

**BASE PROSPECTUS SUPPLEMENT NO.2 DATED 9 JUNE 2021 TO THE BASE PROSPECTUS DATED 1 DECEMBER 2020**

**Ridgex Investments plc**

*(incorporated as a public company with limited liability under the laws of Ireland)*

**GPF Physical Metal ETC Securities Programme**

This Supplement (the "**Supplement**") dated 9 June 2021 is supplemental to, forms part of and must be read and construed in conjunction with, the base prospectus dated 1 December 2020, as supplemented by the first supplement dated 22 December 2020 (the "**First Supplement**") (together, the "**Base Prospectus**") prepared by Ridgex Investments plc (the "**Issuer**") in connection with its GPF Physical Metal ETC Securities Programme (the "**Programme**"). Terms defined in the Base Prospectus have the same meaning when used in this Base Prospectus Supplement.

The Base Prospectus can be viewed online at [https://www.ridgexmetals.com/storage/product\\_documents/Base-Prospectus-20201201.PDF](https://www.ridgexmetals.com/storage/product_documents/Base-Prospectus-20201201.PDF).

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the ETC Securities that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the ETC Securities.

The Issuer consents to the use of the Base Prospectus, as supplemented by this Supplement in any of Austria, Belgium, Denmark, Finland, Germany, Ireland, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway and Sweden by any financial intermediary which was given consent to use the Base Prospectus, as supplemented by this Supplement. This consent is valid for 12 months from the date of publication of the Base Prospectus. The Issuer accepts responsibility for the contents of the Base Prospectus, as supplemented by this Supplement. To the best of the knowledge of the Issuer, the information contained in this Base Prospectus Supplement is in accordance with the facts and contains no omission likely to affect its import.

This Supplement has also been approved by the Financial Conduct Authority (the "**FCA**") as competent authority under the UK Prospectus Regulation (as defined below). The FCA only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the UK version of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"). Such approval by the FCA should not be considered as an endorsement of the Issuer or the quality of the ETC Securities that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the ETC Securities. The Issuer consents to the use of the Base Prospectus, as supplemented by this Supplement in the United Kingdom and accepts responsibility for the contents of the Base Prospectus, as supplemented by this Supplement also with respect to the subsequent resale or final placement of securities by any financial intermediary which was given consent to use the Base Prospectus, as supplemented by this Supplement. This consent is valid for 12 months from the date of publication of the Base Prospectus.

The Issuer consents to the use of the Base Prospectus, as supplemented by this Supplement in Switzerland and accepts responsibility for the contents of the Base Prospectus, as supplemented by this Supplement also with respect to the subsequent resale or final placement of securities by any financial

intermediary which was given consent to use the Base Prospectus, as supplemented by this Supplement. This consent is valid for 12 months from the date of publication of the Base Prospectus.

Investors should be aware of their rights under Article 23(2) of the Prospectus Regulation and the UK Prospectus Regulation. In accordance with Article 23(2) of the Prospectus Regulation and the UK Prospectus Regulation, investors who have agreed to purchase or subscribe for ETC Securities before this Supplement is published have the right, exercisable before the end of the period of three working days beginning with the working day after the date on which this Supplement is published, to withdraw their acceptances, which right shall thereafter expire at the close of business on 14 June 2021. Investors wishing to withdraw their acceptances should contact their brokers for details of how to exercise this right.

To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated into the Base Prospectus, the statements in this Supplement will prevail.

Save as disclosed in this Supplement there has been no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of ETC Securities issued under the Programme since the publication of the Base Prospectus. References to “this Base Prospectus” in the Base Prospectus shall hereafter mean the Base Prospectus as supplemented by the First Supplement and this Supplement.

## **PURPOSE OF THE SUPPLEMENT**

The purpose of this Supplement is to: (i) correct certain statements in the Base Prospectus regarding the roles of ICBC Standard Bank plc and Metaal Transport B.V., the custody arrangements in relation to Base Metals and documents evidencing Base Metals held for the Issuer; (ii) to make certain consequential amendments to the defined terms in the Conditions applicable to the ETC Securities applicable to Base Metals; (iii) to reflect certain changes to the management and supervision of the Custodian; (iv) to include disclosure regarding the tax treatment of the ETC Securities in Italy; (v) to clarify the arrangements with regard to insurance of Base Metals in transit evidenced by Bills of Lading held for the Issuer; and (vi) to disclose that the Base Prospectus and any supplements thereto may be filed in Switzerland as a foreign prospectus that is deemed approved for entry on the list of approved prospectuses and that the Issuer may make an application for ETC Securities issued under the Programme to be admitted to the official list of the SIX Swiss Exchange and to trading on the regulated market thereof.

## **AMENDMENTS TO THE BASE PROSPECTUS**

With effect from the date of this Supplement the information appearing in the Base Prospectus shall be amended and/or supplemented in the manner described below.

## **COVER PAGE**

The third sentence of the fifth paragraph on the first page of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“In addition, any Authorised Participant may, by the exercise of the relevant option, require the Issuer to repurchase such ETC Security, by delivery of (i) an amount of the relevant Metal in unallocated form (in the case of Precious Metals) or (ii) an amount in USD or a combination of LME Warrants and an amount in USD for an amount of the relevant Metal (in the case of Base Metals), such amount of relevant Metal being in each case equal to the aggregate Metal Entitlement of the ETC Securities being repurchased, to such Authorised Participant in accordance with the prescribed methods for delivery.”

## **IMPORTANT INFORMATION**

### ***Warnings***

The first paragraph in the sub-section entitled “*Warnings*” within the section entitled “*Important Information*” on page 3 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“Any decision to invest in the ETC Securities, which are exchange-traded, secured, limited recourse securities linked to the performance of specified Metals, should be based on consideration by the investor of the Base Prospectus, the Issue Specific Summary and the key information document (the “**KID**”) (applicable for EEA retail investors and, following the United Kingdom’s exit from the European Union, located in the United Kingdom, and Swiss retail investors, as soon as this prospectus is filed in Switzerland with a review body (*Prüfstelle*) approved by the Swiss Financial Market Supervisory Authority FINMA (“**FINMA**”) (together “**EEA, UK and Swiss Retail Investors**”)) of the relevant ETC Securities as a whole, including the Final Terms applicable to the relevant Series of ETC Securities.”

The references to “**EEA and UK Retail Investors**” on pages 8, 10, 12, 324 and 328 of the Base Prospectus shall be deemed deleted and replaced with references to “**EEA, UK and Swiss Retail Investors**”.

### **Responsibility**

The sixth paragraph within the sub-section entitled “*Responsibility*” within the section entitled “*Important Information*” on page 5 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“ICBC Standard Bank plc (“**ICBC Standard Bank**”) accepts responsibility for the information contained in this Base Prospectus under the heading “*Description of the Primary Sub-Custodians – ICBC Standard Bank*” (the “**ICBC Standard Bank Information**”). To the best knowledge of ICBC Standard Bank, the information in the ICBC Standard Bank Information is in accordance with the facts and makes no omission likely to affect its import.”

### **Consent**

The first six lines of the paragraph in the sub-section entitled “*Consent*” within the section entitled “*Important Information*” on page 6 of the Base Prospectus shall be deemed deleted and replaced with the following six lines:

“The Issuer consents to the use of the Base Prospectus, and accepts responsibility for the content of the Base Prospectus, with respect to the subsequent resale or final placement by way of public offer of a Series of ETC Securities in any of Austria, Belgium, Denmark, Finland, Germany, Ireland, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway, Sweden, Switzerland and the United Kingdom by:”

### **Key Information Document**

The following sentence shall be deemed added at the end of the paragraph in the sub-section entitled “*Key Information Document*” within the section entitled “*Important Information*” on page 12 of the Base Prospectus:

“The KID issued pursuant to the PRIIPs Regulation may be used as a KID in Switzerland according to Article 59 para. 2 FinSA as soon as this prospectus is filed in Switzerland with a review body (*Prüfstelle*) approved by the Swiss Financial Market Supervisory Authority FINMA (“**FINMA**”).”

### **Approval**

The following paragraph shall be deemed added at the end of the sub-section entitled “*Approval*” within the section entitled “*Important Information*” on page 13 of the Base Prospectus:

“This prospectus and any supplements hereto may be filed in Switzerland with a review body (*Prüfstelle*) approved by the FINMA as a foreign prospectus that is deemed approved according to Article 54 para. 2 of the Swiss Federal Financial Services Act (“**FinSA**”) for entry on the list of approved prospectuses according to Article 64 para. 5 FinSA, deposited with this review body and published according to Article 64 FinSA.”

### ***Admission to Trading***

The third and fourth sentences within the first paragraph of the sub-section entitled “*Admission to Trading*” within the section entitled “*Important Information*” on page 13 of the Base Prospectus shall be deemed deleted and replaced with the following sentences:

“The Issuer may also make an application for ETC Securities issued under the Programme for the period of 12 months from the date of approval of this Base Prospectus to be admitted to the official list of the SIX Swiss Exchange and to trading on the regulated market thereof according to the regulatory standard for exchange traded products (such regulated market, the “**SIX Swiss Exchange**”). A Series of ETC Securities may be listed and/or admitted to trading on such other or further stock exchanges as may be agreed between the Issuer and the Arranger. References in this Base Prospectus to ETC Securities being “listed” (and all related references) shall mean that such ETC Securities have been admitted to the official list of the London Stock Exchange and/or the *Deutsche Börse* and to trading on the regulated market(s) thereof and may also mean that such ETC Securities have been admitted to the official list of the *Borsa Italiana* and/or the SIX Swiss Exchange and to trading on the *Borsa Italiana* and/or the SIX Swiss Exchange, and/or have been admitted to the official list and to trading on the regulated market of any other Stock Exchange.”

## **RISK FACTORS**

### ***Risks relating to the Issuer’s service providers***

The second and third sentences in the Risk Factor 3.1 entitled “*Risks relating to the Issuer’s service providers – Potential credit exposure to the Custodian and Primary Sub-Custodians*” on page 47 of the Base Prospectus shall be deemed deleted and replaced with the following sentences:

“In the case of any LME Warrants delivered in connection with Subscriptions of ETC Securities backed by Base Metals, these will be held by the Custodian on the Issuer’s behalf in a dedicated LME clearing and warrant sub-account with a Primary Sub-Custodian. In the case of any Bills of Lading delivered in connection with Subscriptions of ETC Securities backed by Base Metals, these will be held by the Custodian on the Issuer’s behalf with Metaal Transport. Each of the Custodian, the relevant Primary Sub-Custodian and Metaal Transport are required to reflect in their respective books and ledgers that such LME Warrants or Bills of Lading are held as custodial assets on behalf of the Issuer and separate from any other assets of the Custodian, the relevant Primary Sub-Custodian, Metaal Transport or their respective customers.”

The fourth sentence of the second paragraph of the Risk Factor numbered 3.10 entitled “*Risks relating to the Issuer’s service providers - The Custodian and the Primary Sub-Custodians are subject to limited oversight and supervision*” on page 56 of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“In addition, each Primary Sub-Custodian is required, in relation to any LME Warrants held by it for the Custodian on behalf of the Issuer, to permit the Custodian, the Issuer, the Administrator and their identified

representatives, independent public accountants and auditors access to its premises, upon reasonable notice during normal business hours, to examine such records relating to such LME Warrants as they may reasonably require.”

## **POTENTIAL CONFLICTS OF INTEREST**

The sub-section entitled “*ICBC Standard Bank plc as Primary Sub-Custodian and Metals Counterparty*” in the Section entitled “*Potential Conflicts of Interest*” on page 75 of the Base Prospectus shall be deemed deleted.

## **FREQUENTLY ASKED QUESTIONS**

### ***How is the product physically backed?***

The fifth and sixth paragraphs under the sub-heading “*How is the product physically backed?*” in the Section entitled “*Frequently Asked Questions*” on page 77 of the Base Prospectus shall be deemed deleted and replaced with the following paragraphs:

“In the event that, upon a Subscription of ETC Securities backed by Base Metals, the relevant Metals Counterparty determines that the required quantity of physical Metal of the relevant type is not available at the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian for delivery to the Issuer on the Subscription Settlement Date, ETC Securities may be issued to an Authorised Participant in exchange for delivery to the Custodian on behalf of the Issuer of:

(a) specific physical Lots of the relevant type of Metal in transit on board a ship or other vessel, title to which is evidenced by a Bill of Lading, which Bill of Lading shall be held temporarily by the Custodian on behalf of the Issuer with Metaal Transport, until such physical Lots are delivered to the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian and deposited to the Off-Warrant Account of the Issuer for the relevant Series, upon which title to such Metal will be evidenced by a Warehouse Release; or

(b) if the quantity of physical Lots of the relevant Base Metal required for any Subscription are not available at the relevant LME Approved Warehouse or in transit, LME Warrants for specific physical Lots of the relevant type of Metal, which LME Warrants shall be held temporarily by the Custodian on behalf of the Issuer with a Primary Sub-Custodian, until such time as the required quantity of physical Lots becomes available in transit or off warrant at the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian; upon such physical Lots becoming available, the Custodian shall deliver such LME Warrants to a Metals Counterparty in exchange for such physical Lots at the relevant LME Approved Warehouse or for a Bill of Lading for Metal in transit on board a ship (with any such Bill of Lading then being held by the Custodian on behalf of the Issuer with Metaal Transport until such physical Lots are delivered to the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian and deposited to the Off-Warrant Account of the Issuer for the relevant Series, upon which title to such Metal will be evidenced by a Warehouse Release).

If physical Metal is available at the LME Approved Warehouse of a Primary Sub-Custodian or Sub-Custodian, the Metals Counterparty will use the funds received from the Authorised Participant to purchase such physical Metal and deliver it to the Off-Warrant Account of the Issuer on settlement of the Subscription. Only if such physical Metal is not available, will the Metals Counterparty be permitted to purchase physical Metal in transit (evidenced by a Bill of Lading) and only if no physical Metal in transit is available, the Metals Counterparty may purchase LME Warrants to deliver to the Custodian to be held in custody with a Primary Sub-Custodian for the Issuer on settlement of the Subscription. As soon as physical Metal becomes available (whether in transit and evidenced by a Bill of Lading or at the LME

Approved Warehouse of a Primary Sub-Custodian or Sub-Custodian), the Custodian will exchange such LME Warrants for such physical Metal.”

#### ***What is a Bill of Lading?***

The first sentence under the sub-heading “*What is a Bill of Lading?*” in the Section entitled “*Frequently Asked Questions*” on page 78 of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“A “**Bill of Lading**”, in respect of any Base Metal in transit delivered by a Metals Counterparty to the Issuer in connection with a Subscription, is a document (which may be in electronic form) issued by the master of a ship carrying a shipment of Base Metal to the person consigning such Base Metal, constituting a receipt for a specified quantity of Base Metal, accompanied by supporting documents identifying the specific Lots comprising such quantity of Base Metal, evidencing the carrier’s obligation to deliver such Metal in good condition to the consignee named in such document, which document has been endorsed to the Issuer and delivered by a Metals Counterparty to the Custodian to hold on behalf of the Issuer, together with a final release document addressed by such Metals Counterparty to the Issuer evidencing the transfer of ownership of such Base Metal to the Issuer.”

#### ***What is a Warehouse Receipt?***

The sub-heading “*What is a Warehouse Receipt?*” and the paragraph under such sub-heading in the section entitled “*Frequently Asked Questions*” on page 78 of the Base Prospectus shall be deemed deleted and replaced with the following sub-heading and paragraph:

#### **“What is a Warehouse Release?”**

A warehouse release is, 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 Lot of such Base Metal of a specified brand that is stored off warrant at a specified location and warehouse. All warehouse releases evidencing the Issuer’s Base Metals will be held in safe custody by the Custodian or the relevant Primary Sub-Custodian holding the account on behalf of the Issuer at the LME Approved Warehouse of a Primary Sub-Custodian or other Sub-Custodian.”

Each reference to a “**Warehouse Receipt**” or to “**Warehouse Receipts**” on pages 32, 36, 48, 54, 55, 77, 78, 79, 80, 81, 89, 95, 96, 97, 98, 101, 103, 111, 130, 212, 213, 221, 225, 231, 232, 273, 274, 276 and 277 of the Base Prospectus shall be deemed deleted and replaced with a reference to a “**Warehouse Release**” or “**Warehouse Releases**”, as applicable.

#### ***What is an LME Warrant?***

The fourth sentence under the sub-heading “*What is an LME Warrant?*” in the Section entitled “*Frequently Asked Questions*” on page 78 of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“All LME Warrants delivered to the Issuer upon settlement of any Subscriptions will be held in safe custody in a dedicated LME clearing and warrant sub-account for the Custodian on behalf of the Issuer with a Primary Sub-Custodian.”

#### ***How is the physical metal stored?***

The fourth paragraph under the sub-heading “*How is the physical metal stored?*” within the Section entitled “*Frequently Asked Questions*” on page 79 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“The physical Base Metals backing each Series of ETC Securities are held on behalf of the Issuer in off-warrant metal storage accounts at LME Approved Warehouses in the name of the Custodian or relevant Primary Sub-Custodian, title to which is evidenced by Warehouse Releases. Base Metal, title to which is evidenced by a Bill of Lading or LME Warrant, may also be held temporarily for the Custodian on behalf of the Issuer, with such Bills of Lading being held with Metaal Transport and such LME Warrants being held with a Primary Sub-Custodian.”

#### ***Who are the Primary Sub-Custodians?***

Sub-paragraph (b) of the first sentence in the sub-section entitled “*Who are the Primary Sub-Custodians?*” within the Section entitled “*Frequently Asked Questions*” on page 83 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraph:

“(b) in the case of Base Metals: Metaal Transport B.V., a company incorporated under the laws of The Netherlands, with its registered office at Heijplaatweg 16, 3089 JC, Rotterdam, The Netherlands (“**Metaal Transport**”).”

The second sentence in the sub-section entitled “*Who are the Primary Sub-Custodians?*” within the Section entitled “*Frequently Asked Questions*” on page 83 of the Base Prospectus shall be deemed deleted.

#### ***Who are the Metals Counterparties?***

Sub-paragraph (ii) in the sub-section entitled “*Who are the Metals Counterparties?*” within the Section entitled “*Frequently Asked Questions*” on page 83 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraph:

“(ii) the Issuer may from time to time appoint any other entity which is an affiliate of the Arranger or of a Metals Counterparty or a bank or investment firm incorporated in and operating from the UK and authorised by the Prudential Regulatory Authority and/or the Financial Conduct Authority and which, in the case of Precious Metals, is a member of the LBMA and has the ability to make loco London transfers of Metal on an unallocated or allocated basis or, in the case of Base Metals, is a member of the LME and has either an LME clearing and warrant account or a metal storage account with a Primary Sub-Custodian or other Sub-Custodian, to act as a Metals Counterparty in respect of one or more Series of ETC Securities issued under the Programme.”

## **INTRODUCTION TO THE PROGRAMME**

### ***Subscription***

Sub-paragraphs (b)(i) and (ii) in the sub-section entitled “*Subscription*” within the section entitled “*Introduction to the Programme*” on page 89 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraphs:

“(i) specific physical Lots of the relevant Metal in transit on board a ship or other vessel, title to which is evidenced by a Bill of Lading held by the Custodian on behalf of the Issuer with Metaal Transport, until such Metal is delivered to the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian and deposited to the Off-Warrant Account of the Issuer for the relevant Series and a Warehouse Release issued for such Metal; or

(ii) if such quantity of physical Lots of the relevant Base Metal are not available in transit, LME Warrants for specific physical Lots of the relevant Metal, held by the Custodian on behalf of the Issuer with a Primary Sub-Custodian, until such time as the required quantity of physical Metal becomes available in transit or off warrant at the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian, upon which the Custodian shall deliver such LME Warrants to an Eligible Seller in exchange for a Bill of Lading (to be held until such Metal arrives at the LME Approved Warehouse) or deliver such LME Warrants to an Eligible Seller of such Metal in exchange for physical Lots and deposit such Metal to the Off-Warrant Account of the Issuer for the relevant Series, upon which a Warehouse Release shall be issued for such Metal,”

## **TRANSACTION PARTIES**

### ***Metals Counterparties***

The first paragraph of the sub-section entitled “*Metals Counterparties*” within the section entitled “*Transaction Parties*” on page 93 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“The Issuer will appoint Global Palladium Fund, L.P. to act as a Metals Counterparty in respect of each Series of ETC Securities to be issued under the Programme and may appoint other entities from time to time to act as a Metals Counterparty in respect of Series of ETC Securities issued under the Programme, as specified in the Final Terms on the Series Issue Date or as notified to the ETC Holders in accordance with Condition 19 (*Notices*). Any such entity shall be an affiliate of the Arranger or of a Metals Counterparty or a bank or investment firm incorporated in and operating from the UK and authorised by the Prudential Regulatory Authority and/or the Financial Conduct Authority and, in the case of Precious Metals, shall be a member of the LBMA which has the ability to make loco London transfers of Metal on an unallocated or allocated basis or, in the case of Base Metals, shall be a member of the LME which has either an LME clearing and warrant account or a metal storage account with a Primary Sub-Custodian or other Sub-Custodian.”

Sub-paragraph (iii) of the first sentence appearing on page 95 of the Base Prospectus in the sub-section entitled “*Metals Counterparties*” within the section entitled “*Transaction Parties*” shall be deemed deleted and replaced with the following sub-paragraph:

“(iii) any Bills of Lading in respect of Metal in transit will be transferred to the Custodian to be held for the Issuer with Metaal Transport until the physical Metal referenced therein arrives at the LME Approved Warehouse of the relevant Primary Sub-Custodian or Sub-Custodian and any LME Warrants will be transferred to the Custodian to be held for the Issuer with a Primary Sub-Custodian until the required quantity of physical Metal becomes available either in transit (upon which such LME Warrants shall be exchanged for a Bill of Lading) or off warrant at the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian (upon which such LME Warrants shall be exchanged for physical Lots of Metal deposited to the Off-Warrant Account of the Issuer for the relevant Series and a Warehouse Release issued for such Metal).”

### ***Temporary Custody of Bills of Lading and LME Warrants for Base Metals***

Sub-paragraphs (i) and (ii) of the sub-section entitled “*Temporary Custody of Bills of Lading and LME Warrants for Base Metals*” within the section entitled “*Transaction Parties*” on page 96 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraphs:

“(i) specific physical Lots of the relevant Metal in transit on board a ship or other vessel, title to which is evidenced by a Bill of Lading, which Bill of Lading will be held temporarily by the Custodian on behalf of the Issuer with Metaal Transport, until such Metal is delivered to the LME Approved Warehouse of the



relevant Primary Sub-Custodian or other Sub-Custodian and deposited to the Off-Warrant Account of the Issuer for the relevant Series, upon which a Warehouse Release will be issued for such Metal; or

(ii) if such quantity of physical lots of the relevant Base Metal are not available in transit, LME Warrants for such quantity of specific physical Lots of the relevant Metal, which LME Warrants will be held temporarily by the Custodian on behalf of the Issuer in a dedicated LME clearing and warrant sub-account with a Primary Sub-Custodian, until such time as the required quantity of specific physical Lots of Metal becomes available in transit (upon which the Custodian shall deliver such LME Warrants to the Eligible Seller in exchange for a Bill of Lading (to be held until such physical Metal arrives at the LME Approved Warehouse)) or off warrant at the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian (upon which the Custodian shall deliver such LME Warrants to the Eligible Seller of the Metal in exchange for such physical Lots and deposit such Metal to the Off-Warrant Account of the Issuer for the relevant Series, upon which a Warehouse Release will be issued for such Metal).”

The second paragraph of the sub-section entitled “*Temporary Custody of Bills of Lading and LME Warrants for Base Metals*” within the section entitled “*Transaction Parties*” on page 97 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“If physical Metal is available at the LME Approved Warehouse of a Primary Sub-Custodian or Sub-Custodian, the Metals Counterparty will use the funds received from the Authorised Participant to purchase such physical Metal and deliver it to the Off-Warrant Account of the Issuer on settlement of the Subscription. Only if such physical Metal is not available, the Metals Counterparty may purchase physical Metal in transit (evidenced by a Bill of Lading) and only if no physical Metal in transit is available, the Metals Counterparty may purchase LME Warrants to deliver to the Custodian to be held in custody with a Primary Sub-Custodian for the Issuer on settlement of the Subscription. As soon as physical Metal becomes available (whether in transit and evidenced by a Bill of Lading or at the LME Approved Warehouse of a Primary Sub-Custodian or Sub-Custodian), the Custodian will exchange such LME Warrants for such physical Metal.”

The second sentence of the first paragraph under the sub-section entitled “*Primary Sub-Custodians*” within the section entitled “*Transaction Parties*” on page 97 of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“The Custodian may appoint other entities from time to time to act as a Primary Sub-Custodian, subject to the consent of the Issuer, the entry into a Primary Sub-Custody Agreement, and notice being given to the ETC Holders of the relevant Series in accordance with Condition 19 (*Notices*).”

## **TRANSACTION STRUCTURE, CASH FLOW AND FLOW OF FUNDS**

### ***Structure***

Sub-paragraph (b) in the second paragraph of the sub-section entitled “*Structure*” within the section entitled “*Transaction Structure, Cash Flow and Flow of Funds*” on page 101 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraph:

“(b) in the case of Base Metals, in off-warrant metal storage accounts in the name of the Custodian, or of a Primary Sub-Custodian for the Custodian, on behalf of the Issuer at the LME Approved Warehouse premises of the relevant Primary Sub-Custodian or Sub-Custodian in The Netherlands.”

The seventh paragraph under the sub-section entitled “*Structure*” within the section entitled “*Transaction Structure, Cash Flow and Flow of Funds*” on page 102 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“The Issuer will only issue the ETC Securities once the Custodian confirms to the Administrator that the specific Bars or specific Lots (as applicable) of Metal representing the Subscription Settlement Amount have been allocated to the Issuer and transferred into an Allocated Account or Off-Warrant Account (as applicable) for the relevant Series or, in the case of Base Metals, that a Bill of Lading for Metal in transit or LME Warrants representing the Subscription Settlement Amount have been delivered to Metaal Transport or to another Primary Sub-Custodian, respectively, to be held for the Custodian on behalf of the Issuer for the relevant Series.”

## **RETURN ON THE ETC SECURITIES**

### ***Return on Buy-Backs of ETC Securities***

Sub-paragraph (c) in the sub-section entitled “*Return on Buy-Backs of ETC Securities*” within the section entitled “*Return on the ETC Securities*” on page 128 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraph:

“(c) in the case of ETC Securities backed by a Base Metal, an amount in USD or a combination of LME Warrants and an amount in USD for an amount of Metal,”

## **DESCRIPTION OF THE UNDERLYING METALS**

### ***Metals***

Sub-paragraphs (i) and (ii) of the second paragraph in the sub-section entitled “*Metals*” within the section entitled “*Description of the Underlying Metals*” on page 130 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraphs:

“(i) specific physical Lots of the relevant Metal in transit on board a ship or other vessel, title to which is evidenced by a Bill of Lading, which Bill of Lading will be held, temporarily, by the Custodian on behalf of the Issuer with Metaal Transport, until such Metal is delivered to the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian and deposited to the Off-Warrant Account of the Issuer for the relevant Series, upon which a Warehouse Release will be issued for such Metal; or

(ii) if such quantity of physical Lots of the relevant Metal are not available in transit, LME Warrants for such quantity of specific physical Lots of the relevant Metal, which LME Warrants will be held, temporarily, by the Custodian on behalf of the Issuer with a Primary Sub-Custodian, until such time as the required quantity of specific physical Metal becomes available in transit (upon which the Custodian shall deliver such LME Warrants to the metal supplier in exchange for a Bill of Lading) or off warrant at the LME Approved Warehouse of the relevant Primary Sub-Custodian or other Sub-Custodian (upon which the Custodian shall deliver such LME Warrants to the supplier of the Metal in exchange for such physical Metal and deposit such Metal to the Off-Warrant Account of the Issuer for the relevant Series, upon which a Warehouse Release will be issued for such Metal).”

The fifth paragraph in the sub-section entitled “*Metals*” within the section entitled “*Description of the Underlying Metals*” on page 130 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“The Lots of Metal held for the Issuer and backing the ETC Securities backed by Base Metals must meet the physical contract specifications for the relevant Metal, including as to brand, quality, weight, purity, grade or chemical composition and shape set by the LME as the relevant trading venue for Base Metals (the “**LME Physical Contract Specifications**”).”

### ***Insurance of Underlying Metals***

The third sentence of the second paragraph in the sub-section entitled “*Insurance of Underlying Metals*” within the section entitled “*Description of the Underlying Metals*” on page 135 of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“In the case of Base Metals in transit, where title to such Metal is evidenced by a Bill of Lading, the shipper of such Metal may have in place insurance in line with industry standards insuring against loss of such Metal as a result of natural events, such as storms or other severe weather events, human error or other human actions.”

## **TERMS OF THE OFFER**

### ***Listing and Admission to Trading***

The following paragraph shall be deemed added as the third paragraph of the sub-section entitled “*Listing and Admission to Trading*” within the section entitled “*Terms of the Offer*” on page 142 of the Base Prospectus:

“Application may also be made to SIX Swiss Exchange for the ETC Securities to be admitted to listing and trading on the SIX Swiss Exchange according to the regulatory standard for exchange.”

## **SETTLEMENT PROCEDURES**

### ***Buy-Back Settlement***

Sub-paragraph (iii) of the ninth paragraph in the sub-section entitled “*Buy-Back Settlement*” within the section entitled “*Settlement Procedures*” on page 144 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraph:

“(iii) in the case of ETC Securities backed by a Base Metal, procure delivery of an amount in USD for such quantity of Metal or LME Warrants for up to such quantity of Metal (and any remaining amount due to the Authorised Participant, as well as any Accrued Rent for such LME Warrants, in USD),”

## **DESCRIPTION OF THE TRANSACTION DOCUMENTS**

### ***Custody Agreement***

Sub-paragraph (iii) of the second paragraph of the sub-section entitled “*Custody Agreement*” within the section entitled “*Description of Transaction Documents*” on page 272 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraph:

“(iii) providing for the custody and safekeeping of any Bills of Lading or LME Warrants delivered to the Custodian on behalf of the Issuer in connection with Subscriptions of ETC Securities backed by a Base Metal, maintaining appropriate records with respect to the holding of such Bills of Lading or LME Warrants by the Custodian on behalf of the Issuer, and procuring that such Bills of Lading are held with Metaal Transport and that such LME Warrants are held by a Primary Sub-Custodian, in each case on a segregated basis for the Custodian on behalf of the Issuer for the account of the relevant Series;”

Sub-paragraph (iv) of the first paragraph under the sub-heading “*Standard of Care*” in the sub-section entitled “*Custody Agreement*” within the section entitled “*Description of Transaction Documents*” on page 273 of the Base Prospectus shall be deemed deleted and replaced with the following sub-paragraph:

“(i) ensures that any Warehouse Releases representing Metal owned by the Issuer are held by the Custodian or a Primary Sub-Custodian on a segregated basis on behalf of the Issuer for the account of the relevant Series, that any Bills of Lading representing Metal owned by the Issuer are held by Metaal

Transport and that any LME Warrants owned by the Issuer are held by a Primary Sub-Custodian, in each case on a segregated basis for the Custodian on behalf of the Issuer for the account of the relevant Series; and”

The first and second paragraphs under the sub-heading “*Monitoring of the performance of the Custodian*” in the sub-section entitled “*Custody Agreement*” within the section entitled “*Description of Transaction Documents*” on page 274 of the Base Prospectus shall be deemed deleted and replaced with the following paragraphs:

“The Custodian is required to permit the Issuer (or its representatives) to visit the premises of the Custodian at least bi-annually for the purpose of examining the books and records maintained by the Custodian with respect to the Allocated Accounts and Off-Warrant Accounts, any Bills of Lading held by the Custodian with Metaal Transport and any LME Warrants held by the Custodian with a Primary Sub-Custodian on behalf of the Issuer. Under the Custody Agreement, this right is subject only to reasonable prior notice being given to the Custodian.

In addition, the Custodian is required to provide periodic reports to the Issuer and the Administrator with respect to the Allocated Accounts and the Off-Warrant Accounts (including the balance, deposits and withdrawals to and from each account over the relevant period and a list of, in the case of Precious Metals, the specific Metal Bars (identified by their respective serial numbers or other distinguishing characteristic) comprising the balance of each Allocated Account and the location(s) at which the Metal comprising the Account Balance is held (the “**Bar List**”) and, in the case of Base Metals, the specific Metal Lots (identified by their respective lot and bundle numbers or other distinguishing characteristic) comprising the balance of each Off-Warrant Account and the location(s) at which the Metal comprising the Account Balance is held (the “**Lot List**”) and the related Warehouse Releases held by the Custodian on behalf of the Issuer. The Custodian shall also provide periodic reports to the Issuer and the Administrator regarding any LME Warrants held by a Primary Sub-Custodian and any Bills of Lading held by Metaal Transport on behalf of the Issuer, including details as to the underlying Base Metal represented by each such LME Warrant or Bill of Lading, by reference to the quantity of such Metal and the specific LME Lots or specific Lots evidenced thereby (identified by their respective lot and bundle numbers or other distinguishing characteristic), which specific LME Lots or specific Lots shall also be included on the Lot List.”

The third paragraph under the sub-heading “*Monitoring of the performance of the Custodian*” in the sub-section entitled “*Custody Agreement*” within the section entitled “*Description of Transaction Documents*” on page 274 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“The Custodian is also required under the Custody Agreement to provide copies of its books and records relating to the Allocated Accounts and Off-Warrant Accounts (including any Warehouse Releases held by it on behalf of the Issuer), as well as any Bills of Lading held with Metaal Transport or LME Warrants held with a Primary Sub-Custodian on behalf of the Custodian to the Issuer and the Administrator at any time upon request.”

The fourth paragraph under the sub-heading “*Monitoring of the performance of the Custodian*” in the sub-section entitled “*Custody Agreement*” within the section entitled “*Description of Transaction Documents*” on page 274 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“The Custodian’s books and records are required to be reconciled each day with the bar or lot lists received from the Primary Sub-Custodians and any other Sub-Custodians to ensure that they accurately reflect the holdings of the specific Bars and specific Lots of Metal held for the Issuer (identified by their respective serial numbers (in the case of Precious Metals) or lot and bundle numbers (in the case of Base Metals) or other distinguishing characteristic) within the vaults or LME Approved Warehouses of the relevant Primary Sub-Custodian(s) and/or Sub-Custodian(s) or represented by Bills of Lading held with

Metaal Transport or LME Warrants held with a Primary Sub-Custodian, (as applicable) at the close of business on each day”.

The third sentence of the third paragraph under the sub-heading “*Metal Audit*” in the sub-section entitled “*Custody Agreement*” within the section entitled “*Description of Transaction Documents*” on page 275 of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“In addition, each Primary Sub-Custodian is required, in relation to any LME Warrants held by it for the Custodian on behalf of the Issuer, to permit the Custodian, the Issuer, the Administrator and their identified representatives, independent public accountants and auditors access to its premises, upon reasonable notice during normal business hours, to examine such records relating to such LME Warrants as they may reasonably require.”

### ***Primary Sub-Custody Agreements***

The third and fourth paragraphs of the sub-section entitled “*Primary Sub-Custody Agreements*” within the section entitled “*Description of Transaction Documents*” on page 276 of the Base Prospectus shall be deemed deleted and replaced with the following paragraphs:

“Each Primary Sub-Custody Agreement with a Primary Sub-Custodian holding LME Warrants for the Issuer is required to contain additional provisions in relation to any LME Warrants held by such Primary Sub-Custodian for the Custodian on behalf of the Issuer from time to time in connection with Subscriptions of ETC Securities backed by Base Metals. Such provisions require the relevant Primary Sub-Custodian to hold such LME Warrants in a dedicated LME clearing and warrant sub-account for the Custodian on behalf of the Issuer, until such time as such LME Warrants can be exchanged for physical Lots of Metal, whether in transit evidenced by a Bill of Lading or deposited to an Off-Warrant Account for the Issuer at the LME Approved Warehouse of a Primary Sub-Custodian or other Sub-Custodian and Warehouse Releases are issued in respect of such Metal. In addition, the relevant Primary Sub-Custodian shall agree, in relation to any LME Warrants held by it for the Custodian on behalf of the Issuer, to permit the Custodian, the Issuer, the Administrator and their identified representatives, independent public accountants and auditors access to its premises, upon reasonable notice during normal business hours, to examine such records relating to such LME Warrants as they may reasonably require.

Each Primary Sub-Custodian is required to clearly segregate in its records such Warehouse Releases and any LME Warrants held by it for the Custodian on behalf of the Issuer from any other assets owned by it or held by it on behalf of its other clients.”

The tenth paragraph under the sub-heading “*Terms of Appointment*” in the sub-section entitled “*Primary Sub-Custody Agreements*” within the section entitled “*Description of Transaction Documents*” on page 278 of the Base Prospectus shall be deemed deleted and replaced with the following sentence:

“Any Primary Sub-Custody Agreement or Sub-Custody Agreement between the Custodian or any Primary Sub-Custodian and Metaal Transport and any non-contractual obligations arising out of or in connection with any such agreement will be governed by, and construed in accordance with, Netherlands law.”

## **DESCRIPTION OF THE CUSTODIAN**

### ***Tokentrust Ltd.***

The paragraph under the sub-heading “*Oversight*” in the section entitled “*Description of the Custodian*” on page 291 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“With regards to certain business activities, which are outside of the Programme (see paragraph above for a general description of Tokentrust’s scope of business), Tokentrust has as of the date of this Base Prospectus applied for membership with a self-regulatory organisation in Switzerland and currently prepares its application for a licence as a securities firm with the Swiss Financial Market Supervisory Authority (FINMA); although no such membership or licence is required for Tokentrust to perform its role as the Custodian under the Programme.”

The following row shall be added at the bottom of the table under the sub-heading “*Management / Directors and Officers*” within the section entitled “*Description of the Custodian*” on page 292 of the Base Prospectus:

«Michael Stockinger	Chief Financial Officer	Baarerstrasse 22, 6300 Zug, Switzerland”
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## DESCRIPTION OF THE PRIMARY SUB-CUSTODIANS

### ***Metaal Transport B.V.***

The first paragraph of the sub-section entitled “*Metaal Transport B.V.*” in the section entitled “*Description of the Primary Sub-Custodians*” on page 297 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“Metaal Transport B.V, (“**Metaal Transport**” or the “**Company**”), a private company limited by shares incorporated under the laws of The Netherlands, registered with the CoC under number: 24290025 and having its registered office at Heijplaatweg 16, 3089 JC Rotterdam, The Netherlands, acts as a Primary Sub-Custodian and may also act as a Sub-Custodian on behalf of other Primary Sub-Custodians for Base Metals under the Programme.”

### ***ICBC Standard Bank plc***

The first paragraph of the sub-section entitled “*ICBC Standard Bank plc*” in the section entitled “*Description of the Primary Sub-Custodians*” on page 301 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“ICBC Standard Bank plc (“**ICBC Standard Bank**” and together with its subsidiaries, the “**ICBC Standard Bank Group**”), a private company limited by shares with its registered office at 20 Gresham Street London, EC2V 7JE, United Kingdom acts as a Primary Sub-Custodian for Precious Metals under the Programme. ICBC Standard Bank is owned 60% by Industrial and Commercial Bank of China Limited (“**ICBC**”) and 40% by Standard Bank London Holdings Limited (“**SBLH**”, itself a wholly-owned subsidiary of Standard Bank Group (“**SBG**”).”

## DESCRIPTION OF THE METALS COUNTERPARTIES

### ***ICBC Standard Bank plc***

The sub-section entitled “*ICBC Standard Bank plc*” in the section entitled “*Description of the Metals Counterparties*” on page 305 of the Base Prospectus shall be deemed deleted.

## TAXATION

The following paragraphs shall be deemed to be added under a new sub-heading "*Italy*" immediately preceding the sub-heading "*Ireland*" within the sub-section entitled "*Taxation*" on page 312 of the Base Prospectus:

*"The following is a summary of current Italian law and practice relating to the taxation of ETC Securities. The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of ETC Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of ETC Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of ETC Securities.*

*As clarified by the Italian tax authorities with resolution No. 72/E of 12 July 2010 - dealing with the Italian tax treatment of investment in secured exchange commodities - the Italian tax consequences of the purchase, ownership and disposal of the ETC Securities depends on whether they represent:*

- (a) a securitized debt claim, implying a static "use of capital" (impiego di capitale), through which the subscriber of the ETC Securities transfers to the Issuer a certain amount of capital for the purpose of obtaining a remuneration on the same capital and subject to the right to obtain its (partial or entire) reimbursement at maturity; or*
- (b) a securitized derivative financial instrument or bundle of derivative financial instruments not entailing a "use of capital", through which the subscriber of the ETC Securities invests indirectly in underlying financial instruments or assets for the purpose of obtaining a profit deriving from the negotiation of such underlying financial instruments or assets.*

*Although no definitive treatment has been determined, the ETC Securities are expected to be treated as derivate financial instruments under the existing Italian tax law and practice, since the investment in the ETC Securities does not entail a "use of capital" to the extent that (i) they do not provide for the accrual of any periodical remuneration on the amount invested and (ii) the profits for the investors in ETC Securities only depends on the value of the Metals. If the ETC Securities would not be treated as derivate financial instruments under the Italian Tax Law or, for whatever reasons, the Italian tax authorities would consider that ETC Securities do not qualify as derivate financial instruments under the Italian Tax Law the taxation to be applied to investors in ETC Securities may significantly differ from the following (see para. "Taxation of ETC Securities qualifying as atypical securities" below).*

#### **Tax treatment of the ETC Securities**

Based on the principles stated by the Italian tax authorities in resolution No. 72/E of 12 July 2010, any income in respect of ETC Securities, qualifying as securitised derivative financial instruments not entailing a "use of capital", would be subject to Italian taxation as capital gains or capital losses.

#### Capital Gains Tax

- (a) Any capital gain or capital loss obtained in respect of the ETC Securities, if actually realised or in any case accounted in the statutory financial statement, would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the ETC Holder, also as part of the net value of production for IRAP purposes) if realised by Italian resident corporations or similar commercial entities (including the Italian permanent establishment of foreign entities to which the relevant ETC Securities are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the relevant ETC Securities are connected.*

(b) Where an Italian resident ETC Holder is (i) an individual not holding ETC Securities in connection with an entrepreneurial activity (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, any income realised by such ETC Holders from the investment in the ETC Securities would be subject to an *imposta sostitutiva*, levied at the current rate of 26 per cent. Under some conditions and limitations, ETC Holders may set off losses with gains.

In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the "tax declaration" regime (*regime della dichiarazione* provided for by Article 5 of the Legislative Decree No. 461 of 21 September 1997, the Decree No. 461), which is the default regime for taxation of capital gains realised by ETC Holders under (i) to (iii) above, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual holding ETC Securities not in connection with an entrepreneurial activity. The relevant ETC Holder must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual holding ETC Securities under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each transaction regarding ETC Securities (the "*risparmio amministrato*" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 September 1997, the Decree No. 461). Such separate taxation of capital gains is allowed subject to (i) ETC Securities being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant ETC Holder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on ETC Securities (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the ETC Holder or using funds provided by the ETC Holder for this purpose. Under the *risparmio amministrato* regime, where a capital loss is realised on the ETC Securities, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the ETC Holder is not required to declare the capital gains in its annual tax return.

Any capital gains realised or accrued by Italian ETC Holders under (i) to (iii) above who have entrusted the management of their financial assets, including ETC Securities, to an authorised intermediary and have validly opted for the so-called "*risparmio gestito*" regime (regime provided by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the ETC Holder is not required to declare the capital gains realised in its annual tax return.

(c) Any capital gains or losses realised by an ETC Holder which is an Italian resident collective investment scheme (other than an Italian pension fund) will be included in the result of the relevant portfolio accrued at the end of the tax period. The Italian investment fund will not be subject to taxation on such result.



(d) Any capital gains or losses realised by a ETC Holder which is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. substitute tax.

(e) Capital gains realised on the ETC Securities by non-Italian resident holders are not subject to Italian taxation, provided that:

- (i) the ETC Securities are held outside of Italy; or
- (ii) if the ETC Securities are held in Italy:
  - a. the subscription of the ETC Securities is concluded - even through the intervention of an intermediary - on regulated markets; or
  - b. the relevant holder complies with certain filing requirements and is: (i) a person (either an individual or a corporation) resident in a State allowing for adequate exchange of information with Italy included in the "white list" provided by Italian Ministerial Decree 4 September 1996, as amended from time to time; (ii) an institutional investor, even though not subject to tax, established in a State allowing for adequate exchange of information with Italy included in the "white list" provided by Italian Ministerial Decree 4 September 1996, as amended from time to time; (iii) is an international body set up in compliance with international treaties entered into force in Italy (e.g., BEI, BERS, etc.); or (iv) is a central bank or an organization also managing official State reserves.

In all other cases, capital gains realised by non-Italian resident holders are subject to the 26 per cent. *imposta sostitutiva*, unless a Tax Treaty against double taxation, if applicable, prevents Italy to tax such capital gains.

#### Taxation of ETC Securities qualifying as atypical securities

The tax treatment of the ETC Securities as derivative instruments described above has been confirmed by the *Italian tax authorities with resolution No. 72/E of 12 July 2010*.

If the ETC Securities would not be treated as derivative financial instruments under the Italian Tax Law or, for whatever reasons, the Italian tax authorities would consider that ETC Securities do not qualify as derivative financial instruments but rather are to be classified as debt instruments implying a "use of capital" (*impiego di capitale*) representing so-called "atypical securities" (*titoli atipici*) pursuant to Article 8 of Law Decree no. 512 of 30 September 1983 (as subsequently amended), a different tax treatment would apply. In particular, interest and other proceeds deriving from "atypical securities" issued by non-Italian resident issuers earned by Italian resident ETC Holders qualify as income from capital and are subject to a 26 per cent. withholding tax applied by the Italian resident intermediary intervening in the relevant collection or in the disposal of the ETC Securities.

Otherwise, if the ETC Securities are held abroad or no Italian intermediaries intervene in the collection of the related proceeds, redemption or negotiation of the ETC Securities, the 26 per cent final withholding tax is paid directly by the taxpayer and the proceeds are required to be reported on the annual tax return.

The above 26 per cent. withholding does not apply to proceeds realized by (a) a non-Italian tax resident holder of the ETC Securities; and (b) to an Italian tax resident holder of the ETC Securities which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution. In this case, proceeds realized by Italian tax resident investors would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the ETC Holder, also as part of the net value of production for IRAP purposes).

#### Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding Euro 1,000,000;
- (b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding Euro 100,000; and
- (c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rate mentioned in (a) to (c) above on the value exceeding, for each beneficiary, Euro 1,500,000.

The payment of the gift and inheritance taxes should be made directly by the relevant heir or donee and not by means of withholding by a tax agent.

An anti-avoidance rule is provided by Law no. 383 of 18 October 2001 for any gift of assets (such as the ETC Securities) which, if sold for consideration, would give rise to capital gains subject to the *imposta sostitutiva* provided for by Legislative Decree no. 461 of 21 November 1997 (see para. "Capital Gains Tax", let. (b) above). In particular, if the beneficiary of the gift sells the ETC Securities for consideration within five years from the receipt thereof as a gift, the same beneficiary is required to pay the relevant *imposta sostitutiva* on capital gains as if the gift had never taken place.

### Transfer Tax

Contracts relating to the transfer of securities (such as ETC Securities) are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at a rate of Euro 200; (ii) private deeds are subject to Euro 200 registration tax only in case of use, cross-reference event or voluntary registration.

### Italian Financial Transaction Tax (IFTT)

Italian shares and other participating instruments, as well as depositary receipts representing those shares and participating instruments irrespective of the relevant issuer (cumulatively referred to as In-Scope Shares), may be subject to a 0.2 per cent. IFTT calculated on the value of the shares or depositary receipts, as determined according to Article 4 of Ministerial Decree of 21 February 2013, as amended (the IFTT Decree).

Holders on derivative transactions or transferable securities and certain equity-linked securities mainly having as underlying or mainly linked to In-Scope Shares are subject to IFTT at a rate ranging between Euro 0.01875 and Euro 200 per counterparty, depending on the notional value of the relevant derivative transaction or transferable securities, calculated pursuant to Article 9 of the IFTT Decree.

IFTT applies upon subscription, negotiation or modification of the derivative transactions or transferable securities. The tax rate may be reduced to a fifth if the transaction is executed on certain qualifying regulated markets or multilateral trading facilities.

Considering their relevant nature, transactions concerning ETC Securities are not subject to the IFTT.

### Stamp duty

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011, converted with Law No. 214 of 22 December 2011 (Decree No. 201), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by Italian established financial intermediaries to their clients for the ETC Securities deposited therewith. The stamp duty applies at a rate of 0.2 per cent. and cannot exceed Euro 14,000 for taxpayers other than individuals. The stamp duty is determined applies on the market value or, if no market value figure is available, the nominal value or redemption amount of the ETC Securities held.

The stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 20 June 2012) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

### Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) of Decree No. 201, Italian resident individuals, non-commercial entities and partnerships and similar entities holding the ETC Securities outside the Italian territory are required to pay an annual additional tax at a rate of 0.2 per cent which cannot exceed Euro 14,000 for taxpayers other than individuals. This tax is calculated on the market value of the ETC Securities at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption value of such ETC Securities held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

### Tax Monitoring

Pursuant to Law Decree No. 167 of 28 June 1990, converted into Law no. 227 of 4 August 1990, as subsequently amended, Italian resident individuals, non-commercial entities and partnerships and similar entities who, during the fiscal year, hold investments abroad must, in certain circumstances, disclose the aforesaid and the transactions related thereto to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as required for the income tax return).

The above reporting obligation is not required if the financial assets are deposited for management with certain Italian financial intermediaries, or if one of such intermediaries intervenes as a counterpart in their transfer, provided that income deriving from such financial assets is collected through the intervention of such an intermediary."

## **SUBSCRIPTION AND SALE**

### ***Selling Restrictions***

The paragraphs under the sub-heading "*Switzerland*" in the sub-section entitled "*Selling Restrictions*" within the section entitled "*Subscription and Sale*" on page 325 of the Base Prospectus shall be deemed deleted and replaced with the following paragraphs:

"The ETC Securities do not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (the "**CISA**"). Therefore, the ETC Securities are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority ("**FINMA**") and investors in the ETC Securities will not benefit from protection under the CISA or supervision by the FINMA.

Except in the circumstances described below, the Issuer has not authorised any resale or final placement of the ETC Securities in a public offering, by any person and under any circumstances (nor do they authorise or consent to any use of the Base Prospectus in this regard). Such unauthorised offers are not being made on behalf of the Issuer by Authorised Participants and neither the Issuer nor the Authorised Participant is responsible or liable for the activities of any person making such an offer. Investors should ascertain in respect of any financial intermediary whether such intermediary is approved as an Authorised Participant. If an investor receives an offer of ETC Securities from a person or entity not approved as an Authorised Participant, the investor should inquire of such person or entity whether any person assumes responsibility for the contents of this Base Prospectus in a public offering of ETC Securities. In case of any doubt on the part of the investor as to whether it can rely on the contents of the Base Prospectus and who is responsible for its contents, the investor should seek legal advice.

Any person subsequently offering, selling or recommending the ETC Securities will be required to confirm, represent and agree that:

(a) it has only made and will only make an offer of the ETC Securities to the public in Switzerland, other than pursuant to an exemption under Article 36 para. 1 of the Swiss Federal Financial Services Act ("**FinSA**") or where such offer does not qualify as a public offer in Switzerland, if and as from the date on which this Prospectus has been filed in Switzerland with a review body (*Prüfstelle*) approved by the FINMA as a foreign prospectus that is considered approved according to Article 54 para. 2 FinSA, entered on the list of approved prospectuses according to Article 64 para. 5 FinSA, deposited with this review body and published according to Article 64 FinSA, and consent has been granted to it to use this Prospectus for a public offer in Switzerland in accordance with Article 36 para. 4 FinSA; or

(b) it has not offered and will not offer, directly or indirectly, ETC Securities to the public in Switzerland, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in Switzerland, this Prospectus or any other offering material relating to the ETC Securities, other than pursuant to an exemption under Article 36 para. 1 FinSA or where such offer or distribution does not qualify as a public offer in Switzerland.

For these purposes "public offer" refers to the respective definitions in Article 3 (g) and (h) FinSA and as further detailed in the Swiss Federal Financial Services Ordinance ("**FinSO**").

The ETC Securities qualify as debt instruments with a "derivative character" (as such expression is understood under FinSA). Accordingly, if ETC Securities are offered to private clients within the meaning of FinSA in Switzerland a key information document under Article 58 FinSA or Article 59 para. 2 FinSA in respect of the ETC Securities must be prepared and published. According to Article 58 para. 2 FinSA, no key information document is required if ETC Securities are acquired for private clients under an asset management agreement. For this purpose, a private client means a person who is not one (or more) of the following: (i) a professional client as defined in Article 4 para. 3 FinSA (not having opted-in on the basis of Article 5 para. 5 FinSA or Article 5 para. 1 FinSA; or (ii) an institutional client as defined in Article 4 para. 4 FinSA; or (iii) a private client with an asset management agreement according to Article 58 para. 2 FinSA. For these purposes "offer" refers to the interpretation of such term in Article 58 FinSA.

ETC Securities to be offered to non-qualified investors within the meaning of the CISA may only be offered or advertised in Switzerland within the limit set out in the FinSA and its implementing ordinance, the FinSO.

The provision of financial services in connection with the ETC Securities may only be made in compliance with the provisions of the FinSA and its implementing ordinance, the FinSO, as amended from time to time, and in particular in compliance with the rules of conduct set out in Article 8 et seq. FinSA."

The fourth paragraph under the sub-heading “*General*” in the sub-section entitled “*Selling Restrictions*” within the section entitled “*Subscription and Sale*” on page 329 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“The Issuer consents to the use of this Base Prospectus, and has accepted responsibility for the content of this Base Prospectus, with respect to the subsequent resale or final placement of ETC Securities by any Authorised Offeror or Authorised Participant in Ireland and, subject to the public offer selling restrictions under the Prospectus Regulation, applicable local regulations and/or completing the appropriate passporting procedure pursuant to the Prospectus Regulation, any of Austria, Belgium, Denmark, Finland, Germany, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway, Sweden, Switzerland and the United Kingdom. This consent is valid for 12 months from the date of publication of this Base Prospectus.”

#### **AMENDMENTS TO THE MASTER TERMS AND CONDITIONS APPLICABLE TO ETC SECURITIES BACKED BY BASE METALS**

**The following amendments to the Master Terms and Conditions shall only apply to any Tranche or Series of ETC Securities backed by a Base Metal. In respect of any Tranche or Series of ETC Securities backed by a Precious Metal, including, for the avoidance of doubt, any Tranche or Series of ETC Securities backed by a Precious Metal issued after the date of this Supplement, the Conditions as set out in the Base Prospectus dated 1 December, as supplemented by the First Supplement, shall apply.**

##### ***Condition 1 – Definitions***

The definition of the term “**Bill of Lading**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 200 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

““**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.”

The definition of the term “**Copper**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 201 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

““**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.”

The following definition of “**LME Lot**” shall be deemed added in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 207 of the Base Prospectus between the definition of “**LME Business Day**” and the definition of “**LME Physical Contract Specifications**”:

“**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%) and in the case of Nickel, each Lot weighs 6 metric tonnes (+/- 2%).”

The definition of “**Lot**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 208 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

“**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.”

The definition of “**Metals Counterparty**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 210 of the Base Prospectus shall be deemed deleted and replaced with the following definition

“**Metals Counterparty**” means, in respect of a Series, (i) Global Palladium Fund, L.P., any successor or replacement thereto; and/or (ii) any other entity which is an affiliate of the Arranger or of a Metals Counterparty or a bank or investment firm incorporated in and operating from the UK and which is authorised by the Prudential Regulatory Authority and/or the Financial Conduct Authority and, in the case of Precious Metals, is a member of the LBMA and has the ability to make loco London transfers of Metal on an unallocated or allocated basis or, in the case of Base Metals, is a member of the LME and has either an LME clearing and warrant account or a metal storage account with a Primary Sub-Custodian or other Sub-Custodian, 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.”

The definition of “**Nickel**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 212 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

“**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.”

The definition of “**Off-Warrant Account (Primary Sub-Custodian)**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 213 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

“**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 for the account of such Series, title to which is evidenced by a Warehouse Release, the 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.”

The definition of “**Over-allocated Metal**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 214 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

“**Over-allocated Metal**” means, in respect of a Series, 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 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 to or from such Sub-Custodian 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 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 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.”

The definition of “**Primary Sub-Custodian**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 216 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

“**Primary Sub-Custodian**” means, in respect of a Series, (i) The Brink’s Company and/or ICBC Standard Bank plc; or (ii) Metaal Transport B.V; and (iii) 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 (iv) 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 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 “**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.”

The definition of “**Secured Assets**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 219 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

“**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 a Precious Metal) or Off-Warrant Account (in the case of a Series backed by a Base Metal), all Underlying Metal held in each such Allocated Account or Off-Warrant Account (as applicable) (including the corresponding Warehouse Releases evidencing title to such Metal) and any Bills of Lading or LME Warrants held by the Custodian on behalf of the Issuer with a Primary 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.”

The definition of “**Warehouse Receipt**” in Condition 1 (*Definitions*) within the section entitled “*Master Terms and Conditions of the ETC Securities*” on page 224 of the Base Prospectus shall be deemed deleted and replaced with the following definition:

“**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.”



**FORM OF FINAL TERMS**

***Metals Counterparty/ies***

Section 14 of Part A of the Final Terms on page 334 of the Base Prospectus:

“Metals Counterparty/ies: [Global Palladium Fund, L.P.] / [[ICBC Standard Bank plc]] / [●]”

shall be amended to read as follows:

“Metals Counterparty/ies: [Global Palladium Fund, L.P.] / [●]”