- (a) a duly executed Storage Inspection Agreement (in the form provided or agreed by DMCCA for that Storage Inspector);
 - (b) a duly executed Letter of Adherence set out in Part 7 of Schedule 1 to this Agreement;
 - (c) evidence as to qualifications and experience to undertake the role; and
 - (d) such other information as DMCCA may require in connection with the legal and financial status and business history of that prospective Storage Inspector (including, without limitation, its trading licence), in form and substance satisfactory to DMCCA.
- 5.4. Any suitably qualified person requested by DMCCA from time to time may apply to become a Depository Operator. Depository Operator applications shall be made by submitting to the Tradeflow Registrar:
- (a) a duly executed Depository Operation Agreement (in the form provided or agreed by DMCCA for that Depository Operator);
 - (b) a duly executed Letter of Adherence set out in Part 8 of Schedule 1 to this Agreement;
 - (c) evidence as to qualifications and experience to undertake the role; and
 - (d) such other information as DMCCA may require in connection with the legal and financial status and business history of that prospective Depository Operator (including, without limitation, its trading licence), in form and substance satisfactory to DMCCA.
- 5.5. Any suitably qualified person (as specified by DMCCA from time to time) may apply to become an Additional Service Provider. Additional Service Provider applications shall be made by submitting to the Tradeflow Registrar:
- (a) a duly executed Additional Service Provider Agreement (in the form provided or agreed by DMCCA for that Additional Service Provider);

- (b) a duly executed Letter of Adherence set out in Part 9 of Schedule 1 to this Agreement;
 - (c) evidence as to qualifications and experience to undertake the role; and
 - (d) such other information as DMCCA may require in connection with the legal and financial status and business history of that prospective Additional Service Provider (including, without limitation, its trading licence), in form and substance satisfactory to DMCCA.
- 5.6. A person shall only become a Service Provider when registered as such by DMCCA (following countersignature by DMCCA of such person's Letter of Adherence), and DMCCA may, in its absolute discretion, decide whether or not to accept an applicant as a Service Provider.
- 5.7. By becoming a Service Provider, the relevant person agrees to abide by the terms and conditions set out in this Agreement (including, without limitation, the Schedules hereto).
- 5.8. Fees are payable by each Service Provider for use of DMCC Tradeflow as set out in the relevant Service Provider Agreement.
- 5.9. Without prejudice to the rights of any Tradeflow Participant or Service Provider in connection with this Agreement, DMCCA may revoke the services of any Service Provider in DMCC Tradeflow if:
- (a) that Service Provider has committed a breach of this Agreement and/or their Service Provider Agreement which in the opinion of DMCCA is material and:
 - (i) is not capable of remedy; or
 - (ii) was capable of remedy but was not remedied within 30 days following the date of a notice to remedy sent by the Tradeflow Registrar via DMCC Tradeflow to such Service Provider; or
 - (iii) that Service Provider has failed to pay any fees due from it pursuant to their Service Provider Agreement within 30 days following the date of the relevant invoice or other notice to pay sent by the Tradeflow Registrar either via DMCC Tradeflow or pursuant to the notice provisions of Clause 30 to such Service Provider; or
 - (iv) it comes to the attention of the Tradeflow Registrar that any warranty deemed to be given by such Service Provider was untrue at the time that it was so deemed to be given; or
 - (v) any corporate action, legal proceedings or other procedure or step is taken (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution) in relation to: (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of that Service Provider; (ii) a composition, compromise, assignment or arrangement with any creditor of that Service Provider; (iii) the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of that Service Provider or any of its assets; (iv)

enforcement of any security over any assets of that Service Provider, or any analogous procedure or step is taken in any jurisdiction; or

- (vi) that Service Provider suspends, ceases or threatens to suspend or cease to carry on all or a substantial part of its business (including as a result of a breach by that Service Provider of any laws or regulations applicable to it in any jurisdiction) unless such suspension or cessation is wholly voluntary; or
- (vii) any authorization (including any trading licence, exchange control approval, waiver, exemption or permission) required under any law or regulation in order to enable that Service Provider to carry on its business, trade and ordinary activities or to perform its functions under this Agreement or their Service Provider Agreement is not obtained by that Service Provider or is revoked or not renewed or otherwise ceases to be in full force and effect; or
- (viii) that Service Provider is convicted of a criminal offence in any jurisdiction.

(b) A Service Provider may resign its position as a Service Provider in DMCC Tradeflow by written notice to the Tradeflow Registrar to that effect.

(c) Immediately following a revocation or resignation of membership pursuant to paragraph 5.9.1 or 5.9.2 (as the case may be) above:

(i) DMCCA shall publish a notice of such revocation or resignation (an “**Expiring Service Provider Notice**”) to all Tradeflow Participants and Service Providers via DMCC Tradeflow; and

(ii) from the date of that Expiring Service Provider Notice, the Service Provider the subject thereof:

(A) if he is a Storage Operator,

- (1) shall cease to have any rights to issue Warrants and shall promptly deliver any Goods in its possession to the Tradeflow Participant entitled to require delivery of those Goods (or to another Storage Operator nominated by such Tradeflow Participant); and
- (2) may not have Warrants issued at his request thereafter;

(B) if he is a Quality Inspector, shall cease to have any rights to inspect or certify Goods for DMCC Tradeflow;

(C) if he is a Storage Inspector, shall cease to have any rights to inspect any storage facility or Vessel for DMCC Tradeflow;

(D) if he is a Depository Operator, shall cease to have any rights to operate the physical secure storage facility for Warrants and other records comprising DMCC Tradeflow and shall promptly deliver all Warrants and other documents and information in its possession to DMCCA (whether physical or electronic information or documents); and

- (E) if he is an Additional Service Provider, shall cease to undertake any function for which he has been appointed under his Service Agreement.
- (d) Revocation or resignation (as the case may be) as a Storage Operator shall take effect immediately after all Warrants issued at the request of that Storage Operator have been cancelled.
- (e) Each Service Provider shall remain liable for fees payable under their Service Provider Agreement until such fees are paid in full and such fees shall continue to accrue until the resignation or revocation of the provision of services (as the case may be) of such Service Provider has become effective.
- (f) No refund or rebate of any fees paid will be given to Service Providers who resign their provision of Services or whose provision of Services is revoked.
- (g) A former Service Provider may be considered for readmission as a Service Provider at the sole discretion of DMCCA.

6. SUPPLY OF SERVICES

- 6.1. DMCCA and the Service Providers will, subject to Clause 5, supply the Services requested by a Tradeflow Participant to that Tradeflow Participant.
- 6.2. The provision of the Services by DMCCA and the Service Providers to a Tradeflow Participant is conditional upon:
 - (a) the continuing payment of all Fees which become payable by the Tradeflow Participant in respect of its use of DMCC Tradeflow and the Services;
 - (b) compliance with all conditions precedent to the use of DMCC Tradeflow or any of the Services from time to time;
 - (c) DMCCA approving that Tradeflow Participant's use and involvement in DMCC Tradeflow and the relevant Service(s); and
 - (d) the Tradeflow Participant supplying and continuing to supply all information required by DMCCA for this purpose.

Each Tradeflow Participant acknowledges that DMCCA may withhold their approval of that Tradeflow Participant or the provision of any Service to that Tradeflow Participant without providing reasons.

- 6.3. DMCCA and each Service Provider will make all reasonable efforts to ensure that the Services are provided in accordance with the Service Levels.

7. FEES AND PAYMENT

- 7.1. The Tradeflow Participant shall pay the Fees to DMCCA for each Service requested in the relevant Letter of Adherence as determined by the DMCAA and advised to the Tradeflow Participant from time to time.
- 7.2. If any Taxes become payable to any governmental or any quasi-governmental entity in respect of the Fees, DMCCA shall also be entitled to claim an amount equal to the amount of the Taxes payable on such Fees from the Tradeflow Participant.

8. ACCESS TO DMCC TRADEFLOW

- 8.1 Tradeflow Members are entitled to access and use DMCC Tradeflow to:
- 8.1.1 obtain information relating to Warrants in which they have an interest (whether by way of security or ownership); and
 - 8.1.2 give instructions relating to Warrants in which they have an interest and in accordance with the provisions of this Agreement.
- 8.2 In addition to the rights of Storage Operators set out at paragraph (a), Storage Operators are entitled to access and use DMCC Tradeflow for the issue of Warrants.
- 8.3 Access to DMCC Tradeflow will be permitted through the DMCC Tradeflow secure server connection.
- 8.4 A Host to Host User will enter into a Host to Host Access Agreement with DMCCA which will contain the specific provisions relating to access to DMCC Tradeflow for that Host to Host User and its employees.
- 8.5 Each Tradeflow Member (other than a Host to Host User) may initially access DMCC Tradeflow through a person nominated as the Principal User for that Tradeflow Member. A Principal User or the DMCCA (at the request of a Principal User or Member Representative for the relevant Tradeflow Member) may nominate a replacement or further Principal User for a Tradeflow Member. The role of a Principal User will be to create, delete or suspend other Tradeflow User's for that Tradeflow Member and to determine what level of access will be permitted for that Tradeflow User through DMCC Tradeflow to access DMCC Tradeflow for that Tradeflow Member.
- 8.6 For each Tradeflow Member (other than a Host to Host User), the relevant Tradeflow Users' (other than the Principal User) will be assigned a level of access (not to exceed the scope of the relevant Tradeflow Member's role in DMCC Tradeflow) as follows:
- 8.6.1 View – able to view DMCC Tradeflow electronically but cannot enter information or confirm any Transaction;
 - 8.6.2 Operator – able to view DMCC Tradeflow and enter information in relation to a Transaction but is unable to confirm that information or Transaction;
 - 8.6.3 Supervisor – able to view DMCC Tradeflow, enter information in relation to a Transaction and may confirm information or a Transaction on DMCC Tradeflow (subject to any limit on the value of a Transaction that may be approved by such Supervisor set by the relevant Principal User).
- A Tradeflow User may have more than one level of access to DMCC Tradeflow.
- 8.7 Access to DMCC Tradeflow for each Tradeflow User (other than a Host to Host User) will be subject to that Tradeflow User:
- 8.7.1 entering in DMCC Tradeflow, the user ID nominated for them by the Principal User and advised through DMCC Tradeflow;
 - 8.7.2 entering the password issued to the Tradeflow User by DMCC Tradeflow (as amended from time to time as required or permitted by DMCC Tradeflow);

- 8.7.3 entering a shared phrase via DMCC Tradeflow (as amended from time to time as required or permitted by DMCC Tradeflow); and
- 8.7.4 accepting the terms of the User Access Click-Through Agreement on the first use of DMCC Tradeflow (and any subsequent amendments to such agreement as required by the Tradeflow Registrar from time to time).

Each Tradeflow Member shall ensure that each of its Tradeflow User's will treat its user ID, password and shared phrase as confidential and shall not disclose them to any other person without the written consent of the Tradeflow Registrar.

- 8.8 Originators and Transferees shall have on-screen access to each Warrant currently issued to their name or to their order, regardless of whether such Warrant is held by way of pledge for, and/or endorsed by way of security to, a Tradeflow Finance Party.
- 8.9 A Tradeflow Finance Party shall have on-screen access to each Warrant for so long as it is held by way of pledge for, and/or endorsed by way of security to, that Tradeflow Finance Party.
- 8.10 A Storage Operator shall always have on-screen access to a Warrant relating to Goods which are currently stored for a Tradeflow Participant in (i) a warehouse or (ii) Vessel owned, operated, chartered and/or controlled by that Storage Operator.
- 8.11 DMCCA shall always have access to all Warrants issued into, and all other information on, DMCC Tradeflow.

9. TRADEFLOW MEMBER OBLIGATIONS

- 9.1. Each Tradeflow Member shall:
 - (a) notify the Tradeflow Registrar of any error attributable to that Tradeflow Participant or Service Provider which occurs in respect of any of the Services or anything related thereto, and rectify such error as soon as reasonably possible;
 - (b) notify the Tradeflow Registrar in writing of any error or fault in relation to DMCC Tradeflow, the Services or anything related thereto, and any other errors or faults related to the Services which are not attributable to the Tradeflow Participant or Service Provider as soon as they are identified by the Tradeflow Participant or Service Provider;
 - (c) not
 - (i) grant access to any person to DMCC Tradeflow who is not a Tradeflow User;
 - (ii) use, copy, disclose (including to an outsourced information technology system), transfer, sell, lease, lend, assign, sub-license, or otherwise grant any rights in DMCC Tradeflow, except as expressly provided in this Agreement, without prior written of the Tradeflow Registrar;
 - (iii) modify, adapt, disassemble, decompile, translate, reverse engineer or otherwise reduce all or any part of DMCC Tradeflow to human-readable form or attempt to discover any source code, and not allow any third party to do so; or
 - (iv) merge DMCC Tradeflow with other software program material, or otherwise create any derivative work using DMCC Tradeflow;

- (d) as soon as practicable, provide the Tradeflow Registrar with such information as it may, from time to time, request in writing (and which the Tradeflow Participant or Service Provider is reasonably able to provide) to assist DMCCA and the Tradeflow Registrar in the performance of their obligations under this Agreement;
- (e) in the event of any material change in the Tradeflow Participant or Service Provider, its' organisational or ownership structure and/or the nature of its business, the Tradeflow Participant or Service Provider undertakes to advise the Tradeflow Registrar of such change immediately by giving full details of the new or re-constituted Tradeflow Participant or Service Provider and the new nature of business. If required by the Tradeflow Registrar, the Tradeflow Participant or Service Provider will enter into a new agreement in relation to the provision of the Services, which shall be on the then current terms of DMCCA; and
- (f) retain any relevant correspondence relating to a Transaction for a minimum period of seven (7) years from the date of such Transaction. DMCCA does not warrant that such retention period is sufficient for the Tradeflow Participant or Service Provider to meet the Tradeflow Participant or Service Provider's record keeping obligations pursuant to applicable laws.

9.2. Each Tradeflow Member warrants that:

- (a) it has the right and authority to enter into and perform its obligations pursuant to this Agreement;
- (b) it has obtained and will maintain all licenses, approvals and consents necessary to perform its obligations under this Agreement;
- (c) it shall not, without the express written consent of DMCCA, make use of DMCCA's brands, logos or trademarks (whether or not registered) unless otherwise permitted pursuant to this Agreement; and
- (d) all information provided by the Tradeflow Participant or Service Provider in relation to the preparation and negotiation of this Agreement is true, accurate and complete in all respects.

10. DMCCA'S OBLIGATIONS

10.1. DMCCA shall:

- (a) provide each Tradeflow Participant with the Services set out in Schedule 2 if subscribed for in the Letter of Adherence signed by that Tradeflow Participant;
- (b) use reasonable efforts to ensure that each Service Provider complies in all respects with its undertakings set out in this Agreement and the relevant Warehouse Agreement or Service Agreement to which it is a party.

10.2. Subject to Clause 10.4, DMCCA shall provide each Tradeflow Member with access to DMCC Tradeflow including any updates thereof in accordance with the license set out in Clause 10.3 below.

10.3. In consideration of the Fees paid by a Tradeflow Member to DMCCA, DMCCA hereby grants to that Tradeflow Member a non-exclusive, non-transferable, limited license to use DMCC Tradeflow, any software and associated technical documentation for the term of the Letter of Adherence plus any renewal periods solely by accessing the

DMCC Tradeflow websites and solely for the purpose of the Transactions, and always in accordance with the terms of this Agreement.

- 10.4. With the exception where DMCCA is subject to a Force Majeure Event, DMCCA shall use reasonable endeavours to keep the Services available to the Tradeflow Participants as set out in Clause 6 and to minimise, to the extent possible, unscheduled interruptions to the Services.
- 10.5. If an error attributed to DMCCA or to any third party supplier to DMCCA occurs in the provision of the Services, DMCCA undertakes to use reasonable efforts to notify the Tradeflow Member of such error and rectify, or procure the rectification of the same as soon as reasonably possible once it is aware of such error.
- 10.6. DMCCA shall as soon as reasonably possible notify each Tradeflow Member of any unscheduled interruption in the Services and shall use reasonable endeavours to restore the Services as soon as reasonably possible.

11. STORAGE OPERATOR'S RESPONSIBILITIES

- 11.1. Each Storage Operator will be responsible for operating a warehouse, vault or Vessel in accordance with the requirements of its Warehouse Agreement.
- 11.2. Each Storage Operator undertakes to DMCCA and each Tradeflow Participant that it will:
 - (a) comply in all respects with the terms of its Warehouse Agreement;
 - (b) allow reasonable access to the facilities and relevant documentation and information for the purpose of inspection by DMCCA or a Storage Inspector to determine the rating of the Storage Operator and the facility; and
 - (c) not undertake any action that may detrimentally affect the Goods stored in such facility or any Tradeflow Participant.

12. QUALITY INSPECTOR'S RESPONSIBILITIES

- 12.1. Each Quality Inspector will be responsible for ensuring that the Goods which are inspected by it and which are evidenced by a Warrant in DMCCA Workflow conform to the description as to type and quality as described in such Warrant in accordance with the requirements of its Service Agreement.
- 12.2. Each Quality Inspector undertakes to DMCCA and each Tradeflow Participant that it will:
 - (a) comply in all respects with the terms of its Service Agreement; and
 - (b) provide all certificates and supporting material to DMCC Tradeflow as soon as is reasonably possible following the completion of an inspection.

13. STORAGE INSPECTOR'S RESPONSIBILITIES

- 13.1. Each Storage Inspector will be responsible for ensuring that each warehouse which is inspected by it complies with the terms set out in its Warehouse Agreement and is of the standard, and is inspected, as required in the relevant Service Agreement.
- 13.2. Each Storage Inspector undertakes to DMCCA and each Tradeflow Member that it will:
 - (a) comply in all respects with the terms of its Service Agreement;

- (b) provide all certificates and supporting material to DMCC Tradeflow as soon as is reasonably possible following the completion of an inspection.

14. DEPOSITORY OPERATOR'S RESPONSIBILITIES

- 14.1. Each Depository Operator will be responsible for ensuring that each warehouse which is inspected by it complies with the terms set out in its Depository Operation Agreement and is of the standard and is inspected as required in the Depository Operation Agreement.
- 14.2. Each Depository Operator undertakes to DMCCA and each Tradeflow Participant that it will:
 - (a) comply in all respects with the terms of the Depository Operation Agreement; and
 - (b) allow reasonable access to the depository for the purpose of inspection and audit by DMCCA.

15. ADDITIONAL SERVICE PROVIDER'S RESPONSIBILITIES

- 15.1. Each Additional Service Provider will be responsible for undertaking such role as is agreed with DMCCA under the relevant Service Agreement.
- 15.2. Each Additional Service Provider undertakes to DMCCA and each Tradeflow Member that it will comply in all respects with the terms of its Service Agreement.

16. MODIFICATION TO SERVICES

- 16.1. Each Tradeflow Member acknowledges that DMCCA shall be entitled to modify DMCC Tradeflow and/or the Services by providing the Tradeflow Member with:
 - (a) 30 days notice in respect of Material Modifications; or
 - (b) 5 days notice in respect of any other modification to DMCC Tradeflow,

provided that, if any Material Modification or other modification is required to be made on an urgent basis (at the sole discretion of DMCCA), DMCCA may provide a shorter notice period than those stated above.

- 16.2. Each Tradeflow Member shall update/implement any modifications or updates to the Services within the time period specified by DMCCA unless such modifications or updates are specified as optional by DMCCA.
- 16.3. Each party shall bear the cost of any modifications to its systems necessary for, or resulting from, the modification to DMCC Tradeflow and/or the Services undertaken pursuant to Clauses 16.1 and 16.2.

17. REPRESENTATIVES

- 17.1. With effect from the date of this Agreement, DMCCA and each Tradeflow Member will appoint their DMCCA Representative or Member Representative (as appropriate) to act as the principal points of contact between the parties in relation to matters and disputes arising under this Agreement.
- 17.2. Each party's Representative must have the responsibility and authority for making decisions related to matters and disputes arising in this Agreement.

17.3. Each party's Representative can delegate his/her functions to the extent agreed by the other party, such consent not to be unreasonably withheld or delayed.

17.4. Either party will be entitled to replace its Representative at any time, but will give the other party as much notice as reasonably practicable of such replacement.

18. CONFIDENTIALITY

18.1. Each Tradeflow Member undertakes not to disclose any Confidential Information (other than Confidential Information that has entered the public domain through no fault of such Tradeflow Member) to any person:

- (a) other than its employees, agents and advisors (subject to each such employee, agent and advisor agreeing (*mutatis mutandis*) in the terms of this Clause 18.1 not to disclose the Confidential Information; or
- (b) other than as may be compelled to be disclosed in a judicial or administrative proceeding or as otherwise required by law; or
- (c) (in the case of Transaction-specific Information) without the prior written consent of all other Tradeflow Members which are party to the relevant Transaction; or
- (d) (in the case of DMCC Tradeflow Information) without the prior written consent of DMCCA; or
- (e) (in the case of a Tradeflow Finance Party) other than is necessary in order to enforce its pledge or Security Notification over a Warrant (or the Goods represented thereby) and to sell such Warrant or Goods to a third party in accordance with this Agreement.

18.2. DMCCA undertakes not to disclose any Tradeflow Member-specific Information (other than Tradeflow Member-specific Information that has entered the public domain through no fault of DMCCA):

- (a) to any person other than its employees, agents and advisors (subject to each such employee, agent and advisor agreeing (*mutatis mutandis*) in the terms of this Clause 18.2 not to disclose the Tradeflow Member-specific Information; or
- (b) other than as may be compelled to be disclosed in a judicial or administrative proceeding or as otherwise required by law; or
- (c) without the prior written consent of the Tradeflow Member(s) to which such Tradeflow Member-specific Information relates; or
- (d) other than as may be reasonably required by DMCCA for the preparation of periodic Transaction volume reports relating to Warrants; or
- (e) other than is necessary in order to carry out close out settlement in its capacity as commission agent in accordance with Clause 3 of the Security Rules and to sell or deliver any Warrant (or the Goods represented thereby) to a third party in accordance with this Agreement.

19. ANNOUNCEMENTS

No Tradeflow Member shall disclose the fact, terms or subject matter of this Agreement unless it has first obtained DMCCA's written consent which shall not be unreasonably withheld or delayed.

Nothing in this Clause 19 shall prevent DMCCA from announcing or advertising that the Tradeflow Member is using or providing the Services.

20. OWNERSHIP OF INTELLECTUAL PROPERTY RIGHTS

- 20.1. Each party agrees that it has no right of ownership in relation to other party's Intellectual Property Rights and that this Agreement does not transfer the ownership or grant any other rights to a party to the other party's Intellectual Property Rights save as set out in this Agreement. Each Tradeflow Member acknowledges that DMCCA is the owner (or authorised licensee) of DMCC Tradeflow.
- 20.2. Subject to Clause 20.1 above, any Intellectual Property Rights created or generated by DMCCA or its officers, employees or agents in connection with DMCC Tradeflow and supply of the Services will vest in DMCCA or its licensor (as applicable).
- 20.3. Each Tradeflow Member acknowledges and agrees that it must not, nor allow any officer, employee, agent or contractor to:
 - 20.3.1 register or seek to register with any governmental body any where in the world, any of DMCC Tradeflow, Intellectual Property Rights or Confidential Information of DMCCA;
 - 20.3.2 cause any of the Services or DMCC Tradeflow to be prejudicially affected or contested;
 - 20.3.3 use the Services or DMCC Tradeflow in any manner other than as permitted by this Agreement;
 - 20.3.4 make any alterations to DMCC Tradeflow other than as authorised pursuant to this Agreement or by written consent of DMCCA;
 - 20.3.5 interfere with or inhibit the authorised use of the Services and DMCC Tradeflow by any other party; or
 - 20.3.6 charge, pledge, encumber, sell, transfer or otherwise dispose off any equipment, software programs, manuals or other related documents (in original or copy form) relating to DMCC Tradeflow.
- 20.4. Each Tradeflow Member acknowledges and agrees that it must:
 - 20.4.1 advise DMCCA immediately of any infringement, potential infringement or challenge of the rights of DMCCA in DMCC Tradeflow by a third party, and where possible take all reasonable action to stop or prevent further infringement;
 - 20.4.2 stop using DMCC Tradeflow, Intellectual Property Rights and Confidential Information on termination or expiry of this Agreement; and
 - 20.4.3 not contest or oppose or assist any other person to contest or oppose any application for registration of all or part of DMCC Tradeflow or Intellectual Property Rights of DMCCA in any jurisdiction.

- 20.5. Each Tradeflow Member acknowledges and agrees that in the event that Tradeflow Member and/or any of their respective officers, employees, agents or contractors, devise, discover or acquire rights in any improvements related to DMCC Tradeflow (“**Improvements**”), all such rights, to the fullest extent possible shall belong to DMCCA. Each Tradeflow Member hereby assigns all rights, title and interest to any Improvements to DMCCA and agrees to do all things necessary and possible (including effecting the assignment of rights from third parties (where possible)), to assign the ownership of such Improvements to DMCCA. In the event such transfer is not possible, each Tradeflow Member shall ensure that DMCCA is granted an exclusive, royalty free, perpetual licence throughout the world.

21. LIMITATION OF LIABILITY AND INDEMNITY

- 21.1. To the fullest extent permitted by law and except as set out in this Agreement, all conditions, warranties and representations, expressed or implied by applicable law or otherwise, in relation to the Services are excluded.
- 21.2. To the fullest extent permitted by law and except where DMCCA has been grossly negligent or found to be guilty of wilful misconduct, neither DMCCA nor any officer, employee or agent of DMCCA is liable to any Tradeflow Member under or in connection with this Agreement, whether for negligence, breach of contract, misrepresentation or otherwise, for:
- 21.2.1 loss or damage incurred by that Tradeflow Member as a result of third party claims;
- 21.2.2 loss of profit, goodwill, business opportunity or anticipated saving suffered by that Tradeflow Member; or
- 21.2.3 any indirect or consequential loss or damage suffered by the Tradeflow Member.
- 21.3. The aggregate and cumulative liability of DMCCA (and any officer, employee or agent of DMCCA) in relation to any claim brought by or on behalf of the Tradeflow Member under or in connection with this Agreement (including any non-contractual obligations arising out of or in connection with the same) is limited to an amount equal to five (5) times the amount of any Fees received by DMCCA from that Tradeflow Member in respect of the relevant Transaction or, if the claim is not brought in relation to any particular Transaction, an amount equal to five (5) times the amount received by DMCCA from that Tradeflow Member in the three (3) months prior to the event which is asserted by the Tradeflow Member as the basis for the claim (and if there is more than one event, the first occurring in time).
- 21.4. The invalidity, illegality or unenforceability of any provision or part thereof of this Clause does not affect or impair the continuation in force of the remainder of this Clause 21.
- 21.5 It is further agreed by each Tradeflow Member that:
- 21.5.1 DMCCA shall not be under any duty to give the Warrants printed or confirmed and held by it hereunder any greater degree of care than it gives its own similar property; and
- 21.5.2 this Agreement expressly set forth all the duties of DMCCA and the Tradeflow Registrar with respect to any and all matters pertinent hereto, and shall not be interpreted so as to impose any implied duties or obligations on DMCCA or the Tradeflow Registrar. Neither DMCCA nor the Tradeflow Registrar shall be

bound by the provisions of any prior agreement with any Tradeflow Member to the extent that such prior agreement conflicts with this Agreement; and

- 21.5.3 the benefit of the performance by DMCCA of its obligations under this Agreement is conferred upon Tradeflow Members as principals and upon no other persons. It is not the intention of DMCCA to confer any benefit on or give any right to enforce any provisions of this Agreement to any person who is not a Tradeflow Member; and
- 21.5.4 neither DMCCA nor any officer, employee or agent of DMCCA shall be liable, for any loss, liability, claim, action, damages or expense arising out of or in connection with its performance of or failure to perform any of its obligations under this Agreement save as are caused by its own negligence or wilful default; and
- 21.5.5 DMCCA and each officer, employee and agent of DMCCA shall be entitled to rely upon any order, judgment, certification, demand, notice, instrument or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity or the service thereof. DMCCA and each officer, employee and agent of DMCCA may act in reliance upon any instrument or signature believed by it to be genuine and on any communication received through DMCC Tradeflow or any other written medium (whether electronic or otherwise). DMCCA and each officer, employee and agent of DMCCA may assume that any person purporting to give receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorised to do so; and
- 21.5.6 in the event that a Tradeflow Finance Party notifies DMCCA that a Legal Owner has defaulted under a Secured Obligation against which a Warrant (and the Goods represented by that Warrant) is pledged or has a Security Notification recorded on DMCC Tradeflow, DMCCA shall be entitled to act in reliance on any such notification (including effecting close out settlement in respect of the relevant Warrant or Goods in its capacity as commission agent in accordance with Clause 3 of the Security Rules) without reference to, or consent from, the relevant Legal Owner; and
- 21.5.7 in the event of any disagreement between Tradeflow Participants resulting in adverse claims or demands being made in connection with any Warrant, or in the event that DMCCA or a Storage Operator is in doubt as to what action it should take hereunder, DMCCA or the relevant Storage Operator (as applicable) shall notify each relevant Tradeflow Participant and of the same and shall be entitled not to carry out any action in respect of that Warrant or the Goods relating to that Warrant until DMCCA or the relevant Storage Operator (as applicable) shall have received:
 - (i) a Close Out Settlement Instruction; or
 - (ii) a Security Enforcement Instruction and a final non-appealable order of a court of competent jurisdiction directing delivery of the Warrant or Goods to which the relevant Security Enforcement Instruction relates, or the recording of a Transfer Notification in DMCC Tradeflow in respect of that Warrant; or
 - (iii) a written agreement executed by the relevant Tradeflow Participants directing delivery of the Goods to which the relevant Warrant relates,

or the recording of a Transfer Notification in DMCC Tradeflow in respect of that Warrant, in which event DMCCA shall:

- (A) instruct the relevant Storage Operator to dispose of those Goods; or
- (B) record the Transfer Notification in DMCC Tradeflow in respect of those Warrants, and the relevant Storage Operator shall (if required) deliver the relevant Goods, in each case, in accordance with such instruction, order or agreement. Any court order shall be accompanied by a legal opinion by counsel for the presenting party satisfactory to DMCCA to the effect that said is final and non-appealable. DMCCA and the relevant Storage Operator shall act on such court order and legal opinions without further question.

21.6 Each Tradeflow Member undertakes to defend and indemnify DMCCA and each officer, employee and agent of DMCCA against all losses, liabilities and claims (including the costs of any legal claim, suit or proceedings brought against DMCCA or any officer, employee and agent of DMCCA and any legal fees and disbursements incurred in respect therewith) incurred by DMCCA or any officer, employee and agent of DMCCA or alleged by any other Tradeflow Member against DMCCA or any officer, employee and agent of DMCCA and arising out of (directly or indirectly):

21.6.1 the Tradeflow Member's use of DMCC Tradeflow and the Services; or

21.6.2 any breach by such Tradeflow Member of:

- (a) its obligations under this Agreement; or
- (b) the unauthorized use or any infringement (actual or claimed) by such Tradeflow Member of any intellectual property rights owned by DMCCA or otherwise relating to DMCC Tradeflow; or

21.6.3 any breach by such Tradeflow Member of any duty of care owed by that Tradeflow Member to DMCCA as a Tradeflow Member,

except to the extent that such losses, liabilities or claims arise out of DMCCA's or any officer, employee and agent of DMCCA's gross negligence or deliberate misconduct.

22. **TERM**

This Agreement has an initial term of one (1) year from the date of this Agreement (the "**Initial Term**"). At the end of the Initial Term, the Agreement shall be renewed automatically in respect of a Tradeflow Member for similar consecutive periods unless their membership has been revoked or they have resigned pursuant to Clause 4.5 or Clause 5.9 (as appropriate).

23. **CONSEQUENCES OF REVOCATION OR RESIGNATION OF MEMBERSHIP**

23.1. Revocation or resignation of membership under Clause 4.5 or Clause 5.9 does not affect a party's accrued rights and obligations at the date of expiry or termination.

23.2. Each party's further rights and obligations will cease immediately on revocation or resignation of their membership under Clause 4.5 or Clause 5.9 except that Clauses 1, 20, 21, 26, 27, 28, 29 and 30, together with those clauses the survival of which is

necessary for the interpretation or enforcement of this Agreement, will survive expiry or termination of this Agreement and will continue in full force and effect.

- 23.3. Revocation or resignation of membership under Clause 4.5 or Clause 5.9 will be without prejudice to any rights and obligations which may have accrued prior to the date of revocation or resignation of membership which shall include the payment by the Tradeflow Member to DMCCA any amounts which fell or fall due to DMCCA prior to or on such revocation or resignation.

24. FORCE MAJEURE

- 24.1. If a party (the “**Affected Party**”) is prevented, hindered or delayed from or in performing any of its obligations under this Agreement other than a payment obligation by a Force Majeure Event:

- (a) the Affected Party’s obligations under this Agreement are suspended while the Force Majeure Event continues and to the extent that it is prevented, hindered or delayed;
- (b) as soon as reasonably possible after the start of the Force Majeure Event the Affected Party will notify the other party of the Force Majeure Event, the date on which the Force Majeure Event started and the effects of the Force Majeure Event on its ability to perform its obligations under this Agreement;
- (c) the Affected Party will make all reasonable efforts to mitigate the effects of the Force Majeure Event on the performance of its obligations under this Agreement; and
- (d) as soon as reasonably possible after the end of the Force Majeure Event the Affected Party will notify the other party that the Force Majeure Event has ended and resume performance of its obligations under this Agreement.

- 24.2. In this Clause 24 “**Force Majeure Event**” means:

- (a) an event beyond the reasonable control of the Affected Party; or
- (b) a failure of a third party, supplier or contractor (such as an internet service provider) caused by any event that would be a Force Majeure Event had it affected DMCCA under this Agreement.

25. ASSIGNMENT AND SUBCONTRACTING

- 25.1. A party cannot assign, transfer or create any trust in respect of, or purport to assign, transfer or create any trust in respect of, a right or obligation under this Agreement without having first obtained the other party’s written consent.

- 25.2. Nothing in Clause 25.1 shall be read to limit the rights of DMCCA to subcontract any of the Services.

26. ENTIRE AGREEMENT

- 26.1. This Agreement, including its schedules, constitutes the entire agreement, and supersedes any previous agreements, between the parties relating to the subject matter of this Agreement.

- 26.2. Each party acknowledges that it has not relied on or been induced to enter this Agreement by a representation, warranty or undertaking (whether contractual or otherwise) other than those expressly set out in this Agreement.

- 26.3. Nothing in this Agreement has the effect of limiting or restricting any liability of a party arising as a result of any fraud.

27. GENERAL

- 27.1. A variation of this Agreement is valid only if it is agreed to in writing by each party.
- 27.2. A failure to exercise or delay in exercising a right or remedy provided by this Agreement or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by this Agreement or by law prevents further exercise of the right or remedy or the exercise of another right or remedy.
- 27.3. Except where this Agreement provides otherwise the rights and remedies contained in this Agreement are cumulative and not exclusive of rights or remedies provided by law.
- 27.4. Each party will, to the extent that it is reasonably able to do so and at its own expense, execute all documents and do all acts and things reasonably required by the other to give effect to the terms of this Agreement.
- 27.5. Except where this Agreement provides otherwise, each party shall pay its own costs relating to the negotiation, preparation, execution and implementation by it of this Agreement and of each document referred to in it.
- 27.6. Except as expressly provided in this Agreement, no provision of this Agreement creates a partnership between the Parties or makes a Party the agent of the other party for any purpose. A Party has no authority or power to bind, to contract in the name of, or to create a liability for the other Party in any way or for any purpose unless specifically provided for in this Agreement.

28. GOVERNING LAW

- 28.1. Subject to Clause 28.2, the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates shall govern this Agreement.
- 28.2. In the case of a dispute concerning Goods stored in any Emirate other than the Emirate of Dubai (an "**Alternative Local Jurisdiction**") or any security interest related to such Goods, the laws of the Alternative Local Jurisdiction and all applicable laws of the United Arab Emirates shall govern, but only to the extent that the dispute concerns those Goods or any security interest related to such Goods.

29. JURISDICTION

Each Tradeflow Participant agrees that any Tradeflow Finance Party may, at any time, have recourse to the courts of the Emirate of Dubai and/or any Alternative Local Jurisdiction, as the relevant Tradeflow Finance Party may elect, for the sole purpose of enforcing any security interest created hereunder, and each Tradeflow Participant submits to the non-exclusive jurisdiction of those courts for such purpose (but not, for the avoidance of doubt, any other purpose) for the benefit of the relevant Tradeflow Finance Party. This Agreement has been entered into and takes effect from on the date stated at the beginning of this Agreement.

30. NOTICES

- 30.1. A notice under or in connection with this Agreement (a "**Notice**"): (a) must be in writing;

- (b) must be in the English language; and
- (c) must be delivered personally or sent by reputable courier or by fax to the party due to receive the Notice at its address specified in Clause 30.2 or to another address, person, or fax number specified by the receiving party by not less than 7 days' written notice to the other party received before the Notice was despatched.

30.2. The address referred to in Clause 30.1 is:

- (a) In the case of a Tradeflow Member:

As per the address particulars given in the Letter of Adherence and marked for the attention of the Member Representative identified therein.

- (b) in the case of DMCCA or the Tradeflow Registrar at:

Address: Almas Tower
Jumeirah Lakes Towers
Sheikh Zayed Road
P O Box 48800
Dubai
UAE

Fax: +9714 361 2522

Marked for the attention of: The Tradeflow Registrar

30.3. Unless there is evidence that it was received earlier, a Notice is deemed given:

- (a) if delivered personally or by courier, when the person delivering the notice obtains the signature of a person at the address referred to in Clause 30.2;
- (b) if sent by fax, when confirmation of its transmission has been recorded by the sender's fax machine.

31. COUNTERPARTS

This Agreement may be executed in more than one counterpart and signature pages may be exchanged by email.

SIGNATORIES TO THE AGREEMENT

DUBAI MULTI COMMODITIES CENTRE AUTHORITY

By:

[Other signatories to be added in conformed copy as updated from time to time, on the basis of executed Letters of Adherence]

SCHEDULE 1 - PART 1

FORM OF LETTER OF ADHERENCE – TRADEFLOW OWNER

[On headed paper of prospective Tradeflow Participant]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Tradeflow Owner in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as a Tradeflow Owner for the purposes of availing ourselves of the following Services:

[•],

we irrevocably and unconditionally agree to be bound by this Agreement (excluding the Rules other than the Warrant Rules and the [•] Rules) and undertake to fulfil our obligations thereunder.

5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [fax number] and [address]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of the Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Tradeflow Owner]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as a Tradeflow Owner.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Tradeflow Owner subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
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Tradeflow Owner Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Tradeflow Owner Authorized Representative(s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 2

FORM OF LETTER OF ADHERENCE – TRADEFLOW FINANCE PARTY

[On headed paper of prospective Tradeflow Finance Party]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Tradeflow Finance Party in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as a Tradeflow Finance Party for the purposes of availing ourselves of the following Services:

[•],

we irrevocably and unconditionally agree to be bound by this Agreement (excluding the Rules other than the Warrant Rules and the Security Rules) and undertake to fulfil our obligations thereunder.

5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are *[fax number]* and *[address]*. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of *[*]*.
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Tradeflow Finance Party]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as a Tradeflow Finance Party.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Tradeflow Finance Party subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
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Tradeflow Finance Party Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Tradeflow Finance Party Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 3

FORM OF LETTER OF ADHERENCE – TRADEFLOW ISLAMIC FINANCE PARTY

[On headed paper of prospective Tradeflow Islamic Finance Party]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Tradeflow Islamic Finance Party in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as a Tradeflow Islamic Finance Party for the purposes of availing ourselves of the following Services:

[•],

we irrevocably and unconditionally agree to be bound by this Agreement (excluding the Rules other than the Warrant Rules and the Islamic Rules) and undertake to fulfil our obligations thereunder.

5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [*fax number*] and [*address*]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Tradeflow Islamic Finance Party]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as a Tradeflow Islamic Finance Party.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Tradeflow Islamic Finance Party subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
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Tradeflow Islamic Finance Party Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Tradeflow Islamic Finance Party Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 4

FORM OF LETTER OF ADHERENCE – ADDITIONAL TRADEFLOW PARTICIPANT

[On headed paper of prospective Additional Tradeflow Participant]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Additional Tradeflow Participant in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as an Additional Tradeflow Participant for the purposes of availing ourselves of the following Services:

[•],

we irrevocably and unconditionally agree to be bound by this Agreement (excluding the Rules other than the Warrant Rules and the Additional Rules) and undertake to fulfil our obligations thereunder.

5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [*fax number*] and [*address*]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Additional Tradeflow Participant]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as an Additional Tradeflow Participant.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Additional Tradeflow Participant subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
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Additional Tradeflow Participant Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Additional Tradeflow Participant Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 5

FORM OF LETTER OF ADHERENCE – STORAGE OPERATOR

[On headed paper of prospective Storage Operator]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Storage Operator in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as a Storage Operator, we irrevocably and unconditionally agree to be bound by this Agreement and the Warehouse Operation Agreement and undertake to fulfil our obligations thereunder.
5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [*fax number*] and [*address*]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Storage Operator]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as a Storage Operator.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Storage Operator subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
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Storage Operator Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Storage Operator Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 6

FORM OF LETTER OF ADHERENCE – QUALITY INSPECTOR

[On headed paper of prospective Quality Inspector]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Quality Inspector in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as a Quality Inspector, we irrevocably and unconditionally agree to be bound by this Agreement and the Quality Inspection Agreement and undertake to fulfil our obligations thereunder.
5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [*fax number*] and [*address*]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Quality Inspector]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as a Quality Inspector.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Quality Inspector subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
--------------------------------	--

Quality Inspector Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Quality Inspector Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 7

FORM OF LETTER OF ADHERENCE – STORAGE INSPECTOR

[On headed paper of prospective Storage Inspector]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Storage Inspector in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as a Storage Inspector, we irrevocably and unconditionally agree to be bound by this Agreement and the Storage Inspection Agreement and undertake to fulfil our obligations thereunder.
5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [*fax number*] and [*address*]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Storage Inspector]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as a Storage Inspector.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Storage Inspector subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
--------------------------------	--

Storage Inspector Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Storage Inspector Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 8

FORM OF LETTER OF ADHERENCE – DEPOSITORY OPERATOR

[On headed paper of prospective Depository Operator]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Depository Operator in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as a Depository Operator, we irrevocably and unconditionally agree to be bound by this Agreement and the Depository Operation Agreement and undertake to fulfil our obligations thereunder.
5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [*fax number*] and [*address*]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Depository Operator]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as a Depository Operator.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Depository Operator subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
--------------------------------	--

Depository Operator Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Depository Operator Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 1 - PART 9

FORM OF LETTER OF ADHERENCE – ADDITIONAL SERVICE PROVIDER

[On headed paper of prospective Additional Service Provider]

[Date]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Dear Sirs

Application for membership as Additional Service Provider in DMCC Tradeflow

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”).
2. Save as indicated herein, capitalised terms used in this Letter of Adherence shall have the meaning given to them in the Agreement.
3. This is a Letter of Adherence for the purpose of the Agreement.
4. In consideration for being accepted as an Additional Service Provider, we irrevocably and unconditionally agree to be bound by this Agreement and the relevant Service Agreement and undertake to fulfil our obligations thereunder.
5. Our fax number and address for the purpose of Clause 30.2 (Notices) of the Agreement are [*fax number*] and [*address*]. We confirm our agreement to the Tradeflow Registrar publishing this fax number and address in DMCC Tradeflow for viewing by other Tradeflow Members for the purpose of Clause 30.2 (Notices) of the Agreement. Notices are to be marked for the attention of [*].
6. This Letter of Adherence shall be governed by the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates and we hereby submit to the jurisdiction of the courts referred to in Clause 29 (Jurisdiction) of Agreement for the purpose of all disputes arising out of the Agreement.

Yours faithfully

[Name of prospective Additional Service Provider]

Acceptance

In consideration of the promise given in Paragraph 4 above, we hereby accept the application of the above-named person as an Additional Service Provider.

Tradeflow Registrar

APPENDIX 1

CONTRACT PARTICULARS

This schedule describes the particulars of the Additional Service Provider subject to the terms and conditions outlined in this Agreement.

Date of this Agreement:	
--------------------------------	--

Additional Service Provider Details	
<u>Legal Name:</u>	
<u>Trade License Number:</u>	
<u>Issuing Authority:</u>	
<u>Description of Main Licensed Activity:</u>	
<u>Address:</u>	
Additional Service Provider Authorized Representative (s) Details	
Member Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
Principal User	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	
IT Representative	
<u>Name:</u>	
<u>Title:</u>	
<u>Telephone:</u>	
<u>Fax:</u>	
<u>Mobile:</u>	
<u>Email:</u>	

SCHEDULE 2

SERVICES

Support Services provided to the Tradeflow Member

The following is a list of functions that are to be provided by DMCCA to the Member Representatives. DMCC will make all reasonable efforts to ensure that the following Services are provided in accordance with Service Levels as detailed in Schedule 4.

Unit ID	Service Name	Mode of Delivery
1	Tradeflow Member Support	
1.1	General Support and Enquiries	Telephone, e-mail
1.2	Incident reporting	DMCC Call Centre
2	Training	
2.1	Training at the commencement of Service	Classroom based at DMCC facility or at another location by agreement
2.2	Ad-Hoc Training for new Tradeflow Users	By Arrangement
3	DMCC Tradeflow Web Service	
3.1	Access to the DMCC Tradeflow Web Service via a secure connection for Tradeflow Users and other subscribed Member activities	DMCC Tradeflow website

Service Enhancement and Modification to DMCC Tradeflow

The following is a list of functions that are to be provided as part of the Services in relation to the enhancement and modification of the intrinsic Services, where such functions will impact the Tradeflow Members and/or Tradeflow Users.

Unit ID	Service Name	Mode of Delivery
1	Release notices to DMCC Tradeflow Member related to service modification and development	Notification via DMCC Tradeflow

DMCC Tradeflow Maintenance

The on-going scheduled maintenance of DMCC Tradeflow.

Unit ID	Service Name	Mode of Delivery
1	Publication of schedule maintenance	Notification via DMCC Tradeflow
2	Maintenance reports	Notification via DMCC Tradeflow

SCHEDULE 3

SERVICE LEVELS

1. TRADEFLOW MEMBER SUPPORT

Via Telephone or Email

Sunday 7:00 to Friday 17:00

Language of Service

Telephone Service will be in English.

2. TRAINING

Commencement of Service training will be undertaken prior to the launch of a new service or facility on DMCC Tradeflow at the offices of DMCCA or at another location by agreement. Training will occur between 9:00 – 16:00 on the days of training. Each Tradeflow User will be entitled to attend a single training course on a first come first serviced basis. A maximum of 4 Tradeflow Users per Tradeflow Member will be trained free of charge as part of the service or product launch.

DMCCA reserves the right to charge for additional training, including expenses if the training is not held at the offices of DMCCA, which is undertaken on an Ad-Hoc basis

3. DMCC TRADEFLOW WEB SERVICE

DMCCA will make reasonable endeavours to keep DMCC Tradeflow available 99% of time between Sunday 7:00 to Friday 17:00 (Core Hours), excluding scheduled maintenance.

DMCCA shall not be liable to the Tradeflow Member for any cost, loss, damage or liability incurred or sustained by a Tradeflow Member or any third party as a result of DMCC Tradeflow being unavailable or inaccessible. DMCC Tradeflow will be available on a 24 x 365 basis, excluding notified maintenance, but the service availability will only be applied to the Core Hours.

Language of Service

The DMCC Tradeflow Web Service will be supplied both English and Arabic.

4. **INCIDENT RESOLUTION TIMES**

Priority	Fix Time
Priority 1: Critical <ul style="list-style-type: none"> • Loss of Service availability of business critical applications excluding failures of network services external to the DMCCA Hosting Facility. 	6 hours
Priority 2: High <ul style="list-style-type: none"> • Key Service functionality or work-around are not available for Users 	8 Working Hours
Priority 3: Medium <ul style="list-style-type: none"> • Reduced Service functionality. • Work-around available for key Service functionality, which is not available. 	5 Working days
Priority 4: Low <ul style="list-style-type: none"> • Any other problem affecting the efficient use of the Service • Localized impact for limited use by the Tradeflow Member • Transactions that are rarely performed. 	Next release

APPENDIX 1

RULES FOR DMCC TRADEFLOW WARRANTS

These WARRANT RULES are dated as of 11th February 2013

1. DEFINITION

In these Rules, defined terms not otherwise defined in these have the meaning ascribed to them in the Agreement and unless the context or subject matter otherwise requires:-

“**Agreement**” means the DMCC Tradeflow Corporate Access Agreement dated 11th February 2013 (together with each Letter of Adherence and the Rules) entered into between DMCCA, the Tradeflow Participants and the Service Providers;

“**Allocated Goods**” means Goods identified in the Warrant relating thereto and to be stored separately from the Goods identified in other Warrants or otherwise held by the Storage Operator;

“**Amendment Notice**” has the meaning given to such term in Clause 7.4 (Amendment of the Rules);

“**Certification Lapse Date**” means, in respect of a Warrant, the date shown in DMCC Tradeflow records for the Warrant to which that Quality Inspector Certification relates as the date on which that Quality Inspector Certification is due to lapse;

“**HS Code**” means, in respect of Goods, the descriptive code ascribed to those Goods by the Harmonised Commodity Description and Coding System maintained by the World Customs Organisation (as amended or supplemented from time to time).

“**Insolvency Proceedings**” has the meaning given to such term in Clause 5.8 (Undertaking and warranty);

“**Non-Allocated Goods**” means Goods comprising oil which are accepted by the relevant Storage Operator as capable of being fungible and which have not been identified as Allocated Goods in the Warrant relating thereto;

“**Non-System Warehouse Receipt**” means any warehouse receipt or bill of lading issued by a Storage Operator and which is not a Warrant;

“**Operator-Certified Warrant**” means a Warrant for which there is no Quality Inspector Certification recorded on DMCC Tradeflow and which contains no Qualification to the description of the Goods described in that Warrant;

“**Qualification**” means any part of the description of Goods in a Warrant which refers:

- (a) to the Goods as “said to be”; or
- (b) to the container(s) in which they are stored as “said to contain”;

“**Quality Inspector**” means a Service Provider accepted by the DMCCA as a Quality Inspector lawfully engaged in the business of providing collateral management or inspection services in respect of commodities and who records a certification on DMCC

Tradeflow in relation to a Warrant as to the accuracy of the description of Goods contained in that Warrant;

“**Quality Inspector Certification**” means a statement recorded by a Quality Inspector on DMCC Tradeflow in relation to a Warrant confirming as accurate the description of Goods referred to in that Warrant;

“**Resignation Notice**” has the meaning given to such term in Clause 7.4(b) (Amendment of the Rules);

“**Rules**” means the rules contained in this agreement (as amended from time to time in accordance with Clause 7.4 (Amendment of the Rules));

“**Security Notification**” has the meaning ascribed thereto in the Security Rules;

“**Security Release (Part of Goods)**” has the meaning ascribed thereto in the Security Rules;

“**Security Release (All Goods)**” has the meaning ascribed thereto in the Security Rules;

“**Standard Warrant**” means a Warrant containing a Qualification and which has no Quality Inspector Certification recorded against it on DMCC Tradeflow.

“**Transferee**” means a Tradeflow Participant to whom title to a Warrant is transferred on DMCC Tradeflow;

“**Transferor**” means a Tradeflow Participant who transfers title to a Warrant to a Transferee on DMCC Tradeflow otherwise than by way of security;

“**Variation Margin**” means the margin by which quantity (by weight or volume) of Goods in bulk form may differ from the quantity of Goods in bulk form stated in the Warrant for the purposes of Clause 5.1(h) (Storage of Goods). Any such Variation Margin shall be agreed between the Originator and the Storage Operator and stated in the relevant Warrant; and

“**Vessel**” means a vessel that is registered and located in the territorial waters of the United Arab Emirates and owned, operated, chartered or otherwise controlled by a Storage Operator for the purposes of storing Goods pursuant to the Rules.

2. **WARRANT ISSUANCE**

- (a) Warrants may only be issued by Storage Operators. Issuance shall be made online to DMCC Tradeflow and the Warrant will be printed in secure paper form by the Tradeflow Registrar and/or recorded electronically by the Tradeflow Registrar through DMCC Tradeflow (at the option of the Tradeflow Registrar). If the Warrant is in a secure paper form, DMCCA (or a Depository Operator appointed by DMCCA) will hold the Warrant document in a secure storage facility. Each Warrant (and each electronic record of such Warrant) must contain the following information, entered into the relevant fields on DMCC Tradeflow by the Storage Operator:

- (i) the name and location of the warehouse where the Goods are stored or the flag and official number of the Vessel in which the Goods are stored (as applicable); and
 - (ii) the date of issue of the Warrant; and
 - (iii) a statement that the Goods to which that Warrant refers will be delivered:
 - (A) to the person recorded as the Legal Owner of the Goods to which the Warrant relates on DMCC Tradeflow from time to time; or
 - (B) to any Tradeflow Finance Party to whom a Security Notification in relation to that Warrant has been recorded on DMCC Tradeflow from time to time; and
 - (iv) the HS Code for the Goods and the short description of such HS Code; and
 - (v) a long description of the Goods (provided by the Originator and agreed by the Storage Operator); and
 - (vi) the quantity and unit of measure for the Goods (including the Variation Margin agreed with the Originator (if applicable)); and
 - (vii) whether the Goods are Allocated Goods or Non-Allocated Goods; and
 - (ix) any other information DMCCA stipulates from time to time.
- (b) The Storage Operator issuing the Warrant shall be liable to any person injured thereby for all damage caused by the omission from a Warrant of any of the terms required pursuant to this Clause 2 or if any such information provided proves to be incorrect or misleading.
 - (c) All mention of quality, weight (in the event of packaged Goods), value or nature of the Goods found on the Warrants shall be based upon information received from the Originator or otherwise certified by a Quality Inspector and the Storage Operator shall have no liability or responsibility therefore save as provided for in Clause 5 (Rights and Obligations of Storage Operators and Quality Inspectors).
 - (d) A Storage Operator may insert in a Warrant any other terms and conditions agreed with the Originator, provided they are not contrary to the provisions of these Rules and do not reduce his obligations in respect of the relevant Goods.
 - (e) A Storage Operator may not insert a provision in a Warrant that it is non-negotiable. If such a provision is inserted then the application shall be deemed void.
 - (f) Following receipt of all of the required information from the Storage Operator, the Tradeflow Registrar will print the Warrant in secure paper form and retain it in a secure storage facility controlled by the Tradeflow Registrar (or a Depository Operator appointed by DMCCA) and/or confirm it electronically as a valid Warrant on DMCC Tradeflow.
 - (g) A Warrant may only be altered or cancelled:

- (i) (if there is no Security Notification recorded on DMCC Tradeflow), with the prior consent of the Legal Owner of that Warrant; or
- (ii) (if there is a Security Notification recorded on DMCC Tradeflow), with the prior consent of that Tradeflow Finance Party,

such consent to be delivered in either case via DMCC Tradeflow.

- (h) A Quality Inspector Certification may:
 - (i) be amended to extend the Certification Lapse Date in accordance with these Rules;
 - (ii) not be recorded on DMCC Tradeflow in relation to a Warrant which contains a Qualification; and
 - (iii) not expire before the cancellation of the Warrant to which it relates unless that Quality Inspector Certification was given or renewed subject to a Certification Lapse Date shown in DMCC Tradeflow in respect of the Warrant to which it relates.
- (i) A Warrant for which a Quality Inspector-Certification is recorded on DMCC Tradeflow shall automatically become a Standard Warrant on the Certification Lapse Date (if any) relating thereto, unless the Quality Inspector which provided the Quality Inspector Certification for that Warrant gives the Tradeflow Registrar and the relevant Storage Operator prior notice via DMCC Tradeflow of a later Certification Lapse Date for that Warrant, and that later Certification Lapse Date is recorded on DMCC Tradeflow in respect of that Warrant on or before the Certification Lapse Date which it replaces.
- (j) In the event that a Legal Owner or proposed Transferee or Tradeflow Finance Party (with the consent of the Legal Owner) requests that Goods subject to a Warrant in which they have, or propose to have, an interest be reweighed, they may request the Storage Operator, at the cost of the party requesting the reweighing of the Goods, to reweigh the Goods and to either confirm or amend the weight shown in the Warrant relating to those Goods in DMCC Tradeflow. Following such reweighing of the Goods, the Storage Operator will amend the details of weight in respect of the relevant Warrant in DMCC Tradeflow and, if a physical Warrant has been issued, will attach an amendment to the Warrant reflecting the revised weight.
- (k) DMCCA shall rely on the information provided to DMCC Tradeflow by the Storage Operator and will not be responsible for any difference or shortfall between the Goods being stored and the description or amended description of such Goods in any Warrant or on DMCC Tradeflow.

3. APPOINTMENT OF DMCCA AS AGENT FOR TRADEFLOW PARTICIPANTS

3.1 Appointment by Originators

Each Originator irrevocably and unconditionally appoints DMCCA (acting through the Tradeflow Registrar) as its agent:

- (a) to hold all Warrants issued into DMCC Tradeflow either in its secure storage facility (or that of a Depository Operator appointed by DMCCA), if issued in secure paper form, or electronically on DMCC Tradeflow in respect of Goods stored on behalf of that Originator; and
- (b) to store electronically the records for each Warrant recorded (or details of which are recorded) on DMCC Tradeflow representing Goods stored on behalf of that Originator including:
 - (i) any Transfer Notification in favour of any subsequent Legal Owner as it may request via DMCC Tradeflow; or
 - (ii) any Security Notification in favour of any Tradeflow Finance Party as it may request via DMCC Tradeflow.

3.2 Appointment by Transferees

Each Transferee irrevocably and unconditionally appoints DMCCA (acting through the Tradeflow Registrar) as its agent:

- (a) to store electronically on DMCC Tradeflow records of any Transfer Notification recording the transfer of legal ownership of a Warrant to such Transferee; and
- (b) to store electronically the records for each Warrant recorded (or details of which are recorded) on DMCC Tradeflow which has been transferred to such Transferee including:
 - (i) any Transfer Notification in favour of any subsequent Legal Owner as it may request via DMCC Tradeflow; or
 - (ii) any Security Notification in favour of any Tradeflow Finance Party as it may request via DMCC Tradeflow.

3.3 Delivery of Warrants

Without prejudice to the rights of a Tradeflow Finance Party under the Agreement, DMCCA undertakes to deliver to each Legal Owner, either the original Warrant, if held by DMCCA in paper form, or a certified copy of any Warrant held electronically on DMCC Tradeflow for which no Security Notification has been recorded on DMCC Tradeflow and is required for the purpose of enforcing the obligation of the relevant Storage Operator to deliver to the Legal Owner the Goods described in that Warrant.

3.4 Liability of DMCCA

Each Tradeflow Participant confirms that the liability of DMCCA (and any of its officers, employees or agents, including the Tradeflow Registrar) for acting as its agent pursuant to the Rules (including under this Clause 3) shall be limited by Clause 21 (Limitation of Liability and Indemnity) of the Agreement.

4. TRANSFER NOTIFICATION

4.1 Transfer Notification

- (a) A Warrant may be transferred to another Tradeflow participant. A Transfer Notification shall be made via DMCC Tradeflow by the Legal Owner of the Goods to which the relevant Warrant refers.
- (b) Subsequent Transfer Notifications may be recorded in DMCC Tradeflow by each successive Legal Owner.
- (c) A Transferee acquires by virtue of a Transfer Notification in his favour:
 - (i) such title to the Goods as the Transferor had ability to convey to a purchaser in good faith for value; and
 - (ii) the benefit of the obligation of the Storage Operator to hold the Goods for him according to the terms of the Warrant as if the Storage Operator had contracted directly with him, subject always to the rights of:
 - (A) a Storage Operator by virtue of a lien over the Goods to which the relevant Warrant refers (limited to any amounts outstanding in relation to the storage of such Goods); and
 - (B) a Tradeflow Finance Party as created by:
 - (i) the appointment of DMCCA (acting through the Tradeflow Registrar) by the Legal Owner and the Tradeflow Finance Party to hold that Warrant by way of pledge for the Tradeflow Finance Party; and/or
 - (ii) a Security Notification recorded in DMCC Tradeflow in respect of that Warrant in favour of that Tradeflow Finance Party.
- (d) Where a Legal Owner contracts to transfer a Warrant, the proposed Transferee acquires the right to compel him to record a Transfer Notification of the Warrant in his favour. Such Transfer Notification shall effect the transfer of title to the Warrant and the Goods represented by the Warrant when accepted by the proposed Transferee.

4.2 **No liability for breaches of previous Legal Owners**

A Transferee shall not be liable for any failure on the part of the Storage Operator or any previous Legal Owner to fulfil their respective obligations (other than non-payment of any Storage Operator's lien on Goods to which a Warrant relates).

5. **RIGHTS AND OBLIGATIONS OF STORAGE OPERATORS AND QUALITY INSPECTORS**

5.1 **Storage of Goods**

- (a) Each Storage Operator must agree to store Goods in respect of which a Warrant has been issued in a secure warehousing regime or a Vessel owned, operated, chartered or otherwise controlled by the relevant Storage Operator without limit as to quantity or period of storage in accordance with such terms and conditions

as may be required by the relevant Storage Operator (to the extent that the same do not conflict with the Agreement). Throughout the Agreement and with specific reference to this Clause 5.1, where the Goods concerned are diamonds or precious stones then:

- (i) the expression "warehouse" as used in these Rules shall mean a "vault";
and
 - (ii) any Legal Owner, Storage Operator or Tradeflow Finance Party shall, in addition to these Rules, adhere to those supplementary procedures governing, inter alia, the valuing, depositing and viewing of diamonds and precious stones as may be issued by the Tradeflow Registrar from time to time.
- (b) Except as provided in paragraph (c) below, a Storage Operator shall keep the Goods so far as possible separate from Goods of other depositors, and from other Goods of the same depositor for which a separate Warrant has been issued, so as to permit at all times the identification and re-delivery of the Goods deposited.
- (c) The Storage Operator may ask the DMCCA (or a Storage Inspector appointed by DMCCA) to rate the warehouse or Vessel in which the Goods will be stored. The rating of the warehouse or Vessel will be undertaken in accordance with the Warehouse Standards and will be valid for a period of one year (or such longer period as DMCCA or the Storage Inspector (as appropriate) may determine) from the date that the rating is given unless the DMCCA or the Storage Inspector (as appropriate) undertakes an inspection during that period which results in the downgrading of the rating. The current rating (from time to time) for a warehouse or Vessel in which Goods are stored will be recorded by DMCCA or the Storage Inspector on DMCC Tradeflow in relation to the Warrants in respect of Goods stored in the warehouse or Vessel. DMCCA may, at any time, delegate the rating of any or all warehouses or Vessels to a Storage Inspector. DMCCA will use reasonable care to select the Storage Inspector but shall not be responsible for any action or default of any such Storage Inspector in inspecting or providing a rating for a warehouse or Vessel.
- (d) DMCCA will seek the appointment of a suitable Storage Inspector to inspect any warehouse or Vessel in which it is proposed to store Goods to be certified as Halal in accordance with the Islamic Shariah. Such Storage Inspector will include a certification in relation to compliance with Islamic Shariah along with any rating for such warehouse or Vessel. Such Storage Inspector will be subject to all other terms and conditions applicable to Storage Inspectors in the Agreement.
- (e) A Storage Operator may commingle Non-Allocated Goods with other Non-Allocated Goods of the same kind and grade. The Legal Owners of the commingled Non-Allocated Goods shall own the entire mass of such Goods in common and each Legal Owner shall be entitled to such amount thereof as originally deposited by him.

- (f) Subject to Clause 5.1(g) below, unless a Storage Operator has agreed to insure the Goods, the Storage Operator shall not be liable for any loss, damage, destruction, deterioration or deficiency caused directly or indirectly by fire, smoke, explosion, earthquakes, floods or any other Acts of God; through theft of other forms of wrongful acquisition or detention (including by the Originator or its employees); or by decay, fermentation, oxidation, dehydration, evaporation and all other similar types of spoilage which may occur during the storage period.
- (g) A Storage Operator shall be liable for any loss or damage to Goods (including any unexplained loss or damage) caused by his failure to exercise such care in regard to them as a reasonably careful owner of similar goods would exercise.
- (h) A Quality Inspector shall be liable to the Legal Owner of, and any Tradeflow Finance Party with a right of security over, Goods which have had a Quality Inspector Certification recorded in DMCC Tradeflow in respect of the Goods referred to in the relevant Warrant for damages caused by the failure of the Goods to correspond with the description thereof in the Warrant at the time the Quality Inspector Certification was recorded in DMCC Tradeflow, to the extent such failure is a direct result of the Quality Inspector's negligence. DMCCA shall not be responsible for any action or default of any such Quality Inspector in undertaking its role as a Quality Inspector and for any information it subsequently records on DMCC Tradeflow.
- (i) A Storage Operator shall indemnify a Quality Inspector against all liability incurred by that Quality Inspector under Clause 5.1(h) below to the extent that liability arises due to the act or omission of that Storage Operator before the Certification Lapse Date (if any) relating to the Warrant in respect of which that Quality Inspector incurs liability.
- (j) Subject to Clause 5.1(k) below, a Storage Operator shall be liable to the Legal Owner of, and any Tradeflow Finance Party with a right of security over, Goods described in a Warrant:
 - (i) in respect of packaged Goods, for damages caused by any material discrepancy between the quantity of Goods stated on that Warrant and the actual quantity of the Goods and, in the case of bulk Goods, for damages caused by any material discrepancy between the subject quantity of such Goods stated on the Warrant and the actual quantity of the Goods subject to the application of the Variation Margin; or
 - (ii) for damages caused by the failure of the Goods to correspond with the description thereof in the Warrant save that a Storage Operator shall in no way be liable for any depreciation of the Goods nor of the packaging which is the result of the duration of the storage nor shall it be liable for any damages arising or resulting from the natural qualities of the Goods (including any inherent vice) or any defect in packaging (provided that, where the Goods are liable to perish, the Storage Operator shall be

liable for damages if it has not recorded a notice of perishability in respect of the Warrant for those Goods on DMCC Tradeflow); and

- (iii) in the case of packaged Goods, for damages caused by any material discrepancy between the quantity of Goods stated on that Warrant and the actual quantity of the Goods and, in the case of bulk Goods, for damages caused by any material discrepancy between the subject quantity of such Goods stated on the Warrant and the actual quantity of the Goods subject to the application of the Variation Margin.
- (k) A Storage Operator's liability under Clause 5.1(j) shall be limited to the value of the Goods which shall be established on the basis of the market value of the Goods as of the date the damage is discovered.
- (l) Each Storage Operator shall procure that any Vessel that it owns, operates, charters or otherwise controls stays within the territorial waters of the United Arab Emirates (unless, due to any emergency or unforeseen hazardous weather conditions, the Vessel must temporarily leave United Arab Emirates territorial waters, in which case the Storage Operator shall procure that the relevant Vessel returns to United Arab Emirates territorial waters as soon as possible in accordance with good international shipping practice).

5.2 Delivery of Goods

- (a) A Storage Operator undertakes that it shall not deliver Goods to any person other than to one of the following:
 - (i) their Legal Owner if there is no Security Notification recorded on DMCC Tradeflow in respect of the Warrant relating to those Goods; or
 - (ii) to the Tradeflow Finance Party, if there is a Security Notification recorded on DMCC Tradeflow in respect of the Warrant relating to those Goods; or
 - (iii) DMCCA in its capacity as commission agent for the Legal Owner of the Warrant relating to those Goods pursuant to Clause 3 of the Security Rules.
- (b) Each Storage Operator undertakes:
 - (i) to deliver Goods covered by any Warrant on demand to the Legal Owner of those Goods if:
 - (A) the Storage Operator's lien (if any) over those Goods is satisfied; and
 - (B) the Tradeflow Finance Party (if any) in favour of which there is a Security Notification recorded on DMCC Tradeflow for the relevant Warrant, for viewing by that Storage Operator and DMCCA (acting through the Tradeflow Registrar), a Security

Release (All Goods) in respect of the Goods to which that Warrant relates; and

- (ii) immediately after receipt of a Security Release (Part of Goods), to deliver to the Legal Owner the Goods referred to in such Security Release (Part of Goods) as being released if the Storage Operator's lien (if any) over those Goods is satisfied; and
 - (iii) on demand from the Tradeflow Finance Party to whom a there is a Security Notification recorded on DMCC Tradeflow for the Warrant but subject to satisfaction of the Storage Operator's lien (if any), to deliver to that Tradeflow Finance Party the Goods to which that Warrant relates; and
 - (iv) on demand from DMCCA in its capacity as commission agent pursuant to Clause 3 of the Security Rules for the Legal Owner of a Warrant for which there is a Security Notification recorded on DMCC Tradeflow but subject to satisfaction of the Storage Operator's lien (if any), to deliver to DMCCA the Goods to which that Warrant relates; and
 - (v) immediately upon the termination of the lease of the warehouse or charter of a Vessel (as applicable) in which it stores Goods, or as soon as practicable upon forced closure of that warehouse or seizure of that Vessel as a result of regulatory action, to deliver those Goods to:
 - (A) their Legal Owners to the extent that there is no Security Notification recorded on DMCC Tradeflow for the Warrant(s) relating to those Goods; or
 - (B) any Tradeflow Finance Party to whom there is a Security Notification recorded on DMCC Tradeflow for a Warrant relating to those Goods; or
 - (C) DMCCA in its capacity as commission agent pursuant to Clause 3 of the Security Rules for the Legal Owner of a Warrant relating to those Goods for which there is a Security Notification recorded on DMCC Tradeflow; and
 - (vi) following delivery of Goods to a Legal Owner or to a Tradeflow Finance Party, to post a notice via DMCC Tradeflow to DMCCA (acting through the Tradeflow Registrar), the Legal Owner and (if applicable) the Tradeflow Finance Party confirming delivery of the Goods to the Legal Owner or the Tradeflow Finance Party (as the case may be).
- (c) Failure by the Storage Operator to deliver Goods in compliance with a demand by their Legal Owner or (as the case may be) by a Tradeflow Finance Party with rights over those Goods or by DMCCA in its capacity as commission agent pursuant to Clause 3 of the Security Rules, and in accordance with the

conditions applying in Clause 5.2(b) (Delivery of Goods), shall constitute a breach of these Rules.

- (d) If Goods have lawfully been disposed of:
 - (i) because of their perishable or hazardous nature pursuant to Clause 5.5 (Disposal of dangerous or perishable Goods) and subsequent to the issue of a perishability notice by the Storage Operator; or
 - (ii) to satisfy a Storage Operator's lien pursuant to Clause 5.7 (Enforcement of Storage Operator's lien); or
 - (iii) by way of delivery to a Tradeflow Finance Party, DMCCA or Legal Owner (as the case may be) in accordance with Clause 5.2(b), and

the Storage Operator has cancelled the Warrant relating thereto, such Storage Operator shall not be liable for failure to deliver the Goods to the person who was the Legal Owner immediately before such disposal.

5.3 Title to Goods

- (a) No title to Goods can accrue to the Storage Operator after the issue of a Warrant in relation to those Goods other than:
 - (i) pursuant to a transfer made to that Storage Operator by a Legal Owner at the time of or after the storage of the relevant Goods; or
 - (ii) arising from the Storage Operator's lien and following the issue of an order from a court of competent jurisdiction in that regard.
- (b) In relation to Non-Allocated Goods which have been commingled with other Non-Allocated Goods represented by another Warrant, and to the extent that any applicable law requires the consent of all Legal Owners of commingled Non-Allocated Goods to the transfer of title to any portion of such Non-Allocated Goods, each such Legal Owner hereby consents to such transfer of title.
- (c) Where any applicable law requires that in order for title to any portion of Non-Allocated Goods to pass that such portion is appropriated and separated from any other Non-Allocated Goods (**allocation**), all relevant parties hereby agree that the Storage Operator shall be deemed to have carried out such allocation each time title to a portion of any Non-Allocated Goods is intended to pass under these Rules.

5.4 Delivery of Goods and cancellation of Warrants

- (a) A Storage Operator shall:
 - (i) recall and/or cancel any Non-System Warehouse Receipt before issuing the Warrant for Goods to which such Non-System Warehouse Receipt relates; and

- (ii) prior to delivery to the Legal Owner, DMCCA or the Tradeflow Finance Party of all of the Goods to which a Warrant relates, cancel that Warrant, failing which such Storage Operator shall be liable to anyone who purchases the Warrant for value in good faith for any failure to deliver all the Goods referred to in that Warrant.
- (b) Where a Storage Operator delivers part of the Goods for which he had issued a Warrant and fails to amend that Warrant prior to such delivery to remove the Goods delivered, he shall be liable to anyone who purchases that Warrant for value in good faith, for failure to deliver all the goods specified in that Warrant, whether such purchaser acquired title to the Warrant before or after the delivery of any portion of the Goods by the Storage Operator.

5.5 Disposal of dangerous or perishable Goods

- (a) If Goods:
 - (i) are of a perishable nature; or
 - (ii) by keeping will deteriorate significantly in value; or
 - (iii) by their nature, may injure other property and/or persons,

the Storage Operator storing those Goods shall give, via DMCC Tradeflow, such notice as is reasonable and possible under the following circumstances:

 - (A) (if the Goods are not subject to any security rights in favour of a Tradeflow Finance Party) to the relevant Legal Owner; or
 - (B) (if the Goods are subject to security rights in favour of a Tradeflow Finance Party) to that Tradeflow Finance Party and the relevant Legal Owner,

in either case requesting:

 - (I) satisfaction of any lien upon such Goods (specifying details of such lien with reference to the categories set out in Clause 5.6(a) (Storage Operator's lien)); and
 - (II) removal of the Goods from the warehouse(s) or Vessel(s)(as applicable) in which they are stored, within a time to be specified in that notice.
- (b) If the Legal Owner or the Tradeflow Finance Party (as the case may be) fails to satisfy a lien pursuant to Clause 5.5 (a)(I) above and to remove the Goods within the time specified pursuant thereto, the Storage Operator may apply to a court of competent jurisdiction for an order to sell the Goods or, if (in the reasonable opinion of the Storage Operator) the Goods pose a real and immediate danger to persons and/or property, the Storage Operator may take such action as may be reasonably necessary to reduce or remove such danger.

Such action may include removal or disposal of the Goods, following which the provisions of paragraph (d) shall apply.

- (c) Subject to any contrary provision in an order of a court of competent jurisdiction, the proceeds of any sale of Goods under the terms of this Clause shall be:
 - (i) applied in or towards settlement of any Storage Operator's lien which is recorded in respect of the relevant Warrant on DMCC Tradeflow at the time of issue; and
 - (ii) to the extent any proceeds remain after satisfaction of any lien pursuant to paragraph (c)(i) above, applied in or towards settlement of any Secured Obligation owed by the Legal Owner of the Goods to the Tradeflow Finance Party in favour of whom there is a Security Notification recorded on DMCC Tradeflow for the Warrant; and
 - (iii) to the extent any proceeds remain after satisfaction of any Secured Obligation pursuant to paragraph (c)(ii) above, paid to the Tradeflow Owner named on the Warrant as the Legal Owner of the Goods so sold.
- (d) Immediately following the perishing of Goods or their disposal under this Clause, the Storage Operator in whose facility such Goods were stored shall immediately cancel the Warrant relating thereto. For the avoidance of doubt, DMCCA shall not have any liability in relation to any Goods that have perished or the cancellation of any Warrant in relation to such Goods pursuant to this Clause 5.5.

5.6 **Storage Operator's lien**

- (a) Subject to paragraph (b) below, a Storage Operator may have a lien on Goods deposited in a warehouse or Vessel (as applicable) under his control (whether or not such Goods are subject to security in favour of a Tradeflow Finance Party) for:
 - (i) all lawful charges for storage and preservation (or arranging for storage and preservation) of the Goods; and
 - (ii) all lawful claims for money advanced; and
 - (iii) insurance, transportation, labour, measurement, weighing, cooping and other charges and expenses arising in relation to such goods; and
 - (iv) all reasonable charges and expenses for notice and advertisements of sale and for the sale of the Goods where default has been made in satisfying the Storage Operator's lien, and its enforcement is subject to Clause 5.7 (Enforcement of Storage Operator's lien).
- (b) A Storage Operator's lien may apply to any Goods:

- (i) stored by that Storage Operator on behalf of the Legal Owner of those Goods and against which the lien is asserted; and
 - (ii) in respect of which the Warrant has a Security Notification recorded in relation to it on DMCC Tradeflow in favour of a Tradeflow Finance Party, provided that the existence of that lien has been duly noted on DMCC Tradeflow in respect of the Warrant relating to those Goods.
- (c) A Storage Operator loses its lien upon Goods:
- (i) by surrendering possession thereof; or
 - (ii) by refusing to deliver the Goods to their Legal Owner or (as the case may be) to a Tradeflow Finance Party with security rights over those Goods or to DMCCA in its capacity as commission agent for the Legal Owner pursuant to Clause 3 of the Security Rules who in either case has satisfied that Storage Operator's lien and has demanded delivery of the Goods in accordance with Clause 5.2(b) (Delivery of Goods).

5.7 Enforcement of Storage Operator's lien

- (a) A Storage Operator wishing to enforce its lien shall send a notification via DMCC Tradeflow to the relevant Legal Owner and simultaneously (if applicable) to any Tradeflow Finance Party with a security interest in the relevant Goods as noted on DMCC Tradeflow and to the Tradeflow Registrar, containing:
- (i) a statement of the Storage Operator's claim, showing the sum due at the time of the notice and the date or dates when it became due; and
 - (ii) a demand that the amount of the claim as stated in the notice, and of such further claim as shall accrue, shall be paid within 14 days from the delivery of the notification; and
 - (iii) a statement that unless the claim is paid within the time specified the Storage Operator will seek an order from a court of competent jurisdiction for the sale of the Goods by auction.
- (b) Subject to any limitations set out in the relevant court order, and at any time before the Goods are sold, any person claiming a right of property or possession therein and possessing the original Warrant (or a certified copy of the Warrant if such Warrant is issued electronically) may pay the Storage Operator the amount necessary to satisfy his lien and to pay the reasonable expenses and liabilities (including court costs) incurred in serving notices and advertising and preparing for the sale up to the time of such payment. If the Storage Operator's lien is so satisfied, he shall:
- (i) deliver the Goods:
 - (A) to the Tradeflow Finance Party with security rights over those Goods; or

- (B) to DMCCA in its capacity as commission agent of the Legal Owner under Clause 3 of the Security Rules; or
 - (C) (if there is no Tradeflow Finance Party and the Legal Owner has made the relevant payment), to the Legal Owner of the Goods, (otherwise the Storage Operator shall retain the Goods according to the terms of the original contract of deposit, but subject always to directions from a court of competent jurisdiction); and
- (ii) acknowledge satisfaction of his lien via DMCC Tradeflow.
- (c) The remedy for enforcing a lien herein provided does not preclude such remedies as may be available to the Storage Operator under applicable law to recover any part of the Storage Operator's claim that is not satisfied by the proceeds of the sale of the relevant Goods.

5.8 Undertaking and warranty

- (a) Each Storage Operator undertakes before issuing any Warrant, to cancel all Non-System Warehouse Receipts issued by it or by a warehouse operator or Vessel owner or charterer (as applicable) in whose warehouse or Vessel (as applicable) the Storage Operator has arranged for the storage of the Goods to which that Warrant relates.
- (b) Each Storage Operator and Quality Inspector shall be deemed to warrant, immediately before issuing each Warrant that it issues and each Quality Inspector shall be deemed to warrant, immediately before certifying a description of Goods on DMCC Tradeflow in relation to a Warrant, that:
 - (i) (in the case of Storage Operators only) all Non-System Warehouse Receipts referred to in sub-paragraph (a) above have been cancelled or recalled; and
 - (iii) no action, legal proceedings or other procedure or step has been taken in
 relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of such Storage Operator or Quality Inspector (as the case may be); or
 - (B) a composition, assignment or arrangement with any creditor of such Storage Operator or Quality Inspector (as the case may be); or
 - (C) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar

officer in respect of such Storage Operator or Quality Inspector (as the case may be) or any of its assets; or

(D) (except in respect of any enforcement proceedings which are fully and finally released within 30 days of commencement or are frivolous or being contested by such Storage Operator or Quality Inspector (as the case may be) in good faith), the enforcement of any security over any assets of such Storage Operator or Quality Inspector (as the case may be), (together, “**Insolvency Proceedings**”) or any analogous procedure or step has been taken in any jurisdiction; and

(iv) all permits, licences and compliance certificates required in order to enable such Storage Operator or Quality Inspector (as the case may be) to comply with its obligations under these Rules are in full force and effect.

(c) Each Tradeflow Participant undertakes to inform the Tradeflow Registrar of any decision as a result of which that Tradeflow Participant is to merge with another entity and will not be the surviving entity.

6. BREACHES

6.1 Breach by Originator or subsequent Legal Owner

Any person who:

- (a) (being an Originator) deposits Goods to which he does not have title or upon which there are security rights in favour of another (other than a lien arising in favour of the relevant Storage Operator by such deposit); or
- (b) (being an Originator or subsequent Legal Owner of the same Goods) instructs the Tradeflow Registrar to record a Transfer Notification or a Security Notification on DMCC Tradeflow for a Warrant in respect of those Goods without disclosing his want of title or the existence of the lien or other security to the Transferee or Tradeflow Finance Party (as the case may be),

may have his membership revoked in accordance with Clause 4.5 of the Agreement.

6.2 Breach by Storage Operator

A Storage Operator who:

- (a) issues a Warrant without having in his possession or control the Goods for which such Warrant is issued; or
- (b) issues a Warrant for Goods knowing that it contains any false statement (including any failure to disclose a joint interest in those Goods); or
- (c) issues a duplicate or additional Warrant for goods knowing that a former Warrant or Non-System Warehouse Receipt for the same Goods or any part of them is outstanding and uncancelled; or

- (d) delivers Goods without instructing the Tradeflow Registrar to cancel the Warrant relating to those Goods immediately after such delivery, or
- (e) fails to cancel the Warrant relating to Goods which have perished or which have been disposed of pursuant to Clause 5.5 (Disposal of dangerous or perishable Goods),

may have his membership revoked in accordance with Clause 4.5 of the Agreement.

7. MISCELLANEOUS PROVISIONS

7.1 Implied warranties

- (a) Each Tradeflow Participant shall be deemed to warrant, on each date on which it issues any instructions or notices through DMCC Tradeflow, that these Rules are legal, valid and binding obligations of such Tradeflow Participant and do not conflict with its constitutional documents or any laws, judgments, regulations, licences, permits or agreements binding on it.
- (b) By instructing the Tradeflow Registrar to record a Transfer Notification on DMCC Tradeflow, the person giving such instructions warrants:
 - (i) that he has a legal right to transfer title to the Warrant and the Goods represented by the Warrant; and
 - (ii) that he has no knowledge of any fact which would impair the validity or value of the Warrant; and
 - (iii) that he has title to the Goods and that the Goods are fit for the purpose for which they are intended.
- (c) Each Quality Inspector shall be deemed, on each date on which it issues a Quality Inspector Certification, to warrant that the Goods are accurately described in the Quality Inspector-Certified Warrant on which that Quality Inspector Certification is made.
- (d) Each Storage Operator shall be deemed, on each date on which it issues a Warrant, to warrant:
 - (i) that the quantity of the Goods stated in that Warrant is accurate; and
 - (ii) (in the case of an Operator-Certified Warrant only) that the description and quantity of the Goods stated in that Operator-Certified Warrant are accurate.

7.2 Force majeure

- (a) None of the DMCCA, the Tradeflow Registrar or any Tradeflow Participant shall be liable for any failure, hindrance or delay in performance in whole or in part of its obligations under these Rules if such failure, hindrance or delay arises out of events or circumstances beyond its control.

- (b) The events or circumstances referred to in paragraph (a) above:
 - (i) may include, but are not limited to, acts of God or the public enemy, acts of a civil or military authority, embargoes, fire, flood, labour dispute, unavailability or restriction of computer or data processing facilities or energy supplies, and any other causes beyond the parties reasonable control; and
 - (ii) shall (in the case of any Tradeflow Participant) be promptly notified by the party prevented, hindered or delayed from performing any of its obligations under these Rules to the party with the benefit of such obligation and to DMCCA via DMCC Tradeflow.

7.3 **Disclosure of information**

DMCCA (and any officer, employee or agent of DMCCA) shall have authority to supply any information concerning a Tradeflow Participant and its transactions relating to Warrants to:

- (a) any regulatory body which is entitled to receive or request any such information; and
- (b) any other person to which DMCCA is, in its reasonable opinion, legally required to disclose such information.

7.4 **Amendment of the Rules**

- (a) DMCCA may from time to time amend these Rules by notice delivered to the Tradeflow Members via DMCC Tradeflow (an “**Amendment Notice**”). Any such amendment shall take effect on the day falling 14 days after the date of the Amendment Notice (or on such later date as DMCCA may specify) and may take effect so as to apply to the interests of Legal Owners and Tradeflow Finance Parties in Warrants issued at the time such amendment comes into effect if DMCCA so determines.
- (b) Any Tradeflow Participant who does not wish to be bound by an Amendment Notice may resign his membership in DMCC Tradeflow by written notice to the Warrant Secretariat within 14 days after the date of that Amendment Notice (a “**Resignation Notice**”). Following receipt of that Resignation Notice, the Tradeflow Registrar shall publish an Expiring Membership Notice in respect of such Tradeflow Participant, to whom paragraphs 4.5.3, 4.5.4 and 4.5.5 of the Agreement shall then apply. All Tradeflow Participants who do not submit a Resignation Notice within 14 days shall be deemed to have accepted the amendments contained in the relevant Amendment Notice.
- (c) Following delivery by a Tradeflow Participant of a Resignation Notice in accordance with paragraph (b), all Warrants in which that Tradeflow Participant has an interest shall be governed by the version of the Rules in force immediately before the Amendment Notice which immediately preceded that Resignation Notice.

7.5 **Validity of Rules and action**

If at any time any provision of these Rules becomes illegal, invalid or unenforceable in any respect the legality, validity or enforceability of the remaining provisions of these Rules shall in no way be affected or impaired thereby.

7.6 **Paper records**

In the event that any paper copy of a Warrant is for any reason damaged, misplaced or otherwise unavailable, DMCCA may re-issue a copy of such Warrant on the same terms as the Warrant that has been damaged, misplaced or is otherwise unavailable (as applicable).

7.7 **Notices**

- (a) All notices required to be given by any Tradeflow Member to another Tradeflow Member or to DMCCA (directly or through the Tradeflow Registrar) under these Rules shall be delivered via DMCC Tradeflow, and DMCCA and the Tradeflow Registrar shall have access to any notice sent by such Tradeflow Member by DMCC Tradeflow.
- (b) If a Tradeflow Member is to send a notice to another Tradeflow Member or to DMCCA (directly or through the Tradeflow Registrar) via DMCC Tradeflow and is unable to do so, such notice shall be sent by fax with a paper copy to be delivered by courier to the fax number and address listed for the relevant Tradeflow Member or DMCCA (as the case may be) in DMCC Tradeflow.
- (c) Notices shall be deemed delivered when the sender receives a confirmation of fax or electronic transmission (as the case may be), unless such confirmation of transmission is received after 3pm (Dubai time), in which case such notice shall be deemed delivered on the next day.
- (d) The addressee of a notice deemed delivered in accordance with these Rules shall act in accordance with the terms of that notice unless he can prove that he did not receive that notice.
- (e) Each Tradeflow Participant shall promptly notify the Tradeflow Registrar of any changes to their notice details.

SCHEDULE 1

TRANSFER NOTIFICATION

Date/Time: [•]

Warrant Number: [Insert from DMCC Tradeflow]

Document Sequence Number: [Insert from DMCC Tradeflow]

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Title Transfer Notification

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”) together with the attached Warrant Rules (as defined therein) as amended from time to time (the “**Warrant Rules**”), and Warrant number [Insert Warrant Number from DMCC Tradeflow] for which we are the Legal Owner in DMCC Tradeflow (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Transfer Notification shall have the meaning given to them in the Warrant Rules.
3. We, [Name of Legal Owner], hereby irrevocably instruct you to transfer all of our rights and title to, and obligations under the Warrant (and the Goods represented by the Warrant) to [Name of Transferee] (the “**Transferee**”).

Yours faithfully

{Owner User Name [User ID]}

{Company name of the Owner [Tradeflow Owner Company unique ID]}

{Dubai Date and Time of acceptance by Owner Checker}

Title Transfer Acceptance

We hereby accept the transfer of the rights and title to, and obligations under, the Warrant (including the Goods represented by the Warrant) referred to in this Transfer Notification.

{Transferee User Name [User ID]}

{Company name of the Transferee [Tradeflow Transferee Company unique ID]}

{Dubai Date and Time of acceptance by Transferee Checker}

DMCCA Registrar Endorsement

{DMCCA User Name [User ID]}

{Dubai Date and Time of Endorsement by DMCCA Checker}

APPENDIX 2

RULES FOR TAKING SECURITY OVER DMCC TRADEFLOW WARRANTS

These SECURITY RULES are dated as of 11th February 2013

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In these Rules, defined terms not otherwise defined in these Rules have the meaning ascribed to them in the Agreement and in the Warrant Rules and unless the context or subject matter otherwise requires:-

“**Agreement**” means the DMCC Tradeflow Corporate Access Agreement dated 11th February 2013 (together with each Letter of Adherence and the Rules) entered into between DMCCA and the Tradeflow Members.

“**Amendment Notice**” has the meaning given to such term in Clause 5.3 (Amendment of the Rules).

“**Close Out Settlement Instruction**” means, in relation to a Warrant (and/or the Goods represented by that Warrant), an instruction from the Tradeflow Finance Party in favour of which a Security Notification has been recorded on DMCC Tradeflow for the relevant Warrant (and/or Goods represented by that Warrant) via DMCC Tradeflow to DMCCA, substantially in the form set out in Schedule 4 Part 1.

“**Close Out Trigger Event**” means, in relation to a Secured Obligation, any failure by the relevant Legal Owner to satisfy (in whole or in part) that Secured Obligation.

“**Confidential Information**” means Warrant System Information and Transaction-specific Information.

“**Non-System Warehouse Receipt**” means any warehouse receipt or bill of lading issued by a Storage Operator and which is not a Warrant.

“**Resignation Notice**” has the meaning given to such term in Clause 5.3(b) (Amendment of the Security Rules).

“**Rules**” means these rules forming part of the Agreement (as amended from time to time in accordance with Clause 5.3).

“**Security Acceptance**” means, in respect of a Security Notification, a message sent via DMCC Tradeflow by the Tradeflow Finance Party referred to in that Security Notification and stating that it accepts the security referred to in that Security Notification.

“**Security Enforcement Instruction**” means, in relation to a Warrant (and/or the Goods represented by that Warrant), an instruction from the Tradeflow Finance Party in favour of which the relevant Warrant (and/or Goods represented by that Warrant) in respect of which a Security Notification has been recorded on DMCC Tradeflow, via DMCC Tradeflow to DMCCA, substantially in the form set out in Schedule 4 Part 2.

“**Security Release (Part of Goods)**” means a release of the Secured Obligations owed by a Legal Owner to a Tradeflow Finance Party in respect of a specified portion of the Goods to which a Warrant relates, to be sent by that Tradeflow Finance Party to the relevant Storage Operator (with a copy to DMCCA and the Legal Owner) via DMCC Tradeflow and substantially in the form of Schedule 2 (Form of Security Release (Part of Goods)).

“**Security Release (All Goods)**” means a release of the Secured Obligations owed by a Legal Owner to a Tradeflow Finance Party in respect of all Goods to which a Warrant relates, to be sent by that Tradeflow Finance Party to DMCCA (with a copy to the relevant Storage Operator and the Legal Owner) via DMCC Tradeflow and substantially in the form of Schedule 3 (Form of Security Release (All Goods)).

“**Secured Obligation**” means an obligation of a Legal Owner to a Tradeflow Finance Party and secured in favour of that Tradeflow Finance Party by way of pledge and recording of the Security Notification in respect of the Warrant representing Goods on DMCC Tradeflow.

“**Tradeflow Finance Party Instruction**” means a Close Out Settlement Instruction or a Security Enforcement Instruction.

“**Tradeflow System Information**” means any specification, technical description, computer code, or similar information relating to the design, construction or operation of DMCC Tradeflow.

1.2. Construction

- (a) Any reference in these Rules to:
- (i) an “**action**” includes a claim or counter claim for set-off, damages or specific performance and any other discretionary remedy;
 - (ii) a “**certified copy**” means a copy of the relevant document certified as being a true and accurate copy;
 - (iii) a “**day**” means the 24 hour period from 12.00 midnight (Dubai time) to 12.00 midnight (Dubai time) on the following day;
 - (iv) a “**description**” includes the type, grade and quality of the thing described but excludes its quantity, and “**described**”, “**describes**” and any other such derivations shall be construed in the same way;
 - (v) a “**person**” includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership or any other legal entity (whether or not having separate legal personality) or two or more of the foregoing;
 - (vi) a “**purchaser**” means a person who buys Goods represented by a Warrant or a person who has a security interest in those Goods in his capacity as Tradeflow Finance Party and “**to purchase**” shall be construed accordingly;
 - (vii) a thing is done “**in good faith**” within the meaning of these Rules when it is undertaken with honest intent, whether it be done negligently or not.

- (b) References importing the masculine gender shall include the feminine gender and vice versa.
- (c) Save where the context requires otherwise, words importing the singular number include the plural number and vice versa.
- (d) Clause and Schedule headings are for ease of reference only.

2. APPOINTMENT OF DMCCA AS AGENT FOR TRADEFLOW PARTICIPANTS

2.1. Appointment by Originators

Each Originator irrevocably and unconditionally:

- (a) accepts that following the recording of a Security Notification on DMCC Tradeflow in respect of a Warrant in favour of a Tradeflow Finance Party:
 - (i) DMCCA will hold that Warrant on behalf of that Tradeflow Finance Party and DMCCA will have no further duty to the Originator under Clause 3.1(a)(i) of the Warrant Rules in respect of that Warrant; and
 - (ii) that Tradeflow Finance Party shall have the right:
 - (A) to access all information concerning that Warrant via DMCC Tradeflow; and
 - (B) to obtain a certified copy (or, in the absolute discretion of DMCCA, the original) of the Warrant from DMCCA (whether or not delivery of such copy is demanded by a court of competent jurisdiction) and DMCCA shall be authorised to deliver that copy to the Tradeflow Finance Party without having to obtain the permission of the Originator to do so; and
 - (C) to delivery of the Warrant (either the original, if printed and held in a secure storage facility or a certified copy thereof, if held electronically) or the Goods to which that Warrant relates if the Originator defaults under the Secured Obligation against which those Goods are secured by virtue of (i) the Tradeflow Finance Party's capacity as a secured party in accordance with Clause 4, or alternatively (ii) as a result of close out settlement effected by DMCCA in its capacity as commission agent for the Originator in accordance with Clause 3, and DMCCA shall apply the proceeds of any sale of that Warrant (or the Goods represented by that Warrant) in accordance with Clause 3.3.

2.2. Appointment by Transferees

Each Transferee irrevocably and unconditionally:

- (a) accepts that following the recording of a Security Notification on DMCC Tradeflow in respect of a Warrant to a Tradeflow Finance Party:

- (i) DMCCA will hold that Warrant on behalf of that Tradeflow Finance Party and DMCCA will have no further duty to the Transferee under Clause 3.2(a)(i) of the Warrant Rules in respect of that Warrant; and
- (ii) that Tradeflow Finance Party shall have the right:
 - (A) to access all information concerning that Warrant via DMCC Tradeflow; and
 - (B) to obtain a certified copy (or, in the absolute discretion of DMCCA, the original) of the Warrant from DMCCA (whether or not delivery of such copy or original is demanded by a court of competent jurisdiction) and DMCCA shall be authorised to deliver that copy or original to the Tradeflow Finance Party without having to obtain the permission of the Transferee to do so; and
 - (C) to delivery of the Warrant (either the original, if printed and held in a secure storage facility or a certified copy thereof, if held electronically) or the Goods to which that Warrant relates if the Transferee defaults under the Secured Obligation against which those Goods are secured by virtue of (i) the Tradeflow Finance Party's capacity as a secured party in accordance with Clause 4, or alternatively (ii) as a result of close out settlement effected by DMCCA in its capacity as commission agent for the Transferee in accordance with Clause 3, and DMCCA shall apply the proceeds of any sale of that Warrant (or the Goods represented by that Warrant) in accordance with Clause 3.3.

2.3. **Appointment by Tradeflow Finance Parties**

Each Tradeflow Finance Party irrevocably and unconditionally appoints DMCCA as its agent:

- (a) to hold on its behalf the original (if any) of any Warrant issued in respect of Goods which are pledged to that Tradeflow Finance Party; and
- (b) to record a Transfer Notification via DMCC Tradeflow to such subsequent Legal Owner or other Tradeflow Finance Party (as the case may be) as it may notify to DMCCA; and
- (c) to release any security over a Warrant (and the Goods represented by that Warrant) following receipt by DMCCA (via DMCC Tradeflow) of:
 - (i) a Security Release (Part of Goods); or
 - (ii) a Security Release (All Goods)

sent by such Tradeflow Finance Party to the Tradeflow Registrar via DMCC Tradeflow.

2.4. **Liability of DMCCA**

Each Tradeflow Participant confirms that the liability of DMCCA for acting as its agent pursuant to these Rules (including under this Clause 2) shall be limited by Clause 21 (Limitation of Liability and Indemnity) of the Agreement.

3. **CLOSE OUT SETTLEMENT BY DMCCA**

3.1. **Appointment by Originators**

3.1.1 Each Originator agrees that immediately upon the recording of a Security Notification on DMCC Tradeflow in respect of a Warrant by that Originator in favour of a Tradeflow Finance Party in accordance with these Rules that Originator shall have irrevocably and unconditionally appointed DMCCA as its commission agent with the authority to (i) sell on behalf of the Originator (but without the need for any further consent from the Originator) each Warrant (and/or the Goods represented by that Warrant) which is so pledged by way of security in the event that DMCCA receives a Close Out Settlement Instruction from the Tradeflow Finance Party in favour of which the relevant Warrant (and/or Goods represented by that Warrant) has been pledged by way of security, and (ii) to apply the proceeds of such sale in accordance with Clause 3.3. The Tradeflow Finance Party shall only be permitted to deliver a Close Out Settlement Instruction in respect of the relevant Warrant (and/or the Goods represented by that Warrant) to DMCCA following the occurrence of a Close Out Trigger Event in respect of the Secured Obligation to which the relevant Warrant relates.

3.1.2 Each Originator hereby irrevocably instructs DMCCA to: (i) sell on behalf of that Originator (but without the need for any further consent from that Originator) each Warrant (and/or the Goods represented by that Warrant) which is pledged by way of security by that Originator in the event that DMCCA receives, pursuant to Clause 3.1.1 above, a Close Out Settlement Instruction in respect of the relevant Warrant from the Tradeflow Finance Party in favour of which the relevant Warrant (and/or Goods represented by that Warrant) has been pledged by way of security, and (ii) apply the proceeds of such sale in accordance with Clause 3.3. DMCCA hereby agrees to comply with the instructions contained in this Clause 3.1.2 provided that it shall have no obligation to do so if the Tradeflow Finance Party in favour of which the relevant Warrant (and/or Goods represented by that Warrant) has been pledged by way of security instead delivers to DMCCA a Security Enforcement Instruction which indicates that it intends to exercise its security rights over such Warrant and/or Goods.

3.1.3 Each Originator agrees that its appointment of DMCCA as its commission agent under Clause 3.1.1 above is irrevocable and the terms of such appointment cannot be amended without the consent of DMCCA.

3.2. **Appointment by Transferees**

- 3.2.1 Each Transferee agrees that immediately upon the pledge by way of security being recorded on DMCC Tradeflow in respect of a Warrant by that Transferee in favour of a Tradeflow Finance Party in accordance with these Rules that Transferee shall have irrevocably and unconditionally appointed DMCCA as its commission agent with the authority to (i) sell on behalf of the Transferee (but without the need for any further consent from the Transferee) each Warrant (and/or the Goods represented by that Warrant) which is so pledged by way of security in the event that DMCCA receives a Close Out Settlement Instruction from the Tradeflow Finance Party in favour of which the relevant Warrant (and/or Goods represented by that Warrant) has been pledged by way of security, and (ii) to apply the proceeds of such sale in accordance with Clause 3.3. The Tradeflow Finance Party shall only be permitted to deliver a Close Out Settlement Instruction in respect of the relevant Warrant (and/or the Goods represented by that Warrant) to DMCCA following the occurrence of a Close Out Trigger Event in respect of the Secured Obligation to which the relevant Warrant relates.
- 3.2.2 Each Transferee hereby irrevocably instructs DMCCA to: (i) sell on behalf of that Transferee (but without the need for any further consent from that Transferee) each Warrant (and/or the Goods represented by that Warrant) which is pledged by way of security by that Transferee in the event that DMCCA receives, pursuant to Clause 3.2.1, a Close Out Settlement Instruction in respect of the relevant Warrant from the Tradeflow Finance Party in favour of which the relevant Warrant (and/or Goods represented by that Warrant) has been pledged by way of security, and (ii) apply the proceeds of such sale in accordance with Clause 3.3. DMCCA hereby agrees to comply with the instructions contained in this Clause 3.2.2 provided that it shall have no obligation to do so if the Tradeflow Finance Party in favour of which the relevant Warrant (and/or Goods represented by that Warrant) has been pledged by way of security instead delivers to DMCCA a Security Enforcement Instruction which indicates that it intends to exercise its security rights over such Warrant and/or Goods.
- 3.2.3 Each Transferee agrees that its appointment of DMCCA as its commission agent under Clause 3.2.1 above is irrevocable and the terms of such appointment cannot be amended without the consent of DMCCA.

3.3. **Application of funds**

- 3.3.1 All moneys received by a Tradeflow Finance Party as a result of exercise of its security over a Warrant (or the Goods represented by a Warrant), or by DMCCA as a result of its authority to sell a Warrant (or the Goods represented by a Warrant) in its capacity as commission agent for the Legal Owner under this Clause 3, shall be paid or applied by that Tradeflow Finance Party or DMCCA (as the case may be) in the following order of priority:

- (a) first, in or towards satisfaction of any Storage Operator's lien which is duly annotated on the relevant Warrant at the time of sale; and
- (b) second, in or towards satisfaction of all costs, charges and expenses incurred, or payments made, by and evidenced in writing by DMCCA in connection with such sale of the Warrant (or the Goods represented by the Warrant) (including the agency fee referred to in Clause 3.5); and
- (c) third, in or towards satisfaction of all costs, charges and expenses incurred, or payments made, by and evidenced in writing by the Tradeflow Finance Party in connection with such sale of the Warrant (or the Goods represented by the Warrant); and
- (d) fourth, in or towards satisfaction of the Secured Obligations to which the relevant Warrant relates; and
- (e) fifth, as to the surplus (if any), to the person or persons entitled thereto.

3.3.2 Neither the Legal Owner of the Warrant which is sold nor the relevant Tradeflow Finance Party may vary the order of payments set out above.

3.4. **Liability of DMCCA**

- 3.4.1 Each Tradeflow Participant confirms that the liability of DMCCA for acting as its commission agent pursuant to these Rules (including under this Clause 3) shall be limited by Clause 21 (Limitation of Liability and Indemnity) of the Agreement.
- 3.4.2 Each Legal Owner and each Tradeflow Finance Party acknowledges that DMCCA provides close out settlement services under these Rules, and acts as commission agent for any Legal Owner, solely for the purposes of facilitating the smooth operation of DMCC Tradeflow and the efficient settlement of the liabilities of the Legal Owners and the Tradeflow Finance Parties following a Close Out Trigger Event. The Tradeflow Participants confirm that DMCCA shall have no liability to any Legal Owner, any Tradeflow Finance Party or any other Tradeflow Participant by virtue of its appointment as commission agent for a Legal Owner under this Clause 3 or any exercise by DMCCA of its obligation to sell any Warrant (or the Goods represented by that Warrant) following a Close Out Trigger Event as provided for in this Clause 3.
- 3.4.3 The Tradeflow Participants acknowledge that the close out settlement by DMCCA mechanism envisaged by this Clause 3 and the other security enforcement procedures available to Tradeflow Finance Parties are likely to be mutually exclusive. If at any time following a default by the Legal Owner of a Secured Obligation, the relevant Tradeflow Finance Party delivers to DMCCA a Security Enforcement Instruction which indicates its intention to exercise its security rights over a Warrant (or the Goods represented by that Warrant), DMCCA shall not take any action to sell such Warrant (or the Goods represented by that Warrant) by way of close out settlement as envisaged by

this Clause 3. If the relevant Tradeflow Finance Party does not deliver to DMCCA a Security Enforcement Instruction in respect of the relevant Warrant (or the Goods represented by that Warrant) and instead delivers to DMCCA a Close Out Settlement Instruction and DMCCA proceeds with close out settlement in its capacity as commission agent under this Clause 3, that Tradeflow Finance Party shall cooperate with DMCCA to effect sale of the Warrant and/or the Goods represented thereby including taking all steps necessary to release its pledge and Security Notification over such Warrant and/or Goods.

3.5. Commission agent fees

DMCCA shall be entitled to deduct for its own account an agency fee of 1% of the sale price of the each Warrant (or the Goods represented by that Warrant) from the proceeds of sale of each Warrant (or Goods) sold by DMCCA as a result of close out netting under this Clause 3.

3.6. Membership of Warrant System

If DMCCA is instructed to carry out close out settlement of a Warrant (or the Goods represented by a Warrant) under this Clause 3, DMCCA may at its absolute discretion revoke the membership of the Legal Owner of that Warrant (or those Goods) in DMCC Tradeflow.

3.7. Protection of third parties

No person dealing with DMCCA or its delegates shall be bound to see or inquire whether the right of DMCCA to exercise any of its powers has arisen or become exercisable or be concerned with notice to the contrary, or be concerned to see whether any such delegation by DMCCA shall have lapsed for any reason or been revoked.

4. SECURITY

4.1. Types of security interest

4.1.1 Security may be created over a Warrant in favour of a single Tradeflow Finance Party by way of pledge and Security Notification. A Warrant may not be held by way of pledge for one Tradeflow Finance Party and be subject to any other security interest in favour of a second Tradeflow Finance Party at the same time. The appointment, pursuant to Clause 3, of DMCCA as the commission agent of the Legal Owner of a Warrant shall apply only for so long as that Warrant is pledged by way of security in favour of that Tradeflow Finance Party.

4.1.2 The powers which DMCCA obtains by virtue of its appointment as commission agent for a Legal Owner of a Warrant pursuant to Clause 3 are wholly separate from, and independent of, any rights which a Tradeflow Finance Party may have by virtue of any pledge or Security Notification in respect of the same Warrant.

4.2. **Pledge security**

- (a) A pledge is created over a Warrant by way of a Security Notification from the Legal Owner of that Warrant, instructing DMCCA to hold that Warrant by way of pledge for the Tradeflow Finance Party named in that notification and to record the Security Notification in respect of that Warrant to that Tradeflow Finance Party by way of security in DMCC Tradeflow.
- (b) Upon receipt by DMCCA, via DMCC Tradeflow, of a Security Notification from the Legal Owner of the Warrant described therein, DMCCA shall hold that Warrant for the benefit of the Tradeflow Finance Party named in the Security Notification.
- (c) The Tradeflow Finance Party named in any Security Notification shall be deemed to have agreed to the appointment of DMCCA as holder of the Warrant described in that Security Notification for the purpose of the pledge contemplated thereby.

4.3. **Security Notification**

The Security Notification in the form set out in Schedule 1 (Form of Security Notification) will be recorded on DMCC Tradeflow in respect of the Warrant described in that Security Notification, following receipt of the Security Notification from the Legal Owner via DMCC Tradeflow.

4.4. **Cancellation of security interest**

The creation of security by way of pledge and Security Notification is subject to cancellation without notice if, within seven days after the date of the Security Notification, a Security Acceptance has not been received from the Tradeflow Finance Party referred to in that Security Notification.

4.5. **Enforcement of security**

- (a) A Tradeflow Finance Party is entitled to such remedies as are available at law to enforce its rights over Goods represented by a Warrant. Nothing within these Rules shall be construed as providing a Tradeflow Finance Party with any remedy which is inconsistent with any federal law of the United Arab Emirates or any applicable local law of any Emirate.
- (b) If a Legal Owner fails to satisfy a Secured Obligation, the Tradeflow Finance Party to whom that Secured Obligation is owed may demand delivery of the Goods to which the relevant Warrant relates.
- (c) A Tradeflow Finance Party releasing a pledge and/or Security Notification in respect of a Warrant does not represent or warrant the genuineness of the Warrant to which such pledge or Security Notification relates.

4.6. Release of security

- (a) Subject to Clause 4.4 (Cancellation of security interest), security over a Warrant may only be released by the Tradeflow Finance Party with the benefit of that security.
- (b) The release of security over all Goods to which a Warrant relates shall be requested by the Tradeflow Finance Party by confirming such release in the form of Schedule 3 (Form of Security Release (All Goods)) on DMCC Tradeflow.
- (c) The release of security over part of the Goods to which a Warrant refers shall be requested by the Tradeflow Finance Party confirming such release in the form of Schedule 2 (Form of Security Release (Part of Goods)) on DMCC Tradeflow. Each Security Release (Part of Goods) shall:
 - (i) state which of the Goods are to remain subject to security; and
 - (ii) instruct the relevant Storage Operator to:
 - (A) amend the Warrant to remove the Goods being released from the Security Notification from the Goods noted on the Warrant (by recording such exclusion on DMCC Tradeflow and, if a physical Warrant has been printed, by requesting the DMCCA to attach an amendment to the relevant Warrant recording the amendment); and
 - (B) if requested by the Legal Owner, issue a new Warrant to the Legal Owner or to his order (without any Security Notification being recorded on DMCC Tradeflow in favour of that Tradeflow Finance Party) in respect of the portion of the Goods which is to be released from security.
- (d) Following the receipt of a Security Release (Part of Goods) and the Storage Operator acting in accordance with Clause 4.6(b) (Release of Security). DMCCA shall then:
 - (i) hold the Warrant referred to in Clause 4.6(c)(ii)(A) by way of pledge for the Tradeflow Finance Party referred to in the Security Release (Part of Goods), until such security is released in accordance with Clause 4.6 (Release of Security) or that Warrant is cancelled (whichever occurs sooner); and
 - (ii) hold the Warrant referred to in Clause 4.6(c)(ii)(B) for the benefit of the Legal Owner until such time as a Security Notification is issued in respect of that Warrant or that Warrant is cancelled (whichever occurs sooner).

5. MISCELLANEOUS PROVISIONS

5.1. Implied warranties

- (a) Each Tradeflow Participant shall be deemed to warrant, on each date on which it issues any instructions or notices through the DMCC Tradeflow, that these Rules are legal, valid and binding obligations of such Tradeflow Participant and do not conflict with its constitutional documents or any laws, judgments, regulations, licences, permits or agreements binding on it.
- (b) By instructing DMCCA:
 - (i) to record a Security Notification on DMCC Tradeflow; or
 - (iii) to hold a Warrant on behalf of a Tradeflow Finance Party,the person giving such instructions warrants:
 - (A) that he has a legal right to record the Security Notification on DMCC Tradeflow in respect of the Warrant; and
 - (B) that he has no knowledge of any fact which would impair the validity or value of the Warrant; and
 - (C) that he has title to the Goods and that the Goods are fit for the purpose for which they are intended.

5.2. Force majeure

- (a) Neither DMCCA nor any Tradeflow Participant shall be liable for any failure, hindrance or delay in performance in whole or in part of its obligations under these Rules if such failure, hindrance or delay arises out of events or circumstances beyond its control.
- (b) The events or circumstances referred to in paragraph (a) above:
 - (i) may include, but are not limited to, acts of God or the public enemy, acts of a civil or military authority, embargoes, fire, flood, labour dispute, unavailability or restriction of computer or data processing facilities or energy supplies, and any other causes beyond the parties reasonable control; and
 - (ii) shall (in the case of any Tradeflow Participant) be promptly notified by the Tradeflow Member party prevented, hindered or delayed from performing any of its obligations under these Rules to the party with the benefit of such obligation and to DMCCA via the DMCC Tradeflow.

5.3. Amendment of the Rules

- (a) DMCCA may from time to time amend these Rules by notice delivered to the Tradeflow Members via DMCC Tradeflow (an “**Amendment Notice**”). Any such amendment shall take effect on the day falling 14 days after the date of the Amendment Notice (or on such later date as DMCCA may specify) and may

take effect so as to apply to the interests of Legal Owners and Tradeflow Finance Parties in Warrants issued at the time such amendment comes into effect if DMCCA so determines.

- (b) Any Tradeflow Participant who does not wish to be bound by an Amendment Notice may resign his membership in the DMCC Tradeflow by written notice to the Warrant Secretariat within 14 days after the date of that Amendment Notice (a “**Resignation Notice**”). Following receipt of that Resignation Notice, DMCCA shall publish an Expiring Membership Notice in respect of such Tradeflow Participant, to whom paragraphs 4.5.3, 4.5.4 and 4.5.5 of the Agreement shall then apply. All Tradeflow Participants who do not submit a Resignation Notice within 14 days shall be deemed to have accepted the amendments contained in the relevant Amendment Notice.
- (c) Following delivery by a Tradeflow Participant of a Resignation Notice in accordance with paragraph (b) above, all Warrants in which that Tradeflow Participant has an interest shall be governed by the version of the Rules in force immediately before the Amendment Notice which immediately preceded that Resignation Notice.

5.4. **Validity of Rules and action**

If at any time any provision of these Rules becomes illegal, invalid or unenforceable in any respect the legality, validity or enforceability of the remaining provisions of these Rules shall in no way be affected or impaired thereby.

5.5. **Notices**

- (a) All notices required to be given by any Tradeflow Participant to another Tradeflow Participant or to DMCCA under these Rules shall be delivered via the DMCC Tradeflow, and DMCCA shall have access to any notice sent by such Tradeflow Participant by the DMCC Tradeflow.
- (b) If a Tradeflow Participant is to send a notice to another Tradeflow Participant or to DMCCA via the DMCC Tradeflow and is unable to do so, such notice shall be sent by fax with a paper copy to be delivered by courier to the fax number and address listed for the relevant Tradeflow Participant or DMCCA (as the case may be) in the DMCC Tradeflow.
- (c) Notices shall be deemed delivered when the sender receives a confirmation of fax or electronic transmission (as the case may be), unless such confirmation of transmission is received after 3pm (Dubai time), in which case such notice shall be deemed delivered on the next day.
- (d) The addressee of a notice deemed delivered in accordance with these Rules shall act in accordance with the terms of that notice unless he can prove that he did not receive that notice.
- (e) Each Tradeflow Participant shall promptly notify DMCCA of any changes to their notice details.

SCHEDULE 1

FORM OF SECURITY NOTIFICATION

Date/Time: [•]

Warrant Number: *[Insert from DMCC Tradeflow]*

Document Sequence Number: *[Insert from DMCC Tradeflow]*

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Pledge Notification

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”) together with the attached Security Rules (as defined therein) as amended from time to time (the “**Security Rules**”), and Warrant number *[Insert Warrant Number from DMCC Tradeflow]* for which we are the Legal Owner in DMCC Tradeflow (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Pledge Notification shall have the meaning given to them in the Security Rules.
3. Subject to receipt of a Pledge Acceptance from the Tradeflow Finance Party (as defined below), we hereby irrevocably:
 - (a) confirm that the rights to which the Warrant relates (including our right, title and interest to the Goods described in the Warrant) are hereby pledged for the benefit of, *[insert name of Tradeflow Finance Party]* or to his order with effect from the date of this Security Notification.
 - (b) instruct you to hold the Warrant by way of pledge for the benefit of *[Name of Tradeflow Finance Party]* (the “**Tradeflow Finance Party**”); and
 - (c) instruct you to record this Security Notification in respect of the Warrant on DMCC Tradeflow in favour of the Tradeflow Finance Party, until such time as the Tradeflow Finance Party releases all or part of its security over the Warrant pursuant to a Security Release; and
 - (d) until such time as the Tradeflow Finance Party releases all or part of its security over the Warrant pursuant to a Security Release, appoint DMCCA as our irrevocably appointed commission agent pursuant to Clause 3 of the Security Rules.

Yours faithfully

{Owner User Name [System ID]}

{Company name of the Owner [Tradeflow Owner Company unique ID]}

{Dubai Date and Time of acceptance by Owner Checker}

Pledge Acceptance

We hereby accept the security referred to in Security Notification number [*]dated [*].

{Finance Party User Name [System ID]}

{Company name of the Finance Party [Tradeflow Finance Party Company unique ID]}

{Dubai Date and Time of acceptance by Finance Party Checker}

DMCCA Registrar Endorsement

{DMCCA User Name [System ID]}

{Dubai Date and Time of Endorsement by DMCCA Checker}

Schedule 2

FORM OF SECURITY RELEASE (PART OF GOODS)

[To be delivered via DMCC Tradeflow]

Date/Time: [•]

Warrant Number: *[Insert from DMCC Tradeflow]*

Document Sequence Number: *[Insert from DMCC Tradeflow]*

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Security Release (Part of Goods)

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”) together with the attached Security Rules (as defined therein) as amended from time to time (the “**Security Rules**”), and Warrant number *[Insert Warrant Number from DMCC Tradeflow]* for which *[Name of Legal Owner]* is recorded on DMCC Tradeflow as the Legal Owner and subject to a Security Notification in our name (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Security Release (Part of Goods) shall have the meaning given to them in the Security Rules.
3. We hereby irrevocably instruct you to:
 - (a) amend the Warrant to remove *[insert Goods to be released]* from the Security Notification from the Goods noted on the Warrant in accordance with Clause 4.6(c)(ii)(A) of the Security Rules; and
 - (b) if requested by the Legal Owner, request the Storage Operator to issue a new Warrant in respect of the Goods being released (without any Security Notification being recorded in DMCC Tradeflow) in accordance with Clause 4.6(c)(ii)(B) of the Security Rules.

Yours faithfully

{Finance Party User Name [System ID]}

{Company name of the Finance Party [Tradeflow Finance Party Company unique ID]}

{Dubai Date and Time of acceptance by Finance Party Checker}

DMCCA Registrar Endorsement

{DMCCA User Name [System ID]}

{Dubai Date and Time of Endorsement by DMCCA Checker}

Schedule 3

FORM OF SECURITY RELEASE (ALL GOODS)

[To be delivered via DMCC Tradeflow]

Date/Time: [•]

Warrant Number: *[Insert from DMCC Tradeflow]*

Document Sequence Number: *[Insert from DMCC Tradeflow]*

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Security Release (All Goods)

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”) together with the attached Security Rules (as defined therein) as amended from time to time (the “**Security Rules**”), and Warrant number *[Insert Warrant Number from DMCC Tradeflow]* for which *[Name of Legal Owner]* is recorded on DMCC Tradeflow as the Legal Owner and subject to a Security Notification in our name (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Security Release (All Goods) shall have the meaning given to them in the Security Rules.
3. We hereby request that pledge contained in the Security Notification recorded on DMCC Tradeflow be released over the Goods referred to in the Warrant and hereby irrevocably instruct DMCCA to amend DMCC Tradeflow in respect of the Warrant to indicate that it is not pledged and that it is no longer subject to the Security Notification noted thereon, together with the date on which such Security Notification was cancelled.

Yours faithfully

{Finance Party User Name [System ID]}

{Company name of the Finance Party [Tradeflow Finance Party Company unique ID]}

{Dubai Date and Time of acceptance by Finance Party Checker}

DMCCA Registrar Endorsement

{DMCCA User Name [System ID]}

{Dubai Date and Time of Endorsement by DMCCA Checker}

Schedule 4

FORM OF TRADEFLOW FINANCE PARTY INSTRUCTION

PART 1 - FORM OF CLOSE OUT SETTLEMENT INSTRUCTION

[To be delivered via DMCC Tradeflow]

Date/Time: [•]

Warrant Number: *[Insert from DMCC Tradeflow]*

Sequence Number: *[Insert from DMCC Tradeflow]*

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Close Out Settlement Instruction – *[insert details of relevant Warrant/Goods]*

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”) together with the attached Security Rules (as defined therein) as amended from time to time (the “**Security Rules**”), and Warrant number *[Insert Warrant Number from DMCC Tradeflow]* for which *[Name of Legal Owner]* is recorded on DMCC Tradeflow as the Legal Owner and subject to a Security Notification in our name (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Close Out Settlement Instruction shall have the meaning given to them in the Warrant Rules.
3. We hereby irrevocably instruct you to sell (in accordance with the close out settlement provisions of Clause 3 of the Security Rules) on behalf of the Legal Owner (but without the need for any further consent from the Legal Owner) the Warrant (and/or the Goods represented by that Warrant) and to apply the proceeds of such sale in accordance with Clause 3.3 of the Security Rules.

Yours faithfully

{Finance Party User Name [System ID]}

{Company name of the Finance Party [Tradeflow Finance Party Company unique ID]}

{Dubai Date and Time of acceptance by Finance Party Checker}

DMCCA Registrar Endorsement

{DMCCA User Name [System ID]}

{Dubai Date and Time of Endorsement by DMCCA Checker}

PART 2 - FORM OF SECURITY ENFORCEMENT INSTRUCTION

[To be delivered via DMCC Tradeflow]

Date/Time: [•]

Warrant Number: *[Insert from DMCC Tradeflow]*

Sequence Number: *[Insert from DMCC Tradeflow]*

To: Tradeflow Registrar
Dubai Multi Commodities Centre Authority

Security Enforcement Instruction – *[insert details of relevant Warrant/Goods]*

1. We refer to the Corporate Access Agreement dated 11th February 2013, as amended from time to time (the “**Agreement**”) together with the attached Security Rules (as defined therein) as amended from time to time (the “**Security Rules**”), and Warrant number *[Insert Warrant Number from DMCC Tradeflow]* for which *[Name of Legal Owner]* is recorded on DMCC Tradeflow as the Legal Owner and subject to a Security Notification in our name (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Close Out Settlement Instruction shall have the meaning given to them in the Warrant Rules.
3. We hereby notify you that:
 - (a) pursuant to Clause 4.5 of the Warrant Rules, we intend to exercise our security rights over the Warrant (and/or the Goods represented by that Warrant); and
 - (b) until otherwise instructed by us you shall not effect close out settlement in respect of the Warrant (and/or the Goods represented by that Warrant).

Yours faithfully

{Finance Party User Name [System ID]}

{Company name of the Finance Party [Tradeflow Finance Party Company unique ID]}

{Dubai Date and Time of acceptance by Finance Party Checker}

DMCCA Registrar Endorsement

{DMCCA User Name [System ID]}

{Dubai Date and Time of Endorsement by DMCCA Checker}

APPENDIX 3

RULES FOR ISLAMIC FINANCE

THESE ISLAMIC RULES are dated as of 11th February 2013 (the “**Rules**”, which term shall also include any subsequent amendments from time to time).

1. DEFINITIONS

1.1 In these Rules, defined terms not otherwise defined in these Rules have the meaning ascribed to them in the Agreement and unless the context or subject matter otherwise requires:-

“**AAOIFI**” means the Accounting and Auditing Organization for Islamic Financial Institutions.

“**Acceptance**” means an acceptance made by a Purchaser addressed to the Seller accepting to purchase the Purchase Goods and agreeing on the terms and conditions of the Offer, thereby concluding the Contract, evidenced electronically through DMCC Tradeflow, which for avoidance of doubt may be any of the following:

- (a) Sale Acceptance;
- (b) *Murabaha* Purchase Acceptance; or
- (c) Purchase Acceptance.

“**Acting Participant**” shall have the same meaning as ascribed to such term in clause 8.3.1.

“**Actual Possession**” means the possession of the *Halal* Goods by a Tradeflow Islamic Finance Party which is evidenced by the direct physical possession of such *Halal* Goods by such Tradeflow Islamic Finance Party.

“**Agreement**” means the DMCC Tradeflow Corporate Access Agreement dated 11th February 2013 (together with each Letter of Adherence and the Rules) entered into between DMCCA and the Tradeflow Members.

“**Beneficiary**” means, in relation to a Promise to Purchase, the Tradeflow Islamic Finance Party receiving the promise to purchase the Purchase Goods from the Promissor.

“**Constructive Possession**” means the possession of the *Halal* Goods by a Tradeflow Islamic Finance Party which is not evidenced by the physical possession of such *Halal* Goods by such Tradeflow Islamic Finance Party but which can be evidenced by DMCC Tradeflow, provided always that the Tradeflow Islamic Finance Party to which such Constructive Possession is attributed:

- (a) has full discretion in respect of those *Halal* Goods; and
- (b) bears the risk of loss of such *Halal* Goods.

“**Contract**” means, in relation to an Islamic Transaction, the agreement evidencing the sale or purchase (including a sale or purchase on the basis of *Murabaha* through a *Murabaha* Agreement) of the *Halal* Goods between the relevant Tradeflow Islamic

Finance Parties which shall be concluded by the exchange of an Offer for the *Halal Goods* and a corresponding Acceptance of the Offer through DMCC Tradeflow.

“Contract Date” means, in relation to an Islamic Transaction, the date on which the Contract is concluded between the relevant Tradeflow Islamic Finance Parties following the passing of the Ownership and Possession of the relevant *Halal Goods* from the Seller to the Purchaser.

“Cost Price” means, in relation to an Islamic *Murabaha* Transaction, the value of the *Halal Goods* paid by the Registered Seller in acquiring such *Halal Goods*, which shall be an essential component of the Sale Price.

“Eligible Registered Member” means, with respect to an Islamic Transaction, a Tradeflow Islamic Finance Party who is not forbidden under the Principles of *Sharia*, from purchasing the relevant *Halal Goods* from the Seller and is neither the Registered Seller nor the Registered Purchaser nor a subsidiary or affiliate thereof.

“Eligible Storage Operator” means a Storage Operator in respect of a *Halal Store*.

“Further Payment Acceptance” shall have the same meaning as ascribed to such term in clause 8.3.4.

“Further Payment Settlement Notification” shall have the same meaning as ascribed to such term in clause 8.3.3.

“Halal Goods” means any Goods which:

- (a) are of a category that has been approved by DMCCA to be the subject of a Warrant with respect to an Islamic Transaction;
- (b) are in the Ownership and Possession of one or more Tradeflow Islamic Finance Parties and DMCC Tradeflow records that Tradeflow Islamic Finance Party(ies) as the Owner of the relevant Goods;
- (c) are stored or are about to be stored under the control of an Eligible Storage Operator on behalf of one or more Tradeflow Islamic Finance Parties and have been duly identified, demarcated and confirmed to comply with the description in the Warrant;
- (d) if requested, have been identified and confirmed to comply with the description in the Warrant by the Quality Inspector; and
- (e) not subject to any security interest (whether through DMCC Tradeflow or otherwise).

“Halal Store” means a *Halal Warehouse* or *Halal Vault*.

“Halal Vault” means a storage facility comprising a vault which has been inspected and rated by DMCC Tradeflow as suitable for an Islamic Transaction by virtue of its procedures, practises and standards being in accordance with the Principles of *Sharia* as set out under Schedule 8 hereof.

“Halal Warehouse” means a storage facility comprising a warehouse which has been inspected and rated by DMCC Tradeflow as suitable for an Islamic Transaction by virtue of its procedures, practises and standards being in accordance with the Principles of *Sharia* as set out under Schedule 8 hereof.

“**IFA**” means the Islamic *Fiqh* Academy.

“**Intended Settlement Debt**” shall have the same meaning as ascribed to such term in clause 8.3.1.

“**Instructed Settlement Debt**” shall have the same meaning as ascribed to such term in clause 8.3.3.

“**Instructing Participant**” shall have the same meaning as ascribed to such term in clause 8.3.1.

“**Islamic Murabaha Transaction**” means an Islamic Transaction, which is based on the principles of *Murabaha* in accordance with the Principles of *Sharia*.

“**Islamic Option**” shall have the same meaning as ascribed to such term in Clause 7.3.5.

“**Islamic Option Exercise Notice**” means the notice sent by the Registered Seller to the relevant Registered Supplier exercising the Islamic Option, substantially in the form set out under Schedule 5 hereof.

“**Islamic Transaction**” means an Islamic Transactions relating to the sale or purchase of *Halal* Goods through DMCC Tradeflow and conducted in accordance with the Principles of *Sharia* as envisaged under these Rules and where the context implies also includes an Islamic *Murabaha* Transaction.

“**Islamic Transaction Document**” means, in relation to an Islamic Transaction, any or all of the following (as appropriate):

- (a) Promise to Purchase;
- (b) Offer; and
- (c) Acceptance.

“**MTID**” with regard to the Purchase Goods relating to an Islamic Transaction, means the unique identification number provided through DMCC Tradeflow.

“**Murabaha Agreement**” means the agreement evidencing the sale or purchase of the *Halal* Goods between the Registered Seller and the Registered Purchaser concluded pursuant to the exchange of a *Murabaha* Purchase Offer for the *Halal* Goods and a corresponding *Murabaha* Purchase Acceptance through DMCC Tradeflow.

“**Murabaha Purchase Acceptance**” means the acceptance, which a Registered Purchaser is required to send pursuant to its obligations under a relevant Promise to Purchase, and which is provided in response to a corresponding *Murabaha* Purchase Offer, evidenced electronically through DMCC Tradeflow, substantially in the form set out under Schedule 3 hereof.

“**Murabaha Purchase Offer**” means an offer sent by a Registered Seller, exercising its rights under a Promise to Purchase requiring the relevant Registered Purchase to purchase the Purchase Goods from the Registered Seller, setting out all of the required terms and conditions required for the conclusion of the Contract, evidenced electronically through DMCC Tradeflow, substantially in the form set out under Schedule 3 hereof.

“Offer” means (as the context implies), either a:

- (a) Sale Offer;
- (b) *Murabaha* Purchase Offer; or
- (c) Purchase Offer.

“Other Eligible Registered Member” means, with respect to an Islamic Transaction, a Tradeflow Islamic Finance Party who is not forbidden under the Principles of *Sharia*, from purchasing the relevant *Halal* Goods from the Seller and is neither the Registered Seller nor the Registered Purchaser nor a subsidiary or affiliate thereof.

“Owner” means a person or entity having the Ownership and Possession of the relevant *Halal* Goods to the exclusion of all others at the relevant point of time for the purpose of concluding an Islamic Transaction.

“Ownership” means the actual ownership and Possession of the relevant *Halal* Goods to the exclusion of all others at the relevant point of time for the purpose of concluding an Islamic Transaction.

“Payment Acceptance” shall have the same meaning as ascribed to such term in clause 8.3.2.

“Payment Settlement Notification” shall have the same meaning as ascribed to such term in clause 8.3.1.

“Payment Terms of the Sale Price” means the terms on which the Sale Price shall be due and payable (including the date of payment of the Sale Price) by the Registered Purchaser to the Registered Seller with respect to the Islamic *Murabaha* Transaction, as set out in the relevant *Murabaha* Purchase Offer,

“Possession” means either Actual Possession or Constructive Possession.

“Principal Debt” shall have the same meaning as ascribed to such term in clause 8.3.1.

“Principles of *Sharia*” or “*Sharia*” means the principles of *Sharia* set out in the holy *Quran* and as per the *Sunnah* (traditions) of Prophet *Muhammad (pbuh)*. Where interpretations of the AAOIFI and the IFA using the afore-stated exist, such interpretations shall be used as guidance.

“Profit” means, in relation to an Islamic *Murabaha* Transaction, the amount over and above the Cost Price, being a component of the Sale Price and which shall be set out in the Contract.

“Promise to Purchase” means, in relation to an Islamic *Murabaha* Transaction, a unilateral undertaking issued by the Promissor irrevocably undertaking to purchase the Purchase Goods from the Beneficiary by concluding an Islamic *Murabaha* Transaction, at the sole option and exercise of the Beneficiary thereunder, substantially in the form set out under Schedule 1 hereof.

“Promissor” means, in relation to a Promise to Purchase, the Tradeflow Islamic Finance Party providing the promise to purchase the Purchase Goods to the Beneficiary.

“Purchase & Delivery Date” means:

- (a) in relation to an Islamic Transaction (excluding an Islamic *Murabaha* Transaction), the Business Day coinciding with the Contract Date, on which:
 - (1) the Ownership and Possession of the Purchase Goods shall be delivered by the Seller to the Purchaser; and
 - (2) the date on which the Sale Price (if payable on spot basis), shall be payable by the Purchaser to the Seller.
- (b) in relation to an Islamic *Murabaha* Transaction, the Business Day coinciding with the Contract Date, on which the possession of the Purchase Goods shall be delivered by a Seller to the Purchaser.

“Purchase Acceptance” means an acceptance provided by the Seller to a corresponding Purchase Offer through DMCC Tradeflow, substantially in the form set out under Schedule 2 hereof.

“Purchase Goods” means, in relation to an Islamic Transaction, the *Halal* Goods which are the subject of that Islamic Transaction.

“Purchase Offer” means an offer made by a Purchaser addressed to the Seller, offering to purchase the Purchase Goods setting out all of the required terms and conditions required for the conclusion of the Contract through DMCC Tradeflow, substantially in the form set out under Schedule 2 hereof.

“Purchaser” means, in relation to an Islamic Transaction, the purchaser of the *Halal* Goods which may include (as the context permits):

- (a) the Registered Seller (in case of purchase of the Purchase Goods from the Registered Supplier);
- (b) the Registered Purchaser (in case of purchase of the Purchase Goods from the Registered Seller);
- (c) the Eligible Registered Member (in case of purchase of the Purchase Goods from the Registered Purchaser); or
- (d) Other Eligible Registered Member (in case of purchase of Purchase Goods from an Eligible Registered Member (i.e. the Tradeflow Islamic Finance Party mentioned under (c) above).

“Recipient Participant” shall have the same meaning as ascribed to such term in clause 8.3.1.

“Registered Intermediary” means, in relation to an Islamic Transaction, a Tradeflow Islamic Finance Party, duly appointed by another Tradeflow Islamic Finance Party to perform certain roles and function for and on behalf of that Tradeflow Islamic Finance Party, as its agent with respect to the Islamic Transaction through DMCC Tradeflow.

“Registered Purchaser” means, in relation to an Islamic *Murabaha* Transaction, a Tradeflow Islamic Finance Party who wishes to enter into that Islamic *Murabaha* Transaction with a Registered Seller for the purchase of the relevant Purchase Goods.

“Registered Seller” means, in relation to an Islamic *Murabaha* Transaction, a Tradeflow Islamic Finance Party who wishes to enter into that Islamic *Murabaha* Transaction with the Registered Purchaser for the relevant Sale.

“Registered Supplier” means, in relation to an Islamic Transaction, the Tradeflow Islamic Finance Party who owns the relevant *Halal* Goods and intends to supply them to the Registered Seller.

“Relevant TTID” means the relevant treasury transaction *Islamic* document pursuant to which the Registered Purchaser and the Registered Seller intend to conclude the Islamic *Murabaha* Transaction on the DMCC Tradeflow, and which may have been entered into (as the case may apply):

- (a) between the relevant Registered Purchaser and the Registered Seller; or
- (b) by the relevant Registered Purchaser in favour of the Registered Seller; or
- (c) by the relevant Registered Seller in favour of the Registered Purchaser.

“Sale” means, in relation to an Islamic Transaction, the sale of the Purchase Goods through DMCC Tradeflow.

“Sale Acceptance” means an acceptance provided by the Purchaser to a corresponding Sale Offer through DMCC Tradeflow, substantially in the form set out under Schedule 4 hereof.

“Sale Offer” means an offer made by a Seller addressed to the Purchaser, offering to sell the Purchase Goods setting out all of the required terms and conditions required for the conclusion of the Contract, evidenced electronically through DMCC Tradeflow, substantially in the form set out under Schedule 4 hereof.

“Sale Price” means:

- (a) in relation to an Islamic Transaction (excluding an Islamic *Murabaha* Transaction), the consideration for the Sale that shall be payable by the Purchaser to the Seller on the Purchase & Delivery Date in accordance with the Contract.
- (b) in relation to an Islamic *Murabaha* Transaction, the consideration for the Sale that shall be payable by the Purchaser to the Seller in accordance with the Contract, which shall comprise of the Cost Price and the Profit and shall be payable on the date provided in the Payment Terms of the Sale Price.

“Seller” means, in relation to an Islamic Transaction, the seller of the *Halal* Goods which may include (as the context permits):

- (a) the Registered Supplier (in case of Sale to the Registered Seller); or
- (b) the Registered Seller (in case of Sale to the Registered Purchaser); or
- (c) the Registered Purchaser (in case of Sale to the Eligible Registered Member).
- (d) the Eligible Registered Member (in case of Sale to Other Eligible Registered Member).

“Statement of Charges” means the approved statement of charges, which DMCC may charge an Tradeflow Islamic Finance Party for availing themselves of the services available on DMCC Tradeflow, in accordance with the Principles of *Sharia*.

“Standing Order” means an order for certain *Halal* Goods placed on DMCC Tradeflow by a Tradeflow Islamic Finance Party who is interested in acquiring such *Halal* Goods.

“Storage Operator” means, in relation to an Islamic Transaction, means either a *Halal* Warehouse Keeper or a *Halal* Vault Operator.

“Supplier Agreement” means each supplier agreement entered into between DMCCA and a Registered Supplier on such terms as shall be agreed by DMCCA.

“Tradeflow Islamic Finance Party” means any or all of the following parties which may participate in an Islamic Transaction through DMCC Tradeflow (as the context permits or implies):

- (a) Registered Supplier;
- (b) Registered Seller;
- (c) Registered Purchaser;
- (d) Eligible Registered Member;
- (e) Other Eligible Registered Member; or
- (f) Registered Intermediary of any of the above, as recognized and permitted through DMCC Tradeflow.

“Unpaid Participant” shall have the same meaning as ascribed to such term in clause 8.3.1.

1.2 In these Rules, Clause 1.2 of the Agreement shall *mutatis mutandis* apply as if expressly set out herein.

1.3 In case of any inconsistency between the provisions of the Agreement and these Rules, the latter shall prevail.

2. NATURE AND SCOPE OF THE RULES

These Rules shall apply with respect to any Islamic Transaction that may be entered into between the Tradeflow Islamic Finance Parties using DMCC Tradeflow.

3. PARTICIPATION IN An islamic TRANSACTION

3.1 Each party wishing to participate in an Islamic Transaction must, *inter alia*, become a Tradeflow Islamic Finance Party pursuant to the Letter of Adherence set out in Part 3 of Schedule 1 to the Agreement.

3.2 If a Tradeflow Islamic Finance Party is to participate in an Islamic Transaction as a Registered Supplier, it must also:

- (a) become a Tradeflow Owner pursuant to the Letter of Adherence set out in Part 1 of Schedule 1 to the Agreement; and

- (b) enter into a Supplier Agreement with DMCCA prior to being accepted through DMCC Tradeflow as a Registered Supplier.
- 3.3 DMCCA shall have the sole discretion to determine whether any Tradeflow Islamic Finance Party may participate in an Islamic Transaction as a Registered Supplier, a Registered Seller or a Registered Purchaser and the terms and conditions relating to such participation.

4. PROVISIONS relating TO a storage operator

- 4.1 In addition to the requirements set out in the Agreement, each Storage Operator in order to be eligible to participate in an Islamic Transaction will be required to maintain a Halal Warehouse or Halal Vault in accordance with the requirements set out under Schedule 8 hereof.
- 4.2 Each Storage Operator undertakes to DMCCA and each Tradeflow Islamic Finance Party that it will:
- 4.2.1 comply in all respects with the requirements set out under Schedule 8 hereof;
 - 4.2.2 allow reasonable access to the Halal Store and relevant documentation and information for the purpose of inspection by DMCCA or a Storage Inspector to ensure that the Halal Store complies with the requirements set out under Schedule 8 hereof; and
 - 4.2.3 not undertake any action that may detrimentally affect the Halal aspects of the Halal Goods stored in such Halal Store or any Tradeflow Islamic Finance Party.

5. PROVISIONS RELATING TO storage Inspector

- 5.1 In addition to the requirements set out in the Agreement, each Storage Inspector will be responsible for ensuring that each *Halal* Store which is inspected by it complies with the requirements set out under Schedule 8 hereof.
- 5.2 Each Storage Inspector undertakes to DMCCA and each Tradeflow Member that it will comply in all respects with the obligation set out in Clause 4.1 hereof.

6. PROVISIONS RELATING TO REGISTERED INTERMEDIARIES

- 6.1 Any Tradeflow Islamic Finance Party (the “**Relevant Principal**”) may, at its discretion, outsource any of its functions in concluding an Islamic Transaction through DMCC Tradeflow to a Registered Intermediary provided always that such Relevant Principal shall be and remain solely responsible for the acts and omissions of that Registered Intermediary in respect of that Islamic Transaction.
- 6.2 All actions and omissions of a Registered Intermediary in respect of an Islamic Transaction shall be directly attributable to the Relevant Principal through DMCC Tradeflow.
- 6.3 If a Relevant Principal chooses to outsource some of its actions in relation to an Islamic Transaction it shall do so at its own risk and shall accept any negatives consequences from doing so.

7. PROVISIONS RELATING TO AN ISLAMIC TRANSACTION

7.1 General provisions

7.1.1 Eligibility of Registered Supplier

A Registered Supplier shall be eligible to participate in an Islamic Transaction only if the relevant Goods are *Halal* Goods

7.1.2 Relationship between Registered Seller and Registered Purchaser

Notwithstanding that the Registered Seller and the Registered Purchaser under a relevant Islamic Transaction would have already have engaged with each other regarding the relevant Islamic Transaction and agreed the commercial terms and conditions relating to an intended Islamic Transaction pursuant to the Relevant TTID, which the Registered Seller (for reference purposes only) shall upload through DMCC Tradeflow along with the *Murabaha* Purchase Offer, the terms specified in the relevant Contract shall, for the purpose of DMCC Tradeflow, be the final terms of the relevant Islamic Transaction between the Registered Seller and the Registered Purchaser and the provisions of the Relevant TTID shall not in any manner affect the validity of the Islamic *Murabaha* Transaction concluded through DMCC Tradeflow.

7.2 **Promise to Purchase**

7.2.1 Issuance

If a Registered Purchaser intends to acquire the Ownership and Possession of any relevant *Halal* Goods from the Registered Seller, it shall issue a Promise to Purchase to the Registered Seller with regards to the relevant *Halal* Goods through DMCC Tradeflow.

7.2.2 Undertaking to Purchase

Pursuant to the Promise to Purchase, the Registered Purchaser shall irrevocably and unconditionally undertake to purchase from the Registered Seller the *Halal* Goods, specified in the relevant Promise to Purchase, upon the exercise by the Registered Seller on the Purchase & Delivery Date for the Sale Price in accordance with the Payment Terms of Sale Price.

7.2.3 Contents of the Promise to Purchase

The Promise to Purchase shall be in the form provided for under Schedule 1 hereof and shall, amongst other considerations, provide for the following:

- (a) Cost Price
- (b) Profit
- (c) Sale Price
- (d) Currency
- (e) Purchase & Delivery Date
- (f) Payment Terms of Sale Price

7.2.4 **Exercise of the Promise to Purchase**

- (a) In reliance on a Promise to Purchase, the Registered Seller shall acquire the Ownership and Possession of the *Halal* Goods specified in the Promise to Purchase from the relevant Registered Supplier pursuant to a valid Contract entered into through DMCC Tradeflow between the relevant Registered Seller and Registered Supplier.
- (b) Having acquired the Ownership and Possession of the relevant *Halal* Goods specified in the Promise to Purchase, the Registered Seller may exercise its right under Promise to Purchase by providing a *Murabaha* Purchase Offer to the Registered Purchaser through DMCC Tradeflow.

7.2.5 **Murabaha Purchase Offer**

- (a) The *Murabaha* Purchase Offer shall be made by the Registered Seller only after the Registered Seller has acquired the Ownership and Possession of the relevant *Halal* Goods from the relevant Registered Supplier and those *Halal* Goods are at the disposal of the Registered Seller.
- (b) The *Murabaha* Purchase Offer shall be in the form set out in Schedule 3 hereof and shall, amongst other considerations, provide for the following:
 - (i) Cost Price
 - (ii) Profit
 - (iii) Sale Price
 - (iv) Currency
 - (v) Purchase & Delivery Date
 - (vi) Payment Terms of Sale Price

7.2.6 **Murabaha Purchase Acceptance**

- (a) Upon the *Murabaha* Purchase Offer being sent by the Registered Seller through DMCC Tradeflow, the Registered Purchaser shall be irrevocably obliged, pursuant to the Promise to Purchase, to accept such *Murabaha* Purchase Offer by sending the *Murabaha* Purchase Acceptance through DMCC Tradeflow on the Purchase & Delivery Date.
- (b) A relevant Contract for the Islamic *Murabaha* Transaction shall be concluded by the Registered Purchaser sending the *Murabaha* Purchase Acceptance through DMCC Tradeflow on the Purchase & Delivery Date.

(c) On the Purchase & Delivery Date, pursuant to the relevant Contract for the Islamic *Murabaha* Transaction:

(vii) the Ownership and Possession of the *Halal* Goods specified in the *Murabaha* Purchase Offer shall pass from the Registered Seller to the Registered Purchaser immediately upon the sending of the *Murabaha* Purchase Acceptance through DMCC Tradeflow; and

(viii) the Registered Purchaser shall be obliged to pay the Sale Price to the Registered Seller in accordance with the Payment Terms of the Sale Price set out in the *Murabaha* Purchase Offer,

and that date shall be the relevant Contract Date.

7.2.7 **Warrant Issuance to the Registered Purchaser**

Immediately upon the conclusion of the Contract, the Warrant for the relevant *Halal* Goods shall be transferred from the Registered Seller to the Registered Purchaser through DMCC Tradeflow.

7.2.8 **Failure to comply with promise**

If, the Registered Purchaser fails to comply with its obligation to purchase, as set out in the Promise to Purchase and:

(a) if the Registered Seller has already acquired the *Halal* Goods specified in the Promise to Purchase:

(i) the Registered Purchaser hereby acknowledges that the Registered Seller is at liberty to sell the relevant *Halal* Goods and realize the proceeds from such sale (the “**Sale Proceeds**”); and

(ii) if the Sale Proceeds realised by the Registered Seller pursuant to this clause are less than the Cost Price set out in the Promise to Purchase (after taking into account any costs and expenses, including, but not limited to, charges, expenses and services tax or similar tax charged or chargeable in respect thereof and direct fees and expenses of brokers, consultants and agents incurred by the Registered Seller in respect of the sale), the Registered Purchaser shall pay to the Registered Seller an amount equal to the amount of the difference between the Cost Price and the Sale Proceeds as compensation for the failure on the part of the Registered Purchaser.

(b) if the Registered Seller has not already acquired the *Halal* Goods, specified in the Promise to Purchase, the Registered Purchaser shall pay to the Registered Seller an amount equal to the actual losses incurred by

the Registered Seller as a result of Registered Purchaser's failure to comply with its obligations.

7.3 Mechanism of Purchase

7.3.1 Issuance of Purchase Offer

- (a) If a Registered Seller intends to acquire the Ownership and Possession of any relevant *Halal* Goods from the Registered Supplier, in order to be able to exercise its rights under a Promise to Purchase received by the Registered Seller through DMCC Tradeflow, it shall issue a Purchase Offer through DMCC Tradeflow.
- (b) Pursuant to a Purchase Offer, the Registered Seller shall offer to purchase from the Registered Supplier the *Halal* Goods, specified in the relevant Purchase Offer on the Purchase & Delivery Date at the Sale Price set out in that Purchase Offer and subject to the Islamic Option mentioned in clause 7.3.5 below.

7.3.2 Contents of the Purchase Offer

The Purchase Offer shall be in the form set out in Schedule 2 hereof and shall, *inter alia*, provide for the following:

- (a) Details of the *Halal* Goods.
- (b) Sale Price.
- (c) Currency.
- (d) Sale Date.
- (e) Payment Terms of Sale Price.

7.3.3 Purchase Acceptance

- (a) Upon the Purchase Offer being sent by the Registered Seller to the Registered Supplier, the Registered Supplier on its own discretion may choose to accept the Purchase Offer by sending the Purchase Acceptance on the Purchase & Delivery Date through DMCC Tradeflow.
- (b) The Contract for the Islamic Transaction shall be concluded upon the provision of the Purchase Acceptance by the Registered Supplier to the Registered Seller.

- (c) Once the Purchase Acceptance has been sent through DMCC Tradeflow, then on the Purchase & Delivery Date for that Contract:
 - (i) the Ownership and Possession of the relevant *Halal* Goods specified in the Purchase Offer shall pass from the Registered Supplier to the Registered Seller; and
 - (ii) the Registered Seller shall be obliged to pay the Sale Price to the Registered Supplier as specified in the Purchase Offer,and that date shall be the relevant Contract Date.

7.3.4 **Warrant Issuance to the Registered Seller**

Immediately following the conclusion of the Contract and payment of the Sale Price, the Warrant for the relevant *Halal* Goods subject matter of the Contract, shall be transferred from the Registered Supplier to the Registered Seller in DMCC Tradeflow and the Registered Seller shall be named as the Tradeflow Owner in respect of the Warrant and the Goods represented by that Warrant.

7.3.5 **Islamic Option**

- (a) As envisaged under Clause 7.3.1, the Registered Seller shall have the option of terminating the purchase of the *Halal* Goods within the time set out in the relevant Purchase Offer provided always that such time shall not exceed two (2) hours from the time of issuance of an Purchase Offer (the “**Stipulated Islamic Option Time**”) (the “**Islamic Option**”).
- (b) The Islamic Option shall expire at the expiry of the Stipulated Islamic Option Time.
- (c) If the Registered Seller chooses to exercise its Islamic Option, it shall send an Islamic Option Exercise Notice to the Registered Supplier, pursuant to which the Ownership and Possession of relevant *Halal* Goods (as specified below), along with all rights, interest and title thereto, and obligations thereto, represented by the Warrants specified in the Contract shall return to the relevant Registered Supplier and the Registered Supplier shall be obliged to return to the Registered Seller the Sale Price (or such part of the Sale Price which has been paid by the Registered Seller) received from the Registered Seller.

7.4 **Standing Orders**

7.4.1 **Standing Orders by Eligible Registered Member**

- (a) Any Eligible Registered Member intending to enter into an Islamic Transaction by acquiring the Ownership and Possession of the relevant *Halal* Goods from a Registered Purchaser, may place a standing order on DMCC Tradeflow for specific *Halal* Goods it intends to purchase through DMCC Tradeflow (the “**Standing Order**”).

- (b) Following the placement of a Standing Order by an Eligible Registered Member, if the Registered Purchaser intends to sell the relevant *Halal* Goods through DMCC Tradeflow then those *Halal* Goods shall be offered to the Eligible Registered Member with the Standing Order placed the earliest in time through DMCC Tradeflow in accordance with sub-paragraph (c) below.
- (c) If the Registered Purchaser wishes to sell the *Halal* Goods acquired from a Registered Seller under a Contract, it may provide a Sale Offer in respect of those *Halal* Goods through DMCC Tradeflow to the Eligible Registered Member with the earliest Standing Order placed through DMCC Tradeflow. If the Eligible Registered Member with the earliest Standing Order withdraws its Standing Order prior to the Sale Offer being made then the Registered Purchaser shall direct the relevant Sale Offer to the Eligible Registered Member with the next earliest Standing Order for the relevant *Halal* Goods.

7.4.2 **Standing Orders by Other Eligible Registered Member**

- (a) Any Other Eligible Registered Member intending to enter into an Islamic Transaction by acquiring the Ownership and Possession of the relevant *Halal* Goods from a Eligible Registered Member, may place a Standing Order through DMCC Tradeflow for specific *Halal* Goods it intends to purchase through DMCC Tradeflow.
- (b) Following the placing of a Standing Order by an Other Eligible Registered Member through DMCC Tradeflow, if the Eligible Registered Member intends to sell the relevant *Halal* Goods through DMCC Tradeflow then those *Halal* Goods shall be offered to the Other Eligible Registered Member with the Standing Order placed the earliest in time through DMCC Tradeflow (in accordance with sub-paragraph (c) below).
- (c) If the Eligible Registered Member intends selling the relevant *Halal* Goods acquired from a Registered Seller under the relevant Contract, then it shall be able to provide a Sale Offer with respect to such *Halal* Goods to the Other Eligible Registered Member with the earliest Standing Order placed through DMCC Tradeflow. In case the Other Eligible Registered Member with the earliest Standing Order withdraws its Standing Order prior to the Sale Offer being made then the Eligible Registered Member shall direct the relevant Sale Offer to the Other Eligible Registered Member with the next earliest Standing Order for the relevant *Halal* Goods.

7.5 **Mechanism of Sale**

7.5.1 **Issuance of Sale Offer**

- (a) If a Seller intends to sell the relevant *Halal* Goods, then it may enter into an Islamic Transaction with the Purchaser who has the earliest

Standing Order through DMCC Tradeflow by sending a Sale Offer through DMCC Tradeflow to such Purchaser.

- (b) Pursuant to a Sale Offer, the Seller shall offer to sell to the Purchaser the *Halal* Goods specified, set out in the relevant Sale Offer on the Purchase & Delivery Date at the Sale Price set out in the Sale Offer.

7.5.2 **Contents of the Sale Offer**

The Sale Offer shall be in the form provided for under Schedule 4 hereof and shall, *inter alia*, provide for the following:

- (a) Details of the *Halal* Goods.
- (b) Sale Price.
- (c) Currency.
- (d) Sale Date.
- (e) Payment Terms of Sale Price.

7.5.3 **Sale Acceptance**

- (a) Upon the Sale Offer being sent by the Seller to the Purchaser through DMCC Tradeflow, the Purchaser may, at its discretion, provide the Sale Acceptance to such Sale Offer on the Purchase & Delivery Date and conclude the relevant Contract on the Contract Date.
- (b) A Contract for an Islamic Transaction shall be concluded upon the providing of the Sale Acceptance by the Purchaser to the Seller through DMCC Tradeflow.
- (c) On the Purchase & Delivery Date pursuant to the relevant Contract for the Islamic Transaction:
 - (i) the Ownership and Possession of the *Halal* Goods specified in the Sale Offer shall pass from the Seller to the Purchaser immediately upon the sending of the Sale Acceptance through DMCC Tradeflow; and

- (ii) the Purchaser shall be obliged to pay the Sale Price to the Seller in accordance with the Payment Terms of the Sale Price set out in the Sale Offer,

and that date shall be the relevant Contract Date.

7.5.4 **Warrant Issuance to the Purchaser**

Immediately following the conclusion of the Contract, the Warrant for the relevant *Halal* Goods, shall transferred from the Seller to the Purchaser through DMCC Tradeflow.

7.6 **Sales Account and Invoices**

7.6.1 **Creation of Sales Account**

In respect of every Sale concluded through DMCC Tradeflow, DMCCA shall, upon conclusion of each such Sale, issue a sales account to each Seller, providing an administrative record of the sale of the Purchase Goods to the Seller for the purposes of DMCC Tradeflow (the “**Sales Account**”).

7.6.2 **Issuance of Invoices**

In respect of every Sale concluded through DMCC Tradeflow, DMCCA shall, upon conclusion of each such Sale, issue an invoice to the Purchaser, indicating the Sale Price due and payable by such Purchaser to the Seller in respect of the Sale and the date on which such Sale Price is due and payable in accordance with the terms and conditions of the Contract (the “**Invoice**”).

7.6.3 **Nature of Sales Account and Invoices**

The Sales Account and Invoices serve merely as administrative documents and DMCCA, by virtue of having issued a Sales Account and the Invoices, does not create, owe or purport to administer any rights and obligations between the Seller and the Purchaser.

8. **SETTLEMENT**

8.1 **Separate Obligations**

Each Purchaser under a Contract shall have separate and independent payment obligations.

8.2 **Nature and Scope of Settlement**

The settlement envisaged under this clause merely provides for an administrative settlement procedure for the purposes of DMCC Tradeflow and does not create or purport to create any further obligations in addition to the obligations already created under the Contract. Any default or omission on part of a Tradeflow Islamic Finance Party to pay or settle under a Contract should be pursued independently under such Contract.

8.3 **Paying Agency**

8.3.1 **Appointment of paying agent under Payment Settlement Notification**

In order to provide ease of settlement amongst the various Tradeflow Islamic Finance Parties in respect of Contracts concluded between them on a relevant Business Day, a Tradeflow Islamic Finance Party (the “**Instructing Participant**”) may appoint any other Tradeflow Islamic Finance Party, who owes such Instructing Participant amounts under a previously concluded Contract (i.e. the due and unpaid Sale Price), (the “**Acting Participant**”) to act as its paying agent in respect of amounts due and payable by such Instructing Participant to a Tradeflow Islamic Finance Party under a previously concluded Contract (the “**Recipient Participant**”) pursuant to a notification, to be sent by such Instructing Participant to the Acting Participant copying the Recipient Participant (the “**Payment Settlement Notification**”). In such Payment Settlement Notification, the Instructing Participant shall refer to the Invoice in respect of which the payment is required to be made by the Acting Participant to the Instructing Participant (the “**Principal Debt**”) and the amount required to be paid by the Acting Participant, for and on behalf of the Instructing Participant, to the Recipient Participant (the “**Intended Settlement Debt**”).

8.3.2 **Acceptance of paying agent under Payment Settlement Notification**

In respect of a Payment Settlement Notification, the Instructing Participant shall appoint the Acting Participant as its paying agent. If the Acting Participant is agreeable to act in such capacity it may communicate its acceptance by clicking on the accept button at the end of a Payment Settlement Notification through DMCC Tradeflow (the “**Payment Acceptance**”).

8.3.3 **Appointment of paying agent under Further Payment Settlement Notification**

Upon the Acting Participant providing its Payment Acceptance, if the Recipient Participant does not intend that it receives the Intended Settlement Debt from the Acting Participant but intends that such amount be used by the Acting Participant, in its capacity as a paying agent of the Recipient Participants, to settle amounts due and payable (i.e. the due and unpaid Sale Price) by such Recipient Participant to a Tradeflow Islamic Finance Party (the “**Unpaid Participant**”) under a previously concluded Contract between the Recipient Participant and such Unpaid Participant (the “**Instructed Settlement Debt**”), it shall send a notification to such effect to the Acting Participant copying the Instructing Participant (the “**Further Payment Settlement Notification**”). In such Further Payment Settlement Notification, the Recipient Participant shall provide for the amount required to be paid by the Acting Participant, for and on behalf of the Recipient Participant, to the Unpaid Participant.

8.3.4 **Acceptance of paying agent under Further Payment Settlement Notification**

In respect of a Further Payment Settlement Notification, the Recipient Participant shall appoint the Acting Participant as its paying agent. If the Acting Participant is agreeable to act in such capacity it may communicate its

acceptance by clicking on the accept button at the end of a Further Payment Settlement Notification through DMCC Tradeflow (the “**Further Payment Acceptance**”).

8.3.5 **Payment obligations recorded at DMCC Tradeflow level**

(a) **Deemed payment for DMCC Tradeflow purposes**

For the purpose of DMCC Tradeflow, upon the issuance of a Payment Acceptance, it shall be deemed that the Acting Participant has acted in accordance with the Payment Settlement Notification and the account of DMCC Tradeflow shall be accordingly reconciled. If there has been a Further Payment Settlement Notification, upon the issuance of a Further Payment Acceptance, it shall be deemed that the Acting Participant shall have acted in accordance with the Further Payment Settlement Notification and the account of DMCC Tradeflow shall be accordingly reconciled.

(b) **Cancellation of Invoices**

Further to the considerations set out in this clause 8.3, it is hereby agreed that:

- (i) In respect of a Payment Settlement Notification where no Further Payment Settlement Notification has been issued, upon the Payment Acceptance by the Acting Participant, the following will, for administrative purposes, be recorded through DMCC Tradeflow:
 - (A) The liability of the Acting Participant to pay the Principal Debt to the Instructing Participant shall be set-off against the liability of the Acting Participant to pay, for and on behalf of the Instructing Participant, the Intended Settlement Debt to the Recipient Participant.
 - (B) As a result of (A), the Invoices issued to the Acting Participant for the payment of the Principal Debt to the Instructing Participant and the Invoice issued to the Instructing Participant for the payment of the Intended Settlement Debt to the Recipient Participant shall be cancelled against each other.
- (ii) In respect of a Payment Settlement Notification where a Further Payment Settlement Notification has been issued, upon the Further Payment Acceptance by the Acting Participant the following will, for administrative purposes, be recorded through DMCC Tradeflow:
 - (A) The liability of the Acting Participant to pay the Principal Debt to the Instructing Participant shall be

set-off against the liability of the Acting Participant to pay, for and on behalf of the Instructing Participant, the Intended Settlement Debt to the Recipient Participant.

- (B) As a result of (A), the Invoices issued to the Acting Participant for the payment of the Principal Debt to the Instructing Participant and the Invoice issued to the Instructing Participant for the payment of the Intended Settlement Debt to the Recipient Participant shall be cancelled against each other; and
- (C) The liability of the Recipient Participant to pay the Instructed Settlement Debt to the Unpaid Participant shall be set-off against the liability of the Acting Participant to pay, for and on behalf of the Recipient Participant, the Instructed Settlement Debt to the Unpaid Participant in accordance with the Further Payment Acceptance.
- (D) As a result of (C), the Invoices issued to the Recipient Participant for the payment of the Instructed Settlement Debt to the Unpaid Participant shall be cancelled against the Further Payment Acceptance of the Acting Participant to pay, for and on behalf of the Recipient Participant, the Instructed Settlement Debt to the Unpaid Participant.

8.4 Settlement with respect to Purchase Goods relating to a MTID

- 8.4.1 Further to the provisions of clause 8.3 above, if the Tradeflow Islamic Finance Parties with respect to Islamic Transactions transacted for the Purchase Goods in relation to a particular MTID intend to settle the Invoices issued then they may adopt the mechanism for settlement as specifically provided for in this clause 8.4.
- 8.4.2 If, in relation to an Islamic Transaction, the Registered Supplier and the Other Eligible Registered Member are the same entity then:
 - (a) such Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member) may provide the Payment Settlement Notification, substantially in the form set out under Schedule 6, to the Registered Seller with copy to the Eligible Registered Member.
 - (b) the Payment Settlement Notification shall provide that such Registered Seller has a due and payable obligation of the Principal Debt under the issued Invoice and shall instruct such Registered Seller to act as the paying agent of the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member) and settle the Intended Settlement Debt with the Eligible Registered Member.

- (c) the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member) in the Payment Settlement Notification shall also acknowledge that payment of the Intended Settlement Debt to the Eligible Registered Member will absolve such Registered Seller of all liabilities to Registered Supplier with regard to the Principal Debt as a result of complying with this agency instruction.
- (d) if the Registered Seller intends to act as the paying agent of the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member), it may provide its Payment Acceptance by clicking on the accept button at the end of the Payment Settlement Notification through DMCC Tradeflow.

8.4.3 Upon the Registered Seller providing its Payment Acceptance for an Islamic Transaction, if the Eligible Registered Member does not intend that it receives the Intended Settlement Debt from the Registered Seller but intends that such amount be used by the Registered Seller, in its capacity as a paying agent of the Eligible Registered Member, to settle the Instructed Settlement Debt due and payable by such Eligible Registered Member to the Registered Purchaser:

- (a) it shall send a Further Payment Settlement Notification to such effect, substantially in the form set out under Schedule 7, to the Registered Seller with copy to the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member) and the Registered Purchaser.
- (b) in such Further Payment Settlement Notification, the Eligible Registered Member shall provide for utilization of the amount of the Intended Settlement Debt to be used by the Registered Seller, as payment agent for and on behalf of the Eligible Registered Member, to pay the Instructed Settlement Debt (as stated therein) to the Registered Purchaser. The Eligible Registered Member shall also acknowledge that the payment of the Instructed Settlement Debt to the Registered Purchaser will absolve the Other Eligible Registered Member of all liabilities to the Eligible Registered Member with regard to the Intended Settlement Debt.
- (c) if the Registered Seller intends to act as the paying agent of the Registered Seller, it may provide its Further Payment Acceptance by clicking on the accept button at the end of the Further Payment Settlement Notification through DMCC Tradeflow

8.4.4 **Payment obligations recorded through DMCC Tradeflow relating to a MTID**

Subject to the provisions set out under clause 8.3 upon the Further Payment Acceptance by the Registered Seller, the following shall be recorded through DMCC Tradeflow:

- (i) The liability of the Registered Seller to pay the Principal Debt to the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member) shall be set-off against the liability of the Registered Seller to pay, for and on behalf of the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member), the Intended Settlement Debt to the Eligible Registered Member.
- (ii) As a result of (i), the Invoices issued to the Registered Seller for the payment of the Principal Debt to the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member) and the Invoice issued to the Registered Supplier (in its own capacity and in its capacity as an Other Eligible Registered Member) for the payment of the Intended Settlement Debt to the Eligible Registered Member shall be cancelled against each other; and
- (iii) The liability of the Eligible Registered Member to pay the Instructed Settlement Debt to the Registered Purchaser shall be set-off against the liability of the Registered Seller to pay, for and on behalf of the Eligible Registered Member, the Instructed Settlement Debt to the Registered Purchaser in accordance with the Further Payment Acceptance.
- (iv) As a result of (iii), the Invoices issued to the Eligible Registered Member for the payment of the Instructed Settlement Debt to the Registered Purchaser shall be cancelled against the Further Payment Acceptance of the Registered Seller to pay, for and on behalf of the Eligible Registered Member, the Instructed Settlement Debt to the Registered Purchaser.

8.5 Authorization to DMCC Tradeflow

8.5.1 Upon an Instructing Participant initiating the delivery of the Payment Settlement Notification on the DMCC Tradeflow, such Instructing Participant pursuant to this clause, shall be deemed to have authorized DMCC Tradeflow to deliver the Payment Settlement Notification to the relevant Tradeflow Islamic Finance Parties on its behalf.

8.5.2 Upon an Acting Participant initiating the delivery of the Further Payment Settlement Notification on the DMCC Tradeflow, such Acting Participant pursuant to this clause, shall be deemed to have authorized DMCC Tradeflow to deliver the Further Payment Settlement Notification to the relevant Tradeflow Islamic Finance Parties on its behalf.

9. MISCELLANEOUS PROVISIONS

9.1 Implied warranties

Each Tradeflow Islamic Finance Party shall be deemed to warrant, on each date on which it issues any instructions or notices through DMCC Tradeflow, that these Rules are legal, valid and binding obligations of such Tradeflow Islamic Finance Party and do

not conflict with its constitutional documents or any laws, judgments, regulations, licences, permits or agreements binding on it.

9.2 Force majeure

9.2.1 Neither DMCCA nor any Tradeflow Islamic Finance Party shall be liable for any failure, hindrance or delay in performance in whole or in part of its obligations under these Rules if such failure, hindrance or delay arises out of events or circumstances beyond its control.

9.2.2 The events or circumstances referred to in sub-clause 9.2.1:

- (i) may include, but are not limited to, acts of God or the public enemy, acts of a civil or military authority, embargoes, fire, flood, labour dispute, unavailability or restriction of computer or data processing facilities or energy supplies, and any other causes beyond the parties reasonable control; and
- (ii) shall (in the case of any Tradeflow Islamic Finance Party) be promptly notified by the Tradeflow Member party prevented, hindered or delayed from performing any of its obligations under these Rules to the party with the benefit of such obligation and to DMCCA via DMCC Tradeflow.

10. Amendment of the Rules

10.1 DMCCA may from time to time amend these Rules by notice delivered to the Tradeflow Participants via DMCC Tradeflow (an “**Amendment Notice**”). Any such amendment shall take effect on the day falling fourteen (14) days after the date of the Amendment Notice (or on such later date as DMCCA may specify) and may take effect prospectively with regard to any Islamic Transactions.

10.2 Any Tradeflow Participant who does not wish to be bound by an Amendment Notice may resign his membership in DMCC Tradeflow by written notice to the DMCCA within fourteen (14) days after the date of that Amendment Notice (a “**Resignation Notice**”).

10.3 Following delivery by a Tradeflow Participant of a Resignation Notice in accordance with the aforementioned clause, all warrants in which that Tradeflow Participant has an interest shall be governed by the version of the Rules in force immediately before the Amendment Notice which immediately preceded that Resignation Notice.

11. Validity of Rules

If at any time any provision of these Rules becomes illegal, invalid or unenforceable in any respect the legality, validity or enforceability of the remaining provisions of these Rules shall in no way be affected or impaired thereby.

12. Notices

12.1 All notices required to be given by any Tradeflow Participant to another Tradeflow Participant or to DMCCA under these Rules shall be delivered via DMCC Tradeflow, and DMCCA shall have access to any notice sent by such Tradeflow Participant by DMCC Tradeflow.

- 12.2 If a Tradeflow Participant is to send a notice to another Tradeflow Participant or to DMCCA via DMCC Tradeflow and is unable to do so, such notice shall be sent by fax with a paper copy to be delivered by courier to the fax number and address listed for the Tradeflow Islamic Finance Party or DMCCA (as the case may be) in DMCC Tradeflow.
- 12.3 Notices shall be deemed delivered when the sender receives a confirmation of fax or electronic transmission (as the case may be), unless such confirmation of transmission is received after 3pm (Dubai time), in which case such notice shall be deemed delivered on the next day.
- 12.4 The addressee of a notice deemed delivered in accordance with these Rules shall act in accordance with the terms of that notice unless he can prove that he did not receive that notice.
- 12.5 Each Tradeflow Participant shall promptly notify DMCCA of any changes to their notice details.

SCHEDULE 1

FORM OF Promise to Purchase

Date/Time: [●]

From: {(Purchasing Party) User Name [User ID]}
{Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]} (hereinafter to be referred as the “**Registered Purchaser**”)

To: {(Selling Party) User Name [User ID]}
{Company name of the (Selling Party) [Tradeflow Islamic Finance Party unique ID]} (hereinafter to be referred as the “**Registered Seller**”)

2. We refer to:

- (a) Corporate Access Agreement dated 11th February 2013 as amended from time to time;
- (b) Warrant Rules dated 11th February 2013, as amended from time to time; and
- (c) Islamic Rules dated 11th February 2013, as amended from time to time.

(For ease of reference (a), (b) and (c) shall together be referred as the “**Relevant Terms**”).

3. Save as indicated herein, capitalised terms used in this Promise to Purchase shall have the meaning given to them in the Relevant Terms.

4. We, the Registered Purchaser, hereby irrevocably and unconditionally promise to the Registered Seller that we shall, upon the exercise by the Registered Seller pursuant to a corresponding *Murabaha* Purchase Offer, purchase the *Halal* Goods (as specified below), along with all rights, interest and title thereto, and obligations thereto, represented by the Warrants (representing such *Halal* Goods, as specified below), by way of *Murabaha*, subject to the following terms and conditions:

Warrants

Inventory Record ID	{Inventory Record ID}
Warrant Number	{Warrant Number}
HS Code	{HS Code of the inventory}
HS Code Long Description	{HS Code Long Description of the inventory}
Inventory Description	{Inventory Description of the inventory}
Warehouse Keeper	{Company Name}
Warehouse/Vault	{Warehouse/Vault ID}
Quantity being Purchased	{Quantity} {UOM}
Quality	{Quality}
Fractional Ownership and Possession of <i>Halal</i> Goods comprised in the Warrant	{Percentage}%

{If required additional Warrant entries will be shown}

- (a) Cost Price : [●]
- (b) Profit : [●]
- (c) Sale Price : [●]
- (d) Currency : [●]
- (e) Purchase & Delivery Date : [●]
- (f) Payment Terms of Sale Price : [●]

5. The Relevant Terms shall apply with regards to mechanism for conclusion of the sale and the rights and obligations in relation to this Promise to Purchase.
6. Subject to Clause 6, the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates to the extent not inconsistent with the principles of *Sharia* (as interpreted by AAOIFI) shall govern this Promise to Purchase. In case of any inconsistency the principles of *Sharia* (as interpreted by AAOIFI) shall apply.
7. In relation to this Promise to Purchase, in case of a dispute concerning *Halal* Goods stored in any Emirate other than the Emirate of Dubai (an "**Alternative Local Jurisdiction**") or any security interest related to such *Halal* Goods, the laws of the Alternative Local Jurisdiction and all applicable laws of the United Arab Emirates shall govern to the extent not inconsistent with the principles of *Sharia* (as interpreted by

AAOIFI), but only to the extent that the dispute concerns those *Halal* Goods or any security interest related to such *Halal* Goods. In case of any inconsistency the principles of *Sharia* (as interpreted by AAOIFI) shall apply.

8. In relation to this Promise to Purchase, the Registered Purchaser submits to the non-exclusive jurisdiction of courts of the Emirate of Dubai (in case of application of Clause 5) and to the non-exclusive jurisdiction of courts of the Alternative Local Jurisdiction (in case of application of Clause 6).

Yours faithfully,

{(Purchasing Party) User Name [User ID]}

{Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of acceptance by (Purchasing Party) Checker}

SCHEDULE 2

FORM OF purchase offer AND ACCEPTANCE

Date/Time: [•]

Warrant Number: [Insert from DMCC Tradeflow]

Percentage of Warrant being purchased [percentage of warrant]

Document Sequence Number: [Insert from DMCC Tradeflow]

To: {Company name of the (Selling Party) [Tradeflow Islamic Finance Party unique ID]}

Purchase Offer

1. We refer to the Corporate Access Agreement dated {11th February 2013}, as amended from time to time (the “**Agreement**”) together with the attached Warrant Rules (as defined therein) as amended from time to time (the “**Warrant Rules**”), and the attached Islamic Rules (as defined therein) as amended from time to time (the “**Islamic Rules**”) in relation to DMCC Tradeflow, collectively known as the “**Relevant Terms**” and Warrant number [*Insert Warrant Number from DMCC Tradeflow*] for which you are the Legal Owner in DMCC Tradeflow (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Purchase Offer shall have the meaning given to them in the Relevant Terms.
3. We, [*Name of Purchaser*], hereby offer to purchase the goods as specified in paragraph 5 below and represented by the Warrant or part thereof (the “**Halal Goods**”) from you on this date subject to the Islamic option as detailed in paragraph 4 below (the “**Islamic Option**”) for the sum of {*Sale Price of asset*} {*Currency*} which is payable on this date and we request that you hereby transfer of Ownership and Possession in the *Halal Goods* (as specified below), along with all rights, interest and title thereto, and obligations thereto, represented by the Warrant (as specified below), to us [*Name of Purchaser*] (the “**Purchase Acceptance**”).
4. Details of Islamic Option: We, [*Name of Purchaser*] shall have the option of terminating the purchase of the Goods within [*remaining time in minutes of transaction*] from the time of issuance of this Purchase Offer. As a result of the exercise of this Islamic Option, we, [*Name of Purchaser*] shall be immediately obliged to return the Ownership and Possession of the *Halal Goods* (as specified below), along with all rights, interest and title thereto, and obligations thereto, represented by the Warrant (as specified below) and you, [*Name of Seller*] shall be obliged to return the sum of {*Sale Price of asset*} {*Currency*} received from us if we have already paid such amount to you.

5. Details of *Halal* Goods:

Inventory Record ID	{Inventory Record ID}
Warrant Number	{Warrant Number}
HS Code	{HS Code of the inventory}
HS Code Long Description	{HS Code Long Description of the inventory}
Inventory Description	{Inventory Description of the inventory}
Warehouse Keeper	{Company Name}
Warehouse/Vault	{Warehouse/Vault ID}
Quantity being Purchased	{Quantity} {UOM}
Quality	{Quality}
Fractional Ownership and Possession of <i>Halal</i> Goods comprised in the Warrant	{Percentage}%

Yours faithfully,

{(Purchasing Party) User Name [User ID]}

{Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of acceptance by (Purchasing Party) Checker}

Purchase Acceptance

We hereby accept this Purchase Offer (Document Sequence Number) and hereby transfer Ownership and Possession of the *Halal* Goods as specified therein along with all rights, interest and title thereto, and obligations represented by the Warrant (representing such *Halal* Goods), to you [*Name of Purchaser*] subject to the Islamic Option on this date for the sum of {*Sale Price of asset*} {*Currency*}, which is due and payable on this date.

{(Selling Party) User Name [User ID]}

{Company name of the (Selling Party) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of acceptance by (Seller Party) Checker}

SCHEDULE 3

FORM OF MURABAHA PURCHASE offer AND murabaha purchase ACCEPTANCE

Date/Time: {Dubai Date and Time of issuance by Registered Seller Checker in the form”}

Murabaha Sequence Number: {The MTID number}

To: {Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]}

Murabaha Purchase Offer

Registered Seller means {Company name of the Selling Financier [Tradeflow Financier Company unique ID]}

Registered Purchaser means {Company name of the Purchasing Financier [Tradeflow Financier Company unique ID]}

1. We refer to the Corporate Access Agreement dated {date of Corporate Access Agreement in the form “11th February 2013”}, as amended from time to time (the “**Agreement**”) together with the attached Warrant Rules (as defined therein) as amended from time to time (the “**Warrant Rules**”), [the Relevant TTID (hereby uploaded by the Registered Seller for reference purposes only) and the Islamic Rules, as amended from time to time (the “**Islamic Rules**”) collectively known as the “**Relevant Terms**”.
2. We specifically refer to the Promise to Purchase dated [●] (the “**Promise to Purchase**”) and this *Murabaha* Purchase Offer (the “***Murabaha Purchase Offer***”).
3. Save as indicated herein, capitalised terms used in this *Murabaha* Purchase Offer shall have the meaning given to them in the Relevant Terms.
4. We, the Registered Seller, hereby exercise our right under the Promise to Purchase and require you to conclude the purchase of the *Halal* Goods (as specified below), along with all rights, interest and title thereto, and obligations thereto, represented by the Warrants (representing such Goods), by way of *Murabaha*, by accepting this *Murabaha* Purchase Offer (the “***Murabaha Purchase Acceptance***”), subject to the following terms and conditions (thereby constituting a “***Murabaha Agreement***”):

Warrants

Inventory Record ID	{Inventory Record ID}
Warrant Number	{Warrant Number}
HS Code	{HS Code of the inventory}
HS Code Long Description	{HS Code Long Description of the inventory}
Inventory Description	{Inventory Description of the inventory}
Warehouse Keeper	{Company Name}
Warehouse/Vault	{Warehouse/Vault ID}
Quantity being Purchased	{Quantity} {UOM}
Quality	{Quality}
Fractional Ownership and Possession of the <i>Halal</i> Goods comprised in the Warrant	{Percentage}%

{If required additional Warrant entries will be shown}

Terms and conditions of *Murabaha* sale

- | | | | |
|-----|-----------------------------|---|-----|
| (a) | Cost Price | : | [●] |
| (b) | Profit | : | [●] |
| (c) | Sale Price | : | [●] |
| (d) | Currency | : | [●] |
| (e) | Purchase & Delivery Date | : | [●] |
| (f) | Payment Terms of Sale Price | : | [●] |

- The Relevant Terms shall apply with regards to mechanism for conclusion of the sale and the rights and obligations in relation to this *Murabaha* Purchase Offer.
- Subject to Clause 7, the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates to the extent not inconsistent with the principles of *Sharia* (as interpreted by AAOIFI) shall govern this *Murabaha* Purchase Offer (and the corresponding *Murabaha* Purchase Acceptance). In case of any inconsistency the principles of *Sharia* (as interpreted by AAOIFI) shall apply.

7. In relation to this *Murabaha* Purchase Offer (and the corresponding *Murabaha* Purchase Acceptance), in case of a dispute concerning Goods stored in any Emirate other than the Emirate of Dubai (an "**Alternative Local Jurisdiction**") or any security interest related to such *Halal* Goods, the laws of the Alternative Local Jurisdiction and all applicable laws of the United Arab Emirates shall govern to the extent not inconsistent with the principles of *Sharia* (as interpreted by AAOIFI), but only to the extent that the dispute concerns those *Halal* Goods or any security interest related to such *Halal* Goods. In case of any inconsistency the principles of *Sharia* (as interpreted by AAOIFI) shall apply.
8. This *Murabaha* Purchase Offer (and the corresponding *Murabaha* Purchase Acceptance) shall be subject to the non-exclusive jurisdiction of courts of the Emirate of Dubai (in case of application of Clause 6) and to the non-exclusive jurisdiction of courts of the Alternative Local Jurisdiction (in case of application of Clause 7).

Yours faithfully,

{(Selling Party) User Name [User ID]}
{Company name of the (Selling Party) [Tradeflow Islamic Finance Party unique ID]}
{Dubai Date and Time of acceptance by (Selling Party) Checker}

***Murabaha* Purchase Acceptance**

1. We, the Registered Purchaser, hereby accept this *Murabaha* Purchase Offer (the "***Murabaha* Purchase Acceptance**").
2. Further to this *Murabaha* Purchase Acceptance, the Ownership and Possession in the *Halal* Goods (as defined in the *Murabaha* Purchase Offer), along with all rights, interest and title thereto, and obligations thereto, represented by the Warrants (representing such *Halal* Goods), shall transfer from the Registered Seller to the Registered Purchaser immediately upon the Acceptance on the Purchase & Delivery Date (as defined).

{(Purchasing Party) User Name [User ID]}
{Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]}
{Dubai Date and Time of acceptance by (Purchasing Party) Checker}

SCHEDULE 4

SALE offer AND ACCEPTANCE

Date/Time: [•]

Warrant Number: [Insert from DMCC Tradeflow]

Percentage of Warrant being sold [percentage of warrant]

Document Sequence Number: [Insert from DMCC Tradeflow]

To: {Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]}

Sale Offer

1. We refer to the Corporate Access Agreement dated {11th February 2013}, as amended from time to time (the “**Agreement**”) together with the attached Warrant Rules (as defined therein) as amended from time to time (the “**Warrant Rules**”), and the attached Islamic Rules (as defined therein) as amended from time to time (the “**Islamic Rules**”) in relation to DMCC tradeflow, collectively known as the “**Relevant Terms**”) and Warrant number [*Insert Warrant Number from DMCC Tradeflow*] for which we are the Legal Owner in DMCC Tradeflow (the “**Warrant**”).
2. Save as indicated herein, capitalised terms used in this Sale Offer shall have the meaning given to them in the Warrant Rules.
3. We, [*Name of Seller*], hereby offer for sale the goods as specified in paragraph 4 below and represented by the Warrant or part thereof (the “**Halal Goods**”) on this date by us for the sum of {*Sale Price of asset*} {*Currency*} which is payable on this date and we request that you hereby irrevocably accept the transfer of Ownership and Possession in the *Halal Goods* along with all rights, interest and title thereto, and obligations thereto, represented by the Warrant from us [*Name of Seller*] (the “**Sale Acceptance**”).

4. Details of Goods:

Inventory Record ID	{Inventory Record ID}
Warrant Number	{Warrant Number}
HS Code	{HS Code of the inventory}
HS Code Long Description	{HS Code Long Description of the inventory}
Inventory Description	{Inventory Description of the inventory}
Warehouse Keeper	{Company Name}
Warehouse/Vault	{Warehouse/Vault ID}
Quantity being Purchased	{Quantity} {UOM}
Quality	{Quality}
Fractional Ownership and Possession of <i>Halal</i> Goods comprised in the Warrant	{Percentage}%

Yours faithfully,

{(Selling Party) User Name [User ID]}

{Company name of the (Selling Party) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of acceptance by (Selling Party) Checker}

Sale Acceptance

We hereby accept this Sale Offer (Document Sequence Number) (the “**Sale Offer**”) and agree to accept the transfer of the Ownership and Possession of the *Halal* Goods as specified therein along with all rights, interest and title thereto, and obligations thereto, represented by the Warrants (representing such Goods), to us [*Name of Purchaser*] on this date for the sum of {*Sale Price of asset*} {*Currency*}, which is due and payable on this date.

{(Purchasing Party) User Name [User ID]}

{Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of acceptance by (Purchasing Party) Checker}

SCHEDULE 5

FORM OF Islamic Option Exercise Notice

Date/Time: [•]

Warrant Number: [Insert from DMCC Tradeflow]

Percentage of Warrant being subject to Islamic Option [percentage of warrant]

Document Sequence Number: [Insert from DMCC Tradeflow]

To: {Company name of the (Selling Party) [Tradeflow Islamic Finance Party unique ID]}

Islamic Option Exercise Notice

We refer to our Purchase Offer (Document Sequence Number of the original purchase offer) (the “**Purchase Offer**”) and your corresponding Purchase Acceptance (the “**Purchase Acceptance**”), with respect to the *Halal* Goods, along with all rights, interest and title thereto, and obligations thereto, represented by the Warrant (representing such *Halal* Goods), as described in the Purchase Offer.

The {Company name of the Purchaser} hereby exercises the Islamic Option (as defined in the Purchase Offer) and hereby terminates the purchase of the *Halal* Goods, which were sold to us {Company name of the Purchaser} pursuant to the Purchase Acceptance.

As a result of the exercise of the Islamic Option, we {Company name of the Purchaser } hereby return the Ownership and Possession of the *Halal* Goods (as specified below), along with all rights, interest and title thereto, and obligations thereto, represented by the Warrant and you {Company name of the Seller} shall be obliged to return the sum of {*Sale Price of asset*} {*Currency*} received from us {Company name of the Purchaser} if such amount has already been paid by us {Company name of the Purchaser} to you, the {Company name of the Seller}.

{{(Purchasing Party) User Name [User ID]}}

{Company name of the (Purchasing Party) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of Issuance by (Purchasing Party) Checker}

SCHEDULE 6

Payment Settlement Notification from the Registered Supplier to the Registered Seller

From: {Company name of the (Registered Supplier) [Tradeflow Islamic Finance Party unique ID]}

To: {Company name of the (Registered Seller) [Tradeflow Islamic Finance Party unique ID]}

CC: {Company name of the (Eligible Registered Member) [Tradeflow Islamic Finance Party unique ID]}

{Company name of the (Other Eligible Registered Member) [Tradeflow Islamic Finance Party unique ID]}

Dear {insert name} ({User Type}),

This notification refers to Invoice {insert invoice number} dated {insert date}, according to which you owe us the sum of {insert amount in AED} (the “**Principal Debt**”) and to Invoice {insert invoice number} dated {insert date}, according to which {insert name of Other Eligible Registered Member} owes the Eligible Registered Member the sum of {insert amount in AED} (the “**Intended Settlement Debt**”).

We hereby appoint you to be our paying agent to pay the Intended Settlement Debt for and on behalf of the {insert name of Other Eligible Registered Member} to the Eligible Registered Member or to that latter party’s order and hereby confirm that the payment by you of the Intended Settlement Debt to the Eligible Registered Member in accordance with this instruction will satisfy in full all of your liabilities to us with regard to the Principal Debt.

Yours faithfully,

{(Registered Supplier) User Name [User ID]}

{Company name of the (Registered Supplier) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of acceptance by (Registered Supplier) Checker}

[ACCEPTED by {Company name of the (Registered Seller) [Tradeflow Islamic Finance Party unique ID]}

SCHEDULE 7

further Payment Settlement Notification from the Eligible REGISTERED Member to the Registered Seller

From: {Company name of the (Eligible Registered Member) [Tradeflow Islamic Finance Party unique ID]}

To: {Company name of the (Registered Seller) [Tradeflow Islamic Finance Party unique ID]}

CC: {Company name of the (Registered Supplier) [Tradeflow Islamic Finance Party unique ID]}

{Company name of the (Other Eligible Registered Member) [Tradeflow Islamic Finance Party unique ID]}

{Company name of the (Registered Purchaser) [Tradeflow Islamic Finance Party unique ID]}

Dear {insert name} ({User Type}),

This notification refers to the payment settlement notification issued to you by {insert name of Registered Supplier} on {insert date} (“**Payment Settlement Notification**”), according to which {insert name of Registered Supplier} has appointed you as its paying agent to make payment of invoice {insert invoice number} for an amount of the sum of {insert amount in AED} for and on behalf of the {insert name of Other Eligible Registered Member} to the Eligible Registered Member or to that latter party’s order (the “**Intended Settlement Debt**”).

We hereby instruct you, to pay the amount of the Intended Settlement Debt to {insert name of Registered Purchaser}, with respect to settling for and on the Eligible Registered Member’s behalf invoice {insert invoice number} for an amount of the sum of {insert amount in AED} that is to be paid to {insert name of Registered Purchaser} (the “**Instructed Settlement Debt**”) and hereby confirm that the payment by you of the Instructed Settlement Debt to the {insert name of Registered Purchaser} in accordance with this instruction will satisfy in full all of your liabilities to us with regard to the Intended Settlement Debt.

Yours faithfully,

{(Eligible Registered Member) User Name [User ID]}

{Company name of the (Eligible Registered Member) [Tradeflow Islamic Finance Party unique ID]}

{Dubai Date and Time of acceptance by (Eligible Registered Member) Checker }

**[ACCEPTED BY {COMPANY NAME OF THE (REGISTERED SELLER)}
{TRADEFLOW ISLAMIC FINANCE PARTY UNIQUE ID}]**

SCHEDULE 8

STORE REQUIREMENTS

A Warehouse or Vault shall be certified as a *Halal* Warehouse or *Halal* Vault (each a *Halal* Store) for the purpose of participation in Islamic Transaction through DMCC Tradeflow if it complies with the following:

1. REQUIREMENTS SPECIFIC TO WAREHOUSES

1.1. BASIC PRINCIPLES

The basic principle of a *Halal* Store is a segregation of *Halal* and non-*Halal* Goods throughout the *Halal* Store process. Segregation of *Halal* Goods from non-*Halal* Goods relates to both physical and virtual segregation.

1.2. PHYSICAL SEGREGATION

The process of physical segregation addresses separation throughout the *Halal* Store processes, namely:

- (a) **Receiving:** Verification of *Halal* status of Goods and labelling.
- (b) **Putaway:** *Halal* and non-*Halal* Goods is not mixed on the same pallet/load carrier.
- (c) **Storage:** *Halal* Goods will have properly marked/labelled/coloured dedicated floor/rack locations and dedicated cold rooms (in case of chilled or frozen environment).
- (d) **Color Coding:** The dedicated floor and rack locations for *Halal* products should be clearly differentiated by a different colour. To simplify operations further, the *Halal* label should have the same colour as the floor and rack locations. In this way the compliance is easy to implement and to check. In case of a reefer Goods, *Halal* and severe najis (like pork meat) cannot be stored in the same cold room.
- (e) **Cross-docking:** *Halal* and non-*Halal* Goods is put on different pallets/load carriers and have designated intermediate buffer locations.
- (f) **Value Added Logistics:** Repackaging, sorting, labelling, etc for *Halal* Goods is undertaken at a properly marked/labelled/coloured designated area.
- (g) **Order Picking:** *Halal* and non-*Halal* Goods are put on different pallets.
- (h) **Shipping:** *Halal* pallets are labeled and are loaded into the truck/container.

In case a *Halal* Store handles only *Halal* Goods, the *Halal* warehouse is also called a dedicated *Halal* warehouse. Although a dedicated *Halal* warehouse does not require physical segregation, just at the time of the receiving process,

where before unloading, the *Halal* status of the Goods has to be confirmed on the proper documentation.

1.3. VIRTUAL SEGREGATION

Virtual segregation covers two key areas:

- (a) **Coding:** The code assigned to:
 - (i) *Halal* Goods in the IT systems (such as warehouse management system, ERP, etc).
 - (ii) to freight document.
- (b) **Labelling:** The label provided to *Halal* Goods

2. ACCEPTABLE STORE RATINGS

The acceptable ratings and features of a *Halal* Store to participate through DMCC Tradeflow is as follows:

Rating	Description
3	Good physical security; Commodity clean; well separated; adequate record keeping and audit.
4	Electronic Surveillance and good physical security; Commodity maintained in line with standards; Piles fully marked and consistent with Store map; Commodity separated and safe; good record keeping and full audit.
5	Electronic Surveillance and good physical security; Commodity maintained in line with standards; Piles fully marked and consistent with Store map; Commodity separated and safe; good record keeping and full audit, Store Inventory systems linked to DMCC Tradeflow; has been inspected and audited in the last six months.

APPENDIX 4
RULES FOR ADDITIONAL SERVICES
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