

DATED 18 April 2007

ETFs METAL SECURITIES LIMITED

- and -

THE LAW DEBENTURE TRUST CORPORATION p.l.c.

TRUST INSTRUMENT

constituting

METAL SECURITIES

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LLP

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THIS TRUST INSTRUMENT is made on 18 April 2007

BETWEEN:

- (1) **ETFS METAL SECURITIES LIMITED**, a company incorporated under the laws of Jersey with registered number 95996, whose registered office is Ordnance House, 31 Pier Road, St. Helier, Jersey, Channel Islands, JE4 8PW (the “**Issuer**”);
- (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 (as defined below).

WHEREAS:

- (1) By resolutions of the board of directors of the Issuer passed on 4 April 2007, the Issuer has resolved to create and issue up to 1,000,000.000 (subject to increase) of each type of Metal Securities to be constituted by this Trust Instrument.
- (2) The Trustee has agreed to act as trustee of these presents for the benefit of the Security Holders upon and subject to the terms and conditions of these presents.

NOW IT IS AGREED as follows:

1. **DEFINITIONS**

1.1 In these presents the following expressions shall have the following meanings:

“**Affiliate**” means, in relation to any person, any entity controlled, directly or indirectly, by that person, any entity that controls, directly or indirectly, that person, or any entity directly or indirectly under common control with that person; and for this purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person

“**Application**” means an offer by an Authorised Participant to the Issuer to subscribe for Metal Securities, being an offer on terms referred to in an Application Form and this document and in accordance with the provisions of the relevant Authorised Participant Agreement

“**Application Date**” means the Business Day on which a valid Application Form is lodged with (or deemed to be lodged with) the Registrar in accordance with the relevant Authorised Participant Agreement

“**Application Form**” means an application form used in connection with the Programme

“**Appointee**” means any attorney, manager, agent, delegate or other person appointed by the Trustee under these presents

“**Auditors**” means the auditors for the time being of the Issuer or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of these presents, such other firm of accountants as may be nominated or approved by the Trustee

“**Authorised Participant**” means a person which has entered into an Authorised Participant Agreement with the Issuer in relation to Metal Securities and which (a) is a securities house or other market professional approved by the Issuer (in its absolute discretion); (b) is an Authorised Person, an Exempt Person or an Overseas Person; and (c) is not a UCITS Fund

“**Authorised Participant Agreement**” means an agreement in substantially the same form, *mutatis mutandis* of Exhibit II to these presents entered into by an Authorised Participant and the Issuer

“**Authorised Person**” means a person authorised by the FSA for the purposes of FSMA

“**Authorised Signatory**” means, in relation to any person, an individual who is duly empowered to bind such person and whose authority is evidenced by a resolution of the board of directors (or any other appropriate means of authorisation) of such person, and, in relation to the Trustee, any individual named in the Trustee’s authorised signatory list having due authority to bind the Trustee, which list shall be provided by the Trustee from time to time

“**Basket Securities**” means the PM category undated limited recourse secured debt securities of US\$9.40 in principal amount each of the Issuer, created pursuant to and constituted by this Trust Instrument and recorded on the relevant Register of Basket Securities, and any other category of Basket Securities that may be so created and constituted from time to time, and “ETFS Physical PM Basket Securities” shall be construed accordingly

“**Board**” means the board of directors of the Issuer

“**Bullion**” means any and all of platinum, palladium, silver and gold

“**Business Day**” means:

- (a) in relation to any or all of ETFS Physical Platinum Securities, ETFS Physical Palladium Securities and ETFS Physical PM Basket Securities (and any other Basket Security comprised *inter alia*, of ETFS Physical Platinum Securities or ETFS Physical Palladium Securities) and any Bullion forming part of the Secured Property in respect thereof, a day which is both a London Business Day and a Zurich Business Day; and

- (b) in relation to ETFS Physical Silver Securities and ETFS Physical Gold Securities (and any Basket Security comprised only of ETFS Physical Silver Securities and ETFS Physical Gold Securities) and any Bullion forming part of the Secured Property in respect thereof, a London Business Day

“category” means in relation to Basket Securities, the type of Basket Security determined by the mix of different classes of Individual Securities comprised in the Basket Security

“Certificated” or **“Certificated Form”** means not in Uncertificated Form

“class” means a class of Individual Securities under which the Issuer’s obligations to make payment and/or deliver Bullion are determined by reference to a particular metal

“comprised in” and **“comprised of”** in relation to a Basket Security means the Individual Securities by reference to which the Metal Entitlement of that Basket Security is calculated and for which a Basket Security (when in Certificated Form) may be surrendered in accordance with the provisions of this Trust Instrument and “comprise” and “comprised” shall be construed accordingly

“Compulsory Metal Sale Date” means the second Business Day following a Final Redemption Notice Date, provided that if the Metal Sale Counterparty notifies the Trustee that sale of Bullion of that type (or of each relevant type where more than one type of Metal Security is being Redeemed) cannot be effected on the Relevant Market on that day, the Compulsory Metal Sale Date shall be postponed to the immediately following Business Day

“Compulsory Redemption Notice Date” means in relation to any Redemption pursuant to Condition 7.2 (*Compulsory Redemption on Issuer Insolvency Event*) the date specified by the Trustee as such in accordance with that Condition and in relation to any Redemption pursuant to Condition 7.3 (*Compulsory Redemption for Cause*) the date specified by the Issuer as such in accordance with that Condition

“Compulsory Settlement Date” means in relation to any Redemption pursuant to Condition 7 (*Compulsory Redemption by the Issuer or Trustee*), the date determined in accordance with Condition 7.7.2

“Conditions” means the terms and conditions on and subject to which Metal Securities are issued in the form or substantially in the form set out in the Second Schedule (*The Conditions*) as the same may from time to time be modified in accordance with these presents and any reference in these presents to a particular specified Condition or paragraph or sub-paragraph of such a Condition shall be construed accordingly

“Controller” means, in relation to any company, a person who:

- (a) holds 10 per cent. or more of the shares in such company;

- (b) is able to exercise significant influence over the management of such company by virtue of his shareholdings in such company;
- (c) holds 10 per cent. or more of the shares in a parent undertaking of such company;
- (d) is able to exercise significant influence over the management of the parent undertaking of such company;
- (e) is entitled to exercise, or control the exercise of, 10 per cent. or more of the voting power in such company;
- (f) is able to exercise significant influence over the management of such company by virtue of his voting power in such company;
- (g) is entitled to exercise, or control the exercise of, 10 per cent. or more of the voting power in the parent undertaking of such company; or
- (h) is able to exercise significant influence over the management of the parent undertaking of such company by virtue of his voting rights

“CREST” means the system of paperless settlement trades and the holding of Uncertificated securities administered by CRESTCo Limited

“Custodian” means HSBC Bank USA, National Association, a national association incorporated in the State of Delaware, United States of America, whose principal place of business in England is at 8 Canada Square, London, E14 5HQ and an indirectly wholly-owned subsidiary of HSBC Holdings p.l.c. or such other person or persons (being a member of each Relevant Association) who provides custody and transfer facilities from time to time pursuant to the Custodian Agreements

“Custodian Agreements” means the Secured Allocated Account Agreement, the Secured Unallocated Account Agreement and the Subscription Unallocated Account Agreement

“Defaulted Obligation” means the failure of the Issuer to make or procure any payment of cash or delivery of Bullion in respect of the redemption of any Metal Securities when due, and such failure is not remedied within 48 hours of receipt of notice requiring remedy of the same

“Directors” means the directors of the Issuer

“Documents” means this Trust Instrument, the Security Deeds, the Custodian Agreements, the Metal Sale Counterparty Agreement, all Authorised Participant Agreements, the Service Agreement and the Registrar Agreement

“Domestic Market” means the domestic market of the London Stock Exchange

“ETFSL” means ETF Securities Limited, a company incorporated and registered in Jersey with registered number 88370

“EU” means the European Union

“**Exempt Person**” means a person who, in entering into and performing the terms of an Authorised Participant Agreement, is acting in the course of a business comprising a regulated activity in relation to which it is exempt from the need to be an Authorised Person as a result of a provision of the FSMA or associated secondary legislation

“**Extraordinary Resolution**” means in respect of a particular type or particular types taken together of Metal Securities a resolution passed at a duly convened meeting of the holders of Metal Securities of such type or types holding not less than 75 per cent. by Principal Amount of such type or types of Metal Securities or a resolution in writing of holders of such type or types of Metal Securities holding not less than 75 per cent. by Principal Amount of such type or types of Metal Securities, and where so provided for in these presents holders of Basket Securities may for this purpose be treated as holders of the relevant class or classes of Individual Securities

“**Final Redemption Notice Date**” means the tenth Business Day following the Final Trading Date

“**Final Trading Date**” means the date specified by the Issuer in relation to any type of Metal Securities pursuant to Condition 7.1 (*Compulsory Redemption on Termination*) (with effect from which date, subject to compliance with any applicable legal or regulatory requirements, the Issuer will apply for trading on the Domestic Market (and any other stock exchange or market on which they are then admitted to trading) in such type of Metal Securities to be suspended or cancelled)

“**FSA**” means the Financial Services Authority of the United Kingdom

“**FSA Glossary**” means the glossary giving the meaning of the defined expressions used in the FSA Handbook

“**FSA Handbook**” means the FSA’s Handbook of Rules and Guidance (as amended)

“**FSMA**” means the Financial Services and Markets Act 2000 (as amended)

“**Further Securities**” means securities issued by the Issuer in accordance with Condition 14 (*Further Securities; Other Pools; Consolidation and Division*)

“**Individual Securities**” means together Platinum class undated limited recourse secured debt securities of US\$20.00 in principal amount each, Palladium class undated limited recourse secured debt securities of US\$5.00 in principal amount each, Silver class undated limited recourse secured debt securities of US\$2.00 in principal amount each and Gold class undated limited recourse secured debt securities of US\$10.00 in principal amount each, in each case of the Issuer, created pursuant to and constituted by this Trust Instrument and recorded on the relevant Register of Individual Securities, and any other class of Individual Securities that may be so created and constituted from time to time, and “ETFS Physical Platinum Securities”, “ETFS Physical Palladium Securities”, “ETFS Physical Silver Securities” and “ETFS Physical Gold Securities” shall be construed accordingly

“Issuer” means ETFS Metal Securities Limited, a company incorporated and registered in Jersey with registration number 95996

“Issuer Insolvency Event” means the Issuer (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) has a declaration made against it declaring the assets of the Issuer *en désastre* pursuant to the Bankruptcy (*Désastre*) (Jersey) Law 1990, as amended; (5) institutes or has instituted against it any other proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making or an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (6) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (7) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (8) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (9) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (10) (inclusive); or (10) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts, provided that no action taken by the Trustee in respect of the Issuer pursuant to this Trust Instrument or a Security Deed shall constitute an Issuer Insolvency Event

“Issuer’s Website” means the website having the following internet address: <http://www.etfsecurities.com/msl> or such other internet address as may be notified to Security Holders and the Trustee by RIS announcement

“Investment Company Act” means the United States Investment Company Act of 1940, as amended

“Jersey” means the Island of Jersey, Channel Islands

“LBMA” means The London Bullion Market Association and where the context requires includes the London Gold Market Fixing Ltd. and the London Silver Market Fixing Ltd.

“LBMA Value Date” means in relation to the Redemption of any Metal Securities the second Business Day following the applicable Redemption Metal Sale Date,

Compulsory Metal Sale Date or Compulsory Redemption Notice Date (as the case may be, and each case in this definition the “**Contract Date**”), provided that if the LBMA determines that the “value date” for a “contract date” on the Contract Date should be later than two Business Days after a “contract date”, then on such day as specified by the LBMA as the relevant “value date”

“**Liability**” means any loss, damage, cost, charge, claim, demand, expense, judgement, action, proceeding or other liability whatsoever (including, without limitation, in respect of Taxes) and including any VAT or similar Tax charged or chargeable in respect thereof and legal and professional fees and expenses on a full indemnity basis, and “**Liabilities**” shall be construed accordingly

“**Listing**” means admission of the Metal Securities to the Official List in accordance with the Listing Rules and admission of the Metal Securities to trading on the London Stock Exchange’s market for listed securities (or any of such markets if the London Stock Exchange has at any time more than one such market) becoming effective

“**Listing Rules**” means the Listing Rules of the UK Listing Authority from time to time made under Section 73A of FSMA

“**Loan**” means any loan to be made by the Issuer to ETFSL as described in the Prospectus and includes any advance made by the Issuer under the Intercompany Loan Agreement referred to in the Prospectus

“**London Bullion market**” means the over-the-counter market in gold and silver coordinated by the LBMA

“**London Business Day**” means a day (other than a Saturday or a Sunday or a public holiday in England) on which commercial banks generally and the London Bullion market are open for the transaction of business in London

“**London Stock Exchange**” means London Stock Exchange plc or its market for listed securities (or any of such markets if the London Stock Exchange has at any time more than one such market), as the context may require

“**LPPM**” means The London Platinum and Palladium Market

“**LPPM Value Date**” means in relation to the Redemption of any Metal Securities the second Business Day following the applicable Redemption Metal Sale Date, Compulsory Metal Sale Date or Compulsory Redemption Notice Date (as the case may be, and each case in this definition the “Contract Date”), provided that if the LPPM determines that a “value date” for a “trade date” on the Contract Date should be later than two Business Days after a “trade date”, then on such day as is specified by the LPPM as the relevant “value date”

“**Management Fee**” means the management fee payable by the Issuer to ETFSL in consideration for the provision by ETFSL of all management and administration services in relation to the Programme, as set out in Part 1 (General) under the heading

“Management Fee” in the Prospectus, as that amount may be adjusted from time to time

“**Metal Delivery**” means in relation to the Redemption of any Metal Securities, settlement of the Issuer’s Redemption Obligations in respect thereof by delivery of Bullion in accordance with the Conditions

“**Metal Entitlement**” means as at any date and in relation to any Metal Security the amount(s) of Bullion to which the Security Holder is entitled on Redemption of that Metal Security on that date in accordance with Condition 5

“**Metal Sale**” means in relation to the Redemption of any Metal Securities, settlement of the Issuer’s Redemption Obligations in respect thereof by sale of Bullion to the Metal Sale Counterparty pursuant to the Metal Sale Counterparty Agreement and payment of the proceeds of sale to the relevant Security Holder in accordance with the Conditions

“**Metal Sale Counterparty**” means HSBC Bank USA, NA or such other person as may from time to time be the counterparty under the Metal Sale Counterparty Agreement

“**Metal Sale Counterparty Account**” means such unallocated Bullion account of the Metal Sale Counterparty as may be specified in or pursuant to the Metal Sale Counterparty Agreement

“**Metal Sale Date**” means, with respect to a Redemption pursuant to Condition 6 (*Redemption of Metal Securities*) of any Metal Securities to be effected by Metal Sale, the first Business Day following the Redemption Notice Date for that Redemption, provided that if the Metal Sale Counterparty notifies the Trustee that sale of Bullion of the applicable type cannot be effected on the Relevant Market on that day, the Metal Sale Date shall be postponed to the immediately following Business Day

“**Metal Sale Counterparty Agreement**” means the agreement dated 18 April 2007 between the Issuer, the Trustee and HSBC Bank USA, NA as amended from time to time or any successor agreement to which the Issuer and Trustee are party providing for the sale of Bullion from time to time at the request of the Trustee

“**Metal Securities**” means Individual Securities and Basket Securities

“**Notes**” means any unsecured, limited recourse notes of the Issuer as from time to time issued, redeemed, amended, supplemented, extended or replaced in accordance with the terms thereof as described in the Prospectus and includes the 5 per cent. unsecured limited recourse extendable note due 2012 referred to in the Prospectus

“**Official List**” means the Official List maintained by the UK Listing Authority for the purpose of Part VI of FSMA

“ounces” or **“oz”** means troy ounces. One troy ounce equals 31.1034768 grammes. A troy ounce is slightly heavier than the more common ounces used in the UK and the US, being approximately 1.097 times the weight of the latter

“outstanding” means in relation to each type of Metal Securities, all the Metal Securities of that type issued and in respect of which there is for the time being an entry in the Register other than:

- (a) Metal Securities which have been redeemed and cancelled pursuant to this Trust Instrument; and
- (b) Metal Securities which have been purchased and cancelled pursuant to this Trust Instrument,

PROVIDED THAT for the purpose of the right to attend and vote at any meeting of the Security Holders or any of them and certain other purposes of this Trust Instrument, Metal Securities (if any) which are for the time being held by, for the benefit of, or on behalf of, (A) the Issuer, (B) ETFSL, (C) any Subsidiary of the Issuer, (D) any individual Controller of the Issuer or (E) any person controlled by any such persons listed in (A) to (D) above shall (unless and until ceasing to be so held) be deemed not to remain outstanding and accordingly the holders of such Metal Securities shall be deemed not to be Security Holders

“Overseas Person” means a person whose activities are not subject to the prohibition in section 19 of the FSMA by virtue of its not carrying on such activities in the United Kingdom and whose head office is situated outside the United Kingdom

“Participating Securities” has the meaning set out in Clause 9.4

“Pool” means a separate fund or pool to which Individual Securities of a particular class (and Basket Securities to the extent that they are comprised of that class of Individual Securities) are attributable

“Pricing Supplement” means a pricing supplement to the Prospectus

“Principal Amount” means in respect of each Metal Security the amount specified in Clause 2

“Programme” means the programme for the issuance of Metal Securities

“Programme Limit” has the meaning set out in Clause 7

“Prohibited Benefit Plan Investor” means any “employee benefit plan” within the meaning of section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended (**“ERISA”**), subject to Part 4 of Title I of ERISA as amended any “plan” to which section 4975(e)(1) of the United States Internal Revenue Code of 1986, (the **“Code”**) applies or any entity whose underlying assets include “plan assets” of any of the foregoing by reason of an employee benefit plan's or other plan's investment in such entity, which employee benefit plan, plan or entity

is subject to Title I of ERISA or section 4975 of the Code or any United States Federal, state, or local law that is substantially similar to the prohibited transaction provisions of section 406 of ERISA or section 4975 of the Code, or any person who holds Metal Securities for the benefit of such an employee benefit plan, plan or entity

“Prohibited US Person” means a US Person who is not a Qualified Purchaser, or any person who holds Metal Securities for the benefit of a US Person who is not a Qualified Purchaser

“Prospectus” means the base prospectus of the Issuer in relation to the Metal Securities to be dated on or about the date of these presents, as the same may be modified, supplemented or amended from time to time

“Qualified Purchaser” means a “qualified purchaser” as defined under the Investment Company Act

“RAO” means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended)

“Receiver” has the meaning given to it in the Security Deeds

“Redemption” means the redemption of Metal Securities by the Issuer in accordance with the Conditions (and “Redeem” shall be construed accordingly)

“Redemption Fee” means the fee payable by a Security Holder on the redemption of Metal Securities pursuant to Condition 9 (*Redemption Fee*)

“Redemption Form” means a notice in the form prescribed from time to time by the Issuer requesting Redemption of Metal Securities

“Redemption Notice Date” means a Business Day on which a valid Redemption Form is received provided that a Redemption Form received after 4.30 p.m. (London time) on a London Business Day will be treated as having been received on the next Business Day

“Redemption Obligations” means the obligation of the Issuer on Redemption of a Metal Security to make payment or deliver Bullion to the relevant Security Holder in accordance with the Conditions

“Registers” means the registers of Security Holders of each type kept and maintained by the Registrar and “Register” shall be construed accordingly. At the date of this Trust Instrument there are five Registers, one for each of the five different types of Metal Securities currently envisaged to be created pursuant to this Trust Instrument

“Registrar” means Computershare Investor Services (Channel Islands) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, Channel Islands, JE4 8PW or such other person as may be appointed by the Issuer from time to time to maintain the Register and to receive and process applications for and redemptions of Metal Securities

“Registrar Agreement” means the registrar agreement dated on or about the date of these presents between the Registrar and the Issuer

“Regulations” means the Companies (Uncertificated Securities) (Jersey) Order 1999 including any modifications thereto or any regulations in substitution therefor made and for the time being in force which, inter alia, enable title to Metal Securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument

“Relevant Association” means:

- (a) in respect of platinum and palladium, the LPPM or its successors; and
- (b) in respect of silver and gold, the LBMA or its successors

“Relevant Market” means:

- (a) in respect of platinum and palladium, the Zurich Bullion market; and
- (b) in respect of silver and gold, the London Bullion market

“repay”, **“redeem”** and **“pay”** shall each include both the others and cognate expressions shall be construed accordingly

“RIS” means a Regulatory Information Service (as defined for the purposes of the Listing Rules) from time to time chosen by the Issuer

“Secured Allocated Account” means the allocated Bullion account number [REDACTED] established in the name of the Trustee (as legal mortgagee pursuant to the Security Deeds) with the Custodian pursuant to the Secured Allocated Account Agreement

“Secured Allocated Account Agreement” means the Secured Allocated Account Agreement dated 18 April 2007 between the Issuer, the Trustee (as legal mortgagee pursuant to the Security Deeds) and the Custodian pursuant to which the Secured Allocated Account is established and operated

“Secured Metal Accounts” means the Secured Allocated Account and the Secured Unallocated Account

“Secured Property” means in relation to each class of Individual Security (and each category of Basket Security to the extent it comprises Individual Securities of that class):

- (a) all Bullion credited to the Secured Metal Accounts; and
- (b) the rights of the Issuer in respect of the Secured Metal Accounts including all rights of the Issuer in the Custodian Agreements,

or any part or parts thereof

“Secured Unallocated Account” means the unallocated Bullion account number [REDACTED] established in the name of the Trustee (as legal mortgagee pursuant to the Security Deeds) with the Custodian pursuant to the Secured Unallocated Account Agreement

“Secured Unallocated Account Agreement” means the Secured Unallocated Account Agreement dated 18 April 2007 between the Issuer, the Trustee (as legal mortgagee pursuant to the Security Deeds) and the Custodian pursuant to which the Secured Unallocated Account is established and operated

“Securities Act” means the United States Securities Act of 1933, as amended

“Security” means in respect of each Pool the security constituted by the applicable Security Deed

“Security Deeds” means in respect of each Pool, the security deed pertaining to that Pool dated 18 April 2007 entered into between the Issuer and the Trustee

“Security Holder” means a registered holder of Metal Securities

“Security Holder Account” means in relation to any Metal Securities to be Redeemed by Metal Delivery, an unallocated account with a member of the Relevant Association (or, in the case of a Basket Security, one or more unallocated accounts with one or more members of the Relevant Associations) specified by a Security Holder into which Bullion of the appropriate type may be deposited

“Service Agreement” means the service agreement dated on or about the date of these presents between ETFSL and the Issuer providing for certain services to be provided by ETFSL to the Issuer in relation to the Metal Securities

“Settlement Date” means:

- (a) in relation to any Application, the date three Business Days after the Application Date; and
- (b) in relation to any Redemption pursuant to Condition 6.2 (*Redemption by Authorised Participants*) or 6.3 (*Redemption by Other Security Holders*), the date determined in accordance with Condition 6.12 (*Settlement Date*)

“Sterling” or **“£”** means pounds sterling

“Subscription Unallocated Account” means the unallocated Bullion account number 19236 established by the Issuer with the Custodian in the name of the Issuer pursuant to the Subscription Unallocated Account Agreement

“Subscription Unallocated Account Agreement” means the Subscription Unallocated Account Agreement dated 18 April 2007 between the Issuer and the Custodian pursuant to which the Subscription Unallocated Account is established and operated

“**Subsidiary**” has the meaning given to that term in Section 736 of the Companies Act 1985 (as amended)

“**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

“**these presents**” means this Trust Instrument and the Schedules and any trust instrument supplemental hereto and the Schedules (if any) thereto and the Conditions and the Security Deeds and the Schedules thereto, all as from time to time modified in accordance with the provisions herein or therein contained

“**Trustee**” means The Law Debenture Trust Corporation p.l.c. appointed as such under this Trust Instrument and includes any replacement trustee under this Trust Instrument

“**Trust Corporation**” means a corporation entitled by rules made under the Public Trustee Act, 1906 or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee

“**type**” means, in relation to Individual Securities, a class thereof and, in relation to Basket Securities, the category thereof

“**UCITS Fund**” means a collective investment scheme which in accordance with the UCITS directive (Council Directive No. 85/611/EEC) as amended is an undertaking for collective investment in transferable securities subject to that directive and includes a UCITS Scheme

“**UCITS Scheme**” means a scheme that falls within the definition of a “UCITS Scheme” contained in the FSA Glossary

“**UK Listing Authority**” means the FSA acting in its capacity as the competent authority for the purposes of Part VI of FSMA or any successor enactment

“**Uncertificated**” or “**Uncertificated Form**” means recorded on the Register as being held in uncertificated form, title to which, by virtue of the Jersey Companies (Uncertificated Securities) (Jersey) Order 1999, is to be transferred by means of CREST

“**United Kingdom**” or “**UK**” means United Kingdom of Great Britain and Northern Ireland

“**US Person**” means a “US person” as defined in Regulation S under the Securities Act

“**US dollars**” or “**US\$**” means United States dollars

“**VAT**” means value added tax

“**Zurich Bullion market**” means the over-the-counter market in platinum and palladium co-ordinated by the LPPM

“**Zurich Business Day**” means a day (other than a Saturday or a Sunday or a public holiday in Zurich) on which commercial banks are generally open for the transaction of business in Zurich

- 1.2 Words denoting the singular shall include the plural and vice versa;
- 1.3 Words denoting one gender only shall include the other genders; and
- 1.4 Any reference to a person or persons include reference to any individual corporation, partnership, joint venture, association, public body, governmental authority or other entity.
- 1.5
 - (i) All references in these presents 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.
 - (ii) All references in these presents to guarantees or to an obligation being guaranteed shall be deemed to include respectively references to indemnities or to an indemnity being given in respect thereof.
 - (iii) All references in these presents to any action, remedy or method of proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than Jersey, references to such action, remedy or method of proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of proceeding described or referred to in these presents.
 - (iv) All references in these presents to taking proceedings against the Issuer shall be deemed to include references to proving in the winding up of the Issuer.
 - (v) In this Trust Instrument references to Schedules, Clauses, sub-Clauses, paragraphs and sub-paragraphs shall be construed as references to the Schedules to this Trust Instrument and to the Clauses, sub-Clauses, paragraphs and sub-paragraphs of this Trust Instrument respectively.
 - (vi) In these presents tables of contents and headings to Clauses, paragraphs, and other provisions of these presents are included for ease of reference only and shall not affect the construction of these presents.
 - (vii) All references in these presents involving compliance by the Trustee with a test of reasonableness shall be deemed to include a reference to a requirement that such reasonableness shall be determined by reference primarily to the

interests of the holders of the Metal Securities of any type and in the event of any conflict between such interests and the interests of any other person, the former shall prevail as being paramount.

- (viii) Any reference in these presents or to any agreement or document includes a reference to these presents, or, as the case may be, such other agreement or document, as amended, varied, novated, supplemented or replaced from time to time.
- (ix) Any reference in these presents to a time is a reference to local time in London, England.
- (x) No failure or delay by any party in exercising any right or remedy provided by law under or pursuant to these presents shall impair such right or remedy or operate or be construed as a waiver or variation of such right or remedy or preclude its exercise at any subsequent time and no single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.

1.6 If at any time any provision of these presents shall be found by any court or administrative body of competent jurisdiction to be invalid, illegal or unenforceable:

- (i) such invalidity, illegality or unenforceability shall not affect the other provisions of these presents which shall remain in full force and effect; and
- (ii) the parties shall attempt to substitute for any invalid, illegal or unenforceable provision a valid, legal or enforceable provision which achieves to the greatest extent possible the same effect as would have been achieved by the invalid, illegal or unenforceable provision.

2. STATUS OF METAL SECURITIES

2.1 Metal Securities shall be constituted in accordance with this Trust Instrument. Individual Securities constitute undated limited recourse secured debt obligations of the Issuer secured as set out in Condition 3 and the Security Deeds.

2.2 As at the date hereof the Individual Securities of the classes set out in the table below are available for issue. Individual Securities shall have the Principal Amounts respectively set against their designation in the table below:

Individual Securities	Principal Amount
ETFS Physical Platinum Securities	US\$20.00
ETFS Physical Palladium Securities	US\$5.00
ETFS Physical Silver Securities	US\$2.00
ETFS Physical Gold Securities	US\$10.00

2.3 The Metal Entitlement of a Basket Security is equal to the sum of the Metal Entitlements of a defined number of Individual Securities of various classes as set out in the table below. Each Basket Security may be surrendered in accordance with

Clause 9 in exchange for such Individual Securities. As at the date hereof the Basket Securities of the categories set out in the table below are available for issue. The Principal Amount of each such Basket Security at the date of these presents is as set out in the table below:

Basket Securities	Number	Principal Amount of Basket Securities
<i>ETFS Physical PM Securities</i>		<i>US\$9.40</i>
ETFS Physical Platinum Securities	0.10	
ETFS Physical Palladium Securities	0.20	
ETFS Physical Silver Securities	1.20	
ETFS Physical Gold Securities	0.40	

- 2.4 Metal Securities shall be issued upon an Authorised Participant giving to, and the Registrar and the Issuer accepting, an Application for the creation of Individual Securities and/or Basket Securities, and the Authorised Participant making payment for such Metal Securities, all in accordance with the Authorised Participant Agreement.
- 2.5 The Issuer may create additional types of Metal Securities in accordance with Clause 4 and subject to Clause 4, the Issuer may accept Applications for, and issue, such additional type(s) of Metal Securities.
- 2.6 Basket Securities constitute undated limited recourse secured debt obligations of the Issuer secured as set out in the Security Deed applicable to the class or classes of Individual Securities comprised in such Basket Securities.
- 2.7 Each Basket Security constitutes a separate security from the Individual Securities by reference to which the Metal Entitlement of such Basket Security is calculated and for which it may be surrendered in accordance with Clause 9.
- 2.8 The Metal Securities of each type shall rank *pari passu* equally and rateably with all other Metal Securities of that type, without discrimination or preference, as a secured obligation of the Issuer.
- 2.9 The Issuer may, subject to compliance with Clause 2.4, issue Metal Securities from time to time as it sees fit.

3. FURTHER METAL SECURITIES

- 3.1 Power is reserved to the Issuer (without the consent of the Security Holders) to create and issue further Metal Securities (being “Further Securities”) constituted by an instrument or deed supplemental to this Trust Instrument and ranking *pari passu* with the Metal Securities of the relevant type and all (if any) other Further Securities of the relevant type and either forming a single series with the Metal Securities or any series of other Further Securities of that type or a single series therewith save for carrying such rights (including, without limitation, rights as to interest, redemption and otherwise) as the Issuer may think fit.

4. ESTABLISHMENT OF DIFFERENT CLASSES OF METAL SECURITIES

- 4.1 The Issuer may (without the consent of the Security Holders) create and issue additional classes of undated limited recourse secured debt securities constituted by an instrument or deed supplemental to this Trust Instrument and may establish additional pools for the purposes of such securities and the Trustee shall join in such instrument or deed and thereupon such pool shall be a “Pool” for the purposes of these presents and such securities shall be “Individual Securities” for such purposes, and the Issuer may further create and issue Basket Securities, the Metal Entitlement of which is calculated by reference to such Individual Securities in accordance with these presents (and for which such Metal Securities when in Certificated Form may be surrendered in accordance with Clause 9). Any such additional classes of Individual Securities shall have recourse only to the Pool attributable to the relevant classes and not to any other Pool. Other such securities created and issued by the Issuer under this Clause 4.1 may relate to different metal than those in respect of which Individual Securities are initially issued, or be Basket Securities involving different combinations of Individual Securities or with different weightings, or involve different pricing mechanisms. Other such securities created by the Issuer under this Clause 4.1 may be created and issued subject to different terms and conditions in lieu of these presents (including but not limited to different pricing mechanisms), to be determined by the Issuer. If other securities issued by the Issuer under this Clause 4.1 are subject to different terms and conditions in lieu of these presents the Issuer shall publish those new conditions in its RIS announcement or in a prospectus or listing particulars or supplementary prospectus or supplementary listing particulars and on the Issuer’s Website.
- 4.2 The Issuer shall not accept Applications for, or issue, Individual Securities of a new class, or Basket Securities (the amount payable on Redemption of which is calculated by reference to (and when held in Certificated form may be surrendered in exchange for) Individual Securities of a new class) under Clause 4.1 unless it has first executed and delivered to the Trustee a Security Deed creating security by way of fixed charge over the Bullion held in custody attributable to the new class of Individual Securities (and Basket Securities to the extent they comprise Individual Securities of the new class), assigning by way of security for the benefit of the Trustee and the relevant Security Holders the contractual rights of the Issuer of the relevant class under the Custody Agreements and creating a first floating charge, for the benefit of the Trustee and the relevant Security Holders over all of the Issuer’s rights in relation to the Secured Property attributable to the applicable Pool, including but not limited to its rights under the Custodian Agreements and the Secured Metal Accounts attributable to that Pool.
- 4.3 The Issuer may consolidate or divide all of the Metal Securities of any type into Metal Securities of the same type but with a proportionally larger or smaller Metal Entitlement and Principal Amount. Such consolidation or division shall be effected by deed or instrument supplemental to this Trust Instrument.
- 4.4 Whenever as a result of consolidation or division of Metal Securities a Security Holder would become entitled to a fraction of a Metal Security the Issuer will Redeem such fraction of a Metal Security. In such circumstances the provisions of

Condition 7.7 (*Compulsory Redemptions*) shall apply in respect of the aggregate fractions of Metal Securities to be redeemed *mutatis mutandis* as though the Redemption were pursuant to Condition 7.1 (*Compulsory Redemption on Termination*) and the date on which the consolidation becomes effective the Final Redemption Notice Date.

5. AMENDMENTS TO CONDITIONS

- 5.1 The Conditions may be amended as set out herein or by written agreement between the Issuer and the Trustee. Any amendment to the Conditions will be notified to Security Holders through an RIS announcement, and unless otherwise agreed by the Trustee shall not take effect until at least 30 days following such announcement, save that a reduction in the Management Fee may take effect on announcement.

6. COVENANT TO REDEEM METAL SECURITIES

- 6.1 The Issuer covenants with the Trustee that it will redeem all Metal Securities in accordance with these presents and the Conditions PROVIDED THAT every payment or delivery of Bullion to a Security Holder in respect of such Metal Entitlement shall be in satisfaction *pro tanto* of the covenant by the Issuer in this Clause.
- 6.2 All monies payable by the Issuer on the Redemption of any Metal Securities shall be paid in full, free and clear of and without any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction or any political subdivision thereof or any authority thereof having power to tax, unless such deduction or withholding is required by law to which the person making the payment is subject.

7. MAXIMUM OUTSTANDING AMOUNT OF THE METAL SECURITIES

- 7.1 Metal Securities will not be issued if following such issue the number of Metal Securities of that type in issue on that date would exceed one billion (1,000,000,000) or such greater number as shall be established pursuant to Clause 7.2 (the “**Programme Limit**”).
- 7.2 The Programme Limit may, with the prior consent of the Jersey Financial Services Commission, from time to time, be increased. Any such increase in the Programme Limit shall be notified by the Issuer to the Trustee.

8. ISSUE AND CONSTITUTION OF THE METAL SECURITIES

On the issue date in relation to any Metal Securities of any type, the Issuer shall deliver or cause to be delivered to the Trustee a copy of the applicable Pricing Supplement. Upon the Registrar registering in the relevant Register the names of the subscribers for such Metal Securities as the holders thereof, such Metal Securities shall become constituted by these presents without further formality.

9. SECURITIES CERTIFICATES

9.1 In the event that a Security Holder requests that a Certificate, if any, be issued to it in respect of its Metal Securities, such Certificate shall be issued and will be despatched to the relevant Security Holder within 10 Business Days of being issued. The Certificates (if any) for the Individual Securities will be in the form or substantially in the form set out in Part A of the First Schedule (*Form of Certificate for Individual Securities*). The Certificates (if any) for the Basket Securities will be in the form or substantially in the form set out in Part B of the First Schedule (*Form of Certificate for Basket Securities*). The Issuer shall comply with the terms and provisions of the Certificates and the Conditions and the Metal Securities shall be held subject to, and with the benefit of, the Conditions all of which shall be deemed to be incorporated in this Trust Instrument and shall be binding on the Issuer and the Security Holders and all persons claiming through or under them respectively. Every Security Holder shall be entitled to receive one Certificate for all Metal Securities of each type held by it but so that joint holders shall be entitled to one Certificate only in respect of all Metal Securities of each type held jointly by them which Certificate shall be delivered to that one of the joint holders whose name stands first in the Register in respect of such joint holding. Where a Security Holder has transferred or has redeemed a part only of its holding of Metal Securities it shall be entitled (without charge) to a Certificate for the balance of such holding. For the avoidance of doubt, no Security Holder in respect of a Basket Security shall be entitled to be registered as the holder of the Individual Securities by reference to which the Metal Entitlement of such Basket Securities is calculated or to receive any Certificate in respect thereof unless he first surrenders his Certificate for Basket Securities for cancellation in accordance with Clause 9.2.

9.2 Any Security Holder holding Basket Securities in Certificated Form may, subject as provided in the Conditions, surrender for cancellation the Certificate(s) in respect thereof and shall be entitled, without payment, to receive in lieu:-

- (a) a Certificate for such number of Basket Securities (if any) as he requests to remain in the form of Basket Securities; and
- (b) one Certificate each in respect of the balance of the Individual Securities of each class comprised in such Basket Securities,

in each case rounded down to the nearest whole number of Metal Securities of each type and the relevant Registers shall be updated accordingly.

9.3 Any Security Holder holding Individual Securities in Certificated Form of the appropriate classes and in at least the appropriate numbers of each class may, subject as provided in the Conditions, surrender for cancellation the Certificates in respect thereof and shall be entitled, without payment, to receive in lieu:-

- (a) a Certificate for such number of Basket Securities of any class or classes requested by him as are comprised of the Individual Securities represented by such surrendered Certificates as he requests to be combined in the form of Basket Securities of such class or classes; and

- (b) one or more Certificates in respect of the balance of the Individual Securities not combined in the form of Basket Securities,

in each case rounded down to the nearest whole number of Metal Securities of each type and the relevant Registers shall be updated accordingly.

9.4 Pursuant to the Regulations, the Issuer may make arrangements for the holding of title to Metal Securities in uncertificated form (“**Participating Securities**”) and the transfer of title thereto otherwise than by a written instrument as provided for in the provisions contained in the Fifth Schedule (*Provisions Relating to Securities in Uncertificated Form*) of this Trust Instrument (all of which provisions shall be deemed to be, and shall have effect as though, incorporated in this Trust Instrument). Where any provisions of these presents (including, but not limited to, this Clause 9 and Clause 15 and the Third Schedule (*Provisions Relating to Registration and Transfer of Metal Securities*)) are, insofar as they relate to Metal Securities in uncertificated form, inconsistent with the provisions of the Fifth Schedule (*Provisions Relating to Securities in Uncertificated Form*), the Fifth Schedule (*Provisions Relating to Securities in Uncertificated Form*) shall prevail.

9.5 Where the Issuer or the Trustee considers it necessary or expedient for the purposes of enforcing the provisions of this Trust Instrument or the purposes of Redeeming any Metal Securities, it is authorised to execute any document or instrument necessary to convert Metal Securities held in Uncertificated Form into Certificated Form and to take delivery of the corresponding certificate(s).

10. **AUTHORISED PARTICIPANTS**

10.1 The Issuer may enter into an Authorised Participant Agreement with a person which meets the following criteria:

- (a) it is a securities house or other market professional approved by the Issuer (in its absolute discretion);
- (b) it is an Authorised Person, an Exempt Person or an Overseas Person; and
- (c) it is not a UCITS Fund.

10.2 Subject to the terms of the relevant Authorised Participant Agreement, the Issuer may terminate an Authorised Participant Agreement.

11. **FEES, DUTIES AND TAXES**

The Issuer will pay any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties, payable on or in connection with (i) the execution and delivery of these presents, (ii) the constitution and issue of the Metal Securities and (iii) any action taken by or on behalf of the Trustee or (where permitted under these presents so to do) any Security Holder to enforce, or to resolve any doubt concerning, or for any other purpose in relation to, these presents.

12. COVENANT OF COMPLIANCE

The Issuer covenants with the Trustee that it will comply with and perform and observe all the provisions of these presents which are expressed to be binding on it.

13. TRUST AND ENFORCEMENT

- 13.1 All rights and entitlements of the Trustee under this Trust Instrument are held by the Trustee on trust for the Security Holders or the Security Holders of the appropriate type or types, subject to the terms of these presents.
- 13.2 In addition to any of the powers conferred on the Trustee pursuant to the relevant Security Deed with respect to the Secured Property, the Trustee may at any time after the occurrence of a Defaulted Obligation, at its discretion, and shall, if so directed in writing by the Security Holder to whom such Defaulted Obligation is owed, the Trustee having first been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing, take such proceedings and/or other action as it may think fit against or in relation to the Issuer to enforce any such obligation of the Issuer under this Trust Instrument and the security constituted by the Security Deed(s) in respect of the relevant Metal Securities to which such Defaulted Obligation relates.
- 13.3 If the Trustee considers that the Issuer is in material breach of any of the covenants, undertakings and obligations (other than payment obligations) in these presents and has not remedied the same within 30 days of being required to do so by the Trustee, the Trustee may, but shall not be obliged to, give notice to all Security Holders of that fact. Prior to giving any such notice, the Trustee shall provide a copy of the proposed notice to the Issuer (provided the Trustee does not consider it detrimental to the interests of Security Holders to give a copy of any such proposed notice to the Issuer) and shall include with the notice any statement of not more than 1,000 words prepared by the Issuer and provided to the Trustee for the purpose within 7 days of receipt of the copy of the proposed notice referred to herein. In any such notice the Trustee may designate a Period (the "Breach Redemption Period") commencing on any London Business Day until the date one month from such London Business Day (inclusive) during which each Security Holder will be entitled to redeem all (but not some only) of the Metal Securities held by it in the same manner as though there were no Authorised Participants. After the expiry of the Breach Redemption Period, the relevant breach shall be deemed waived without prejudice to the right of the Trustee to take action in respect of any event subsequent to such breach.
- 13.4 If an Issuer Insolvency Event is occurring at the same time as a Defaulted Obligation, a Security Holder holding affected Metal Securities to whom a Defaulted Obligation is owed will not be entitled to require the Trustee to take action in accordance with Clause 13.2 until the expiry of 30 days from the occurrence of the Issuer Insolvency Event, nor shall he be so entitled if, during such period of 30 days, the Trustee has elected, or been required, to take action in accordance with Clause 13.2.
- 13.5 Subject to Clause 14.2, only the Trustee may enforce the provisions of this Trust Instrument or the Security Deeds. Where the Trustee has elected or been directed to

enforce the Issuer's obligations under this Trust Instrument and the security constituted by a Security Deed, the right of Security Holders to lodge a Redemption Form with the Registrar shall cease. Valid Redemption Forms lodged before the date the Trustee announces its intention to enforce the security will be Redeemed in the normal manner.

13.6 If the Trustee takes any action pursuant to Clause 13.2 hereof with respect to any Metal Securities to which a Defaulted Obligation relates, it shall give notice to the Issuer that such Metal Securities in respect of which such action is taken are, and they shall become, due and payable.

13.7 If the Trustee takes any action pursuant to this Clause 13, it is authorised to execute any document or instrument necessary to convert Metal Securities held in Uncertificated Form into Certificated Form and to surrender Basket Securities for Individual Securities and to take delivery of the corresponding certificate(s).

14. **NO PROCEEDINGS**

14.1 The Trustee shall not be bound to take any proceedings mentioned in Clause 13 or any other action in relation to these presents unless respectively directed or requested to do so by either (a) a Security Holder to whom a Defaulted Obligation is owed or (b) if an Issuer Insolvency Event has occurred and is continuing, Security Holders holding not less 25 per cent. by Principal Amount of the Metal Securities (as a whole) then outstanding or an Extraordinary Resolution of the Security Holders (as a single class) and then only if it shall be indemnified and/or secured and/or funded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

14.2 No Security Holder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing, in which case any such Security Holder will have only such rights against the Issuer as those which the Trustee is entitled to exercise against or in relation to the Issuer on such Security Holder's behalf.

15. **APPLICATION OF MONEYS**

All moneys received by the Trustee pursuant to the realisation of Secured Property in respect of a Metal Security shall be held by the Trustee upon trust, to apply them:

FIRST in payment or satisfaction of all amounts then due to the Trustee and unpaid (including to its attorneys, managers, agents, delegates or other person appointed by the Trustee) under these presents, and to payment of any remuneration and expenses of any receiver and the costs of realisation of the security constituted by the relevant Security Deed;

SECONDLY in or towards payment or performance *pari passu* and rateably of all amounts then due and unpaid and all obligations due to be performed and unperformed in respect of Individual Securities of that class and any type of Basket

Securities to the extent that they are comprised of Individual Securities of that class; and

THIRDLY in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer and any other person).

16. PAYMENTS BY TRUSTEE

Payments in respect of the Metal Securities of any type made by the Trustee under the provisions of Clause 15 may be made to the relevant Security Holders, in the manner provided by the Third Schedule (*Provisions Relating to Registration and Transfer*) for payments in respect of those Metal Securities.

17. INVESTMENT BY TRUSTEE

17.1 The Trustee may, at its discretion and pending payment to the Security Holders, invest moneys received by it under these presents and at any time available for the payment in respect of Metal Securities of any type, in some or one of the investments hereinafter authorised for such periods as it may consider expedient with power from time to time at the like discretion to vary such investments. All interest and other income deriving from such investment shall be applied first in payment or satisfaction of all amounts then due and unpaid under Clause 20 and/or Clause 21(J) to the Trustee and/or any Appointee and to payment of any remuneration and expenses of any Receiver and otherwise held for the benefit of and paid to the relevant Security Holders.

17.2 Any moneys which under the trusts of these presents ought to or may be invested by the Trustee shall be invested by placing of moneys in the name of or under the control of the Trustee with a bank or other financial institution including, without limitation, a deposit in the Redemption Account or the purchase of shares in a money market fund, provided that such bank or other financial institution shall, at the time of such investment, be rated A or better by Standard & Poor's or A or better by Moody's. The Trustee may at any time vary any such investments for or into other investments or convert any moneys so deposited into any other currency and shall not be responsible for any loss resulting from any such investments or deposits, whether due to depreciation in value, fluctuations in exchange rates or otherwise.

18. PAYMENT OFF OF SECURITIES

In the event of a Security Holder whose holding of Metal Securities the Issuer is ready to repay or satisfy failing to claim the amount due to him within thirty days after the due date for redemption of such Metal Securities the Issuer shall be at liberty to, or if so requested by the Trustee shall, deposit at the cost of the Issuer with a bank in the name of the Trustee an amount equal to the amount due to such Security Holder and upon such deposit being made the relevant Metal Securities shall be deemed to have been repaid or satisfied in accordance with the provisions hereof. After provision for repayment or satisfaction of the Metal Securities is made by such deposit of the funds required for the purpose, the Trustee shall not be responsible for the safe custody of

such moneys or for interest thereon, except such interest (if any) as the said moneys may earn whilst on deposit less any expenses incurred, and charges made and tax paid, by the Trustee in connection therewith.

19. COVENANTS BY THE ISSUER

19.1 The Issuer covenants with the Trustee that so long as any Metal Securities of any type remain outstanding the Issuer shall (unless otherwise agreed in writing by the Trustee):

- (A) at all times carry on and conduct its affairs in a proper and efficient manner;
- (B) save as permitted under Clauses 3 and 4 of these presents, not undertake any business save for the issue and redemption of Metal Securities, the acquisition and disposal of Bullion, entering into the necessary documents (which for this purpose and the purposes of Condition 13.1.3 includes documents appointing officers, administrators, registrars and advisers) and performing its obligations and exercising its rights thereunder;
- (C) enforce its rights under the Documents and comply with its obligations thereunder;
- (D) not have any employees;
- (E) not incur or permit to subsist in respect of any Pool any indebtedness for borrowed money other than Metal Securities or Further Securities (as defined in Clause 3), and not to give any guarantee or indemnity in respect of indebtedness of any person, save in each case with the prior written consent of the Trustee;
- (F) use its best endeavours to obtain and, so long as any of the Metal Securities remains outstanding, maintain a Listing for the Metal Securities, or, if it is unable to do so having used such best endeavours or if the maintenance of such Listing is agreed by the Trustee to be unduly onerous, use its best endeavours to obtain and maintain the quotation or listing of the Metal Securities on such other stock exchange as it may (with the prior written approval of the Trustee) decide;
- (G) not consolidate or merge with any other person or convey or transfer all, or substantially all, of its assets to any person;
- (H) not permit the validity or effectiveness of these presents or the Security Deeds or the priority of any Security thereunder to be modified, terminated or discharged;
- (I) not have any subsidiaries;
- (J) not purchase, own, lease or otherwise acquire any real property (including office premises or like facilities);

- (K) other than as permitted under the applicable Security Deed, not dispose of any of the Secured Property or any interest therein or create any mortgage, pledge, charge, lien or other form of encumbrance or security interest or right of recourse in respect thereof in favour of any person;
- (L) give or procure to be given to the Trustee such opinions, certificates, reports, information and evidence as it shall require and in such form as it shall require (including without limitation the procurement by the Issuer of all such certificates called for by the Trustee pursuant to Clauses 21(C) and 21(W)) for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under these presents or by operation of law;
- (M) cause to be prepared and certified by the Auditors in respect of each financial accounting period accounts in such form as will comply with all relevant legal and accounting requirements and all requirements for the time being of the UK Listing Authority;
- (N) at all times keep proper books of account and allow the Trustee and any person appointed by the Trustee to whom the Issuer shall have no reasonable objection free access to such books of account at all reasonable times during normal business hours;
- (O) send to the Trustee (in addition to any copies to which it may be entitled as a holder of any securities of the Issuer) two copies in the English language of every balance sheet, profit and loss account, report, circular and notice of general meeting and every other document sent to its shareholders and every document sent to holders of securities other than its shareholders (including the Security Holders) as soon as practicable after the issue or publication thereof;
- (P) forthwith give notice in writing to the Trustee upon it becoming aware of the occurrence of any of the following:
 - (i) a Defaulted Obligation;
 - (ii) an Issuer Insolvency Event; or
 - (iii) a breach by the Issuer of its obligations under the Documents, or a breach by the Issuer of its obligations in respect of the Metal Securities;
- (Q) give to the Trustee (a) within seven days after demand by the Trustee therefor and (b) (without the necessity for any such demand) promptly after the publication of its audited accounts in respect of each financial year commencing with the financial year ended 31 December 2007 and in any event not later than 180 days after the end of each such financial year, a certificate of the Issuer in the form of Exhibit 1 (*Form of Directors' Certificate*) hereto signed by two Directors of the Issuer and confirming on behalf of the Issuer that as at a date not more than seven days before delivering such certificate

(the “**relevant date**”) there did not exist and had not existed since the relevant date of the previous certificate (or in the case of the first such certificate the date hereof) any Defaulted Obligation (or if such exists or existed specifying the same) or an Issuer Insolvency Event and that during the period from and including the relevant date of the last such certificate (or in the case of the first such certificate the date hereof) to and including the relevant date of such certificate the Issuer has complied with all its obligations contained in these presents or (if such is not the case) specifying the respects in which it has not complied;

- (R) use reasonable endeavours to ensure that at all times after the date three months following Listing there are at least two Authorised Participants and until then there is at least one Authorised Participant;
- (S) not issue any Individual or Basket Securities of any type unless it has received Bullion in an aggregate amount equal to the Metal Entitlement calculated as at the Settlement Date;
- (T) procure that the Pools are at all times maintained in a manner so that they are readily distinguishable from each other;
- (U) not open any bank account in respect of a Pool unless such bank account or the Issuer’s interest therein is immediately charged to the Trustee;
- (V) not make any election under U.S. federal income tax laws to be treated otherwise than as an association taxable as a corporation for U.S. federal income tax purposes
- (W) not to maintain an office or other fixed place of business, nor to establish any permanent establishment, nor be or become tax resident, in the United Kingdom
- (X) undertake any business so as to minimise the impact of taxation; and
- (Y) at all times execute and do all such further documents, acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to these presents.

19.2 Notwithstanding the foregoing, the Issuer may issue the Notes and make the Loan and perform their respective terms.

20. **REMUNERATION OF TRUSTEE**

20.1 The Issuer shall pay to the Trustee remuneration for its services as trustee of these presents as from the date of this Trust Instrument, such remuneration to be at such rate as may from time to time be agreed between the Issuer and the Trustee. Such remuneration shall be payable annually in advance on the date of this Trust Instrument, and subsequently on each anniversary of the date of this Trust Instrument. The rate of remuneration in force from time to time shall cease to be payable upon the

final redemption of the whole of the Metal Securities. Such remuneration shall accrue from day to day and be payable in priority to payments to the Security Holders.

20.2 In the event of the occurrence of a Defaulted Obligation or an Issuer Insolvency Event or the Trustee considering it expedient or necessary or upon being requested by the Issuer to undertake duties which the Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them.

20.3 The Issuer shall in addition pay to the Trustee an amount equal to the amount of any VAT or similar tax chargeable in respect of its remuneration under these presents.

20.4 In the event of the Trustee and the Issuer failing to agree:

(A) (in a case to which Clause 20.1 above applies) upon the amount of the remuneration; or

(B) (in a case to which Clause 20.1 above applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents, or upon such additional remuneration,

such matters shall be determined by an independent third party (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Trustee) by the President for the time being of The Law Society of Jersey (the expenses involved in such nomination and the fees of such independent third party being payable by the Issuer) and the determination of any such independent third party shall be final and binding upon the Trustee and the Issuer.

20.5 The Issuer shall also pay or discharge all Liabilities properly incurred by the Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, these presents, including but not limited to travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Trustee in connection with any action taken or contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, these presents.

20.6 All amounts payable pursuant to this Clause 20 and/or Clause 21(J) shall be payable by the Issuer on the date specified in a demand by the Trustee and in the case of payments actually made by the Trustee prior to such demand shall (if not paid within five Business Days after such demand and the Trustee so requires) carry interest at the rate of 2 per cent. per annum above the base rate from time to time of National Westminster Bank PLC from the date specified in such demand, and in all other cases shall (if not paid on the date specified in such demand or, if later, within five Business Days after such demand and, in either case, the Trustee so requires) carry interest at such rate from the date specified in such demand. All remuneration payable to the Trustee shall carry interest at such rate from the due date therefor.

20.7 Unless otherwise specifically stated in any discharge of these presents the provisions of this Clause 20 and Clause 21(J) shall continue in full force and effect notwithstanding such discharge.

21. SUPPLEMENT TO TRUSTEE POWERS

The Trustee shall have all the powers of a natural person, including but not limited to:

- (A) The Trustee may in relation to the Documents act on the advice or opinion of or any information obtained from, any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert, whether obtained by the Issuer, the Trustee or otherwise and shall not be responsible for any Liability occasioned by so acting;
- (B) Any such advice, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission, cable or e-mail and the Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, telex, telegram, facsimile transmission, cable or e-mail although the same shall contain some error or shall not be authentic;
- (C) The Trustee may call for and shall be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing which is prima facie within the knowledge of the Issuer or any other party to any of the Documents a certificate signed by any two directors of such party and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by it or any other person acting on such certificate;
- (D) The Trustee shall be at liberty to hold this Trust Instrument and the other Documents and any other documents relating thereto or to deposit them in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Trustee to be of good repute and the Trustee shall not be responsible for or required to insure against any Liability incurred in connection with any such holding or deposit and the Issuer shall pay all sums required to be paid on account of or in respect of any such deposit;
- (E) The Trustee shall not be responsible for the receipt or application of the proceeds of the issue of any of the Metal Securities by the Issuer;
- (F) The Trustee shall not be responsible to the Issuer or to any Security Holder as regards any deficiency which might arise because the Trustee is subject to Tax in respect of all or any income it may receive pursuant to the terms of this Trust Instrument or the other Documents or, as the case may be, the proceeds thereof;
- (G) The Trustee shall not be bound to give notice to any person of the execution of any of the Documents or any other document or to take any steps to ascertain whether any Defaulted Obligation has occurred and, until it shall have actual

knowledge or express notice pursuant to this Trust Instrument to the contrary, the Trustee shall be entitled to assume without enquiry, and it is hereby declared to be the intention of the Trustee that it shall assume without enquiry, that no Defaulted Obligation has occurred and that the Issuer and each of the other parties to the Documents are observing and performing all their respective obligations under this Trust Instrument and the Documents and, if it does have actual knowledge or express notice as aforesaid, the Trustee shall not be bound to give notice thereof to the Security Holders;

- (H) Save as expressly otherwise provided in this Trust Instrument, the Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, rights, powers, authorities, duties and discretions under this Trust Instrument, the other Documents or by operation of law (the exercise or non-exercise of which as between the Trustee and the Security Holders shall be conclusive and binding on the Security Holders) and shall not be responsible for any Liability which may result from their exercise or non-exercise, and in particular the Trustee shall not be bound to act at the request or direction of any Security Holder or otherwise under any provision of this Trust Instrument or to take at such request or direction or otherwise any other action under any provision of this Trust Instrument or any other Document unless it shall first be indemnified and/or secured to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing;
- (I) Any consent or approval given by the Trustee for the purposes of this Trust Instrument or any other Document may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit and notwithstanding anything to the contrary in this Trust Instrument or any other Document may be given retrospectively. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in this Trust Instrument or any other Document) if it is satisfied that the interests of the Security Holders will not be materially prejudiced thereby. For the avoidance of doubt, the Trustee shall not have any duty to the Security Holders in relation to such matters other than that which is contained in the preceding sentence;
- (J) Without prejudice to the right of indemnity by law given to trustees, the Issuer shall indemnify the Trustee, each Appointee of the Trustee, and every director, officer and employee of a Trust Corporation acting as Trustee and keep it or them indemnified against all Liabilities to which it or they may be or become subject or which may be incurred by it or them in the execution or purported execution of any of its trusts, powers, authorities and discretions under these presents or its functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to these presents or any such appointment other than in the case of fraud, wilful misconduct or gross negligence of the Trustee or any Appointee or director, officer or employee of a Trust Corporation acting as Trustee;

- (K) The Trustee shall not be liable to any person by reason of having acted upon any resolution purporting to have been passed at any meeting of the Security Holders of any type or types in respect whereof minutes have been made and signed by the chairman thereof or any direction of the Security Holders of any class or classes even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution, direction or request was not valid or binding upon such Security Holders;
- (L) The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any Certificate for any type of Metal Securities purporting to be such and subsequently found to be forged or not authentic;
- (M) The Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Security Holder or any other person any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Trustee by the Issuer or any other person in connection with this Trust Instrument and the other Documents and no Security Holder or other person shall be entitled to take any action to obtain from the Trustee any such information;
- (N) Where it is necessary or desirable for any purpose in connection with this Trust Instrument and the other Documents to convert any sum from one currency to another it shall (unless otherwise provided by this Trust Instrument or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be agreed by the Trustee in its absolute discretion in consultation with the Issuer and any rate, method and date so agreed shall be binding on the Issuer and the Security Holders and the Trustee shall not be liable for any loss occasioned by the said conversion under this sub-clause 21(N);
- (O) The Trustee may determine whether or not any event, matter or thing is, in its opinion, materially prejudicial to the interests of the Security Holders or any of them and if the Trustee shall certify that any such event, matter or thing is, in its opinion, materially prejudicial, such certificate shall be conclusive and binding upon the Security Holders;
- (P) The Trustee as between itself and the Security Holders may determine all questions and doubts arising in relation to any of the provisions of this Trust Instrument or any other Document. Every such determination, whether or not relating in whole or in part to the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Security Holders;
- (Q) In connection with the exercise or performance by it of any right, power, trust, authority, duty or discretion under or in relation to this Trust Instrument or any other Documents:
 - (1) (including, without limitation, any consent, approval, modification, waiver, authorisation or determination), the Trustee shall have regard

to the general interests of each type of the Security Holders as a class and shall not have regard to any interests arising from circumstances particular to individual Security Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Security Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Security Holder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Security Holders;

- (2) except where expressly provided otherwise, the Trustee shall have regard only to the interests of the Security Holders and shall not be required to have regard to the interests of any other person or to act upon or comply with any direction or request of any other Security Holder or any other person;
- (R) Any trustee of this Trust Instrument being a banker, lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partners or firm in connection with this Trust Instrument or any other Document and also his proper charges in addition to disbursements for all other work and business done and all time spent by him or his partners or firm in connection with matters arising in connection with this Trust Instrument or any other Document;
- (S) The Trustee may whenever it thinks fit delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Instrument or not) all or any of its trusts, rights, powers, authorities, duties and discretions under this Trust Instrument or any other Document. Such delegation may be made upon such terms (including power to sub-delegate) and subject to such conditions and regulations as the Trustee may in the interests of the Security Holders think fit. Provided that the Trustee has exercised reasonable care in the selection of any such delegate, the Trustee shall not be under any obligation to supervise the proceedings or acts of any such delegate or sub-delegate or be in any way responsible for any Liability incurred by reason of any misconduct, omission or default on the part of any such delegate or sub-delegate. The Trustee shall within a reasonable time prior to any such delegation or any renewal, extension or termination thereof give notice thereof to the Issuer;
- (T) The Trustee may in relation to this Trust Instrument or any other Document instead of acting personally employ and pay an agent (whether being a lawyer or other professional person) to transact or conduct, or concur in transacting or conducting, any business and to do, or concur in doing, all acts required to be

done in connection with this Trust Instrument or any other Document (including the receipt and payment of money). Provided that the Trustee has exercised reasonable care in the selection of such agent, the Trustee shall not be under any obligation to supervise the proceedings or acts of any such agent or be in any way responsible for any Liability incurred by reason of any misconduct, omission or default on the part of any such agent;

- (U) The Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trusts constituted by this Trust Instrument as the Trustee may determine. Provided that the Trustee has exercised reasonable care in the selection of such custodian or nominee, the Trustee shall not be under any obligation to supervise the proceedings or acts of any such person or be in any way responsible for any Liability incurred by reason of any misconduct, omission or default on the part of any such person. The Trustee is not obliged to appoint a custodian if the Trustee invests in securities payable to bearer;
- (V) The Trustee shall not have any responsibility for, or have any duty to make any investigation in respect of, or in any way be liable whatsoever for and hereby declares that it shall not investigate or have any responsibility for:
 - (1) the nature, status, creditworthiness or solvency of the Issuer or any other party to any Document;
 - (2) the execution, delivery, legality, validity, adequacy, admissibility in evidence, enforceability, genuineness, effectiveness or suitability of any Document or any other document entered into in connection therewith or of any transfer, security or trust effected or constituted or purported to be effected or constituted by any Document or any other document entered into in connection therewith;
 - (3) the terms of any Document;
 - (4) any calculation by the Issuer of the Metal Entitlement or any other amount which may be calculated by the Issuer;
 - (5) whether any issue or redemption of any Metal Security complies with the terms of the Metal Securities;
 - (6) the title to, or the ownership, value, sufficiency or existence of any property comprised or intended to be comprised in the security constituted or purported to be constituted by any Document;
 - (7) the registration, filing, protection or perfection of the security constituted or purported to be constituted by any Document or the priority of any such security, whether in respect of any initial advance or any subsequent advance or any other sums or liabilities;

- (8) the scope or accuracy of any recital, representation, warranty or statement made by or on behalf of any person in any Document or any other document entered into in connection therewith;
 - (9) the failure by any person to obtain or comply with any licence, consent or other authority in connection with any Document;
 - (10) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances pursuant to the provisions of any Documents; or
 - (11) any accounts, books, records or files maintained by any person in connection with or in respect of any property comprised or intended to be comprised in the security constituted or purported to be constituted by any Document;
- (W) The Trustee may call for any certificate or other document to be issued by the Registrar as to the number of Individual Securities or Basket Securities standing to the account of any person. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by the Registrar and subsequently found to be forged or not authentic;
- (X) The Trustee shall not be responsible to any person for failing to, and shall not, request, require or receive any legal opinion relating to the Metal Securities or any Document or any search, report, certificate, advice, valuation, investigation or information relating to any Document, any transaction contemplated by any Document, any party to any Document or any of such party's assets or liabilities or for checking or commenting upon the content of any such legal opinion, search, report, certificate, advice, valuation, investigation or information or for ensuring disclosure to the Security Holders of such content or any part of it or for determining the acceptability of such content or any part of it to any Security Holder and shall not be responsible for any Liability incurred thereby;
- (Y) The Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with this Trust Instrument or any other Document;
- (Z) Subject to the requirements, if any, of London Stock Exchange and/or the UK Listing Authority, any corporation into which the Trustee shall be merged or with which it shall be consolidated or any company resulting from any such merger or consolidation shall, on completion of such merger or consolidation, automatically become, a party hereto and shall be the Trustee under this Trust

Instrument without executing or filing any paper or document or any further act being required on the part of the parties hereto;

- (AA) No provision of this Trust Instrument or any other Document shall:
- (1) require the Trustee to do anything which may be illegal or contrary to applicable law or regulation or prevent the Trustee from doing anything which is necessary or desirable to comply with any applicable law or regulation; or
 - (2) require the Trustee, and the Trustee shall not be bound, to do anything which may cause it to expend or risk its own funds or otherwise incur any Liability in the performance of any of its duties or in the exercise of any of its rights, powers, authorities or discretions or otherwise in connection with this Trust Instrument or any other Document (including, without limitation, forming any opinion or employing any legal, financial or other adviser), if it shall believe that repayment of such funds is not assured to it or it is not indemnified to its satisfaction against such Liability and, for this purpose, the Trustee may demand prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it;
- (BB) Unless notified to the contrary, the Trustee shall be entitled to assume without enquiry (other than requesting a certificate from the Issuer) that no Metal Securities are held by, for the benefit of, or on behalf of, the Issuer, any holding company of the Issuer or any other Subsidiary of such holding company;
- (CC) Any advice, opinion, certificate, report or information called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of this Trust Instrument or any other Document may be relied upon by the Trustee notwithstanding that such advice, opinion, certificate, report or information and/or any engagement letter or other document entered into or accepted by the Trustee in connection therewith contains a monetary or other limit on the liability of the person providing the same in respect thereof and notwithstanding that the scope and/or basis of such advice, opinion, certificate, report or information may be limited by any such engagement letter or other document or by the terms of the advice, opinion, certificate, report or information itself;
- (DD) Each Security Holder shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, affairs, status and nature of the Issuer and each other obligor under the Documents and the Trustee shall not at any time have any responsibility for the same and each Security Holder shall not rely on the Trustee in respect thereof;

- (EE) The Trustee will not be responsible or liable for any inadequacy or unfitness of any Document as security or any decline in value or any loss realised as a consequence of such Document;
- (FF) The Trustee shall not be under any obligation to insure any of the property created by the Documents or to require any other person to maintain any such insurance or monitor the adequacy of any such insurance and shall not be responsible for any liability which may be suffered by any person as a result of the lack of or inadequacy of any such insurance;
- (GG) The Trustee shall not be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Documents, or any deeds or documents of title thereto, being held by or to the order of clearing organisations or their operators or by intermediaries such as banks, brokers, depositories or other persons whether or not on behalf of the Trustee; and
- (HH) Nothing contained in this Trust Instrument or the other Documents shall impose any obligation on the Trustee to make any advance to the Issuer.

22. **TRUSTEE'S LIABILITY**

- 22.1 Save in the case of fraud, wilful misconduct or gross negligence, the Trustee (or any director, officer or employee of any Trust Corporation which is a Trustee) shall have no liability hereunder for a breach of trust and save in such circumstances, no Trustee (and no director, officer or employee of a Trust Corporation which is a Trustee) in execution of the trusts and powers under these presents, shall be liable for any loss arising by reason of any mistake or omission by him or by reason of any other matter or thing including fraud, gross negligence or default of another director, officer or employee or Trustee.
- 22.2 Notwithstanding any rule of law equity or otherwise to the contrary nothing in these presents shall oblige or impose on the Trustee any duties to preserve or enhance the value of the Metal Securities or the Metal Securities of any type and accordingly the Trustee shall not be liable to any Security Holders for any failure to preserve or enhance the value of the Metal Securities or any part of them.

23. **TRUSTEE CONTRACTING WITH ISSUER**

- 23.1 Neither the Trustee nor any director or officer of a Trust Corporation acting as a trustee under these presents shall by reason of its or their fiduciary position be in any way precluded from:
 - (A) entering into or being interested in any contract or financial or other transaction or arrangement with the Issuer or any other party to any Document (each a “**Relevant Company**”) or person or body corporate associated with a Relevant Company (including, without limitation, any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities or financial advice to, or the purchase, placing or underwriting of, or

the subscribing or procuring subscriptions for, or otherwise acquiring, holding or dealing with the Metal Securities or any other notes, bonds, stocks, shares, debenture stock, debentures or other securities of, a Relevant Company or any person or body corporate associated as aforesaid); or

- (B) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to or any other liabilities of a Relevant Company or any person or body corporate associated as aforesaid or any other office of profit under a Relevant Company or any such person or body corporate associated as aforesaid

and shall be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement as is referred to in (A) above or, as the case may be, any such trusteeship or office of profit as is referred to in (B) above without regard to the interests of the Security Holders and notwithstanding that the same may be contrary or prejudicial to the interests of the Security Holders and shall not be responsible for any Liability occasioned to the Security Holders thereby and shall be entitled to retain and shall not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

- 23.2 Where any holding company, subsidiary or associated company of the Trustee or any director or officer of the Trustee acting other than in his capacity as such a director or officer has any information, the Trustee shall not thereby be deemed also to have knowledge of such information and, unless it shall have actual knowledge of such information, shall not be responsible for any loss suffered by Security Holders resulting from the Trustee's failing to take such information into account in acting or refraining from acting under or in relation to this Trust Instrument or any other Document.

24. **WAIVER, AUTHORISATION AND DETERMINATION**

The Trustee may, without prejudice to its rights in respect of any subsequent breach, but only if and in so far as, in its opinion, the interests of the Security Holders shall not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Issuer of any of the covenants or provisions contained in these presents or the Security Deeds, or determine that any Defaulted Obligation or Issuer Insolvency Event shall not be treated as such PROVIDED THAT the Trustee shall not exercise any powers conferred on it by this Clause, (a) with respect to a Defaulted Obligation, in contravention of any express direction given by the Security Holder to whom such Defaulted Obligation is owed or (b) with respect to an Issuer Insolvency Event or any other breach or proposed breach by the Issuer of any of the covenants or provisions contained in these presents, in contravention of any express direction given by Security Holders holding not less than 25 per cent. by Principal Amount of the Metal Securities (as a whole) then outstanding or an Extraordinary Resolution of the Security Holders (as a single class), but so that no such direction shall affect any waiver, authorisation or determination previously given or made. Any such waiver,

authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding on the Security Holders and, if, but only if, the Trustee, shall so require, shall be notified by the Issuer to the Security Holders as soon as practicable thereafter.

25. **REGISTERS**

The Issuer shall at all times keep at its registered office or at the registered office of the Registrar, or at such other place in Jersey as the Trustee may agree, registers showing the date of issue and all subsequent redemptions, transfers and changes of ownership of all outstanding Metal Securities and the names and addresses of the Security Holders and the persons deriving title under them. The Trustee and the Security Holders or any of them and any person authorised by any such person shall be at liberty at all reasonable times during office hours to inspect the Registers and to take (free of charge) copies of, or extracts from, the same or any part thereof. In the event of the Trustee requiring to convene a meeting of or to give any notice to, the Security Holders the Issuer shall furnish the Trustee (free of charge) with such copies of, or extracts from, the Registers as it shall require. Subject to the Regulations, the Registers may be closed by the Issuer for such periods and at such times (not exceeding in the whole 30 days in any one year) as it may think fit. The Third Schedule (*Provisions Relating to Registration and Transfer of Metal Securities*) shall apply.

26. **NEW TRUSTEE**

- 26.1 The power to appoint a new trustee of these presents shall be vested in the Issuer. One or more persons may hold office as trustee or trustees of these presents but such trustee or trustees shall be or include a Trust Corporation. Whenever there shall be more than two trustees of these presents the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Trustee by these presents provided that a Trust Corporation shall be included in such majority. Any Notification of the appointment of a new trustee of these presents shall be published by the Issuer through a RIS as soon as practicable thereafter.
- 26.2 Notwithstanding the provisions of Clause 26.1, the Trustee may, upon giving prior notice to the Issuer (but without the consent of the Issuer or the Security Holders), appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee:
- (i) if the Trustee considers such appointment to be in the interests of the Security Holders;
 - (ii) for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts is or are to be performed; or

- (iii) for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction of either a judgment already obtained or any of the provisions of these presents against the Issuer.

The Issuer irrevocably appoints the Trustee to be its attorney in its name and on its behalf in respect of such appointment to execute any such instrument of appointment. Such a person shall (subject always to the provisions of these presents) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Trustee by these presents) and such duties and obligations as shall be conferred or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such reasonable remuneration as the Trustee may pay to any such person, together with any attributable Liabilities incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of these presents be treated as Liabilities incurred by the Trustee.

27. TRUSTEE'S RETIREMENT AND REMOVAL

A trustee of these presents may retire at any time on giving not less than three months' prior written notice to the Issuer without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement. The Security Holders may by Extraordinary Resolution of the Security Holders (as a single class) appoint or remove any trustee or trustees for the time being of these presents. The Issuer undertakes that in the event of the only trustee of these presents which is a Trust Corporation giving notice under this Clause or being removed by Extraordinary Resolution it will use all reasonable endeavours to procure that a new trustee of these presents (being a Trust Corporation) is appointed as soon as reasonably practicable thereafter. The retirement or removal of any such trustee shall not become effective until a successor trustee (being a Trust Corporation) is appointed.

28. TRUSTEE'S POWERS TO BE ADDITIONAL

The powers conferred upon the Trustee by these presents shall be in addition to any powers which may from time to time be vested in the Trustee by the general law or as a holder of any of the Metal Securities or any other securities of any class, type or category issued by the Issuer.

29. NOTICES

29.1 Any notice or demand to the Issuer or the Trustee to be given under these presents shall be:

- (a) in writing,
- (b) in the English language,
- (c) signed by an Authorised Signatory on behalf of the party giving the same and, in the case of notification to the Trustee, be marked "Urgent - This requires Immediate Attention"; and

- (d) sent by pre paid post (first class if inland, first class airmail if overseas), by facsimile transmission, by telephone (provided that a confirmatory notice is sent by facsimile as aforesaid), or by delivering it by hand, such notice to be addressed, despatched, given or delivered to the respective person, address or number for each party set out below:

to the Issuer:

ETFS Metal Securities Limited
Ordnance House
31 Pier Road
St. Helier, Jersey
Channel Islands
JE4 8PN

Attention: Graeme Ross

Telephone No. [REDACTED]
Facsimile No. [REDACTED]

to the Trustee:

Fifth Floor
100 Wood Street,
London EC2V 7EX

(Attention: the Manager, Commercial Trusts)

Telephone No. [REDACTED]
Facsimile No. [REDACTED]

or to such other person, address or facsimile number address as shall have been notified (in accordance with this Clause) to the other party by not less than seven days' written notice received before the notice was despatched and any notice or demand sent by post shall be deemed to have been given, made or served three days in the case of inland post or seven days in the case of overseas post after despatch and any notice or demand given by hand, facsimile transmission or telephone shall be deemed to have been given, made or served upon actual receipt thereof by the recipient.

30. **AMENDMENTS TO DOCUMENTS**

30.1 The Issuer may by supplemental agreement or supplemental instrument or deed, as applicable, amend or join with the Trustee in amending this Trust Instrument, the Security Deeds or the Custodian Agreements, and the Trustee agrees to join in a supplemental agreement or supplemental instrument or deed as applicable accordingly, if one or more of the following applies:

- (a) 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;

- (b) in the opinion of the Trustee, the amendment is of a formal, minor or technical nature or to correct a manifest or proven error;
- (c) the amendment affects only Basket Securities of one or more particular category or categories, the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of different categories of Basket Securities differently, and the terms of the amendment are authorised by separate Extraordinary Resolutions of the holders of each category of Basket Security affected passed in accordance with these presents by a separate resolution in writing of holders of such category of Basket Security affected holding not less than 75 per cent. by Principal Amount of such category;
- (d) paragraph (c) above does not apply to the amendment, the amendment affects only Basket Securities and the terms of the amendment are authorised by an Extraordinary Resolution of the holders of the Basket Securities (as a single class) passed in accordance with these presents or by a resolution in writing of the holders of the Basket Securities holding not less than 75 per cent. by Principal Amount of the Basket Securities (as a whole);
- (e) paragraphs (c) and (d) above do not apply to the amendment, the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of different types of Metal Securities differently and the terms of the amendment are authorised by separate Extraordinary Resolutions of the holders of each type of Metal Security affected passed in accordance with these presents or in each case by a separate resolution in writing of holders of such type of Metal Security affected holding not less than 75 per cent. by Principal Amount of the Metal Securities of such type, provided that unless the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of Basket Securities differently from the holders of the relevant class(es) of Individual Securities, holders of Basket Securities shall for this purpose be treated as though they were holders of the Individual Securities by reference to which the Metal Entitlement of their Basket Securities is calculated and not as though they were holders of the Basket Securities;
- (f) paragraph (c) to (e) inclusive above do not apply to the amendment and the terms of the amendment are authorised by an Extraordinary Resolution of the Security Holders (as a single class) passed in accordance with these presents or by a resolution in writing of Security Holders holding not less than 75 per cent. by Principal Amount of the Metal Securities (as a whole); or
- (g) the terms of the amendment are necessary or desirable in the opinion of the Issuer and the Trustee to comply with any statutory or other requirement of law (including as modified or applied in any respect to the Metal Securities) or any Listing Rules or to rectify any inconsistency, technical defect, manifest error or ambiguity in the terms of such Document.

- 30.2 The Issuer shall notify all Security Holders of a proposed amendment as referred to in Clause 30.1(a) by publishing a notice on a RIS at least 30 days' prior to such amendment becoming effective.
- 30.3 The Issuer shall notify all Security Holders of a proposed amendment as referred to in Clauses 30.1(c) to 30.1(f) (inclusive) by publishing a notice on an RIS as soon as practicable after such amendment is proposed and in any event, upon such amendment becoming effective.
- 30.4 Notwithstanding any provision to the contrary in this Clause 30 or in any other Document, the power to assent to any modification or amendment to the provision of any Document, referred to in Clause 30.1 which modifies the power to amend such Document shall require a unanimous resolution in writing of holders of the Metal Securities of any type(s) then outstanding.

31. **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

- 31.1 This Trust Instrument is governed by, and shall be construed in accordance with Jersey law and the proper law of the trust constituted by this Trust Instrument shall be Jersey law.
- 31.2 The Issuer irrevocably agrees for the benefit of the Trustee and the Security Holders that the courts of Jersey are to have jurisdiction to settle any disputes which may arise out of or in connection with this Trust Instrument and that accordingly any suit, action or proceedings arising out of or in connection with this Trust Instrument (together referred to as "**Proceedings**") may be brought in the courts of Jersey. The Issuer irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of Jersey and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of Jersey shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction. Nothing in this Clause shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

32. **COUNTERPARTS**

This Trust Instrument and any trust instrument supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same instrument and any party to this Trust Instrument or any trust instrument supplemental hereto may enter into the same by executing and delivering a counterpart.

33. **LIMITED RECOURSE AND NON-PETITION**

The Trustee and the Security Holders of any class of Individual Securities (and any category of Basket Securities to the extent that the Metal Entitlement of such Basket

Securities is calculated by reference to Individual Securities of that class and for which they may (when in Certificated Form) be surrendered in accordance with Clause 9) shall have recourse only to the Secured Property relating to the relevant Pool and any sums derived therefrom. If, the Trustee (or any other secured party) having realised the same, the net proceeds are insufficient for the Issuer to make all payments and meet all obligations which, but for the effect of this Clause 33 would then be due, the obligations of the Issuer to each Security Holder shall be satisfied by delivery to the Security Holder of the Relevant Proportion of the Bullion held for that Pool, where the "Relevant Proportion" is the proportion that the Individual Securities of the relevant class (and Basket Securities to the extent comprised of Individual Securities of that class) held by such Security Holder and being redeemed bears to the total number of the Individual Securities of that class (and Basket Securities to the extent comprised of Individual Securities of that class) outstanding, neither the Trustee nor any person acting on its behalf shall be entitled to take any further steps against the Issuer to recover any further sums or property and no debt shall be owed by the Issuer to any such person in respect of any such further sum or property. In particular, neither the Trustee nor any Security Holder shall be entitled to institute, nor join with any other person in bringing, instituting or joining, any bankruptcy, suspension of payments, moratorium of any indebtedness, winding up, re-organisation, arrangement, insolvency or liquidation proceeding or other proceeding under any similar law (whether court based or otherwise) (except for the appointment of a receiver and manager pursuant to the relevant Security Deed) for two years (or, if later, the longest suspense period, preference period or similar period (howsoever described) ending with the onset of insolvency in respect of which transactions entered into by the Issuer within such period may be subject to challenge under applicable insolvency or other proceeding) plus one day after the date on which all amounts payable under the last outstanding security of any type issued by the Issuer and constituted by these presents are repaid in relation to the Issuer, nor shall they have any claim in respect of any sum arising in or other obligation in respect of the Secured Property for any other Pool or any other assets of the Issuer.

**THE FIRST SCHEDULE
PART A**

FORM OF CERTIFICATE FOR INDIVIDUAL SECURITIES

Reference No.	Certificate No.	Transfer No.	Number of Individual Securities
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ETFS METAL SECURITIES LIMITED

Authorised pursuant to resolutions of the Board of Directors of ETFS Metal Securities Limited (the "Issuer") passed on 4 April 2007

(Incorporated with limited liability under the laws of Jersey with registered number 95996)

ISSUE OF

ETFS PHYSICAL [PLATINUM]/ [PALLADIUM]/[SILVER]/[GOLD]

INDIVIDUAL SECURITIES

THIS IS TO CERTIFY THAT

is/are the registered holder(s) of _____ of the above-mentioned undated limited recourse secured individual securities with a Principal Amount of US\$● each (the "Individual Securities") which are constituted by a Trust Instrument dated 18 April 2007 (the "Trust Instrument") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the Security Holders (as defined in the Conditions), and such Individual Securities are issued with the benefit of and subject to the provisions contained in the Trust Instrument and the Conditions (the "Conditions") set out in the Second Schedule to the Trust Instrument. The Issuer acknowledges that it is indebted to the holder of such Individual Securities in respect of the Principal Amount (as defined in the Conditions) in accordance with the Conditions and subject as provided in the Trust Instrument undertakes to pay on redemption of such Individual Securities the amount due in accordance with the Conditions.

NOTES:

- (i) The Individual Securities are transferable in minimum denominations of one.
- (ii) No transfer of any part of the Individual Securities represented by this Certificate will be registered unless it be accompanied by this Certificate or unless it is in uncertificated form.

No transfer of any of the securities comprised in this Certificate will be registered until this Certificate has been lodged with the Issuer's Registrar, COMPUTERSHARE INVESTOR SERVICES (CHANNEL ISLANDS) LIMITED, ORDNANCE HOUSE, 31 PIER ROAD, ST. HELIER, JERSEY, CHANNEL ISLANDS JE4 8PW. TELEPHONE: 01534 825329/825231. FAX 01534 825247.

PART B

FORM OF CERTIFICATE FOR BASKET SECURITIES

Reference No.	Certificate No.	Transfer No.	Number of Basket Securities
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ETFS METAL SECURITIES LIMITED

Authorised pursuant to resolutions of the Board of Directors of ETFS Metal Securities Limited (the "Issuer") passed on 4 April 2007

(Incorporated with limited liability under the laws of Jersey with registered number 95996)

ISSUE OF

ETFS PHYSICAL PM

BASKET SECURITIES

THIS IS TO CERTIFY THAT

is/are the registered holder(s) of _____ of the above-mentioned undated limited recourse secured basket securities with a Principal Amount of US\$9.40 (subject to adjustment) each (the "Basket Securities") which are constituted by a Trust Instrument dated 18 April 2007 (the "Trust Instrument") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the Security Holders (as defined in the Conditions), and such Basket Securities are issued with the benefit of and subject to the provisions contained in the Trust Instrument and the Conditions (the "Conditions") set out in the Second Schedule to the Trust Instrument. The Issuer acknowledges that it is indebted to the holder of such Basket Securities in respect of the Principal Amount (as defined in the Conditions) in accordance with the Conditions and subject as provided in the Trust Instrument undertakes to pay on redemption of such Basket Securities the amount due in accordance with the Conditions.

NOTES:

- (i) The Basket Securities are transferable in minimum denominations of one.
- (ii) No transfer of any part of the Basket Securities represented by this Certificate will be registered unless it be accompanied by this Certificate or unless it is in uncertificated form.

No transfer of any of the securities comprised in this Certificate will be registered until this Certificate has been lodged with the Issuer's Registrar, COMPUTERSHARE INVESTOR SERVICES (CHANNEL ISLANDS) LIMITED, ORDNANCE HOUSE, 31 PIER ROAD, ST. HELIER, JERSEY, CHANNEL ISLANDS JE4 8PW. TELEPHONE: 01534 825329/825231. FAX 01534 825247.

THE SECOND SCHEDULE

THE CONDITIONS

The following are the conditions applicable to the Metal Securities.

The Metal Securities are undated, limited recourse, secured debt securities of ETFS Metal Securities Limited (the "Issuer") and are constituted by, are issued subject to and have the benefit of, a trust instrument (the "Trust Instrument") dated 18 April 2007 between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee (the "Trustee") for the holders of Metal Securities (the "Security Holders") and are governed by Jersey law.

The Security Holders are entitled to the benefit of, are bound by and are deemed to have notice of, all the provisions of the Trust Instrument and the Security Deeds (as defined below) and the Conditions set out below.

1. DEFINED TERMS AND INTERPRETATION

- 1.1 In these Conditions, words and expressions defined in the Trust Instrument bear the meanings given therein:
- 1.2 The following rules shall apply to the interpretation of these Conditions unless the context otherwise requires:
 - 1.2.1 Headings to Conditions, paragraphs, and other provisions of these Conditions are inserted for ease of reference only and shall not affect the interpretation of these Conditions.
 - 1.2.2 Any reference to a person or persons includes reference to any individual, corporation, partnership, joint venture, association, public body, governmental authority or other entity.
 - 1.2.3 Words in the singular shall also include the plural and vice versa.
 - 1.2.4 Any reference to these Conditions or to any agreement or document includes a reference to these Conditions, or, as the case may be, such agreement or document, as amended, varied, novated, supplemented or replaced from time to time.
 - 1.2.5 Unless otherwise indicated, any reference in these Conditions to a time is a reference to local time in London, England.

2. STATUS OF PHYSICAL METAL SECURITIES

- 2.1 Metal Securities constitute undated limited recourse secured debt obligations of the Issuer secured as set out in Condition 3 (*Securities and Limited Recourse*). The Metal Securities of each type rank *pari passu* among themselves. Each Metal Security has a Principal Amount as set out below and without prejudice to the provisions of Condition 6 (*Redemption of Metal Securities*) but subject always to the provisions of Condition 3.2 a Security Holder may elect to receive on redemption an amount in cash equal to the Principal Amount in lieu of the amount otherwise specified in Condition 6. The Issuer acknowledges in the Trust Instrument its indebtedness in respect of the aggregate Principal Amount.

The Principal Amounts of the Metal Securities are:

Class of Metal Securities	Principal Amount
ETFS Physical Platinum	US\$20.00
ETFS Physical Palladium	US\$5.00
ETFS Physical Silver	US\$2.00
ETFS Physical Gold	US\$10.00
ETFS Physical PM Basket	US\$9.40

2.2 Each Basket Security constitutes a separate security from the Individual Securities by reference to which the Metal Entitlement of that Basket Security is calculated and for which they may be surrendered in accordance with the provisions of the Trust Instrument.

2.3 The Metal Entitlement of a Basket Security is equal to the sum of the Metal Entitlements of a defined number of Individual Securities of various classes as set out in the table below. Each Basket Security may be surrendered in accordance with the provisions of the Trust Instrument in exchange for such Individual Securities:

Category of Basket Security	Class of Individual Security	Number of Individual Securities of which Basket Security is composed
ETFS Physical PM	ETFS Physical Platinum	0.10
	ETFS Physical Palladium	0.20
	ETFS Physical Silver	1.20
	ETFS Physical Gold	0.40

2.4 A Security Holder holding:

2.4.1 Basket Securities in Certificated Form may surrender the certificates for cancellation and receive certificates in respect of the Individual Securities comprised in such Basket Securities; or

2.4.2 Individual Securities in Certificated Form of the appropriate classes and in at least the appropriate numbers of each class may surrender the certificates for cancellation and receive certificates for such number of Basket Securities of any class or classes requested by it as are comprised of the Individual Securities represented by such surrendered certificates as it requested to be combined in the form of such Basket Securities and one or more Certificates in respect of the balance of the Individual Securities not so combined in the form of Basket Securities,

in each case rounded down to the nearest whole number of Metal Securities of each type and otherwise in accordance with the provisions of the Trust Instrument.

2.5 Metal Securities do not bear interest and have no final maturity date.

2.6 The Issuer shall at all times publish on the Issuer's Website:

2.6.1 the classes of Individual Securities which are in issue or available to be issued; and

2.6.2 the categories of Basket Securities which are in issue or available to be issued, and the number and classes of Individual Securities which at that time are comprised in each category of Basket Securities.

3. SECURITY AND LIMITED RECOURSE

3.1 The obligations of the Issuer in respect of each class of Individual Security (and any type of Metal Securities to the extent that the amount payable on Redemption of such Metal Securities is calculated by reference to Individual Securities of that class) are secured pursuant to the Security Deed applicable to that class by a first fixed charge over the Bullion attributable to that class in the Secured Metal Accounts held by the Issuer and an assignment to the Trustee by way of security of the contractual rights of the Issuer relating to each class under the Secured Metal Accounts and the Custodian Agreements, and by a first ranking floating charge in favour of the Trustee for the Security Holders over all the Issuer's rights in relation to the Secured Property attributable to that Pool.

3.2 The Trustee and the Security Holders of any class of Individual Securities (and any category of Basket Securities if and to the extent that the Metal Entitlement of such Basket Securities is calculated by reference to Individual Securities of that class) shall have recourse only to the Secured Property relating to the relevant Pool and any sums derived therefrom. If, the Trustee (or any other secured party) having realised the same, the net proceeds are insufficient for the Issuer to make all payments and meet all obligations which, but for the effect of this Condition, would then be due, the obligations of the Issuer to each Security Holder shall be satisfied by delivery to the Security Holder of the Relevant Proportion of the Bullion held for that Pool, where the "Relevant Proportion" is the proportion that the Individual Securities of the relevant class (and Basket Securities to the extent comprised of Individual Securities of that class) held by such Security Holder and being redeemed bears to the total number of the Individual Securities of that class (and Basket Securities to the extent comprised of individual securities class) outstanding, neither the Trustee nor any person acting on its behalf shall be entitled to take any further steps against the Issuer to recover any further sums or property and no debt shall be owed by the Issuer to any such person in respect of any such further sum or property. In particular, neither the Trustee nor any Security Holder shall be entitled to institute, nor join with any other person in bringing, instituting or joining, any bankruptcy, suspension of payments, moratorium of any indebtedness, winding up, reorganisation, arrangement, insolvency or liquidation proceeding or other proceeding under any similar law (whether court based or otherwise) (except for the appointment of a receiver and manager pursuant to the relevant Security Deed) for two years (or, if later, the longest suspense period, preference period or similar period (howsoever described) ending with the onset of insolvency in respect of which transactions entered into by the Issuer within such period may be subject to challenge under applicable insolvency or other proceeding) plus one day after the date on which all amounts payable under the last outstanding security of any type issued by the Issuer and constituted by the Trust Instrument are repaid in relation to the Issuer, nor shall they have any claim in respect of any sum arising or other obligation in respect of the Secured Property for any other Pool or any other assets of the Issuer.

4. FORM AND TRANSFER

- 4.1 Metal Securities are in registered form and are individually transferable.
- 4.2 Metal Securities may be held and transferred in Uncertificated Form by means of CREST in accordance with the Regulations. The Trustee may, without the consent of Security Holders, concur with the Issuer in making modifications to the provisions of the Trust Instrument in order to reflect changes in the Regulations or in the applicable law and practice relating to the holding or transfer of Metal Securities in Uncertificated Form. A Security Holder may request that his Metal Securities be held in Certificated Form, in which case such Metal Securities shall be removed from CREST.
- 4.3 The Issuer shall cause to be kept at its registered office, or at such other place outside the United Kingdom as the Trustee may agree, Registers showing the date of issue and all subsequent transfers and changes of ownership of all outstanding Metal Securities and the names and addresses of the Security Holders and the persons deriving title under them. The Trustee and the Security Holders or any of them and any person authorised by any such person shall be at liberty at all reasonable times during office hours to inspect the Registers and to take (free of charge) copies of, or extracts from, the same or any part thereof. In the event of the Trustee requiring to convene a meeting of or to give any notice to, the Security Holders the Issuer shall furnish the Trustee (free of charge) with such copies of, or extracts from, the Registers as it shall require. The Registers may be closed by the Issuer for such periods and at such times (not exceeding in the whole 30 days in any one year) as it may think fit.
- 4.4 Where the Issuer or the Trustee considers it necessary or expedient for the purposes of enforcing the provisions of the Trust Instrument or the purposes of Redeeming any Metal Securities, it is authorised to execute any document or instrument necessary to convert Metal Securities held in Uncertificated Form into Certificated Form and to take delivery of the corresponding certificate(s).

5. METAL ENTITLEMENT

- 5.1 Each class of Individual Security will have a separate Metal Entitlement which as the date on which dealings in the Metal Securities first commence on the London Stock Exchange will be as follows:

Platinum: 0.10 troy oz;

Palladium: 0.10 troy oz;

Silver: 1.00 troy oz; and

Gold: 0.10 fine troy oz.

- 5.2 The Metal Entitlement for each will be calculated daily as follows:

$$ME_{(i,t)} = ME_{(i,t-1)} \times (1 - MF_{(i,t)})^{1/N};$$

where:

i refers to the relevant class of Individual Security;

t refers to the applicable day (with t – 1 being the previous day);

$ME_{(i,t)}$ is the Metal Entitlement for Metal Securities of class i for day t with an initial value as set out in Condition 5.1;

$MF_{(i,t)}$ is the per annum Management Fee applicable on day t, expressed as a decimal (so that 49 basis points per annum is expressed as 0.0049);

N is 365 (or 366 in a leap year).

- 5.3 An ETFS Physical PM Basket Security is comprised of Individual Securities as provided for in Condition 2.3 and accordingly each ETFS Physical PM Basket Security has a Metal Entitlement equal to the aggregate Metal Entitlement of 1/10th of one ETFS Physical Platinum Security, 2/10ths of one ETFS Physical Palladium Security, 12/10ths of one ETFS Physical Silver Security and 4/10ths of one ETFS Physical Gold Security.

6. REDEMPTION OF METAL SECURITIES

6.1 Redemption Entitlement

Each Metal Security shall carry a right on redemption to delivery in Bullion of an amount equal to the Metal Entitlement (rounded down to the nearest 0.001 troy ounce (or fine troy ounce in the case of gold)) on the applicable Settlement Date provided that if such Metal Security is to be Redeemed by Metal Sale, such Metal Security shall be redeemed by the sale of an amount of Bullion equal to such Metal Entitlement (rounded down to the nearest 0.001 troy ounce (or fine troy ounce in the case of gold), to the Metal Sale Counterparty in accordance with the Metal Sale Counterparty Agreement and paying to the Security Holder in cash in US dollars the net proceeds of sale actually realised by the Issuer from such sale in accordance with Condition 6.11 (*Metal Sale*) after deduction of the Redemption Fee in accordance with Condition 9 (*Redemption Fee*).

6.2 Redemption by Authorised Participants

A Security Holder who is also an Authorised Participant may (subject as provided herein) require the Issuer to Redeem all or part of its holding of Metal Securities by delivery of Bullion in accordance with Condition 6.10 (*Delivery of Bullion upon Redemption*) by lodging with the Registrar a Redemption Form.

6.3 Redemption by Other Security Holders

A Security Holder which is not also an Authorised Participant may only require the Issuer to Redeem all or any part of its holdings of Metal Securities if, on any Business Day, there are no Authorised Participants, and the Security Holder lodges on such day a valid Redemption Form. Settlement of the Issuer's Redemption Obligations in respect of the relevant Metal Securities will be effected by a Metal Sale in accordance with Condition 6.11 (*Metal Sale*) unless the Security Holder in its Redemption Form certifies that it is not a UCITS Fund and specifies an unallocated account with a member of the Relevant Association (or, in the case of a Basket Security, one or more unallocated accounts with one or more members of the Relevant Associations) into which the relevant Bullion can be deposited, in which case, unless paragraph 6.11.1(a) applies,

Redemption will be effected by delivery of Bullion in accordance with Condition 6.10 (*Delivery of Bullion upon Redemption*). A Security Holder desiring to Redeem Metal Securities pursuant to this Condition must deliver the Metal Securities being Redeemed to the Issuer by either depositing them into an appropriate CREST account in the name of the Issuer or the Registrar and giving correct delivery free of payment instructions in CREST or delivering the certificates in respect of them to the Registrar (or otherwise delivers such Metal Securities to the Issuer by agreement with the Issuer). Redemption Forms will not be treated as having been lodged until the Metal Securities to be Redeemed have been so delivered to the Issuer.

6.4 Redemption Notice

A Redemption Form:

- 6.4.1 must specify the number and type of Metal Securities to be Redeemed;
- 6.4.2 must relate to only one type of Individual Security or Basket Security;
- 6.4.3 must be signed by, or by an authorised signatory on behalf of, the Security Holder; and
- 6.4.4 except where Metal Sale applies, must specify the Security Holder Account, and is irrevocable once it has been lodged with the Registrar.

6.5 Upon receipt by the Registrar of a valid Redemption Form from a Security Holder in relation to any Metal Securities, the Issuer shall do all things necessary to give effect to the Redemption Form as required by this Condition 6 (*Redemption of Metal Securities*).

6.6 A Redemption Form shall be invalid:

- 6.6.1 if lodged by a Security Holder who is not an Authorised Participant unless on that Business Day, there are no Authorised Participants; or
- 6.6.2 if it does not satisfy each and all of Conditions 6.4.1 to 6.4.4; or
- 6.6.3 where notice has been given pursuant to Condition 7.1 (*Compulsory Redemption on Termination*) or 7.2 (*Compulsory Redemption on Issuer Insolvency Event*) to redeem such Metal Securities compulsorily, if the Redemption Form is received or deemed received on or after:
 - (i) where notice has been given in accordance with Condition 7.1, the Final Redemption Notice Date, or
 - (ii) where notice has been given under Condition 7.2, the date on which notice was given,

and no Metal Securities of the relevant type shall be Redeemed in respect of or under that Redemption Form.

6.7 If the Issuer considers that a purported Redemption Form is invalid, it shall notify the Security Holder lodging that Redemption Form of that fact as soon as reasonably possible and shall not be obliged to Redeem pursuant to that Redemption Form any Metal Securities.

6.8 A Redemption Form received by the Issuer after 4.30 p.m. (London time) on a Business Day shall be treated as lodged on the immediately following Business Day.

6.9 The Issuer may change or vary the procedures for the lodgement of Redemption Forms and these Conditions shall be modified in respect of Redemptions to the extent of any such variation.

6.10 Delivery of Bullion upon Redemption

6.10.1 Where Metal Securities are required to be redeemed by delivery of Bullion, the Trustee shall instruct the Custodian to transfer Bullion in an amount equal to the Metal Entitlement of such Metal Securities, calculated as at the Settlement Date (rounded down to the nearest 0.001 troy ounce, or fine troy ounce in the case of gold), from the Secured Metal Accounts to the relevant Security Holder Account, to be delivered to such account on the Settlement Date.

6.10.2 From the relevant Settlement Date, all title to and risks in such Bullion shall pass to the holder of such Metal Securities. Neither the Trustee nor the Issuer shall be responsible or liable for any failure by the Custodian to effect a delivery of Bullion in accordance with the instructions of the Trustee. However, in the event of such failure, the Issuer shall to the extent practicable assign to the redeeming Security Holder its claims in relation to such Bullion in satisfaction of all claims of such Security Holder in respect of the Metal Securities to be redeemed and the Security Holder shall have no further claims against the Issuer or the Secured Property.

6.10.3 The obligations of the Issuer in respect of Metal Securities being Redeemed shall be satisfied by transferring the Metal Entitlement in accordance with the provisions of this Condition 6.10.

6.11 Metal Sale

6.11.1 Metal Sale will apply:

- (a) if through no fault of the Issuer any Bullion to which the holder of such Metal Security is entitled on Redemption is not successfully delivered and is not claimed by such holder within 30 days of attempted delivery being made (in which event, subject to Condition 6.11.2(a), the Metal Entitlement will be calculated as of the third Business Day following the expiry of such period of 30 days); or
- (b) in accordance with Condition 6.3 (*Redemption by other Security Holders*) where there is no Authorised Participant.

6.11.2 If in accordance with Condition 6.3 (*Redemption by other Security Holders*) or Condition 6.11.1(a), Metal Sale is applicable to a Redemption of Metal Securities, the Trustee:

- (a) will (on behalf of the Issuer) give notice under the Metal Sale Counterparty Agreement to sell on the Metal Sale Date (or, in the case of Metal Sale pursuant to Condition 6.11.1(a), the first Business Day after the expiry of the period of 30 days therein referred to) to the Metal Sale Counterparty pursuant to the Metal Sale Counterparty Agreement an amount of Bullion equal to the aggregate Metal Entitlement of the Metal Securities being redeemed, calculated as at the Settlement Date (or, in the case of Metal Sale pursuant to Condition 6.11.1(a), the third Business Day after the expiry of the period of 30 days therein referred to), rounded down to the nearest 0.001 troy ounce (or fine troy ounce in the case of gold), for settlement on the Settlement Date (or such third Business Day). If such third Business Day is not an LPPM Value Date or an LBMA Value Date or the Custodian determines that de-allocation and, in the cases of platinum and palladium, credit to the Custodian's account with its Zurich clearing bank of the relevant Bullion will not be completed on such third Business Day, the proviso to Condition 6.12 shall apply to such third Business Day in both this paragraph (a) and Condition 6.11.1(a) as it applies to a Settlement Date;
- (b) will instruct the Custodian (on behalf of the Issuer) to deliver such Bullion from the Secured Metal Accounts to the Metal Sale Counterparty Account on the Settlement Date (or other Settlement Date specified in paragraph (a)) against payment of the proceeds of sale realised from the sale of Bullion to an account or accounts nominated by the Trustee; and
- (c) will remit such proceeds in US dollars (less any Redemption Fee in accordance with Condition 9 (*Redemption Fee*) which the Trustee will pay to such account of the Issuer as the Issuer may direct and less the Trustee's fees and expenses (if any)) to the relevant Security Holder through CREST or, in the case of Metal Securities in Certificated Form, by cheque or warrant made payable to the Security Holder and sent by post at the risk of the Security Holder, subject (in the case of Redemption by Metal Sale in accordance with Condition 6.11.1(a)) to the Security Holder having delivered the Metal Securities to be Redeemed to the Issuer by either depositing them into an appropriate CREST account in the name of the Issuer or the Registrar (as directed by the Issuer) and giving correct delivery free of payment instructions in CREST or delivering the certificates in respect of them to the Registrar (or otherwise

having delivered such Metal Securities to the Issuer by agreement with the Issuer). If the Security Holder fails to deposit the Metal Securities into an appropriate CREST account and give correct delivery free of payment instructions in CREST or otherwise so deliver the Metal Securities to the Issuer, the Issuer may retain the proceeds otherwise payable until the Security Holder has so deposited or delivered the Metal Securities and then remit such proceeds (without interest, which shall be for the account of the Issuer) to the Security Holder in accordance with this Condition.

6.11.3 If Metal Sale applies the holder of the Metal Securities being Redeemed acknowledges and agrees:

- (a) to accept the proceeds of sale actually realised from the sale of the relevant Bullion (less any Redemption Fee in accordance with Condition 9 (*Redemption Fee*) and less the Trustee's fees and expenses (if any)) in full settlement of the Issuer's Redemption Obligations in respect of such Metal Securities;
- (b) that the Issuer and the Trustee make no representations or warranties as to the price at which Bullion will be sold or the amount of the proceeds of sale realised from the sale of Bullion; and
- (c) that neither the Issuer nor the Trustee shall be liable for any failure by the Metal Sale Counterparty in respect of any sale of Bullion pursuant to any Metal Sale transaction, but in the event of any such failure, the Issuer shall to the extent practicable assign to the redeeming Security Holder its claims in relation to such Bullion in satisfaction of all claims of such Security Holder in respect of the Metal Securities to be Redeemed and the Security Holder shall have no further claims against the Issuer or the Secured Property.

6.12 Settlement Date

In relation to any Redemption pursuant to this Condition 6, the Settlement Date (on which Redemption shall be effective) shall be the third Business Day following the applicable Redemption Notice Date, provided that:

6.12.1 in the case of the Redemption of ETFs Physical Platinum Securities and ETFs Physical Palladium Securities (and any Basket Securities comprised only of one or both of such classes of Metal Securities) by Metal Sale, if such day is not an LPPM Value Date, the Settlement Date will be the next LPPM Value Date;

6.12.2 in the case of the Redemption of ETFs Physical Silver Securities and ETFs Physical Gold Securities (and any Basket Securities comprised only of one or both of such classes of Metal Securities) by Metal Sale, if such day is not an LBMA Value Date, the Settlement Date will be the next LBMA Value Date;

6.12.3 in the case of the Redemption of ETFs Physical PM Basket Securities (and any other category of Basket Securities comprised partly of ETFs Physical Platinum Securities and/or ETFs Physical Palladium Securities and partly of ETFs Physical Silver Securities and/or ETFs Physical Gold Securities) by Metal Sale, if such day is not both an LPPM Value Date and an LBMA Value Date, the Settlement Date will be the next day that is both an LPPM Value Date and an LBMA Value Date; and

6.12.4 if the Custodian determines that if, for any platinum or palladium required to effect a Redemption, de-allocation and credit to the Custodian's account with its Zurich clearing bank of the relevant Bullion will not be completed on the date which would, but for this Condition 6.12.4, be the Settlement Date, the Settlement Date will be such later date on which de-allocation and credit to such account of the relevant Bullion is completed.

7. COMPULSORY REDEMPTION BY THE ISSUER OR TRUSTEE

7.1 Compulsory Redemption on Termination

The Issuer may at any time Redeem all Metal Securities, or all Metal Securities of any one or more type, if the Issuer elects to Redeem all Metal Securities, or all Metal Securities of any one or more type, are to be redeemed compulsorily. In such event the Issuer shall give not less than

30 days' notice by RIS announcement of a London Business Day to be a Final Trading Day in respect of such Metal Securities.

7.2 Compulsory Redemption on Issuer Insolvency Event

If an Issuer Insolvency Event has occurred and is continuing, the Trustee may at any time, at its discretion, and shall if so directed in writing by Security Holders holding not less than 25 per cent. by Principal Amount of the Metal Securities (as a whole) then outstanding or by an Extraordinary Resolution of the Security Holders (as a single class), the Trustee having first been indemnified and/or secured and/or funded to its satisfaction, give notice to the Issuer and by RIS announcement to the Security Holders that all the Metal Securities outstanding are to be Redeemed compulsorily and specifying a Business Day (falling not less than two Business Days from the giving of such notice) to be a Compulsory Redemption Notice Date in respect of such Metal Securities.

7.3 Compulsory Redemption for Cause

The Issuer may, in its absolute discretion, at any time give written notice to a Security Holder that any Metal Securities held by that Security Holder are to be redeemed compulsorily and specifying a Business Day (being not less than seven days and not more than fourteen days following the date of the notice) to be the Compulsory Redemption Notice Date in respect of such Metal Securities, if:

- 7.3.1 the Issuer required the Security Holder in accordance with Condition 10 (*Enquiries as to status of Security Holders*) to certify whether or not it is a Prohibited Benefit Plan Investor and (i) the Security Holder did not by the date specified in the notice given under Condition 10 provide such a certification to the Issuer in the form and executed in the manner required or (ii) the Security Holder certified that it is a Prohibited Benefit Plan Investor; or
- 7.3.2 the Issuer required the Security Holder in accordance with Condition 10 to certify whether or not it is a Prohibited US Person and the (i) Security Holder did not by the date specified in the notice given under Condition 10 provide such a certification to the Issuer in the form and executed in the manner required or (ii) the Security Holder certified that it is a Prohibited US Person; or
- 7.3.3 the Issuer considers (in its sole discretion) (a) that such Metal Securities are or may be owned or held directly or beneficially by any person in breach of any law or requirement of any country or by virtue of which such person is not qualified to own those Metal Securities, or (b) that the ownership or holding or continued ownership or holding of those Metal Securities (whether on its own or in conjunction with any other circumstance appearing to the Issuer to be relevant) would, in the reasonable opinion of the Issuer, cause a pecuniary or tax disadvantage to the Issuer or any other Security Holders which it or they might not otherwise have suffered or incurred,

provided that if the relevant Security Holder in the case of sub-paragraph 7.3.1(i) or sub-paragraph 7.3.2(i) so failed to provide such a certification, or in the case of sub-paragraph 7.3.1(ii) or sub-paragraph 7.3.2(ii) certified that it is a Prohibited Benefit Plan Investor or a Prohibited US Person, in each case in respect of some only of the Metal Securities held by it, a notice given by the Issuer under this Condition shall relate only to those Metal Securities (and not any other Metal Securities held by that Security Holder).

- 7.4 If a Security Holder which is the subject of a notice under Condition 7.3 (*Compulsory Redemption for Cause*) provides to the Issuer at least one Business Day prior to the Compulsory Redemption Notice Date specified pursuant to Condition 7.3 proof required by the Issuer that its Metal Securities have been transferred to a person that is not a Prohibited Benefit Plan Investor or a Prohibited US Person, then the Individual Metal Securities referred to in that notice shall not be redeemed under these Conditions.
- 7.5 If a Security Holder which is the subject of a notice under Condition 7.3 does not provide to the Issuer at least one Business Day prior to the Compulsory Redemption Notice Date specified pursuant to Condition 7.3 proof required by the Issuer that its Metal Securities have been transferred to a person that is not a Prohibited Benefit Plan Investor or a Prohibited US Person, then the Metal Securities referred to in that notice shall not be capable of being transferred by

that Security Holder and the Issuer shall not be required to register any purported transfer of those Metal Securities.

- 7.6 The Issuer shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Condition 7 (*Compulsory Redemption by the Issuer or Trustee*). The exercise of the powers conferred by this Condition 7 shall not be questioned or invalidated in any case on the grounds that there was insufficient evidence of direct or beneficial ownership or holding of the Metal Securities, or any other grounds save that such powers shall have been exercised in good faith.

7.7 Compulsory Redemptions

7.7.1 If notice is given to redeem Metal Securities compulsorily pursuant to Condition 7.1 (*Compulsory Redemption on Termination*), 7.2 (*Compulsory Redemption on Issuer Insolvency Event*) or 7.3 (*Compulsory Redemption for Cause*):

- (a) Metal Securities the Security Holder of which is an Authorised Participant; and
- (b) Metal Securities the Security Holder of which has, on or prior to the Final Trading Date (in the case of Redemption pursuant to Condition 7.1) or the Compulsory Redemption Notice Date (in the case of Redemption pursuant to Condition 7.2 or Condition 7.3), certified that it is not a UCITS Fund and specified an unallocated account with a member of the Relevant Association (or, in the case of a Basket Security, one or more unallocated accounts with one or more members of the Relevant Associations) into which the relevant Bullion can be deposited,

shall be Redeemed by Metal Delivery. All other Metal Securities to be so Redeemed shall be Redeemed by Metal Sale.

7.7.2 In relation to any Redemption pursuant to Condition 7.1, 7.2, or 7.3, the Compulsory Settlement Date (on which Redemption shall be effective) shall be the second Business Day following the applicable Compulsory Metal Sale Date (in the case of Redemption pursuant to Condition 7.1) or the second Business Day following the applicable Compulsory Redemption Notice Date (in the case of Redemption pursuant to Condition 7.2 or 7.3), provided that:

- (a) in the case of Redemption pursuant to Condition 7.1 where ETFs Physical Platinum Securities, ETFs Physical Palladium Securities or ETFs Physical PM Basket Securities (or any other Basket Security comprised, *inter alia*, of ETFs Physical Platinum Securities or ETFs Physical Palladium Securities) are being Redeemed, the Compulsory Settlement Date for all Metal Securities to be Redeemed shall be two days following the applicable Compulsory Metal Sale Date, which two days both being London Business Days and Zurich Business Days;
- (b) in the case of Redemption pursuant to Condition 7.2 or 7.3, if the Metal Sale Counterparty notifies the Trustee that sale of Bullion of that type (or of each relevant type where more than one type of Metal Security is being Redeemed) cannot be effected on the Relevant Market on that day, then for the purposes of determining the Compulsory Settlement Date, the Compulsory Redemption Notice Date shall be treated as having been postponed to the immediately following Business Day;
- (c) in the case where only ETFs Physical Platinum Securities and/or ETFs Physical Palladium Securities (and any Basket Securities comprised only of one or both of such classes of Metal Securities) are to be Redeemed (whether by Metal Delivery or Metal Sale), if such day is not an LPPM Value Date, the Compulsory Settlement Date will be the next LPPM Value Date;
- (d) in the case where only ETFs Physical Silver Securities and/or ETFs Physical Gold Securities (and any Basket Securities comprised only of one or both of such classes of Metal Securities) are to be Redeemed (whether by Metal Delivery or Metal Sale), if such day is not an LBMA Value Date, the Compulsory Settlement Date will be the next LBMA Value Date;

- (e) in any other case, if such day is not both an LPMA Value Date and an LBMA Value Date, the Compulsory Settlement Date will be the next day that is both an LPPM Value Date and an LBMA Value Date; and
 - (f) if the Custodian determines that de-allocation and, in the cases of platinum and palladium, credit to the Custodian's account with its Zurich clearing bank of the relevant Bullion will not be completed on the date which would, but for this paragraph (f), be the Compulsory Settlement Date, the Compulsory Settlement Date will be such later date on which de-allocation and, in the cases of platinum and palladium, credit to such account of the relevant Bullion is completed.
- 7.7.3 In relation to any Redemption pursuant to Condition 7.1, 7.2, or 7.3 to be effected by Metal Delivery in accordance with these Conditions, the provisions of Condition 6.10 (*Delivery of Bullion upon Redemption*) shall apply save that references in that Condition to the Settlement Date shall be replaced by references to the Compulsory Settlement Date.
- 7.7.4 In relation to any Redemption pursuant to Condition 7.1, 7.2, or 7.3 to be effected by Metal Sale in accordance with these Conditions, the Trustee:
- (a) will (on behalf of the Issuer) give notice under the Metal Sale Counterparty Agreement to sell on the Compulsory Metal Sale Date (in the case of Redemption pursuant to Condition 7.1) or the Compulsory Redemption Notice Date (in the case of Redemption pursuant to Condition 7.2 or 7.3) to the Metal Sale Counterparty pursuant to the Metal Sale Counterparty Agreement an amount of Bullion equal to the aggregate Metal Entitlement of the Metal Securities being Redeemed, calculated as at the Compulsory Settlement Date (rounded down to the nearest 0.001 troy ounce, or fine troy ounce in the case of gold), for settlement on the Compulsory Settlement Date;
 - (b) will instruct the Custodian (on behalf of the Issuer) to deliver such Bullion from the Secured Metal Accounts to the Counterparty Account on the Compulsory Settlement Date against payment of the proceeds of sale realised from the sale of Bullion to an account or accounts nominated by the Trustee; and
 - (c) will remit such proceeds in US dollars (less any Redemption Fee in accordance with Condition 9 (*Redemption Fee*) which the Trustee will pay to such account of the Issuer as the Issuer may direct and less any fees and expenses of the Trustee incurred in connection with such sale (if any)) to the relevant Security Holder through CREST or, in the case of Metal Securities in Certificated Form, by cheque or warrant made payable to the Security Holder and sent by post at the risk of the Security Holder, in the case of Redemption pursuant to Condition 7.3 to the Security Holder having delivered the Metal Securities being Redeemed to the Issuer by either depositing them into an appropriate CREST account in the name of the Issuer or the Registrar (as directed by the Issuer) and giving correct delivery free of payment instructions in CREST or delivering the certificates in respect of them to the Registrar (or otherwise having delivered such Metal Securities to the Issuer by agreement with the Issuer). If the Security Holder fails to deposit the Metal Securities into an appropriate CREST account and give correct delivery free of payment instructions in CREST or otherwise so deliver the Metal Securities to the Issuer, the Issuer may retain the proceeds otherwise payable until the Security Holder has so deposited or delivered the Metal Securities and then remit such proceeds (without interest, which shall be for the account of the Issuer) to the Security Holder in accordance with this Condition.
- 7.7.5 The provisions of Condition 6.11.3 shall apply to Redemption by Metal Sale pursuant to Condition 7.1, 7.2, or 7.3 as they do to Redemption by Metal Sale pursuant to Condition 6 (*Redemption of Metal Securities*).

8. SETTLEMENT AND REDEMPTION OBLIGATIONS

- 8.1 Where a Redemption Form has been lodged for the Redemption of Metal Securities, the Security Holder which holds those Metal Securities which are the subject of that Redemption must, by 8.00 a.m. on the Settlement Date, deposit the Metal Securities in question into an appropriate CREST account and give correct instructions in accordance with the Redemption Form if they

were in Uncertificated Form, or otherwise deliver the Metal Securities to be Redeemed and any certificates representing them to the Issuer in such manner as the Issuer may agree if they are in Certificated Form. Once a valid Redemption Form is lodged in respect of Metal Securities, the Metal Securities in respect of which it was given may not be transferred by the Security Holder (except to the Issuer), and the Issuer may refuse to recognise any subsequent transfer of any of those Metal Securities.

- 8.2 Subject as provided in Condition 6.3, failure by a Security Holder to deposit those Metal Securities into an appropriate CREST account and give correct instructions shall not invalidate the Redemption of those Metal Securities. Where settlement of a Redemption of Metal Securities is delayed due to the failure of the Security Holder to deposit the Metal Securities in question into an appropriate CREST account or give correct instructions or otherwise deliver such Metal Securities and any certificates representing them in a manner agreed by the Issuer, the Security Holder shall not be entitled to receive any interest in respect of late delivery of the Metal Entitlement or other amounts due. If the Security Holder fails to deliver such Metal Securities to the Issuer (via the CREST system or another method agreed with the Issuer), the Issuer shall be entitled to deliver the Metal Entitlement (or other amount due) to the Trustee (to be held on trust for the Security Holder in accordance with the Trust Instrument), and to cancel the entry in the Register in respect of those Metal Securities.
- 8.3 Where Individual or Basket Securities are Redeemed in accordance with Condition 6 (*Redemption of Metal Securities*) or 7 (*Compulsory Redemption by the Issuer or Trustee*), the Issuer shall be entitled, upon delivery of the Metal Entitlement (rounded down to the nearest 0.001 troy ounce (or fine troy ounce in the use of gold)) or payment of any other amount due (less the Redemption Fee, if applicable) into the applicable Security Holder Account or other payment in accordance with Condition 26 (*Payment Provisions*), to cancel the entry in the Register in respect of those Metal Securities being Redeemed.
- 8.4 The Issuer may, at any time, notify a Security Holder that the Issuer may have to withhold or deduct from the payment that corresponds to the Redemption Form an amount for or on account of, any present or future taxes, duties assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction or any political sub-division thereof or any authority thereof having power to tax, as required by law (as modified by the practice of any relevant governmental revenue authority) then in effect and such notice shall specify any form or document to be delivered by beneficial owners of Metal Securities that may allow the Issuer to make such payment without any such withholding or deduction or with such withholding or deduction at a reduced rate. If such forms or documents are not provided to the Issuer by the relevant Security Holder or if it is not the beneficial owner of Metal Securities held by such Security Holder and which are to be redeemed, such beneficial owner, then any such payment will be reduced (and the matching obligation of the Issuer to pay or deliver or to procure the payment or delivery of the Metal Entitlement (rounded down to the nearest 0.001 troy ounce (or fine troy ounce in the case of gold)) or other amount due to that Security Holder will also be reduced) by the amount of the withholding or deduction.

9. REDEMPTION FEE

- 9.1 Subject as provided below, it is a condition to the performance by the Issuer of the obligation to redeem Metal Securities that the Issuer may deduct the Redemption Fee from the Metal Entitlement or other amount due to the Security Holder on Redemption and that if it does not the Security Holder of such Metal Securities shall pay to the Issuer the Redemption Fee in respect of such Redemption in accordance with this Condition 9. The Issuer may offset the amount of the Redemption Fee payable hereunder against the Metal Entitlement or other amount due to the Security Holder on Redemption.
- 9.2 On a Redemption of Metal Securities at the request of an Authorised Participant, the Redemption Fee shall be the amount agreed in the relevant Authorised Participant Agreement to be payable, or such other amount as may be agreed by the Issuer and that Authorised Participant at the time of the Redemption, regardless of the number of Metal Securities being redeemed.
- 9.3 On a Redemption of Metal Securities at the request of a Security Holder who is not an Authorised Participant (where there are no Authorised Participants), the Redemption Fee shall be an amount equal to the cost to the Issuer of satisfying such Redemption request, which shall be notified to

the Security Holder at the time of the Redemption being not greater than £500 or such other amount as may be notified through a RIS.

- 9.4 On a Compulsory Redemption of Metal Securities by the Issuer or the Trustee, the Redemption Fee shall be an amount equal to the cost to the Issuer incurred in relation to the Redemption, including the costs of enquiries under Condition 10 (*Enquiries as to status of Security Holders*) and the cost of giving notices under Condition 7 (*Compulsory Redemption by the Issuer or Trustee*) being not greater than £500 or such other amount as may be notified through a RIS. The Issuer shall notify Security Holders whose Metal Securities are subject to Compulsory Redemption of the amount of those costs, and their allocation to particular Security Holders, at the time of the Redemption.

10. ENQUIRIES AS TO STATUS OF SECURITY HOLDERS

- 10.1 The Issuer may at any time, without any requirement to state a reason, give notice to a Security Holder requiring that Security Holder:

10.1.1 to certify, no later than the date (the "**Investor Notice Expiry Date**") falling fifteen London Business Days following the date on which the Issuer sends or transmits such requirement to that Security Holder whether that Security Holder is a Prohibited US Person or a Prohibited Benefit Plan Investor (and if that Security Holder is a Prohibited Benefit Plan Investor or Prohibited US Person, to notify the Issuer of the number and type of Metal Securities in respect of which it is a Prohibited Benefit Plan Investor or Prohibited US Person); and

10.1.2 if that Security Holder asserts that it is not a Prohibited US Person or not a Prohibited Benefit Plan Investor (or not a Prohibited Benefit Plan Investor or not a Prohibited US Person in respect of all Metal Securities held by it), to provide to the Issuer by the Investor Notice Expiry Date a certificate in the form and executed in the manner determined by the Issuer that the Security Holder is not a Prohibited US Person or not a Prohibited Benefit Plan Investor (or not a Prohibited Benefit Plan Investor or not a Prohibited US Person in respect of certain Metal Securities held by it, specifying the number and type of Metal Securities in respect of which it is, and is not, a Prohibited Benefit Plan Investor or is, and is not, a Prohibited US Person).

- 10.2 The Issuer shall be entitled, save to the extent that it has made enquiry under this Condition 10, to assume that none of the Metal Securities are held by Prohibited US Persons or Prohibited Benefit Plan Investors.

11. ENFORCEMENT

- 11.1 In addition to any of the powers conferred on the Trustee pursuant to the relevant Security Deed with respect to the Secured Property, the Trustee may at any time after the occurrence of a Defaulted Obligation, at its discretion, and shall, if so directed in writing by the Security Holder to whom such Defaulted Obligation is owed, the Trustee having first been indemnified and/or secured and/or funded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing, take such proceedings and/or other action as it may think fit against or in relation to the Issuer to enforce any such obligation of the Issuer under the Trust Instrument and the security constituted by the Security Deed(s) in respect of the relevant Metal Securities to which such Defaulted Obligation relates.

- 11.2 If the Trustee considers that the Issuer is in material breach of any of the covenants, undertakings and obligations (other than payment obligations) in the Trust Instrument and has not remedied the same within 30 days of being required to do so by the Trustee, the Trustee may, but shall not be obliged to, give notice to all Security Holders of that fact. Prior to giving any such notice, the Trustee shall provide a copy of the proposed notice to the Issuer (provided the Trustee does not consider it detrimental to the interests of Security Holders to give a copy of any such proposed notice to the Issuer) and shall include with the notice any statement of not more than 1,000 words prepared by the Issuer and provided to the Trustee for the purpose within 7 days of receipt of the copy of the proposed notice referred to herein. In any such notice the Trustee may designate a Period (the "**Breach Redemption Period**") commencing on any London Business Day until the date one month from such London Business Day (inclusive) during which each Security Holder will be entitled to redeem all (but not some only) of the Metal

Securities held by it in the same manner as though there were no Authorised Participants. After the expiry of the Breach Redemption Period, the relevant breach shall be deemed waived without prejudice to the right of the Trustee to take action in the event of any subsequent such breach.

- 11.3 If an Issuer Insolvency Event is occurring at the same time as a Defaulted Obligation, a Security Holder holding affected Metal Securities to whom a Defaulted Obligation is owed will not be entitled to require the Trustee to take action in accordance with Condition 11.1 until the expiry of 30 days from the occurrence of the Issuer Insolvency Event, nor shall he be so entitled if, during such period of 30 days, the Trustee has elected, or been required, to take action in accordance with Condition 11.1.
- 11.4 Subject to Condition 11.6, only the Trustee may enforce the provisions of the Trust Instrument or the Security Deeds. Where the Trustee has elected or been directed to enforce the Issuer's obligations under the Trust Instrument and the security constituted by a Security Deed, the right of Security Holders to lodge a Redemption Form with the Registrar shall cease. Valid Redemption Forms lodged before the date the Trustee announces its intention to enforce the security will be Redeemed in the normal manner.
- 11.5 If the Trustee takes any action pursuant to Condition 11.1 with respect to any Metal Securities to which a Defaulted Obligation relates, it shall give notice to the Issuer that such Metal Securities in respect of which such action is taken are, and they shall become, due and payable.
- 11.6 No Security Holder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing, in which case any such Security Holder will have only such rights against the Issuer as those which the Trustee is entitled to exercise against or in relation to the Issuer.

12. APPLICATION OF MONEYS

- 12.1 All moneys received by the Trustee pursuant to the realisation of Secured Property in respect of a Metal Security shall be held by the Trustee upon trust, to apply them:
- 12.1.1 FIRST in payment or satisfaction of all amounts then due to the Trustee and unpaid (including to its attorneys, managers, agents, delegates or other person appointed by the Trustee) under the terms of the Trust Instrument, and to payment of any remuneration and expenses of any receiver and the costs of realisation of the security constituted by the relevant Security Deed;
- 12.1.2 SECONDLY in or towards payment or performance *pari passu* and rateably of all amounts then due and unpaid and all obligations due to be performed and unperformed in respect of Individual Securities of that class and any type of Basket Securities to the extent that they are comprised of Individual Securities of that class; and
- 12.1.3 THIRDLY in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer and any other person).

13. RESTRICTIONS

- 13.1 So long as any Metal Securities of a particular type are outstanding, the Issuer covenants in the Trust Instrument, *inter alia*:
- 13.1.1 not to incur or permit to subsist in respect of any Pool any indebtedness for borrowed money other than Metal Securities or Further Securities, and not to give any guarantee or indemnity in respect of indebtedness of any person, save in each case with the prior written consent of the Trustee;
- 13.1.2 other than as permitted under the applicable Security Deed, not to dispose of any of the Secured Property or any interest therein, or to create any mortgage, pledge, charge, lien, or other form of encumbrance or security interest or right of recourse in respect thereof in favour of any person;
- 13.1.3 save as permitted by Condition 14 (*Further Securities; Other Pools; Consolidation and Division*), not to undertake any business save for the issue and redemption of Metal Securities, the acquisition and disposal of Bullion, entering into the necessary documents and performing its obligations and exercising its rights thereunder;

- 13.1.4 to use reasonable endeavours to ensure that at all times after the date three months following Listing there are at least two Authorised Participants and until then there is at least one Authorised Participant;
 - 13.1.5 not to issue any Individual or Basket Securities of any type unless it has received Bullion in an aggregate amount equal to the Metal Entitlement calculated as at the Settlement Date;
 - 13.1.6 not to maintain an office or other fixed place of business, nor to establish any permanent establishment, nor be or become tax resident, in the United Kingdom;
 - 13.1.7 not to make any election under US federal income tax laws to be treated otherwise than as an association taxable as a corporation for US federal income tax purposes;
 - 13.1.8 to undertake any business so as to seek to minimise the impact of taxation; and
 - 13.1.9 to procure that the Pools are at all times maintained in a manner so that they are readily distinguishable from each other.
- 13.2 Notwithstanding the foregoing, the Issuer may issue the Notes and make the Loan and perform their respective terms.

14. FURTHER SECURITIES; OTHER POOLS; CONSOLIDATION AND DIVISION

- 14.1 The Issuer may (without the consent of the Security Holders) create and issue additional classes of undated limited recourse secured debt securities constituted by an instrument or deed supplemental to the Trust Instrument and may establish additional pools for the purposes of such securities and the Trustee shall join in such instrument or deed and thereupon such pool shall be a "Pool" for the purposes of the Trust Instrument and such securities shall be "Individual Securities" for such purposes, and the Issuer may further create and issue Basket Securities, the Metal Entitlement of which is calculated by reference to such Individual Securities in accordance with the Trust Instrument (and for which such Metal Securities when in Certificated Form may be surrendered in accordance with the provisions of the Trust Instrument). Any such additional classes of Individual Securities shall have recourse only to the Pool attributable to the relevant classes and not to any other Pool. Other such securities created and issued by the Issuer under this Condition 14.1 may relate to different metal than those in respect of which Individual Securities are initially issued, or be Basket Securities involving different combinations of Individual Securities or with different weightings, or involve different pricing mechanisms. Other such securities created by the Issuer under this Condition 14.1 may be created and issued subject to different terms and conditions in lieu of the Trust Instrument (including but not limited to different pricing mechanisms), to be determined by the Issuer. If other securities created by the Issuer under this Condition 14.1 are subject to different terms and conditions in lieu of the Trust Instrument the Issuer shall publish those new conditions in its RIS announcement or in a prospectus or listing particulars or supplementary prospectus or supplementary listing particulars and on the Issuer's Website.
- 14.2 The Issuer shall not accept Applications for, or issue, Individual Securities of a new class, or Metal Securities (the amount payable on Redemption of which is calculated by reference to (and when held in Certificated form may be surrendered in exchange for) Individual Securities of a new class) under Condition 14.1 unless it has first executed and delivered to the Trustee a Security Deed creating by way of fixed charge over the Bullion held in custody attributable to the new class of Individual Securities (and Basket Securities to the extent they comprise Individual Securities of the new class), assigning by way of security for the benefit of the Trustee and the relevant Security Holders the contractual rights of the Issuer of the relevant class under the Custody Agreements and creating a first floating charge for the benefit of the Trustee and the relevant Security Holders over all of the Issuer's rights in relation to the Secured Property attributable to the applicable Pool, including but not limited to its rights under the Custodian Agreements and the Secured Metal Accounts attributable to that Pool.
- 14.3 The Issuer may consolidate or divide all of the Metal Securities of any type into Metal Securities of the same type but with a proportionately larger or smaller Metal Entitlement and Principal Amount. Such consolidation or division shall be effected by deed or instrument supplemental to the Trust Instrument.
- 14.4 Whenever as a result of consolidation of Metal Securities a Security Holder would become entitled to a fraction of a Metal Security the Issuer will Redeem such fraction of a Metal

Security. In such circumstances the provisions of Condition 7.7 (*Compulsory Redemptions*) shall apply in respect of the aggregate fractions of Metal Securities to be redeemed *mutatis mutandis* as though the Redemption were pursuant to Condition 7.1 (*Compulsory Redemption on Termination*) and the date on which the consolidation becomes effective the Final Redemption Notice Date.

15. ISSUER'S ABILITY TO PURCHASE METAL SECURITIES

There is no restriction on the ability of the Issuer or any of its Affiliates to purchase or repurchase Metal Securities.

16. LISTING

The Issuer covenants in the Trust Instrument to use its best endeavours to obtain and, so long as any of the Metal Securities remain outstanding, maintain a Listing for the Metal Securities or, if it is unable to do so having used such best endeavours or if the maintenance of such listing is agreed by the Trustee to be unduly onerous, use its best endeavours to obtain and maintain the quotation or listing of the Metal Securities on such other stock exchange as it may (with the prior written approval of the Trustee) decide.

17. WAIVER, AUTHORISATION AND DETERMINATION

The Trustee may, without prejudice to its rights in respect of any subsequent breach, but only if and in so far as, in its opinion, the interests of the Security Holders shall not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Issuer of any of the covenants or provisions contained in the Trust Instrument or the Security Deeds, or determine that any Defaulted Obligation or, Issuer Insolvency Event shall not be treated as such PROVIDED THAT the Trustee shall not exercise any powers conferred on it by this Condition, (a) with respect to a Defaulted Obligation, in contravention of any express direction given by the Security Holder to whom such Defaulted Obligation is owed or (b) with respect to an Issuer Insolvency Event or any other breach or proposed breach by the Issuer of any of the covenants or provisions contained in the Trust Instrument, in contravention of any express direction given by Security Holders holding not less than 25 per cent. by Principal Amount of the Metal Securities (as a whole) then outstanding or an Extraordinary Resolution of the Security Holders (as a single class), but so that no such direction shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding on the Security Holders and, if, but only if, the Trustee, shall so require, shall be notified by the Issuer to the Security Holders as soon as practicable thereafter.

18. EXERCISE OF DISCRETIONS

The Trustee may exercise its discretions under the Trust Instrument separately in respect of each type of Metal Securities, and any Further Securities in issue from time to time, and shall incur no liability for so doing.

19. PRESCRIPTION

The Trust Instrument does not provide for any prescription periods.

20. REMOVAL, RETIREMENT OR REPLACEMENT OF TRUSTEE

20.1 The Trustee may retire at any time without assigning any reason upon giving not less than three months' prior written notice to the Issuer and without being responsible for any Liabilities incurred by reason of such retirement. The Security Holders may by Extraordinary Resolution of the Security Holders (as a single class) appoint or remove any trustee or trustees for the time being of the Trust Instrument.

20.2 The Issuer will use its reasonable endeavours to appoint a new Trustee as soon as reasonably practicable after the Trustee gives notice to its retirement or being removed by Extraordinary Resolution. The retirement or removal of any Trustee shall not become effective until a successor trustee is appointed.

21. GOVERNING LAW OR JURISDICTION

The Conditions, the Metal Securities and the Trust Instrument are governed by the laws of Jersey. The Security Deeds are governed by the laws of England. Notwithstanding the submission by the Issuer to the jurisdiction of the English courts contained in the Security Deeds, nothing prevents the Trustee from commencing proceedings in any other competent jurisdiction.

22. TRUSTEE'S LIABILITY

Save in the case of fraud, wilful misconduct or gross negligence, the Trustee (or any director, officer or employee of the Trustee) shall have no liability under the Trust Instrument for a breach of trust and, save in such circumstances, no Trustee (and no director, officer or employee of the Trustee), in execution of the trusts and powers under the Trust Instrument, shall be liable for any loss arising by reason of any mistake or omission by him or by reason of any other matter or thing including fraud, gross negligence or default of another director, officer or employee or Trustee.

23. AMENDMENTS TO CONDITIONS

These Conditions may be amended as set out herein or by written agreement between the Issuer and the Trustee. Any amendment to these Conditions will be notified to Security Holders through an RIS announcement, and unless otherwise agreed by the Trustee shall not take effect until at least 30 days following such announcement, save that a reduction in the Management Fee may take effect on announcement.

24. AMENDMENTS TO DOCUMENTS

24.1 The Issuer may by supplemental agreement or supplemental instrument or deed, as applicable, amend or join with the Trustee in amending any of the Trust Instrument, the Security Deeds or the Custodian Agreements, and the Trustee agrees in the Trust Instrument to join in a supplemental agreement or supplemental instrument or deed as applicable accordingly, if one or more of the following applies:

24.1.1 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;

24.1.2 in the opinion of the Trustee, the amendment is of a formal, minor or technical nature or to correct a manifest or proven error;

24.1.3 the amendment affects only Basket Securities of one or more particular category or categories, the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of different categories of Basket Securities differently, and the terms of the amendment are authorised by separate Extraordinary Resolutions of the holders of each category of Basket Security affected passed in accordance with the Trust Instrument or by a separate resolution in writing of holders of each category of Basket Security affected holding not less than 75 per cent. by Principal Amount of such category;

24.1.4 Condition 24.1.3 does not apply to the amendment, the amendment affects only Basket Securities and the terms of the amendment are authorised by an Extraordinary Resolution of the holders of the Basket Securities (as a single class) passed in accordance with the Trust Instrument or by a resolution in writing of the holders of the Basket Securities holding not less than 75 per cent. by Principal Amount of the Basket Securities (as a whole);

24.1.5 Conditions 24.1.3 and 24.1.4 do not apply to the amendment, the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of different types of Metal Securities differently and the terms of the amendment are authorised by separate Extraordinary Resolutions of the holders of each type of Metal Security affected passed in accordance with the Trust Instrument or in each case by a separate resolution in writing of holders of such type of Metal Security affected holding not less than 75 per cent. by Principal Amount of the Metal Securities of such type, provided that unless the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of Basket Securities differently from the holders of the relevant class(es) of Individual Securities, holders of Basket Securities shall for this purpose be treated as though they were holders of the Individual Securities by reference to which the Metal Entitlement of

their Basket Securities is calculated and not as though they were holders of the Basket Securities;

24.1.6 Conditions 24.1.3 to 24.1.5 inclusive do not apply to the amendment and the terms of the amendment are authorised by an Extraordinary Resolution of the Security Holders (as a single class) passed in accordance with the Trust Instrument or by a resolution in writing of Security Holders holding not less than 75 per cent. by Principal Amount of the Metal Securities (as a whole); or

24.1.7 the terms of the amendment are necessary or desirable in the opinion of the Issuer and the Trustee to comply with any statutory or other requirement of law (including as modified or applied in any respect to the Metal Securities) or any Listing Rules or to rectify any inconsistency, technical defect, manifest error or ambiguity in the terms of such document.

24.2 The Issuer shall notify all Security Holders of a proposed amendment as referred to in Condition 24.1.1 by publishing a notice on a RIS at least 30 days' prior to such amendment becoming effective.

24.3 The Issuer shall notify all Security Holders of a proposed amendment as referred to in Conditions 24.1.3 to 24.1.6 (inclusive) by publishing a notice on an RIS as soon as practicable after such amendment is proposed and in any event, upon such amendment becoming effective.

24.4 Notwithstanding any provision to the contrary in this Condition 24 or in any other document, the power to assent to any modification or amendment to the provision of any document referred to in Condition 24.1 which modifies the power to amend such document shall require a unanimous resolution in writing of holders of the Metal Securities of any type then outstanding.

25. NOTICES

25.1 Except as provided below, all notices required or permitted to be given to Security Holders, the Issuer or the Registrar under the Trust Instrument or pursuant to any other Document must be in writing in English.

25.2 All notices required or permitted to be given to a Security Holder under the Trust Instrument shall be made by publication through a RIS where required under the terms of such document, but otherwise may be given by publication on the Issuer's Website.

25.3 All notices required to be given by the Issuer to Security Holders under the Trust Instrument or otherwise shall be given in writing, except to the extent that the notice relates to a meeting of Security Holders where, in relation to any Metal Securities which are held in Uncertificated Form, the Issuer may from time to time permit notices of Security Holder meetings to be made by means of an electronic communication in the form of an Uncertificated Notice of Meeting in such form and subject to such terms and conditions as may from time to time be prescribed by the Issuer (subject always to facilities and requirements of CREST) and may in similar manner permit supplements, or amendments, to any such Uncertificated Notice of Meeting to be made by like means.

25.4 Any Redemption Form given by an Authorised Participant shall be sent by fax to the Issuer's primary fax number, as follows:

Fax: [REDACTED]

or such other fax number as may be published on the Issuer's Website, and confirmed by email to the following email address:

Email: [REDACTED]

25.5 Any Redemption Form lodged by an Authorised Participant shall be deemed to have been lodged upon sending, subject to confirmation of uninterrupted and error-free transmission by a transmission report.

25.6 Any Redemption Form lodged other than by an Authorised Participant must be delivered by hand, sent by prepaid recorded delivery or sent by registered post (or registered airmail in the case of posting from an address outside the United Kingdom) to the address specified in Condition 25.7.

25.7 Any Notice (other than a Redemption Form) to be given to the Issuer shall be sent to the Issuer's primary fax number set out above or delivered by hand, sent by prepaid recorded delivery or

registered post (or registered airmail in the case of posting from an address outside the United Kingdom), to the following address:

Name: ETFS Metal Securities Limited

Address: Ordnance House
31 Pier Road
St. Helier
Jersey JE4 8PW
Channel Islands

Attention: [REDACTED]

Fax number: [REDACTED]

or such other address as may be published for the Issuer on the Issuer's Website.

25.8 Any Notice shall, in the absence of earlier receipt, be deemed to have been received as follows:

25.8.1 if delivered by hand, at the time of actual delivery; or

25.8.2 if sent by prepaid recorded delivery or registered post (or registered airmail in the case of posting from an address outside the United Kingdom), on the date it is delivered or its delivery is attempted.

26. PAYMENT PROVISIONS

26.1 All monies payable by the Issuer in respect of Metal Securities shall be paid in US dollars in full cleared and immediately available funds. Where no bank account or other settlement details have been provided by a Security Holder, or in other circumstances as provided in the Trust Instrument, cash payments due to Security Holders will be made by cheque or warrant and despatched by post at the risk of the Security Holder.

26.2 All monies payable by the Issuer on the Redemption of any Metal Securities shall be paid in full, free and clear of and without any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction or any political subdivision thereof or any authority thereof having power to tax, unless such deduction or withholding is required by law to which the person making the payment is subject.

26.3 Where a day on which a payment would otherwise be due and payable is not a Business Day, such payment shall be due and payable by the payer on the next following Business Day.

THE THIRD SCHEDULE
PROVISIONS RELATING TO REGISTRATION AND TRANSFER OF
METAL SECURITIES

1. The Issuer will recognise the registered holder of any Metal Securities as the absolute owner thereof and shall not be bound to take notice or see to the execution of any trust whether express, implied or constructive to which any Metal Securities may be subject and the receipt of the registered holder for the time being of any Metal Securities or, in the case of joint registered holders, the receipt of any of them for any moneys payable in respect thereof shall be a good discharge to the Issuer notwithstanding any notice it may have whether express, constructive or otherwise of the right, title, interest or claim of any other person to or in such Metal Securities or moneys. No notice of any trust express, implied or constructive shall be entered on the Register in respect of any Metal Securities.
2. Every Security Holder will be recognised by the Issuer as entitled to its Metal Securities free from any equity, set-off or cross-claim on the part of the Issuer against any original or any intermediate holder of the Metal Securities.
3. Subject to the provisions of the Fifth Schedule (Provisions Relating To Securities In Uncertificated Form) hereto the Metal Securities are transferable by instrument in writing in the usual common form or such other form as the Issuer may approve.
4. Subject to the provisions of the Fifth Schedule (Provisions Relating To Securities In Uncertificated Form) hereto every instrument of transfer must be signed by the transferor and the transferor shall be deemed to remain the owner of the Metal Securities to be transferred until the name of the transferee is entered in the Register in respect thereof.
5. Subject to the provisions of the Fifth Schedule (Provisions Relating To Securities In Uncertificated Form) hereto every instrument of transfer must be left for registration at the place where the Register shall for the time being be kept accompanied by the Certificate for the Metal Securities (if any) to be transferred and such other evidence as the directors or other officers of the Issuer authorised to deal with transfers may reasonably require to prove the title of the transferor or its right to transfer the Metal Securities and if the instrument is executed by some other person on its behalf the authority of that person to do so.
6. Subject to the provisions of the Fifth Schedule (Provisions Relating To Securities In Uncertificated Form) hereto all instruments of transfer which shall be registered will be retained by the Issuer.
7. The executors or administrators of a deceased registered holder of Metal Securities (not being one of several joint holders) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders shall be the only person or persons recognised by the Issuer as having any title to such Metal Securities.

8. Any person becoming entitled to Metal Securities in consequence of the death or bankruptcy of the holder of such Metal Securities may upon producing such evidence that it holds the position in respect of which it proposes to act under this paragraph or of its title as the Issuer shall reasonably think sufficient be registered himself as the holder of such Metal Securities or, subject to the preceding paragraphs as to transfer, may transfer such Metal Securities. The Issuer shall be at liberty to retain payments in respect of any Metal Securities to which any person has become entitled under this paragraph until such person shall be registered as aforesaid or shall duly transfer such Metal Securities.
9. Unless otherwise agreed in writing by the Issuer and the relevant holder, payment in respect of the Metal Securities may be made by cheque or warrant made payable to the relevant holder or, in the case of joint holders, to all such relevant joint holders or to such person or persons as the relevant holder or all the relevant joint holders may in writing direct and sent to the holder at its registered address, or in the case of joint holders, to that one of the relevant joint holders who is first named on the Register in respect of such Metal Securities at its registered address or to such address as the relevant holder or all the relevant joint holders may in writing direct. Every such cheque or warrant may be sent through the post at the risk of the holder or relevant joint holders and due payment of the cheque or warrant shall be a satisfaction of the principal represented thereby.
10. Every such cheque or warrant referred to in paragraph 9 above which is sent through the post shall be sent by first class post on or before the Business Day next preceding the due date of the relevant payment unless such due date is not a Business Day in which event it shall be so sent on or before the second such Business Day.
11. Any notice may be given to any Security Holder by sending the same by post in a prepaid letter addressed to such Security Holder at its registered address. In the case of joint holders of any Metal Securities a notice given to the Security Holder whose name stands first on the register in respect of such Metal Securities shall be sufficient notice to all the joint holders.
12. Any such notice as is referred to in paragraph 11 above given by post shall be deemed to have been served on the day following the day on which the same was posted or, in the case of any notice posted by second-class post, on the second day following that on which it was posted and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed, stamped and posted.
13. If any Certificate issued pursuant to these presents be worn out or defaced then, upon production thereof to the directors of the Issuer, they may cancel the same and may issue a new Certificate in lieu thereof and if any such Certificate be lost or destroyed, then, upon proof thereof to the reasonable satisfaction of the directors of the Issuer, and, in the case of a lost Certificate or in default of proof of destruction of a Certificate, on such indemnity as the directors of the Issuer may reasonably deem adequate having been given, a new Certificate in lieu thereof shall be issued to the person entitled to such lost or destroyed Certificate. An entry as to the issue of the new Certificate and indemnity (if any) shall be made by the Issuer in the Register.

14. To the extent that, and for as long as, the Metal Entitlement of any Basket Security is calculated by reference to one or more classes of Individual Security, and for which they may (when in Certificated Form), be surrendered in accordance with Clause 9, no entry will be made in a Register relating to any class of Individual Securities in respect of Individual Securities comprised in Basket Securities.

THE FOURTH SCHEDULE PROVISIONS FOR MEETINGS OF SECURITY HOLDERS

The following provisions applying to meetings of Security Holders apply not just to meetings of the Security Holders (as a single class) but also in the same manner to meetings of the holders of any type of Metal Securities.

1. The Issuer and the Trustee may respectively and the Trustee shall, at the request in writing of registered holders of not less than one-tenth of the aggregate Principal Amount of the Metal Securities for the time being outstanding and upon receiving such indemnity as the Trustee may require against the cost of convening and holding the meeting, convene a meeting of the Security Holders. Any such meeting shall be held at such place in Jersey and at such time as the Trustee shall determine or approve.
2. At least fourteen days' notice or, when the meeting is being convened for the purpose of passing an Extraordinary Resolution, at least twenty-one days' notice (exclusive in each case of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Security Holders in the manner provided in the Third Schedule (*Provisions Relating to Registration and Transfer*). Such notice shall specify the place, day and hour of the meeting and the general nature of the business to be transacted at the meeting but it shall not be necessary, except in the case of an Extraordinary Resolution, to specify in such notice the terms of any resolution to be proposed. A copy of such notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee and to the Issuer unless the meeting shall be convened by the Issuer. The accidental omission to give notice to, or the non-receipt of notice by, any of the Security Holders shall not invalidate the proceedings at any meeting.
3. At any meeting one or more persons being Security Holders present in person or by proxy or (in the case of a Security Holder which is a corporation) by its duly authorised representative and holding or representing in the aggregate one-third of the aggregate Principal Amount of the Metal Securities for the time being outstanding shall form a quorum for the transaction of business except for the purpose of passing an Extraordinary Resolution. The quorum for passing an Extraordinary Resolution shall be one or more persons being Security Holders present in person or by proxy or (in the case a Security Holder which is a corporation) by its duly authorised representative and holding or representing in the aggregate three-fourths of the aggregate Principal Amount of the Metal Securities for the time being outstanding. No business (other than the choosing of a chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.
4. If within 15 minutes (or such longer period not exceeding 30 minutes as the chairman may decide) from the time appointed for holding the meeting a quorum is not present the meeting, if convened upon the requisition of Security Holders, shall be dissolved. In any other case, it shall stand adjourned to such day and time being not less than thirteen days nor more than forty-two days thereafter and to such place as may be appointed by the chairman and at such adjourned meeting one or more persons being Security Holders present in person or by proxy or (in the case of a Security Holder

which is a corporation) by its duly authorised representative whatever the aggregate Principal Amount of the Metal Securities for the time being outstanding held or represented by them shall from a quorum for the transaction of business including the passing of Extraordinary Resolutions. At least seven days' notice (exclusive as aforesaid) of any adjourned meeting of Security Holders at which an Extraordinary Resolution is to be proposed shall be given in the same manner as for an original meeting and such notice shall state that one or more persons being Security Holders present in person or by proxy or (in the case of a Security Holder which is a corporation) by its duly authorised representative at the adjourned meeting whatever the aggregate Principal Amount of the Metal Securities for the time being outstanding held or represented by them will form a quorum.

5. A person nominated in writing by the Trustee shall preside as chairman at every meeting and if no such person is nominated or if at any meeting no person nominated shall be present within five minutes after the time appointed for holding the meeting the Security Holders present shall choose one of their number to be chairman. The chairman of an adjourned meeting need not be the same person as was the chairman of the meeting from which the adjournment took place. The Trustee and the Trustee's legal and financial advisers and any director, officer or employee of a corporation being a trustee of these presents and any director and the secretary and the legal and financial advisers of the Issuer and any other person authorised in that behalf by the Trustee may attend and be heard at any meeting.
6. The chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
7. At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll is demanded by the chairman or by one or more Security Holders present in person or by proxy or (in the case of a Security Holder which is a corporation) by its duly authorised representative and holding or representing not less than one-twentieth of the aggregate Principal Amount of the Metal Securities for the time being outstanding. Unless a poll is so demanded to a declaration by the chairman that a resolution has been carried unanimously or by a particular majority or not carried by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
8. If a poll is duly demanded it shall be taken in such manner as the chairman may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
9. In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Security Holder.

10. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman directs.
11. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn.
12. On a show of hands every Security Holder who is present in person or by proxy or (in the case of a Security Holder which is a corporation) by its duly authorised representative shall have one vote. On a poll every Security Holder who is so present shall have one vote in respect of every US\$1.00 of Principal Amount attributable to the Metal Securities of which it is the holder or in respect of which it is the proxy or duly authorised representative.
13. In the case of joint registered Security Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
14. On a poll votes may be given either personally or by proxy or (in the case of a Security Holder which is a corporation) by its duly authorised representative and a Security Holder entitled to more than one vote need not (if it votes) use all its votes or cast all the votes it uses in the same way.
15. The instrument appointing a proxy shall be in such form as the Trustee may approve and shall be in writing under the hand of the appointor or of its attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised and such instrument shall be deemed to confer authority to demand or join in demanding a poll.
16. A person appointed to act as a proxy need not be a Security Holder.
17. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority shall be deposited at the registered office of the Issuer or such other place as the Trustee shall approve not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date named in it as the date of its execution.
18. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed PROVIDED THAT no intimation in writing of such death, insanity or revocation shall have been received by the Issuer before the commencement of the meeting or adjourned meeting or the taking of the poll at which the proxy is to be used.

19. A meeting of the Security Holders shall in addition to all other powers have the following powers exercisable by Extraordinary Resolution only, that is to say:
 - (a) power to sanction the release of the Issuer from the payment of moneys payable pursuant to these presents;
 - (b) power to sanction any modification, abrogation or compromise of, or arrangement in respect of, the rights of the Security Holders against the Issuer whether such rights shall arise under these presents, the Certificates for the Individual Securities or otherwise;
 - (c) power to assent to any modification or abrogation of the covenants or provisions contained in these presents proposed or agreed to by the Issuer and to authorise the Trustee to concur in and execute any supplemental trust deed or instrument embodying any such modification; and
 - (d) power to agree to the release of any trustee of these presents from any liability in respect of anything done or omitted to be done by such trustee before the giving of such release.
20. An Extraordinary Resolution passed at a meeting of the Security Holders duly convened and held in accordance with the provisions of these presents shall be binding upon all the Security Holders whether present or not present at the meeting and the Issuer, each of the Security Holders and (subject to the provisions for its indemnity contained in the Trust Instrument) the Trustee shall be bound to give effect thereto accordingly.
21. The expression “Extraordinary Resolution” means in respect of a particular type or particular types taken together of Metal Securities a resolution passed at a duly convened meeting of the holders of Metal Securities of such type or types holding not less than 75 per cent. by Principal Amount of such type or types of Metal Securities or a resolution in writing of holders of such type or types of Metal Securities holding not less than 75 per cent. by Principal Amount of such type or types of Metal Securities, and where so provided for in the Conditions holders of Basket Securities may for this purpose be treated as holders of the relevant class or classes of Individual Securities comprised therein.
22. Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any such minutes as aforesaid if purporting to be signed by the chairman of the meeting shall be conclusive evidence of the matters therein stated and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been so made and signed shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed. Notice of the result of the voting on any resolution duly considered by the Security Holders shall be given by the Issuer not more than 14 days after such result is known PROVIDED THAT the non-receipt of such notice by any Security Holder shall not invalidate such result.

23. A resolution in writing signed by or on behalf of the registered holders of not less than 75 per cent. of the aggregate Principal Amount of the Metal Securities outstanding shall for all purposes of these presents be as valid and effectual as and be deemed to be an Extraordinary Resolution passed at a meeting of the Security Holders or of the holders of the Metal Securities duly convened and held in accordance with the provisions herein contained. Such resolution in writing may be contained in one document or in several documents in or substantially in like form each signed by or behalf of one or more of the relevant Security Holders.
24. Subject to all other provisions of these presents, the Trustee may, without the consent of the Issuer or the Security Holders, prescribe such further regulations regarding the requisitioning and/or the holding of meetings of Security Holders and attendance and voting thereat as the Trustee may in its sole discretion think fit.

THE FIFTH SCHEDULE
PROVISIONS RELATING TO SECURITIES IN UNCERTIFICATED FORM

1. The following provisions of this Schedule shall have effect in relation to Metal Securities which are Participating Securities.
2. So long as the Metal Securities are Participating Securities, no provision of these presents shall (notwithstanding anything contained in these presents) apply or have effect to the extent that it is in any respect inconsistent with:
 - (i) the holding of title to Participating Securities in uncertificated form;
 - (ii) the transfer of title to Participating Securities by means of an operator's system; or
 - (iii) the Regulations.
3. Without prejudice to the generality of paragraph 2 of this Fifth Schedule (*Provisions Relating to Securities in Uncertificated Form*) and notwithstanding anything contained in these presents, where the Metal Securities are, for the time being, Participating Securities:
 - (i) Participating Securities may be issued in uncertificated form in accordance with and subject as provided in the Regulations;
 - (ii) The Participating Securities may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in each case in accordance with and subject as provided in the Regulations;
 - (iii) where title to a Participating Security is evidenced otherwise than by a certificate by virtue of the Regulations, the transfer of title to such a Participating Security shall be effected by means of an operator's system in the manner provided for, and subject as provided, in the Regulations and, accordingly (and in particular) paragraphs 3, 4, 5 and 6 of the Third Schedule (*Provisions Relating to Registration and Transfer*) shall not apply in respect of such a Participating Security to the extent that those paragraphs require or contemplate the effecting of a transfer by an instrument in writing and the production of a Certificate for the Participating Security to be transferred;
 - (iv) the Issuer shall comply with the provisions of Regulation 18 in relation to the Participating Securities;
 - (v) the provisions of the Fourth Schedule (*Provisions for Meetings of Security Holders*) with respect to meetings of holders of the Participating Securities shall have effect subject to the provisions of Regulation 40;
 - (vi) Clause 9 of this Trust Instrument shall not apply so as to require the Issuer to issue a Certificate for new Metal Securities to any person holding Units of such Metal Securities in uncertificated form;

- (vii) notwithstanding sub-paragraph (vi) above, and for the avoidance of doubt, the Conditions shall remain applicable to the Participating Securities (and accordingly the Issuer shall continue to comply with the terms and conditions of the same in accordance with Clause 13 of this Trust Instrument) notwithstanding that they are not endorsed on any Certificate for any Metal Securities which are in certificated form;
- (viii) the Issuer shall, if so requested in writing by the holder of any Participating Securities in uncertificated form, provide to the holder of such Participating Securities within seven days of the receipt of such request a copy of the Conditions and any other document containing equivalent information to that normally endorsed on the Certificates (but so that joint holders of Participating Securities shall be entitled to receive one copy only of the Conditions or such other document in respect of the Participating Securities held jointly by them, which copy shall be delivered to that one of the joint holders whose name stands first in the Register of Security Holders in respect of that holding);
- (ix) notwithstanding paragraph 9 of the Third Schedule (*Provisions Relating to Registration and Transfer*) hereto or any other provision of these presents relating to payment in respect of the Metal Securities, in respect of any Unit of Participating Securities in uncertificated form, where an authority on that behalf shall have been received by the Issuer from the holder of such Unit in such form as the Issuer shall from time to time consider sufficient, the Issuer may pay or procure the payment of moneys payable by the Issuer to such holder pursuant to these presents in respect of such Participating Securities to any bank or other agent of such holder and payment in accordance with such authority shall constitute a good discharge therefor; and
- (x) for the avoidance of doubt, any Unit of the Participating Securities may be held in certificated form by not more than four joint holders,

and the Issuer hereby covenants with the Trustee that it will comply with and observe and be bound by all the foregoing provisions accordingly.

4. The Trustee may concur with the Issuer in making modifications to the provisions of these presents in order to reflect changes in the Regulations or in the applicable law and/or practice relating to the holding or transfer of Securities in uncertificated form.
5. For the avoidance of doubt terms defined in the Regulations have the same meanings in this Fifth Schedule (*Provisions Relating to Securities in Uncertificated Form*).

**EXHIBIT I
FORM OF DIRECTORS' CERTIFICATE**

From: ETFS Metal Securities Limited (the “**Issuer**”)

To: The Law Debenture Trust Corporation p.l.c.

Fifth Floor
100 Wood Street
London EC2V 7EX

in its capacity as Trustee, as defined in the Trust Instrument
(the “**Trustee**”)

Dear Sirs

We, _____ and _____ being Directors of the Issuer refer to a trust instrument (the “**Trust Instrument**”) constituting Metal Securities dated 18 April 2007 between the Issuer and the Trustee. Words and expressions not defined herein shall have the meanings given to them in the Trust Instrument.

This certificate is being given for the purposes of Clause 19 (Q) of the Trust Instrument.

As Directors of the Issuer, we confirm, on behalf of the Issuer , that:

1. as at [•] [**date not more than seven days before delivering this certificate (the “relevant date”)**] there did not exist and had not existed since [**insert relevant date of the previous certificate or ___ 18 April 2007 if this is the first certificate**] any Defaulted Obligation or Issuer Insolvency Event (each as defined in the Trust Instrument) [**OR SPECIFY IF NOT**]; and
2. during the period from and including [**insert relevant date of the previous certificate or 18 April 2007 if this is the first certificate**] to and including the relevant date the Issuer has complied with all its obligations contained in the Trust Instrument and the Schedules thereto and any trust instrument supplemental to the Trust Instrument and the Schedules (if any) thereto and the Conditions and the Security Deeds and the Schedules thereto, all as from time to time modified in accordance with the provisions therein contained [**OR SPECIFY IF NOT**].

Yours faithfully

Yours faithfully

.....

.....

Director

Director

for and on behalf of

for and on behalf of

ETFS Metal Securities Limited

ETFS Metal Securities Limited

EXHIBIT II
FORM OF AUTHORISED PARTICIPANT AGREEMENT

Dated: _____

ETFS Metal Securities Limited

ETF Securities Limited

and

[name of Authorised Participant]

Authorised Participant Agreement

This **AGREEMENT** is dated the _____ day of _____ 200____

BETWEEN

ETFS Metal Securities Limited, a company incorporated and registered in Jersey with registered number 95996, of Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands (“**MSL**”);

ETF Securities Limited, a company incorporated and registered in Jersey with registered number 88370, of Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW, Channel Islands (“**ETFSL**”);

and

[*name of Authorised Participant*], a company incorporated and registered in England with registered number [_____], of [*address of Authorised Participant*], London [*postcode*] (“**AP**”).

WHEREAS

- A. MSL has established a programme for the issuance of Metal Securities to be admitted to trading on the Domestic Market of the London Stock Exchange plc; and
- B. MSL wishes to appoint AP as one of the Authorised Participants.

IT IS AGREED as follows:

1. Definitions

Words and expressions defined in the Prospectus, unless otherwise defined herein, have the same meanings when used in this Agreement. In addition, in this Agreement, unless there is anything in the subject or context inconsistent therewith the following expressions shall have the following meanings:

Application Amount means the amount determined in accordance with paragraph 7 of Schedule 4;

Application Date means the date which an Application is confirmed by MSL in accordance with paragraph 4 of Schedule 4;

Approved Person has the meaning set out in clause 5(a);

Authorised Individual means the individual/s nominated by the Authorised Participant and MSL to confirm an Application;

Confirmation of Application means a notice in the form prescribed from time to time by the Issuer and sent by the Registrar for the purposes of confirming an Application and stipulating the Metal Entitlement, the Application Amount and the Application Payment Date (in accordance with Clause 8 of Schedule 4);

Clearing Cut-Off Time means the earlier of the clearing cut-off time set by the LPPM for platinum and palladium, currently 12noon Zurich time, (11.00am London time) and the clearing cut-off time set by the LBMA for silver and gold, currently 4.00pm London time.

General Notice means any notice given in accordance with this Agreement other than a Pricing Notice;

Party means a party to this Authorised Participant Agreement including that party's

successors in title and assignees or transferees permitted in accordance with the terms of this Authorised Participant Agreement;

Pricing Notice means an Application, a Redemption Form, or any other notice required to be given or sent in accordance with Clause 8(a);

Primary Fax Number means a fax number set out in Clause 9(a), or any replacement thereof notified in accordance with Clause 9(d);

Programme Limit means the maximum number of Metal Securities that are permitted to be issued due to the maximum Programme size filed with the UK Listing Authority;

Prospectus means the prospectus dated [on or about] [] 2007, relating to Metal Securities as the same may be modified, supplemented or amended from time to time; and

Selling Restrictions has the meaning given in Clause 3(b).

- (a) The following rules shall apply to the interpretation of this Agreement unless the context otherwise requires:
- (i) Headings to Clauses, paragraphs, and other provisions of this Agreement are inserted for ease of reference only and shall not affect the interpretation of this Agreement.
 - (ii) Any reference to a person or persons includes reference to any individual, corporation, partnership, joint venture, association, public body, governmental authority or other entity.
 - (iii) Words in the singular shall also include the plural and vice versa.
 - (iv) Any reference to a Clause or Schedule is a reference to a clause or Schedule of this Agreement.
 - (v) Any reference in a Schedule to a paragraph is (unless otherwise specified) a reference to a paragraph of that Schedule.
 - (vi) Any reference to this Agreement or to any other agreement or document includes a reference to this Agreement, or, as the case may be, such other agreement or document, as amended, varied, novated, supplemented or replaced from time to time.
 - (vii) Any reference in this Agreement to any statute or any provision of any statute includes a reference 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.
 - (viii) Unless otherwise indicated, any reference in this Agreement to a time is a reference to local time in London, England.

2. Appointment of AP as Authorised Participant

- (a) This agreement is an Authorised Participant Agreement as defined in the Prospectus.
- (b) For the purposes of the definition of an Authorised Participant, MSL hereby approves AP as an Authorised Participant.
- (c) AP is hereby appointed as an Authorised Participant and is authorised to create and redeem Metal Securities in accordance with the terms hereof.

3. Representations, Warranties and Covenants AP

AP represents, warrants and covenants that:

- (a) it is an Authorised Person, an Exempt Person or an Overseas Person and is a participant of CREST and will maintain any such registrations, qualifications and membership in good standing and in full force and effect throughout the term of this Agreement; and
- (b) it will comply with the agreements and undertakings set out in Schedule 1 (the Selling Restrictions) when making any offers, selling efforts, promotions or similar activities with respect to Metal Securities.

4. Representations, Warranties and Covenants by MSL and ETFSL

MSL and ETFSL represent, warrant and covenant that:

- (a) MSL will comply with the Listing Rules and the Prospectus Rules of the UK Listing Authority made under section 74 of the Financial Services and Markets Act 2000 and any rules of the London Stock Exchange;
- (b) they will conduct their operations and marketing activities in a professional manner and comply with all applicable laws and regulations in any jurisdiction in which they carry on business or undertake any other activities;
- (c) they will develop and maintain a web-site and marketing materials of a high standard and comparable to those used by other exchange traded funds that are true, accurate and not misleading and are distributed, maintained and operated in accordance with, and conform with, all applicable laws and regulations and, if required, approved for the purposes of section 21 of the Financial Services and Markets Act 2000;
- (d) they will promptly inform AP of any significant developments with respect to MSL and Metal Securities;
- (e) where AP notifies MSL that demand exists for Metal Securities in a jurisdiction where Metal Securities are not issued or sold at such time, they will at their own cost use reasonable endeavours to obtain legal and tax advice in such jurisdiction, provided that the anticipated demand for Metal Securities is sufficient to cover the anticipated cost of the advice and in accessing the demand;
- (f) the representations and warranties contained in Schedule 2 are true and accurate and shall remain so throughout the term of this Agreement;
- (g) they will comply with the undertakings in Schedule 2;
- (h) MSL will fulfil its Redemption Obligations to AP on Redemption of Metal Securities in respect of which it is the Security Holder in accordance with the Trust Instrument and the Conditions;
- (i) they will not amend or agree to amend any of the provisions of any Authorised Participant Agreement without first having given to all other Authorised Participants prior written notice of the amendments and of the date on which such amendments are to become effective; and
- (j) they will appoint any further or additional Authorised Participants only on substantially the same terms as are set out herein.

5. Creation and Redemption Procedures

- (a) Concurrent with the execution of this Agreement and from time to time thereafter, AP shall deliver to the Registrar and MSL, and MSL shall deliver to AP, duly certified as appropriate by its secretary or other duly authorised official, a certificate in the form of Schedule 3 setting forth the names and signatures of all persons approved to give instructions relating to activity contemplated hereby or by any other notice, request or instruction given on behalf of AP or MSL (each such person an “Approved Person”).
- (b) Each of AP and MSL will comply with the creation procedures set out in Schedule 4, the redemption procedures set out in the Trust Instrument and the Conditions and any transfer of Bullion to be made pursuant to any Application or Redemption Notice will be made in accordance with those procedures and the Conditions.
- (c) AP agrees that for every Application it gives to MSL as provided in Schedule 4, it will pay to the Issuer a fee, in such manner as the Issuer may direct, of an amount equal to £500 or such lesser amount as may be accepted by MSL either generally or on any particular occasion. AP further agrees that for the purposes of Condition 9.2, the Redemption Fee shall be £500 or such lesser amount as may be accepted by MSL either generally or on any particular occasion and shall be payable in such manner as the Issuer may direct.

6. Indemnification

[AP may elect to delete clauses (a) – (c) in whole
(with consequential amendments to 10(b) and 2.1 in Sch 2)]

- (a) AP hereby agrees to indemnify and hold ETFSL and MSL harmless if they, or any of their respective direct or indirect Affiliates, and their respective directors, officers, employees and agents (each, an “**AP Indemnified Party**”) suffers any loss, liability, damages, costs and expenses (including legal fees) incurred by such AP Indemnified Party as a result of or in connection with any breach by AP of any of the Selling Restrictions.
- (b) MSL and ETFSL, jointly and severally hereby agree to indemnify and hold harmless AP, if AP, each holding company and subsidiary of AP (as defined in section 736 of the Companies Act 1985), or any of their respective direct or indirect Affiliates, and their respective directors, officers, employees, agents or any person who controls AP for the purpose of Section 15 of the Securities Act of 1933 of the United States (each an “**ETFSL Indemnified Party**”) suffers any loss, liability, damages, cost and expense (including legal fees) as a result of any:
 - (i) breach or alleged breach by ETFSL or MSL of any provision of this Agreement that relates to ETFSL or MSL;
 - (ii) failure or alleged failure on the part of ETFSL or MSL to perform any of their obligations set forth in this Agreement; or
 - (iii) failure or alleged failure by ETFSL or MSL to comply with applicable laws.
- (c) This Clause 6 shall not apply to the extent that any such loss, liability, damages, costs and expenses are incurred as a result or in connection with any gross negligence, bad faith or wilful misconduct on the part of the AP Indemnified Party or the ETFSL Indemnified Party, as the case may be.
- (d) Save in respect of the provisions set out in Schedule 4 hereto none of ETFSL, MSL and AP shall be liable to each other or to any other person, including any party claiming by, through

or on behalf of AP, for any loss, liability, damages, costs or expenses arising out of any mistake or error in data or other information provided to any of them by each other or any other person or out of any interruption or delay in the electronic means of communications used by them.

7. Termination

This Agreement may be terminated at any time by any party upon thirty days' prior written notice to the other parties *provided that* in each case Clauses 6 and 8 shall survive such termination.

8. Notices

Pricing Notices

- (a) Any Pricing Notice shall be in writing in English and shall be signed by or on behalf of the Party giving it (or its duly authorised representative). Any Pricing Notice shall be sent by fax to the recipient's Primary Fax Number.
- (b) Any Pricing Notice shall be deemed to have been received upon sending, subject to confirmation of uninterrupted and error-free transmission by a transmission report.
- (c) MSL will be entitled to assume that each Pricing Notice is genuine and will not be required to make any investigation or enquiry into the authenticity of any such notice.

General Notices

- (d) Any General Notice shall be in writing in English and shall be signed by or on behalf of the Party giving it (or its duly authorised representative). Any General Notice shall be delivered by hand, sent by prepaid recorded delivery or registered post (or registered airmail in the case of an address outside the United Kingdom), to the address given in Clause 10(f) (or such other address as the receiving Party has specified to the sending Party on at least five Business Days' notice) or sent by fax to the recipient's Primary Fax Number.
- (e) Any General Notice shall, in the absence of earlier receipt, be deemed to have been received as follows:
 - (i) if delivered by hand, at the time of actual delivery;
 - (ii) if sent by prepaid recorded delivery or registered post (or registered airmail in the case of an address outside the United Kingdom), on the date it is delivered or its delivery is attempted; or
 - (iii) if sent by fax, upon sending, subject to confirmation of uninterrupted and error-free transmission by a transmission report.
- (f) The addresses and numbers of the parties for the purposes of Clause 9(d) are:

Name of party	Address	Facsimile No.	Marked for the attention of
MSL and ETFSL	Ordnance House 31 Pier Road St Helier Jersey JE4 8PW	██████████	██████████ ██████████

- (b) Each party hereby irrevocably agrees that the courts of England shall have non-exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with this Agreement (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submit to the jurisdiction of such courts.
- (c) Each party hereto, other than AP, agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered on its behalf to its agent ("**Process Agent**") as notified to the other party in writing from time to time. At the date hereof the Process Agent of each of ETFSL and MSL is C7 Plus LLP, whose registered office is currently at Ground Floor, 52 Berkeley Square, Mayfair, London W1J 5BT. If for any reason the Process Agent of any party ceases to be able to act as such or no longer has an address in London, that party irrevocably agrees to appoint a substitute process agent acceptable to the other party and shall immediately notify the other party of such appointment. Nothing contained in this clause 13(c) affects the right to serve documents and process in any other matter permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.
- (d) Each party hereto irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and determine any Proceedings, and to settle any Disputes, which may arise out of or in connection with this Agreement and agrees not to claim that the courts of England are an inconvenient or inappropriate forum.

12. Miscellaneous

- (a) The development rights and property in existing and all new products developed by ETFSL and MSL remain the exclusive property of ETFSL.
- (b) A variation of this Agreement is valid only if it is in writing and signed by and on behalf of each party.
- (c) A party may not 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 provided that AP may assign or transfer its rights and/or obligations hereunder to an Affiliate of AP.
- (d) Nothing in this Agreement shall make any Party a partner or an agent of another Party.
- (e) This Agreement may be executed in any number of counterparts, which may be evidenced by facsimile transmission. All counterparts will be taken to constitute one instrument.

13. Limited Recourse and Non-Petition

AP hereby agrees that it shall have recourse in respect of any claim under this Agreement only to sums derived from the Secured Property relating to the relevant Pool, subject always to the Security (as defined in the relevant Security Deed) and any such claim by AP shall be reduced *pro rata* so that the total of all such claims does not exceed the aggregate value of the Secured Property relating to the relevant Pool after meeting claims secured on it. The Trustee (or any other secured party) having realised the same, neither AP nor any person acting on its behalf shall be entitled to take any further steps against MSL to recover any further sums and no debt shall be owed by MSL to such person in respect of any such further sum. In particular, AP shall not be entitled to institute, or join with any other person in bringing, instituting or joining, insolvency proceedings (whether court based or otherwise) in relation to MSL, nor shall it have any claim in respect of any sum arising in respect of the Secured Property for any other Pool.

14. Publication of Prospectus

- (a) Subject to Clause 14(b) below, AP will during the term of this Agreement make available, free of charge, printed copies of the Prospectus and any pricing supplement or supplementary prospectus in accordance with PR3.2.2, PR3.2.4(2), PR3.2.5 and PR3.2.8 of the Prospectus Rules and/or Article 14(2)(b) of the Prospectus Directive.
- (b) For the purposes of the foregoing, MSL will during the term of this Agreement deliver to AP, free of charge, such number of copies of the Prospectus as AP may from time to time reasonably request, including any pricing supplement or supplementary prospectus.

EXECUTED by the parties:

SIGNED by)
for and on behalf of)
ETFS METAL SECURITIES)
LIMITED)

SIGNED by)
for and on behalf of)
ETF SECURITIES LIMITED)

SIGNED by)
for and on behalf of)
[name of AP])
)

Schedule 1

Pursuant to clause 3(b), the Selling Restrictions are as follows:

1 General

No action to permit public offering

- 1.1 AP acknowledges that, save for the approval of the Prospectus by the UK Listing Authority in accordance with Part VI of the Financial Services and Markets Act 2000 (the "FSMA") having been obtained, no action has been or will be taken (without the prior written consent of MSL) in any jurisdiction by it that would permit a public offering of Metal Securities, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required.

AP acknowledges that MSL does not (i) represent that Metal Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction other than the United Kingdom, or pursuant to any exemption available thereunder, nor (ii) assume any responsibility for facilitating such sale.

The Authorised Person will not offer or sell any Metal Securities in any jurisdiction other than the United Kingdom in circumstances that would result in any legal or regulatory requirement being imposed on MSL save as expressly provided for in this Agreement.

1.2 AP's compliance with applicable laws

AP undertakes to MSL that it will comply (and procure compliance) with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Metal Securities or has in its possession or distributes offering material, in all cases at its own expense.

2 United States

In relation to the Metal Securities AP represents, warrants and undertakes to MSL that neither it nor any of its Affiliates (including any person acting on behalf of AP or any of its Affiliates):

- (a) has knowingly offered or sold or will knowingly offer or sell, except in a transaction exempt from the registration requirements of the Securities Act to a Qualified Purchaser, Metal Securities within the United States or to a U.S Person, whether before, on or after the relevant Application date; or
- (b) has engaged or will engage in any "directed selling efforts" with respect to Metal Securities.

3 European Economic Area

- 3.1 AP represents, warrants and undertakes to MSL:

Subsequent to the implementation of the Prospectus Directive: In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Metal Securities to the public in that Relevant Member State, except that it may, with effect from and including the

Relevant Implementation Date, make an offer of Metal Securities to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Metal Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of
 - (1) an average of at least 250 employees during the last financial year;
 - (2) a total balance sheet of more than €43,000,000 and
 - (3) an annual net turnover of more than €50,000,000,each as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by MSL of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this paragraph 3, the expression an “**offer of Metal Securities to the public**” in relation to any Metal Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Metal Securities to be offered so as to enable an investor to decide to purchase or subscribe for Metal Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

4 United Kingdom

4.1.1 *Financial promotion:* it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Metal Securities in circumstances in which section 21(1) of the FSMA does not apply to MSL or any Affiliate of MSL.

4.1.2 *General compliance:* it has complied and will comply with all applicable provisions of the FSMA and the United Kingdom financial services regime (including, without limitation, the obligation to treat customers fairly) with respect to anything done by it in relation to any Metal Securities in, from or otherwise involving the United Kingdom.

5 Jersey

AP undertakes to MSL that it will not permit Metal Securities to be offered to, sold to, or purchased by persons resident for income tax purposes in Jersey (other than financial institutions in the normal course of business).

Schedule 2

Pursuant to clauses 4(f) and 4(g), the Representations, Warranties and Undertakings of MSL and ETFSL are as follows:

1 Representations and Warranties of MSL and ETFSL

MSL and ETFSL do, on the date of this Agreement, and shall on each date on which AP makes an Application and on each date on which the Application Amount is paid in respect of Metal Securities be deemed, jointly and severally, to represent to, warrant to and agree with AP that:

- 1.1 **Due Incorporation:** MSL is duly incorporated and validly existing under the laws of Jersey, with full power and authority to conduct its activities as described in the Prospectus
- 1.2 **Residence:** MSL has complied and is in compliance with Clause 19(W) of the Trust Instrument
- 1.3 **Validity of Documents:** the execution and delivery of the Documents by MSL has been duly authorised by MSL and the Documents constitute, and upon due execution, authentication, issue and delivery, the Metal Securities will constitute valid and legally binding obligations of MSL
- 1.4 **Consents:** all actions or things required to be taken, fulfilled or done (including without limitation the obtaining of any consent or licence or the making of any filing or registration) for the issue of the Metal Securities, the carrying out of the other transactions contemplated by the Documents or the compliance by MSL and/or ETFSL (as the case may be) with the terms of the Metal Securities and the Documents, as the case may be, have been obtained and are in full force and effect
- 1.5 **Compliance:** the execution and delivery of the Documents, the issue of the Metal Securities, the carrying out of the other transactions contemplated by the Documents and compliance with their terms do not and will not (i) conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, the documents constituting MSL or any agreement or instrument to which MSL is a party or by which it or any of its properties is bound, or (ii) infringe any existing applicable law, rule, regulation, judgment, order or decree of any government, governmental body or court, domestic or foreign, having jurisdiction over MSL, or any of its properties
- 1.6 **Prospectus:** (i) the Prospectus contains all information with respect to MSL, the Metal Securities and any related contract entered into by MSL that is material in the context of the issue and offering of the Metal Securities (including all information required by applicable laws of Jersey and English law and the information that is necessary to enable investors and their professional advisers to make an informed assessment of the condition of MSL and the rights attaching to the Metal Securities), (ii) the statements contained in it relating to MSL are in every material particular true and accurate and not misleading, (iii) there are no other facts in relation to MSL or the Metal Securities the omission of which would, in the context of the issue and offering of the Metal Securities, make any statement in the Prospectus misleading in any material respect, and (iv) all reasonable enquiries have been made by MSL to ascertain such facts and to verify the accuracy of all such information and statements
- 1.7 **Litigation:** there are no pending actions, suits or proceedings against or affecting MSL or any of its properties

- 1.8 Events of Default:** no event has occurred or circumstance arisen that might (whether or not with the giving of notice, lapse of time and/or issue of a certificate) constitute an event described under the definitions of “Counterparty Event of Default”, “Insolvency Event” and “Defaulted Obligation” in the Conditions
- 1.9 Substantial U.S. Market Interest:** MSL reasonably believes that there is no substantial U.S. market interest (as defined in Regulation S under the Securities Act) in its debt securities
- 1.10 Directed Selling Efforts:** neither MSL nor any of its affiliates nor any persons acting on their behalf have engaged or will engage in any directed selling efforts (as defined in Regulation S under the Securities Act) with respect to the Metal Securities and each of them has complied and will comply with the offering restrictions requirement of such Regulation
- 1.11 Collective Investment Scheme:** to the best of MSL’s knowledge and belief, and on the basis of appropriate legal advice and in the absence of any contradictory notices from the Financial Services Authority, MSL does not constitute a “collective investment scheme” or an “open-ended investment company” for the purposes of the Financial Services and Markets Act 2000 and any applicable secondary legislation made under it
- 1.12 SETS and CREST:** the Metal Securities qualify for settlement and trading within the SETS and CREST settlement and trading systems.

2 Undertakings of MSL and ETFSL

Each of MSL and ETFSL jointly and severally agree with AP that:

- 2.1 Representations and Warranties:** it shall notify the AP promptly of any change affecting any of its representations, warranties, agreements and indemnities in this Agreement at any time and take such steps as may be reasonably requested by the AP, to remedy and/or publicise the same
- 2.2 Restrictions:** it shall at all times comply with Clause 20 of the Trust Instrument
- 2.3 Information:** it shall furnish to AP such information concerning MSL as AP may from time to time reasonably request or as would be required to be disclosed in the Prospectus
- 2.4 Prospectus:** whenever it amends, supplements or replaces the Prospectus it shall furnish to AP copies of the Prospectus, each amendment to, supplement to or replacement thereof, each Supplementary Prospectus and, upon request, each document incorporated by reference and any additional marketing information
- 2.5 CREST:** it will ensure that the Metal Securities are at all times eligible for settlement in CREST and will comply with the rules of CREST from time to time
- 2.6 Maximum Aggregate Amount:** it will ensure that as of (i) each date on which AP makes an Application and (ii) each date on which the Application Amount is paid in respect of Metal Securities, the aggregate number of Metal Securities outstanding will not exceed the Programme Limit (after giving effect to the issuance of such Metal Securities and of any other Metal Securities to be issued, and to the redemption of Metal Securities to be redeemed on or prior to such date)
- 2.7 Monitoring:** it shall deliver, register and furnish such documents, instruments,

information and undertakings to, and obtain any consent from, any relevant agency, authority, central bank, department, government, minister, official, public or statutory corporation, or self-regulating organisation or Stock Exchange as may be necessary or advisable from time to time to comply with all relevant laws and directives that are relevant to any Metal Securities or the Documents

- 2.8 Authorised Representative:** it shall notify AP immediately in writing if any of the persons so named in Schedule 3 hereto shall cease to be authorised to take action on behalf of MSL or if any additional person shall be so authorised and, unless and until notified of any such change, AP shall be entitled to rely upon the certificate[s] delivered to them most recently and all instructions given in accordance with such certificate[s] shall be binding upon MSL
- 2.9 Securities Act:** it shall not issue, offer or sell any securities under circumstances that would require the registration of any of the Metal Securities under the Securities Act
- 2.10 Meetings of Security Holders:** it shall give AP notice of any meeting of Security Holders (as defined in the Trust Instrument) as soon as reasonable practicable, and in any event, no later than the date on which notice is provided to the Security Holders and shall permit AP and its advisers to attend and speak at any such meeting

Schedule 3

Pursuant to clause 5(a), the names and signatures of all persons approved to give instructions relating to activity contemplated hereby, by the Business Rules or by any other notice, request or instruction given on behalf of MSL or AP (each, an "Approved Person") are as follows:

Signature verification for [ETFS Metal Securities Limited or name of AP]

I, [name of person], [title] for the above mentioned, confirm that the persons specified below are authorised signatories of [name of Authorised Participant] and that the signatures set out beside the names below are their true and exact signatures:

[name]
[title]

[name]
[title]

[name]
[title]

[name]
[title]

Signed: _____

[name]

[title]

Schedule 4

Pursuant to clause 5(b), the creation procedures and the applicable provisions of the Programme and any transfer of Bullion to be made pursuant to any Application are as follows:

All times are in London time unless otherwise stated.

Application

1. AP may on any Business Day between 8.00am and 4.30pm give (or cause to be given on its behalf) to MSL a notice in the form prescribed from time to time by the Issuer for the purposes of this paragraph (an **Application**) for the issue by MSL of a specific number and type of Metal Securities. The giving of such application shall constitute an Application.
2. An Application shall be invalid:
 - (a) if it does not specify a number and type of Metal Securities to be issued by MSL;
 - (b) if it relates to the issue of more than one type of Metal Security;
 - (c) if it is not signed by an Approved Person; or
 - (d) if it is not confirmed in accordance with paragraph 4 below,

and, save as provided under paragraph 4, no Metal Securities shall be issued in respect of or under that Application.

3. An Application which is received by MSL after 4.30pm shall be deemed to be received by MSL at 8.00am on the following Business Day unless MSL agrees to treat the Application as having been received prior to 4.30pm in which case the Application shall be deemed to have been received on that Business Day.

Confirmation of Application

4. AP's Authorised Individual shall, within 30 minutes of any Application having been sent by AP, try to contact MSL by telephone to seek confirmation by MSL of such Application. MSL shall generally be available from 8.00am to 4.30pm and must be available from 4.30pm to 5.00pm (the "Application Required Time"). MSL shall confirm such Application during the Application Required Time (or earlier), except where such Application is not valid under paragraph 2 above and if the Application was deemed received by MSL after 4.30pm MSL may, but shall not be obliged to, agree that such Application should be treated as though received prior to 4.30pm (and in any event, MSL shall inform AP whether MSL has confirmed or rejected such Application).
5. Where MSL confirms its acceptance of an Application, that Application shall be a valid Application and MSL will cause the Registrar to issue a Confirmation of Application to AP in accordance with paragraph 8 below.
6. If MSL considers that a purported Application is invalid, it shall notify AP of that fact as soon as reasonably possible.

Application Amount

7. The amount of Bullion due with respect to an Application (the "Application Amount") shall be equal to the aggregate Metal Entitlement of the Metal Securities applied for, calculated as at the Settlement Date (rounded up to the nearest 0.001 troy ounce, or fine troy ounce in the

case of gold).

8. On the day the Application has been received by MSL, the Registrar shall issue a Confirmation of Application notifying AP of the Metal Entitlement, the Application Amount payable and the Settlement Date in respect of that Application.

Payment of Application Amount

9. AP shall not later than the Clearing Cut-off Time on the Settlement Date transfer the Application Amount in respect of that Application to the Subscription Unallocated Account. On the Settlement Date, upon receiving confirmation from the Custodian that the transfer has been received, MSL shall:
 - (a) instruct the Custodian to transfer the Application Amount to the Secured Unallocated Account (and thereafter, as soon as practicable to the Secured Allocated Account); and
 - (b) cause such Metal Securities to be issued and delivered to AP through CREST free of payment by 1.00pm, save if and to the extent that AP or MSL has given a notice to withdraw in respect of any such Application in accordance with paragraph 10 below.

Non-Payment of Application Amount

10. Subject to paragraph 11, MSL may give a notice to withdraw in respect of an Application for any Metal Securities at any time after one hour after Clearing Cut-off Time on the first Business Day following the Settlement Date in respect of such Application, by sending such notice to AP, if and to the extent that MSL has not at such time received the Application Amount in respect of such Application.
11. Where a notice to withdraw is duly given in respect of any Application, then:
 - (a) such Application shall be cancelled, and the Parties shall have no further obligations to each other under or in respect of it;
 - (b) no interest shall be payable to MSL in respect of such Application Amount; and
 - (c) the number and classes of Metal Securities issued pursuant to that Application shall be cancelled (without any payment obligation arising under this Agreement).

Listing Failure

12. If the UK Listing Authority refuses to admit to the Official List any Metal Securities issued under this Agreement, MSL shall promptly upon becoming aware of that fact notify the AP thereof in accordance with the procedure for sending notices under Clause 9(a).
13. If the Metal Securities in question have not been issued or have been issued but not transferred to AP:
 - (a) If not yet issued MSL shall not issue such Metal Securities and if issued MSL shall immediately cancel such Metal Securities; and
 - (b) No amount shall be paid or payable by or on behalf of AP to MSL in respect of those Metal Securities.
14. If the Metal Securities in question have been both issued and transferred to AP:
 - (a) MSL shall treat the Metal Securities in question as non-transferable except back to MSL and

shall not accept or register any transfer thereof except back to MSL, and shall so instruct the Registrar;

- (b) All amounts received by MSL on account of the Application Amount for the Metal Securities, shall be transferred by MSL from the Subscription Unallocated Account to the relevant Security Holder Account;
 - (c) All Metal Securities received by AP shall be delivered free of payment to MSL (through CREST, in the case of Metal Securities in Uncertificated Form); and
 - (d) The Parties shall, and MSL shall procure that the Registrar shall, give all necessary delivery instructions to CREST for settlement of that transaction to take place on the Payment Date .
15. Where paragraph 12 above applies a Redemption Form shall be deemed to have been received by MSL in respect of such Metal Securities (without the need for AP to send any such Redemption Form) at 11.00 am on the day on which notice is given under paragraph 12 above.

IN WITNESS whereof this Trust Instrument has been executed as a deed by the Issuer and the Trustee and entered into on the day and year first above written.

EXECUTED AND DELIVERED)
as a DEED by ETFS METAL)
SECURITIES LIMITED acting by:)



..... *A. TUCKER* Director

..... Director/Secretary

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

.....
.....

14205173.12.BUSINESS

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