

EXECUTION VERSION

DATED 29 June **2017**

(1) ETFS COMMODITY SECURITIES LIMITED

AND

(2) THE LAW DEBENTURE TRUST CORPORATION P.L.C.

SEVENTEENTH SUPPLEMENTAL TRUST INSTRUMENT

modifying the provisions of the

**TRUST INSTRUMENT DATED 8 FEBRUARY 2008
(AS AMENDED)**

constituting

**SHORT AND LEVERAGED COMMODITY
SECURITIES**

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THIS SUPPLEMENTAL TRUST INSTRUMENT is made this 29 day of June 2017

BETWEEN:

- (1) **ETFS COMMODITY SECURITIES LIMITED**, a company incorporated under the laws of Jersey with registered number 90959, whose registered office is at Ordnance House, 31 Pier Road, St Helier, Jersey, Channel Islands, JE4 8PW (the “**Issuer**”); and
- (2) **THE LAW DEBENTURE TRUST CORPORATION p.l.c.**, a company incorporated under the laws of England with registered number 1675231, whose registered office is at Fifth Floor, 100 Wood Street, London EC2V 7EX, England (the “**Trustee**”, which expression shall, wherever the context so admits, include such company and all other persons or companies for the time being the trustee or trustees of these presents) as trustee for the Security Holders,

each being a “party” and together the “parties”.

WHEREAS:

- (A) The Issuer and the Trustee have entered into a trust instrument dated 8 February 2008 (the “**Principal Trust Instrument**”) as amended by a first Supplemental Trust Instrument dated 8 October 2008, a second Supplemental Trust Instrument dated 11 December 2008, a third Supplemental Trust Instrument dated 29 June 2009, a fourth supplemental trust instrument dated 7 August 2009, a fifth Supplemental Trust Instrument dated 13 January 2010, a sixth Supplemental Trust Instrument dated 14 March 2011, a seventh Supplemental Trust Instrument dated 22 December 2011, an eighth Supplemental Trust Instrument dated 26 January 2012, a ninth Supplemental Trust Instrument dated 14 December 2012, a tenth supplemental trust instrument dated 23 June 2014, an eleventh supplemental trust instrument dated 13 November 2014, a twelfth supplemental trust instrument dated 23 January 2015, a thirteenth supplemental trust instrument dated 3 July 2015, a fourteenth supplemental trust instrument dated 16 October 2015 (the “**Fourteenth Supplemental Trust Instrument**”), a fifteenth supplemental trust instrument dated 12 April 2016 and a sixteenth supplemental trust instrument dated 8 March 2017, each between the same parties (together the “**Trust Instrument**”).
- (B) Pursuant to Clause 32.2(b) of the Principal Trust Instrument, and Condition 28.2(b) of the Conditions, the Issuer may (with the consent of the Trustee) amend the Trust Instrument if, in the opinion of the Issuer and the Trustee, the amendment is necessary or desirable and is not materially prejudicial to the rights of Security Holders.
- (C) Pursuant to the Issuer’s powers referred to in Recital (B) the Issuer has determined to amend the Trust Instrument in order to make changes which are not materially prejudicial to the rights of Security Holders and the Trustee has given its consent to the same, in each case in the manner hereinafter appearing.
- (D) The Trustee and the Issuer are of the opinion that the changes effected by this Supplemental Trust Instrument are necessary or desirable and are not materially prejudicial to the rights of Security Holders.
- (E) The Issuer and the Trustee intend that this Supplemental Trust Instrument shall constitute a written amendment of the terms of the Trust Instrument and the written consent of the Trustee to such amendments.

NOW THIS SUPPLEMENTAL TRUST INSTRUMENT WITNESSES and it is hereby agreed and declared as follows:

1. DEFINITIONS

All words and expressions defined in the Trust Instrument shall unless otherwise stated have the same meanings in this Supplemental Trust Instrument.

2. AMENDMENTS TO THE CONDITIONS

2.1 With effect from the date (the “**Effective Date**”) being not less than 30 days from the date of the notice referred to in Clause 3 specified as such in or determined as such in accordance with such notice, the Conditions shall be amended by:

2.1.1 substituting for the first full paragraph beginning: “The Micro and Commodity Securities are” the following new paragraph:

“The Short and Leveraged Commodity Securities are undated, limited recourse, secured debt securities of ETFS Commodity Securities Limited and are constituted by, are issued subject to and have the benefit of, a trust instrument dated 8 February 2008 between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of Short and Leveraged Commodity Securities as amended by a supplemental trust instrument dated 8 October 2008, a second supplemental trust instrument dated 11 December 2008, a third supplemental trust instrument dated 29 June 2009, a fourth supplemental trust instrument dated 7 August 2009, a fifth supplemental trust instrument dated 13 January 2010, a sixth supplemental trust instrument dated 14 March 2011, a seventh supplemental trust instrument dated 22 December 2011, an eighth supplemental trust instrument dated 26 January 2012, a ninth supplemental trust instrument dated 14 December 2012, a tenth Supplemental Trust Instrument dated 23 June 2014, an eleventh Supplemental Trust Instrument dated 13 November 2014, a twelfth Supplemental Trust Instrument dated 23 January 2015, a thirteenth Supplemental Trust Instrument dated 3 July 2015, a fourteenth Supplemental Trust Instrument dated 16 October 2015, a fifteenth supplemental trust instrument dated 12 April 2016, a sixteenth supplemental trust instrument dated 8 March 2017 and a seventeenth Supplemental Trust Instrument dated *[insert the date of this Seventeenth Supplemental Trust Instrument]*, governed by Jersey law.”;

2.1.2 adding the following new definition after the definition of “Certificated” or “Certificated Form”:

“**CGML** means Citigroup Global Markets Limited, a company incorporated and registered in England and Wales with number 01763297 whose registered office is situated at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, England and includes its successors and assignees;”;

2.1.3 deleting in the definition of “Classic and Longer Dated Facility Agreements” in Condition 1.1, the words following “(as defined for the purposes of the Classic and Longer Dated Trust Instrument)” and substituting therefor the words ‘including such an agreement (the “**MLI Classic and Longer Dated Facility Agreement**”) between the Issuer and MLI and such an agreement (the “**CGML Classic and Longer Dated Facility Agreement**”) between the Issuer and CGML’;

- 2.1.4 deleting in the definition of “Commodity Contract Counterparty” in Condition 1.1 the words following “with the Issuer” and substituting therefor the words “and, for so long as the MLI Facility Agreement remains in force, includes MLI and, for so long as the CGML Facility Agreement remains in force, includes CGML”;
- 2.1.5 deleting in the definition of “Facility Agreements” in Condition 1.1 the words following “Commodity Contracts thereunder” and substitute therefor the words ‘including such an agreement (the “**MLI Facility Agreement**”) between the Issuer and MLI and such an agreement (the “**CGML Facility Agreement**”) between the Issuer and CGML’;
- 2.1.6 substituting in the definition of “Liability” for the word “Taxes” the phrase “Taxes (as defined in the Trust Instrument)” and substituting for the phrase “similar Tax” the phrase “similar Tax (as so defined)”;
- 2.1.7 deleting the definition of “MLCI” in Condition 1.1 and substituting therefor the following new definition:
- “**MLI** means Merrill Lynch International, a company incorporated and registered in England and Wales with number 2312079 whose registered office is situated at 2 King Edward Street, London EC1A 1HQ, England and includes its successors and assignees;”;
- 2.1.8 substituting for the words “such Listing Failure Date” in paragraph (c) of the definition of “Redemption Payment Date” in Condition 1.1 the words “the relevant Listing Failure Date”;
- 2.1.9 deleting in the definition of “Security Agreement” in Condition 1.1 the words following “such security agreement” and substituting therefor the words ‘and includes such an agreement (the “**MLI Security Agreement**”) between the Issuer and MLI and such an agreement (the “**CGML Security Agreement**”) between the Issuer and CGML’;
- 2.1.10 adding in Condition 1.1 after the definition of “Short Individual Security” the following new definition:
- ““**tax**” means any VAT, tax, income tax, capital gains tax, corporation tax, goods and services tax, withholding tax, stamp, financial institutions, registration and other duties, bank accounts debits tax, import/export tax or tariff and any other taxes, levies, imposts, deductions, interest, penalties and charges imposed or levied by a government or government agency’;
- 2.1.11 adding in the definition of “Trustee Consent Documents” after the words ‘and “Value” therein’ the words “and excluding the Collateral Schedule as defined therein”;
- 2.1.12 deleting the definition of “UBS” in Condition 1.1;
- 2.1.13 adding a new Condition 1.2(f) as follows:
- “(f) All references in these Conditions to any statute or any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under any such modification or

re-enactment, and in relation to any provision of European Union law, includes such provision as incorporated or reincorporated into English law and any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under any such modification or re-enactment.”;

2.1.14 substituting for the phrase “to its reasonable satisfaction against any Liabilities to which it may thereby render itself liable” in Condition 7.10(d)(iv) the phrase “to its reasonable satisfaction against any liabilities to which it may thereby render itself liable”; and

2.1.15 adding a new Condition 7.20 as follows:

“7.21 If the Calculation Agent for the purposes of one or more Facility Agreements notifies the Issuer pursuant to that Facility Agreement (or any calculation agency agreement entered into by it in connection therewith) that it has determined that as a result of the application in the United Kingdom of “*Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds*” any calculation, determination or provision by the Calculation Agent of a substitute index value in respect of any class of Commodity Contracts would be unduly burdensome, the Issuer may determine to suspend the right to Redeem the Commodity Securities of that class pursuant to Condition 7.1(a) and, subject as provided in this Condition 7.20, may terminate any such suspension at its discretion. The following provisions shall apply where the Issuer determines to exercise its powers under this Condition:

- (a) the Issuer shall give notice of such suspension and of the termination of any such suspension via an RIS as soon as practicable, but failure to give such notices shall not prevent the exercise of such powers;
- (b) any such suspension may continue in the discretion of the Issuer for a period of up to 90 days; and
- (c) any suspension shall not affect any Redemption the Pricing Date for which had passed before the suspension commenced, but any Settlement Redemption Form lodged or deemed received on an Issuer Business Day when the right to Redeem Commodity Securities of that class pursuant to Condition 7.1(a) is suspended pursuant to this Condition shall be invalid.”;

2.1.16 adding a new Condition 8.5A after Condition 8.5 (*Compulsory Redemption due to Index Disruption*) as follows:

8.5A The Issuer may at any time (upon not less than two Business Days’ notice) by RIS announcement nominate an Issuer Business Day to be a Compulsory Redemption Date for all Commodity Securities of a particular class if the right to Redeem the Commodity Securities of that class pursuant to Condition 7.1(a), is suspended pursuant to Condition 7.20 for at least 30 calendar days.”;

2.1.17 substituting in Condition 29.6 for the reference to “Graeme Ross” reference to “ETFs Team”,

and accordingly with effect from the Effective Date the Short and Leveraged Commodity Securities shall be held subject to, and with the benefit of, the Conditions set out in Schedule 1 to the Fourteenth Supplemental Trust Instrument as amended by subsequent supplemental trust instruments and this Clause, all of which shall be binding on the Issuer and the Security Holders of the Micro and Commodity Securities and all persons claiming through or under them respectively.

2.2 In accordance with Clause 32.2 of the Principal Trust Instrument, each of the Issuer and the Trustee confirms that it is of the opinion that the amendments to the Conditions made herein are necessary or desirable and are not materially prejudicial to the rights of Security Holders, subject to the giving of 30 days’ notice to the Security Holders in respect of such changes to the Conditions.

2.3 The Issuer hereby covenants promptly after the execution hereof to give notice of the amendments to the Conditions provided for in Clause 2.1 to the Security Holders. Such notice will be given by way of a RIS announcement announcing the availability of the text of the Conditions as so amended and of copies of this Supplemental Trust Instrument.

3. PUBLICATION OF NOTICE

3.1 In accordance with Clause 32.4 of the Principal Trust Instrument (as amended) and Condition 27 the Issuer hereby agrees that it will notify the Security Holders by a RIS announcement as soon as practicable after the execution of this Supplemental Trust Instrument of the amendments to the Conditions set out herein. Such notice shall be given as provided for in Clause 2.3.

4. GOVERNING LAW AND SUBMISSION TO JURISDICTION

This Supplemental Trust Instrument shall be governed by and construed in accordance with the laws of Jersey. Each of the parties hereby submit to the non-exclusive jurisdiction of Jersey in respect of any dispute arising out of or in connection with this Supplemental Trust Instrument, including any question regarding its existence, validity or termination, or the legal relationships established by this Supplemental Trust Instrument. Clause 34.2 of the Principal Trust Instrument shall apply to this Supplemental Trust Instrument as it does to the Principal Trust Instrument.

5. CONSTRUCTION

5.1 The Trust Instrument shall henceforth be read and construed in conjunction with this Supplemental Trust Instrument.

5.2 A memorandum of this Supplemental Trust Instrument shall be endorsed by the Trustee on the Principal Trust Instrument and by the Issuer on the duplicate thereof.

IN WITNESS WHEREOF this Supplemental Trust Instrument has been executed on the date first above stated.

EXECUTED AND DELIVERED by)
ETFs COMMODITY SECURITIES LIMITED)
acting by)



Director

THE COMMON SEAL of)
THE LAW DEBENTURE)
TRUST CORPORATION p.l.c.)
was affixed hereto in the presence of:)

Director

Authorised Signatory

IN WITNESS WHEREOF this Supplemental Trust Instrument has been executed on the date first above stated.

EXECUTED AND DELIVERED by)
ETFS COMMODITY SECURITIES LIMITED)
acting by)

Director

THE COMMON SEAL of)
THE LAW DEBENTURE)
TRUST CORPORATION p.l.c.)
was affixed hereto in the presence of:)



Director



Authorised Signatory

