

**AUGUST 2022**

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**MASTER TERMS AND CONDITIONS OF BASKET ETC SECURITIES**

**for**

**ELEMENTUM METALS SECURITIES PLC**

**Elementum Physical Metal ETC Securities Programme**

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MATHESON  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland  
DO2 R296  
T: +353 1 232 2000  
F: +353 1 232 3333  
56391099.3

## Introduction

*The following is the text of the terms and conditions (the “Conditions”) that, subject to completion in accordance with the provisions of the Final Terms and/or Pricing Terms of the relevant Series of Basket ETC Securities, shall be applicable to each Series of Basket ETC Securities.*

*Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the relevant Final Terms and/or Pricing Terms or (ii) these terms and conditions as so completed, shall be endorsed on the ETC Securities. For the avoidance of doubt, in the case of (i) above the blanks in the text of these terms and conditions shall be deemed to be completed by the information contained in the relevant Final Terms and/or Pricing Terms as if such information were inserted in such provisions; alternative or optional provisions in these terms and conditions which are not specified or which are expressly disapplied or deleted in the relevant Final Terms and/or Pricing Terms shall be deemed to be deleted from these terms and conditions; and all provisions of these terms and conditions which are inapplicable to the ETC Securities (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these terms and conditions, as required to give effect to the terms of the relevant Final Terms and/or Pricing Terms.*

*All references in these Conditions to the “Final Terms” shall be understood to include references to the “Pricing Terms” with respect to each Tranche of the Securities.*

*Italicised wording contained in the Conditions is included as instructions, guidance or disclosure only and does not form part of the Conditions of the ETC Securities.*

These terms and conditions apply separately to each Series and, accordingly, references in these terms and conditions to “**ETC Securities**” are to the ETC Securities of the relevant Series only and references to any defined term that applies in respect of each Series is to such defined term as it relates to such relevant Series (unless specified otherwise or unless the context otherwise requires).

A non-binding translation of the following text of the terms and conditions may be prepared in relation to each Series. The English language version of the terms and conditions shall be binding and shall prevail in all circumstances. Any such translations will not be reviewed and approved by the Central Bank or any another similar body in any other jurisdiction.

Copies of the relevant Issue Deed, Trust Deed, Security Documents and Conditions referred to in these terms and conditions are available for inspection during normal business hours at the Specified Office of the Issuer and each of the Paying Agents and on the website of the Issuer at the following link:

<https://elementummetals.com/product/elementum-physical-electric-vehicle-metals-etc#documents>

and will be sent to an ETC Holder on request to the Issuer, the Principal Paying Agent or a Paying Agent.

References to any time in the Conditions or any Transaction Document are expressed using the 24-hour-clock convention. References in the Conditions or any Transaction Document to a party publishing any value, rate, level, notice or other information shall be deemed to include any agent, delegate or appointee of such party publishing such value, rate, level, notice or other information on behalf of that party.

*References in these Conditions to any Authorised Participant subscribing for ETC Securities or requiring the Issuer to repurchase ETC Securities held by it by submitting a Subscription Order or Buy-Back Order (as applicable) directly with the Issuer shall be read as including (as applicable) reference to the Arranger subscribing for ETC Securities (on such terms as agreed between the Arranger and the Issuer as to fee and settlement arrangements, but otherwise in accordance with the terms provided in these Conditions in relation to Subscriptions and the subscription conditions and procedures described in the Base Prospectus) or requiring the Issuer to repurchase any ETC Securities held by the Arranger (on such terms as agreed between*

*the Arranger and the Issuer as to fee and settlement arrangements but otherwise in accordance with the terms provided in these Conditions in relation to Buy-Backs and the buy-back procedures (including the Buy-Back Conditions) described in the Base Prospectus). Other than as provided above, any ETC Securities subscribed for by the Arranger shall be held by it solely in its capacity as an investor (and not, for the avoidance of doubt, as an Authorised Participant) and subject to the Conditions applicable to the ETC Securities, with the exception of the Arranger's additional right to submit Buy-Back Orders directly with the Issuer on the same terms as Authorised Participants.*

## 1. Definitions

In the Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**"Account Bank"** means The Bank of New York Mellon, London Branch and any successor or replacement thereto as account bank under the Account Bank Agreement.

**"Account Bank Agreement"** means, in respect of a Series, the account bank agreement in the form of the Master Account Bank Terms dated on or about the Series Issue Date created by the entry into of the Issue Deed for the first Tranche of such Series by the Issuer, the Administrator, the Account Bank and any other parties specified in such Issue Deed as being a party to such Account Bank Agreement, as amended and/or supplemented by such Issue Deed and as such Account Bank Agreement is amended, supplemented, novated or replaced from time to time.

**"Accrued Rent"** means in respect of any LME Warrant and any day, the rent payable pursuant to the terms of such LME Warrant as at such day then accrued and unpaid.

**"Actual Redemption Sale Proceeds"** has the meaning given to it in the definition of Total Redemption Sale Proceeds.

**"Administration Agreement"** means, in respect of a Series, the administration agreement in the form of the Master Administration Terms dated on or about the Series Issue Date created by entry into of the Issue Deed for the first Tranche of such Series by the Issuer, the Administrator, and any other parties specified in such Issue Deed as being a party to such Administration Agreement, as amended and/or supplemented by such Issue Deed and as such Administration Agreement is amended, supplemented, novated or replaced from time to time.

**"Administrator"** means Apex Fund Services (Ireland) Limited and any successor or replacement thereto as administrator under the Administration Agreement in respect of a Series.

**"Administrator/Benchmark Event"** means any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Metal Reference Price or Reference Index (in the case of Basket ETC Securities) or the administrator or sponsor of the Metal Reference Price or Reference Index (as applicable) has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the Issuer, the Administrator or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Metal Reference Price or Reference Index (as applicable) to perform its or their respective obligations under the ETC Securities.

**"Affiliate"** means, in relation to any person or entity, any other person or entity controlled, directly or indirectly, by the person or entity, any other person or entity that controls, directly or indirectly, the person or entity or any other person or entity directly or indirectly under common control with the person or entity. For these purposes, **"control"** of any entity or person means the power, directly or indirectly, either to (i) vote 10 per cent. or more of the securities having ordinary voting power for the

election of directors of the relevant person or entity or (ii) direct or cause the direction of the management and policies of such person or entity whether by contract or otherwise.

**“Agency Agreement”** means, in respect of a Series, the agency agreement in the form of the Master Agency Terms dated on or about the Series Issue Date created by entry into of the Issue Deed for the first Tranche of such Series by the Issuer, the Administrator, the Trustee, the Principal Paying Agent, each relevant Paying Agent (as may be required by the rules of any Relevant Stock Exchange), the Registrar, the Transfer Agent and any other parties specified in such Issue Deed as being a party to such Agency Agreement, as amended and/or supplemented by such Issue Deed and as such Agency Agreement is amended, supplemented, novated or replaced from time to time.

**“Agents”** means the Administrator, the Custodian, each Metals Counterparty, the Principal Paying Agent, any other Paying Agent(s), the Registrar, the Transfer Agent and such other agent(s) as may be appointed from time to time in relation to the ETC Securities under the Administration Agreement, the Custody Agreement, the Metals Counterparty Agreement(s), the Agency Agreement or any other agreement with the Issuer under which such agent is appointed from time to time in relation to the ETC Securities, as applicable, and any successor or replacement thereto and **“Agent”** means any of them.

**“Allocated Account (Custodian)”** means, in respect of a Series for which any Precious Metal owned by the Issuer is held by the Custodian in allocated form, each segregated metal custody account opened and maintained by the Custodian in the name of the Issuer for the account of such Series evidencing and recording the amount of Metal (by reference to the quantity of Metal and identifying the specific Bars of Metal allocated to the Issuer) to which the ETC Securities of that Series are linked, as well as the withdrawals from and deposits to that account.

**“Allocated Account (Primary Sub-Custodian)”** means, in respect of a Series for which any Precious Metal owned by the Issuer is held by the Custodian in allocated form and deposited with or received by a Primary Sub-Custodian to be held by such Primary Sub-Custodian as bailee for the Custodian on behalf of the Issuer, each segregated allocated account established and maintained by such Primary Sub-Custodian in the name of the Custodian (and operated by the Custodian on behalf of the Issuer) evidencing and recording the amount of Metal (by reference to the quantity of Metal and identifying the specific Bars of Metal) held by such Primary Sub-Custodian on an allocated basis for the Custodian on behalf of the Issuer in the secure vaults of such Primary Sub-Custodian (or in an account in the name of such Primary Sub-Custodian at the secure vaults of a Sub-Custodian, which may be another Primary Sub-Custodian) located in Switzerland and/or London (as specified in the Final Terms) or such other location as approved by the Custodian (with the consent of the Issuer) and notified to the ETC Holders in accordance with Condition 19 (*Notices*), as well as the withdrawals from and deposits to that account and **“Allocated Accounts (Primary Sub-Custodian)”** means all of them.

**“Allocated Account (Sub-Custodian)”** means, in respect of a Series for which any Precious Metal owned by the Issuer is held by the Custodian in allocated form and deposited with or received by another Sub-Custodian to be held by such Sub-Custodian as bailee for the Custodian on behalf of the Issuer, each segregated account established and maintained by such Sub-Custodian in the name of the Custodian (and operated by the Custodian on behalf of the Issuer) evidencing and recording the amount of Metal (by reference to the quantity of Metal and identifying the specific Bars of Metal) held by such Sub-Custodian on an allocated basis for the Custodian on behalf of the Issuer in the secure vault of such Sub-Custodian in Switzerland and/or London (as specified in the Final Terms) or such other location as approved by the Custodian (with the consent of the Issuer) and notified to the ETC Holders in accordance with Condition 19 (*Notices*), as well as the withdrawals from and deposits to that account and **“Allocated Accounts (Sub-Custodian)”** means all of them.

**“Allocated Accounts”** means, in respect of a Series, each Allocated Account (Custodian), each Allocated Account (Primary Sub-Custodian) and each Allocated Account (Sub-Custodian) in respect of such Series, and **“Allocated Account”** means any of them.

**“Appointee”** means any agent, delegate, sub-delegate or nominee appointed by the Trustee or the Security Trustee under the Trust Deed or the Security Documents, as applicable.

**“Arranger”** means NTree International Limited in its capacity as arranger under the Programme and any successor and/or replacement thereto.

**“Authorised Participant”** means, in respect of a Series, any authorised participant that is appointed as an Authorised Participant for such Series under an Authorised Participant Agreement, and any successor or replacement thereto.

**“Authorised Participant Agreement”** means, in respect of a Series and in respect of an Authorised Participant, the authorised participant agreement entered into by the Issuer, the Administrator, the relevant Authorised Participant and any other parties thereto relating to such Authorised Participant’s appointment as such, as amended, supplemented, novated or replaced from time to time.

**“Average Metal Sale Price”** means, in respect of a Redemption Disposal Period, a price determined by the Administrator and expressed in the format of “USD per fine troy ounce” in the case of Gold, “USD per troy ounce”, in the case of Silver, Platinum or Palladium or “USD per metric tonne” in the case of Copper, Nickel or Cobalt and an amount in USD per each such other Trading Unit of any Component comprised in the relevant Basket, as specified in the Final Terms for such Series as being equal to:

- (i) the Net Redemption Sale Proceeds in respect of such Redemption Disposal Period; divided by
- (ii) the total number of Trading Units of the relevant Metal (or, in the case of Basket ETC Securities, of each type of Metal or Component) comprising the Underlying Metal as at the start of such Redemption Disposal Period.

**“Bars”** means bars, plates, ingots or other relevant shapes of Precious Metal, meeting the “Good Delivery” standards set by the London Bullion Market Association (the **“LBMA”**) in the case of gold and silver or the London Platinum and Palladium Market (the **“LPPM”**) in the case of platinum and palladium.

**“Base Metal”** means one of Copper, Nickel or Cobalt and **“Base Metals”** means all of them.

**“Basket”** means, in respect of a Series of Basket ETC Securities, the basket by which such Series is physically backed, comprised of a specified number of Trading Units of two or more types of Precious Metals and/or Base Metals and/or Components, proportionate to the weightings of such Metals and/or Components in the Reference Index to which such Series is linked, as specified in the Final Terms for such Series and **“relevant Basket”** shall be construed accordingly.

**“Basket ETC Securities”** means a Series of ETC Securities, the return on which is linked to the performance of a specified Reference Index and which are physically backed by holdings of a specified Basket of Precious Metals, Base Metals and/or Components included in such Reference Index, in amounts proportionate to the weightings of such Metals and/or Components in such Reference Index, as specified in the Final Terms related to such Series.

**“Bill of Lading”** means, in respect of any Base Metal, a document (which may be in electronic form) issued by the master of a ship carrying such Metal to the person consigning such Metal, constituting

a receipt for the specific Lots of such Base Metal listed therein and evidencing the carrier's obligation to deliver such Metal in good condition to the consignee named in such document, which document has been endorsed by a Metals Counterparty to the Issuer and delivered to the Custodian to be held on behalf of the Issuer, together with the corresponding final release document addressed by such Metals Counterparty to the Issuer, evidencing the transfer of ownership of such quantity of Base Metal to the Issuer and accompanied by supporting documents identifying the specific Lots comprising such quantity of Base Metal.

**"Bundle"** means a lot or bundle (or, in the case of Cobalt, a drum on pallets or a big bag or other form of packaging) of, rounds, pellets, broken or cut cathodes, briquettes or other relevant shapes (such as, in the case of Cobalt, coarse grain powder) of Base Metal, as applicable.

**"Business Day"** means, in respect of a Series, each day (other than a Saturday or a Sunday) on which (i) the Clearing Systems, (ii) each Relevant Stock Exchange and (iii) commercial banks in London and Dublin are open for business and,

- (a) in relation to any ETC Securities backed by Platinum or Palladium, a day which is both a London Business Day and a Zurich Business Day;
- (b) in relation to any ETC Securities backed by Silver or Gold, a day which is a London Business Day;
- (c) in relation to any ETC Securities backed by Copper, Nickel and/or Cobalt, a day which is an LME Business Day and a Rotterdam Business Day; and
- (d) in relation to any Series of Basket ETC Securities, a day which would be a Business Day for a Series of Single Metal ETC Securities backed by Precious Metal or Base Metal of each type included in the relevant Basket and on which the relevant trading venue for any Component included in the relevant Basket (as specified in the Final Terms related to such Series) is open for business.

**"Buy-Back"** has the meaning ascribed thereto in Condition 7(e)(*Purchases and Buy-Backs*).

**"Buy-Back Conditions"** has the meaning ascribed thereto in Condition 7(e)(*Purchases and Buy-Backs*).

**"Buy-Back Fee"** has the meaning ascribed thereto in Condition 7(e)(*Purchases and Buy-Backs*).

**"Buy-Back Order"** means, in the case of a Buy-Back request submitted by the Arranger, a duly completed buy-back notice in the form obtainable from the Administrator and in the case of a Buy-Back request submitted by an Authorised Participant or ETC Holder which is not an Authorised Participant has the meaning ascribed thereto in Condition 7(e)(*Purchases and Buy-Backs*).

**"Buy-Back Order Cut-Off Time"** means, in respect of a Series and a Buy-Back Order in respect of ETC Securities of such Series, such time as specified in the Final Terms for the first Tranche of such Series as the cut-off time for receipt of such Buy-Back Order.

**"Buy-Back Settlement Amount"** means, in respect of a Buy-Back of Single Metal ETC Securities of a Series backed by a Precious Metal, an amount of Metal determined by the Administrator as being equal to the product of the Metal Entitlement in respect of such Series as at the relevant Buy-Back Trade Date and the aggregate number of ETC Securities to be bought back pursuant to the relevant Buy-Back Order (rounded down to the nearest 0.001 fine troy ounce in the case of Gold or 0.001 troy ounce in the case of Silver, Platinum or Palladium); in respect of a Buy-Back of Single Metal ETC Securities of a Series backed by a Base Metal, an amount of Metal determined by the Administrator

as being equal to the product of the Metal Entitlement in respect of such Series as at the relevant Buy-Back Trade Date and the aggregate number of ETC Securities to be bought back pursuant to the relevant Buy-Back Order (rounded down to the nearest 0.001 metric tonne); and, in respect of a Buy-Back of Basket ETC Securities, an amount in USD determined by the Administrator as being equal to the product of (i) the Metal Entitlement in respect of the Series as of the relevant Buy-Back Trade Date (expressed as a number of Baskets) (rounded down to the nearest 0.001 Basket); (ii) the total number of Basket ETC Securities being bought back; and (iii) the level of the relevant Reference Index as of the Buy-Back Trade Date.

**“Buy-Back Settlement Date”** means, in respect of a buy-back of ETC Securities, the date (which shall be a Settlement Day) on which the Custodian instructs the delivery of an amount of the relevant Metal representing the Buy-Back Settlement Amount from the Allocated Account(s) and/or Off-Warrant Account(s) (as applicable) of the Issuer to or to the order of the relevant Metals Counterparty for onward delivery of such Metal (whether in unallocated form or physical Bars or in the case of Base Metal, cash or LME Warrants for such Metal) to the specified Metal Account or Cash Account (as applicable) of the Arranger or the relevant Authorised Participant or ETC Holder, which date shall be as separately agreed between the Administrator and the Arranger, Authorised Participant or ETC Holder and, in the case of a Buy-Back of Single Metal ETC Securities backed by Gold to be settled by Physical Metal Delivery, shall be a Physical Delivery Business Day.

**“Buy-Back Trade Date”** means a Business Day on which a Buy-Back Order is submitted by the Arranger, an Authorised Participant or an ETC Holder by the relevant Cut-Off Time and determined to be valid and accepted and processed by or on behalf of the Issuer in accordance with Condition 7(e)(*Purchases and Buy-Backs*).

**“Cash Account”** means a cash account of the Arranger, an Authorised Participant or ETC Holder with a bank in London able to accept USD-denominated transfers.

**“Cash Value per ETC Security”**, in relation to a Series of ETC Securities, shall have the meaning ascribed thereto in Condition 4(b) (*Determination of Metal Entitlement and Cash Value per ETC Security*).

**“Clearing System”** means any of Euroclear, Clearstream, Luxembourg, or any replacement clearing system and **“Clearing Systems”** shall be construed accordingly.

**“Clearstream, Luxembourg”** means Clearstream Banking, *société anonyme*, Luxembourg.

**“Cobalt”** means, if the Basket ETC Securities are linked to a Reference Index and backed by a Basket, each comprising cobalt: (i) physical cobalt complying with the Cobalt Specifications; (ii) a Bill of Lading evidencing a specified quantity of cobalt and identifying the specific Lots of cobalt so evidenced; and (iii) a contractual obligation against the Custodian to transfer an amount of cobalt complying with the Cobalt Specifications, not including cobalt included under (i) or (ii) above.

**“Cobalt Reference Price”** means, in respect of Cobalt backing any Basket ETC Securities and any given day and subject to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), that day’s LME Month 1 Futures Price for LME Cobalt (Fastmarkets MB), being the last cash offer price quoted each day for 1 month futures contracts per metric tonne of Cobalt stated in US dollars, as calculated and administered by the LME and published by the LME on its website at [www.lme.com](http://www.lme.com); provided, however, that if the Administrator becomes aware that a Metal Trading Disruption has occurred or exists on such day, the Administrator will notify the Issuer and the Cobalt Reference Price shall be the price determined by the Administrator taking

into consideration the latest available Cobalt Reference Price as of a date on which no Metal Trading Disruption existed and any other information which the Administrator deems relevant.

**“Cobalt Specifications”** means physical cobalt in rounds, pellets, broken or cut cathodes, briquettes or other relevant shapes of cobalt, such as coarse grain powder packaged in drums, big bags or other form and of an accepted brand, where accepted brands include any brand accepted by Fastmarkets and any LME listed brand, excluding any brand produced using feed originating in the Democratic Republic of the Congo.

**“Common Depository”** means, in relation to a Series of ETC Securities issued in classic global note form, the common depository on behalf of Euroclear and Clearstream, Luxembourg appointed in respect of such Series.

**“Common Safekeeper”** means, in relation to a Series of ETC Securities held under the new safekeeping structure, the common safekeeper for Euroclear and Clearstream, Luxembourg appointed in respect of such Series.

**“Component”** means, in respect of any Series of Basket ETC Securities, any type of metal or non-metal material or substance included as a component in the relevant Reference Index (other than, for the avoidance of doubt any Precious Metal or Base Metal).

**“Conditions”** means these terms and conditions, as supplemented and/or varied or completed, as applicable, in respect of a Series or a particular Tranche by Part A of the relevant Final Terms and the provisions of any Global Registered Security.

**“Copper”** means, if the ETC Securities are linked to copper: (i) physical Lots of copper complying with the applicable Physical Contract Specifications for LME Copper from time to time in effect; (ii) a Bill of Lading evidencing a specified quantity of copper and identifying the specific Lots of copper so evidenced; or (iii) LME Warrants evidencing a specified quantity of copper and identifying the specific LME Lots of copper so evidenced; and (iv) a contractual obligation against the Custodian to transfer an amount of copper complying with the applicable Physical Contract Specifications for LME Copper from time to time in effect, not including copper included under (i), (ii) or (iii) above.

**“Copper Reference Price”** means in respect of Copper and any given day and subject to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), that day's LME Official Settlement Price, being the last cash offer price quoted during the second Ring session for physical contracts per metric tonne of Copper stated in US dollars, as calculated and administered by the LME and published by the LME on its website at [www.lme.com](http://www.lme.com); provided, however, that if the Administrator becomes aware that a Metal Trading Disruption has occurred or exists on such day, the Administrator will notify the Issuer and the Copper Reference Price shall be the price determined by the Administrator taking into consideration the latest available Copper Reference Price as of a date on which no Metal Trading Disruption existed and any other information which the Administrator deems relevant.

**“Corporate Services Agreement”** means the corporate services agreement in respect of the Issuer dated on or about 1 December 2020 entered into by the Issuer and the Corporate Services Provider as amended, supplemented, novated or replaced from time to time.

**“Corporate Services Provider”** means, with respect to the Issuer, Apex IFS Limited and any successor or replacement thereto.

**“Custodian”** means Atomyze Ltd. and any successor or replacement thereto, as custodian under the Custody Agreement.

**"Custody Agreement"** means, in respect of a Series, the custody agreement in the form of the Master Custody Terms dated on or about the Series Issue Date created by entry into of the Issue Deed for the first Tranche of such Series by the Issuer, the Custodian, the Administrator, the Security Trustee and any other parties specified in such Issue Deed as being a party to such Custody Agreement, as amended and/or supplemented by such Issue Deed and as such Custody Agreement is amended, supplemented, novated or replaced from time to time.

**"Cut-Off Time"** means, in respect of a Series, the Buy-Back Order Cut-Off Time or the Subscription Order Cut-Off Time, as applicable.

**"Denomination"** has the meaning ascribed thereto in Condition 2 (*Form, Denomination and Title*).

**"Depository"** means the Depository under and for the purposes of the LMEsword Regulations.

**"Deutsche Börse"** means the *Deutsche Börse* Cash Market and any replacement or successor thereto as the regulated market of the *Deutsche Börse* stock exchange.

**"Disrupted Redemption Method"** has the meaning given to it in Condition 8(c)(i) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*).

**"Disruption Event"** has the meaning given to it in Condition 8(a) (*Disruption Events*).

**"Disruption Postponable Date"** has the meaning given to it in Condition 8(c)(i) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*).

**"Early Redemption"** means, in relation to a Series of ETC Securities, a redemption in accordance with these Conditions of all outstanding ETC Securities of such Series following the occurrence of (i) an Issuer Call Redemption Event, (ii) an Early Redemption Event or (iii) an Event of Default.

**"Early Redemption Amount"** means an amount (which amount may incorporate an interest redemption premium, being any excess over the Issue Price per ETC Security for the first Tranche of the Series) per ETC Security determined by the Administrator and denominated in USD equal to the greater of:

- (i) the product of (a) the Metal Entitlement (expressed as a number of Baskets (each comprising a specified number of Trading Units of each type of Precious Metal, Base Metal and/or each Component included in the relevant Reference Index)) as at the Early Redemption Trade Date and (b) the Average Metal Sale Price for the relevant Redemption Disposal Period, plus a pro rata amount of any interest received on the proceeds of disposal of the Underlying Metal less any negative interest; and
- (ii) the Nominal Amount plus the Specified Interest Amount.

**"Early Redemption Event"** has the meaning given to it in Condition 7(c) (*Issuer Call Redemption Event*) and Condition 7(d) (*Early Redemption Events*).

**"Early Redemption Settlement Date"** means, subject to postponement in accordance with Condition 8(c) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*), the earlier of:

- (i) the fifteenth Business Day following the receipt by the Issuer of the Net Actual Redemption Sale Proceeds in respect of a liquidation of the Underlying Metal in full during the Redemption Disposal Period; and

(ii) the Metal Sale Cut-off Date,

provided that if such date is not a Settlement Day, the Early Redemption Settlement Date shall be the next following Settlement Day.

**“Early Redemption Trade Date”** means, subject to postponement in accordance with Condition 8(c) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*), the earlier of (i) the date of occurrence of an Early Redemption Event determined in accordance with Condition 7(c) (*Issuer Call Redemption Event*) or 7(d) (*Early Redemption Events*) and (ii) the date of an Event of Default Redemption Notice, provided that if such date is not a Business Day, the Early Redemption Trade Date shall be the next following Business Day.

**“Eligible Purchaser”** has the meaning ascribed thereto in Condition 10(e) (*Metal Sale on Early or Final Redemption*).

**“English Law Secured Property”** means, in respect of a Series, the Secured Assets and the Secured Agent Rights which are secured pursuant to the English Law Security Trust Deed for such Series.

**“English Law Security”** means, in respect of a Series, the security constituted by the English Law Security Trust Deed for such Series.

**“English Law Security Trust Deed”** means, in respect of a Series, the English law security trust deed entered into as a deed in the form of the Master English Law Security Trust Terms dated on or about the Series Issue Date created by entry into of the Issue Deed for the first Tranche of such Series by the Issuer, the Security Trustee and any other parties specified in such Issue Deed as being a party to such English Law Security Trust Deed, as amended and/or supplemented by such Issue Deed and as such English Law Security Trust Deed is amended, supplemented, novated or replaced from time to time.

**“Electric Vehicle Index”** means the Solactive GPF Electric Vehicle Index administered by Solactive AG and published on the website of Solactive as administrator at [www.solactive.com](http://www.solactive.com) and displayed on Reuters Screen page "SOLGPFEV" or Bloomberg ticker "SOLGPFEVIndex".

**“Elementum Physical Electric Vehicle Metals ETC Securities”** means the Series of Basket ETC Securities issued under the Programme which are linked to the performance of the Electric Vehicle Index and physically backed by Baskets, each comprising a specified number of Trading Units of each type of Precious Metal, Base Metal and/or of each Component comprised in such index (the **“Elementum Electric Vehicle Basket”**), proportionate to and tracking the weightings of such Precious Metal(s), Base Metal(s) and/or Component(s) comprised therein.

**“Eligible Buy-Back Trade Date”** means each Business Day.

**“Enforcement Surplus”** means an amount equal to the greater of:

- (i) where the Enforcement Unsold Metal Proceeds exceed the Deemed Redemption Sale Proceeds, such excess; and
- (ii) zero.

**“Enforcement Surplus Principal Amount”** means an amount per ETC Security determined by the Administrator equal to such ETC Security’s *pro rata* share of any Enforcement Surplus, representing, when taken together with all amounts previously paid in respect of such ETC Security’s Redemption Amount prior to enforcement of the Security, what the Redemption Amount in respect of such ETC

Security ought to have been had the Metal been capable of liquidation during the Redemption Disposal Period.

**“Enforcement Unsold Metal Proceeds”** means, in respect of an enforcement of the Security, an amount denominated in USD equal to the total sale proceeds of all Trading Units of Underlying Metal which had not been liquidated by the relevant Metals Counterparty during the relevant Redemption Disposal Period in accordance with Condition 10 (*Metal Sale on Early or Final Redemption*) but which has subsequently been liquidated pursuant to a realisation of such unsold Underlying Metal in accordance with Condition 5(f) (*Realisation of Security*).

**“ETC Holder”** or **“holder”** means each person who is for the time being a holder of the ETC Securities (being each person who is for the time being shown in the Register as the holder of a particular number of ETC Securities or, in the case of a joint holding, the person first named in the Register) save that, in respect of the ETC Securities of any Series, for so long as such ETC Securities are represented by a Global Registered Security deposited with a common depository for, and registered in the nominee name of, a common depository for Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg, as applicable) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular number of the ETC Securities shall be deemed to be the holder of such number of ETC Securities (and the registered holder of such Global Registered Security shall be deemed not to be the holder) for all purposes other than with respect to (a) the payment of principal, premium (if any) or interest (if any) and (b) the Provisions for Meetings of ETC Holders;

**“ETC Securities”** means, unless the context otherwise requires, the securities in the form of notes issued in respect of a particular Series, as further described in the relevant Final Terms for such Series, which may be Single Metal ETC Securities or Basket ETC Securities.

**“Euroclear”** means Euroclear Bank, S.A./N.V. and any successor thereto.

**“Event of Default”** has the meaning given to it in Condition 13 (*Events of Default*).

**“Event of Default Redemption Notice”** has the meaning given to it in Condition 13 (*Events of Default*).

**“Exchange Date”** has the meaning given to it in Condition 17 (*Transfers*).

**“Extraordinary Resolution”** means, in respect of a Series, either:

- (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority of at least 75 per cent. of the votes cast, provided that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate number of the ETC Securities of such Series who for the time being are entitled to receive notice of a meeting held in accordance with the Trust Deed shall, for all purposes, be as valid and effectual as an Extraordinary Resolution passed at a meeting of such ETC Holders duly convened and held in accordance with the relevant provisions of the Trust Deed; or
- (ii) a resolution given by way of electronic consents by a majority of at least 75 per cent. of the votes cast by or on behalf of the holders of not less than 75 per cent. of the aggregate number of the ETC Securities of such Series who for the time being are entitled to receive notice of a meeting held in accordance with the Trust Deed communicated through the electronic communications systems of the relevant Clearing System(s) to the Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders.

**“Fees and Expenses Agreement”** means the fees and expenses agreement entered into on 1 December 2020, as amended on 21 December 2020 and novated to the Arranger pursuant to a deed of novation dated 13 April 2022 between inter alios the Issuer and the Arranger pursuant to which the Arranger agreed, in exchange for the payment of the Operational Fee, to ensure the payment of all fees, taxes and other expenses of the Issuer, including, without limitation, all amounts payable to each other Transaction Party under the Transaction Documents and to any other service providers of the Issuer, (but excluding any indemnities granted by the Issuer in favour of the other service providers) in respect of the ongoing fees and expenses of the Issuer in connection with the Programme.

**“Final Redemption”** means, in relation to a Series of ETC Securities, a redemption in accordance with these Conditions of all outstanding ETC Securities of such Series upon the occurrence of the Scheduled Maturity Date for such Series.

**“Final Redemption Amount”** means an amount (which amount may incorporate an interest redemption premium, being any excess over the Issue Price per ETC Security for the first Tranche of the Series) per ETC Security determined by the Administrator and denominated in USD equal to the greater of:

- (i) the product of (a) the Metal Entitlement (expressed, in the case of Gold, in fine troy ounces; in the case of Silver, Platinum or Palladium, in troy ounces; in the case of Copper or Nickel, in metric tonnes and in the case of Basket ETC Securities, as a number of Baskets (each comprising a specified number of Trading Units of each Precious Metal, Base Metal or Component included in the relevant Reference Index)) as at the Final Redemption Valuation Date and (b) the Average Metal Sale Price for the relevant Redemption Disposal Period plus a pro rata amount of any interest received on the proceeds of disposal of the Underlying Metal less any negative interest; and
- (ii) the Nominal Amount plus the Specified Interest Amount.

**“Final Redemption Valuation Date”** means, subject to postponement in accordance with Condition 8(c) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*), the date falling 40 Business Days prior to the Scheduled Maturity Date.

**“Final Terms”** means, in respect of a Series and a Tranche, the final terms issued specifying the relevant issue details of such Tranche of ETC Securities for such Series, in the form and on the same terms as set out in the Issue Deed relating to the first Tranche of ETC Securities for such Series (and with the final terms for each Tranche of a Series resulting in the same terms and conditions as the ETC Securities in all respects other than the Issue Date and Metal Entitlement and so that such further Tranche shall be consolidated and form a single series with the ETC Securities pursuant to Condition 18 (*Further Issues*), provided that, for the avoidance of doubt, different issue dates and updated references to the number of ETC Securities of the Series and updated references to other variables as they stand at or around the issue date of the Tranche shall not result in different terms and conditions or to the final terms for the Tranche being deemed to be on different terms or in a different form).

**“Global Registered Security”** means, in respect of each Series, the registered certificate substantially in the form set out in Schedule 1 (*Form of Global Registered Security (other than Global Registered Security held under the NSS)*) of the Master Trust Terms or, as the case may be, in the form set out in Schedule 2 (*Form of Global Registered Security (Global Registered Security held under the NSS)*) of the Master Trust Terms representing the ETC Securities of one or more Tranches of such Series.

**"Gold"** means, if the ETC Securities are linked to gold, (i) allocated gold bars complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect and (ii) a contractual obligation against the Custodian to transfer an amount of gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect, not including gold included under (i) above.

**"Gold Reference Price"** means in respect of Gold and any given day and subject to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), that day's p.m. Gold fixing price per fine troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in US dollars, as calculated and administered by ICE Benchmark Administration, an independent service provider, and published by the LBMA on its website at [www.lbma.org.uk](http://www.lbma.org.uk) and displayed on Reuters Screen page "XAUUSDPM" or Bloomberg ticker "GOLDLNPM" that displays prices effective on that relevant day; provided, however, that if the Administrator becomes aware that a Metal Trading Disruption has occurred or exists on such day, the Administrator will notify the Issuer and the Gold Reference Price shall be the price determined by the Administrator taking into consideration the latest available Gold Reference Price as of a date on which no Metal Trading Disruption existed and any other information which the Administrator deems relevant.

**"ICSD"** means an International Central Securities Depository.

**"Individual Securities"** means ETC Securities in individual, definitive registered form and any registered certificate representing one or more ETC Securities of the same Series and, save as provided in the Conditions, comprising the entire holding by an ETC Holder of ETC Securities of that Series being substantially in the form set out in Schedule 3 (*Form of Individual Security*) of the Master Trust Terms.

**"Initial Early Redemption Event"** has the meaning given to it in Condition 7(b)(iii) (*Early Redemption*).

**"Initial Metal Entitlement"** means, in respect of a Series, the Metal Entitlement on the Series Issue Date which will be specified in relevant Final Terms of the first Tranche of ETC Securities for such Series.

**"Irish Law Secured Property"** means, in respect of a Series, the Secured Assets and the Secured Agent Rights which are secured pursuant to the Irish Law Security Trust Deed for such Series.

**"Irish Law Security"** means, in respect of a Series, the security constituted by the Irish Law Security Trust Deed for such Series.

**"Irish Law Security Trust Deed"** means, in respect of a Series, the Irish law security trust deed entered into as a deed in the form of the Master Irish Law Security Trust Terms dated on or about the Series Issue Date created by entry into of the Issue Deed for the first Tranche of such Series by the Issuer, the Security Trustee and any other parties specified in such Issue Deed as being a party to such Irish Law Security Trust Deed, as amended and/or supplemented by such Issue Deed and as such Irish Law Security Trust Deed is amended, supplemented, novated or replaced from time to time.

**"Issue Date"** means, in respect of a Tranche of ETC Securities, the date on which the ETC Securities of such Tranche are due to be issued to the relevant Authorised Participant(s) or, if applicable, the Arranger, which has subscribed for such Tranche of ETC Securities, as specified in the Final Terms relating to such Tranche.

**“Issue Deed”** means, in respect of a Series, the issue deed made between, amongst others, the Issuer, the Trustee, the Security Trustee and any other parties specified therein and which constitutes such Series (as amended, supplemented, novated or replaced from time to time) and which will be entered into at the time of the first Tranche of ETC Securities for that Series and which will apply, without further action and without the need for re-execution or execution of a new Issue Deed, to any further Tranches of that Series.

**“Issue Price per ETC Security”** means, in respect of a Series and a Tranche of ETC Securities, an amount equal to the price for the quantity of Metal or, in the case of Basket ETC Securities, Baskets, comprising the Metal Entitlement as at the relevant Issue Date for such Tranche, as determined by the Administrator by reference to the Metal Reference Price or, in the case of Basket ETC Securities, by reference to the level of the relevant Reference Index on such Issue Date.

**“Issuer”** means Elementum Metals Securities plc, a public limited liability company incorporated and registered in Ireland with registration number 673920, or any replacement or successor thereto.

**“Issuer Call Redemption Event”** has the meaning given to it in Condition 7(c) (*Issuer Call Redemption Event*).

**“Issuer Call Redemption Notice”** has the meaning given to it in Condition 7(c) (*Issuer Call Redemption Event*).

**“Issuer Cash Account”** means, in respect of a Series, an interest-bearing cash account denominated in US dollars opened with the Account Bank (and any successor or replacement thereto) in the name of the Issuer and operated by the Issuer or the Administrator (as authorised by the Issuer), into which amounts received by or on behalf of the Issuer shall be paid from time to time, including but not limited to, the Net Actual Redemption Sale Proceeds.

**“Issuer Profit Amount”** means, in respect of each Series, the annual profit amount payable to the Issuer in the amount of US\$500.00 in respect of the issuance of the ETC Securities.

**“Issuer Series Fees and Expenses”** means, in respect of a Series, any fees, Taxes, expenses and other amounts payable by the Issuer pursuant to the Transaction Documents and/or properly incurred by the Issuer, including for the avoidance of doubt, the Operational Fee, in each case, relating to such Series and (in the case of the Principal Paying Agent) reimbursement in respect of any proper payment of Redemption Amounts and default interest (if any) made to the ETC Holder and any other amounts due to the Account Bank and Principal Paying Agent.

**“KYC Procedures”** has the meaning ascribed thereto in Condition 7(e) (*Purchases and Buybacks*).

**“LBMA”** means The London Bullion Market Association, being a trade association, the purpose of which is to promote the professional trading in London of both gold and silver, and any replacement or successor thereto.

**“LME”** means the London Metal Exchange Limited, being a wholesale metal trading exchange, which provides platforms for the professional trading in London of base metals, including copper and nickel, and any replacement or successor thereto.

**“LME Approved Warehouse”** means a warehouse or storage facility which has been approved by the LME as meeting the LME’s criteria for the secure storage of LME-registered brands of metal on behalf of warrant holders and to issue LME Warrants through a London agent for material delivered into such approved warehouse.

**“LME Business Day”** means a day which is a “Business Day” for the purposes of the LME Rules (being currently defined as any day except Saturday, Sunday or any public or bank holiday in England or a day during which trade on the LME has been suspended by or under the authority of any enactment or a day which the directors of the LME declare not to be a Business Day).

**“LME Lot”**, in relation to a Base Metal, means, a lot (or quantity) of such Base Metal consisting of Bundles of such Base Metal, meeting the LME Physical Contract Specifications from time to time in effect, pursuant to which, in the case of Copper, each Lot weighs 25 metric tonnes (+/- 2%), in the case of Nickel, each Lot weighs 6 metric tonnes (+/- 2%) and in the case of Cobalt, each Lot weighs 1 metric tonne (+/- 2%) .

**“LME Physical Contract Specifications”** means, as applicable, the Physical Contract Specifications for LME Copper or the Physical Contract Specifications for LME Nickel.

**“LMEsword”** or the **“LME Sword System”** means the LME system for the electronic transfer of title to Warrants governed and constituted by the LMEsword Regulations.

**“LMEsword Regulations”** means the LMEsword Regulations issued by LME as supplemented by the operating procedures relating to LMEsword as published by the LME.

**“LME Warrant”** means a ‘warrant’ as defined in the LMEsword Regulations in respect of any type of Base Metal (being a bearer document of title issued by an LME Approved Warehouse through a London agent evidencing title to a specified Lot of physical Metal of a specified LME-registered brand stored in a specified LME Approved Warehouse and which declares conformity of such physical Metal with the applicable LME Physical Contract Specifications), which document is held as bailee by the Depository in accordance with the LMEsword Regulations and electronically registered in LMEsword and used for the physical settlement of contracts traded on the LME.

**“London Bullion Market”** means the over-the-counter market in gold and silver co-ordinated 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 (i) in the case of Gold and Silver, the London Bullion Market or (ii) in the case of Platinum and Palladium, the London Platinum and Palladium Market, are open for the transaction of business in London.

**“London Good Delivery Bar”** means a Bar of gold or silver complying with “The Good Delivery Rules for Gold and Silver Bars” published by the LBMA or a Bar of Platinum or Palladium complying with the “The Good Delivery Rules for Platinum and Palladium Plates and Ingots” published by the LPPM. A London Good Delivery Bar of gold (typically called a 400 ounce bar) must contain between 350 and 430 fine troy ounces of gold (1 troy ounce = 31.1034768 grams), with a minimum fineness (or purity) of 995 parts per 1000 (99.5%), be of good appearance and be easy to handle and stack. A London Good Delivery Bar of silver must contain between 750 ounces and 1100 ounces of silver with a minimum fineness (or purity) of 999.0 parts per 1000. London Good Delivery platinum or palladium Bars must have a minimum fineness of 999.5 and a weight of between 1 kilogram (32.151 troy ounces) and 6 kilograms (192.904 troy ounces).

**“Lot”**, in relation to a Base Metal, means, a lot (or quantity) of such Base Metal consisting of one or more Bundles of such Base Metal, meeting the applicable LME Physical Contract Specifications as to brand, quality, weight, purity, grade or chemical composition and shape, or, in the case of Cobalt, meeting the Cobalt Specifications.

**"LPPM"** or **"London Platinum and Palladium Market"** means The London Platinum and Palladium Market, being a trade association, the purpose of which is to promote the professional trading in London of both platinum and palladium, and any replacement or successor thereto.

**"Market Value Event Notice"** has the meaning given to it in Condition 7(d)(iii) (*Market Value Redemption Event*).

**"Market Value Redemption Event"** has the meaning given to it in Condition 7(d)(iii) (*Market Value Redemption Event*).

**"Market Value Redemption Notice"** has the meaning given to it in Condition 7(d)(iii) (*Market Value Redemption Event*).

**"Master Administration Terms"** means, in respect of a Series, the master administration terms relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**"Master Agency Terms"** means, in respect of a Series, the master agency terms relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**"Master Custody Terms"** means, in respect of a Series, the master custody terms relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**"Master English Law Security Trust Terms"** means, in respect of a Series, the master English law security trust terms relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**"Master Irish Law Security Trust Terms"** means, in respect of a Series, the master Irish law security trust terms relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**"Master Metals Counterparty Terms"** means, in respect of a Series, the Master Metals Counterparty Terms relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**"Master Terms and Conditions"** means, in respect of a Series, the master terms and conditions relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**"Master Trust Terms"** means, in respect of a Series, the master trust terms relating to the Programme specified in the Issue Deed in relation to such Series, as amended, supplemented, novated or replaced from time to time in respect of that Series, whether in the Issue Deed or otherwise in accordance with the Conditions.

**“Metal”** means, in respect of a Series of Basket ETC Securities, the physical Precious Metal(s), Base Metal(s) and/or Component(s) comprised in the Reference Index to which such Series is linked and in the Basket by which such Series is physically backed, which may include any two or more of Gold, Silver, Platinum, Palladium, Copper, Nickel, Cobalt or any Component, as specified in the Final Terms related to such Series.

**“Metal Account”** means, in respect of Precious Metals, an unallocated metal account in London with a member of the LBMA or LPPM, as appropriate; for purposes of any settlement of a Buy-Back or Redemption by Physical Metal Delivery, a metal account with a Physical Delivery Bank; and, in respect of Base Metals, an LME clearing and warrant account in London with a member of the LME.

**“Metal Entitlement”** has the meaning given to it in Condition 4(b) (*Determination of Metal Entitlement*).

**“Metal Reference Price”** means, in respect of any Series of Basket ETC Securities,

- (a) linked to Gold, the Gold Reference Price;
- (b) linked to Silver, the Silver Reference Price;
- (c) linked to Platinum, the Platinum Reference Price;
- (d) linked to Palladium, the Palladium Reference Price;
- (e) linked to Copper, the Copper Reference Price;
- (f) linked to Nickel, the Nickel Reference Price;
- (g) linked to Cobalt, the Cobalt Reference Price;
- (h) linked to any Component, the reference price for such Component, as specified in the Final Terms for the relevant Series,

and **“relevant Metal Reference Price”** shall be construed accordingly.

**“Metal Reference Price Event”** means, in respect of any Series of Basket ETC Securities and any relevant Metal Reference Price:

- (i) a permanent or indefinite cessation in the provision of such Metal Reference Price by the relevant Metal Reference Price Source (and no successor administrator will continue to provide such Metal Reference Price); or
- (ii) the occurrence of an Administrator/Benchmark Event.

**“Metal Reference Price Source”** means, in respect of any Series of Basket ETC Securities and any relevant Metal Reference Price, any screen or other source on which such Metal Reference Price is expected to be displayed or published, as such screen or source may be replaced or succeeded pursuant to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), and at the date of this Base Prospectus means, in respect of any Basket ETC Securities:

- (a) linked to Gold, ICE Benchmark Administration Limited;

- (b) linked to Silver, ICE Benchmark Administration Limited;
- (c) linked to Platinum, the London Metal Exchange;
- (d) linked to Palladium, the London Metal Exchange
- (e) linked to Copper, the London Metal Exchange;
- (f) linked to Nickel, the London Metal Exchange;
- (g) linked to Cobalt, the London Metal Exchange; and
- (h) linked to any Component, such reference price source as specified in the Final Terms for the relevant Series,

and “**relevant Metal Reference Price Source**” shall be construed accordingly.

“**Metal Sale Cut-Off Date**” means the date falling 40 Business Days following the Early Redemption Trade Date.

“**Metals Counterparty**” means, in respect of a Series, (i) NTree International Limited, any successor or replacement thereto; and/or (ii) any other entity appointed by the Issuer from time to time as metals counterparty under a Metals Counterparty Agreement and any successor or replacement thereto, as specified in the Final Terms on the Series Issue Date or as notified to the ETC Holders in accordance with Condition 19 (Notices) and “**relevant Metals Counterparty**” means, in respect of a Series: (i) in the context of a Subscription of ETC Securities, such Metals Counterparty as determined by the Issuer and notified to the relevant Authorised Participant upon acceptance of the related Subscription Order; (ii) in the context of a Buy-Back of ETC Securities, such Metals Counterparty as determined by the Issuer and notified to the relevant Authorised Participant or ETC Holder upon acceptance of the related Buy-Back Order; (iii) in the context of sales of TER Metal on behalf of the Issuer, such Metals Counterparty as determined by the Issuer and specified by the Administrator in the related TER Metal Sale Notice; (iv) in the context of any Early Redemption or Final Redemption of the ETC Securities, each Metals Counterparty (which, for the avoidance of doubt, may include more than one Metals Counterparty) which is instructed by the Issuer to conduct a sale of Underlying Metal on behalf of the Issuer as specified in the related Redemption Notice; and (v) in the context of an Early Redemption or Final Redemption of ETC Securities backed by Gold to be settled by Physical Delivery, such Metals Counterparty as determined by the Issuer and notified to the relevant ETC Holder upon acceptance of a Physical Delivery Notice.

“**Metals Counterparty Agreement**” means, in respect of a Series and a Metals Counterparty, the Metals Counterparty Agreement in the form of the Master Metals Counterparty Terms dated on or about the Series Issue Date created by entry into of the Issue Deed for the first Tranche of such Series by the Issuer, such Metals Counterparty, the Administrator and any other parties specified in such Issue Deed as being a party to such Metals Counterparty Agreement providing for, among other things, the appointment of such Metals Counterparty and the sale and delivery of Metal by such Metals Counterparty on behalf of the Issuer in respect of such Series, as amended and/or supplemented by such Issue Deed and as such Metals Counterparty Agreement is amended, supplemented, novated or replaced from time to time.

“**Metals Counterparty Fee**” means, in connection with any Buy-Back (other than a Buy-Back of Single Metal ETC Securities of a Series backed by Gold in respect of which the ETC Holder has elected for settlement by Physical Metal Delivery, to which the Physical Delivery Fee shall apply), the fee charged by the relevant Metals Counterparty for (i) the removal of the Metal representing the Buy-Back Settlement Amount from the Allocated Account(s) and/or Off-Warrant Account(s) of the

Issuer (as applicable); and (ii) (a) in the case of a Buy-Back of Single Metal ETC Securities backed by Precious Metals, the delivery of such Metal in unallocated form to the specified Metal Account of the Authorised Participant; (b) in the case of a Buy-Back of Single Metal ETC Securities backed by Base Metals, either: the transfer of an amount in USD representing the value of such Metal (as determined by the Administrator on the basis of the relevant Metal Reference Price as of the Buy-Back Trade Date) to the specified Cash Account of the Authorised Participant or the placement of such Metal on warrant, or the transfer of such Metal to the off-warrant account of an Eligible Purchaser of such Metal in exchange for LME Warrants and the delivery of such LME Warrants to the specified Metal Account of the Authorised Participant, and (if applicable) the transfer of any amount due to the Authorised Participant in respect of a quantity of Metal equalling less than a full LME Warrant, plus any Accrued Rent in respect of LME Warrants delivered, in USD to the specified Cash Account of the Authorised Participant; or (iii) in the case of a Buy-Back of Basket ETC Securities, the transfer of the amount in USD due to the Authorised Participant to the specified Cash Account of the Authorised Participant, the amount of which fee shall be notified to the Authorised Participant upon receipt of the Buy-Back Order and payable by the Authorised Participant in cash to the Issuer on or before the Buy-Back Settlement Date.

**“Metal Trading Disruption”** has the meaning ascribed thereto in Condition 8(a)(i)(*Metal Trading Disruption*);

**“Minimum Buy-Back Amount”** means, in respect of any Series, the minimum number of ETC Securities which may be the subject of any Buy-Back Order, which shall be such number of ETC Securities as would have, as of the relevant Buy-Back Trade Date, an aggregate Metal Entitlement equal to no less than the weight (if any) specified in the Final Terms. Unless otherwise specified in the Final Terms, the Minimum Buy-Back Amount for ETC Securities of a Series backed by a Base Metal will be such number of ETC Securities of the relevant Series as would, as of the relevant Buy-Back Trade Date, have an aggregate Metal Entitlement equal to no less than the nominal weight represented by one LME Warrant of the relevant type of Base Metal, (being at the date of this Base Prospectus 25.0 tonnes for Copper and 6.0 tonnes for Nickel) and must be an integral multiple of such number. In the case of Basket ETC Securities, unless otherwise specified in the Final Terms, the Minimum Buy-Back Amount will be such number of Basket ETC Securities of the relevant Series as would, as of the relevant Buy-Back Trade Date, have an aggregate Metal Entitlement comprising (i) a quantity of each type of Metal included in the relevant Basket equal to no less than the quantity of such type of Metal required to meet the Minimum Buy-Back Amount (if any) for Single Metal ETC Securities backed by Metal of the same type; and (ii) such minimum quantity of each Component (if any) included in such Basket, as specified in the Final Terms for such Series.

**“Minimum Physical Metal Delivery Buy-Back Amount”** means, in respect of Single Metal ETC Securities of a Series backed by Gold, the minimum number of such ETC Securities which may be the subject of a Buy-Back Order where the ETC Holder elects for settlement by Physical Metal Delivery, which shall be such number of ETC Securities as would have, as of the relevant Buy-Back Trade Date, an aggregate Metal Entitlement equal to no less than the weight (if any) specified in the Final Terms. Unless otherwise specified in the Final Terms, the Minimum Physical Metal Delivery Buy-Back Amount will be such number of ETC Securities of the relevant Series, as would, as of the relevant Buy-Back Trade Date, have an aggregate Metal Entitlement equal to no less than the nominal weight represented by one London Good Delivery Bar of Gold (being at the date of this Base Prospectus 400 fine troy ounces) and must be an integral multiple of such number.

**“Minimum Physical Redemption Amount”** in respect of any Early Redemption or Final Redemption of Single Metal ETC Securities of a Series backed by Gold, the minimum number of ETC Securities of such Series which may be the subject of any Physical Delivery Notice, which shall be such number of ETC Securities as would have, as of the relevant Early Redemption Trade Date or Final

Redemption Valuation Date, an aggregate Metal Entitlement equal to no less than the weight (if any) specified in the Final Terms. Unless otherwise specified in the Final Terms, the Minimum Physical Redemption Amount will be such number of ETC Securities of the relevant Series as would, as of the relevant Early Redemption Trade Date or Final Redemption Valuation Date, have an aggregate Metal Entitlement equal to no less than the nominal weight represented by one London Good Delivery Bar of Gold (being at the date of this Base Prospectus 400 fine troy ounces) and must be an integral multiple of such number.

**“Minimum Subscription Amount”** means, in respect of any Series, the minimum number of ETC Securities which may be the subject of any Subscription Order, which shall be such number of ETC Securities as would have, as of the relevant Subscription Trade Date, an aggregate Metal Entitlement equal to no less than the weight (if any) specified in the Final Terms. Unless otherwise specified in the Final Terms, the Minimum Subscription Amount for Single Metal ETC Securities of a Series backed by a Base Metal, will be such number of ETC Securities of the relevant Series as would, as of the relevant Subscription Trade Date, have an aggregate Metal Entitlement equal to no less than the nominal weight represented by one standard LME Lot of the relevant type of Base Metal, (being at the date of this Base Prospectus 25.0 tonnes for Copper and 6.0 tonnes for Nickel). In the case of Basket ETC Securities, the Minimum Subscription Amount will be such number of Basket ETC Securities of the relevant Series as would, as of the relevant Subscription Trade Date, have an aggregate Metal Entitlement comprising (i) a quantity of each type of Metal included in the relevant Basket equal to no less than the quantity of such type of Metal required to meet the Minimum Subscription Amount (if any) for Single Metal ETC Securities backed by Metal of the same type; and (ii) such minimum quantity of each Component (if any) included in such Basket, as specified in the Final Terms for such Series.

**“Minimum Trading Amount”** means, in respect of any Series, the minimum number (if any) of ETC Securities which may be transferred by a an ETC Holder in a single transaction, as specified in the Final Terms.

**“Near Storage”** means, in relation to Base Metal, that such Base Metal is held pursuant to a written agreement for the storage of such Base Metal off warrant at an LME Approved Warehouse which includes provisions pursuant to which the metal owner may instruct the warehouse to place the Metal on warrant at any time.

**“Net Actual Redemption Sale Proceeds”** has the meaning given to it in the definition of Net Redemption Sale Proceeds.

**“Net Redemption Sale Proceeds”** means, in respect of a Redemption Disposal Period, an amount denominated in USD equal to the sum of:

- (i) the Actual Redemption Sale Proceeds less (a) all amounts which the relevant Metals Counterparty is entitled to deduct from the proceeds of sale in accordance with Condition 10(d) (*Metal Sale on Early or Final Redemption*) and (b) any Redemption Fees (the **“Net Actual Redemption Sale Proceeds”**); and
- (ii) the Deemed Redemption Sale Proceeds.

**“Nickel”** means, if the ETC Securities are linked to nickel: (i) physical Lots of nickel complying with the applicable Physical Contract Specifications for LME Nickel from time to time in effect; (ii) a Bill of Lading evidencing a specified quantity of nickel and identifying the specific Lots of nickel so evidenced; or (iii) LME Warrants evidencing a specified quantity of nickel and identifying the specific LME Lots of nickel so evidenced; and (iv) a contractual obligation against the Custodian to transfer an amount of nickel complying with the applicable Physical Contract Specifications for LME Nickel from time to time in effect, not including nickel included under (i), (ii) or (iii) above.

**“Nickel Reference Price”** means in respect of Nickel backing any ETC Securities and any given day and subject to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), that day’s LME Official Settlement Price, being the last cash offer price quoted during the second Ring session for physical contracts per metric tonne of Nickel stated in US dollars, as calculated and administered by the LME and published by the LME on its website at [www.lme.com](http://www.lme.com); provided, however, that if the Administrator becomes aware that a Metal Trading Disruption has occurred or exists on such day, the Administrator will notify the Issuer and the Nickel Reference Price shall be the price determined by the Administrator taking into consideration the latest available Nickel Reference Price as of a date on which no Metal Trading Disruption existed and any other information which the Administrator deems relevant.

**“Nominal Amount”** means, in respect of a Series, an amount equal to 10 per cent. of the Issue Price per ETC Security for the first Tranche of such Series, as shall be specified in the Final Terms for each Tranche of such Series.

**“Non-Disrupted Day”** means the Series Issue Date and each day thereafter that is a Business Day and is not a Suspended Day or a day which falls within a Suspension Period.

**“Obligor”** means each person that has an obligation to the Issuer pursuant to the Secured Property.

**“Off-Warrant Account (Custodian)”** means, in respect of a Series for which any physical Base Metal owned by the Issuer is held by the Custodian off warrant, ownership of which is evidenced by a Warehouse Release, each segregated metal custody account opened and maintained by the Custodian in the name of the Issuer for the account of such Series, evidencing and recording the amount of Metal (by reference to the quantity of Metal and identifying the specific Lots of Metal allocated to the Issuer) held by the Custodian on behalf of the Issuer for the account of such Series, as well as the withdrawals from and deposits to that account.

**“Off-Warrant Account (Primary Sub-Custodian)”** means, in respect of a Series for which any physical Base Metal owned by the Issuer is held by the Custodian off warrant and deposited with or received by a Primary Sub-Custodian to be held by such Primary Sub-Custodian as bailee for the Custodian on behalf of the Issuer, ownership of which is evidenced by a Warehouse Release, each segregated off-warrant metal storage account or segregated book entry metal custody account (as applicable) established and maintained by such Primary Sub-Custodian in the name of the Custodian (and operated by the Custodian on behalf of the Issuer), evidencing and recording the amount of Metal (by reference to the quantity of Metal and identifying the specific Lots of Metal credited to such account) held by such Primary Sub-Custodian off-warrant for the Custodian in the LME Approved Warehouse of such Primary Sub-Custodian (or in an account in the name of such Primary Sub-Custodian at the LME Approved Warehouse of a Sub-Custodian, which may be another Primary Sub-Custodian) located in The Netherlands or such other location as approved by the Custodian (with the consent of the Issuer) and notified to the ETC Holders in accordance with Condition 19 (*Notices*), as well as the withdrawals from and deposits to that account and **“Off-Warrant Accounts (Primary Sub-Custodian)”** means all of them.

**“Off-Warrant Account (Sub-Custodian)”** means, in respect of a Series for which any Base Metal owned by the Issuer is held by the Custodian off warrant and deposited with or received by another Sub-Custodian to be held by such Sub-Custodian as bailee for the Custodian on behalf of the Issuer, ownership of which is evidenced by a Warehouse Release, each segregated off-warrant metal storage account established and maintained by such Sub-Custodian in the name of the Custodian (and operated by the Custodian on behalf of the Issuer), evidencing and recording the amount of Metal (by reference to the quantity of Metal and identifying the specific Lots of Metal allocated to such account) held by such Sub-Custodian off warrant for the Custodian in the LME Approved Warehouse of such Sub-Custodian in The Netherlands or such other location as approved by the Custodian (with

the consent of the Issuer) and notified to the ETC Holders in accordance with Condition 19 (*Notices*), as well as the withdrawals from and deposits to that account and **“Off-Warrant Accounts (Sub-Custodian)”** means all of them.

**“Off-Warrant Accounts”** means, in respect of a Series, each Off-Warrant Account (Custodian), each Off-Warrant Account (Primary Sub-Custodian) and each Off-Warrant Account (Sub-Custodian) in respect of such Series, and **“Off-Warrant Account”** means any of them.

**“Operational Fee”** means, in respect of each Series, the operational fee payable by the Issuer to the Arranger in exchange for the Arranger’s services and its undertaking to ensure payment of all fees, Taxes and expenses of the Issuer attributable to such Series, including, without limitation, any amounts due to the relevant Transaction Parties under the Transaction Documents and other service providers to the Issuer and the Issuer Profit Amount, as calculated by the Administrator on the basis of the Total Expense Ratio.

**“Other Creditor”** means, in respect of a Series, each person that is entitled to the benefit of Other Issuer Obligations for such Series.

**“Other Issuer Obligations”** means the obligations and duties of the Issuer owed to any party under the Transaction Documents other than the Secured Issuer Obligations and **“Other Issuer Obligation”** means any of them.

**“outstanding”** means, in relation to the ETC Securities:

- (i) on the Series Issue Date, the ETC Securities issued on such date; and
- (ii) on any day thereafter, all the ETC Securities issued on or prior to such day except:
  - (a) those that have been redeemed in accordance with Condition 7 (*Redemption, Purchase and Options*);
  - (b) those that have been cancelled for any reason;
  - (c) those in respect of which the date for redemption has occurred and the redemption moneys have been duly paid to the Trustee or to the Principal Paying Agent and which remain available for payment against presentation and surrender of ETC Securities;
  - (d) those that have become void or in respect of which claims have become prescribed;
  - (e) those which have been issued and which are pending settlement to an Authorised Participant but in respect of which either the settlement date for which has not yet been reached or the relevant Authorised Participant has not delivered in full the relevant subscription amount to the Custodian for the purposes of such settlement;
  - (f) those that have been purchased, settled and cancelled as provided in Condition 7(e) (*Purchases and Buy-Backs*);
  - (g) those mutilated or defaced ETC Securities that have been surrendered in exchange for replacement ETC Securities;
  - (h) (for the purpose only of determining how many ETC Securities are outstanding and without prejudice to their status for any other purpose) those ETC Securities alleged

to have been lost, stolen or destroyed and in respect of which replacement ETC Securities have been issued; and

- (i) any Global Registered Security to the extent that it shall have been exchanged for one or more Individual Securities pursuant to its provisions,

provided that for the purposes of (I) ascertaining the right to attend and vote at any meeting of the ETC Holders, (II) the determination of how many ETC Securities are outstanding for the purposes of the Conditions, the Trust Deed and the Security Documents and (III) the exercise of any discretion, power or authority that the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the ETC Holders, those ETC Securities that are beneficially held by or on behalf of the Issuer and not cancelled shall (unless no longer so held) be deemed not to remain outstanding.

**“Over-allocated Metal”** means, in respect of a Series of Basket ETC Securities, the amount of Metal (i) held in an Allocated Account or Off-Warrant Account of such Series (as applicable), or, in the case of a Base Metal, (ii) represented by a Bill of Lading held by a Primary Sub-Custodian for the Issuer; or (iii) represented by an LME Warrant held by a Primary Sub-Custodian for the Issuer, which relates to any over-allocation of Metal by a Metals Counterparty upon any deposit or withdrawal of Metal to or from such Allocated Account or Off-Warrant Account or any deposit or withdrawal of a Bill of Lading or of an LME Warrant to or from such Primary Sub-Custodian in connection with a Subscription, Buy-Back or sale of TER Metal in order to allow for:

- (i) a delivery of an amount of Metal into such Allocated Account or Off-Warrant Account that equates to a whole number of Bars or Lots (as applicable), notwithstanding that the amount of Metal due to the Issuer was less than the weight of such whole number of Bars or Lots;
- (ii) a delivery of a whole Bill of Lading to such Primary Sub-Custodian to be held for the Issuer, notwithstanding that the amount of Metal due to the Issuer was less than the weight of the Lots evidenced by such whole Bill of Lading;
- (iii) a delivery of a whole number of LME Warrants to such Primary Sub-Custodian to be held for the Issuer, notwithstanding that the amount of Metal due to the Issuer was less than the weight of the LME Lots evidenced by such whole number of LME Warrants;
- (iv) a sale by such Metals Counterparty of TER Metal on behalf of the Issuer where the amount of such TER Metal is less than the weight of a whole Bar or Lot (as applicable);
- (v) a withdrawal of an amount of Metal by such Metals Counterparty from such Allocated Account or Off-Warrant Account (as applicable) that equates to a whole number of Bars or Lots (as applicable) notwithstanding that the amount of Metal due from the Issuer was greater than the weight of such whole number of Bars or Lots (as applicable);
- (vi) a withdrawal of a whole Bill of Lading from such Primary Sub-Custodian, notwithstanding that the amount of Metal due from the Issuer was greater than the weight of the Lots evidenced by such whole Bill of Lading; or
- (vii) a withdrawal of a whole number of LME Warrants from such Primary Sub-Custodian, notwithstanding that the amount of Metal due from the Issuer was greater than the weight of the LME Lots evidenced by such whole number of LME Warrants.

**“Over-allocated Metal Cash Proceeds”** means an amount denominated in USD determined by the relevant Metals Counterparty equal to:

- (i) prior to an enforcement of the Security but following a liquidation of the Underlying Metal in accordance with Condition 10 (*Metal Sale on Early or Final Redemption*), the product of (a) the number of Trading Units of Metal comprising the Over-allocated Metal and (b) the Average Metal Sale Price determined in respect of the relevant Redemption Disposal Period;
- (ii) in respect of any Over-allocated Metal realised in a liquidation of TER Metal, the product of (a) the number of Trading Units of TER Metal comprising the Over-allocated Metal sold and (b) the average sale price achieved in respect of any TER Metal realised during such liquidation of TER Metal, expressed in the format of “USD per fine troy ounce” in the case of Gold; “USD per troy ounce” in the case of Silver, Platinum or Palladium; or “USD per metric tonne” in the case of Copper, Nickel or Cobalt; and as an amount in USD per each Trading Unit of any Component comprised in the relevant Basket, as specified in the Final Terms for such Series; or
- (iii) in respect of any Over-allocated Metal realised in the enforcement of the Security pursuant to Condition 5(f) (*Realisation of Security*), the product of (a) the number of Trading Units of Metal comprising the Over-allocated Metal sold and (b) the average sale price achieved in respect of any Metal realised during such enforcement process, expressed in the format of “USD per fine troy ounce” in the case of Gold; “USD per troy ounce” in the case of Silver, Platinum or Palladium; or “USD per metric tonne” in the case of Copper, Nickel or Cobalt; and as an amount in USD per each Trading Unit of any Component comprised in the relevant Basket, as specified in the Final Terms for such Series.

**"Palladium"** means, if the ETC Securities are linked to palladium, (i) allocated palladium plates or ingots complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect; and (ii) a contractual obligation against the Custodian to transfer an amount of palladium complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect, not including palladium included under (i) above;

**"Palladium Reference Price"** means, in respect of Palladium backing any ETC Securities and any given day and subject to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), that day's p.m. Palladium fixing price per troy ounce of Palladium for delivery in London through a member of the LPPM authorised to effect such delivery, stated in US dollars, as calculated and administered by the LME and published by the LME on its website at [www.lme.com](http://www.lme.com) and currently displayed on Bloomberg ticker "PLDMLNPM" that displays prices effective on that relevant day; provided, however, that if the Administrator becomes aware that a Metal Trading Disruption has occurred or exists on such day, the Administrator will notify the Issuer and the Palladium Reference Price shall be the price determined by the Administrator taking into consideration the latest available Palladium Reference Price as of a date on which no Metal Trading Disruption existed and any other information which the Administrator deems relevant;

**"Paying Agent"** means the Principal Paying Agent and any other paying agent appointed by the Issuer under the Agency Agreement with its Specified Office in any city where a Stock Exchange on which the ETC Securities are listed requires there to be a Paying Agent and specified in the Final Terms (including any successor or replacement thereto).

**"Physical Contract Specifications for LME Copper"** means the following LME physical contract specifications for Copper, as amended, supplemented or replaced from time to time:

Quality: Grade A copper must conform to the chemical composition of one of the following standards:

- (i) BS EN 1978:1998 - Cu-CATH:-1

(ii) GB/T 467-2010 - Cu-CATH-1

(iii) ASTM B115-10 - cathode Grade 1

Shape: Cathodes

Lot size: 25 tonnes

Warrant: 25 tonnes (with a tolerance of +/-2%)

Brands: All copper deliverable against LME contracts must be of an LME approved brand.

**“Physical Contract Specifications for LME Nickel”** means the following LME physical contract specifications for Nickel, as amended, supplemented or replaced from time to time:

Quality: The nickel delivered under contract must be Primary Nickel and conform to one of the following Standards:

(i) ASTM specification B39-79 (2013) – min 99.80% purity

(ii) GB/T 6516-2010 - Ni9990 grade

Shape: Cathodes (full plate and cut), pellets, briquettes

Lot size: 6 tonnes

Warrant: 6 tonnes (with a tolerance of +/-2%)

Brands : All nickel deliverable against LME contracts must be of an LME approved brand.

**“Physical Delivery Bank”** means, a credit institution authorised in Germany which has agreed to accept deliveries of physical Bars of Gold to be held on behalf of and on account for an ETC Holder.

**“Physical Delivery Fee”** means, in relation to any Buy-Back, Early Redemption or Final Redemption of Single Metal ETC Securities of a Series backed by Gold in respect of which the ETC Holder has validly elected for settlement by Physical Metal Delivery, the fee charged by the relevant Metals Counterparty for the removal of the physical Bars of Gold representing the Buy-Back Settlement Amount or the Physical Redemption Settlement Amount (as applicable) from the Allocated Account of the Issuer, the delivery of such physical Bars of Gold to the specified Metal Account of the ETC Holder and (if applicable) the transfer of any amount due to the ETC Holder in respect of a quantity of Gold equalling less than a full Bar in USD to the specified Cash Account of the ETC Holder. The Physical Delivery Fee shall be payable by the ETC Holder in USD to the Issuer Cash Account as a condition of acceptance by the Issuer of the relevant Buy-Back Order or Physical Delivery Notice in such amount as notified to the ETC Holder by the Administrator upon receipt of the Buy Back Order or Physical Delivery Notice (as the case may be), such amount to be no greater than USD 0.60 per fine troy ounce of Gold or such other maximum amount specified in the Final Terms or such USD amount which (a) in the case of an increase to the maximum Physical Delivery Fee, will be notified to ETC Holders in accordance with Condition 19 (*Notices*) no less than 30 days prior to such increased maximum becoming effective; or (b) in the case of a decrease to the maximum Physical Delivery Fee, will be applicable with immediate effect and thereafter notified to ETC Holders in accordance with Condition 19 (*Notices*).

**“Physical Delivery Notice”** has the meaning given to it in Condition 7(e)(v)(*Physical Delivery Requirements*).

**“Physical Delivery Requirements”** has the meaning given to it in Condition 7(e)(v) (*Physical Delivery Requirements*).

**“Physical Metal Delivery”** means delivery of physical Bars of Gold to a specified Metal Account of an ETC Holder in connection with either (a) settlement of an Early Redemption or Final Redemption of Single Metal ETC Securities of a Series backed by Gold pursuant to Condition 7(a) (*Final Redemption*) or 7(b) (*Early Redemption*) or (b) settlement of a Buy-Back of Single Metal ETC Securities of a Series backed by Gold pursuant to Condition 7(e) (*Purchases and Buybacks*);

**“Physical Delivery Business Day”** means for purposes of settlement of any Buy-Back, Early Redemption or Final Redemption of Single Metal ETC Securities backed by Gold to be settled by Physical Metal Delivery, a day (other than a Saturday or a Sunday or a public holiday) on which commercial banks are open for the transaction of business in London and Frankfurt, and the London Bullion Market is open for business.

**“Physical Redemption Settlement Amount”** means, in the case of an Early Redemption or Final Redemption of Single Metal ETC Securities backed by Gold in respect of which the ETC Holder has validly elected for settlement by Physical Metal Delivery, the aggregate Metal Entitlement (expressed in fine troy ounces) of the ETC Securities being redeemed as at the Early Redemption Trade Date or the Final Redemption Valuation Date, as applicable.

**“Physical Redemption Settlement Date”** has the meaning given to it in Condition 7(d)(iv) (*Settlement of Early Redemptions and Final Redemptions by Physical Metal Delivery*).

**“Platinum”** means, if the ETC Securities are linked to platinum, (i) allocated platinum plates or ingots complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect; and (ii) a contractual obligation against the Custodian to transfer an amount of platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect not including platinum included under (i) above.

**“Platinum Reference Price”** means in respect of Platinum backing any ETC Securities and any given day and subject to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), that day’s p.m. Platinum fixing price per troy ounce of Platinum for delivery in London through a member of the LPPM authorised to effect such delivery, stated in US dollars, as calculated and administered by the LME and published by the LME on its website at [www.lme.com](http://www.lme.com) and currently displayed on Bloomberg ticker “PLTMLNPM” that displays prices effective on that relevant day; provided, however, that if the Administrator becomes aware that a Metal Trading Disruption has occurred or exists on such day, the Administrator will notify the Issuer and the Platinum Reference Price shall be the price determined by the Administrator taking into consideration the latest available Platinum Reference Price as of a date on which no Metal Trading Disruption existed and any other information which the Administrator (in consultation with the Arranger if necessary) deems relevant.

**“Post-enforcement Minimum Accumulated Amount”** has the meaning given to it in Condition 5(g) (*Accumulation of Moneys*).

**“Precious Metal”** means one of Gold, Silver, Platinum or Palladium, and **“Precious Metals”** means all of them.

**“Pre-enforcement Minimum Accumulated Amount”** has the meaning given to it in Condition 5(g) (*Accumulation of Moneys*).

**“Primary Sub-Custodian”** means, in respect of a Series (i) backed by Precious Metals, The Brink’s Company and/or ICBC Standard Bank plc; (ii) backed by Base Metals, Metaal Transport B.V.; (iii) any other entity appointed by the Custodian with the consent of the Issuer to act as a primary sub-custodian under a Primary Sub-Custody Agreement in respect of such Series, in each case as specified in the Final Terms on the Series Issue Date or as notified to the ETC holders in accordance with Condition 19 (*Notices*); and (iv) any successor or replacement thereto or any delegate or sub-delegate thereof in the capacity as primary sub-custodian under the relevant Primary Sub-Custody Agreement; and **“relevant Primary Sub-Custodian”** means, in respect of a Series, each Primary Sub-Custodian which the Custodian has instructed to hold Underlying Metal on behalf of the Issuer for the account of such Series.

**“Primary Sub-Custody Agreement”** means, in respect of a Series, each written agreement between the Custodian, a Primary Sub-Custodian and any other parties specified as being a party to such agreement pursuant to which the relevant Primary Sub-Custodian is appointed to act as primary sub-custodian in connection with the performance of certain duties and obligations of the Custodian under the Custody Agreement, including (without limitation) the custody and safekeeping of Metal in allocated form (in the case of Precious Metals) or off warrant in Near Storage (in the case of Base Metals) on behalf of the Issuer and the custody and safekeeping of any Bills of Lading or LME Warrants for Base Metal held for the Custodian on behalf of the Issuer from time to time in respect of such Series, as amended, supplemented, novated or replaced from time to time.

**“Principal Paying Agent”** means The Bank of New York Mellon, London Branch and any successor or thereto or any delegate or sub-delegate thereof in its capacity as principal paying agent under the Agency Agreement.

**“Proceedings”** has the meaning given to it in Condition 22(b) (*Jurisdiction*).

**“Programme”** means the Elementum Physical Metal ETC Securities Programme of the Issuer.

**“Programme Maximum Number of ETC Securities”** means six billion (6,000,000,000).

**“Qualifying Assets”** shall have the meaning given to it in section 110(1) of the TCA.

**“Record Date”** means the Business Day immediately prior to the date for on which any payment is required to be made in accordance with the Conditions.

**“Redemption”** means, in respect of any Series of ETC Securities, any Early Redemption or Final Redemption of the ETC Securities of such Series.

**“Redemption Amount”** means the Final Redemption Amount or Early Redemption Amount, as applicable.

**“Redemption Disposal Period”** means:

- (i) in respect of an early redemption of the ETC Securities, the period from (and including) the Early Redemption Trade Date to (but excluding) the fifth Business Day immediately preceding the Metal Sale Cut-Off Date (the **“Early Redemption Disposal Period”**); or
- (ii) in respect of a final redemption of the ETC Securities, the period from (and including) the Final Redemption Valuation Date to (but excluding) the fifth Business Day immediately preceding the Scheduled Maturity Date (the **“Final Redemption Disposal Period”**).

**“Redemption Fee”** means an amount determined by the Issuer, or the Administrator on its behalf, equal to the costs incurred by or on behalf of the Issuer in connection with the Early Redemption or

Final Redemption of the ETC Securities, as applicable, and “**Redemption Fees**” shall be construed accordingly.

“**Redemption Notice**” means an Event of Default Redemption Notice, and Issuer Call Redemption Notice, a Market Value Event Notice, a Service Provider Non-Replacement Redemption Notice or a VAT Redemption Notice.

“**Reference Index**” means, in respect of a Series of Basket ETC Securities, the reference index to which such Series is linked, tracking the performance of the Precious Metal(s), Base Metal(s) and/or Component(s) included in the Basket physically backing such ETC Securities, which may include two or more Precious Metals and/or Base Metals and/or Components, as specified in the Final Terms related to such Series, and “**relevant Reference Index**” shall be construed accordingly.

“**Reference Index Event**” means:

- (i) a permanent or indefinite cessation in the provision of the relevant Reference Index by the relevant Reference Index Source (and no successor index administrator will continue to provide the Reference Index); or
- (ii) the occurrence of an Administrator/Benchmark Event.

“**Reference Index Source**” means, in respect of a Series of Basket ETC Securities, any screen or other source on which the relevant Reference Index is expected to be displayed or published, as such screen or source may be replaced or succeeded pursuant to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), and at the date of this Base Prospectus means, in respect of the Elementum Physical Electric Vehicle Metals ETC Securities, the website of Solactive AG at [www.solactive.com](http://www.solactive.com) as index administrator, and “**relevant Reference Index Source**” shall be construed accordingly.

“**Registrar**” means any such person appointed by the Issuer from time to time to maintain the registers of persons holding the ETC Securities.

“**Regulatory Requirement Amendments**”, for a Series, has the meaning given to it in Condition 20 (*Regulatory Requirement Amendments*).

“**Regulatory Requirement Amendments Certificate**”, for a Series, has the meaning given to it in Condition 20(iv) (*Regulatory Requirement Amendments*).

“**Regulatory Requirement Event**” means, for a Series, that, as a result of a Relevant Regulatory Law:

- (i) the ETC Securities or any of the transactions contemplated by the Conditions and the Transaction Documents are not, or will cease to be, compliant with one or more Relevant Regulatory Laws;
- (ii) the Issuer and/or any Transaction Party is not, or will cease to be, compliant with one or more Relevant Regulatory Laws; or
- (iii) the Issuer and/or any Transaction Party is not, or will cease to be, able to continue to transact future business (as issuer of ETC Securities or as a transaction party to the Issuer pursuant to the Programme) in compliance with all Relevant Regulatory Laws.

**“Relevant Clearing System”** means, in respect of a Series, each of the Clearing Systems and any additional or alternative clearing system approved by the Issuer, the Trustee and the Principal Paying Agent for such Series.

**“Relevant Date”** has the meaning given to it in Condition 12 (*Prescription*).

**“Relevant Regulatory Law”** means, in respect of a Series:

- (i) the Dodd-Frank Act, the Bank Holding Company Act of 1956 and the Federal Reserve Act of 1913 (or similar legislation in other jurisdictions) and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;
- (ii) Regulation 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC Derivatives, central counterparties and trade repositories, including as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended by The Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2018, The Trade Repositories (Amendment and Transitional Provision) (EU Exit) Regulations 2018, and The Central Counterparties (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2018) and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;
- (iii) Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast), including as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;
- (iv) Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, including as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;
- (v) Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and/or Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019 (2019/328) (as applicable) and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;
- (vi) Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and/or Part I of the UK Banking Act 2009 and any other law or regulation applicable in the UK relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration

or other insolvency proceedings) (as applicable) and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;

- (vii) Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;
- (viii) Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries and the implementation or adoption of, or any change in, any law, regulation or rule related thereto and any formal or informal technical guidelines and regulatory technical standards, further regulations, official guidance or official rules or procedures with respect thereto;
- (ix) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014;
- (x) the implementation or adoption of, or any change in, any applicable law, regulation, rule, guideline, standard or guidance of any jurisdiction (whether within the European Union or not) after the Relevant Regulatory Law Reference Date, and with applicable law, regulation, rule, guideline, standard or guidance for this purpose meaning (a) any similar, related or analogous law, regulation, rule, guideline, standard or guidance to those in paragraphs (i) to (viii) above or any law or regulation that imposes a financial transaction tax or other similar tax or (b) any law, regulation, rule, guideline, standard or guidance of any jurisdiction that is changed or that is implemented as a result of the UK's departure from the E.U. (or, where such change or implementation occurs in the UK only, after the UK's departure from the E.U.);
- (xi) any arrangements or understandings that any Transaction Party or any of its Affiliates may have made or entered into with any regulatory agency with respect to its or any of their legal entity structure or location with regard to (a) any of paragraphs (i) to (ix) above or (b) the United Kingdom's departure from the E.U.; or
- (xii) any change in any of the laws, regulations, rules, guidelines, standards or guidance referred to in paragraphs (i) to (ix) above as a result of the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction after the Relevant Regulatory Law Reference Date or as a result of the public or private statement or action by, or response of, any court, tribunal or regulatory authority with competent jurisdiction or any official or representative of any such court, tribunal or regulatory authority acting in an official capacity with respect thereto.

**"Relevant Regulatory Law Reference Date"** means, for a Series, the date specified in the Final Terms.

**"Relevant Stock Exchange"** means, in respect of a Series, each Stock Exchange on which the ETC Securities of such Series is to be listed, as specified in the Final Terms.

**“RIS”** means a regulated information service for the purposes of giving information relating to the ETC Securities and/or the rules of the Relevant Stock Exchange chosen by the Issuer (or an agent acting on the Issuer’s behalf) from time to time.

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

**“Scheduled Maturity Date”** means, in respect of a Series, the date specified in the Final Terms of the first Tranche of ETC Securities for that Series, subject to postponement in accordance with Condition 8(c) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*) and provided that if such date is not a Business Day, the Scheduled Maturity Date shall be the next following Business Day.

**“Secondary Early Redemption Event”** has the meaning given to it in Condition 7(b)(iii) (*Early Redemption*).

**“Secured Agent Rights”** means, in respect of a Series, the rights and interest of the Issuer in and under the Agency Agreement, the Administration Agreement, the Authorised Participant Agreements, the Custody Agreement, the Metals Counterparty Agreement(s) and the Account Bank Agreement for such Series and the rights, title and interest of the Issuer in all property, assets and sums derived from such agreements.

**“Secured Assets”** means, in respect of a Series, (i) the Issuer’s rights against the Custodian, the Primary Sub-Custodians, any Sub-Custodians and the Metals Counterparties under the Custody Agreement, the Primary Sub-Custody Agreements, any Sub-Custody Agreements and the Metals Counterparty Agreement(s) in respect of the Underlying Metal; (ii) the Issuer’s title in each Allocated Account (in the case of a Series backed by one or more Precious Metals) and/or Off-Warrant Account (in the case of a Series backed by one or more Base Metals), all Underlying Metal held in each such Allocated Account or Off-Warrant Account (as applicable) (including the corresponding Warehouse Releases evidencing ownership of such Metal) and any Bills of Lading or LME Warrants held by the Custodian on behalf of the Issuer with a Primary Sub-Custodian or Sub-Custodian; (iii) the Issuer Cash Account and all funds standing to the credit of the Issuer Cash Account; (iv) all property, assets and sums held by the Principal Paying Agent, the Account Bank, the Custodian, each Primary Sub-Custodian, any other Sub-Custodian and/or each Metals Counterparty (including, for the avoidance of doubt the proceeds of any sale or liquidation of Underlying Metal but excluding any Metal held by a Metals Counterparty for delivery to an Authorised Participant or ETC Holder in connection with the settlement of a Buy-Back) in connection with such Series and/or any Transaction Document; (v) the Issuer’s rights against each Transaction Party under each Transaction Document; and (vi) any other property, assets and/or sums which have been charged, assigned, pledged and/or otherwise made subject to the security created by the Issuer in favour of the Security Trustee for the benefit of the Secured Creditors pursuant to each Security Document, and that, in each case, have not been released in accordance therewith.

**“Secured Creditor”** means, in respect of a Series, each person that is entitled to the benefit of Secured Issuer Obligations for such Series.

**“Secured Issuer Obligations”** means, in respect of a Series, the obligations and duties of the Issuer (i) under the Trust Deed, the Security Documents and each ETC Security, (ii) to pay all Taxes (other than any income, corporation or similar tax), fees, costs, charges, expenses, liabilities and other amounts properly payable to the Metals Counterparties (iii) to pay the Taxes (other than any income, corporation or similar tax), fees, expenses or other amounts due to the Principal Paying Agent and the Paying Agents pursuant to the Agency Agreement, due to the Custodian pursuant to the Custody Agreement, due to the Administrator pursuant to the Administration Agreement, due to the Account

Bank pursuant to the Account Bank Agreement and due to any other party pursuant to any other agreement in respect of which the Issuer and the Security Trustee have agreed as constituting Secured Issuer Obligations and (iv) to pay any other amount payable by the Issuer that is listed in Condition 5(d) (*Application of Proceeds of Enforcement of Security*), in each case to the extent such amounts relate to such Series, and “**Secured Issuer Obligation**” means any of them.

“**Secured Property**” means, in respect of a Series, the Irish Law Secured Property and the English Law Secured Property.

“**Security**” means, in respect of a Series, the Irish Law Security and the English Law Security.

“**Security Document**” means, in respect of a Series, the Irish Law Security Trust Deed and the English Law Security Trust Deed, and “**Security Documents**” shall refer to both of them.

“**Security Trustee**” means Apex Corporate Trustees (UK) Limited and any successor or replacement thereto as security trustee under the Security Documents in respect of any Series of ETC Securities.

“**Series**” means, in respect of ETC Securities, all ETC Securities having the same ISIN, WKN or other similar identifier.

“**Series Issue Date**” means, in respect of a Series, the issue date of the first Tranche of such Series.

“**Service Provider Non-Replacement Redemption Event**” has the meaning given to it in Condition 7(d)(ii) (*Service Provider Non-Replacement Redemption Event*).

“**Service Provider Non-Replacement Redemption Notice**” has the meaning given to it in Condition 7(d)(ii) (*Service Provider Non-Replacement Redemption Event*).

“**Settlement Day**” means a day which is a Business Day and on which commercial banks in New York City are open for the settlement of international transactions in US dollars.

“**Silver**” means, if the ETC Securities are linked to silver, (i) silver bars complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect; and (ii) a contractual obligation against the Custodian to transfer an amount of silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect not including silver included under (i) above.

“**Silver Reference Price**” means, in respect of Silver backing any ETC Securities and any given day and subject to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*), that day’s Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorised to effect such delivery, stated in US cents, as calculated and administered by independent service provider(s), pursuant to an agreement with the LBMA, and published by the LBMA on its website at [www.lbma.org.uk](http://www.lbma.org.uk) and currently displayed on the Bloomberg ticker “SLVRLN” that displays prices effective on that relevant day; provided, however, that if the Administrator becomes aware that a Metal Trading Disruption has occurred or exists on such day, the Administrator will notify the Issuer and the Silver Reference Price shall be the price determined by the Administrator (in consultation with the Arranger if necessary) taking into consideration the latest available Silver Reference Price as of a date on which no Metal Trading Disruption existed and any other information which the Administrator deems relevant.

“**Single Metal ETC Securities**” means a Series of ETC Securities which is linked to the performance of and backed by physical holdings of a single type of Metal, which may be a Base Metal or a Precious Metal, as specified in the Final Terms related to such Series.

**“Specified Interest Amount”** means, in respect of an ETC Security, 1 per cent. of the Nominal Amount and which shall represent interest on the Nominal Amount payable by the Issuer as part of the Final Redemption Amount or Early Redemption Amount, as the case may be.

**“Specified Office”** means, in relation to any Agent, the office identified in respect of such Agent in the relevant Transaction Document or any other office approved by the Trustee and notified to ETC Holders in accordance with Condition 19 (*Notices*).

**“Stock Exchange”** means any of the *Deutsche Börse*, the *Borsa Italiana*, the SIX Swiss Exchange or any other stock exchange on which the Issuer has agreed a Series of ETC Securities are to be listed, as specified in the Final Terms for such Series.

**“Sub-Custodian”** means, any sub-custodian, agent, delegate or depositary (including an entity within the Custodian’s or a Primary Sub-Custodian’s corporate group) appointed by the Custodian in accordance with the Custody Agreement or by a Primary Sub-Custodian in accordance with the relevant Primary Sub-Custody Agreement to perform any of the duties of the Custodian under the Custody Agreement or of such Primary Sub-Custodian under such Primary Sub-Custody Agreement (as applicable), including the custody and safekeeping of Metal owned by the Issuer in allocated form (in the case of a Precious Metal) or off warrant in Near Storage (in the case of a Base Metal) on behalf of the Custodian or Primary-Sub-Custodian in accordance with the relevant Sub-Custody Agreement, and any successor or replacement thereto from time to time.

**“Sub-Custody Agreement”** means an agreement or arrangement between the Custodian or a Primary Sub-Custodian and a Sub-Custodian pursuant to which the Sub-Custodian is appointed to act as sub-custodian to perform any of the duties and obligations of the Custodian under the Custody Agreement or of such Primary Sub-Custodian under the relevant Primary Sub-Custody Agreement, including the custody and safekeeping of Metal owned by the Issuer in allocated form (in the case of a Precious Metal) or off warrant in Near Storage (in the case of a Base Metal) on behalf of the Custodian or Primary Sub-Custodian, as amended, supplemented, novated or replaced from time to time.

**“Subscription”** means an offer by the Arranger (on such terms as agreed with the Issuer as to fee and settlement arrangements) or by an Authorised Participant to the Issuer to subscribe for ETC Securities, being an offer on terms referred to in a Subscription Order and these Conditions and (in the case of a Subscription Order made by an Authorised Participant) in accordance with the provisions of the relevant Authorised Participant Agreement.

**“Subscription Fee”** means, in connection with each Subscription, the fee payable by the Authorised Participant to the Issuer Cash Account by such time as separately agreed with the Administrator and in such amount as notified to the Authorised Participant upon acceptance of the related Subscription Order by the Issuer (or the Administrator on the Issuer’s behalf), which amount shall not exceed US\$1000.00.

**“Subscription Order”** means a request for the Issuer to issue ETC Securities delivered by the Arranger (in such form as agreed with the Issuer) or by an Authorised Participant in accordance with the relevant Authorised Participant Agreement.

**“Subscription Order Cut-Off Time”** means, in respect of a Series and a Subscription Order for ETC Securities of such Series, such time as specified in the Final Terms for the first Tranche of such Series as the cut-off time for receipt of such Subscription Order.

**“Subscription Settlement Amount”** means, in respect of a Subscription for Basket ETC Securities and the related Subscription Settlement Date, an amount of each type of physical Precious Metal and/or Base Metal (or, in the case of any portion of such Basket ETC Securities backed by a Base

Metal, a Bill of Lading or LME Warrants for such amount of Metal) and of each Component comprised in the relevant Basket, equal to the product of: (a) the quantity of such type of Precious Metal, Base Metal or Component comprised in the Metal Entitlement for such Basket ETC Securities on the Subscription Trade Date (calculated on the basis of the number of Baskets comprised in such Metal Entitlement multiplied by the weighting of such type of Metal or Component within such Basket) and (b) the aggregate number of ETC Securities to be issued pursuant to the relevant Subscription Order.

**“Subscription Settlement Date”** means, subject to the relevant Authorised Participant Agreement, such date after the Subscription Trade Date (which shall be a Settlement Day) as separately agreed between the Issuer and the Authorised Participant, as specified in the Final Terms of the relevant Tranche.

**“Subscription Trade Date”** means a Business Day on which a Subscription Order is submitted by the Authorised Participant by the relevant Cut-Off Time and determined to be valid and accepted and processed by or on behalf of the Issuer in accordance with the relevant Authorised Participant Agreement.

**“Substituted Obligor”** has the meaning given to it in Condition 15(c) (*Substitution*).

**“Suspended Day”** has the meaning given to it in Condition 8(b)(i)(Y) (*Determination of Disruption Events and Suspension Notices*).

**“Suspension Notice”** has the meaning given to it in Condition 8(b)(i) (*Determination of Disruption Events and Suspension Notices*).

**“Suspension Period”** has the meaning given to it in Condition 8(b)(i)(Y) (*Determination of Disruption Events and Suspension Notices*).

**“Tax”** means any present or future tax, duty, assessment or charge of whatsoever nature (including, without limitation, any tax on income, profits, gains, net wealth, asset values or turnover, value added tax, stamp duty, stamp duty reserve tax, excise, severance, sales, use, transfer, documentary, recording tax or duty or any other similar tax, duty or charge) imposed, levied, collected, withheld or assessed by any government, applicable tax authority or jurisdiction.

**“TCA”** means the Taxes Consolidation Act, 1997, of Ireland (as amended).

**“TER Metal”** has the meaning given to it in Condition 4(c)(iv) (*Total Expense Ratio*).

**“TER Metal Sale”** has the meaning given to it in Condition 4(d) (*Total Expense Ratio*).

**“TER Metal Sale Notice”** has the meaning given to it in Condition 4(d)(iv) (*Total Expense Ratio*).

**“Total Expense Ratio”** has the meaning given to it in Condition 4(d)(i) (*Total Expense Ratio*).

**“Total Redemption Sale Proceeds”** means, in respect of a Redemption Disposal Period, an amount denominated in USD equal to the sum of:

- (i) in respect of each Trading Unit of Underlying Metal liquidated by the relevant Metals Counterparty during such Redemption Disposal Period in accordance with the terms of the relevant Metals Counterparty Agreement (and as further described in Condition 10 (*Metal Sale on Early or Final Redemption*)), the total sale proceeds received for such Underlying Metal (the **“Actual Redemption Sale Proceeds”**); and

- (ii) in respect of each Trading Unit of Underlying Metal that has not been liquidated by the relevant Metals Counterparty by the close of business on the final day of such Redemption Disposal Period in accordance with the terms of the relevant Metals Counterparty Agreement (and as further described in Condition 10 (*Metal Sale on Early or Final Redemption*)), the Metal Reference Price or, in the case of Basket ETC Securities, the relevant Metal Reference Prices as at the final day of such Redemption Disposal Period for such amount of Underlying Metal that has not been liquidated (the “**Deemed Redemption Sale Proceeds**”).

“**Trading Unit**” means, in the case of Gold, one fine troy ounce; in the case of Silver, Platinum or Palladium, one troy ounce; in the case of Copper, Nickel or Cobalt, one metric tonne and, in the case of any Component comprised in the relevant Basket for any Basket ETC Securities means, such trading unit of such Component, as specified in the Final Terms relating to such Series.

“**Tranche**” means, in relation to ETC Securities of a Series, the ETC Securities that are subscribed on the same Subscription Trade Date (with the same Metal Entitlement as at such date) and issued on the same Issue Date.

“**Transaction Document**” means, in respect of a Series, each of the Issue Deed, the Trust Deed, each Security Document, the Corporate Services Agreement, the Administration Agreement, the Agency Agreement, the Custody Agreement, each Metals Counterparty Agreement, each Authorised Participant Agreement, the Account Bank Agreement, the Fees and Expenses Agreement and any other document specified by the Issuer, from time to time, to be a “**Transaction Document**” in respect of such Series, in each case as amended, supplemented, novated and/or replaced from time to time and “**Transaction Documents**” means all such documents.

“**Transaction Party**” means a party to a Transaction Document (other than the Issuer).

“**Trust Deed**” means, in respect of a Series, the trust deed entered into as a deed in the form of the Master Trust Terms dated on or about the Series Issue Date created by entry into of the Issue Deed for the first Tranche of such Series by the Issuer, the Trustee, the Administrator and any other parties specified in such Issue Deed as being a party to such Trust Deed, as amended and/or supplemented by such Issue Deed and as such Trust Deed is amended, supplemented, novated or replaced from time to time.

“**Trustee**” means Apex Corporate Trustees (UK) Limited and any successor or replacement thereto as trustee under the Trust Deed in respect of any Series of ETC Securities.

“**Underlying Metal**” means, in respect of a Series, all Metal (including for the avoidance of doubt, any Component) recorded and identified in the Allocated Accounts (in the case of a Series backed by one or more Precious Metals) and/or Off-Warrant Accounts, ownership of which is evidenced by a Warehouse Release (in the case of a Series backed by one or more Base Metals) as being held for the Issuer for the account of such Series, including, for the avoidance of doubt: (i) any Over-allocated Metal; (ii) any TER Metal; (iii) in the case of a Series of ETC Securities backed by a Base Metal, any Metal represented by a Bill of Lading or LME Warrants held by the Custodian on behalf of the Issuer; and (iv) any Metal, Bills of Lading or LME Warrants held by the Metals Counterparties pending any sale of such Metal on behalf of the Issuer in connection with an Early Redemption or Final Redemption, in accordance with these Conditions and the terms of the Metals Counterparty Agreement(s).

“**Valuation Day**” means, in respect of a Series, the Series Issue Date and each Non-Disrupted Day thereafter.

“**VAT**” means (i) value added tax chargeable in accordance with (but subject to derogations from) Council Directive 2006/112/EC, (ii) any other tax of a similar fiscal nature and any other form of tax levied by reference to added value or sales, (iii) any similar tax charged from time to time in substitution for or in addition to any of the above, and (iv) in the case of (i), (ii) and (iii) above, any interest, penalties, costs and expenses reasonably related thereto.

“**VAT Redemption Event**” has the meaning given to it in Condition 7(d)(i) (*VAT Redemption Event*).

“**VAT Redemption Notice**” has the meaning given to it in Condition 7(d)(i) (*VAT Redemption Event*).

“**Warehouse Release**” means, in relation to Base Metals, a document (which may be in electronic form) issued by an LME Approved Warehouse in the name of the owner of a quantity of Base Metal that evidences the addressee’s ownership of a specified brand and a specified Lot of such Base Metal that is stored off warrant at a specified location and warehouse.

“**Website**” means the website maintained by or on behalf of the Issuer at [www.elementummetals.com](http://www.elementummetals.com) or such other website as may be notified to ETC Holders in accordance with Condition 19 (*Notices*) from time to time).

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

## 2. **Form, Denomination and Title**

- (a) *Form:* The ETC Securities of each Series issued under the Programme will be issued in registered form and will be represented by a global note in registered form (either in global registered form using the new safekeeping structure or in classic global note form as specified in the Final Terms) (the “**Global Registered Security**”).

The Global Registered Security will (a) if the ETC Securities are intended to be issued in global registered form using the new safekeeping structure, be registered in the name of a nominee for, and shall be deposited on its issue date with a Common Safekeeper on behalf of, Euroclear and Clearstream, Luxembourg; and (b) if the ETC Securities are intended to be issued in classic global note form, be registered in the name of a nominee for, and shall be deposited on its issue date with a Common Depositary on behalf of, Euroclear and Clearstream, Luxembourg.

- (b) *Denomination:* the Issue Price per ETC Security of each Series shall be regarded as the denomination of each ETC Security of such Series (the “**Denomination**”). All ETC Securities of the same Series shall have the same Denomination.
- (c) *Title:* For so long as ETC Securities are represented by a Global Registered Security deposited with a Common Depositary or Common Safekeeper for, and registered in the name of, a common nominee of, Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg, as applicable) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular number of the ETC Securities shall be deemed to be the holder of such number of ETC Securities (and the registered holder of such Global Registered Security shall be deemed not to be the holder) for all purposes other than with respect to (a) the payment of principal, premium (if any) or interest (if any) and (b) the Provisions for Meetings of ETC Holders.

Title to the Global Securities shall pass by and upon registration in the Register which in relation to Global Securities the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement. The registered holder of a Global Registered Security may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons

and for all purposes (including the making of any payments), as the absolute owner of such Global Registered Security regardless of any notice of ownership, theft or loss or any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

- (d) *Individual Securities:* ETC Securities in individual, definitive registered form (“**Individual Securities**”) will only be issued in the limited circumstances set out in Condition 17(b) (*Transfer of ETC Securities Represented by Permanent Global Registered Securities*).
- (e) *Transfer of ETC Securities in definitive registered form:* Title to Individual Securities shall only pass by and upon registration of the transfer in the Register, which the Issuer shall procure to be kept in accordance with Clause 9 (*Additional Duties of the Registrar*) of the Agency Agreement.

One or more ETC Securities in individual, definitive registered form may be transferred upon the surrender (at the Specified Office of the Registrar) of the Individual Security representing such ETC Securities to be transferred, together with the form of transfer endorsed on such Individual Security, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar may reasonably require. In the case of a transfer of part only of a holding of ETC Securities represented by one Individual Security, a new Individual Security shall be issued to the transferee in respect of the part transferred and a further new Individual Security in respect of the balance of the holding not transferred shall be issued to the transferor.

- (f) *Closed Periods:* No ETC Holder may require the transfer of an ETC Security to be registered (i) during the period of 15 calendar days ending on the due date for Final Redemption of that ETC Security, (ii) during the period of 15 calendar days prior to any date on which ETC Securities may be redeemed following the occurrence of (i) an Issuer Call Redemption Event, (ii) an Early Redemption Event or (iii) an Event of Default or (iii) during the period of seven days ending on (and including) any Record Date.
- (g) *Exercise of Buy-Back:* In the case of an exercise of an Authorised Participant's (or, if applicable, an individual ETC Holder's) right to submit a Buy-Back Order in respect of a holding of ETC Securities represented by a single Individual Security, a new Individual Security shall be issued to the holder in respect of the balance of the holding not subject to the exercise of such Buy-Back.
- (h) Each new Individual Security to be issued pursuant to Conditions 2(d) (*Transfer of ETC Securities in definitive registered form*) and 2(e) (*Exercise of Buy-Back*) will be available for delivery within five Business Days of surrender of the relevant Individual Security and, if applicable, receipt of the relevant request for exchange, form of transfer or Buy-Back Order together with such other evidence (if any) as may be required pursuant to the relevant Condition. Delivery of new Individual Securities shall be made at the Specified Office of the Registrar to whom surrender of such Individual Security and, if applicable, delivery of such request, form of transfer or Buy-Back Order shall have been made or, at the option of the holder making such delivery and surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Buy-Back Order or otherwise in writing, shall be mailed at the risk of the holder entitled to the new Individual Security to such address as may be so specified.

### 3. **Constitution and Status**

The ETC Securities are constituted by the Trust Deed for the relevant Series and secured by each Security Document for the relevant Series. The ETC Securities are secured, limited recourse obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves, secured in the manner described in Condition 5 (*Security and Application of Proceeds*) and recourse in respect of which is limited in the manner described in Condition 5(h) (*Shortfall after Application of Proceeds (Limited Recourse) and Non-Petition*) and Condition 14 (*Enforcement*). The

ETC Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement and each Security Document.

4. **Metal Entitlement, Total Expense Ratio and Cash Value Per ETC Security**

(a) ***Determination of Metal Entitlement and Cash Value per ETC Security***

In respect of each Series and each calendar day up to (and including) the Early Redemption Trade Date or Final Redemption Valuation Date, as applicable, the Administrator shall calculate the Metal Entitlement and in respect of each Valuation Day up to (and including) the Early Redemption Date or Final Redemption Valuation date, as applicable, the Administrator shall calculate the Cash Value per ETC Security for such Valuation Day.

(b) ***Determination of Metal Entitlement and Cash Value per ETC Security***

The “**Metal Entitlement**” in respect of a Series and any calendar day shall be an amount of Metal per ETC Security (expressed, in the case of Single Metal ETC Securities, in fine troy ounces in the case of Gold (rounded to ten decimal places); in troy ounces in the case of Silver, Platinum or Palladium (rounded to ten decimal places); in metric tonnes in the case of Copper or Nickel (rounded to ten decimal places) and, in the case of Basket ETC Securities, as a number of Baskets (rounded to ten decimal places) and determined by the Administrator as follows:

- (i) if the relevant calendar day is the Series Issue Date, the Metal Entitlement shall be equal to the Initial Metal Entitlement;
- (ii) in relation to any subsequent calendar day, the Metal Entitlement shall be an amount calculated by the Administrator in accordance with the formula below:

$$ME_t = ME_{t-1} \times (1 - TER_t)^{1/N}$$

Where:

“**ME<sub>t</sub>**” means the Metal Entitlement in respect of the relevant calendar day;

“**ME<sub>t-1</sub>**” means the Metal Entitlement in respect of the immediately preceding calendar day;

“**TER<sub>t</sub>**” means the Total Expense Ratio as at the relevant calendar day, expressed as a decimal; and

“**N**” means 365 (or 366 in a leap year).

The “**Cash Value per ETC Security**” in respect of a Valuation Day shall be an amount per ETC Security expressed in USD and determined by the Administrator as being equal to:

- (i) the Metal Entitlement per ETC Security in respect of the relevant Valuation Day (the Cash Value per ETC Security as of the relevant Tranche Issue Date is equal to the Issue Price per ETC Security); *multiplied by*
- (ii) the Metal Reference Price (or, in the case of Basket ETC Securities, the level of the relevant Reference Index) in respect of the relevant Valuation Day.

For illustration purposes only, a formulaic expression of the determination of Cash Value per ETC Security is set out below:

$$VpS = E \times M,$$

Where

“**VpS**” means, in respect of a Valuation Day, the Cash Value per ETC Security in respect of that Valuation Day (the Cash Value per ETC Security as of the relevant Tranche Issue Date is equal to the Issue Price per ETC Security);

“**E**” means, in respect of a Valuation Day (t), Metal Entitlement per ETC Security in respect of that Valuation Day; and

“**M**” means, in respect of a Valuation Day (t), the relevant Metal Reference Price or, in the case of Basket ETC Securities, the level of the relevant Reference Index on that Valuation Day.

(c) ***Publication of Metal Entitlement and Cash Value per ETC Security***

In respect of each Series and on each Valuation Day up to (and including) the Early Redemption Trade Date or Final Redemption Valuation Date, as applicable, the Issuer (or the Administrator on the Issuer’s behalf) shall publish the Metal Entitlement and the Cash Value per ETC Security for such Valuation Day notified to it by the Administrator on the Website by no later than the immediately following Business Day.

(d) ***Total Expense Ratio***

(i) The “**Total Expense Ratio**” is the rate per annum at which the Operational Fee payable by the Issuer in respect of each Series is calculated. The Total Expense Ratio reflects the amounts anticipated to be payable by the Issuer in respect of each Series on account of:

- (1) the costs of printing any ETC Securities of such Series and any publication, marketing or advertising materials in respect of such ETC Securities;
- (2) the costs of producing and translating the required legal and/or marketing documentation in relation to each issuance of ETC Securities, including without limitation, the Issue Specific Summary for each issuance;
- (3) any fees, costs and expenses payable by the Issuer in relation to ETC Securities of such Series to the Trustee, the Security Trustee, the Authorised Participants, the Metals Counterparties, the Principal Paying Agent, the Custodian, the Administrator, the Corporate Services Provider, the Account Bank or any other Transaction Party pursuant to, or in connection with, the Transaction Documents (in each case to the extent not covered by any applicable Subscription Fees, Buy-Back Fees, Physical Delivery Fees or Metals Counterparty Fees);
- (4) any legal fees and disbursements relating to such ETC Securities payable to the legal advisers, auditors and other professional advisers in Ireland, the United Kingdom, The Netherlands or Switzerland to the Issuer and/or any other legal advisers and any other professional advisers properly appointed by the Issuer (subject to the prior written approval of the Arranger);

- (5) any legal fees and disbursements relating to such ETC Securities payable to the legal advisers and other professional advisers in Ireland, the United Kingdom, The Netherlands or Switzerland to the Administrator, the Trustee, the Security Trustee and/or any other legal advisers and any other professional advisers properly appointed by the Issuer (subject to the prior written approval of the Arranger);
  - (6) any annual or issue-specific listing fees payable to any Relevant Stock Exchange in respect of the listing of the ETC Securities on such Relevant Stock Exchange;
  - (7) any fees payable with respect to the periodic audit inspection of the Underlying Metal;
  - (8) the Issuer Profit Amount; and
  - (9) any other Taxes, fees, costs, expenses or disbursements properly incurred by the Issuer in relation to the issue of the ETC Securities which is not to be reimbursed by any other person.
- (ii) The Total Expense Ratio in respect of a Series is applied to the Metal Entitlement for such Series on a daily basis to determine a daily deduction of an amount of Metal or, in the case of Basket ETC Securities, a number of Baskets from such Metal Entitlement (applying the per annum rate and dividing by 365 (or 366 in a leap year)). The initial Total Expense Ratio for each Series shall be set out in the Final Terms of the first Tranche of ETC Securities for that Series and the Total Expense Ratio shall cease to apply to an ETC Security for a Series on the earliest to occur of (i) a Buy-Back Trade Date relating to such ETC Security, (ii) an Early Redemption Trade Date relating to such Series and (iii) the Final Redemption Valuation Date for such Series. For the avoidance of doubt, if a Buy-Back Order is cancelled in respect of an ETC Security, the Metal Entitlement for such ETC Security following such cancellation shall be adjusted to reflect the Total Expense Ratio that should have applied to such Metal Entitlement from (and including) the relevant Buy-Back Trade Date to (and including) the relevant date of cancellation of such Buy-Back Order, and the immediately following TER Metal Sale Notice shall account for any such adjustment.
  - (iii) The Total Expense Ratio in respect of a Series may be varied by the Issuer on the request of the Administrator from time to time, provided that no increase in the Total Expense Ratio in respect of a Series will take effect unless ETC Holders of such Series have been given at least 30 calendar days' prior notice in accordance with Condition 19 (*Notices*).
  - (iv) The Total Expense Ratio in respect of each Series from time to time and any proposed change to the Total Expense Ratio of any Series shall be published on the Website.
  - (v) The accrued Metal representing the reduction in the Metal Entitlement due to the daily application of the Total Expense Ratio will be sold by the relevant Metals Counterparty (on behalf of the Issuer) on a monthly or such other periodic basis as may be agreed between the Custodian, the relevant Metals Counterparty and the Issuer (or the Administrator on its behalf) from time to time. Upon effective delivery of a notice from the Administrator (acting on behalf of the Issuer) to each of the Issuer, the Custodian, the relevant Metals Counterparty, the Administrator and the Security Trustee (a "**TER Metal Sale Notice**") specifying the amount of Metal determined by the Administrator (the "**TER Metal**") to be sold on the date on which the TER Metal Sale Notice is effective (the "**TER Metal Sale Date**"), the Custodian will instruct the transfer to or to the order of the relevant Metals Counterparty for sale on behalf of the Issuer of an amount of Metal equal to the TER Metal (a "**TER Metal Sale**"). For the avoidance of doubt the TER Metal shall, in respect of each ETC Security that has been issued since the previous TER Metal Sale Notice, include any Metal representing the reduction in the Metal Entitlement for each such ETC Security accrued between such ETC Security's Subscription Trade Date and its Issue Date.

(e) **TER Metal Sales**

- (i) Pursuant to the terms of the Irish Law Security Trust Deed, the Security in respect of the TER Metal described in Condition 4(d)(v) shall automatically be released without further action on the part of the Security Trustee to the extent necessary to effect the TER Metal Sale, provided that nothing in this Condition 4(e)(i) shall operate to release the charges and other security interests over the proceeds of the sale of the TER Metal.
- (ii) Following receipt by the relevant Metals Counterparty of a TER Metal Sale Notice, and delivery of the TER Metal to the relevant Metals Counterparty or to its order, on the TER Metal Sale Date, the relevant Metals Counterparty shall, acting as agent of the Issuer, sell the TER Metal in a timely fashion in accordance with all applicable laws and the terms of the relevant Metals Counterparty Agreement.
- (iii) In selling the TER Metal, the relevant Metals Counterparty may take such steps as it, acting in a commercially reasonable manner, considers appropriate in order to effect an orderly sale in a timely fashion, and may effect such sale in one transaction or in multiple transactions. The relevant Metals Counterparty will not be liable to the Issuer or to the Trustee, the ETC Holders or any other person merely because a higher price could have been obtained had all or part of the TER Metal Sale been delayed or taken place at a different time or had the TER Metal Sale not been effected in stages. The Issuer shall not be liable to the Trustee, the ETC Holders or any other person for any alleged failure to obtain a higher price for all or part of the TER Metal as a result of the Issuer's selection of the relevant Metals Counterparty.
- (iv) Subject as provided above, in carrying out any TER Metal Sale, the relevant Metals Counterparty will act in good faith and a commercially reasonable manner and will sell at a price which it reasonably believes to be representative of the fair market price of the TER Metal being disposed of in the relevant transaction. In carrying out such liquidation, the relevant Metals Counterparty shall sell to one or more Eligible Purchasers, provided that, in each case:
  - (1) the relevant Metals Counterparty shall, acting in good faith and a commercially reasonable manner, use reasonable efforts to ensure that such a sale would be conducted in a manner that would minimise the VAT that may be charged, withheld or deducted on such sale which would reduce the net sale proceeds (as compared to the position if no VAT were due); and
  - (2) where the relevant Metals Counterparty is unable to sell the TER Metal in the manner set out in Condition 4(e)(iv)(1), such Metals Counterparty shall use its discretion to sell the TER Metal to any Eligible Purchaser in any manner as it deems fit.
- (v) The cash proceeds of a sale of TER Metal (less any Taxes or other deductions permitted to be made by the relevant Metals Counterparty in accordance with the relevant Metals Counterparty Agreement) will be paid by such Metals Counterparty to the Issuer Cash Account or otherwise to the Issuer's order and applied towards payment of the Operational Fee to the Arranger.

5. **Security and Application of Proceeds**

(a) **Security**

- (i) The Secured Issuer Obligations are secured in favour of the Security Trustee for the benefit of itself and as trustee for the other Secured Creditors by:
  - (A) Pursuant to the Irish Law Security Trust Deed,

- (I) an assignment by way of security of all of the Issuer's rights (but not obligations), title, interest and benefit present and future against the Custodian, the Primary Sub-Custodians and the Sub-Custodian(s) (if any) and the Metals Counterparties relating to the Underlying Metal under the Custody Agreement, the Primary Sub-Custody Agreements and any Sub-Custody Agreement(s), the Metals Counterparty Agreement(s) and otherwise;
- (II) a first fixed charge over and to the extent of the Issuer's title in each Allocated Account (in the case of a Series backed by one or more Precious Metals) and/or Off-Warrant Account (in the case of a Series backed by one or more Base Metals), all of the Underlying Metal held in the Allocated Accounts and/or Off-Warrant Accounts (as applicable), each Warehouse Release, each LME Warrant and each Bill of Lading held by the Custodian or a Primary Sub-Custodian on behalf of the Issuer from time to time and all sums and assets derived therefrom;
- (III) an assignment by way of security of all of the Issuer's rights (but not obligations), title, interest and benefit, present and future, in, to and under the Administration Agreement, the Authorised Participant Agreements, the Agency Agreement, the Custody Agreement and the Metals Counterparty Agreement(s); and
- (IV) a first fixed charge over and to the extent of the Issuer's title in (I) all sums, Metal and/or any other property held now or in the future by the Principal Paying Agent, the Custodian, the Primary Sub-Custodians and/or any Sub-Custodian(s) or the Metals Counterparties to meet payments and/or deliveries due in respect of any Secured Issuer Obligation or Other Issuer Obligation relating to the ETC Securities and (II) all sums, Metal and any other property held or received now or in the future by the Metals Counterparties relating to the sale of TER Metal or Underlying Metal pursuant to the Metals Counterparty Agreement(s),

(collectively, the "**Irish Law Security**"); and

- (B) Pursuant to the English Law Security Trust Deed,
  - (I) an assignment by way of security of all of the Issuer's rights (but not obligations), title, interest and benefit, present and future, in, to and under the Account Bank Agreement; and
  - (II) a first fixed charge over the Issuer Cash Account and all amounts from time to time standing to the credit thereof (together with all interest accruing from time to time thereon and the debts represented thereby),

(collectively, the "**English Law Security**" and, together with the Irish Law Security, the "**Security**").

- (ii) The Security is granted to the Security Trustee as continuing Security for the Secured Issuer Obligations. In accordance with each Security Document, prior to any enforcement of the Security, the Security shall be automatically released without the need for any notice or other formalities (and without liability to the Security Trustee) with respect to:

sums and/or Metal held by or on behalf of the Issuer, the Custodian, the Primary Sub-Custodians or any Sub-Custodian, the Metals Counterparties, the Administrator, the Account Bank, the Principal Paying Agent and/or any Paying Agent(s), as applicable, to the extent required for payment of any sum or delivery of any Metal in respect of the ETC Securities and/or under the Transaction Documents which is due and payable or deliverable and which, for the avoidance of doubt, shall include, without limitation:

- (A)
  - (I) amounts payable in respect of the Redemption Amount or any other amount payable in accordance with these Conditions or under the Trust Deed;

- (II) Underlying Metal deliverable to or to the order of a Metals Counterparty pursuant to these Conditions and/or the relevant Metals Counterparty Agreement for the purposes of effecting a sale of such Underlying Metal;
- (III) TER Metal deliverable to or to the order of a Metals Counterparty and the proceeds of any sale thereof that is payable to the Arranger as described in Condition 4 (*Metal Entitlement, Total Expense Ratio and Cash Value per ETC Security*);
- (IV) Metal in respect of Buy-Back Settlement Amounts and Physical Redemption Settlement Amounts deliverable to a Metals Counterparty or to its order in accordance with the terms of the relevant Metals Counterparty Agreement;
- (V) following any sale of the Underlying Metal in connection with an early or final redemption of the ETC Securities, any Over-allocated Metal Cash Proceeds retained by the relevant Metals Counterparty prior to the payment of the Redemption Amount to any ETC Holder;
- (VI) any LME Warrants or Bills of Lading held by the Custodian or a Primary Sub-Custodian on behalf of the Issuer to be exchanged for physical Lots of Metal (represented by a Bill of Lading or a Warehouse Release, as applicable);
- (VII) any Metal deliverable to or to the order of a Metals Counterparty in connection with a rebalancing of the Issuer's holdings of physical Metal upon a rebalancing of the relevant Reference Index; and
- (VIII) any Underlying Metal deliverable to or to the order of a Metals Counterparty and the proceeds of any sale thereof for the purposes of funding any indemnity payment due from the Issuer to a Transaction Party under the Transaction Documents or any other exceptional expenses of the Issuer not payable by the Arranger under the Fees and Expenses Agreement.

Any release pursuant to Conditions 5(a)(ii)(A)(III) and (IV) shall be subject to the condition that, in respect of the ETC Securities and the Allocated Accounts (in the case of a Series backed by one or more Precious Metals) and/or Off-Warrant Accounts (in the case of a Series backed by one or more Base Metals) holding Over-allocated Metal, an amount of Metal at least equal to such Over-allocated Metal shall at all times remain in such Allocated Accounts or Off-Warrant Accounts. Where the Security is released over any Over-allocated Metal Cash Proceeds in accordance with (V), such proceeds shall be retained by the relevant Metals Counterparty only and shall not be paid to any other Secured Creditor, Other Creditor or other person; and

- (B) any part of the Secured Property to the extent required to comply with and subject to the provisions of Conditions 5(c) (*Liquidation of Underlying Metal following an Early Redemption Event or the Final Redemption Valuation Date*), 5(h) (*Shortfall after Application of Proceeds (Limited Recourse) and Non-Petition*) and 5(i) (*Issuer's Rights as Beneficial Owner of Secured Property*).

(b) **Money Received by a Paying Agent Prior to Liquidation of Underlying Metal or Enforcement of Security**

- (i) Pursuant to the terms of the Trust Deed, the Issuer agrees, on any date on which a payment of the Redemption Amount or any other amounts payable under these Conditions in respect of any ETC Security becomes due, unconditionally to pay the relevant Paying Agent (or to the order of the Principal Paying Agent) in same day funds, in accordance with the Trust Deed, the Redemption

Amount or such other amounts payable in respect of each such ETC Security which is due and payable on that date. Notwithstanding anything to the contrary in these Conditions or the Trust Deed,

- (A) payment of the Redemption Amount or any such other amounts due under each ETC Security pursuant to these Conditions made to the relevant Paying Agent in accordance with the terms of the Agency Agreement shall, to that extent, satisfy the Issuer's obligation to make payment of the Redemption Amount or such other amount in respect of each such ETC Security except to the extent that there is failure by such Paying Agent to pass such payment to the relevant ETC Holders (whether via payment through the Clearing System or otherwise); and
- (B) a payment of any Redemption Amounts or any other amounts payable in respect of the ETC Securities made after the due date or as a result of the ETC Securities becoming repayable following an Event of Default or the occurrence of an Issuer Call Redemption Event or any other Early Redemption Event shall be deemed to have been made when the full amount due has been received by a relevant Paying Agent and notice to that effect has been given to the ETC Holders, except to the extent that there is failure by such Paying Agent to pass such payment to the relevant ETC Holders (whether via payment through the Clearing System or otherwise).

Under the terms of the Trust Deed, the Trustee holds the benefit of this covenant on trust for itself and the ETC Holders according to their respective interests.

- (ii) Save for any moneys received in connection with the liquidation of the Underlying Metal or enforcement of all or part of the Secured Property (in which case the waterfalls set out in Conditions 5(c) (*Liquidation of Underlying Metal following an Early Redemption Event or the Final Redemption Valuation Date*) and 5(d) (*Application of Proceeds of Enforcement of Security*) shall apply, respectively), all moneys held by or on behalf of the Issuer in relation to the Issuer's covenant to pay the Redemption Amounts or any other amounts payable pursuant to Condition 5(b)(i) will, despite any appropriation of all or part of them by the Issuer, be held by the party holding such funds on trust to apply them:
  - (A) first, in payment or satisfaction of the fees, costs, charges, expenses, liabilities, claims and other amounts properly incurred by or payable to the Trustee and the Security Trustee under or pursuant to the Transaction Documents (including, without limitation, (I) any Taxes (other than any income, corporation or similar tax in respect of the Trustee's and/or the Security Trustee's remuneration), (II) the costs of enforcing any rights of the holders of the ETC Securities and (III) sums required to be paid by the Trustee and/or the Security Trustee in connection with the performance of its obligations under the Transaction Documents (including any fees, costs, charges, expenses, liabilities, claims and other amounts of any Appointees of the Trustee and/or the Security Trustee) and the Trustee's and the Security Trustee's remuneration);
  - (B) secondly, in payment of any amounts owing to the Principal Paying Agent, the Account Bank and any other Agent including reimbursement in respect of any proper payment of Redemption Amounts made to the ETC Holders;
  - (C) thirdly, in payment of any amounts owing to the holders of ETC Securities *pari passu* and rateably; and
  - (D) fourthly, in payment of any balance to the Issuer for itself.

If a Paying Agent holds any moneys in respect of ETC Securities that have become void or in respect of which claims have become prescribed, such Paying Agent will hold them on trust for the ETC Holders according to their respective interests.

(c) ***Liquidation of Underlying Metal following an Early Redemption Event or the Final Redemption Valuation Date***

(i) Following the occurrence of an Early Redemption Trade Date or the Final Redemption Valuation Date, the Custodian shall deliver or procure the delivery of all of the Underlying Metal held by the Custodian, the Primary Sub-Custodians (or any Sub-Custodian(s)) to or to the order of the relevant Metals Counterparty in accordance with Condition 10 (*Metal Sale on Early or Final Redemption*) to effect a sale of the Underlying Metal.

(ii) Following liquidation of the Underlying Metal but prior to the enforcement of the Security, the Issuer (or its agent) shall, subject to Condition 5(g) (*Accumulation of Moneys*), apply the proceeds of the liquidation of the Underlying Metal after taking account of (x) any Taxes incurred, withheld or deducted by or on behalf of the Issuer and (y) any Taxes and other amounts which the relevant Metals Counterparty is permitted to deduct from the proceeds of the liquidation of the Underlying Metal in accordance with the terms of the relevant Metals Counterparty Agreement and as further described in Condition 10(d) (*Metal Sale on Early or Final Redemption*), as follows:

(A) *first*, in payment or satisfaction of all Taxes and other amounts properly incurred by or payable to the relevant Metals Counterparty (which for the purpose of this Condition 5(c) shall include, without limitation, any Taxes (other than any income, corporation or similar tax in respect of such Metals Counterparty's remuneration) required to be paid by the Metals Counterparty in connection with the performance of its obligations under these Conditions and the relevant Metals Counterparty Agreement and/or by such Metals Counterparty on behalf of the Issuer in connection with the liquidation of any Underlying Metal), provided that in no circumstance shall the amount payable to a Metals Counterparty in accordance with this Condition 5(c)(ii)(B) duplicate any amounts which such Metals Counterparty has deducted from the proceeds of the liquidation of the Underlying Metal in accordance with the terms of the relevant Metals Counterparty Agreement and as further described in Condition 10(d) (*Metal Sale on Early or Final Redemption*);

(B) *secondly*, in payment or satisfaction of all fees, costs, charges, expenses, liabilities, claims and other amounts properly incurred by or payable to the Trustee and the Security Trustee under or pursuant to the Trust Deed, the Security Documents and/or any other Transaction Documents (which for the purpose of this Condition 5(c) shall include, without limitation, (I) any Taxes required to be paid by the Trustee and/or the Security Trustee in connection with the performance of their respective obligations under the Trust Deed and/or the Security Documents and/or any other Transaction Documents (other than any income, corporation or similar tax in respect of the Trustee's or the Security Trustee's remuneration), (II) the costs of enforcing any rights of the holders of the ETC Securities, (III) the Trustee's and the Security Trustee's remuneration and (IV) any fees, costs, charges, expenses, liabilities, claims and other amounts of any Appointees of the Trustee and/or the Security Trustee);

(C) *thirdly*, in payment or satisfaction of the Issuer Series Fees and Expenses;

(D) *fourthly*, in payment or satisfaction of any accrued and unpaid sale proceeds of TER Metal to the Arranger in accordance with the terms of the Fees and Expenses Agreement and as described in Condition 4 (*Metal Entitlement, Total Expense Ratio and Cash Value per ETC Security*);

- (E) *fifthly*, in payment of any Specified Interest Amounts owing to ETC Holders by the Issuer *pari passu* and rateably;
- (F) *sixthly*, in payment of any amounts (other than Specified Interest Amounts) owing to the ETC Holders by the Issuer *pari passu* and rateably; and
- (G) *seventhly*, in payment of the balance (if any) to the Issuer for itself.

(d) **Application of Proceeds of Enforcement of Security**

Pursuant to the terms of each Security Document and subject to Condition 5(g) (*Accumulation of Moneys*), the Security Trustee shall apply the proceeds derived from the realisation of the Secured Property following enforcement of the Security (after taking account of (x) any Taxes incurred, payable, withheld or deducted by or on behalf of the Issuer and (y) any Taxes and other amounts which the relevant Metals Counterparty is permitted to deduct from the proceeds of the realisation of the Underlying Metal in accordance with Condition 5(c) properly incurred by such Metals Counterparty prior to the enforcement of the Security by the Security Trustee (which shall have been certified (including the amounts due to such Metals Counterparty) by the Issuer and such Metals Counterparty to the Security Trustee which certificate shall be conclusive and binding)) as follows:

- (i) *first*, in payment or satisfaction of all fees, costs, charges, expenses, liabilities, claims and other amounts properly incurred by or payable to the Trustee, the Security Trustee or any receiver under or pursuant to the Trust Deed, the Security Documents and/or any other Transaction Document (which for the purpose of this Condition 5(d) and the Security Documents shall include, without limitation, (A) any Taxes required to be paid by the Trustee or the Security Trustee in connection with the performance of their respective obligations under the Trust Deed and/or the Security Documents and/or any other Transaction Document (other than any income, corporation or similar tax in respect of the Trustee's or the Security Trustee's remuneration), (B) the costs of enforcing or realising all or some of the Security, (C) the Trustee's and the Security Trustee's remuneration and (D) any fees, costs, charges, expenses, liabilities, claims and other amounts of any Appointees of the Trustee and/or the Security Trustee);
- (ii) *secondly*, in payment or satisfaction of the Issuer Series Fees and Expenses;
- (iii) *thirdly*, in payment or satisfaction of any accrued and unpaid sale proceeds of TER Metal to the Arranger in accordance with the terms of the Fees and Expenses Agreement and as described in Condition 4 (*Metal Entitlement, Total Expense Ratio and Cash Value per ETC Security*);
- (iv) *fourthly*, in payment of any Specified Interest Amounts owing to ETC Holders by the Issuer *pari passu* and rateably;
- (v) *fifthly*, in payment of any amounts (other than Specified Interest Amounts but including, for the avoidance of doubt, any Enforcement Surplus Principal Amounts) owing to the ETC Holders by the Issuer *pari passu* and rateably; and
- (vi) *sixthly*, in payment of the balance (if any) to the Issuer for itself.

(e) **Enforcement of the Security**

The Security shall become enforceable if payment of the Redemption Amount in respect of any ETC Security is not made in full when due on the Scheduled Maturity Date or the relevant Early Redemption Settlement Date (if applicable).

(f) **Realisation of Security**

At any time after the Security has become enforceable, the Security Trustee may, at its discretion, and shall, if so directed in writing by the Trustee (the Trustee having been directed in writing by the holders of at least one-fifth in number of the ETC Securities then outstanding or by an Extraordinary Resolution of the ETC Holders), in each case subject to it having been pre-funded and/or secured and/or indemnified to its satisfaction by one or more ETC Holders (or otherwise to its satisfaction), enforce the Security.

To do this, the Security Trustee may, at its discretion,

- (i) enforce, terminate and/or realise any relevant Transaction Document (other than the Corporate Services Agreement and any Authorised Participant Agreements) relating to the ETC Securities and any Secured Agent Rights in accordance with its or their terms, and/or take action against the relevant Obligor(s); and/or
- (ii) take possession of and/or realise all or part of the Secured Property over which the Security shall have become enforceable and may, in its discretion, but subject to the following sentence, sell, call in, collect and convert into money all or part of the Secured Property, in such manner and on such terms as it thinks fit, in each case without any liability as to the consequence of such action and without having regard to the effect of such action on individual ETC Holders; and/or
- (iii) take any other actions specified in the relevant Security Document.

Notwithstanding anything to the contrary in the Security Documents, the Security Trustee may not require any Metal to be delivered to or to the account of the Security Trustee (whether by physical delivery of the Metal or by book-entry transfer in an account) or any other person (other than directing a Metals Counterparty to sell Metal in accordance with the terms of the Security Documents) that is not a full member of the LBMA (in the case of Gold or Silver), the LPPM (in the case of Platinum or Palladium) or the LME (in the case of Copper or Nickel or, in the case of Basket ETC Securities, Cobalt), provided that if the Security Trustee is unable to sell some or all of the Metal to a full member of the LBMA (in the case of Gold or Silver), the LPPM (in the case of Platinum or Palladium) or the LME (in the case of Copper or Nickel or, in the case of Basket ETC Securities, Cobalt), it may sell in its discretion, subject to and in accordance with any instructions received from the ETC Holders, such unsold Metal to any counterparty or one or more counterparties that are willing to purchase the Metal.

The Security Trustee may, in writing and in accordance with the terms of the Security Documents, appoint a receiver in respect of all or part of the Secured Property relating to the ETC Securities over which any Security shall have become enforceable and may remove any receiver so appointed and appoint another in its place. No delay or waiver of the right to exercise these powers shall prejudice their future exercise.

Neither the Security Trustee nor any receiver appointed by it or any attorney or agent of the Security Trustee will, by reason of taking possession of any Secured Property relating to the ETC Securities or any other reason (including refraining to act) and whether or not as mortgagee in possession, be liable to account for anything except actual receipts or be liable for any loss or damage arising from the realisation of such Secured Property or from any act or omission in relation to such Secured Property or otherwise unless such loss or damage shall be caused by its own fraud, wilful default or gross negligence.

The Security Trustee shall not be required to take any action, step or proceeding in relation to the enforcement of the Security that would involve any personal liability or expense without first being

indemnified and/or secured and/or pre-funded to its satisfaction by one or more ETC Holders (or otherwise to its satisfaction).

Following the conclusion of any enforcement process, if the liquidation proceeds derived from the realisation of the unsold Metal comprising the Secured Property results in an Enforcement Surplus, an Enforcement Surplus Principal Amount shall become due and payable by the Issuer in respect of each ETC Security on the first Business Day immediately following such conclusion of the enforcement process.

(g) **Accumulation of Moneys**

If the amount of the moneys at any time available to the Issuer for payment of the Redemption Amount in respect of each ETC Security in accordance with Condition 5(c) (*Liquidation of Underlying Metal following an Early Redemption Event or the Final Redemption Valuation Date*) is less than 10 per cent. of the aggregated Redemption Amount of all ETC Securities outstanding (and with the number of ETC Securities outstanding being as determined on the Early Redemption Trade Date or Final Redemption Valuation Date, as applicable) (the “**Pre-enforcement Minimum Accumulated Amount**”), the Issuer shall not be obliged to make any payments in accordance with Condition 5(c) (*Liquidation of Underlying Metal following an Early Redemption Event or the Final Redemption Valuation Date*) and may, at its discretion, accumulate such moneys until the accumulations, together with any other funds for the time being available for such payment (and, for the avoidance of doubt, the Issuer shall not be required to exercise any form of investment discretion with respect to such amounts), amount to at least the Pre-enforcement Minimum Accumulated Amount. If such accumulated moneys amount to less than the Pre-enforcement Minimum Accumulated Amount, all such moneys may be placed on deposit at such bank or financial institution and in such currency as the Issuer may think fit (having reasonable regard to the standing and respectability of the bank or financial institution) in light of the cash needs of the transaction and not for the purposes of generating income. Moneys held by the Issuer may at its election be placed on deposit into an account bearing a market rate of interest (and for the avoidance of doubt, the Issuer shall not be required to obtain best rates or be responsible for any loss occasioned by such deposits or exercise any other form of investment discretion with respect to such deposits). The Issuer shall accumulate such moneys until the accumulations, together with any other funds for the time being available for such payment, amount to at least the Pre-enforcement Minimum Accumulated Amount and then such accumulations and funds (after deduction of, or provision for, any applicable Taxes) shall be applied as specified in Condition 5(c) (*Liquidation of Underlying Metal following an Early Redemption Event or the Final Redemption Valuation Date*).

If the amount of the moneys at any time available to the Security Trustee for payment of the Redemption Amount or any Enforcement Surplus Principal Amount in respect of each ETC Security in accordance with Condition 5(d) (*Application of Proceeds of Enforcement of Security*) is less than 10 per cent. of the aggregated Redemption Amount of all ETC Securities outstanding (and with the number of ETC Securities outstanding being as determined on the Early Redemption Trade Date or Final Redemption Valuation Date, as applicable) (the “**Post-enforcement Minimum Accumulated Amount**”), the Security Trustee shall not be obliged to make any payments in accordance with Condition 5(d) (*Application of Proceeds of Enforcement of Security*) and may, at its discretion (and shall if so instructed by the Trustee), accumulate such moneys until the accumulations, together with any other funds for the time being under the control of the Security Trustee and available for such payment (and, for the avoidance of doubt, the Security Trustee shall not be required to exercise any form of investment discretion with respect to such deposits), amount to at least the Post-enforcement Minimum Accumulated Amount. If such accumulated moneys amount to less than the Post-enforcement Minimum Accumulated Amount, all such moneys in the name or under the control of the Security Trustee may be placed on deposit at such bank or financial institution and in such currency as the Security Trustee may think fit (having reasonable regard to the standing and

respectability of the bank or financial institution) in light of the cash needs of the transaction and not for the purposes of generating income. Moneys held by the Security Trustee may at its election be placed on deposit into an account bearing a market rate of interest (and for the avoidance of doubt, the Security Trustee shall not be required to obtain best rates or be responsible for any loss occasioned by such deposits or exercise any other form of investment discretion with respect to such deposits). If such moneys are placed on deposit with a bank or financial institution which is a subsidiary, holding company, Affiliate or associated company of the Security Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on a deposit to an independent customer. The Security Trustee shall accumulate such moneys until the accumulations, together with any other funds for the time being under its control and available for such payment, amount to at least the Post-enforcement Minimum Accumulated Amount and then such accumulations and funds (after deduction of, or provision for, any applicable Taxes) shall be applied as specified in Condition 5(d) (*Application of Proceeds of Enforcement of Security*).

(h) ***Shortfall after Application of Proceeds (Limited Recourse) and Non-Petition***

- (i) In respect of the ETC Securities, the Transaction Parties and the ETC Holders shall have recourse only to the Secured Property in respect of the ETC Securities, subject always to the Security, and not to any other assets of the Issuer. If, following realisation in full of the Secured Property (whether by way of liquidation or enforcement) and application of available assets as provided in this Condition 5, the Trust Deed and the Security Documents, as applicable, any outstanding claim against, or debt, liability or obligation of the Issuer in respect of the Secured Issuer Obligations or Other Issuer Obligations remains unpaid, then such outstanding claim, debt, liability or obligation shall be extinguished and no debt shall be owed by the Issuer in respect thereof. None of the Transaction Parties, the ETC Holders or any other person acting on behalf of any of them shall be entitled to take any steps (i) at any time against any of the Issuer's officers, shareholders, agents, employees, corporate service providers or directors or (ii) following extinguishment in accordance with this Condition 5(h), against the Issuer, in each case to recover any further sum in respect of the extinguished claim, debt, liability or obligation and no debt shall be owed to any such persons by the Issuer in respect of such further sum.
- (ii) It being expressly agreed and understood that the ETC Securities and the Transaction Documents are corporate obligations of the Issuer, each party agrees that no personal liability shall attach to or be incurred at any time by the shareholders, officers, agents, employees, corporate service providers or directors of the Issuer, or any of them, under or by reason of any of the obligations, covenants or agreements of the Issuer contained in the ETC Securities or any Transaction Document or implied therefrom, and any and all personal liability of every such shareholder, officer, agent, employee, corporate service provider or director for breaches by the Issuer of any such obligations, covenants or agreements, either at law or by statute or constitution, of every such shareholder, officer, agent, employee, corporate service provider or director, is hereby deemed expressly waived by the Transaction Parties and the ETC Holders.
- (iii) None of the Transaction Parties, the ETC Holders or any person acting on behalf of any of them may, at any time, bring, institute or join with any other person in bringing, instituting or joining any insolvency, administration, bankruptcy, winding-up, liquidation, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its assets, and none of them shall have any claim arising with respect to the sums, assets and/or property (i) attributable to any other securities issued by the Issuer (save for any further securities which form a single series with the ETC Securities) or (ii) not attributable to any particular Series, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer (provided such proceedings do not constitute insolvency or liquidation proceedings) and without limitation to the Security Trustee's right to enforce and/or realise the security constituted by the Security Documents (including by

appointing a receiver or an administrative receiver but provided that such actions do not constitute insolvency or liquidation proceedings).

The provisions of this Condition 5(h) shall survive notwithstanding any redemption of the ETC Securities or the termination or expiration of any Transaction Document.

(i) ***Issuer's Rights as Beneficial Owner of Secured Property***

Without prejudice to Condition 15(a) (*Meetings of ETC Holders*), at any time before any Security in respect of the ETC Securities becomes enforceable, the Issuer may, with the sanction of an Extraordinary Resolution or with the prior written consent of the Security Trustee (acting upon instructions from the Trustee):

- (i) take such action in relation to the Secured Property relating to the ETC Securities as it may think expedient; and
- (ii) exercise any rights incidental to the ownership of the Secured Property which are exercisable by the Issuer and, in particular (but, without limitation, and without responsibility for their exercise), all rights to enforce any such ownership interests in respect of such property.

The Issuer shall not exercise any rights with respect to the Secured Property, unless it has the consents referred to above or is directed to do so by an Extraordinary Resolution and, if such direction or consent is given, the Issuer shall act only in accordance with such direction or consent, provided that, prior to the enforcement of the Security, the Issuer may release or modify the rights and assets which are comprised in the Secured Property without any further action or consent being required from the ETC Holders or the Security Trustee to the extent necessary in connection with any of the circumstances described in Condition 5(a) (*Security*) in relation to which the Security is released.

6. **Restrictions**

So long as any of the ETC Securities remain outstanding, the Issuer shall not, without the prior written consent of the Trustee and except as provided for or contemplated in the Conditions or any other Transaction Document:

- (a) engage in any business other than (a) the issuance of series of securities (including any Series) and any amendment, exchange, repurchase, cancellation or reissue or resale of the same, (b) the acquisition and holding of related assets from or comprising the proceeds of such issue and (c) the entry into of related agreements and transactions (including the Transaction Documents for that Series or the same for any other series) and the performing of acts required thereunder or which relate or are incidental thereto or reasonably necessary (in the opinion of the Issuer) in connection therewith or in furtherance thereof, and provided that:
  - (i) each series of securities shall be secured on assets of the Issuer other than the Issuer's rights under the Corporate Services Agreement, the Issuer's share capital and Issuer Profit Amounts (and any account to which such amounts are credited) and any assets securing any other series of securities; and
  - (ii) each series of securities and any related agreements entered into by the Issuer (other than any agreements pursuant to which the Issuer engages any financial, legal, accounting or other adviser) contain provisions that (A) limit the recourse of any holder of such securities and of any party to any agreement entered into by the Issuer relating specifically to such securities to assets other than those which do not

relate to such series of securities and those to which any other series of securities have recourse and (B) prevent any persons from instituting any form of insolvency or similar proceedings with respect to the Issuer or any of its directors; and

- (iii) the terms of any such series of securities comply with all applicable laws.

For the avoidance of doubt, acts incidental or reasonably necessary in connection therewith or in furtherance thereof shall include (without limitation): (1) the appointment of auditors, administrators, corporate administrators, banks, advisors or any other service provider necessary to maintain the Issuer and/or keep it operating and/or to comply with any laws, regulations or rules applicable to it, (2) the amendment or termination of any related agreement to the relevant series of securities, (3) the entry into, amendment or termination of any agreement relating to the Issuer generally and not to any specific series of securities but which is to facilitate the issuance by the Issuer of securities and its ongoing administration of the same (including, without limitation, any precious metals overdraft agreement and/or any agreement relating to the operation of one or more unallocated accounts or off-warrant accounts) and (4) entering into any arrangements with any party relating to the Programme or any other issue of securities (including the issue of any separate series of securities and/or the entry into of a termination fee side letter with the Administrator) to entitle that party to receive any payment from the Issuer provided that such payments are not made from the secured property of any series of securities;

- (b) cause or permit the terms of the Security granted under the Security Documents and the order of priority specified in the Conditions, the Trust Deed and the Security Documents, as applicable, to be amended, terminated or discharged (other than as contemplated by the Trust Deed, the Security Documents and/or the Conditions);
- (c) release any party to the Trust Deed, the Security Documents or any other Transaction Document (other than an Authorised Participant Agreement) from any existing obligations thereunder (other than as contemplated by the Trust Deed, the Security Documents and/or the Conditions);
- (d) have any subsidiaries;
- (e) sell, transfer or otherwise dispose of the Secured Property or any right or interest therein or thereto or create or allow to exist any charge, lien or other encumbrance over the Secured Property (to the extent it relates to the Issuer) except in accordance with the Conditions, the Trust Deed, the Security Documents and any other Transaction Document;
- (f) consent to any variation of, or exercise any powers or consent or waiver pursuant to, the terms of the Conditions, the Trust Deed, the Security Documents or any other Transaction Document (other than any Authorised Participant Agreement and other than as contemplated by the Conditions, the Trust Deed, the Security Documents or the Transaction Documents);
- (g) acquire any asset at any time that is not regarded as a Qualifying Asset or carry out any other business apart from the holding, managing or both the holding and the management (in each case in Ireland) of Qualifying Assets (and activities which are ancillary to that business);
- (h) make an election under Section 110(6) of the TCA;
- (i) carry on a "specified property business" within the meaning of Section 110 of the TCA;

- (j) apply to become part of a VAT group for the purposes of Section 15(1) of the Value-Added Tax Consolidation Act 2010;
- (k) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person (other than as contemplated by the Trust Deed and the Conditions for any Series);
- (l) have any employees;
- (m) issue any shares other than such shares in the capital of the Issuer as were issued at the date of initial establishment of the Programme and which are ultimately held on charitable trust by its holders or make any distribution to its shareholders in excess of EUR 3,000 per annum;
- (n) open or have any interest in any account with a bank or financial institution unless such account (A) is an Issuer Cash Account; (B) relates to the issuance of a Series of ETC Securities and such Series of securities has the benefit of security over the Issuer's interest in such account; (C) is opened in connection with the administration and management of the Issuer and only moneys necessary for that purpose are credited to it; or (D) is otherwise reasonably necessary (in the opinion of the Issuer) in relation to any Series of ETC Securities or the operation of the Issuer in relation to the issuance of ETC Securities;
- (o) purchase, own, lease or otherwise acquire any real property (including office premises or like facilities);
- (p) guarantee, act as surety for or become obligated for the debts of any other entity or person or enter into any agreement with any other entity or person whereby it agrees to satisfy the obligations of such entity or person or any other entity or person;
- (q) acquire any securities or shareholdings whatsoever from its shareholders or enter into any agreements whereby it would be acquiring the obligations and/or liabilities of its shareholders;
- (r) except as contemplated by any Transaction Document and/or the Conditions relating to a Series, advance or lend any of its moneys or assets, including, but not limited to, the rights, property or other assets comprising the Secured Property for such Series, to any other entity or person; or
- (s) permit or cause any Underlying Metal to be transferred out of the Allocated Accounts (in the case of a Series backed by one or more Precious Metals) or Off-Warrant Accounts (in the case of a Series backed by one or more Base Metals) other than:
  - (i) to the relevant Metals Counterparty or to its order in connection with the settlement of a Buy-Back Order submitted by the Arranger, an Authorised Participant or ETC Holder;
  - (ii) to the relevant Metals Counterparty or to its order in order to effect a sale of TER Metal following valid delivery of a TER Metal Sale Notice;
  - (iii) to the relevant Metals Counterparty or to its order following an Early Redemption Trade Date or the Final Redemption Valuation Date in accordance with Condition 5(c) and the relevant Metals Counterparty Agreement;

- (iv) to the relevant Metals Counterparty or to its order in connection with any rebalancing of the Issuer's physical holdings of Metal upon a rebalancing of the relevant Reference Index; and
- (v) otherwise as permitted pursuant to Condition 5(a)(ii) or by the Conditions, the Trust Deed, the Security Documents or any other Transaction Document,

provided that the Issuer shall not take any action (even where the prior written consent of the Trustee is obtained) if such action is, in the opinion of the Issuer, inconsistent with the objects of the Issuer as specified in its constitution (including, without limitation, its memorandum and articles of association).

So long as any of the ETC Securities remain outstanding, the Issuer shall not, without the prior written consent of the Security Trustee (acting upon instructions of the Trustee) and except as provided for or contemplated in the Conditions or any other Transaction Document:

- (a) cause or permit the terms of the Security granted under the Security Documents and the order of priority specified in the Conditions, the Trust Deed and the Security Documents, as applicable, to be amended, terminated or discharged (other than as contemplated by the Trust Deed, the Security Documents and/or the Conditions);
- (b) release any party to the Trust Deed, the Security Documents or any other Transaction Document (other than an Authorised Participant Agreement) from any existing obligations thereunder (other than as contemplated by the Trust Deed, the Security Documents and/or the Conditions);
- (c) sell, transfer or otherwise dispose of the Secured Property or any right or interest therein or thereto or create or allow to exist any charge, lien or other encumbrance over the Secured Property (to the extent it relates to the Issuer) except in accordance with the Conditions, the Security Documents and any other Transaction Document;
- (d) consent to any variation of, or exercise any powers or consent or waiver pursuant to, the terms of the Conditions, the Security Documents or any other Transaction Document (other than any Authorised Participant Agreement and other than as contemplated by the Conditions relating to the relevant Series, the Trust Deed relating to the relevant Series, the Security Documents or the Transaction Documents relating to the relevant Series); or
- (e) subject as provided in Condition 5(a) (*Security*), incur any other indebtedness for borrowed moneys, other than issuing further ETC Securities (which may or may not form a single series with the ETC Securities of any other series and may or may not be guaranteed by a third party) and creating or incurring further obligations relating to such Series, provided that, in the case of ETC Securities that are to form a single series with any existing series:
  - (i) such further ETC Securities and obligations are secured *pari passu* upon the Secured Property relating to the Series with which such ETC Securities are to form a single series (as such Secured Property may be increased in connection with the issue of such further securities), all in accordance with the Conditions of the relevant Series; and
  - (ii) if further ETC Securities which are to form a single series with a Series are being issued, the relevant Authorised Participant has delivered or procured the delivery to or to the order of the Issuer an amount of Metal or Baskets (or, in the case of ETC Securities of a Series backed by one or more Base Metals, a Bill of Lading or LME

Warrants for an amount of Metal) in respect of each further ETC Security equal to the Metal Entitlement on the relevant Subscription Trade Date.

7. **Redemption, Purchase and Options**

(a) ***Final Redemption***

- (i) Unless previously redeemed in whole or purchased and cancelled by the Issuer as provided below, each ETC Security shall become due and payable on the Scheduled Maturity Date at its Final Redemption Amount. Where the Scheduled Maturity Date is postponed in accordance with Condition 8(c) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*), the Final Redemption Amount in respect of each such ETC Security shall not become due and payable until the postponed Scheduled Maturity Date.
- (ii) Subject to Condition 8(c)(iv) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*), the Issuer will, on or prior to the Scheduled Maturity Date, publish on the Website (or procure the publication on the Website of) the determination of the Final Redemption Amount (which shall include publication of the price, volume and date of each sale of Underlying Metal during the Redemption Disposal Period, including information on any fees, deductions and/or Taxes imposed on such sale (including, for the avoidance of doubt, any Redemption Fees), and the determination of the Average Metal Sale Price in respect of the Redemption Disposal Period).
- (iii) The Issuer shall as soon as reasonably practicable give notice to each Transaction Party and the ETC Holders in accordance with Condition 19 (*Notices*) of the occurrence of the Final Redemption Valuation Date.

(b) ***Early Redemption***

- (i) If (A) an Issuer Call Redemption Event occurs, (B) any of the other Early Redemption Events listed in Condition 7(d) (*Early Redemption Events*) occur or (C) an Event of Default Redemption Notice is issued, each ETC Security outstanding as at the Early Redemption Trade Date shall become due and payable on the Early Redemption Settlement Date at its Early Redemption Amount. Where the Early Redemption Settlement Date is postponed in accordance with Condition 8(c) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*), the Early Redemption Amount in respect of each such ETC Security shall not become due and payable until the postponed Early Redemption Settlement Date.
- (ii) Subject to Condition 8(c)(iv) (*Postponement relating to the Final Redemption or Early Redemption of the ETC Securities*), the Issuer will, on or prior to the Early Redemption Settlement Date, publish on the Website the determination of the Early Redemption Amount (which shall include publication of the price, volume and date of each sale of Underlying Metal during the Redemption Disposal Period, including information on any fees, deductions and/or Taxes imposed on such sale (including, for the avoidance of doubt, any Redemption Fees), and the determination of the Average Metal Sale Price in respect of the Redemption Disposal Period).
- (iii) Notwithstanding anything to the contrary in the Conditions or any Transaction Document and provided that no Early Redemption Trade Date or Final Redemption Valuation Date has already occurred, if at any time following notice being given that an Issuer Call Redemption Event or any other Early Redemption Event is to occur (the “**Initial Early Redemption Event**”) a notice is given that an event or circumstance which would otherwise constitute or give rise to an Issuer Call Redemption Event or any other Early Redemption Event occurs (the “**Secondary Early Redemption Event**”) in respect of which the Early Redemption Trade Date relating thereto occurs (or would occur) prior to the date that would have been the Early Redemption Trade Date in respect of the Initial Early Redemption Event, the Secondary Early Redemption Event shall prevail and all references to the

“Early Redemption Event” in the Conditions and the Transaction Documents shall be construed accordingly.

- (iv) The Issuer shall as soon as reasonably practicable give notice to each Transaction Party and the ETC Holders in accordance with Condition 19 (*Notices*) of the Early Redemption Trade Date, the Metal Sale Cut-Off Date and the Early Redemption Settlement Date of the ETC Securities.

(c) ***Issuer Call Redemption Event***

The Issuer may, on giving an irrevocable notice to the Administrator and the ETC Holders in accordance with Condition 19 (*Notices*), elect to early redeem the ETC Securities in full and designate an Early Redemption Trade Date for such purposes, provided that the date designated as the Early Redemption Trade Date shall not be earlier than the 30th calendar day following the date of the relevant notice and shall not be on or after the Final Redemption Valuation Date (such notice an “**Issuer Call Redemption Notice**”). An “**Early Redemption Event**” in the form of an “**Issuer Call Redemption Event**” will occur on the Early Redemption Trade Date designated in the Issuer Call Redemption Notice. The Issuer shall give a copy of the Issuer Call Redemption Notice to each of the Transaction Parties on the same date as such notice is given to the Administrator and the ETC Holders.

(d) ***Early Redemption Events***

Each of the following events shall be an early redemption event (and with an Issuer Call Redemption Event and each of the following events each being an “**Early Redemption Event**”):

- (i) **VAT Redemption Event:** on the next date on which a delivery of Metal or LME Warrants for Metal is due either (A) in respect of a Subscription Order, (B) in respect of a Buy-Back Order; (C) in respect of a sale of TER Metal by the relevant Metals Counterparty or (D) in respect of a sale of Metal by the relevant Metals Counterparty in connection with a rebalancing of the Issuer’s holdings of physical Metal upon a rebalancing of the relevant Reference Index, if the Issuer is, or there is a substantial likelihood that it will be, required by any applicable law to make a payment in respect of VAT or register for VAT or otherwise account for VAT on such delivery of Metal or LME Warrants (as applicable) (in each case whether or not such VAT is recoverable), or if the Issuer has become liable, or become aware it is liable, for VAT in respect of a prior delivery of Metal or LME Warrants (as applicable), the Issuer may (but shall not be obliged to), in each case, give the Transaction Parties and the ETC Holders in accordance with Condition 19 (*Notices*) notice that the ETC Securities are to be early redeemed in full (such notice, a “**VAT Redemption Notice**”) and designate a date on which an Early Redemption Event occurs for such purposes, provided that such designated date is at least four Business Days following the date of the VAT Redemption Notice (such event, a “**VAT Redemption Event**”).

A VAT Redemption Event will occur on the date so designated in the VAT Redemption Notice;

- (ii) **Service Provider Non-Replacement Redemption Event:** if any of the Administrator, the Custodian, any of the Primary Sub-Custodians, the Principal Paying Agent, all of the Authorised Participants and/or each of the Metals Counterparties resigns or their appointment in relation to the ETC Securities is terminated for any reason and no successor or replacement has been appointed within 120 calendar days of the date of notice of resignation or termination or the date the appointment was automatically terminated in accordance with the Administration Agreement, the Custody Agreement, the relevant Primary Sub-Custody Agreement, the Agency Agreement, the Authorised Participant Agreements or the Metals Counterparty Agreement(s), as applicable, the Issuer may (but shall not be obliged to) give the Transaction Parties and the

ETC Holders in accordance with Condition 19 (*Notices*) notice that the ETC Securities are to be early redeemed in full (such notice, a “**Service Provider Non-Replacement Redemption Notice**”) and designate a date on which an Early Redemption Event occurs for such purposes, provided that such designated date is at least four Business Days following the date of the Service Provider Non-Replacement Redemption Notice (such event, a “**Service Provider Non-Replacement Redemption Event**”).

A Service Provider Non-Replacement Redemption Event will occur on the date so designated in the Service Provider Non-Replacement Redemption Notice; and

- (iii) **Market Value Redemption Event:** if the prevailing Cash Value per ETC Security on two consecutive Non-Disrupted Days (calculated by the Administrator by reference to each ETC Security’s Metal Entitlement and the Metal Reference Price or level of the relevant Reference Index on each such Non-Disrupted Day) is less than or equal to 20 per cent. of the Issue Price per ETC Security as at the Series Issue Date, the Administrator shall give notice of the same to the Issuer, copied to each other Transaction Party (a “**Market Value Event Notice**”). The Issuer shall, as soon as reasonably practicable after receipt of a Market Value Event Notice, give notice thereof to the ETC Holders in accordance with Condition 19 (*Notices*).

Following receipt of a Market Value Event Notice (or notice of the same from the Issuer):

- (A) the Issuer may (but shall not be obliged to) give the Transaction Parties and the ETC Holders in accordance with Condition 19 (*Notices*) notice that the ETC Securities are to be early redeemed in full and designate in such notice a date on which an Early Redemption Event occurs for such purposes; or
- (B) the Trustee shall, if so directed by an Extraordinary Resolution (provided that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction by one or more ETC Holders (or otherwise to its satisfaction)), give notice to the Issuer (copied to each Transaction Party and the ETC Holders in accordance with Condition 19 (*Notices*)) that the ETC Securities are to be early redeemed in full and designate in such notice a date on which an Early Redemption Event occurs for such purposes,

each, a “**Market Value Redemption Notice**”, provided that no Market Value Redemption Notice may be delivered on or after the fourth Business Day prior to the Final Redemption Valuation Date and the date designated as the date of occurrence of the Early Redemption Event for such purposes must be at least four Business Days following the date of the Market Value Redemption Notice (such event, a “**Market Value Redemption Event**”).

A Market Value Redemption Event will occur on the date so designated in the Market Value Redemption Notice.

(iv) ***Settlement of Early Redemptions and Final Redemptions by Physical Metal Delivery:***

- (1) Settlement of any Early Redemption or Final Redemption in respect of Single Metal ETC Securities backed by Gold in respect of which the ETC Holder has validly elected for settlement by Physical Metal Delivery shall be effected by the relevant Metals Counterparty procuring delivery of the highest reasonably practicable whole number of physical Bars of Gold having an aggregate weight up to the Physical Redemption Settlement Amount (rounded down to the nearest 0.001 fine troy ounce) to the Metal Account specified by the ETC Holder in the Physical Delivery Notice and an amount in USD equal to the value of the remainder (if any) of the Physical Redemption Settlement Amount due to the ETC Holder, as determined by the Administrator on the basis of the relevant Metal Reference Price as of the Early Redemption Trade Date or the Final Redemption Valuation Date (as applicable),

to the Cash Account specified by the ETC Holder in the Physical Delivery Notice *unless*: (1) the ETC Holder in its Physical Delivery Notice certifies that it is a UCITS Fund or is otherwise prohibited for legal or regulatory reasons from owning or taking delivery of the relevant Metal into its Metal Account, being a “**Prohibited ETC Holder**”; and/or (2) the Issuer is prohibited for legal or regulatory reasons from effecting a delivery of the relevant Metal to the relevant ETC Holder (a “**Prohibited Physical Redemption**”), in which case, the election to settle by Physical Metal Delivery shall not be valid and such Redemption shall instead be settled by delivery of the Early Redemption Amount or Final Redemption Amount to the ETC Holder in USD on the Early Redemption Settlement Date or the Scheduled Maturity Date (as applicable) in accordance with Condition 11(b)(Payments).

(2) In connection with any settlement of an Early Redemption or Final Redemption of Single Metal ETC Securities by Physical Metal Delivery, upon removal of the Metal representing the Physical Redemption Settlement Amount from the Allocated Account of the Issuer, all title to and risks in such Metal shall pass to the ETC Holder. The obligations of the Issuer in respect of the ETC Securities being redeemed by Physical Metal Delivery shall be satisfied by the Issuer transferring the required quantity of Metal to or to the order of the relevant Metals Counterparty with instructions to deliver such Metal to the specified Metal Account of the ETC Holder and the remainder (if any) of the Physical Redemption Settlement Amount due to the ETC Holder to the specified Cash Account of the ETC Holder. The settlement date for any Early Redemption or Final Redemption to be settled by Physical Metal Delivery (the “**Physical Redemption Settlement Date**”) shall be the date on which the relevant Metal is removed from the Allocated Account of the Issuer and delivered to or to the order of the relevant Metals Counterparty, as agreed between the Administrator and the ETC Holder or (a) if such day is not a Physical Delivery Business Day, the next Physical Delivery Business Day; or (b) if the Metals Counterparty determines that settlement will not be completed on such date, the Physical Redemption Settlement Date will be such later date which is a Physical Delivery Business Day on which settlement is completed. None of the Trustee, the Security Trustee or the Issuer shall be responsible or liable for any failure by the Metals Counterparty to procure a delivery of the Metal representing the Physical Redemption Settlement Amount to the specified Metal Account of the ETC Holder or any amount in USD to the specified Cash Account of the ETC Holder in accordance with the instructions of the Issuer. However, in the event of such failure, the Issuer shall, to the extent practicable, assign to the ETC Holder its claims in relation to such Physical Redemption Settlement Amount in satisfaction of all claims of such ETC Holder in respect of the ETC Securities to be redeemed and the ETC Holder shall have no further claims against the Issuer or the Secured Property in respect of such ETC Securities. Likewise, none of the Trustee, the Security Trustee or the Issuer will be responsible for any failure by the Physical Delivery Bank to account to the ETC Holder for the relevant Metal. It is the responsibility of the ETC Holder to ensure that it has in place arrangements with the Physical Delivery Bank which are adequate to ensure onward delivery or storage of the relevant Metal on behalf of the ETC Holder.

(e) **Purchases and Buy-Backs**

(i) *At the option of the Issuer.* The Issuer may (without the consent of the Trustee, the Security Trustee or any ETC Holder), from time to time, elect to buy back all or some of the ETC Securities from Authorised Participants or other ETC Holders.

(ii) *At the option of ETC Holders:* The Issuer shall, at the option of the Arranger, any Authorised Participant (or, solely in the case of a Single Metal ETC Security of a Series backed by Gold, subject to satisfaction of the Physical Delivery Requirements, at the option of any ETC Holder which is not an Authorised Participant), provided the applicable Buy-Back Conditions are satisfied, repurchase any ETC Security the subject of a valid Buy-Back Order by transfer of the relevant Buy-Back Settlement Amount on the relevant Buy-Back Settlement Date in accordance with Condition 7(e)(x)(Settlement of Buy-Back) (each, a “**Buy-Back**”).

- (iii) *Buy-Back Orders:* In order to exercise the option contained in Condition 7(e)(ii), the Authorised Participant (or, if applicable, the ETC Holder) must, before the relevant Cut-Off Time on the desired Buy-Back Trade Date:
- (1) deliver to the Issuer such ETC Securities as are being repurchased by depositing them to an account of the Principal Paying Agent with the Relevant Clearing System as notified by the Administrator;
  - (2) pay to the Issuer Cash Account an amount in US dollars equal to the applicable buy-back fee as directed by the Administrator (the “**Buy-Back Fee**”);
  - (3) pay to the Issuer Cash Account an amount in US dollars equal to the applicable Metals Counterparty Fee or Physical Delivery Fee as directed by the Administrator; and
  - (4) deliver or send by authenticated SWIFT message (confirmed in writing) or otherwise by electronic means made available by the Administrator from time to time, a duly completed buy-back notice in the form obtainable from the Administrator (a “**Buy-Back Order**”) to the Administrator.

The Buy-Back Fee payable by any Authorised Participant or ETC Holder will be an amount equal to the Issuer’s costs of complying with the Buy-Back Order (including the cost of the Issuer or its agents performing any required KYC Procedures). The amount of the Buy-Back Fee will be notified to the Authorised Participant or ETC Holder following receipt of the Buy-Back Order by the Issuer (or the Administrator on the Issuer’s behalf), and will be no greater than US\$1000.00 in the case of a Buy-Back Order submitted by an Authorised Participant and no greater than US\$2000.00 in the case of a Buy-Back Order submitted by an ETC Holder who is not an Authorised Participant.

Any Buy-Back Order and ETC Securities delivered, and Buy-Back Fee paid, on a day which is not an Eligible Buy-Back Trade Date or after the relevant Cut-Off Time on any Eligible Buy-Back Trade Date shall be deemed to have been delivered or paid (as applicable) on the next following Eligible Buy-Back Trade Date. Any Buy-Back Order, once delivered, is irrevocable. No ETC Securities, once so delivered and accompanied by a duly completed Buy-Back Order in accordance with this Condition 7(e) may be withdrawn; provided, however, that if, prior to the relevant Buy-Back Settlement Date, the ETC Securities so deposited become immediately due and payable, such ETC Securities shall, without prejudice to the exercise of the Buy-Back option, be returned to the relevant Authorised Participant or ETC Holder.

The Issuer will not be obliged to accept any Buy-Back Order if (i) an Early Redemption Event has occurred (ii) the Administrator is subject to an insolvency or similar event and no replacement has been appointed and/or (iii) a Disruption Event has occurred and the Administrator has determined that any Buy-Backs should be temporarily suspended.

In relation to any Buy-Back Order, such order may be cancelled in certain circumstances including, without limitation, where an Early Redemption Trade Date or the Final Redemption Valuation Date (as applicable) has occurred prior to the settlement of such Buy-Back or where the Issuer or the Authorised Participant (or, if applicable, the ETC Holder) has failed to perform its obligations with respect to the Buy-Back for a prolonged period of time. In the event of any such cancellation, the ETC Securities shall be returned to the relevant Authorised Participant or ETC Holder.

- (iv) *Buy-Back Conditions:* The Issuer will only accept a Buy-Back Order if the Issuer (or the Administrator on the Issuer’s behalf) determines that the following conditions are met:
- (1) The Buy-Back Order:
    - (A) relates to ETC Securities of only one Series;

- (B) specifies the Series and number of the relevant ETC Securities the Authorised Participant or ETC Holder (as applicable) is requesting the Issuer to repurchase;
  - (C) relates to a number of ETC Securities equal to at least the Minimum Buy-Back Amount or Minimum Physical Metal Delivery Buy-Back Amount (if any) and at least the Minimum Trading Amount (if any) and an integral multiple thereof for the relevant Series, in each case as specified in the Final Terms;
  - (D) in the case of Single Metal ETC Securities backed by a Precious Metal, indicates the number and account name of the Metal Account of the Authorised Participant where the relevant Buy-Back Settlement Amount can be delivered; in the case of Single Metal ETC Securities backed by a Base Metal or Gold, indicates the number and account name of the Metal Account of the Authorised Participant or ETC Holder (as applicable) where the relevant Buy-Back Settlement Amount can be delivered and the number and account name of the Cash Account of the Authorised Participant or ETC Holder (as applicable) where any portion of the Buy-Back Settlement Amount payable in USD can be delivered; and, in the case of Basket ETC Securities, indicates the number and account name of the Cash Account of the Authorised Participant where the Buy-Back Settlement Amount payable in USD can be delivered;
  - (E) contains a representation and warranty from the Authorised Participant or ETC Holder (as applicable) to the effect that: (a) such holder is not a UCITS Fund; and (b) the request for settlement of the Buy-Back by delivery of Metal, cash, LME Warrants or Physical Metal Delivery (as applicable) and the acceptance of the delivery of the relevant Buy-Back Settlement Amount is and will be in accordance with all laws and regulations applicable to such holder; and
  - (F) has been submitted by an Authorised Participant or ETC Holder (as applicable) which has complied with all compliance and identification checks reasonably required by the Issuer ("**KYC Procedures**"), and the results of such KYC Procedures have been determined to be satisfactory to the Issuer and/or its agents; and
- (2) all other conditions precedent to a Buy-Back of the ETC Securities are satisfied,
- together, the "**Buy-Back Conditions**".
- (v) *Physical Delivery Requirements:* In addition to the Buy-Back Conditions, an ETC Holder electing for settlement of a Buy-Back or an Early Redemption or Final Redemption of Single Metal ETC Securities backed by Gold by Physical Metal Delivery must:
- (1) provide details of a Metal Account of the ETC Holder with a Physical Delivery Bank to which the physical Bars of Gold representing the Buy-Back Settlement Amount can be delivered and details of a Cash Account of the ETC Holder to which any USD amount due to the ETC Holder can be paid; and
  - (2) certify to the Issuer that it is not a Prohibited ETC Holder and that a delivery by the Issuer of the relevant Metal to it would not constitute a Prohibited Physical Redemption,
- (together, the "**Physical Delivery Requirements**").

In the case of a Buy-Back, the information and certification in (1) and (2) above must be included in the related Buy-Back Order. In the case of an Early Redemption or Final Redemption, such information and certification must be provided by the ETC Holder to the Issuer by a notice in writing (in such form as the Issuer shall determine) and received by the Issuer by no later than, in the case of an Early Redemption, 4 Business Days following delivery by the Issuer of notice of the Early Redemption or, in the case of a Final Redemption, by no later than 4 Business Days prior to the Final Redemption Valuation Date or, in each case, such other date as notified by the Issuer to the ETC Holders in accordance with Condition 19 (*Notices*) (a "**Physical Delivery**

**Notice**). Each Physical Delivery Notice must relate to a number of Single Metal ETC Securities backed by Gold which is equal to or greater than the Minimum Physical Redemption Amount.

- (vi) *Failure to properly complete and deliver a Buy-Back Order.* Failure to properly complete and deliver a Buy-Back Order or otherwise comply with the requirements of Condition 7(e)(iv) (and, if applicable, Condition 7(e)(v)) shall result in such Buy-Back Order being treated as null and void by the Issuer with the consequence set out in Condition 7(e)(viii) below. Any determination as to whether such notice has been properly completed and delivered and compliance with the other requirements of Condition 7(e)(iv) or Condition 7(e)(v) shall be made by the Administrator and shall be conclusive and binding on the Issuer and the Authorised Participant or ETC Holder (as applicable). If an ETC Holder is unable to certify in its Buy-Back Order that it is not a Prohibited ETC Holder and/or a delivery by the Issuer of the relevant Metal to the relevant ETC Holder would constitute a Prohibited Physical Redemption, such Buy-Back Order shall not be valid and shall be treated as null and void by the Issuer with the consequence set out in Condition 7(e)(viii) below.
- (vii) The Issuer is entitled, in its absolute discretion, to determine whether KYC Procedures apply to any Authorised Participant or ETC Holder submitting a Buy-Back Order and whether such KYC Procedures have been satisfied (including, where the ETC Holder is an Authorised Participant, whether KYC Procedures have already been satisfied). The Issuer shall not be responsible or liable to any person for any loss or damage suffered as a result of it or its agents conducting KYC Procedures.
- (viii) In the event that any Buy-Back Order is determined to be null and void, if the relevant Authorised Participant or ETC Holder still wishes to elect for repurchase of the relevant ETC Securities, it must submit a new, duly completed, Buy-Back Order in accordance with Condition 7(e)(iii) (and, for the avoidance of doubt, the relevant Buy-Back Trade Date in respect of such redemption will be the Eligible Buy-Back Trade Date on which such new, duly completed, Buy-Back Order is delivered or deemed to have been delivered in accordance with Condition 7(e)(iii) and comply with the other requirements of Condition 7(e)(iv) and, if applicable, Condition 7(e)(v) (to the extent not already complied with), provided however that if such new, duly completed, Buy-Back Order is not received within 5 Business Days, the ETC Securities delivered to the Issuer in accordance with Condition 7(e)(iii) shall be returned to the relevant Authorised Participant or ETC Holder.
- (ix) The Administrator shall promptly on the Business Day following receipt of a Buy-Back Order send a copy thereof to the Issuer and such other persons as the Issuer may specify.
- (x) *Settlement of Buy-Back:* In respect of any ETC Securities the subject of a Buy-Back Order which has been accepted by the Issuer, the Issuer shall discharge its obligation to deliver the Buy-Back Settlement Amount in respect of such ETC Securities by delivering such quantity of Metal to or to the order of the relevant Metals Counterparty with instructions to deliver, on the agreed Buy-Back Settlement Date:
  - (1) in the case of Single Metal ETC Securities backed by a Precious Metal, such quantity of Metal representing the Buy-Back Settlement Amount in unallocated form to the Metal Account specified by the relevant Authorised Participant in the Buy-Back Order;
  - (2) in the case of Single Metal ETC Securities backed by Gold to be settled by Physical Metal Delivery, the highest reasonably practicable whole number of physical Bars of Gold having an aggregate weight up to the Buy-Back Settlement Amount to the Metal Account specified by the relevant ETC Holder in the Buy-Back Order and an amount in USD equal to the value of the remainder (if any) of the Buy-Back Settlement Amount due to the ETC Holder, as determined by the Administrator on the basis of the relevant Metal Reference Price as of the Buy-Back Trade Date to the Cash Account specified by the ETC Holder in the Buy-Back Order;

- (3) in the case of Single Metal ETC Securities backed by a Base Metal, at the option of the Issuer and as notified to the Authorised Participant upon acceptance of the related Buy-Back Order, either: (i) an amount in USD equal to the value of the Buy-Back Settlement Amount, as determined by the Administrator on the basis of the relevant Metal Reference Price as of the Buy-Back Trade Date to the Cash Account specified by the Authorised Participant in the Buy-Back Order; or (ii) the highest reasonably practicable whole number of LME Warrants evidencing an amount of Metal having an aggregate weight up to the Buy-Back Settlement Amount to the Metal Account specified by the relevant Authorised Participant in the Buy-Back Order and an amount in USD equal to the value of the remainder (if any) of the Buy-Back Settlement Amount due to the Authorised Participant which cannot be delivered as a whole LME Warrant (as determined by the Administrator on the basis of the relevant Metal Reference Price as of the Buy-Back Trade Date), plus any Accrued Rent for such LME Warrants up to and including the Buy-Back Settlement Date, to the Cash Account specified by the Authorised Participant in the Buy-Back Order; or
- (4) in the case of Basket ETC Securities, an amount in USD equal to the value of the Buy-Back Settlement Amount as determined by the Administrator on the basis of the level of the relevant Reference Index as of the Buy-Back Trade Date to the Cash Account specified by the Authorised Participant in the Buy-Back Order,

and upon the removal of such Metal from the Allocated Account(s) and/or Off-Warrant Account(s) (as applicable) of the Issuer, such ETC Securities will be cancelled.

- (xi) Where the Administrator has confirmed that a Buy-Back of Single Metal ETC Securities of a Series backed by Gold is to be settled by way of Physical Metal Delivery, the Issuer (or the Administrator on the Issuer's behalf) shall instruct the Custodian to transfer the relevant Metal representing the Buy-Back Settlement Amount from the Allocated Account of the Issuer to or to the order of the relevant Metals Counterparty. Following receipt of the Metal, the Metals Counterparty shall have five Physical Delivery Business Days (or such additional period as the Metals Counterparty may determine up to a further three Physical Delivery Business Days) to procure the transfer of such Metal to the specified Metal Account of the ETC Holder with a Physical Delivery Bank and to transfer any amount payable to the ETC Holder in USD to the specified Cash Account of the ETC Holder. The relevant Metal will then be held by the Physical Delivery Bank for the ETC Holder in the manner as separately agreed between the ETC Holder and the Physical Delivery Bank.
- (xii) Where any Buy-Back of Single Metal ETC Securities backed by Gold is being settled by Physical Metal Delivery, all title to and risks in such Metal shall pass to the ETC Holder from the Buy-Back Settlement Date. None of the Trustee, the Security Trustee nor the Issuer shall be responsible or liable for any failure by the relevant Metals Counterparty to procure the delivery of the Buy-Back Settlement Amount to the ETC Holder in accordance with the instructions of the Issuer. In the event that the relevant Metals Counterparty fails to credit, or procure the credit of the Buy-Back Settlement Amount to the specified Metal Account (and/or, as applicable, the specified Cash Account) of the ETC Holder, such ETC Holder shall have the right to require the Issuer, if reasonably practicable, to assign to the ETC Holder its claim against such Metals Counterparty in respect of such Buy-Back Settlement Amount. Any such assignment by the Issuer shall constitute a complete discharge of the Issuer's obligations in respect of the ETC Securities the subject of the Buy-Back Order and such ETC Holder shall have no further claims in respect of such ETC Securities against the Issuer or the Secured Property. The obligations of the Issuer in respect of the ETC Securities being redeemed shall be satisfied by transferring the Buy-Back Settlement Amount to or to the order of the relevant Metals Counterparty with instructions in accordance with the relevant provisions of this Condition and the Buy-Back Settlement Date shall be the date of such transfer. Likewise, none of the Trustee, the Security Trustee or the Issuer will be responsible for any failure by the Physical Delivery Bank to account to the ETC Holder for the relevant Metal. It is the responsibility of the ETC Holder to ensure

that it has in place arrangements with the Physical Delivery Bank which are adequate to ensure onward delivery or storage of the relevant Metal on behalf of the ETC Holder.

- (f) *Settlement Disruption:* In respect of a Buy-Back of any of the ETC Securities, if the Administrator becomes aware that a Settlement Disruption Event has occurred or exists and which has prevented the delivery of a Buy-Back Settlement Amount on the original day that but for such Settlement Disruption Event would have been the Buy-Back Settlement Date (the "**Original Buy-Back Settlement Date**"), then the Administrator will advise the Issuer of the same and the Buy-Back Settlement Date will be the first succeeding day on which the relevant delivery can take place, unless a Settlement Disruption Event prevents settlement on each of the 10 Business Days immediately following the relevant Original Buy-Back Settlement Date. In that case, (a) if the relevant delivery can be effected in a commercially reasonable manner, then the Buy-Back Settlement Date will be that 10th Business Day with delivery being effected in such manner, and (b) if the relevant delivery cannot be effected on or by that 10th Business Day in a commercially reasonable manner, then the Buy-Back Settlement Date will be postponed until the delivery can be effected in a commercially reasonable manner.

For the purposes hereof:

**"Settlement Disruption Event"** means, as determined by the Administrator, an event (other than an event contemplated in Condition 8 (*Disruption Events and Postponement or Suspension*) below) which is beyond the control of the Issuer and as a result of which the Issuer (or the Administrator, the Custodian, the relevant Metals Counterparty or any other agent on the Issuer's behalf) is unable to effect or procure a relevant delivery.

- (g) *Cancellation:* All ETC Securities purchased by or on behalf of the Issuer shall be cancelled. Any ETC Securities so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such ETC Securities shall be discharged. In accordance with the Security Documents, the relevant portion of the Secured Property relating to the ETC Securities so purchased and cancelled will be automatically released from such Security without the need for any notice or other formalities.

## 8. **Disruption Events and Postponement or Suspension**

### (a) ***Disruption Events***

The Administrator (or, in the case of a service provider disruption in respect of the Administrator in accordance with Condition 8(a)(ii), the Issuer) may (but is not obliged to), with respect to any day, determine that one or more of the following disruption events has occurred or exists on such day (each such event a "**Disruption Event**"):

- (i) *Metal Trading Disruption:*

Either:

- (A) trading and/or settlement in the relevant Metal or, in the case of Basket ETC Securities, any Precious Metal, Base Metal or Component of the relevant Reference Index is subject to a material suspension or material limitation on the over-the-counter market of the LBMA (in the case of Gold or Silver), the LPPM (in the case of Platinum or Palladium), the LME (in the case of Copper, Nickel or Cobalt) or any other primary exchange or trading facility for the trading of such Metal or Component; or
- (B) the over-the-counter market of the LBMA (in the case of Gold or Silver), the LPPM (in the case of Platinum or Palladium), the LME (in the case of Copper, Nickel or Cobalt) or any

other primary exchange or trading facility for the trading of the relevant Metal or Component is not open for trading for any reason (including a scheduled closure); or

- (C) trading in the Metal on such over-the-counter market of the LBMA (in the case of Gold or Silver), the LPPM (in the case of Platinum or Palladium), the LME (in the case of Copper, Nickel or Cobalt) or any other primary exchange or trading facility for the trading of such Metal or Component has been permanently discontinued or has disappeared,

each a “**Metal Trading Disruption**”;

- (ii) *Service Provider Disruption*: save as otherwise agreed in the relevant Transaction Document(s), if any of the Administrator, the Custodian, any of the Primary Sub-Custodians, the Principal Paying Agent, all of the Authorised Participants and/or each of the Metals Counterparties resigns or their appointment is terminated for any reason and a successor or replacement has not yet been appointed, for such time until a successor or replacement has been appointed or a Service Provider Non-Replacement Redemption Event has occurred in accordance with Condition 7(d)(ii) (*Service Provider Non-Replacement Redemption Event*);
- (iii) *Issuer Call Disruption*: if an Issuer Call Redemption Notice has been given in accordance with Condition 7(c) (*Issuer Call Redemption Event*) on or prior to such day;
- (iv) *Allocated Accounts Disruption*: in the case of a Series of ETC Securities backed by one or more Precious Metals, any Underlying Metal is no longer held in the Allocated Accounts, other than where permitted in accordance with the Conditions and the Transaction Documents; and/or
- (v) *Off-Warrant Accounts Disruption*: in the case of a Series of ETC Securities backed by one or more Base Metals, any Underlying Metal is no longer held in the Off-Warrant Accounts, other than where permitted in accordance with the Conditions and the Transaction Documents.

(b) ***Determination of Disruption Events and Suspension Notices***

- (i) If the Administrator determines that a Disruption Event has occurred or exists with respect to any day, it may (but shall not be obliged to) on the immediately following Business Day give notice of the postponement and/or suspension of:
  - (A) any request for the Subscription and/or Buy-Back of ETC Securities;
  - (B) the settlement of any Subscription and/or Buy-Back of ETC Securities that has traded but has yet to settle;
  - (C) any Early Redemption Trade Date (whether or not such date has yet been designated), any Early Redemption Settlement Date and/or the payment of any Early Redemption Amount in connection therewith; and/or
  - (D) the Final Redemption Valuation Date, the Scheduled Maturity Date and/or the payment of any Final Redemption Amount in connection therewith,

to the Issuer, the Authorised Participants, the Administrator, the Trustee, the Security Trustee and the Principal Paying Agent, specifying:

- (X) the Disruption Event which has occurred or is existing on the relevant day;

- (Y) whether the suspension and/or postponement relating to such Disruption Event will be in respect of a single day (a “**Suspended Day**”) or for as long as the Disruption Event continues (a “**Suspension Period**”); and
- (Z) which of the dates and/or events set out in Conditions 8(b)(i)(A) to (D) will be postponed and/or suspended on such Suspended Day or during such Suspended Period, as applicable (and, in determining this, the Administrator shall consider whether the relevant Disruption Event would disrupt the actions required to be performed by the Issuer, any Authorised Participant, the relevant Metals Counterparty and/or any other Transaction Party in connection with a Subscription of ETC Securities, a Buy-Back of ETC Securities, the Final Redemption of the ETC Securities and/or any Early Redemption of the ETC Securities),

such notice, a “**Suspension Notice**”. If the Suspension Notice is in respect of a Suspension Period, such period will end when the Administrator notifies the Issuer, the Authorised Participants, the Administrator, the Metals Counterparties, the Trustee, the Security Trustee and the Principal Paying Agent that such suspension and/or postponement is over.

- (ii) The Administrator is not under any obligation to monitor whether or not a Disruption Event has occurred or is continuing with respect to any day unless a Suspension Notice has been given in respect of a Suspension Period in which case the Administrator’s obligation to monitor the relevant Disruption Event will continue until it has determined that such Disruption Event has ceased (following which it will give notification of the end of the Suspension Period in accordance with Condition 8(b)(i)). The Administrator shall have no liability to the Issuer, the Trustee, the Security Trustee, any ETC Holder, any Authorised Participant or any other person for any determination or non-determination that it makes in respect of the occurrence or existence of a Disruption Event.
- (iii) Neither the Trustee nor the Security Trustee shall have any duty to monitor, enquire or satisfy itself as to whether a Disruption Event has occurred.
- (iv) The Issuer shall, as soon as reasonably practicable after receipt by it of a Suspension Notice, give notice thereof to the ETC Holders in accordance with Condition 19 (*Notices*).
- (c) ***Postponement relating to the Final Redemption or Early Redemption of the ETC Securities***
  - (i) If, in respect of a Disruption Event, the Administrator has specified in the related Suspension Notice that the Final Redemption Valuation Date, the Scheduled Maturity Date, any Early Redemption Trade Date and/or any Early Redemption Settlement Date (a “**Disruption Postponable Date**”) shall be postponed until following the end of the Suspended Day or Suspension Period, then if any Disruption Postponable Date does occur on the Suspended Day or during the Suspension Period, such Disruption Postponable Date shall be deemed to have been postponed until the first following Non-Disrupted Day, provided that if no such Non-Disrupted Day has occurred on or prior to the 10<sup>th</sup> Business Day following such Disruption Postponable Date, the Issuer, acting in good faith and in consultation with the Administrator, shall determine an appropriate method for redeeming the ETC Securities and determining the Final Redemption Valuation Date, Scheduled Maturity Date, Early Redemption Trade Date and/or Early Redemption Settlement Date, as applicable, for the purposes of such redemption of the ETC Securities (a “**Disrupted Redemption Method**”). For the avoidance of doubt, if any Disruption Postponable Date is postponed in accordance with this Condition 8(c)(i), then any other dates or periods determined by reference to such Disruption Postponable Date that have yet to occur or conclude as at the time of such postponement shall also be postponed or adjusted accordingly.
  - (ii) The Issuer shall, as soon as reasonably practicable following determination of any Disrupted Redemption Method, notify each Transaction Party and the ETC Holders of the details of such Disrupted Redemption Method in accordance with Condition 19 (*Notices*).

- (iii) No additional amount shall be payable or deliverable to any Authorised Participant or any ETC Holder in connection with any postponement to the timing, or any amendment to the method, in each case in accordance with Condition 8(c)(i), of final or early redemption of the ETC Securities.
- (iv) If any postponement has occurred in accordance with this Condition 8(c), the Issuer shall ensure that its obligation to publish on the Website information relating to the Final Redemption Amount (pursuant to Condition 7(a)(ii) (*Final Redemption*)) or the Early Redemption Amount (pursuant to Condition 7(b)(ii) (*Early Redemption*)), as applicable, is met in a timely manner taking into account any postponement to the Scheduled Maturity Date or the Early Redemption Settlement Date, as applicable.

9. **Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event**

(a) ***Successor Metal Reference Price or Successor Reference Index***

If on any Business Day, the Administrator determines that the Metal Reference Price has been replaced by a successor price acceptable to the Administrator, then the Administrator shall notify such determination to the Issuer and each Transaction Party and, with effect from the first Business Day following the date of such notice, such successor price shall be deemed to be the Metal Reference Price for the purposes of the relevant Metal but provided that it shall not affect any calculations or determinations already made using the Metal Reference Price being replaced (including the Nominal Amount). The Issuer shall, as soon as reasonably practicable thereafter, notify the ETC Holders of the same in accordance with Condition 19 (*Notices*).

If on any Business Day, the Administrator determines that the relevant Reference Index has been replaced by a successor reference index acceptable to the Administrator, then the Administrator shall notify such determination to the Issuer and each Transaction Party and, with effect from the first Business Day following the date of such notice, such successor reference index shall be deemed to be the Reference Index for purposes of the relevant Basket, but provided that it shall not affect any calculations or determinations already made using the Reference Index being replaced (including the Nominal Amount). The Issuer shall, as soon as reasonably practicable thereafter, notify the ETC Holders of the same in accordance with Condition 19 (*Notices*).

(b) ***Successor Metal Reference Price Source or Successor Reference Index Source***

If on any Business Day the Administrator determines that the Metal Reference Price Source no longer displays the Metal Reference Price notwithstanding that the Metal Reference Price continues to be determined, then the Administrator will notify such determination to the Issuer and each Transaction Party specifying a replacement price source that does display such Metal Reference Price and, with effect from the first Business Day following the date of such notice, such successor price source shall be deemed to be the Metal Reference Price Source for the purposes of the relevant Metal but provided that it shall not affect any calculations or determinations already made using the Metal Reference Price displayed on the Metal Reference Price Source being replaced (including the Nominal Amount). The Issuer shall, as soon as reasonably practicable thereafter, notify the ETC Holders of the same in accordance with Condition 19 (*Notices*).

If on any Business Day the Administrator determines that the relevant Reference Index Source no longer displays the Reference Index notwithstanding that the Reference Index continues to be determined, then the Administrator will notify such determination to the Issuer and each Transaction Party specifying a replacement index source that does display such Reference Index and, with effect from the first Business Day following the date of such notice, such successor reference index source shall be deemed to be the Reference Index Source for purposes of the relevant Basket ETC

Securities but provided that it shall not affect any calculations or determinations already made using the Reference Index displayed on the Reference Index Source being replaced (including the Nominal Amount). The Issuer shall, as soon as reasonably practicable thereafter, notify the ETC Holders of the same in accordance with Condition 19 (*Notices*).

(c) ***Metal Reference Price Event***

If at any time the Administrator determines that a Metal Reference Price Event has occurred and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer and each Transaction Party, then for the purposes of the relevant Metal, the Metal Reference Price shall be:

- (i) such other reference price for the Metal as the Administrator determines has replaced the Metal Reference Price in customary market usage for the purposes of determining a reference price for such Metal in the primary over-the-counter market, exchange or trading facility for the trading of such Metal; or
- (ii) if the Administrator determines that there is no replacement reference price that can be determined in accordance with Condition 9(c)(i), then such other reference price for the Metal as the Administrator determines as most comparable to the Metal Reference Price acting in a commercially reasonable manner,

(the "**Replacement Metal Reference Price**") provided that in each case, the Administrator must also have determined that no Metal Reference Price Event would have occurred or be occurring in respect of such Replacement Metal Reference Price if such Replacement Metal Reference Price were the Metal Reference Price. The Administrator shall, as soon as reasonably practicable following notification of the occurrence of a Metal Reference Price Event and, in any event, by no later than the final day of any Redemption Disposal Period that had already commenced at the time of such notification, give notice of the Replacement Metal Reference Price determined by it to the Issuer and each Transaction Party.

None of the Issuer, the Administrator, the Trustee or any other Transaction Party shall have any duty to monitor, enquire or satisfy itself as to whether a Metal Reference Price Event has occurred.

(d) ***Reference Index Event***

If at any time the Administrator determines that a Reference Index Event has occurred and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer and each Transaction Party, then for the purposes of the relevant Basket ETC Securities, the Reference Index shall be:

- (i) such other reference index for the relevant Basket as the Administrator determines has replaced the Reference Index in customary market usage for the purposes of determining a reference price for such Basket in the primary over-the-counter market, exchange or trading facility for the trading of such Basket or for the individual Metals or Components comprised in such Basket; or
- (ii) if the Administrator determines that there is no replacement reference index that can be determined in accordance with Condition 9(d)(i), then such other reference index for the relevant Basket as the Administrator determines as most comparable to the Reference Index acting in a commercially reasonable manner,

(the "**Replacement Reference Index**") provided that in each case, the Administrator must also have determined that no Reference Index Event would have occurred or be occurring in respect of such

Replacement Reference Index if such Replacement Reference Index were the Reference Index. The Administrator shall, as soon as reasonably practicable following notification of the occurrence of a Reference Index Event and, in any event, by no later than the final day of any Redemption Disposal Period that had already commenced at the time of such notification, give notice of the Replacement Reference Index determined by it to the Issuer and each Transaction Party.

None of the Issuer, the Administrator, the Trustee or any other Transaction Party shall have any duty to monitor, enquire or satisfy itself as to whether a Reference Index Event has occurred.

#### 10. **Metal Sale on Early or Final Redemption**

- (a) The Issuer has authorised and directed the Custodian to deliver or procure delivery of the Underlying Metal held by the Custodian, the Primary Sub-Custodians (or any Sub-Custodian(s)) to or to the order of the relevant Metals Counterparty from (and including) the occurrence of the first day of a Redemption Disposal Period, to the extent necessary to effect the liquidation of the Underlying Metal. Pursuant to the terms of the Irish Law Security Trust Deed, the Security in respect of the Underlying Metal described in Condition 5(a) (*Security*) shall automatically be released without further action on the part of the Security Trustee to the extent necessary to effect the liquidation of the Underlying Metal, provided that nothing in this Condition 10 shall operate to release the charges and other security interests over the proceeds of the liquidation of the Underlying Metal.
- (b) Following notification to the relevant Metals Counterparty of the Early Redemption Trade Date or the Final Redemption Valuation Date, and delivery of all or any portion of the Underlying Metal to such Metals Counterparty or to its order, upon the occurrence of the first day of the related Redemption Disposal Period, the relevant Metals Counterparty shall, acting as agent of the Issuer, liquidate the Underlying Metal in a timely fashion during the Redemption Disposal Period in accordance with all applicable laws and the terms of the relevant Metals Counterparty Agreement.
- (c) In liquidating the Underlying Metal, the relevant Metals Counterparty may take such steps as it, acting in a commercially reasonable manner, considers appropriate in order to effect an orderly liquidation in a timely fashion (so far as is practicable in the circumstances and taking into account the amount of the Underlying Metal to be liquidated) during the Redemption Disposal Period, and may effect such liquidation at any time or from time to time during the Redemption Disposal Period and may do so in one transaction or in multiple transactions. The relevant Metals Counterparty will not be liable to the Issuer or to the Trustee, the ETC Holders or any other person merely because a higher price could have been obtained had all or part of the liquidation been delayed or taken place at a different time or had the liquidation not been effected in stages.
- (d) The relevant Metals Counterparty shall be permitted to deduct from the Actual Redemption Sale Proceeds (i) any Taxes arising from or connected with any such liquidation and (ii) any other amounts properly incurred by it in connection with any such liquidation, and it shall not be liable to account for anything except the actual proceeds of any such liquidation received by it after such deductions.
- (e) Subject as provided above, in carrying out any liquidation, the relevant Metals Counterparty will act in good faith and a commercially reasonable manner and will sell at a price which it reasonably believes to be representative of the fair market price of the Underlying Metal being disposed of in the relevant transaction. In carrying out such liquidation, the relevant Metals Counterparty shall sell to one or more purchasers of Underlying Metal meeting the criteria set out in Condition 10(f)(i) to (iii) (each, an "**Eligible Purchaser**"). The Issuer shall not be liable to the Trustee, the ETC Holders or any other person for any alleged failure to obtain a higher price for all or part of the Underlying Metal as a result of the Issuer's selection of the relevant Metals Counterparty.
- (f) Subject as provided above, in carrying out any liquidation, the relevant Metals Counterparty may sell the Underlying Metal:

- (i) to itself, to another Metals Counterparty, or to any Affiliate of a Metals Counterparty, provided that such Metals Counterparty shall sell at a price which it believes to be a fair market price;
- (ii) to one or more members of the LBMA (in the case of Gold or Silver), the LPPM (in the case of Platinum or Palladium) or the LME (in the case of Copper, Nickel or Cobalt) willing to purchase the Underlying Metal at a fair market price; and/or
- (iii) to one or more other counterparties that are willing to purchase the Underlying Metal at a fair market price,

provided that, in each case:

- (A) the relevant Metals Counterparty shall, acting in good faith and a commercially reasonable manner, use reasonable efforts to ensure that such a sale would be conducted in a manner that would minimise the VAT that may be charged, withheld or deducted on such sale which would reduce the net liquidation proceeds (as compared to the position if no VAT were due); and
  - (B) where the relevant Metals Counterparty is unable to liquidate the Metal in the manner set out in Condition 10(f)(A), such Metals Counterparty shall use its discretion to sell the Metal to any purchaser of the Underlying Metal listed in Condition 10(f)(i) to (iii) in any manner as it deems fit.
- (g) On the first Business Day following the earlier of (i) the day on which the last remaining Trading Unit of Underlying Metal is sold by the relevant Metals Counterparty or (ii) the last day of the Redemption Disposal Period, such Metals Counterparty shall notify the Issuer and each Transaction Party of (1) the Actual Redemption Sale Proceeds received in respect of any Underlying Metal that has been sold (and the details of each sale of Underlying Metal including the price, volume and date of each such sale) during the Redemption Disposal Period and (2) the Total Redemption Sale Proceeds, including any Deemed Redemption Sale Proceeds determined based on the Metal Reference Price or, in the case of Basket ETC Securities, the relevant Metal Reference Prices as at the final day of the Redemption Disposal Period in respect of any Trading Unit of Underlying Metal that was not sold during the Redemption Disposal Period.
- (h) Following the payment of any Redemption Fees to the Issuer and the deduction of any Taxes or other amounts in accordance with Condition 10(d), the relevant Metals Counterparty shall pay the Net Actual Redemption Sale Proceeds to the Issuer Cash Account or otherwise to the order of the Issuer on or around the day falling two Business Days prior to the Scheduled Maturity Date or the Early Redemption Settlement Date, as applicable, and in any event by no later than 17:00 London time (or such later time as the Issuer may agree) on the day falling two Business Days prior to the Scheduled Maturity Date or the Early Redemption Settlement Date, as applicable, (or by such other time and/or on such other date as may be specified for this purpose in the relevant Issue Deed or as otherwise agreed by the parties to the relevant Metals Counterparty Agreement).

## 11. **Payments, Deliveries, Agents and Calculations**

### (a) ***Payments Net of Taxes***

All payments in respect of the ETC Securities shall be made net of and after allowance for any withholding or deduction for, or on account of, any Taxes. In the event that any withholding, reduction or deduction for, or on account of, any Tax applies to payments in respect of the ETC Securities, the ETC Holders will be subject to such Tax or reduction or deduction and shall not be entitled to receive amounts to compensate for any such Tax or reduction or deduction. No Event of Default shall occur as a result of any such withholding or reduction or deduction.

(b) **Payments**

- (i) *Global Registered Security*: For as long as the ETC Securities are represented by a Global Registered Security registered in the name of a nominee on behalf of the Clearing Systems and deposited with a common safekeeper, common depository, central depository or nominee, as applicable, on behalf of the Clearing Systems, the obligations of the Issuer under the Conditions to make payments in respect of the ETC Securities will be discharged by payment to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment (where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January), subject to and in accordance with the terms of such Global Registered Security and provided that any presentation of the Global Registered Security for such purpose is made to the Principal Paying Agent or any other Paying Agent appointed for the Series outside the United States. Each of the persons shown in the records of the Clearing System as owning ETC Securities represented by such Global Registered Security must look solely to the Clearing System for its share of any payment made by the Issuer to or to the order of the holder of the Global Registered Security. Payments made to any person shown in the records of the Clearing System as owning any ETC Security represented by the Global Registered Security shall be subject to and made in accordance with the rules of the Clearing System.
- (ii) *Individual Securities*: Payments of the Redemption Amount and/or any Enforcement Surplus Principal Amount in respect of each Individual Security shall, subject to Condition 11(c) (*Payments Subject to Fiscal Laws*), be made against presentation and surrender of the relevant Individual Securities as the Specified Office of any of the Transfer Agents or of the Registrar by transfer to an account nominated by such person shown in the Register in the relevant currency maintained by the payee with a bank.

(c) **Payments Subject to Fiscal Laws**

All payments in respect of the ETC Securities are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment. No commission or expenses shall be charged to the ETC Holders in respect of such payments.

(d) **Calculations and Determinations**

Each party shall, as soon as practicable on such date and/or at such time as it is required in accordance with these Conditions, make such calculation or determination as is required of it in accordance herewith.

(e) **Determination or Calculation by Security Trustee**

If at any time after the Security has become enforceable pursuant to Condition 5(e) (*Enforcement of the Security*) any determination or calculation relating to the Metal Entitlement, the Final Redemption Amount, the Early Redemption Amount or any Enforcement Surplus Principal Amount has not been made when required pursuant to the Conditions and the Transaction Documents, then the Security Trustee may (and shall following an instruction from the Trustee) appoint an agent to make the relevant determination or calculation, provided that the Security Trustee shall have been pre-funded and/or secured and/or indemnified to its satisfaction. Any such agent appointed in accordance with the terms of this Condition 11(e) shall act as agent of the Issuer. Any such determination or calculation made by any such agent shall for the purposes of the Conditions and the Transaction Documents be deemed to have been made by the original party. In doing so, the relevant agent shall apply the provisions of the Conditions and/or the relevant Transaction Document(s), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in the circumstances. The Security Trustee shall not be liable to the Issuer, the ETC Holders, any Transaction Party or any

other person (i) if it does not appoint an agent to make the determinations or calculations referred to in this Condition 11(e) or (ii) if it does appoint an agent, for any calculations and determinations (or any delay in making any calculation or determination) so made, unless in either case the Security Trustee has acted fraudulently, with gross negligence or in wilful default.

(f) ***Appointment of Agents***

Save as provided below, the Agents act solely as agents of the Issuer. The Agents do not assume any obligation or relationship of agency or trust for or with any ETC Holder. Any Agent may resign its appointment at any time, without giving any reason and without being responsible for any losses or liabilities incurred in connection with such resignation, by giving the relevant notice. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate (or consent to the variation or termination of) the appointment of the Administrator, the Principal Paying Agent, any Paying Agent(s), the Custodian, any Primary Sub-Custodian and/or any Metals Counterparty and to appoint additional or other Paying Agents or any Registrar. Without prejudice to the provisions for the automatic termination of the appointment of an Agent in connection with the occurrence of an insolvency or similar event or proceedings in the relevant Transaction Documents, the Issuer shall use reasonable endeavours to at all times maintain, (i) a Principal Paying Agent, (ii) a Custodian with vaults for the storage and safekeeping of Precious Metal in (or arrangements with a sub-custodian with such vaults in) Switzerland and/or London and an LME Approved Warehouse for the storage and safekeeping of Base Metal in (or arrangements with a sub-custodian with such an LME Approved Warehouse in) The Netherlands, (iii) an Administrator, (iv) a Metals Counterparty and (v) such Paying Agents or other agents as may be required by any Relevant Stock Exchange on which the ETC Securities may be listed, in each case, as approved by the Trustee. Notice of any change of Paying Agent or any change to the Specified Office of an Agent shall be given to the ETC Holders by the Issuer in accordance with Condition 19 (*Notices*).

(g) ***Business Day Convention and Non-Business Days***

If any date for payment in respect of any ETC Security is not a Business Day, the holder shall not be entitled to payment until the next following Business Day or to any interest or other sum in respect of such postponed payment.

(h) ***Rounding***

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (i) all amounts of Metal to be delivered to or for the account of the Issuer shall be rounded up to the nearest 0.001 fine troy ounce (in the case of Gold), the nearest 0.001 troy ounce (in the case of Silver, Platinum or Palladium) or the nearest 0.001 metric tonne in the case of Copper, Nickel or, in the case of Basket ETC Securities, Cobalt; (ii) all amounts of Metal to be delivered by or on behalf of the Issuer shall be rounded down to the nearest 0.001 fine troy ounce (in the case of Gold), the nearest 0.001 troy ounce (in the case of Silver, Platinum or Palladium) or the nearest 0.001 metric tonne in the case of Copper, Nickel or, in the case of Basket ETC Securities, Cobalt; (iii) all amounts of cash in USD to be paid to or to the order of the Issuer shall be rounded up to the nearest USD 0.01 and (iv) all amounts of cash in USD to be paid by or on behalf of the Issuer shall be rounded down to the nearest USD 0.01, in each case as may be adjusted by the Issuer (or the Administrator on its behalf) from time to time, including to reflect changes in rounding conventions for the trading of the relevant Metal or payments in USD.

12. ***Prescription***

Claims against the Issuer for payment under the Conditions in respect of an ETC Security shall be prescribed and become void unless made within six years from the date on which the payment of the Redemption Amount or any other amount payable in respect of such ETC Security first became due

or (if any amount of the money payable was improperly withheld or refused) the date on which payment in full of the amount outstanding was made or (if earlier) the date falling seven days after that on which notice is duly given to the ETC Holders that, upon further presentation of the ETC Security being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation (such date the “**Relevant Date**”), save that if the ETC Securities are in global form claims in respect of the Redemption Amount or any such other amounts payable in respect each ETC Security represented by the relevant Global Registered Security shall become void unless the Global Registered Security is presented for payment within a period of six years from the appropriate Relevant Date.

### 13. **Events of Default**

If any of the following events (each an “**Event of Default**”) occurs, the Trustee at its discretion may, or shall, if so directed in writing by the holders of at least one-fifth in number of the ETC Securities then outstanding or if so directed by an Extraordinary Resolution (provided that in each case the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction by one or more ETC Holders (or otherwise to its satisfaction), give notice to the Issuer (copied to each Transaction Party and the ETC Holders in accordance with Condition 19 (*Notices*)) (such notice an “**Event of Default Redemption Notice**”) that the ETC Securities shall become due and payable at their Early Redemption Amount on the Early Redemption Settlement Date:

- (a) the Issuer does not perform or comply with any one or more of its material obligations (other than a payment obligation) under the ETC Securities, the Security Documents or the Trust Deed, which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 calendar days after notice of such default shall have been given to the Issuer by the Trustee (and, for these purposes, a failure to perform or comply with an obligation shall be deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or
- (b) any order shall be made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer, save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or
- (c) an examiner is appointed in respect of the Issuer.

Notwithstanding the above, no Event of Default Redemption Notice may be given if an Early Redemption Trade Date or Final Redemption Valuation Date has occurred.

The Issuer shall, as soon as reasonably practicable after receipt of any Event of Default Redemption Notice, give notice thereof to the ETC Holders in accordance with Condition 19 (*Notices*).

The Issuer has undertaken in the Trust Deed that, on each anniversary of the issue date of the first Series issued under the Programme and also within 14 calendar days after any request by the Trustee, it will send to the Trustee a certificate signed by a director of the Issuer to the effect that as at a date not more than five calendar days prior to the date of the certificate no Event of Default, Issuer Call Redemption Event or other Early Redemption Event, Disruption Event, substitution of the Metal Reference Price or Metal Reference Price Source, Reference Index or Reference Index Source or other event or circumstance that could with the giving of notice, lapse of time and/or issue of a certificate become an Event of Default, has occurred.

#### 14. **Enforcement**

Pursuant to the terms of the Trust Deed, only the Trustee may, at its discretion and without further notice, take such action or step or institute such proceedings against the Issuer as it may think fit to enforce the rights of the holders of the ETC Securities against the Issuer, whether the same arise under general law, the Trust Deed, the ETC Securities, any other Transaction Document or otherwise, but, in each case, it need not take any such action or step or institute such proceedings unless (a) in accordance with the terms of the Trust Deed, the Trustee is so directed by an Extraordinary Resolution or in writing by the holders of at least one-fifth in number of the ETC Securities then outstanding and (b) it is secured and/or pre-funded and/or indemnified to its satisfaction by one or more ETC Holders (or otherwise to its satisfaction). None of the holders of the ETC Securities shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable time and such failure is continuing.

Pursuant to the terms of the Security Documents, only the Security Trustee may enforce the Security in accordance with the Security Documents and (other than as permitted by the Trust Deed and the Conditions) only the Security Trustee may, at its discretion and without further notice, take such action or step or institute such proceedings against the Issuer as it may think fit to enforce the Security, but it need not take any such action or step or institute such proceedings unless (a) it shall have been so directed by the Trustee (the Trustee having been directed by an Extraordinary Resolution or in writing by the holders of at least one-fifth in number of the ETC Securities then outstanding) (in accordance with the Security Documents) and (b) it shall have been secured and/or pre-funded and/or indemnified to its satisfaction by one or more ETC Holders (or otherwise to its satisfaction).

None of the Secured Creditors, the Other Creditors, the ETC Holders or the other Transaction Parties shall be entitled to proceed directly against the Issuer in respect of the Security Documents unless the Security Trustee, having become bound to proceed in accordance with the terms of the Security Documents, fails or neglects to do so within a reasonable time and such failure is continuing. The Trustee, the Security Trustee, the ETC Holders and the other Transaction Parties acknowledge and agree that only the Security Trustee may enforce the Security over the Secured Property in accordance with, and subject to the terms of, the Security Documents.

Neither the Trustee nor the Security Trustee shall in any circumstances be obliged to take any action, step or proceeding that would involve any personal liability or expense without first being indemnified and/or secured and/or pre-funded to its satisfaction whether pursuant to the Trust Deed, the Security Documents, by one or more ETC Holders or otherwise.

#### 15. ***Meetings of ETC Holders, Modification, Waiver, Substitution and Entitlement***

##### (a) ***Meetings of ETC Holders***

The Trust Deed contains provisions for convening meetings of ETC Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed.

The Issuer or (subject to being indemnified and/or secured and/or prefunded to its satisfaction) the Trustee may at any time convene a meeting. If the Trustee receives a written request by ETC Holders holding at least 10 per cent. in number of the ETC Securities of any Series for the time being outstanding and is indemnified to its satisfaction against all costs and expenses, it shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction) convene a meeting of the ETC Holders of that Series.

The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in the number of ETC Securities of the relevant Series for the time being outstanding, or at any adjourned meeting two or more persons being or representing ETC Holders whatever the number of the ETC Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the ETC Securities; (ii) to vary any method of, or basis for, calculating the Final Redemption Amount or Early Redemption Amount; (iii) to vary the currency or currencies of payment or denomination of the ETC Securities; (iv) to take any steps that, as specified in the Trust Deed, may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply; (v) to modify the provisions concerning the quorum required at any meeting of ETC Holders or the majority required to pass an Extraordinary Resolution; (vi) to modify the provisions of the Trust Deed concerning the special quorum provisions; or (vii) to modify Clause 3 (*Security and Secured Property*) or Clause 5 (*Application of Moneys*) of the Irish Law Security Trust Deed, Clause 2 (*Security and Secured Property*) or Clause 6 (*Incorporation of Terms*) (to the extent that it incorporates by reference Clause 5 (*Application of Moneys*) of the Irish Law Security Trust Deed, *mutatis mutandis*) of the English Law Security Trust Deed, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. in number of the ETC Securities of the relevant Series, or at any adjourned meeting not less than 25 per cent, in number of the ETC Securities of the relevant Series for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on ETC Holders (whether or not they were present at the meeting at which such resolution was passed).

Notwithstanding anything to the contrary in these Conditions, neither the approval of ETC Holders by way of an Extraordinary Resolution or otherwise or the consent of the Trustee is required (without limitation) for:

- (i) the transfer of Metal to or to the order of a Metals Counterparty under the relevant Metals Counterparty Agreement and the related release of Security, provided each such transfer and release is effected in accordance with the terms of such Metals Counterparty Agreement, the Custody Agreement, the Security Documents and/or the Conditions (as applicable), and any other release of Security permitted by the Security Documents;
- (ii) any change to the Total Expense Ratio at any time (provided that in the case of an increase of the Total Expense Ratio, at least 30 calendar days' prior notice has been given to ETC Holders in accordance with Condition 19 (*Notices*));
- (iii) any adjustment to the Metal Entitlement in relation to which the Underlying Metal has been damaged, stolen or otherwise lost;
- (iv) any appointment of an additional or replacement Transaction Party provided such appointment or replacement is effected in accordance with the Conditions;
- (v) the substitution of any Metal Reference Price with a successor Metal Reference Price, the substitution of any Metal Reference Price Source with a successor Metal Reference Price Source or the determination of a replacement Metal Reference Price following the occurrence of a Metal Reference Price Event, in each case pursuant to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*);
- (vi) the substitution of the Reference Index with a successor Reference Index, the substitution of the Reference Index Source with a successor Reference Index Source or the determination of a replacement Reference Index following the occurrence of a Reference

Index Event, in each case pursuant to Condition 9 (*Successor Metal Reference Price, Successor Reference Index, Successor Metal Reference Price Source, Successor Reference Index Source and Metal Reference Price Event or Reference Index Event*);

- (vii) any determination as to the occurrence or existence of a Disruption Event and any determination and application of any postponement, suspension and/or Disrupted Redemption Method in connection with such Disruption Event, in each case pursuant to Condition 8 (*Disruption Events and Postponement or Suspension*);
- (viii) any amendment to any term of the Conditions or any Transaction Document which relates to an operational or procedural issue;
- (ix) any modification relating to changes required or additional documents to be entered into to comply with requirements of the Relevant Clearing System or any listing requirements;
- (x) any amendment to any term of any Authorised Participant Agreement in accordance with the terms therein;
- (xi) any increase to the Programme Maximum Number of ETC Securities;
- (xii) any amendment to the name of the Programme; or
- (xiii) anything that the Issuer is permitted to do without the prior written consent of the Security Trustee pursuant to Condition 6 (*Restrictions*).

(b) ***Modification of the Relevant Transaction Documents***

Without prejudice to Condition 15(a) (*Meetings of ETC Holders*), the Trustee may agree, without the consent of the ETC Holders, to (i) any modification to these Conditions, the Trust Deed and/or any other Transaction Document which is, in the opinion of the Trustee, of a formal, minor or technical nature or is made to correct a manifest error or (ii) any other modification, and any waiver or authorisation, of any breach or proposed breach of any of these Conditions or any of the provisions of the Trust Deed and/or any other Transaction Document that is in the opinion of the Trustee not materially prejudicial to the interests of the ETC Holders. Any such modification, authorisation or waiver shall be binding on the ETC Holders and shall be notified by the Issuer to the ETC Holders in accordance with Condition 19 (*Notices*) as soon as reasonably practicable.

Without prejudice to Condition 15(a) (*Meetings of ETC Holders*), the Security Trustee may, only if directed by the Trustee to do so, agree to (i) any modification to the Security Documents that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach of any term of the Security Documents that is not materially prejudicial to the interests of the Secured Creditors. Any such modification, authorisation or waiver shall be binding on the Secured Creditors and will be notified by the Issuer to the ETC Holders in accordance with Condition 19 (*Notices*) as soon as reasonably practicable.

(c) ***Substitution***

The Trustee may, without the consent of the ETC Holders, agree to the substitution, in place of the Issuer (or of any previous substitute) as the principal debtor under the Trust Deed, the Security Documents, the other Transaction Documents to which it is a party and the ETC Securities, of any other company (incorporated in any jurisdiction) (any such substitute company being the “**Substituted Obligor**”), provided that:

- (i) a deed is executed or undertaking given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by the Trust Deed, the Security Documents and the ETC Securities (with such consequential amendments as the Trustee may deem appropriate) as if the Substituted Obligor had been named in the Trust Deed, the Security Documents and the ETC Securities as the principal debtor in place of the Issuer;
- (ii) the Substituted Obligor assumes all rights, obligations and liabilities in relation to the Secured Property, acknowledges the Security created in respect thereof pursuant to the Security Documents and takes all such action as the Trustee may require so that the Security constitutes a valid charge, pledge or other security interest over the Secured Property as was originally created by the Issuer for the obligations of the Substituted Obligor;
- (iii) any director of the Substituted Obligor certifies that the Substituted Obligor will be solvent immediately after such substitution (in which case the Trustee need not have regard to the Substituted Obligor's financial condition, profits or prospects or compare them with those of the Issuer);
- (iv) the Trustee will be satisfied (if it requires, by reference to legal opinions) that (A) all necessary governmental and regulatory approvals and consents necessary for or in connection with the assumption by the Substituted Obligor of liability as principal debtor in respect of, and of its obligations under, the ETC Securities and any Transaction Document have been obtained and (B) such approvals and consents are at the time of substitution in full force and effect;
- (v) the Issuer and the Substituted Obligor will execute and the Issuer shall procure that the Authorised Participants and any other Transaction Party will execute such other deeds, documents and instruments (if any) as the Trustee may require in order that such substitution is fully effective;
- (vi) in connection with any proposed substitution of the Issuer, the Trustee may, without the consent of the holders of the ETC Securities, agree to a change of the law from time to time governing such ETC Securities and/or the Issue Deed and/or the Trust Deed and/or the Security Documents, provided that such change of law, in the opinion of the Trustee, would not be materially prejudicial to the interests of such ETC Holders;
- (vii) the Issuer and the Substituted Obligor comply with such other requirements as the Trustee may direct in the interests of the ETC Holders; and
- (viii) legal opinion(s) satisfactory to the Trustee is/are provided concerning any proposed substitution.

An agreement by the Trustee pursuant to this Condition 15(c) and the Trust Deed shall, if so expressed, release the Issuer (or a previous substitute) from any or all of its obligations under the Trust Deed, the ETC Securities and the other Transaction Documents. The Substituted Obligor shall give notice of the substitution to the ETC Holders in accordance with Condition 19 (*Notices*) within 14 calendar days of the execution of such documents and compliance with such requirements.

On completion of the formalities set out in this Condition 15(c) and the Trust Deed, the Substituted Obligor shall be deemed to be named in these Conditions, the Trust Deed, the other Transaction Documents and the ETC Securities as the principal debtor in place of the Issuer (or of any previous substitute) and these Conditions, the Trust Deed, the other Transaction Documents and the ETC Securities shall be deemed to be amended as necessary to give effect to the substitution.

(d) **Entitlement of the Trustee**

In accordance with the terms of the Security Documents, in connection with the exercise of its functions (including, but not limited to, those referred to in this Condition 15) the Trustee will have regard to the interests of the ETC Holders as a class and will not have regard to the consequences of such exercise for individual ETC Holders and the Trustee will not be entitled to require, nor shall any ETC Holder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual ETC Holders. So long as the ETC Securities are in global form and the Global Registered Security is held by or on behalf of the Clearing System, in considering the interests of ETC Holders, the Trustee may have regard to any information provided to it by the Clearing System or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Registered Security and may consider such interests on the basis that such accountholders or participants were the holder(s) thereof.

(e) **Entitlement of the Security Trustee**

In accordance with the terms of the Security Documents, in connection with the exercise of its functions (including, but not limited to, those referred to in this Condition 15) the Security Trustee will have regard to the interests of the ETC Holders as a class and will not have regard to the consequences of such exercise for individual ETC Holders or the other Secured Creditors and the Security Trustee will not be entitled to require, nor shall any ETC Holder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual ETC Holders. So long as the ETC Securities are in global form and the Global Registered Security is held by or on behalf of the Clearing System, in considering the interests of ETC Holders, the Security Trustee may have regard to any information provided to it by the Clearing System or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Registered Security and may consider such interests on the basis that such accountholders or participants were the holder(s) thereof.

16. **Replacement of ETC Securities**

If an ETC Security is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the Specified Office of the Registrar (in such capacity the "**Replacement Agent**"), in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed ETC Security is subsequently presented for payment there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such ETC Security) and otherwise as the Issuer may require. Mutilated or defaced ETC Securities must be surrendered before replacements will be issued.

17. **Transfers**

(a) Transfers

Legal title to the ETC Securities, unless otherwise agreed between the Issuer and the Clearing Systems, will be held by a nominee for the Clearing Systems. It is intended that ownership of the entitlements to interests in the ETC Securities will, subject to the applicable rules, procedures and practices of the Clearing Systems transfer upon the entry of such transfer in their systems and the associated crediting of book-entry accounts in the Clearing Systems and of their respective participants, as recorded in the Register maintained by the Registrar in accordance with the provisions of the Agency Agreement and the Trust Deed.

All transactions in respect of the ETC Securities (including, without limitation, transfers of the ETC Securities) in the open market or otherwise must be effected through an account with a Relevant Clearing System. All transfers of the ETC Securities shall be subject to and made in accordance with the rules, procedures and practices in effect of the Relevant Clearing System.

(b) Transfer of ETC Securities Represented by Permanent Global Registered Securities

If the ETC Securities are to be represented by a Global Registered Security on issue, transfers of the holding of ETC Securities represented by such Global Registered Security pursuant to Condition 2(c) (*Title*) may only be made in part:

- (i) if the ETC Securities represented by such Global Registered Security are held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) above, the holder of the ETC Securities represented by such Global Registered Security has given the Registrar not less than 30 days’ notice at its Specified Office of such holder’s intention to effect such transfer. Where the holding of ETC Securities represented by such Global Registered Security is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Registered Security. Where transfers are permitted in part, Certificates issued to transferees shall be Individual Securities unless the transferee requests otherwise and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

18. **Further Issues**

Subject to Condition 5 (*Security and Application of Proceeds*), the Issuer may (without the consent of the Trustee or any ETC Holder), from time to time, in accordance with the Trust Deed, the Conditions and the Agency Agreement, create and issue further securities either:

- (a) having the same terms and conditions as the ETC Securities in all respects (other than the issue date and Metal Entitlement) and so that such further issue shall be consolidated and form a single series with the ETC Securities and the Issuer may incur further obligations relating to such ETC Securities; or
- (b) that are not consolidated and do not form a single Series with the ETC Securities and that are secured on separate assets than the ETC Securities and that are issued upon such terms as the Issuer may determine at the time of their issue and in respect of which the Issuer may incur further obligations relating to such securities.

Any new securities forming a single series with the ETC Securities and which are expressed to be constituted by the Trust Deed and secured by the Security Documents for the Series of which such ETC Securities form a part will, upon the issue thereof by the Issuer, be constituted by the Trust Deed and secured by the Security Documents without any further formality and irrespective of whether or not the issue of such securities contravenes any covenant or other restriction in the Trust Deed or the Programme Maximum Number of ETC Securities and shall be secured by the Secured Property (as increased and/or supplemented in connection with such issue of such new securities) and references in these Conditions to “**ETC Securities**”, “**Secured Assets**”, “**Secured Agent Rights**”, “**Secured Property**”, “**Secured Issuer Obligations**”, “**Other Issuer Obligations**”, “**Secured**

**Creditors**", **Other Creditors**" and any other defined term where the context so requires shall be construed accordingly.

19. **Notices**

All notices to holders of ETC Securities shall be valid if:

(a)

(i) for so long as the ETC Securities are in definitive form:

(A) published in a daily newspaper with general circulation in the country of the Relevant Stock Exchange; and/or

(B) published on the website of one or more RIS(s) approved for such purposes by the applicable Relevant Stock Exchange(s),

and, in each case, any such notice shall be conclusively presumed to have been received by the holders; or

(ii) for so long as the ETC Securities are in global form represented by a Global Registered Security, given by their being delivered (so long as the Global Registered Security is held on behalf of a Relevant Clearing System) to such Relevant Clearing System or otherwise to the holder of the Global Registered Security, and any such notice shall be deemed to have been given to the holders of the ETC Securities on the Business Day immediately following the day on which the notice was given to the Clearing System or the holder of the Global Registered Security; and

(b) to the extent not satisfied by publication in accordance with Condition 19(a)(i) or (ii) (as the case may be), for so long as the ETC Securities are listed on any Relevant Stock Exchange, published in accordance with the rules and regulations of such Relevant Stock Exchange or other relevant authority.

If any such publications above are not practicable, notice shall be validly given if published in a leading daily newspaper with general circulation in the relevant country. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

20. **Regulatory Requirement Amendments**

If the Administrator determines that a Regulatory Requirement Event has occurred, it may notify the Issuer of any modifications that it determines are required to be made to the Conditions and/or any Transaction Document (except for the Authorised Participant Agreement) (such amendments, the **"Regulatory Requirement Amendments"**) in order to cause (as applicable):

(a) the ETC Securities and the transactions contemplated by the Conditions and the Transaction Documents to be compliant with all Relevant Regulatory Laws;

(b) the Issuer and each Transaction Party to be compliant with all Relevant Regulatory Laws; or

(c) the Issuer and each Transaction Party to be able to continue to transact future business (as issuer of ETC Securities or as a transaction party to the Issuer pursuant to the Programme) in compliance with all Relevant Regulatory Laws.

The Administrator shall immediately send a copy of any such notice to all Transaction Parties (other than the Authorised Participants).

If the Issuer receives such a notice from the Administrator, it shall, without the consent of the Security Trustee or the ETC Holders, promptly make the Regulatory Requirement Amendments, provided that:

- (i) no Early Redemption Trade Date or Early Redemption Settlement Date has occurred in respect of the ETC Securities;
- (ii) the Regulatory Requirement Amendments will not:
  - (A) amend the date of maturity or redemption of the ETC Securities;
  - (B) reduce or cancel the Redemption Amount, the Nominal Amount or the Specified Interest Amount payable on redemption of the ETC Securities;
  - (C) reduce or cancel the Metal Entitlement or vary the method of, or basis for, calculating the Metal Entitlement (unless such Regulatory Requirement Amendment involves an amendment to the applicable Total Expense Ratio, which shall be permitted);
  - (D) vary any method of, or basis for, calculating the Final Redemption Amount or the Early Redemption Amount;
  - (E) exchange or substitute any of the Underlying Metal; or
  - (F) have a material adverse effect on the validity, legality or enforceability of the Security or on the priority and ranking of the Security;
- (iii) the Regulatory Requirement Amendments are agreed to by each party to the affected Transaction Documents (in each case, such consent not to be unreasonably withheld or delayed) and the Trustee; and
- (iv) the Administrator certifies in writing (such certificate, a “**Regulatory Requirement Amendments Certificate**”) to the Trustee that (A) the purpose of the Regulatory Requirement Amendments is solely as set out in Conditions 20(a) to 20(c) and (B) the Regulatory Requirement Amendments satisfy the requirements of paragraph (ii) above.

The Trustee may rely, without further enquiry and without liability to any person for so doing, on a Regulatory Requirement Amendments Certificate. Upon receipt of a Regulatory Requirement Amendments Certificate, the Trustee shall agree to the Regulatory Requirement Amendments without seeking the consent of the ETC Holders or any other party and concur with the Issuer (at the Issuer’s expense) in effecting the Regulatory Requirement Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be required to agree to the Regulatory Requirement Amendments if, in the opinion of the Trustee (acting reasonably), the Regulatory Requirement Amendments would (x) expose the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (y) impose more onerous obligations upon it or expose it to any additional duties or responsibilities or reduce or amend the protective provisions afforded to the Trustee in the Conditions or any Transaction Document of any Series.

None of the Administrator, the Trustee or the Security Trustee shall have any duty to monitor, enquire or satisfy itself as to whether any Regulatory Requirement Event has occurred. The Administrator

shall not have any obligation to give, nor any responsibility or liability for giving or not giving, any notice to the Issuer and the Transaction Parties that a Regulatory Requirement Event has occurred.

Any Regulatory Requirement Amendments will be binding on the Issuer, the Transaction Parties and the ETC Holders.

21. **Clearing Systems**

None of the Issuer nor any Transaction Party will have any responsibility for the performance by the Clearing Systems (or their participants or indirect participants) of any of their respective obligations under the rules and procedures governing their operations.

Where the ETC Securities are held in a Clearing System, a reference in these Conditions to a deposit or return of such ETC Securities shall be deemed to refer to the taking of such action by an account holder in the Clearing System as is required to deposit or return such account holder's interest in the ETC Securities in or to the relevant account in the Clearing System.

22. **Governing Law and Jurisdiction**

(a) **Governing Law**

The Issue Deed, the Trust Deed, the Irish Law Security Trust Deed, the Agency Agreement and the ETC Securities (including these Conditions and any Global Registered Security), and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, the laws of Ireland.

The English Law Security Trust Deed and any non-contractual obligations arising out of or in connection with it is governed by, and shall be construed in accordance with, English law.

(b) **Jurisdiction**

The courts of Ireland are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with any ETC Securities and, accordingly, any legal action or proceedings arising out of or in connection with any ETC Securities ("**Proceedings**") may be brought in such courts. The parties to the Trust Deed have irrevocably submitted to the jurisdiction of such courts and waived any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is for the benefit of each of the Trustee, the Security Trustee and the ETC Holders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) **Service of Process**

In respect of a Series, each of the Trustee, the Security Trustee, the Custodian and each Metals Counterparty agrees to appoint, on or around the Series Issue Date, a process agent as its agent to receive, for and on its behalf, service of process in any Proceedings in Ireland. The process agent in respect of each such party appointing a process agent shall either (i) be the party specified as its process agent for the Series in the Issue Deed for the first Tranche for such Series or (ii) if no such process agent is specified in such Issue Deed in respect of such party, be notified to the Trustee as soon as reasonably practicable following its appointment. Service of process on any such process agent shall be deemed valid service upon the party appointing such process agent, whether or not it is forwarded to and received by the appointing party. Each party appointing a process agent shall inform the Trustee in writing of any change in its process agent's address within 28 calendar days of

such change. If for any reason any such process agent ceases to be able to act as such or no longer has an address in Ireland, each party who has appointed such process agent irrevocably agrees to appoint a substitute process agent in Ireland reasonably acceptable to the Trustee and to deliver to the Trustee a copy of the substitute process agent's written acceptance of that appointment, within 14 calendar days. Each party appointing a process agent irrevocably consents to any process in any Proceedings anywhere being served by mailing a copy by registered post to such process agent. However, nothing in this Condition 22(c) shall affect the right to serve process in any other manner permitted by law.

**23. Administrator, Registrar and Paying Agents**

- (a) *Administrator, Registrar and Paying Agents solely agents of Issuer.* In acting under the Administration Agreement, the Agency Agreement and/or the Principal Paying Agency Agreement, as the case may be, in connection with the ETC Securities, the Administrator, the Registrar and the Paying Agents respectively act solely as agents of the Issuer and (to the extent provided therein) the Trustee and do not assume any fiduciary duties or any obligations towards or relationship of agency or trust for or with any of the ETC Holders.
- (b) *Administrator, Registrar and Paying Agents:* The Specified Offices of the Administrator, the Registrar, and the Paying Agents are set out below.

The Administrator is Apex Fund Services (Ireland) Limited and its Specified Office is 2<sup>nd</sup> Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin D01 P767, Ireland.

The Registrar is The Bank of New York Mellon SA/NV, Luxembourg Branch and its Specified Office is at Vertigo Building, Polaris, 2-4 rue Eugene Ruppert, L-2453 Luxembourg.

The Principal Paying Agent is The Bank of New York Mellon, London Branch and its Specified Office is at One Canada Square, London E14 5AL, United Kingdom.

Subject to Condition 11(f) (*Appointment of Agents*), the Issuer reserves the right (with the prior written approval of the Trustee) to vary or terminate the appointment of the Administrator, the Registrar or any Paying Agent (having given the requisite period of notice) and to appoint a successor administrator, registrar or principal paying agent and additional or successor paying agents at any time. Notice of any change in the Administrator, the Registrar or any Paying Agent, or in any of their Specified Offices, shall promptly be given to the ETC Holders in accordance with the Notices Condition.

- (c) *Maintenance of Registrar and Paying Agents:* The Issuer shall at all times maintain:
- (i) a Registrar; and
- (ii) for so long as the ETC Securities are listed on any stock exchange or admitted to trading by any other relevant authority, a paying agent with a Specified Office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority).