



## METEX METALS TOKEN – BAILMENT AGREEMENT

### TERMS AND CONDITIONS

The following terms and conditions (“**the Terms**”) apply to the registered users who intend to access the Bailment Services provided by the Company.

#### 1. TERMS

- 1.1 **Bailment Metals** – means physical metals that our subject to this agreement and have been bailed by the Bailor to the Bailee. The Metals in which each Metex token represents ownership of.
- 1.2 **Delivery** – means the transfer of possession of Bailment Metals from the Bailee to the Bailor.
- 1.3 **Metex Token** – Means tokens developed by Metex on the Ethereum blockchain that represent ownership in the Bailment Metals. Further description is provided in Schedule 1 of this Agreement.
- 1.4 **Bailor** – means Metex Corp Pty Ltd (ABN 19 624 831 821)
- 1.5 **Bailee** – means an individual or entity that holds ownership of a Metex Token.
- 1.6 **Sub-Bailee** – means a third party that Metex decides to bail their metals to.
- 1.7 **Metex** – means Metex Corp Pty Ltd (ABN 19 624 831 821)
- 1.8 **Ownership** – means holding legal title to the item.
- 1.9 **Consideration** – means fees owing to Metex for bailment services, pursuant to Schedule 1 of this Agreement.
- 1.10 **Physical Metals** – Means Bailment Metals.
- 1.11 **Audit** – Means the annual audit of the Bailment Metals. It shall account for Bailment metals held in Bailee’s or Sub-Bailee’s possession.
- 1.12 **Minimum Delivery Amount** – The minimum amount of metals a Bailee can request for delivery.

#### 2. ACKNOWLEDGEMENTS

- 2.1 This agreement is between you and Metex Corp Pty. Ltd (“**Metex**”). It applies to all owners of “Metex Tokens”.
- 2.2 “Metex”, “we”, “our” or “us” “Bailee”, are references to Metex, associated services and subsidiary Companies, depending on the context. References to “you” or “your” are to the person or entity with whom Metex enters into this Agreement.
- 2.3 Ownership of Metex Tokens is contingent upon your acceptance of these Terms. If you do not agree to the Terms contained in this document, you must immediately reverse the transaction of acquisition of Tokens to the effect that you no longer possess Metex Tokens.



- 2.4 The following Terms constitute a binding agreement between you and Metex Corp Pty Ltd (ABN 19 624 831 821).
- 2.5 By acquiring a Metex Token, you acknowledge that you have entered into this agreement and that you have read, understood, and agreed to all of the terms and conditions in this agreement, as changed at our discretion from time to time and you agree to be legally bound by these Terms.
- 2.6 You further represent and warrant that: (i) you are of legal age, in your jurisdiction, to enter into a binding agreement; and (ii) if you represent a corporation, governmental organization or other legal entity, you have the right, power and authority to enter into these Terms on behalf of such corporation, governmental organization or other legal entity and to legally bind it to these Terms.
- 2.7 Upon acquiring Metex Metals Tokens ("**Acquisition**"), you acknowledge that you will assume the role of "**Bailor**" whereas the Company the "**Bailee**" and/or any trusted third party appointed or authorised by the Company the "**Sub-bailee**". You further acknowledge that you have read, understood, and accepted all the following Terms, as well as all the terms which are incorporated herein by reference.
- 2.8 Metex may amend these Terms at any time. Amendments will be effective fourteen (14) days after the modified terms and conditions have been posted on Metex's website, except for amendments that relate to new features or made for legal reasons, which will become effective immediately. If you do not agree to such modified terms, you should discontinue your use of our Services.
- 2.9 You acknowledge that as an owner of a Metex token(s) that you will visit the Metex.io website once every two weeks to check if there is any updates to this agreement.
- 2.10 All updates of this agreement will be disseminated via Metex.io.
- 2.11 You acknowledge that Metex may change the terms of this agreement from time to time provided that 7 days notice is given.

### **3. BAILMENT ARRANGEMENT**

#### **3.1 Agreement to Bail**

- (a) The Bailor and Bailee agree to be bound by the bailment arrangement pursuant to all inclusions set out in these Terms.
- (b) The Bailor is any individual or entity that possesses ownership of a Metex token.
- (c) The Bailee agrees to assume possession of metals corresponding to the Metex Tokens for Consideration detailed in schedule 1.
- (d) The Bailor may transfer ownership and rights attached to the Metex token to another individual or entity via the transfer of the Metex token, provided that the transferee agrees to this Agreement upon transfer.
- (e) Consideration will be paid to Bailee by the Bailor upon request for delivery of physical metal.
- (f) Prior to delivery, the Bailor must complete Metex's know you customer procedures. Failing to do so will result in Metex refusing delivery.



- (g) Upon request for physical delivery of metal the Bailor must transfer the relevant tokens and the corresponding amount to the Bailee.
- (h) The Bailor agrees to allow the Bailee to sub-bail any bailed Metals in their possession to another entity from time to time.

### 3.2 **General Terms**

- (a) Metex Tokens are the tokens described in Schedule 1 of this Agreement.
- (b) Ownership of a Metex Token constitutes ownership in the corresponding physical metals.
- (c) No interest will accrue in your favour for the metals that you own and have been bailed to Metex.
- (d) Metex will conduct an audit of bailment metals in their possession on an annual basis by an independent auditing firm.

### 3.3 **Period of Bailment**

- (a) The period of this Bailment Agreement is perpetual and will be fulfilled upon delivery of physical metals.
- (b) The Terms shall take effect automatically and immediately upon your access to our Services.
- (c) By accessing our Services, you agree to be bound by the Terms for the period you remain possession of the Tokens to the date the termination of Services takes effect.

### 3.4 **Bailment Fees**

- (a) Consideration for the service of bailment is described in Schedule 1 of this Agreement, subject to review and amendments from time to time.
- (b) By using our Services, you agree to comply with Schedule 1, of which the fees are payable immediately upon the Bailor's request for possession.

## 4. **Delivery**

- 4.1 Delivery of physical metals constitutes the Bailor picking up the physical metal at Metex's registered address or any other address designated from time to time.
- 4.2 Metex has no obligation to deliver metals to your given address, however Metex may offer this service from time to time for an additional fee.
- 4.3 You are required to submit a written request with the Company for delivery of your bailed Metals.
- 4.4 deliveries will be processed in 15 business days from the date when you submitted the written request for delivery.



- 4.5 Bailor agrees to the minimum delivery amounts described in Schedule 1.
- 4.6 If the Bailee requests for delivery, however they do not meet the minimum delivery amount, delivery will be refused.
- 4.7 Bailor must transfer the minimum Delivery amount to the Bailee's designated wallet address.
- 4.8 The Bailor who had undergone Metex's Know Your Customer Procedures must be the recipient for delivery. Bailor may not nominate a proxy to collect the bailed Metals on Bailor's behalf.
- 4.9 On the day of collection, we may request that you present a form of national identification document for identity verification purposes.
- 4.10 The Bailee may refuse Delivery in the following circumstances:
  - (a) The Bailor has not met the minimum delivery amounts;
  - (b) The Bailor does not pay the relevant consideration;
  - (c) The Bailor does not comply with the Bailee's Know Your Customer Identification Process;
  - (d) The Bailee has reasonable suspicion that the Bailor is involved in criminal activity;
  - (e) The Bailee has reason to believe that the alleged Bailor does not hold ownership over the Metex tokens; and
  - (f) The Bailee has reason to believe that the Bailor has breached a clause of this Agreement.

## **5. POSSESSION AND CONTROL**

- 5.1 The Company retains possession of the Bailment Metals.
- 5.2 The Metex token holder retains ownership over the Bailment Metals.
- 5.3 The Company does not have ownership rights to, or a security interest over the bailment Metals, nor does it have any rights to dispose the bailed Metals notwithstanding the terms of this agreement.
- 5.4 For the avoidance of doubt, Metex is not the owner of the bailed metals. You acknowledge and understand that Metex is not a debtor and you are not considered as a creditor of Metex.
- 5.5 Ownership rights of the Bailment Metals are acquired and disposed of upon the transfer of ownership of the Metex Token. By transferring your Tokens to any legal entity, you acknowledge that the corresponding ownership rights of the Metals will be transferred to the transferee on the condition that the transferee accepts the terms of this agreement.
- 5.6 If the Transferee does not accept the Terms of this Agreement you may not transfer ownership to the transferee.
- 5.7 The Bailor will store metals in a secure vault whilst the Bailment arrangements are ongoing.



5.8 The Bailor may sub-bail the Bailment Metals from time to time at their sole discretion.

## **6. BAILMENT OBLIGATIONS FOR METEX**

6.1 During the term of this bailment arrangement, Metex will act as the Bailee and is responsible for:

- (a) paying the storage costs of the Metals;
- (b) Ensuring Bailment Metals are stored in a vault fit for the purpose of storing metals;
- (c) Ensuring Bailment metals are stored in a facility that has sufficient security measures that one may expect when storing metals;
- (d) ensuring the Metals are fungible meaning that each representation of Metal is what is described in schedule 1 of this Agreement;
- (e) complying with any reasonable request from the Bailor to organise storage of the number of bailed Metals and making bailed Metals available for collection;
- (f) providing to the Bailor annual audited reports of the Bailment Metals;
- (g) notifying the Bailor in a timely manner on becoming aware of any defect or damage to the bailed Metals or any other reasons resulting in the unavailability of Metals;
- (h) exercising proper and reasonable care and control of the bailed Metals at all times; and
- (i) maintaining possession of the bailed Metals at all times.

## **7. BAILMENT OBLIGATIONS FOR USERS**

7.1 During the term of this bailment arrangement, you will act as the Bailor and are responsible for:

- (a) maintaining ownership of the Metex Tokens;
- (b) Proper handling of the Metex Tokens,
- (c) Security of Metex tokens in which you own;
- (d) providing evidence upon request by the Bailee of the purchase of Metex Tokens;
- (e) reporting to the Bailee in a timely manner, any changes of nominated address or contact details relating to the Bailor;
- (f) ensuring the Bailee has received the necessary instructions particular to enabling the bailed Metals available for collection by the Bailor;
- (g) maintaining all records and documents necessary to the Agreement and in relation to the acquisition of Tokens and ownership of bailed Metals; and
- (h) Paying the Consideration fee upon request for delivery.



## **8. BAILMENT OBLIGATIONS FOR SUB-BAILEE**

- 8.1 Sub-bailment arrangement occurs when the Sub-Bailee accepts the bailed Metals from the Bailee pursuant to the Terms.
- 8.2 In the event that the Bailee bails any bailed Metals to the Sub-Bailee, the Sub-Bailee assumes the duties and obligations of a Bailee and shall be bound by the bailment arrangement detailed in the Terms and any other agreement entered into between the Bailee and Sub-Bailee.

## **9. MUTUAL OBLIGATIONS**

- 9.1 During the term of this Agreement, the Bailor and Bailee agree to:
- (a) comply with the provisions of the relevant governing law applicable to the bailment arrangement of Metals within the Australian jurisdiction;
  - (b) carry out obligations under the Agreement in a reasonable and responsible way and render reasonable cooperation to each other upon reasonable request, in order to give effect to the Agreement;
  - (c) refrain from engaging in any conduct which could have an adverse impact on the party's ability to perform and comply with its legal obligations under the Agreement.

## **10. METEX TOKENS**

- 10.1 You agree that you can competently navigate digital currency and understand how to transact with Ethereum related digital currencies and tokens.
- 10.2 If you do not, or cannot agree to clause 10.1 you agree to refrain from entering into this Agreement and possessing or owning Metex Tokens.
- 10.3 You acknowledge and understand the following:
- (a) Metex tokens are developed on the Ethereum Blockchain;
  - (b) Metex Tokens may only be stored in ERC compatible wallets;
  - (c) To move Metex tokens from one wallet to another the user will require sufficient Ethereum in their account to pay for the token movement;
  - (d) Ethereum fees may vary from time to time. Metex has no control over Ethereum network fees as it is controlled by third parties;
  - (e) You will not be able to recover Metex tokens that have been sent to the incorrect wallet address;
  - (f) Metex has no ability to recover tokens sent to the wrong wallet address;
  - (g) Metex will not be liable for the mismanagement or mishandling of your Metex tokens;
  - (h) Metex has no control over Metex Tokens in your possession; and
  - (i) Metex may create new Metex Tokens provided that they have the corresponding Bailment Metals.

## **11. TERMINATION**

11.1 This agreement may only be terminated upon the following circumstances:

- (a) Consideration is paid by the Bailor to the Bailee for the delivery of metals;
- (b) where the Bailee believes the Bailor has breached any clause or obligation under this Agreement;
- (c) where the Bailor's account is subject to any pending litigation, investigation, or government proceeding;
- (d) where the Bailee perceives a heightened risk of legal or regulatory non-compliance associated with the Bailor's activity; or
- (e) where the bailed Metals become incapable of use for bailment purposes for reasons not arising from the Company's fault;
- (f) where the currency of one or more effecting authorities has changed (e.g. suspension/cancellation of the Bailee's licence to acquire Metals or the Bailor's deregistration of account).

11.2 Upon termination of the bailment arrangement arising from the fault of the Bailee, the Bailee shall return the bailed Metals to the Bailor.

11.3 Upon termination of the bailment arrangement arising from the fault of the Bailor, the Bailor shall collect the bailed Metals from the Bailee. The collection of the bailed Metals will be at the Bailor's expense.

## **12. RELATIONSHIP LIMITED TO BAILMENT ARRANGEMENT**

12.1 The Terms do not create a relationship of agency, employment, partnership, subcontractor or franchise between any party, nor does it establish any other arrangement whatsoever except for a bailment for rewards arrangement.

12.2 You further acknowledge and agree that Metex does not act or serve as your broker, intermediary, agent, or advisor with respect to any action (including refraining from any action). You make or intend to make using the Services, but only as a Bailee.

## **13. SERVICE LIMITATIONS AND MODIFICATIONS**

13.1 Metex will make reasonable efforts to keep the Services operational. However, certain technical difficulties or maintenance may, from time to time, result in temporary interruptions. To the extent permissible under applicable law, Metex reserves the right, periodically and at any time, to modify or discontinue, temporarily or permanently, functions and features of the Services, with or without notice, without liability to you, for any interruption, modification, or discontinuation of the Services or any function or feature thereof.



## **14. WAIVER**

- 14.1 The failure of either party to fulfil an obligation under the Terms is not a waiver of a party's right:
- (a) to claim damages for breach of that obligation; and
  - (b) to fulfil another obligation under the Terms, unless written notice to that effect is served to the other party.

## **15. LIMITATION OF LIABILITY**

- 15.1 In no event will Metex, its officers, shareholders, employees, agents, directors, subsidiaries, affiliates, successors, assigns, suppliers, or licensors be liable for any loss or damages, including without limitation, direct, indirect, special, consequential, or punitive loss or damages, arising from or related to Your use of the Services, whether in an action of contract, tort or otherwise, and regardless of whether such damages were foreseeable and whether or not Metex was advised of the possibility of such damages.
- 15.2 Without limiting the generality of the foregoing, Metex takes no responsibility for and will not be liable for any financial or other loss or damages arising from or related to the use of the Services, including, without limitation, to any of the following: (i) delays, interruption or loss of services; (ii) technical failure, malfunction or shutdown; (iii) server failure, hacks or unavailability; (iv) data loss; (v) corrupted data on Metex's servers; (vi) failure to update or provide correct information; (vii) "phishing" or other websites masquerading as Metex; (viii) stolen, lost, or unauthorized use of Your means of authorization; (ix) loss of business or goodwill.
- 15.3 The limitation of liability set out above shall not be applicable in case of loss or damages caused by Metex or any of its employees by intentional misconduct or gross negligence.
- 15.4 Metex takes no responsibility for any third-party services and will not be liable for any loss or damages caused by such third-party services.
- 15.5 The Services are provided on an "as is" and "as available" basis without any representation or warranty of any kind, whether express or implied, to the maximum extent permitted by applicable laws. Metex disclaims any implied warranties of title, merchantability, fitness for a particular purpose and/or non-infringement.

## **16. INDEMNIFICATION**

- 16.1 To the fullest extent permitted under applicable laws, You agree to hold harmless and indemnify the Company, its officers, shareholders, employees, agents, directors, subsidiaries, affiliates, successors, assigns, suppliers, or licensors from and against all third party claims and all liabilities, damages, assessments, losses, costs, or expenses (including reasonable attorney fees) resulting from or arising out of:
- (a) your alleged or actual breach of these Terms, including, without limitation, your express representations and warranties;
  - (b) your alleged or actual use or misuse of the Services; and
  - (c) your alleged or actual infringement or violation of any laws or of the rights of a third party.





## **17. TAXES**

17.1 You shall be solely responsible for any taxes applying to the payments you make or receive through the Services, and to collect, report, and remit such taxes to the appropriate tax authorities. You acknowledge and agree that, at the moment, Metex is not able to draft a taxation report concerning the operation executed and that it is your duty to collect all the information required by the competent tax authorities in order to comply with your tax obligations.

## **18. MISCELLANEOUS**

### **18.1 Entire Agreement**

(a) These Terms constitute all the terms and conditions agreed upon between you and Metex and supersede any prior agreements in relation to the subject matter of these Terms, whether written or oral.

### **18.2 SEVERABILITY AND WAIVER**

(a) Unless as otherwise stated in these Terms, should any provision of these Terms be held totally or partially invalid or unenforceable, such invalidity or unenforceability shall not in any manner affect or render invalid or unenforceable the remaining provisions of these Terms, and the application of that provision shall be enforced to the extent permitted by applicable laws.

(b) The failure of Metex to exercise or enforce any of the rights or provisions of these Terms shall not be considered as a waiver of Metex's rights to do so.

### **18.3 ASSIGNMENT**

(a) Metex may assign these Terms and/or delegate any of its obligations hereunder, in whole or in part.

(b) You may not assign these Terms or any part of them, nor transfer or sub-license your rights under these Terms to any third party, unless in connection with the transfer of the Tokens.

### **18.4 FORCE MAJEURE**

(a) Metex will not be deemed in default of these Terms to the extent that performance of its obligations is delayed or prevented by reason of any external force including, without limitation, war, insurrections, bank failures, strikes, fires, floods, earthquakes, labour disputes, epidemics, governmental regulations, freight embargoes, natural disaster, act of government or any other cause beyond Metex's reasonable control.

## **19. GOVERNING LAW AND JURISDICTION**

19.1 This Agreement will be interpreted and governed by the laws of Victoria Australia. Parties Submit to the exclusive jurisdiction of the courts of Victoria, Australia and any courts that may hear appeals from those courts in respect of any proceedings in connection with this agreement.

## **20. CONTACTS**

20.1 If you have any questions regarding these Terms, please contact us at [metex.io/support](https://metex.io/support) or [support@metex.io](mailto:support@metex.io)



## Schedule 1

### Metex Token Description

Please note: All tokens have been minted on the Ethereum Blockchain. You may only store Metex tokens on ERC supported wallets.

When transferring tokens from one wallet to another you will be required to pay the token movement fees in the Digital Currency Ethereum. Absent Ethereum you will not be able to move your token.

Token	Ticker	Metal Representation	Representation Volume	Purity
Metex Platinum	MxPT	Platinum	1 gram	99.95%
Metex Palladium	MxPD	Palladium	1 gram	99.95%

### Minimum Delivery

Token	Ticker	Minimum Delivery
Metex Platinum	MxPT	500 units
Metex Palladium	MxPD	500 units

### Consideration/Fees

Delivery Amount	MxPT	MxPD
500 units to 1000 units	AUD\$1500	AUD\$1500
1000 units and above	\$1500 + TF	\$1500 + TF

Token Fee (TF) = (number of units for delivery - 1000) \* 0.01

Example: Units for delivery 1300 | 1300 - 1000 = 300 \* 0.01 = 3 tokens

Total Fee = \$1500 + 3 tokens of total amount delivered

Bailor receives 1297 units upon delivery

## Related policy instruments

- Metex Terms and Conditions MTX-511-002

## Administration

NOTE: Printed copies of this policy are uncontrolled, and currency can only be assured at the time of printing.

### Approval Details

Policy Sponsor	Agile Legal, Compliance Officer
Approval Authority	CEO
Date for next Major Review (in accordance with the Policy Handbook)	07/05/2023

### Revision History

Version	Approval date	Implementation date	Details	Author
DRAFT	07/05/2020	07/05/2020	Draft Policy established	Agile Legal, Compliance Officer
1.0	07/05/2020	07/05/2020	Policy Approved	Brett Wilkins-Byrd Compliance Officer
Keywords	Terms, Conditions, User, Agreement, Policy, Legal, Australia, Law, Australian, Metals, Token, Obligations			