

Base Prospectus

Amundi Physical Metals plc

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

Secured Precious Metal Linked ETC Securities Programme

Under the Secured Precious Metal Linked ETC Securities Programme (the “**Programme**”) described in this document (the “**Base Prospectus**”), Amundi Physical Metals plc (the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may, from time to time, issue secured precious metal linked ETC Securities. ETC Securities constitute secured, limited recourse obligations of the Issuer and will be issued in Series.

This Base Prospectus comprises a Base Prospectus for the purposes of Article 8.1 of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and for the purpose of giving information with regard to the Issuer and the ETC Securities which, according to the particular nature and circumstances of the Issuer and the ETC Securities, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer.

The contractual terms of any particular series of ETC Securities (each, a “**Series**”) will be made up of the terms and conditions (the “**Conditions**”) set out in the section of this Base Prospectus entitled “*Terms and Conditions of the ETC Securities*”, as completed in respect of each tranche of ETC Securities of a particular Series (each, a “**Tranche**”) by a separate final terms document which is specific to that issuance of ETC Securities (the “**Final Terms**”). All capitalised terms used in this Base Prospectus have the meanings given to them in Condition 1 of the Conditions unless otherwise defined herein.

This Base Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or any Transaction Party that any recipient of this Base Prospectus should purchase the ETC Securities. Potential investors of ETC Securities should ensure that they understand the nature of the ETC Securities and the risks relating to an investment in the ETC Securities and should consider the suitability of the ETC Securities as an investment in the light of their own circumstances and financial condition.

The ETC Securities involve a significant degree of risk and potential investors should be prepared to sustain a loss of all or part of their investment. It is the responsibility of potential investors to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, regulatory, financial, tax, accounting and other business evaluation of the merits and risks of investing in the ETC Securities and should not rely on receiving any advice from the Issuer, the Arranger or any Transaction Party in that regard. In this regard, potential investors should refer to the section of this Base Prospectus headed “*Risk Factors*”.

Arranger

AMUNDI ASSET MANAGEMENT S.A.S.

IMPORTANT NOTICES

The date of this Base Prospectus is 20 May 2020.

This Base Prospectus comprises a base prospectus for the purposes of Article 8.1 of the Prospectus Regulation.

Approval

This Base Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank**”), as competent authority under the Prospectus Regulation. The Central Bank only approves this Base Prospectus as meeting the standards of completeness comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the ETC Securities that is the subject of this Base Prospectus and prospective investors should make their own assessment as to the suitability of investing in the ETC Securities. Such approval relates only to the ETC Securities which are admitted to trading on regulated markets for the purpose of Directive 2014/65/EU of the European Parliament and Council on Markets in Financial Instruments (as amended, “**MIFID II**”) or which are to be offered to the public in any Member State of the European Economic Area (the “**EEA**”) or the United Kingdom (the “**UK**”).

The Issuer has requested the Central Bank to notify its approval of this Base Prospectus in accordance with Article 25 of the Prospectus Regulation to the competent authority in Austria, the Österreichische Finanzmarktaufsichtsbehörde (Austrian Financial Market Authority), the competent authority in France, the Autorité des Marchés Financiers (Authority for the Financial Markets), the competent authority in Germany, the Bundesanstalt für Finanzdienstleistungsaufsicht (the Federal Financial Supervisory Authority), the competent authority in Luxembourg, the Commission de Surveillance du Secteur Financier (Commission for the Supervision of the Financial Sector), the competent authority in the Netherlands, the Autoriteit Financiële Markten (Authority for the Financial Markets), the competent authority in Spain, the Comisión Nacional del Mercado de Valores (Securities Market Commission), the competent authority in Sweden, Finansinspektionen (Financial Supervisory Authority) and the competent authority in the UK, the UK Listing Authority by providing them, inter alia, with certificates of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation. The Issuer may in due course request the Central Bank to provide competent authorities in other EEA Member States with such certificates whether for the purpose of making a public offer in such Member States or for admission to trading of all or any Series of ETC Securities on a regulated market therein or both.

The Issuer intends to 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 listing on Euronext Paris and to trading on the regulated market thereof (such regulated market, the “**Paris Market**”). 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 one or more of the following stock exchanges and be admitted to trading on the regulated market or other main market thereof: Euronext Amsterdam, the Deutsche Börse and the London Stock Exchange (each such official list a “**Relevant List**” and each such regulated or other main market thereof a “**Relevant Market**”). The Paris Market and each Relevant Market are regulated markets for the purposes of MIFID II. 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 Euronext Paris and to trading on the Paris Market and may also mean that such ETC Securities have been admitted to a Relevant List and to trading on its Relevant Market (as applicable), and/or have been admitted to the official list and to trading on the regulated market of any other Stock Exchange.

This Base Prospectus is valid for 12 months. The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable

of affecting the assessment of the ETC Securities, prepare a supplement to this Base Prospectus. The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake or inaccuracy does not apply when the Base Prospectus is no longer valid. It is important that you read and understand this Base Prospectus before you invest in ETC Securities.

Rating

ETC Securities issued under the Programme are unrated. However, a Securityholder should take such steps as it considers necessary to evaluate the ongoing risks and merits of a continued investment in such ETC Security.

Status and Offering of ETC Securities

The Issuer is not and will not be regulated by the Central Bank as a result of issuing the ETC Securities. Any investment in the ETC Securities does not have the status of a bank deposit and will not be within the scope of any deposit scheme operated by the Central Bank.

In respect of a Series, the Issuer authorises the Authorised Participants specified for such Series to make offers to investors on the terms and subject to the restrictions set out in this Base Prospectus and the Final Terms relating to the relevant ETC Securities. The Authorised Participant(s) in respect of each Series will be specified in the Final Terms relating to such Series. The Issuer may, from time to time, appoint additional Authorised Participants or remove Authorised Participants in respect of a Series. The list of Authorised Participants from time to time in respect of a Series will be published on the website maintained on behalf of the Issuer at www.Amundieftf.com (or such other website as may be notified to Securityholders).

The Issuer acknowledges that it may be possible for securityholders to hold indirect interests in the ETC Securities of certain Series through the system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited or any successor thereto in accordance with the United Kingdom Uncertificated Securities Regulations 2001 (“**CREST**”) through the issuance of dematerialised depository interests (“**CDIs**”). Any such CDIs will be independent securities constituted under English law and transferred through CREST and will be issued by CREST Depository Limited or any successor thereto pursuant to a global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated, the “**CREST Deed Poll**”).

The ETC Securities are debt securities and do not take the form of a collective investment scheme or fund. However, there can be no assurance that the courts or regulatory authorities in any jurisdiction would not recharacterise the ETC Securities as units in a collective investment scheme or a fund. Any recharacterisation of the ETC Securities as units in a collective investment scheme or a fund may have adverse consequences (including, without limitation, adverse tax consequences) for a purchaser.

The ETC Securities are not shares or units in collective investment schemes within the meaning of Swiss Collective Investment Schemes Act of 23 June 2006 (“**CISA**”). They have not been approved by the Swiss Financial Market Supervisory Authority FINMA and are not subject to its supervision. The ETC Securities are not issued or guaranteed by a supervised financial intermediary within the meaning of CISA.

The ETC Securities are not units in an authorised collective investment scheme for the purposes of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 or under the Central Bank’s Alternative Investment Fund Rulebook.

For the purposes of the Prospectus Regulation, the Nominal Amount of each ETC Security of a Series shall be regarded as the denomination of such ETC Security.

Responsibility for Base Prospectus and Consent to Use by Authorised Offerors

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The information contained in the section entitled “*Description of the Custodian and Metal Counterparty*” has been provided by HSBC Bank Plc and was not prepared in connection with the offering of the ETC Securities. The Issuer accepts responsibility for the accurate reproduction of such information. As far as the Issuer is aware and is able to ascertain from information published by HSBC Bank Plc, no facts have been omitted which would render such reproduced information inaccurate or misleading.

The Issuer consents to the use of this Base Prospectus (and accepts responsibility for the information contained in this Base Prospectus) with respect to subsequent resale or final placement by way of public offer of a Series of ETC Securities in any of Austria, France, Germany, Ireland, Luxembourg, the Netherlands, Spain, Sweden and the UK by (i) any Authorised Participant or (ii) any other financial intermediary in respect of that Series of ETC Securities which is an investment firm within the meaning of MiFID II and which is authorised in accordance with MiFID II in any EU member state (or, following the United Kingdom’s exit from the European Union, any equivalent financial intermediary located in the United Kingdom) (each such Authorised Participant or financial intermediary, an “**Authorised Offeror**”), provided such Authorised Offeror complies with (a) the selling restrictions set out under the section entitled “*Subscription and Sale*” in this Base Prospectus (the “**Selling Restrictions**”) and (b) in the case of an Authorised Offeror that is not an Authorised Participant, the Authorised Offeror Terms set out below. Such consent applies to any such resale or final placement by way of public offer during the period of 12 months from the date of the Base Prospectus unless such consent is withdrawn prior to that date by notice published on the website maintained on behalf of the Issuer at www.Amundietf.com (or such other website as may be notified to Securityholders). Other than the right of the Issuer to withdraw the consent and the aforementioned requirements applicable to Authorised Offerors, no other conditions are attached to the consent described in this paragraph. Any new information with respect to the identity of any new Authorised Participants will be published on the website maintained on behalf of the Issuer at www.Amundietf.com (or such other website as may be notified to Securityholders). **An Authorised Offeror using this Base Prospectus is required to publish on its website that it uses this Base Prospectus in accordance with the consent of the Issuer and the conditions attached thereto.** However, neither the Issuer nor Amundi Asset Management S.A.S. has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The “**Authorised Offeror Terms**” are that the relevant Authorised Offeror will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer that it will, at all times in connection with the relevant offer to the public:

- (A) (I) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the “**Rules**”), including MiFID II and the Rules published by the Central Bank (including the applicable requirements of the Central Bank’s Consumer Protection Code) from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the ETC Securities by any person and any disclosure to any potential investor and (II) immediately inform the Issuer if at any time such Authorised Offeror becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
- (B) comply with the Selling Restrictions which would apply as if it were an Authorised Participant;

- (C) ensure that any fee (and any other commissions or benefits of any kind) received or paid by such Authorised Offeror in relation to the offer or sale of the ETC Securities does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to investors or potential investors;
- (D) hold all licences, consents, approvals and permissions required in connection with the solicitation of interest in, or offers or sales of, the ETC Securities under the Rules, including authorisation under the European Union (Markets in Financial Instruments) Regulations 2017 (as amended); and
- (E) (I) comply with applicable anti-money laundering, anti-bribery, anti-corruption and “know your client” Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential investor prior to initial investment in any ETC Securities by that investor) and (II) not permit any application for ETC Securities in circumstances where such Authorised Offeror has any suspicions as to the source of the application monies.

Separately, each Authorised Participant has represented and warranted to the Issuer in the terms of its appointment that it will (amongst other things), at all times in connection with the relevant offer to the public:

- (1) comply with the Selling Restrictions and will comply with all relevant laws, regulations and directives (in particular, MiFID II) in each jurisdiction in which it purchases, offers, sells or delivers ETC Securities or has in its possession or distributes this Base Prospectus, any Final Terms relating to the Series and/or any other offering or marketing material;
- (2) ensure that all actions or things required to be taken, fulfilled or done (including, without limitation, the obtaining of any consent or licence or the making of any filing or registration) for the subscription, sale and offer of any ETC Securities have been obtained and are in full force and effect; and
- (3) ensure that its conduct in carrying out any such offer does not (X) conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, the documents constituting it or any agreement or instrument to which it is a party or by which it or any of its properties is bound or (Y) infringe any existing applicable law, rule, regulation, judgment, order or decree of any government, governmental body or court, domestic or foreign, having jurisdiction over it or any of its assets.

In the event of an offer being made by an Authorised Offeror, the Authorised Offeror will provide information to investors on the terms and conditions of the offer at the time the offer is made.

Any offer or sale of ETC Securities to an investor by an Authorised Offeror will be made in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations and settlement arrangements. Where such information is not contained in the Base Prospectus or Final Terms, it will be the responsibility of the applicable Authorised Offeror at the time of such offer to provide the investor with that information and none of the Issuer, the Arranger, the Trustee, the Security Trustee, any Agent nor any other Authorised Offeror has any responsibility or liability for such information.

Other than as set out above, neither the Issuer nor the Arranger has authorised (nor does it authorise or consent to the use of this Base Prospectus in connection with) any resale or final placement of the ETC Securities by way of a public offer by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Issuer, the Arranger nor any Authorised Offeror and none of the Issuer, the Arranger nor any Authorised Offeror has any responsibility or liability for the actions of any person making such offers. Investors should enquire whether a financial intermediary is an Authorised Offeror. If an investor is offered ETC Securities by a person or entity which is not an Authorised Offeror, the investor

should check with such person or entity whether such person or entity is responsible for this Base Prospectus in the context of an offer of ETC Securities to the public. If the investor is in doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents, it should take legal advice.

To the fullest extent permitted by law, no Authorised Participant or Transaction Party accepts any responsibility for the contents of this Base Prospectus or for any other statement made or purported to be made by it or on its behalf in connection with the Issuer or the issue and offering of the ETC Securities. Each Authorised Participant and Transaction Party disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Base Prospectus and/or any such statement.

Other Representations not to be Relied on

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the ETC Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, any Authorised Offeror, the Advisor, the Administrator, any Paying Agent, the Custodian, the Trustee, the Security Trustee, any other Agent or the Metal Counterparty.

Possible Change in Circumstances of the Issuer

Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or any Transaction Party since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or any Transaction Party since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Investors to Make Own Assessment

This document identifies in general terms certain information that a prospective investor should consider prior to making an investment in the ETC Securities. However, a prospective investor should conduct its own thorough analysis (including its own accounting, legal, regulatory, financial and tax analysis) prior to deciding whether to invest in any ETC Securities issued under the Programme. Any evaluation of the suitability for an investor of an investment in ETC Securities issued under the Programme depends upon that prospective investor's particular financial and other circumstances, as well as on the specific terms of the relevant ETC Securities.

Benchmark Administrators

Under Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"), benchmark administrators should apply for authorisation or registration as an administrator before 1 January 2020. Upon such authorisation or registration, the benchmark administrator or the benchmark will appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (the "**Register**").

The return on the ETC Securities is linked to the performance of Gold and amounts payable thereunder may be calculated by reference to the Metal Reference Price provided by ICE Benchmark Administration Limited. As at the date of this Base Prospectus, ICE Benchmark Administration Limited appears on the Register.

The terms and conditions of the ETC Securities set out the actions that will be taken in the event that a benchmark materially changes or ceases to be provided in accordance with article 28 of the Benchmark Regulation.

Fees, Costs and Charges

This Base Prospectus and the Final Terms relating to the ETC Securities contain certain information relating to fees and costs and charges applicable to the ETC Securities. If a prospective investor is advised by third parties (in particular companies providing services related to financial instruments, such as credit institutions and investment firms) when acquiring the ETC Securities, or if the third parties mediate the purchase, such third parties may have to provide such prospective investor with a breakdown of costs and charges or expense ratios that are not laid out in the cost details in this Base Prospectus or the Final Terms relating to the ETC Securities.

In particular, such differences may result from regulatory requirements governing how such third parties determine, calculate and report costs and charges. These requirements may arise for example in the course of the national implementation of MiFID II. Prospective investors should note that the information provided by third parties on all relevant costs and charges may vary from one party to the other due to these third parties additionally invoicing the costs of their own services (e.g. a surcharge or, where applicable, recurrent brokering or advisory fees, depositary fees, etc.).

No Investment Advice or Assessment of Suitability or Lawfulness of Acquisition

This document is not, and does not purport to be, investment advice, and none of the Issuer, the Arranger nor any Transaction Party makes any recommendation as to the suitability of the ETC Securities as an investment. The provision of this document to prospective investors is not based on any prospective investor's individual circumstances and should not be relied upon as an assessment of suitability for any prospective investor of the ETC Securities. Even if the Issuer, the Arranger or any Transaction Party possesses information as to the objectives of any prospective investor in relation to any transaction, series of transactions or trading strategy, this will not be deemed sufficient for any assessment of suitability for such person of the ETC Securities. Any trading or investment decisions a prospective investor takes are in reliance on its own analysis and judgment and/or that of its advisers and not in reliance on the Issuer, the Arranger, any Transaction Party or any of their respective affiliates.

None of the Issuer, the Arranger, any Transaction Party nor any affiliate of such persons has or assumes responsibility for the lawfulness of the acquisition of the ETC Securities by a prospective purchaser of the ETC Securities (whether for its own account or for the account of any third party), whether under the laws of the jurisdiction of its incorporation or any jurisdiction in which it operates (if different), or for compliance by that prospective purchaser (or any such third party) with any law, regulation or regulatory policy applicable to it.

Key Information Documents

The Directors will ensure that a key information document is issued in respect of each Series of ETC Securities, pursuant to the PRIIPs Regulation (as defined below), as may be amended from time to time (the "**KID**"), for retail investors. EEA and UK retail investors can refer to the KID for the relevant ETC Securities for details of, principally, the purpose of the ETC Securities, the summary risk indicator, performance scenarios, the summary cost indicator and recommended holding period for the relevant ETC Securities in accordance with Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products, as may be amended from time to time (the "**PRIIPs Regulation**").

Distribution and No Offer

The distribution of this Base Prospectus and the offering or sale of the ETC Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, all Authorised Offerors and the Arranger to inform themselves about and to observe any such restrictions.

For a description of certain restrictions on offers and sales of ETC Securities and on the distribution of this Base Prospectus, see the section entitled “*Subscription and Sale*”.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or any Transaction Party to subscribe for, or purchase, any ETC Securities.

UK Selling Restriction

THE ETC SECURITIES ARE NOT INTENDED TO BE MADE AVAILABLE FOR GENERAL SALE IN THE UNITED KINGDOM. IN ACCORDANCE WITH THE SELLING RESTRICTIONS SET OUT IN THE SECTION OF THIS BASE PROSPECTUS ENTITLED “SUBSCRIPTION AND SALE”, EACH AUTHORISED PARTICIPANT HAS REPRESENTED, WARRANTED AND AGREED THAT IT SHALL ONLY OFFER OR PROMOTE THE ETC SECURITIES IN THE UNITED KINGDOM TO LEGAL ENTITIES CONSTITUTING A “QUALIFIED INVESTOR” (AS SUCH TERM IS DEFINED IN THE PROSPECTUS REGULATION), AND EACH SECURITYHOLDER SHALL (DIRECTLY OR INDIRECTLY) ONLY OFFER OR PROMOTE THE ETC SECURITIES IN THE UNITED KINGDOM TO LEGAL ENTITIES CONSTITUTING A “QUALIFIED INVESTOR” (AS SUCH TERM IS DEFINED IN THE PROSPECTUS REGULATION), PROVIDED FURTHER THAT, IN EACH CASE, ANY SUCH OFFER OR PROMOTION MUST ALSO BE IN COMPLIANCE WITH ANY OTHER APPLICABLE PROMOTION OR MARKETING RESTRICTIONS IN THE UNITED KINGDOM.

UNDER NO CIRCUMSTANCES SHALL ANY ETC SECURITIES BE OFFERED OR PROMOTED TO A RETAIL CLIENT (AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II) IN THE UNITED KINGDOM.

United States Selling Restriction

THE ETC SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”) OR UNDER THE SECURITIES LAW OF ANY STATE OR POLITICAL SUB-DIVISION OF THE UNITED STATES OF AMERICA OR ANY OF ITS TERRITORIES, POSSESSIONS OR OTHER AREAS SUBJECT TO ITS JURISDICTION INCLUDING THE COMMONWEALTH OF PUERTO RICO, AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER ANY FEDERAL LAWS OF THE UNITED STATES OF AMERICA. THE ETC SECURITIES INCLUDE ETC SECURITIES IN BEARER FORM THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. NO PERSON HAS REGISTERED NOR WILL REGISTER AS A COMMODITY POOL OPERATOR OF THE ISSUER UNDER THE COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE “**CEA**”) AND THE RULES THEREUNDER (THE “**CFTC RULES**”) OF THE COMMODITY FUTURES TRADING COMMISSION (THE “**CFTC**”). ANY OFFER OR SALE OF THE ETC SECURITIES MUST BE MADE IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PURSUANT TO REGULATION S THEREUNDER (“**REGULATION S**”). THE ETC SECURITIES MAY NOT AT ANY TIME BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS WHO ARE EITHER U.S. PERSONS AS DEFINED IN REGULATION S OR PERSONS WHO DO NOT COME WITHIN THE DEFINITION OF A NON-UNITED STATES PERSON UNDER CFTC RULE 4.7 (EXCLUDING FOR THE PURPOSES OF SUBSECTION (D) THEREOF, THE EXCEPTION TO THE EXTENT IT WOULD APPLY TO PERSONS WHO ARE NOT NON-UNITED STATES PERSONS). FOR A DESCRIPTION OF FURTHER RESTRICTIONS ON THE OFFER, SALE AND

TRANSFER OF THE ETC SECURITIES, PLEASE REFER TO THE “UNITED STATES” SUB-SECTION IN THE “SUBSCRIPTION AND SALE” SECTION OF THIS BASE PROSPECTUS.

ETC SECURITIES MAY NOT BE LEGALLY OR BENEFICIALLY OWNED BY ANY ENTITY THAT IS, OR THAT IS USING THE ASSETS OF, (A)(I) AN “**EMPLOYEE BENEFIT PLAN**” (AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“**ERISA**”)) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY REQUIREMENTS OF TITLE I OF ERISA, (II) A “**PLAN**” TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “**CODE**”), APPLIES, OR (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE “**PLAN ASSETS**” (AS DETERMINED PURSUANT TO THE “**PLAN ASSETS REGULATION**” ISSUED BY THE UNITED STATES DEPARTMENT OF LABOR AT 29 C.F.R. SECTION 2510.3-101 AS MODIFIED BY SECTION 3(42) OF ERISA) OR OTHERWISE UNDER ERISA BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN’S INVESTMENT IN THE ENTITY (ANY SUCH PLAN OR ENTITY DESCRIBED IN (I), (II) OR (III), A “**BENEFIT PLAN INVESTOR**”) OR (B) A NON-U.S. PLAN, GOVERNMENTAL PLAN, CHURCH PLAN OR OTHER PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT IS SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (A “**SIMILAR LAW**”) UNLESS ITS ACQUISITION AND HOLDING AND DISPOSITION OF SUCH ETC SECURITY, OR ANY INTEREST THEREIN, HAS NOT AND WILL NOT CONSTITUTE A VIOLATION OF SUCH SIMILAR LAW (ANY SUCH PLAN OR ENTITY DESCRIBED IN (A) OR (B), A “**PLAN INVESTOR**”).

No Verification or Review by the Arranger or any Transaction Party

None of the Arranger nor any Transaction Party has separately verified the information contained in this Base Prospectus (save as otherwise provided above) and accordingly none of them makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may, at any time, be supplied in connection with the ETC Securities or their distribution and none of them accepts any responsibility or liability therefor. None of the Arranger nor any Transaction Party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus or to advise any investor or potential investor in the ETC Securities of any information coming to their attention.

General

This document contains the information which the Issuer believes is necessary to enable prospective investors to make an informed assessment of an investment in ETC Securities. However, a prospective investor should, without any reliance on the Issuer, the Arranger, any Transaction Party or any of their Affiliates, conduct its own thorough analysis (including its own business, accounting, legal, regulatory, financial and tax analysis) prior to deciding whether to invest in any ETC Securities issued under the Programme. Any evaluation of the suitability for an investor of an investment in ETC Securities issued under the Programme depends upon that prospective investor’s particular financial and other circumstances, as well as on the specific terms of the relevant ETC Securities. An investment in the ETC Securities is suitable for investors who:

- (i) are either retail or professional (subject to the Selling Restrictions) and seeking to achieve investment objectives which align with those of the relevant ETC Securities in the context of the investor’s overall portfolio;
- (ii) are expected to be able to make an investment decision based on the information set out in this Base Prospectus and the relevant KID (applicable for EEA and UK retail investors) or, alternatively, to obtain professional advice;

- (iii) are able to bear capital and income risk and view investment in the ETC Securities as a medium to long term investment, although the ETC Securities may also be suitable for shorter term exposure where sought by an investor; and
- (iv) have an asset base sufficiently substantial as to enable them to sustain any loss of an investment in the relevant ETC Securities and have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant ETC Securities including, without limitation, any currency exposure arising from the currency for payments being different to the prospective investor's currency.

If a prospective investor is in any doubt as to whether the ETC Securities are a suitable investment for it, it should consult with appropriate advisors prior to deciding whether or not to make an investment in the ETC Securities.

This document is not, and does not purport to be, investment advice, and none of the Issuer, the Arranger nor any Transaction Party makes any recommendation as to the suitability of the ETC Securities as an investment. The provision of this document to prospective investors is not based on any prospective investor's individual circumstances and should not be relied upon as an assessment of suitability for any prospective investor of the ETC Securities, even if the Issuer, the Arranger or a Transaction Party possesses information as to the objectives of any prospective investor in relation to any transaction, series of transactions or trading strategy. Any trading or investment decisions a prospective investor takes are in reliance on its own analysis and judgment and/or that of its advisors.

None of the Issuer, the Arranger, any Transaction Party nor any Affiliate of such persons has or assumes responsibility for the lawfulness of the acquisition of the ETC Securities by a prospective purchaser of the ETC Securities (whether for its own account or for the account of any third party), whether under the laws of the jurisdiction of its incorporation or any jurisdiction in which it operates (if different), or for compliance by that prospective purchaser (or any such third party) with any law, regulation or regulatory policy applicable to it.

Investment activities of certain investors are subject to investment laws and regulations or review or regulation by certain authorities. Each prospective investor in the ETC Securities must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the ETC Securities:

- (i) is fully consistent with its (or, if it is acquiring the ETC Securities in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition;
- (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (and, if it is acquiring the ETC Securities in a fiduciary capacity, the beneficiary);
- (iii) is not a breach of any legal, contractual or regulatory restrictions applicable to it; and
- (iv) is a fit, proper and suitable investment for it (or, if it is acquiring the ETC Securities in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the ETC Securities.

Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of ETC Securities under any applicable risk-based capital or similar rules.

Interpretation

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “dollars”, “US dollars”, “USD” and “US\$” are to the lawful currency of the United States of America and references to “Euro”, “EUR” and “€” are to the lawful currency of those Member States of the European Union that have adopted the single currency of the European Union. All references in this Base Prospectus to any time shall be expressed using the 24-hour clock convention.

Supplementary Prospectus

The Issuer shall prepare a supplement to this Base Prospectus, or publish a new base prospectus whenever required by the guidelines of any stock exchange on which ETC Securities are listed or pursuant to Article 23 of the Prospectus Regulation if there is a significant new factor, material mistake or material inaccuracy relating to the information included in this Base Prospectus which may affect the assessment of the ETC Securities.

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OVERVIEW OF THE PROGRAMME

Any decision to invest in the ETC Securities should be based on consideration by the investor of the Base Prospectus and the KID (applicable for EEA retail investors) of the relevant ETC Securities as a whole, including the Final Terms applicable to the relevant Series.

Issuer's principal activities including an overview of the parties to the programme

Amundi Physical Metals plc (the “**Issuer**”) is a special purpose vehicle whose sole business is the issue of asset backed securities. The Issuer established this programme on 20 May 2019 for the issue of ETC Securities whose return is linked to the performance of gold. Each Series of ETC Securities will be separate (or “ring-fenced”) from each other Series of ETC Securities.

A number of other parties have roles in connection with the Programme:

- (i) the arranger (the “**Arranger**”) is Amundi Asset Management S.A.S who also acts as adviser (the “**Advisor**”) to the Issuer in respect of each Series, performing certain functions and determinations on behalf of the Issuer pursuant to an advisory agreement (the “**Advisory Agreement**”);
- (ii) the Authorised Participant(s) in respect of each Series are the only entities allowed to buy and sell ETC Securities directly from and to the Issuer. Authorised Participants may also act as market makers by buying and selling ETC Securities from and to investors on an over-the-counter basis or via a stock exchange. However, not all market makers need to be Authorised Participants. The Authorised Participant(s) appointed for a Series will be specified in the Final Terms for such Series and at any time, the current Authorised Participant(s) for such Series will be published on the website maintained on behalf of the Issuer at www.Amundietf.com (or such other website as may be notified to Securityholders);
- (iii) the Issuer will appoint HSBC Bank plc as metal counterparty (the “**Metal Counterparty**”) in respect of each Series. Pursuant to a metal sale agreement (the “**Metal Sale Agreement**”), the Metal Counterparty will agree to sell Metal on behalf of the Issuer in certain circumstances;
- (iv) the Issuer will appoint HSBC Securities Services (Ireland) DAC as its administrator (the “**Administrator**”) in respect of each Series. Pursuant to an administration agreement (the “**Administration Agreement**”), the Administrator will perform certain administrative functions for the Issuer, including assisting in the subscription and buy-back of ETC Securities to and from the Authorised Participant(s);
- (v) in respect of each Series, the Issuer will also appoint HSBC Bank plc as custodian pursuant to a custody agreement (the “**Custodian**” and “**Custody Agreement**”), HSBC Corporate Trustee Company (UK) Limited as (i) trustee pursuant to a trust deed and (ii) security trustee pursuant to an Irish law security trust deed and an English law security trust deed (the “**Trustee**”, “**Trust Deed**”, “**Security Trustee**” and “**Security Trust Deeds**”, respectively) and HSBC France as issuing and paying agent pursuant to an agency agreement (the “**Issuing and Paying Agent**” and “**Agency Agreement**”);
- (vi) Cafico Corporate Services Limited acts as corporate services provider for the Issuer.

Description of underlying assets

The metal for any Series of ETC Securities will consist of gold (“**Gold**” or the “**Metal**”).

With respect to each Series, the Issuer's main assets are (i) its holdings of Metal in allocated form held by or on behalf of the Issuer (through the Custodian and/or any sub-custodian, agent or depository appointed by the Custodian to perform its duties under the Custody Agreement (each a "**Sub-Custodian**")) in the relevant accounts (the "**Allocated Account(s)**") in respect of such Series received by the Issuer in connection with subscriptions of ETC Securities by Authorised Participants and (ii) its contractual rights under each of the documents into which it will enter in respect of each issuance including the Trust Deed, the Security Trust Deeds, the Advisory Agreement, the Agency Agreement, the Administration Agreement, the Custody Agreement and the Metal Sale Agreement (the "**Transaction Documents**" and each party to a Transaction Document other than the Issuer, a "**Transaction Party**"). The assets backing each Series have characteristics that demonstrate capacity to produce funds to service any payments due on the ETC Securities for such Series.

The ETC Securities are designed to provide purchasers with exposure to the Metal without having to take physical delivery of the Metal. Each ETC Security relates to a specific amount in weight of Metal, specified in the relevant Final Terms, known as the Metal Entitlement (as defined below). On any particular day, the ETC Security can be viewed as giving an exposure to that amount of Metal as the amount payable in respect of the ETC Securities and the value per ETC Security is linked to the value of the Metal. In order to back its obligations under the ETC Securities, the Issuer will seek to hold enough Metal to meet its obligations under the ETC Securities. The precise amount it holds at any time may be more or less than the aggregate amount of the Metal Entitlement per ETC Security to reflect the periodic payment of the "all in one" operational fee to the Advisor (as described below). Because the Issuer obtains its exposure to the precious Metal by physically investing directly in the relevant Metal, these types of ETC Securities are known as physical replication exchange traded commodities. The proceeds from the disposal of the Underlying Metal (as defined below) net of any deductions, will equal the amount due under the ETC Securities (subject to certain minimum amounts owed).

Description of the structure of the transaction

The Issuer, under the Programme, may only issue ETC Securities of a Series to Authorised Participants appointed in respect of such Series. Authorised Participants may, thereafter, offer such ETC Securities to retail clients, professional clients or other eligible counterparties (subject to certain selling restrictions contained in the Base Prospectus). The first tranche of each Series of ETC Securities is issued on the related series issue date (the "**Series Issue Date**") by the Issuer to one or more Authorised Participants.

Metal Entitlement and Total Expense Ratio

Each ETC Security of a Series will have a "**Metal Entitlement**", which is an amount in weight of the Metal linked to such Series. On the Series Issue Date, each ETC Security is ascribed with a Metal Entitlement (the "**Initial Metal Entitlement**") and on each subsequent day, the Metal Entitlement of each ETC Security shall be reduced by a percentage (the "**Total Expense Ratio**") determined as sufficient to fund the Issuer's "all in one" operational fee to the Advisor (which the Advisor will use, in turn, to pay the agreed fees of all of the other service providers of the Issuer). In order to fund such "all in one" operational fee, the Metal Counterparty shall periodically liquidate an amount of Metal (the "**TER Metal**") equal to the accrued reductions (pursuant to the Total Expense Ratio) to the Metal Entitlement of all ETC Securities of the Series. 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.

Subscriptions

On any day (other than a Saturday or a Sunday) on which (i) Euronext Paris is open for business, (ii) the over-the-counter market of The London Bullion Market Association (the "**LBMA**") is open for business and (iii) commercial banks in Ireland are open for business (a "**Business Day**"), an Authorised Participant may request the Issuer to issue further ETC Securities to such Authorised Participant (a "**Subscription**"). Prior to settlement of a Subscription, the Authorised Participant will be required to transfer to an unallocated

account of the Issuer with the Custodian marked for such Series (the “**Unallocated Account**”) an amount of Metal (the “**Subscription Settlement Amount**”) equal to the product of (a) the Metal Entitlement on the relevant trade date (the “**Subscription Trade Date**”) and (b) the total number of ETC Securities being issued. The Issuer will not issue ETC Securities to an Authorised Participant until the Subscription Settlement Amount has been received in the Unallocated Account and allocated to the Allocated Account for the Series.

In connection with each Subscription, the Authorised Participant will also be required to pay to the Issuer a subscription fee (the “**Subscription Fee**”).

Buy-Backs

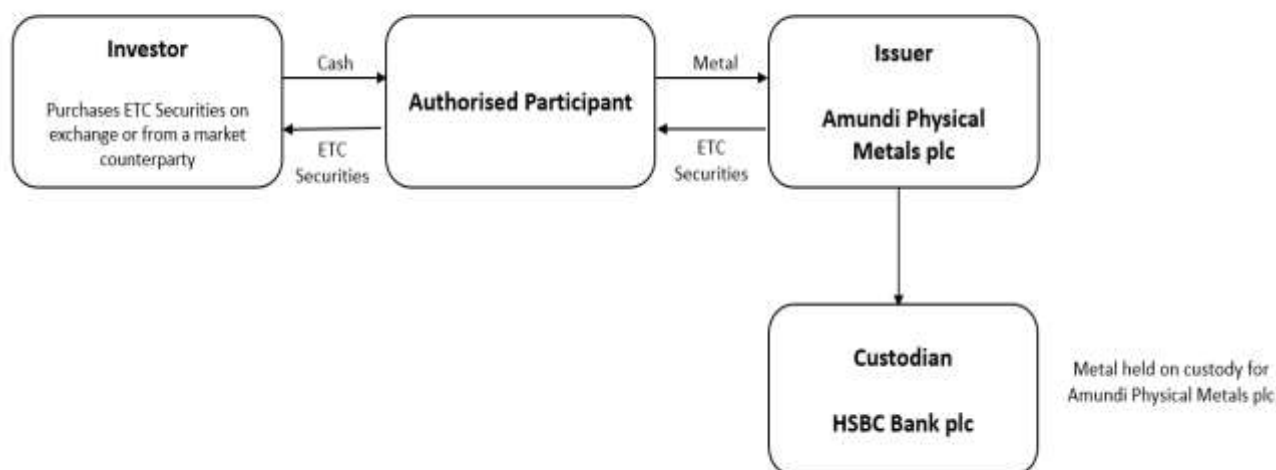
On any Business Day, an Authorised Participant may request that the Issuer buys back ETC Securities from such Authorised Participant (a “**Buy-Back**”). Prior to settlement of a Buy-Back, the Authorised Participant will be required to deliver to the Issuing and Paying Agent on behalf of the Issuer the relevant ETC Securities being bought back. The Issuer will not cancel such ETC Securities and deliver to the Authorised Participant an amount of Metal (the “**Buy-Back Settlement Amount**”) equal to the product of (1) the Metal Entitlement on the relevant trade date (the “**Buy-Back Trade Date**”) and (2) the total number of ETC Securities being bought back, until the Issuing and Paying Agent has confirmed receipt of such ETC Securities.

In connection with each Buy-Back, the Authorised Participant will also be required to pay to the Issuer a buy-back fee (the “**Buy-Back Fee**”).

Future Buy-Backs and Early and Final Redemption

At any given time, the Metal standing to the credit of the Allocated Account should at least equal the aggregate Metal Entitlement for all ETC Securities still outstanding for such Series. Such Metal will fund the delivery of any future Buy-Back Settlement Amounts and the payment of any “Early Redemption Amount” or “Final Redemption Amount” (each as defined below) in respect of each ETC Security.

A diagram showing the principal aspects of the structure is set out below:



Description of the flow of funds

On the Series Issue Date, the Issuer will receive from Authorised Participants, as subscription proceeds for the issue of ETC Securities, an amount of the relevant Underlying Metal sufficient to cover the aggregate Initial Metal Entitlement per ETC Security which will ultimately be held in the Allocated

Account(s) in respect of such Series. Such Metal shall be used to meet the Issuer's obligations under such Series.

The Issuer funds payments under the ETC Securities on any early or final redemption from the proceeds of the sale by the Counterparty of the Underlying Metal held by or on behalf of the Issuer in respect of the ETC Securities. The Metal Counterparty will dispose of Underlying Metal during the relevant Redemption Disposal Period and will pay the aggregate proceeds of such disposals to the Issuer Cash Account maintained with the Administrator in relation to the relevant Series of ETC Securities.

No amounts are payable under the ETC Securities prior to their scheduled maturity date (the "**Scheduled Maturity Date**" being such date as specified in the relevant Final Terms) unless the ETC Securities redeem early. Securityholders can only realise value from an ETC Security prior to its Scheduled Maturity Date by selling it at its then market price in an available secondary market.

The Issuer's ability to pay the Final Redemption Amount or the early Redemption Amount on the Scheduled Maturity Date or Early Redemption Settlement Date (as applicable) is dependent on its receipt of the disposal proceeds of the Underlying Metal from the Metal Agent. Therefore, Securityholders of a Series are exposed to the creditworthiness of both the Metal Agent and the Administration in respect of the disposal proceeds of the Underlying Metal.

Type of securities

Each Series of ETC Securities will be in bearer form (the "Bearer Securities"). Bearer Securities will be represented by global securities (the "Global Securities") in classic global note form deposited with the Clearing System. No individual bearer definitive securities will be produced.

Currencies

The ETC Securities will be denominated in USD and the Early Redemption Amount and Final Redemption Amount (as applicable) will be paid in USD.

Restrictions on free transferability

Interests in ETC Securities traded in any clearing system will be transferred in accordance with the procedures and regulations of that clearing system.

The ETC Securities will be freely transferable, subject to certain restrictions on sales of ETC Securities into, amongst other jurisdictions, the United Kingdom, the United States, Italy, Switzerland and any European Economic Area countries to whose competent authority the Base Prospectus has not been notified or passported. These restrictions are mainly targeting offerings to the public in such jurisdictions unless certain exemptions apply although some of the restrictions are blanket prohibitions on the offering of the ETC Securities in the relevant jurisdiction.

Description of the right attaching to the ETC Securities

Expiration/maturity date of ETC Securities

The Issuer has the discretion to set the Scheduled Maturity Date of a Series of ETC Securities prior to the issue of that Series of ETC Securities. The Scheduled Maturity Date of the ETC Securities will be specified in the Final Terms.

Description of return on ETC Securities

The ETC Securities are linked to the performance of the Metal.

Status

The ETC Securities are secured, limited recourse obligations of the Issuer, and the ETC Securities of a Series rank equally amongst themselves. Holders of ETC Securities of a Series will not, by reason of holding such Series, have any claim against the Issuer with respect to any other Series of ETC Securities.

Security

The obligations of the Issuer to pay any taxes, fees, costs, charges, expenses, liabilities and other amounts under the ETC Securities and pursuant to the Transaction Documents of a Series are secured pursuant to the Security Deeds by, amongst other things, an Irish law security interest and an English law security interest over (i) the rights of the Issuer under the Transaction Documents and (ii) the Metal held in the Allocated Account (together, the “**Secured Property**”).

The security over the Secured Property in respect of a Series of ETC Securities will become enforceable if payment of the Final Redemption Amount or Early Redemption Amount, as applicable, is not made in full when due on the Scheduled Maturity Date or the relevant Early Redemption Settlement Date, as applicable.

New securities issued which form a single series with ETC Securities already in issue and which are expressed to be constituted by the same Trust Deed and secured by the same Security Trust Deeds will, upon issue thereof by the Issuer, be secured by the same Secured Property for such ETC Securities (as increased or supplemented in connection with such issue of new securities).

Limited Recourse and Ranking

The ETC Securities of a Series will rank equally amongst themselves. In respect of a Series, the Securityholders will have recourse only to the Secured Property in respect of that Series, subject always to the security created pursuant to the Security Trust Deeds for such Series, and not to any other assets of the Issuer. If, following realisation in full of the Secured Property of such Series and application of available assets, any outstanding claim against, or debt, liability or obligation of, the Issuer relating to such Series remains unsatisfied, then such outstanding claim, debt, liability or obligation shall be extinguished and no obligation will be owed by the Issuer in respect thereof. Following the extinguishment of any such claim, none of the Transaction Parties, the Securityholders or any other person acting on behalf of any of them shall be entitled to take any further steps against the Issuer or any of its officers, shareholders, corporate service providers or directors 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.

Any proceeds of the Secured Property of a Series will be applied in accordance with the priorities of payments set out in the terms and conditions and, therefore, the rights of the Securityholders will rank in accordance therewith. As a result of such provisions, the Securityholders of a Series may not receive in full the Final Redemption Amount or Early Redemption Amount payable in respect of each ETC Security of such Series if the proceeds of the Secured Property are insufficient to meet the claims of all secured creditors of such Series.

Withholding Tax

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 taxes applies to payments in respect of the ETC Securities, the holders of ETC Securities (“**Securityholders**”) 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 will occur as a result of any such withholding, reduction, or deduction.

Governing Law

In respect of each Series:

- (i) the ETC Securities (and the Trust Deed constituting them) and all Transaction Documents other than the Custody Agreement, the Metal Sale Agreement and the English Law Security Trust Deed will be governed by Irish law; and

- (ii) the Custody Agreement, the Metal Sale Agreement and the English Law Security Trust Deed will be governed by English law.

Interest

The ETC Securities will not pay periodic interest but the Early Redemption Amount or Final Redemption Amount, as applicable, may incorporate an interest redemption premium to the extent such Early Redemption Amount or Final Redemption Amount, as applicable, exceeds the issue price per ETC Security for the first tranche of the relevant Series.

Where the value of the Metal comprising the Metal Entitlement per ETC Security is trading at or below an amount equal to the Nominal Amount plus the Specified Interest Amount (each as defined below), a Specified Interest Amount may be payable by the Issuer as part of the Final Redemption Amount or Early Redemption Amount payable per ETC Security, as the case may be, which amount shall represent interest on the Nominal Amount.

In respect of any (i) interest redemption premium incorporated into the Early Redemption Amount or Final Redemption Amount or (ii) Specified Interest Amount, in each case potentially payable by the Issuer on an early or final redemption of the ETC Securities, such payment will be subject to the limited recourse provisions set out in the terms and conditions of the ETC Securities. If the Metal comprising the Metal Entitlement per ETC Security is trading at or below an amount equal to the sum of the Nominal Amount and the Specified Interest Amount, then it may be insufficient to fund the Nominal Amount and the Specified Interest Amount in full, in which case the Securityholders may receive a reduced Specified Interest Amount.

In respect of each ETC Security, payment of the Specified Interest Amount will rank in priority to payment of the Nominal Amount.

Final Redemption of the ETC Securities

Unless previously redeemed in whole or purchased and cancelled by the Issuer, each ETC Security will become due and payable on the Scheduled Maturity Date for such Series at its Final Redemption Amount.

The “**Final Redemption Amount**” for a Series shall be 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 such Series) denominated in USD per ETC Security equal to the greater of:

- (i) the product of (a) the Metal Entitlement (expressed in fine troy ounces) as at the date falling 40 Business Days prior to the scheduled maturity date (the “**Final Redemption Valuation Date**”, subject to postponement in certain circumstances) and (b) the average price ascribed to each fine troy ounce of Metal held in the Allocated Account on the Final Redemption Valuation Date based on (1) the proceeds received on any Metal sold prior to the fifth Business Day immediately preceding the scheduled maturity date and (2) the reference price for the Metal as published on the relevant price source for such Series (or any successor or replacement price source) in respect of any Metal not sold prior to the fifth Business Day immediately preceding the scheduled maturity date; and
- (ii) an amount equal to 10 per cent. of the issue price per ETC Security on the Series Issue Date (the “**Nominal Amount**”) plus an amount equal to 1 per cent. of the Nominal Amount (the “**Specified Interest Amount**”).

Early Redemption of the ETC Securities

The ETC Securities of a Series shall become due and payable prior to their Scheduled Maturity Date at its Early Redemption Amount due to the occurrence of any of the following events if, following the occurrence of any such event, the Issuer (and/or, in the case of a Market Value Redemption Event or an

Event of Default, the Trustee following requisite direction by the Securityholders) has given notice designating an early redemption of the ETC Securities in full:

- (i) the Issuer at any time and for any reason elects to early redeem the ETC Securities in full (an **"Issuer Call Redemption Event"**);
- (ii) on the next date on which a delivery of Metal is due (whether in respect of a Subscription, a Buy-Back or a sale of TER Metal), the Issuer is, or there is a substantial likelihood that it will be, required to make payment in respect of VAT or register for VAT or otherwise account for VAT on such delivery of Metal, or the Issuer has become liable, or become aware that it is liable, for VAT in respect of a prior delivery of Metal (a **"VAT Redemption Event"**);
- (iii) certain key service providers of the Issuer resign or their appointment in relation to such Series is terminated for any reason and no successor or replacement has been appointed within 120 calendar days (a **"Service Provider Non-Replacement Redemption Event"**);
- (iv) the prevailing value of an 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"** (being the LBMA Gold Price or such successor Metal Reference Price as may be determined from time to time) on each such non-disrupted day) is less than or equal to 20 per cent. of the issue price per ETC Security (calculated by reference to each ETC Security's Metal Entitlement and the Metal Reference Price) as at the Series Issue Date (a **"Market Value Redemption Event"**); or
- (v) an event of default occurs in respect of such Series including certain breaches by the Issuer of its obligations that are not cured within the applicable cure period and certain insolvency events with respect to the Issuer (an **"Event of Default"**).

The **"Early Redemption Amount"** for a Series shall be 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 such Series) denominated in USD per ETC Security equal to the greater of:

- (i) the product of (a) the Metal Entitlement (expressed in fine troy ounces) as at the date specified in the relevant notice designating an Issuer Call Redemption Event, a VAT Redemption Event, a Service Provider Non-Replacement Redemption Event, a Market Value Redemption Event or an Event of Default, as applicable (the **"Early Redemption Trade Date"**, subject to postponement in certain circumstances) and (b) the average price ascribed to each fine troy ounce of Metal held in the Allocated Account on the Early Redemption Trade Date based on (1) the proceeds received on any Metal sold prior to the fifth Business Day immediately preceding the 40th Business Day following the Early Redemption Trade Date (such 40th Business Day following the Early Redemption Trade Date, the **"Metal Sale Cut-Off Date"**) and (2) the reference price for the Metal as published on the relevant price source for such Series (or any successor or replacement price source) in respect of any Metal not sold prior to the fifth Business Day immediately preceding the Metal Sale Cut-Off Date; and
- (ii) the Nominal Amount plus the Specified Interest Amount.

Payment of any Early Redemption Amount or the Final Redemption Amount is subject at all times to the limited recourse provisions.

Meetings

In respect of each Series, the Trust Deed contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including the sanctioning by extraordinary resolution of a modification of any of the terms and conditions of the ETC Securities or any provisions of the relevant

Trust Deed. Such a meeting may be convened by Securityholders holding not less than 10 per cent. of the number of the ETC Securities of the relevant Series for the time being outstanding.

Obligations of the Issuer only

No person other than the Issuer will be obliged to make payments on the ETC Securities of any Series and the ETC Securities issued under the Programme will not be guaranteed by, or be the responsibility of, any other entity. In particular, the ETC Securities (i) do not represent an interest in and will not be obligations of, or insured or guaranteed by, the Arranger, any Transaction Party or any Affiliate or any company associated with any of them, (ii) will not have the status of a bank deposit and will not be within the scope of any deposit protection scheme or any client money protection scheme and (iii) are not insured or guaranteed by any government, government agency or other body.

Terms and conditions of the offer

The issue price per ETC Security on the Series Issue Date for a Series will be an amount equal to the price for the quantity of Metal comprising the Metal Entitlement as at the Subscription Trade Date for the relevant tranche, as specified in the Final Terms, subject to any applicable fees and commissions of the person offering such ETC Security. The issue price per ETC Security for any subsequent tranche of ETC Securities issued after the Series Issue Date will be equal to the value (determined by reference to the Metal Reference Price) of the Metal comprising the Metal Entitlement in respect of the Subscription Trade Date relating to such tranche. Only an Authorised Participant of a Series may request that the Issuer issues further ETC Securities of the relevant Series.

The Issuer may buy-back all or some of the ETC Securities. Only an Authorised Participant of a Series may request that the Issuer buys back ETC Securities of a Series.

During the life of the ETC Securities, Securityholders can buy and sell ETC Securities through financial intermediaries on each exchange on which the ETC Securities are listed and exchange traded from time to time.

An investor intending to acquire or acquiring any ETC Securities from an Authorised Offeror will do so, and offers and sales of any ETC Securities to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations and settlement arrangements. None of the Issuer, the Arranger nor any other Transaction Party (other than the relevant Authorised Offeror) will be a party to any such arrangements with investors and, accordingly, the Base Prospectus and any Final Terms may not contain such information and, in such case, an investor must obtain such information from the relevant Authorised Offeror.

Estimated expenses charged to the investor

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. The Total Expense Ratio in respect of a Series may be varied by the Issuer on the request of the Advisor from time to time, provided that no increase may take effect unless the Securityholders of such Series have been given at least 30 calendar days' prior notice.

The Total Expense Ratio from time to time in respect of each Series and any proposed change to the Total Expense Ratio of any Series shall be published on the website maintained on behalf of the Issuer at www.Amundieft.com (or such other website as may be notified to Securityholders).type of

A Subscription Fee or Buy-Back Fee will be charged by the Issuer to the relevant Authorised Participant in respect of each Subscription or Buy-Back, as applicable, which will in turn be passed on to the investor.

No other costs will be charged to investors by the Issuer.

Additional expenses, if any, to be charged to the investor by any Authorised Offeror will be disclosed by such Authorised Offeror at the time of the relevant offer by such Authorised Offeror to such investor.

RISK FACTORS

Investment in the ETC Securities will involve a significant degree of risk. The Issuer believes that the risk factors set out below represent the principal risks inherent in investing in the ETC Securities issued under the Programme and such factors may affect the ability of the Issuer to fulfil its obligations under the ETC Securities issued under the Programme. The inability of the Issuer to pay any amounts on or in connection with any ETC Securities may occur for reasons other than those outlined below and the Issuer does not represent that the factors below regarding the risks of investment in the ETC Securities are exhaustive.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with ETC Securities issued under the Programme are also described below.

Before making an investment decision, prospective purchasers of ETC Securities should read the entire Base Prospectus and consider carefully, in the light of their own financial circumstances and investment objectives, all the detailed information set out in this document and, in particular, the material risk factors set out below, as well as conducting their own independent analysis, in order to reach their own views prior to making any investment decision.

Prospective investors should note that the risks relating to the Issuer and the ETC Securities summarised in the section of the relevant Final Terms headed “Summary” are risks that the Issuer believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the ETC Securities. However, as the risks which the Issuer faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of the relevant Final Terms headed “Summary” but also, among other things, the risks and uncertainties described below.

All capitalised terms used in this “Risk Factors” section shall have the meanings given to them in other sections of this Base Prospectus unless otherwise defined below.

Prospective investors should be aware that they may lose the value of their entire investment or part of it, as the case may be.

Risks relating to liquidity and trading of the ETC Securities

Market price of the ETC Securities

Investors can buy and sell ETC Securities in the same manner as they buy and sell other listed securities. Investors trading ETC Securities intraday are given a “bid price”, at which the investors can sell an ETC Security, and an “offer price” representing the pricing point at which investors can buy their ETC Securities in the market. As the bid and offer prices for ETC Securities reflect market liquidity and other market conditions at a particular time, the bid and offer prices at any time are likely to be different to the value of the Metal comprising the Metal Entitlement by reference to the Metal Reference Price.

General movements in local and international markets and factors that affect the investment climate and investor sentiment could all affect the level of trading and, therefore, the market price of the ETC Securities.

The market price of ETC Securities will be affected by a number of factors, including, but not limited to:

- (i) the value and volatility of the Underlying Metal;
- (ii) the value and volatility of precious metals in general;
- (iii) market perception, interest rates, yields and foreign exchange rates;
- (iv) the creditworthiness of, among others, the Custodian, any applicable Sub-Custodian, the Administrator, the Authorised Participants and the Metal Counterparty; and
- (v) liquidity in the ETC Securities on the secondary market.

Prospective investors should be aware that the value of the Metal comprising the Metal Entitlement by reference to the Metal Reference Price and the secondary market price of the ETC Securities can go down as well as up throughout the life of the ETC Securities. Precious metal prices are generally more volatile than prices in other asset classes and the secondary market price of the ETC Securities may demonstrate similar volatility. Prospective investors should be aware that the value of the Metal comprising the Metal Entitlement by reference to the Metal Reference Price and the market price of the ETC Securities on any day may not reflect their prior or future performance. There can be no assurance as to the future value and market price of the ETC Securities. Prospective investors should be aware that a fall in the Metal Reference Price is likely to lead to a fall in value of the ETC Securities.

The secondary market and limited liquidity

The ETC Securities will not pay periodic interest. Investors will not receive any payments under the Conditions in respect of the ETC Securities prior to the Scheduled Maturity Date unless the ETC Securities redeem early. The ETC Securities may have a long term and the only means through which a Securityholder who is not an Authorised Participant can realise value from an ETC Security prior to the Scheduled Maturity Date or the occurrence of an early redemption is by selling it at its then market price to an Authorised Offeror or to other investors on the secondary market.

The market price at which the ETC Securities trade on any stock exchange on which the ETC Securities are listed may not reflect accurately the price of the Underlying Metal. The market price of the ETC Securities will be a function of the supply and demand amongst investors wishing to buy and sell the ETC Securities and the bid/offer spread that market-makers (including Authorised Offerors) are willing to quote for the ETC Securities on any relevant stock exchange or market. If there is a high level of demand for a relevant Series of ETC Securities then, other things remaining equal, those ETC Securities are likely to trade at a premium. Authorised Participants have the right to request that the Issuer issues further ETC Securities of a Series. If the Authorised Participants exercise such right, this will increase supply and would reduce any such premium. Similarly, where the ETC Securities are trading at a discount, the Authorised Participants may purchase the ETC Securities on the secondary market and request that the Issuer buys back such ETC Securities, thus reducing the supply and potentially reducing such discount.

While each Authorised Participant appointed in respect of a Series may make a market for the ETC Securities of such Series, an Authorised Participant is under no obligation to do so and there can be no assurance that Authorised Participants would purchase ETC Securities on any day or at any particular price. Furthermore, any market in the ETC Securities may not be liquid.

The price at which an investor may be able to sell ETC Securities at any time may be substantially less than the price paid by the investor. This may occur as a result of, among other things, there being limited liquidity for the ETC Securities, the market price being volatile or the Metal not having performed sufficiently to increase or maintain the market value of the ETC Securities by such amount as is necessary to negate the decrease in Metal Entitlement (due to application of the Total Expense Ratio) since the time the investor purchased the ETC Securities.

Furthermore, any market in the ETC Securities may not be liquid.

Prospective investors should note that:

- (i) the number of ETC Securities subject to any offer made by an Authorised Participant or otherwise in the secondary market may be affected by market demand for the ETC Securities, the number of ETC Securities in issue, whether subscriptions can be processed and prevailing market conditions;
- (ii) the bid or offer price offered by an Authorised Participant or any other seller or purchaser, may not reflect accurately the price of the Underlying Metal. In addition, any such price may be subject to fees, charges, duties, taxes and/or commissions;

- (iii) they may not be able to sell their ETC Securities quickly, easily or at prices that will provide them with a yield comparable to other investments;
- (iv) any price at which the ETC Securities may be sold prior to the Scheduled Maturity Date may be at a discount, which could be substantial, to the price at which the ETC Securities were acquired by the relevant investor; and
- (v) illiquidity may have a severely adverse effect on the market price of ETC Securities.

Prospective investors should be aware that not all market participants and Authorised Participants will determine the price of the ETC Securities in the same manner, and the variation between such valuations and prices quoted may be substantial. Accordingly, any prices provided by an Authorised Participant may not be representative of prices that may be provided by other market participants.

Recharacterisation as Collective Investment Scheme and Undertakings for Collective Investment in Transferable Securities (UCITS)

The ETC Securities are issued in the form of debt securities and are listed as non-equity securities in France. The ETC Securities are not units in a collective investment scheme for the purposes of the Directive of 13 July 2009 of the European Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to Undertakings for Collective Investment in Transferable Securities (No 2009/65/CE), as amended (the “**UCITS Directive**”) as locally implemented in Ireland, Austria, France, Germany, Luxembourg, Spain, Sweden and the Netherlands.

In addition, the ETC Securities are, subject to the below qualifications, believed to be eligible for investment in a scheme which is an undertaking for collective investment in transferable securities subject to the UCITS Directive (“**UCITS Scheme**”) in certain jurisdictions including Ireland, Austria, Germany, Luxembourg, Spain, Sweden and the Netherlands.

However, there can be no assurance that the courts or regulatory authorities in any jurisdiction would not apply a different interpretation, including recharacterising the ETC Securities as units in a collective investment scheme or a fund or as regards to the eligibility of the ETC Securities for investment by a UCITS Scheme. Any such difference in interpretation may have adverse consequences (including, without limitation, adverse tax consequences) for an investor.

Prospective investors that are UCITS Schemes need to satisfy themselves that an investment in the ETC securities would comply with the UCITS Directive and any laws, regulations or guidelines applicable to them and would be in line with their individual investment objectives. If in doubt, prospective investors are advised to contact/consult their regulator(s).

Prospective investors should consult their professional advisors on the implications, and in particular the tax implications, of investment in the ETC Securities and any risk of Recharacterisation of the ETC Securities.

Risks relating to the Metals

Precious metal linked securities

The ETC Securities issued under the Programme are linked to precious metals. Prospective investors should note that the value of ETC Securities of a Series will be affected by movements in the price of the Metal to which such Series is linked.

Prospective investors should be aware that the price of a Metal can go down as well as up and that the performance of a Metal in any future period may not mirror its past performance. There can be no assurance as to the future performance of any Metal to which the ETC Securities are linked and any fall in value of a Metal to which the ETC Securities are linked is likely to lead to a fall in value of such ETC Securities.

Each ETC Security of a Series will have a Metal Entitlement, which is an amount in weight of the Metal linked to such Series. The Metal Entitlement incorporates a daily deduction for the Total Expense Ratio applicable to such Series, which will in turn affect how closely the ETC Securities track the price of the Metal. This, together with other factors, means that the ETC Securities of a Series may trade differently from the performance of the Metal to which such ETC Securities are linked and changes in the market price of the Metal may not result in a comparable change in the market price of each such ETC Security.

The performance of a precious metal is dependent upon macroeconomic factors such as supply and demand, liquidity, natural disasters, direct investment costs, location and changes in tax rates and changes in laws, regulations and the activities of governmental or regulatory bodies. See “*Risks related to precious metals generally*” below.

An investment in the ETC Securities is not the same as investing directly and/or physically holding the relevant Metal to which such ETC Securities are linked. This is because while holding an inventory of physical precious metals may have certain economic benefits (for example, a jewellery firm could use a reserve of gold for the continuation of its operations), it also poses administrative burdens and costs, including those arising from the need to store, arrange security for or transport physical precious metals. These administrative burdens and costs may prove unattractive to investors who are interested solely in the price movement of precious metals. Each Series permits an investor to obtain exposure to the prices of precious metals without being directly subject to these administrative burdens and costs (although an investor in ETC Securities will incur a fee represented by the daily deduction of a portion of the Total Expense Ratio from the Metal Entitlement per ETC Security). However, an investor in a product linked to precious metals can be indirectly exposed to the administrative burdens and costs mentioned above, as these may be reflected in the prices at which the precious metals can be bought and therefore in the price of the ETC Securities linked to such precious metals.

Risks related to precious metals generally

Gold is a precious metal, and precious metals markets have historically displayed recurring periods of rising prices (bull markets) and falling prices (bear markets). These periods have tended to last for a significant period of time. For example, the last lengthy gold bear market persisted for approximately 20 years. In 2001, gold prices were near all-time lows. Since 2001, gold markets had generally experienced a period of rising prices, despite price corrections in 2008. However, gold price declines began in 2012 and have only in the last year or so recovered to near 2012 levels. Despite recent rises, prospective investors should be aware of the risk that gold markets may be entering a longer period of falling prices, which would have a negative effect on the value of the Metal comprising the Metal Entitlement and the market price of the ETC Securities, and which period may persist for the remaining term of the ETC Securities. Prospective investors should be aware that any such price fall may be rapid. The recent emergence of COVID – 19 shows the volatility that can quickly affect the price of gold and other commodity markets.

The performance of a precious metal is dependent upon various factors, including (without limitation) supply and demand, liquidity, natural disasters, direct investment costs, location, changes in tax rates and changes in laws, regulations and the activities of governmental or regulatory bodies, each as set out in more detail below. Precious metal prices are generally more volatile than most other asset classes, making investments in precious metals riskier and more complex than other investments, and the secondary market price of the ETC Securities may demonstrate similar volatility. Some of the factors affecting the price of precious metals are:

- (i) ***Supply and demand.*** Precious metals are typically considered a finite rather than a renewable resource. If supplies of a precious metal increase, the price of the precious metal will typically fall and *vice versa* if all other factors remain constant. Similarly, if demand for a precious metal increases, the price of the precious metal will typically increase and *vice versa* if all other factors remain constant. The planning and management of precious metal supplies is very time-consuming.

This means that the scope for action on the supply side is limited and it is not always possible to adjust production swiftly to take account of demand. Demand can also vary on a regional basis. Transport costs for precious metals in regions where they are needed also affect their prices. In relation to the use of precious metals in jewellery and/or for other non-industrial uses, substitutes may become more accepted over time. In relation to the use of precious metals in industrial processes, alternatives or substitutes may be identified, become cheaper and/or more readily available. In both cases, this may result in a decrease in the demand for such precious metal and a decrease in the price thereof.

- (ii) **Liquidity.** Not all markets in precious metals are liquid and able to quickly and adequately react to changes in supply and demand. The fact that there are only a few market participants in the precious metals markets means that speculative investments can have negative consequences and may distort prices and market liquidity.
- (iii) **Natural disasters.** The occurrence of natural disasters can influence the supply of certain precious metals. This kind of supply crisis can lead to severe and unpredictable price fluctuations.
- (iv) **Storage and other costs.** Direct investment in precious metals involves storage, security, insurance and tax costs. Moreover, no interest or dividends are paid on precious metals. The returns from investments in precious metals are therefore influenced by these factors.
- (v) **Location.** Precious metals are often produced in emerging market countries, with demand coming principally from industrialised nations. The political and economic situation is, however, far less stable in many emerging market countries than in the developed world. They are generally much more susceptible to the risks of rapid political change and economic setbacks. Political crises can affect purchaser confidence, which can, as a consequence, affect precious metal prices. Armed conflicts can also impact on the supply and demand for certain precious metals. It is also possible for industrialised nations to impose embargos on imports and exports of goods and services. This can directly and indirectly impact precious metal prices. Furthermore, precious metal producers may establish organisations or cartels in order to regulate supply and influence prices.
- (vi) **Changes in tax rates.** Changes in tax rates and customs duties may have a positive or a negative impact on the profit margins of precious metal producers. When these costs are passed on to purchasers, these changes will affect prices.
- (vii) **Changes in exchange rates and interest rates.** Changes in exchange rates and interest rates may have a positive or negative impact on the price, demand, production costs, direct investment costs of precious metals and the returns from investments in precious metals are therefore influenced by and may be correlated to these factors.
- (viii) **Laws, regulation and action of regulatory bodies.** Changes in law and regulation and/or the action of any applicable government or regulatory body may have a positive or a negative impact on precious metal prices and on any of the factors listed above.

The value of the Metal comprising the Metal Entitlement will be affected by movements in precious metal prices generally. Prospective investors should be aware that any fall in value of a Metal to which the ETC Securities are linked is likely to lead to a fall in value of such ETC Securities.

Shortage of physical Metal

Metal markets have the potential to suffer from market disruption or volatility caused by shortages of physical metal. Such events could result in sudden increases in Metal prices for a short period (also known as price spikes). Price spiking can also result in volatile forward rates and lease rates which could result in the bid/offer spread (the difference between the bid price (i.e. the price at which a holder can sell ETC Securities to an Authorised Offeror) and the offer price (i.e. the price at which a holder can buy ETC Securities from an Authorised Offeror)) on any stock exchange or market where the ETC Securities are

traded to widen, reflecting short-term forward rates in the Metal.

The growth of investment products offering investors an exposure to precious metal (including products similar to the ETC Securities and the ETC Securities themselves) may significantly change the supply and demand profile of the market from that which has traditionally prevailed. Changes in supply and demand for such investment products will directly impact on the supply and demand in the market for the underlying precious metal. This may have the effect of increasing volatility in the price and supply of the precious metal. Such products require the purchase and sale of the precious metal, and, depending on the success of such products, this may lead to a substantial increase in the volume of transactions. Volatility in the value of a Metal to which the ETC Securities are linked is likely to volatility in the value of such ETC Securities.

Total Expense Ratio reduces the Metal Entitlement

The Metal Entitlement for each Series starts with the Initial Metal Entitlement on the Series Issue Date (being the Issue Date for the first Tranche of such Series). Thereafter, in respect of each ETC Security for such Series and on each subsequent day up to 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, the Metal Entitlement for such ETC Security is decreased daily at a rate equal to the portion of the Total Expense Ratio applicable to such day. The Metal Entitlement of each ETC Security will decrease over time as a portion of the Total Expense Ratio is applied to the Metal Entitlement on each day. There can be no assurance that the performance of the Underlying Metal for a Series will exceed the Total Expense Ratio. In addition, the Total Expense Ratio may be varied by the Issuer at the request of the Advisor from time to time with, in the case of an increase, at least 30 calendar days' prior notice given to Securityholders. An increase in the Total Expense Ratio in respect of a Series will reduce the Metal Entitlement of such Series by more than would have been the case had the Total Expense Ratio not been increased.

The Central Bank Gold Agreement may not be renewed

The fourth Central Bank Gold Agreement (the "CBGA") dated 19 May 2014 was in effect from 27 September 2014 for a period of five years. The CBGA was between the European central banks who signed the previous CBGAs, the European Central Bank and several other central banks whose governments were looking to adopt the Euro as their national currency. The CBGA's signatory central banks committed themselves to the coordination of all gold transactions over the five year period on a collective basis in order to avoid market disturbances. The CBGA did not bind any central banks outside of Europe, such as the Federal Reserve of the United States, and so had only a limited effect on governmental and supranational sales of gold that influence the market price for gold and other precious metals. The CBGA was not renewed in 2019, in part because the gold market has become stronger and more developed. However, the lack of renewal may lead to substantial, uncoordinated sales of gold on the open market, a decrease in the price of gold and consequently a decrease in the value of the ETC Securities.

VAT

The ETC Securities have been structured so that under current United Kingdom VAT legislation and HM Revenue & Customs ("HMRC") practice (including the "Black Box" agreement between HMRC and the London Bullion Market Association ("LBMA")), no United Kingdom VAT will be payable by the Issuer in respect of supplies of Metal made to it nor will the Issuer be required to charge United Kingdom VAT on supplies of Metal made by it, provided that such transactions take place under the terms of the Transaction Documents and the parties to such documents comply with their undertakings thereunder.

It is not expected that any Irish VAT would be due on any supplies of Metal that are made to or by the Issuer on the basis of current Irish legislation and the practice of the Irish Revenue Commissioners,

provided in respect of supplies of Metal to the Issuer that the Metal is located outside of Ireland at the time of such supply.

If the Issuer is, or there is a substantial likelihood that it will be, required to make a payment in respect of VAT or to register for VAT or otherwise account for VAT on any supplies of Metal that are made to or by it, or if the Issuer has become liable, or become aware that it is liable, for VAT in respect of a prior delivery of Metal made to or by it, the Issuer has the option, by giving the relevant notice, to designate an Early Redemption Event in respect of all the ETC Securities of the relevant Series early pursuant to Condition 7(d)(i) (*VAT Redemption Event*). This is because if the Issuer had to account for VAT on supplies of Metal made by it or pay VAT on supplies of Metal made to it, this may adversely affect the Issuer's ability to meet its obligations under the ETC Securities in full.

Purchasing or selling activity in the market may cause temporary increases or decreases in the price of Metal, which may have an adverse effect on the value of the ETC Securities

Purchasing activity associated with acquiring Metal required for the Authorised Participants to subscribe for ETC Securities of a relevant Series may temporarily increase the market price for the relevant Metal, which may result in ETC Securities of such Series having a higher value for certain periods of time. Other market participants may attempt to benefit from an increase in the market price of the relevant Metal due to increased purchasing activity of the relevant Metal connected with the issuance of new securities of a Series of ETC Securities which could further result in a temporarily higher value for ETC Securities of such Series.

Conversely, selling activity by the Issuer following the Final Redemption Valuation Date or, where relevant, an Early Redemption Trade Date may be observed and/or predicted by other market participants who may attempt to benefit by purchasing any relevant Metal at artificially lower prices than would have occurred had no such Final Redemption Valuation Date or Early Redemption Trade Date occurred or by short selling the relevant Metal (i.e. selling borrowed Metal with the intention of buying it back at a later date at a lower price), which may have the effect of lowering the price of the Metal and reducing the value of the related ETC Securities.

Sales of Metal by national and supranational organisations could adversely affect the value of the ETC Securities

Central banks, other government agencies and supranational organisations, such as the International Monetary Fund, that buy, sell and hold precious metals as part of their reserve assets may decide to sell a portion of their assets, which are not normally subject to use in the open market via swaps or leases or mobilised in other ways. A number of central banks, including the Bank of England, have sold significant portions of their gold over the last fifteen to twenty years, which has meant that governmental and supranational organisations have generally been a net supplier to the open market. If there are sales of gold or other precious metals by the public sector to the private sector there may be an excess of supply over demand, leading to a lower price on the open market for gold and consequently a decrease in the value of the ETC Securities.

Further, as the price of some precious metals are correlated to some extent (i.e. there is some linkage in the prices of the precious metals – for example, an increase in the price of palladium might also lead to an increase in the price of gold as they are both seen by the financial markets as ways to hedge against inflation), a significant sale, for instance, of a precious metal other than gold by central banks, other government agencies or supranational organisations could lead to a decline in the market price of gold and consequently a decrease in the value of the ETC Securities.

Crises may precipitate large-scale sell-offs of Metal which could lead to a fall in the Metal price and consequently a decrease in the value of the ETC Securities

The possibility of large-scale distressed sales of Metal in times of crisis may have a short to medium term effect on the price of the Metal and adversely affect the value of the ETC Securities. For example, the

1998 Asian financial crisis led to individuals selling gold which in turn caused the gold price to become depressed. Similar events could occur in the future.

Disruption of markets on which precious metals are traded

Any disruption to the over-the-counter market of the LBMA or any other primary exchange or trading facility for the trading of the relevant Metal can affect the price of such Metal and the value of the ETC Securities. Markets, exchanges and trading facilities have the potential to suffer from market disruption due to trading failures or other events. Such events could result in the occurrence of a Disruption Event.

No right to Underlying Metal for Securityholders who are not Authorised Participants

Investing in the ETC Securities will not make an investor the owner of the Underlying Metal nor give an investor any right to ownership of any of the Underlying Metal (except in the case of Authorised Participants who are entitled to receive Metal on a buy-back of ETC Securities). Any amounts payable on ETC Securities which are not held by Authorised Participants will be in cash, and such Securityholders will have no right to receive delivery of any Underlying Metal in respect of such ETC Securities at any time.

Risks relating to the Issuer and the Legal Structure

The Issuer is a special purpose vehicle

The Issuer is a special purpose vehicle with the sole business of issuing ETC Securities. As such, the Issuer has, and will have, no assets other than (i) the small sums of money raised by issuing shares on the date of its incorporation, (ii) such fees (if any) as are payable to it in connection with the issue of any Series of ETC Securities from time to time and (iii) any rights, property or other assets on which Series of ETC Securities issued under the Programme are secured or that are otherwise permitted under the Conditions and the Security Trust Deeds. This means that if the assets on which a Series of ETC Securities are secured are not sufficient to meet sums payable by the Issuer in respect of that Series, there are no other assets that are available to the Issuer to make those payments. In such circumstances, the holders of ETC Securities would not receive the amounts owing to them in full.

Limited recourse obligations, non-petition and related risks

With respect to each Series of ETC Securities, the Issuer's main assets are its holdings of Underlying Metal held by or on behalf of the Issuer (through the Allocated Accounts) and its rights and interests under the related Custody Agreement. The obligations of the Issuer under the ETC Securities of a Series will be secured in favour of the Security Trustee pursuant to the Security Trust Deeds for such Series which grant security over, without limitation, the Allocated Accounts, the Issuer's rights in respect of the transaction documents relating to that Series (including the Advisory Agreement, the Agency Agreement, the Administration Agreement, the Custody Agreement and the Metal Sale Agreement) and any cash held by the Issuer in respect of that Series. The property over which such security is created in respect of a Series is known as the Secured Property for such Series.

In respect of a Series, the Transaction Parties and the Securityholders will have recourse only to the Secured Property in respect of that Series, subject always to the security for such Series, and not to any other assets of the Issuer. If, following realisation in full of the Secured Property relating to such Series (whether by way of liquidation or enforcement) and application of the available proceeds as provided for in Condition 5 (*Security and Application of Proceeds*), any outstanding claim against the Issuer relating to such Series remains unpaid, then such outstanding claim will be extinguished and no obligation will be owed by the Issuer in respect thereof. In such circumstances, the holders of ETC Securities would not receive the amounts owing to them in full.

None of the Transaction Parties, the Securityholders or any other person acting on behalf of any of them will be entitled to take any steps against (i) any of the Issuer's officers, shareholders, corporate service providers or directors, or (ii) following extinguishment, the Issuer, to recover any further sum in respect of the extinguished claim and no obligation will be owed to any such persons by the Issuer in respect of such

further amount. No personal liability will attach to or be incurred by the shareholders, officers, agents, employees 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 any ETC Security or Transaction Document or implied therefrom, and any and all personal liability of every such shareholder, officer, agent, employee 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 or director, is deemed expressly waived by the Transaction Parties and the Securityholders.

None of the Transaction Parties, the Securityholders 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 insolvency, administration, bankruptcy, winding-up, 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 will 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.

Assets held in relation to any particular Series of ETC Securities are not available to satisfy the claims of holders of a different Series of ETC Securities.

Insolvency

The Issuer has agreed not to engage in activities other than the issue of ETC Securities and related and incidental matters. Any issue of ETC Securities must be on terms that provide for the claims of the Securityholders and Transaction Parties in respect of such ETC Securities to be limited to the proceeds of the assets on which such ETC Securities are secured (see “*Limited recourse obligations, non-petition and related risks*” above). In addition, there are restrictions on the Securityholders and Transaction Parties bringing insolvency proceedings against the Issuer (see “*Limited recourse obligations, non-petition and related risks*” above). If such provisions are upheld, it would be unlikely that the Issuer could become insolvent.

However, notwithstanding the restrictions described in Condition 6 and the limited recourse and non-petition provisions, should the Issuer have outstanding liabilities to third parties which it is unable to discharge or should the limited recourse or non-petition provisions be found to be unenforceable in a particular jurisdiction and as a result the Issuer becomes or is declared insolvent according to the law of any country having jurisdiction over it or any of its assets, the insolvency laws of that country may determine the validity of the claims of Securityholders and may prevent Securityholders from enforcing their rights or delay such enforcement. In particular, depending on the jurisdiction concerned and the nature of the assets and security, the security created in favour of the Security Trustee may be set aside or ranked behind certain other creditors and the assets subject to such security may be transferred to another person free of such security.

In addition, certain jurisdictions (including Ireland) have procedures designed to facilitate the survival of companies in financial difficulties. In such jurisdictions, the rights of the Security Trustee to enforce the security may be limited or delayed by such procedures.

Preferred Creditors

If the Issuer becomes subject to an insolvency proceeding and the Issuer has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Securityholders, the Securityholders may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular, under Irish law, upon an insolvency of an Irish company, such as the Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company (which may include any borrowings made by

an examiner to fund the company's requirements for the duration of his appointment) which have been approved by the relevant Irish courts.

The holder of a fixed security over the book debts of an Irish incorporated company may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those which the holder received in payment of debts due to it by the company.

Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of the Irish Revenue Commissioners' notice to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company by another person in order to discharge any liabilities of the company in respect of outstanding tax whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of any Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

The essence of a fixed charge is that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the monies or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Issuer or if any court were to find that the agreed releases from the Security for the purposes of the Issuer making the specified payments and/or deliveries under the Conditions and the Transaction Documents were seen as the issuer having liberty to deal with the assets, any charge constituted by the Irish law Security Trust Deed or English Law Security Trust Deed may operate as a floating, rather than a fixed, charge. In order to restrict any such liberty of the Issuer over the Allocated Account(s), pursuant to the terms of the Custody Agreement, the Security Trustee (as security taker) has the right (but not the obligation), in order to exercise and enforce its rights under the Security Trust Deeds, to countermand any instructions delivered by (or on behalf) of the Issuer to the Custodian relating to the withdrawal of any Metal from the Allocated Account(s).

In particular, the Irish courts have held that in order to create a fixed charge on receivables it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee.

Depending upon the level of control actually exercised by the Issuer and whether any of the agreed releases from Security might result in the Issuer not being seen to have sufficient control, there is therefore a possibility that the fixed security over the relevant charged assets would be regarded by the Irish courts as a floating charge. A substantially similar position would apply under English law.

Floating charges have certain weaknesses, including the following:

- (i) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and the chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;
- (ii) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;
- (iii) they rank after certain insolvency remuneration expenses and liabilities;
- (iv) the examiner of a company has certain rights to deal with the property covered by the floating

charge; and

- (v) they rank after fixed charges.

Centre of Main Interests

The Issuer has its registered office in Ireland. As a result, there is a rebuttable presumption that its centre of main interest (“**COMI**”) is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the Court of Justice of the European Union (“**CJEU**”) in relation to Eurofood IFSC Limited, the CJEU restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings (such regulation now replaced by Regulation (EC) 2015/898 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the “**Recast Insolvency Regulation**”) that the place of a company’s registered office is presumed to be the company’s COMI and stated that the presumption can only be rebutted if “factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect”. Further, recital 30 of the Recast Insolvency Regulation states it is possible to rebut the presumption where a company’s central administration is located in an EU Member State other than that of its registered office and applying the above Eurofood principle. As the Issuer has its registered office in Ireland, has a majority of Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer’s COMI is not located in Ireland and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

No regulation of the Issuer by any regulatory authority

The Issuer is not required to be licensed, registered or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. There can be no assurance, however, that regulatory authorities in one or more other jurisdictions will not determine that the Issuer is required to be licensed, registered or authorised under the securities, commodities or banking laws of that jurisdiction or that legal or regulatory requirements with respect thereto will not change in the future. Any such requirement or change could have an adverse impact on the Issuer or the holders of ETC Securities.

Irish taxation position of the Issuer

The Issuer has been advised that it should fall within the Irish regime for the taxation of qualifying companies as set out in Section 110 of the Taxes Consolidation Act 1997 (“TCA”) (“Section 110”), and as such should be taxed only on the amount of its retained profit after deducting all amounts of interest and other revenue expenses due to be paid by the Issuer. If, for any reason, the Issuer is not or ceases to be entitled to the benefits of Section 110, then profits or losses could arise in the Issuer which could have tax effects not contemplated in the cashflows for the transaction and as such adversely affect the tax treatment of the Issuer and consequently the payments on the ETC Securities.

Risks relating to the Contractual Features of the ETC Securities

Risks relating to the Nominal Amount and the Specified Interest Amount

Each of the Early Redemption Amount and the Final Redemption Amount incorporates the concept of the Nominal Amount and the Specified Interest Amount, which entitles the Securityholder, following an Early Redemption Event or on the Scheduled Maturity Date, as applicable, to a minimum repayment of an amount in respect of each ETC Security equal to the sum of (i) 10 per cent. of the Issue Price per ETC Security as at the Series Issue Date of the relevant Series (being the Nominal Amount) and (ii) 1 per cent. of the Nominal Amount (being the Specified Interest Amount).

Due to the limited recourse nature of the ETC Securities, in respect of each ETC Security of a Series, in the event that the proceeds of liquidation of the Metal comprising the Metal Entitlement for such ETC Security is insufficient to fund the Nominal Amount and the Specified Interest Amount of such ETC Security in full, the holder of such ETC Security may not receive payment of the Nominal Amount and/or the Specified Interest Amount in full and may receive substantially less. In respect of each ETC Security, payment of the Specified Interest Amount to Securityholders will rank in priority to payment of the Nominal Amount.

In order to minimise the likelihood that the proceeds of liquidation of the Metal comprising the Metal Entitlement for each ETC Security of a Series is insufficient to fund the Nominal Amount and the Specified Interest Amount of such ETC Security, the ETC Securities for such Series may be early redeemed in full at the option of the Issuer or, by power of an Extraordinary Resolution, the Securityholders where the value of an ETC Security of such Series on two consecutive non-disrupted days is equal to or below a market value trigger, being 20 per cent. of the Issue Price per ETC Security as at the Series Issue Date of such Series.

CREST Depository Interests

If the Issuer intends for interests in ETC Securities of a Series to be held through CREST Depository Interests (“**CDIs**”) to be issued by the CREST Depository, investors in CDIs will not be the legal owners of the ETC Securities to which such CDIs relate (such ETC Securities being “**Underlying ETC Securities**”). CDIs are separate legal instruments from the Underlying ETC Securities and represent indirect interests in the interests of the CREST International Nominee Limited (the “**CREST Nominee**”) in such Underlying ETC Securities. CDIs will be issued by the CREST Depository to investors and will be governed by English law.

The Underlying ETC Securities (as distinct from the CDIs representing indirect interests in such Underlying ETC Securities) will be held in an account with a custodian. The custodian will hold the Underlying ETC Securities through the relevant clearing system. Rights in the Underlying ETC Securities will be held through custodial and depository links through the relevant clearing system. The legal title to the Underlying ETC Securities or to interests in the Underlying ETC Securities will depend on the rules of the relevant clearing system in or through which the Underlying ETC Securities are held.

Rights in respect of the Underlying ETC Securities cannot be enforced by holders of CDIs except indirectly through the CREST Depository and CREST Nominee, who in turn can enforce rights indirectly through the intermediary depositories and custodians described above. The enforcement of rights in respect of the Underlying ETC Securities will therefore be subject to the local law of the relevant intermediary. These arrangements could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Underlying ETC Securities in the event of any insolvency or liquidation of the relevant intermediary, in particular where the Underlying ETC Securities held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

If a matter arises that requires a vote of Securityholders, there is no guarantee that holders of CDIs would be able to participate, whether directly or indirectly, in such vote.

Holders of CDIs will be bound by all provisions of the CREST Deed Poll and by all provisions of or prescribed pursuant to the CREST International Manual (November 2014) issued by Euroclear UK & Ireland Limited and as amended, modified, varied or supplemented from time to time (the “**CREST Manual**”) and the CREST Rules (contained in the CREST Manual) applicable to the CREST International Settlement Links Service. Holders of CDIs must comply in full with all obligations imposed on them by such provisions.

Investors in CDIs should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by holders

of CDIs and limitations on the liability of the CREST Depository as issuer of the CDIs. Holders of CDIs may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them.

Investors in CDIs should note that holders of CDIs may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Underlying ETC Securities through the CREST International Settlement Links Service.

Investors in CDIs should note that none of the Issuer, the Trustee, the Security Trustee or any Agent will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders acting in connection with CDIs or for the respective obligations of such intermediaries, participants or accountholders under the rules and procedures governing their operations.

Issuer Call Redemption Event

The Issuer may at any time elect to redeem all the ETC Securities of a Series and designate an Early Redemption Trade Date for such purposes, provided that the date designated as the Early Redemption Trade Date may not be earlier than the 30th calendar day following the date of the relevant notice from the Issuer. In such circumstances, the ETC Securities of such Series will become due and payable in accordance with Condition 7 (*Redemption, Purchase and Options*), as described in “*Consequences of an Issuer Call Redemption Event, an Early Redemption Event or an Event of Default*” below. There can be no assurance that the Early Redemption Amount in such circumstances will be greater than or equal to the amount invested by an investor in the ETC Securities. If the Early Redemption Amount is less than the amount invested by an investor in the ETC Securities, such investor will make a loss on its investment.

Early Redemption Events and Events of Default

In addition to the Issuer Call Redemption Event, the ETC Securities of a Series may become due and payable in connection with the occurrence of any of the following events:

- (i) 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, register for VAT or be otherwise required to account for VAT in respect of a delivery of Metal in respect of a Subscription Order, a Buy-Back Order or a sale of TER Metal, or the Issuer has become liable, or become aware that it is liable, for VAT in respect of a prior delivery of Metal (in each case whether or not such VAT is recoverable);
- (ii) the Advisor, the Administrator, the Custodian, the Issuing and Paying Agent, all of the Authorised Participants and/or the Metal Counterparty in relation to such Series resign or their appointment in relation to such Series is terminated for any reason and the Issuer gives notice that no successor or replacement has been appointed within 120 calendar days of the date of notice of resignation or termination or the date of any automatic termination, as applicable;
- (iii) the prevailing value of an 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 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; or
- (iv) an Event of Default occurs under the ETC Securities and the Trustee gives the relevant notice.

Consequences of an Issuer Call Redemption Event, an Early Redemption Event or an Event of Default

The ETC Securities of a Series may be redeemed early in full following the occurrence of an Issuer Call Redemption Event, an Early Redemption Event or an Event of Default if the Issuer (and/or, in the case of

either of the events designated under paragraphs (iii) and (iv) of “*Early Redemption Events and Events of Default*” above, the Trustee following requisite direction by the Securityholders) has given notice designating an early redemption of the ETC Securities in full following the occurrence of such event. If such notice has been provided, each outstanding ETC Security of such Series (and not necessarily all Series given that other Series may not be affected by such Issuer Call Redemption Event, Early Redemption Event or Event of Default) shall become due and payable on the Early Redemption Settlement Date at its Early Redemption Amount.

The Early Redemption Amount for a Series shall be 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 such Series) denominated in USD per ETC Security equal to the greater of:

- (i) the product of (a) the Metal Entitlement (expressed in fine troy ounces) as at the Early Redemption Trade Date (being the date specified in the relevant notice designating an Issuer Call Redemption Event, an Early Redemption Event or an Event of Default, as applicable) and (b) the average price ascribed to each fine troy ounce of Metal held in the Allocated Account on the Early Redemption Trade Date based on (1) the proceeds received on any Metal sold prior to fifth Business Day immediately preceding the Metal Sale Cut-Off Date (the Metal Sale Cut-Off Date being the 40th Business Day following the Early Redemption Trade Date) and (2) the reference price for the Metal as published on the relevant price source for such Series (or any successor or replacement price source) in respect of any Metal not sold prior to the fifth Business Day immediately preceding the Metal Sale Cut-Off Date; and
- (ii) the Nominal Amount plus the Specified Interest Amount (as further described in “*Risks relating to the Nominal Amount and the Specified Interest Amount*” above).

Risks relating to the Final Redemption Amount or, if applicable, the Early Redemption Amount

Similar to the Early Redemption Amount (as described in “*Consequences of an Issuer Call Redemption Event, an Early Redemption Event or an Event of Default*” above), the Final Redemption Amount of each ETC Security shall be 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 such Series) denominated in USD equal to the greater of:

- (i) the product of (a) the Metal Entitlement (expressed in fine troy ounces) as at the Final Redemption Valuation Date (being the date falling 40 Business Days prior to the Scheduled Maturity Date, subject to postponement in certain circumstances) and (b) the average price ascribed to each fine troy ounce of Metal held in the Allocated Account on the Final Redemption Valuation Date based on (1) the proceeds received on any Metal sold prior to the fifth Business Day immediately preceding the Scheduled Maturity Date and (2) the reference price for the Metal as published on the relevant price source for such Series (or any successor or replacement price source) in respect of any Metal not sold prior to the fifth Business Day immediately preceding the Scheduled Maturity Date; and
- (ii) the Nominal Amount plus the Specified Interest Amount (as further described in “*Risks relating to the Nominal Amount and the Specified Interest Amount*” above).

As each of the Final Redemption Amount and the Early Redemption Amount, as applicable, is determined by reference to both (a) the prices at which the Metal Counterparty, on behalf of the Issuer, is able to sell the Metal following the Final Redemption Valuation Date or an Early Redemption Trade Date, as applicable and (b) in respect of any Metal that could not be sold during the relevant Redemption Disposal Period, the reference price for such Metal at such time, there can be no assurance that the Final Redemption Amount or Early Redemption Amount, as applicable, in respect of each ETC Security will be greater than or equal to the amount invested by an investor in the ETC Securities, particularly if prices of the relevant Metal have not, since the time of investment by the investor, increased sufficiently to offset the reduction of the Metal Entitlement due to application of the Total Expense Ratio.

The Metal Counterparty may not be able to liquidate the full Underlying Metal in respect of the Series being redeemed in one day and may need to liquidate such Underlying Metal over a series of days. The price by reference to which the Metal Counterparty liquidates Underlying Metal on behalf of the Issuer (a Metal Reference Price or market spot price) may fluctuate and assuming all other factors remain constant, lower Metal prices during the relevant Redemption Disposal Period will lead to a lower Early Redemption Amount or Final Redemption Amount, as applicable, payable. The Metal Counterparty will attempt to liquidate the Underlying Metal in respect of the relevant Series regardless of the level of the Metal Reference Price or market spot price applicable to the sale, provided that it will only liquidate the Metal at a lower price if it is unable to liquidate the Metal at a fair market price.

Additionally, under the Metal Sale Agreement and as further described in Condition 10(d) (*Metal Sale on Early or Final Redemption*), the Metal Counterparty is entitled to deduct from the sale proceeds any Taxes or other amounts properly incurred by it in connection with the liquidation of the Underlying Metal. This could also lead to a lower Early Redemption Amount or Final Redemption Amount, as applicable, being payable.

Where little or no Metal can be liquidated by the Metal Counterparty within the relevant Redemption Disposal Period, some or all of the Final Redemption Amount or the Early Redemption Amount, as applicable, will be determined by valuing some or all of the Metal comprising the Metal Entitlement by reference to the reference price for such Metal as at such time. In such circumstances, the proceeds received from any Metal that was liquidated during the Redemption Disposal Period (if any) will be insufficient to meet the claims of the Securityholders and it is therefore likely that the Security Trustee will have to enforce the Security on behalf of the Securityholders to realise value from the unsold Metal in order to fund payment of the Final Redemption Amount or the Early Redemption Amount, as applicable. If the Security Trustee is unable to liquidate the Metal at a price equal to or greater than the reference price for such Metal used to determine each ETC Security's Final Redemption Amount or Early Redemption Amount, as applicable, then an investor in the ETC Securities may not receive an amount equal to its claim. Where (i) the value of the Metal as at the Final Redemption Valuation Date or the Early Redemption Trade Date, as applicable, is equal to or lower than the value of the Metal as at the date on which a Securityholder purchased their ETC Securities and/or (ii) where the liquidation proceeds achieved in respect of the Underlying Metal are low, an investor may not receive back an amount equal to or greater than its initial investment. In the unlikely event that Metal prices fall to zero or close to zero, investors may lose the entire value of their investment in the ETC Securities, including the Nominal Amount and/or the Specified Interest Amount (due to the limited recourse nature of the ETC Securities – see “*Risks relating to the Nominal Amount and the Specified Interest Amount*” above).

Conversely, if the Security Trustee is able to liquidate the Metal at a price greater than the reference price for such Metal used to determine each ETC Security's Final Redemption Amount or Early Redemption Amount, as applicable, then each investor in the ETC Securities will be entitled to receive a *pro rata* share of such excess, 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.

Disruption Events

A Disruption Event may occur if:

- (i) there has been a disruption in respect of the trading of the Metal, including (a) any material suspension, limitation or permanent cessation in respect of the trading and/or settlement of such Metal on the over-the-counter market of the LBMA or any other primary exchange or trading facility for the trading of such Metal or (b) the temporary or permanent closing of the over-the-counter market of the LBMA or any other primary exchange or trading facility for the trading of such Metal;

- (ii) save as otherwise agreed in the relevant Transaction Document, any of the Advisory, the Administrator, the Custodian, the Issuing and Paying Agent, all of the Authorised Participants and/or the Metal Counterparty resigns, or their appointment is terminated for any reason, and a successor or replacement has not yet been appointed;
- (iii) a notice has been delivered designating an Issuer Call Redemption Notice; and/or
- (iv) any Underlying Metal is no longer held in the Allocated Accounts (other than permitted in accordance with the Conditions and/or the Transaction Documents).

If the Advisor or, in the case of a Disruption Event pursuant to paragraph (ii) above in respect of the Advisor, the Issuer determines that a Disruption Event has occurred or exists with respect to any day, it may (but shall not be obliged to) postpone or suspend any request for the further issuance or buy back of ETC Securities, the settlement of any issuance or buy back of ETC Securities and/or the early or final redemption of the ETC Securities, in each case by giving a Suspension Notice specifying how long such suspension and/or postponement will continue (a “**Suspended Day**” or “**Suspension Period**”).

On any Suspended Day or during any Suspension Period, provided it is so specified in the Suspension Notice, the Issuer is entitled not to accept any requests for subscriptions or buy-backs of ETC Securities and/or not to settle any subscriptions and buy-backs of ETC Securities which have traded but are yet to settle. The Issuer is also entitled (if specified in the Suspension Notice) to postpone any Early Redemption Trade Date, Early Redemption Settlement Date and/or payment of any Early Redemption Amount or to postpone the Final Redemption Valuation Date, the Scheduled Maturity Date and/or payment of any Final Redemption Amount, provided that if any of the Final Redemption Valuation Date, the Scheduled Maturity Date, an Early Redemption Trade Date and/or an Early Redemption Valuation Date would have occurred on the relevant Suspended Day or during the relevant Suspension Period but for such postponement, any such date shall be postponed only until the first following non-disrupted day (being the first Business Day following the Suspended Day or the end of the Suspension Period, as applicable), provided further that if no such non-disrupted day occurs on or prior to the 10th Business Day following the day on which any such Final Redemption Valuation Date, Scheduled Maturity Date, Early Redemption Trade Date and/or Early Redemption Valuation Date would have occurred but for such postponement, then the Issuer shall, acting in good faith and in consultation with the Advisor, determine an appropriate method for redeeming the ETC Securities and determining the relevant date for the purposes of such redemption. For the avoidance of doubt, if any of the Final Redemption Valuation Date, the Scheduled Maturity Date, an Early Redemption Trade Date and/or an Early Redemption Valuation Date is so postponed, then any other dates or periods determined by reference to any such date that have yet to occur or conclude as at the time of such postponement shall also be postponed or adjusted accordingly.

Securityholders should be aware that the occurrence of a Disruption Event (and any consequential Suspended Day or Suspension Period) may have an adverse effect on the calculation of the Metal Entitlement and/or timing relating to a Subscription Order or Buy-Back Order or relating to the early or final redemption of the ETC Securities.

Meetings of Securityholders, resolutions, modification, waivers and substitution

There are some matters set out in Condition 15(a) which do not require the approval of Securityholders or the consent of the Trustee. There are some matters set out in Condition 15(b) to which the Trustee may consent without obtaining the consent of the Securityholders. All other matters affecting the interests of the Securityholders must be sanctioned by an Extraordinary Resolution of the Securityholders, which Extraordinary Resolution will be binding on all Securityholders of the relevant Series, including any Securityholders who did not vote in favour of the Extraordinary Resolution.

As specified in the Transaction Documents, prospective investors should note that in certain circumstances the Issuer and the relevant Transaction Party may take certain actions and certain amendments may be made to the terms of the ETC Securities and/or the relevant Transaction Documents

without the requirement for the approval of Securityholders or the consent of the Trustee.

Such actions or amendments may, in certain circumstances, have adverse consequences for investors. Prospective investors should recognise that such actions or amendments can take place without any requirement for consent from them or the Trustee and should ensure that they accept and are aware of the potential consequences of such actions or amendments.

No active management of the Underlying Metal

Prior to the early or final redemption of the ETC Securities of a Series, quantities of Metal will only be withdrawn from or added to the Allocated Account(s) relating to such Series in connection with any buy-back of ETC Securities, any liquidation of TER Metal (being the Metal that has been deducted from the Underlying Metal pursuant to the Total Expense Ratio) and/or any new issues of ETC Securities (thereby decreasing or increasing the amount of the Underlying Metal, as applicable), as further set out in the Conditions and/or the Transaction Documents. No attempt will be made to buy or sell any Metal to protect against or to take advantage of fluctuations in the price of the Underlying Metal.

Change of law and jurisdiction

The Conditions of the ETC Securities and the terms of the Transaction Documents (other than the English Law Security Trust Deed, the Custody Agreement and the Metal Sale Agreement) are governed by Irish law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Irish law or administrative practice after the date of this Base Prospectus. The terms of the English Law Security Trust Deed, the Custody Agreement and the Metal Sale Agreement are expressed to be governed by English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus. Any change in Irish or English law after the date of this Base Prospectus may have an adverse impact on the ETC Securities.

Exchange rates and exchange controls

Any requisite cash payments in respect of the ETC Securities of any Series will be made in USD. This will present certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than USD. These include the risk that exchange rates may significantly change (including changes due to devaluation of USD or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to USD would decrease (i) the Investor's Currency-equivalent return on the ETC Securities, (ii) the Investor's Currency-equivalent value of the amount(s) payable on the ETC Securities and (iii) the Investor's Currency-equivalent market value of the ETC Securities.

Risks relating to the Custodian, any Sub-Custodians and the Metal Counterparty

The Issuer's ability to meet its obligations with respect to the ETC Securities will be dependent upon the performance by the Custodian and the Metal Counterparty of its respective obligations under the relevant Custody Agreement, in respect of the Issuer Cash Account and under the Metal Sale Agreement. In particular, the ability of the Issuer to meet its obligations will depend on the receipt by it of the net proceeds of liquidation of any Metal to be liquidated on its behalf by the Metal Counterparty in accordance with the Conditions and the relevant Metal Sale Agreement (although all liquidation proceeds held by the Metal Counterparty will be subject to the security granted by the Issuer pursuant to the Security Trust Deeds). Any net proceeds of liquidation may be held for some time by the Metal Counterparty as it will only be obliged to transfer such net proceeds of liquidation to the Issuer upon the earlier to occur of (i) all of the Underlying Metal having been liquidated by the Metal Counterparty and (ii) the end of the relevant Redemption Disposal Period. Any Secured Property in respect of a Series may also be held with a Sub-Custodian who will have entered into a Sub-Custody Agreement with the Custodian. Consequently, due

to all of these factors, the Securityholders will be relying on the creditworthiness of the Custodian, any relevant Sub-Custodian and the Metal Counterparty.

In the event of an insolvency of the Custodian (or any relevant Sub-Custodian), the allocated Metal held by the Custodian (or any relevant Sub-Custodian) in the relevant Allocated Account for the benefit of the Issuer should be protected as such Metal should be identified separately from the assets of the Custodian, any relevant Sub-Custodian and their other clients. The legal title to the Underlying Metal should also always remain with the Issuer notwithstanding the custody of such Metal by the Custodian or any relevant Sub-Custodian. However, there can be no assurance that the Issuer will be able to obtain delivery of and/or realise the Metal (whether in full or in part) held in the Allocated Account(s) with the Custodian or relevant Sub-Custodian on a timely basis. In addition, the Issuer could incur expenses in connection with having to assert its claims against the Metal even if title could properly be ascertained to belong to the Issuer.

Although the Custodian is required to allocate and segregate Metal held for the Issuer from any assets held by the Custodian for other clients and the Custodian's own assets, and the Custodian is required to ensure that the Sub-Custodians allocate and segregate Metal held for the Custodian from any assets held for other clients and the Sub-Custodian's own assets, Securityholders will be at risk if the Custodian or any relevant Sub-Custodian does not, in practice, maintain such a segregation.

Custody and Insurance

All Underlying Metal will be held by the Custodian and/or applicable Sub-Custodian(s) in each case in its vaults in London. Access to such Underlying Metal could be restricted by, without limitation, natural events, such as earthquakes, or human activities, such as political protests or terrorist attacks.

Unless otherwise agreed in writing by both the Issuer and the Custodian, the Custodian is under no obligation to maintain insurance specific to the Issuer or specific only to the Underlying Metal held for the Issuer in respect of any loss, damage, destruction or misdelivery of such Metal. The insurance maintained by the Custodian in accordance with the relevant Custody Agreement is held for the sole use and benefit of the Custodian in relation to its business, including the metal and custody business, and no other party may submit any claim under the terms of such insurance. In the event of any loss of Underlying Metal that cannot be recovered, the Issuer will be reliant on the Custodian being able to claim successfully on its insurance. The Trustee and the Security Trustee shall not be responsible for ensuring that adequate insurance arrangements have been made and in particular for insuring any Metal in any accounts, or making any enquiry regarding such matters.

There is therefore a risk that Underlying Metal could be damaged, stolen or otherwise lost and the Issuer would not be able to fully satisfy its obligations in respect of the ETC Securities. The Securityholders do not have the right under the Conditions to assert a direct claim of the Issuer against the Custodian or any applicable Sub-Custodian, and such claims may only be asserted by the Issuer (subject to any applicable assignment of the rights of the Issuer under any relevant Transaction Document). The Issuer is likely to have no, or only extremely limited direct rights against any Sub-Custodian, as the Sub-Custodian effectively acts for the Custodian.

No guarantee any Metal will meet the required purity standards of the LBMA

The Custodian is required, under the Custody Agreement, to verify that the Metal delivered by the Authorised Participants in exchange for ETC Securities complies with "The Good Delivery Rules for Gold and Silver Bars" published by the LBMA. Such verification may not, however, fully prevent the deposit of Metal by Authorised Participants that fail to meet the required purity standards.

To the extent that ETC Securities are issued in exchange for Metal of inferior quality and the Issuer is unable to recover damages from the relevant Authorised Participant or the Custodian (or any applicable Sub-Custodian) when this comes to light, the total value of the Metal of the relevant Series, and by extension the value of the ETC Securities of such Series, will be adversely affected. The Issuer may not be able to proceed against an Authorised Participant unless it is put in funds for such action.

Reliance on the records of the Custodian

The definitive records of the Custodian in respect of the Allocated Account(s) in respect of each Series are prepared by members of its bullion operations team and its computer systems which track the amount of Underlying Metal in each account for each relevant Series of ETC Securities. In the event that there are computer system failures or human error making any relevant entries to the records, then in the event of an insolvency of the Custodian it may be difficult to determine the accuracy of any entries and such determination may take significant time.

Transaction Parties and Conflicts of Interest

Transaction Parties (including the Arranger on behalf of other clients), Authorised Offerors and/or any of their respective Affiliates may engage in trading and market-making activities and may hold long or short positions in the Metal and other financial instruments or products based on or related to the Metal for their own accounts or for other accounts under their management. Transaction Parties, Authorised Offerors and any of their affiliates may also issue securities or enter into financial instruments in relation to the Metal. Such activities could present certain conflicts of interest, could adversely affect the price and liquidity of the ETC Securities and may have an adverse effect on the value of the ETC Securities.

A Transaction Party, Authorised Offeror and/or any of their respective Affiliates may be entitled to receive fees or other payments under or in connection with other products linked to the Metal or otherwise and to exercise all rights, including rights of termination or resignation, which they may have, even though so doing may have a detrimental effect on investors in the ETC Securities.

A Transaction Party, Authorised Offeror and/or any of their respective Affiliates may, from time to time, by virtue of such activities and their status as underwriter, advisor or otherwise, possess or have access to information relating to the Metal and/or the other Transaction Parties or Authorised Offerors. There is no obligation on any Transaction Party or Authorised Offeror to disclose to any investor in the ETC Securities any such information.

A Transaction Party, Authorised Offeror and/or any of their respective Affiliates may, as an issuer or counterparty of precious metal linked obligations or transactions, engage in activities designed to reduce its exposure to the risk of adverse price movements that may impact on the prices of the Metal on any particular day, meaning it may be different from the level which it would otherwise have been, whether directly or indirectly. Such activities may have an adverse effect on the value of the ETC Securities.

The Arranger and Advisor to the Programme is Amundi Asset Management S.A.S. which is ultimately owned by Crédit Agricole S.A.

Any member within Crédit Agricole S.A. or the Crédit Agricole group, and any of the directors of the foregoing, may (a) have an interest in the ETC Securities issued by the Issuer or in any transaction effected with or for it, or a relationship of any description with any other person, which may involve a potential conflict with their respective duties to the Arranger and Advisor, and (b) deal with or otherwise use the services of Crédit Agricole group companies in connection with the performance of such duties, and none of them will be liable to account for any profit or remuneration derived from so doing. Where any member within Crédit Agricole S.A. or the Crédit Agricole group has an interest in the ETC Securities issued by the Issuer, they will have the same rights as any other Securityholder.

Tax Risks

Taxation and no gross-up

In the event that any withholding or deduction for or on account of Tax is imposed on payments in respect of the ETC Securities, the Securityholders will be subject to such tax or deduction and will not be entitled to receive amounts to compensate for such withholding or deduction. No Event of Default will occur as a result of any such withholding or deduction.

The tax treatment of the ETC Securities, including but not limited to the question of whether the ETC Securities should be treated as debt securities or units in a collective investment scheme for tax purposes, is fundamentally unclear in some jurisdictions. Prospective investors' attention is therefore drawn to the section entitled "*Taxation*" of this Base Prospectus and the other tax disclosures in this Base Prospectus.

Transfers of Metal to or from the Issuer or transfers of the sale proceeds of Underlying Metal to the Issuer under the Metal Sale Agreement in relation to a Series may be subject to charges, withholding or deduction for, or on account of, Taxes (including VAT). In such circumstances the sums available to the Issuer (and/or the Trustee and/or the Security Trustee) to pay the Final Redemption Amount or the Early Redemption Amount may not be sufficient to satisfy in full the claims of the Securityholders and all creditors whose claims rank in priority to those of the Securityholders.

Where 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, register for VAT or be otherwise required to account for VAT in connection with a delivery of Metal in respect of a Subscription Order, a Buy-Back Order or a sale of TER Metal, or the Issuer has become liable, or become aware that it is liable, for VAT in respect of a prior delivery of Metal (in each case whether or not such VAT is recoverable), the ETC Securities may become subject to early redemption (see "*Early Redemption Events and Events of Default*" above).

Each Securityholder will assume and be solely responsible for any and all Taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local Taxes or other like assessment or charges that may be applicable to any payment to it in respect of the ETC Securities. You should consult your selling agent for details of fees, expenses, commissions or other costs and your own tax advisors in order to understand fully the tax implications specific to investment in any ETC Securities.

Imposition of unanticipated Taxes on Issuer

The Issuer has been advised that under current Irish law, any fees payable to the Advisor for its services should be exempt from VAT in Ireland as consideration paid for portfolio management services provided to a "qualifying company" for the purposes of section 110 of the TCA. This is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "**Directive**"), which provides that EU member states shall exempt the management of "special investment funds" as defined by EU member states. The Value-Added Tax Consolidation Act 2010 of Ireland, in the provisions implementing Article 135(1)(g) of the Directive, specifically lists, in the categories of undertakings to whom supplies of management services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section 110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore management services supplied to it are exempt from VAT in Ireland under current law. On 9 December 2015 the European Court of Justice handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV cs Case C-595/13* which concerned Dutch law on VAT, in particular the Dutch interpretation of the term "special investment fund" under the Directive, and could suggest that the exemption had been enacted by some EU member states more broadly than is permitted by the Directive. The Issuer is not, however, aware of any proposal to amend Irish domestic law to remove the exemption from VAT on portfolio management fees for entities such as the Issuer.

Action Plan on Base Erosion and Profit Shifting

International fiscal and taxation policy and practice is constantly evolving and recently the pace of change has increased due to a number of developments. In particular a number of changes of law and practice are occurring as a result of the Organisation for Economic Co-operation and Development ("**OECD**") Base Erosion and Profit Shifting project ("**BEPS**").

In July 2013 the OECD published its Action Plan on BEPS, which proposed fifteen actions intended to counter international tax base erosion and profit shifting. On 5 October 2015, the OECD released its final recommendations. On 24 November 2016, more than 100 jurisdictions (including the United Kingdom and Ireland) concluded negotiations on a multilateral convention that is intended to implement a number of

BEPS related measures swiftly. The multilateral convention has now been signed by over 75 jurisdictions (including the United Kingdom and Ireland) and has entered into force in Ireland. The date from which provisions of the multilateral convention have effect in relation to a treaty depends on several factors including the type of tax which the relevant treaty article relates to. Prospective investors should note that some of the action points (such as Action 4, which can deny deductions for financing costs) may be implemented in a manner which adversely affects the tax position of the Issuer.

EU Anti-Tax Avoidance Directive and EU Anti-Tax Avoidance Directive 2

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 (the “**Anti-Tax Avoidance Directive**”) on 12 July 2016. The EU Council adopted Council Directive (EU) 2017/952 (the “**Anti-Tax Avoidance Directive 2**”) on 29 May 2017, amending the Anti-Tax Avoidance Directive to provide for minimum standards for counteracting hybrid mismatches involving EU member states and third countries.

EU member states had until 31 December 2018 to implement the Anti-Tax Avoidance Directive (subject to derogations for EU member states which have equivalent measures in their domestic law) and until 31 December 2019 to implement the Anti-Tax Avoidance Directive 2 (except for measures relating to reverse hybrid mismatches, which must be implemented by 31 December 2021).

The Directives contain various measures that could, depending on their implementation in Ireland, potentially result in certain payments made by the Issuer ceasing to be fully deductible. This could increase the Issuer’s liability to tax and decrease amounts available to make payments under the ETC Securities.

There are two measures of particular relevance.

Firstly, the Anti-Tax Avoidance Directive provides for an “interest limitation rule” which restricts the deductible borrowing costs of an entity to the higher of (i) EUR 3,000,000 (assuming implementation includes this derogation) and (ii) 30 per cent. of its earnings before interest, tax, depreciation and amortisation. However, the interest limitation only applies to the net borrowing costs of an entity (being the amount by which its borrowing costs exceed its taxable interest revenues and other economically equivalent taxable revenues). This measure has not yet been implemented in Ireland. The exact scope of the measure and its impact on the Issuer’s tax position will depend on how this is implemented in Ireland.

Secondly, the Anti-Tax Avoidance Directive (as amended by the Anti-Tax Avoidance Directive 2) provides for hybrid mismatch rules. These rules apply in Ireland with effect from 1 January 2020 and are designed to neutralise arrangements where amounts are deductible from the income of one entity but are not taxable for another, or the same amounts are deductible for two entities. These rules could potentially apply to the Issuer where (a) the return that it pays or otherwise provides under the ETC Securities, and claims deductions for, is not brought into account as taxable income by the relevant holder of the ETC Securities, either because of the characterisation of the ETC Securities, or the payments made under them, or because of the nature of the holder itself or (b) the mismatch arises between associated enterprises, between the Issuer and an associated enterprise or under a structured arrangement. “Associated” for these purposes includes direct or indirect participation in terms of voting rights or capital ownership of 25 per cent. or more or an entitlement to receive 25 per cent. or more of the profits of that entity as well as entities that are (or would be if accounts are prepared under IFRS) part of the same consolidated group for financial accounting purposes or enterprises that have a significant influence in the management of the tax payer. It is not clear if the Issuer would have any associated enterprise; however even if the Issuer has or had at any time an associated enterprise, unless there is a hybrid mismatch, then the measures should not impact payments on the Notes

For the purposes of the hybrid rules, a structured arrangement is one involving a mismatch outcome where the mismatch outcome is priced into the terms of the arrangement or the arrangement was designed to give rise to a mismatch outcome. Absent any guidance from the Irish Revenue Commissioners on how

they will approach structured arrangements, it is not yet clear if this would apply to the transaction to bring it within scope of the hybrid rules.

General risks

COVID-19

A novel coronavirus (SARS-CoV-2) and related respiratory disease (coronavirus disease (COVID-19)) recently emerged in China and has spread to many countries throughout the world, including Ireland, France and several other European countries. This outbreak of novel coronavirus has led (and may continue to lead) to disruptions in the economies of each of the nations where the novel coronavirus has arisen and may in the future arise. In addition, this outbreak and any future outbreaks could have a further adverse impact on the global economy in general, including volatility in or disruption of financial markets, including with respect to the price of gold. It is impossible to determine the scope of this outbreak and any future outbreaks or the impact on the ETC Securities at this time.

The UK's EU Membership

On 31 January 2020, the UK withdrew from the EU (as more particularly described below). At this time, the full consequences of such withdrawal are not clear.

The negotiated withdrawal agreement between the UK and the EU provides for a transition period, commencing on 31 January 2020 and ending at 11.00 p.m. GMT on 31 December 2020, unless extended by a single decision for up to one or two years (such period, the “**Transition Period**”). The UK government has stated that it will not seek such an extension. The negotiated withdrawal agreement states that, unless otherwise provided in the agreement, EU law will be applicable to and in the UK during the Transition Period. Accordingly, during the Transition Period any references in this Base Prospectus to the “EU” and its “Member States” in the context of EU legislation and the application thereof shall be interpreted so as to include the UK.

During the Transition Period negotiations will continue between the UK and the EU in respect of the nature of their future relationship. It is at present unclear what type of future trading relationship between the UK and the EU will be established. It is possible that a new relationship would preserve the applicability of certain EU rules (or equivalent rules) in the UK. At this time it is not possible to state with any certainty to what extent that might be so or when negotiations of such relationship will be finalised.

The UK's withdrawal from the EU has led to political and economic instability and volatility in the financial markets of the UK and more broadly across Europe. It may also lead to weakening in consumer, corporate and financial confidence in such markets as the UK finalises the terms of its exit from the EU. The extent of the impact will depend in part on the nature of the arrangements that are put in place between the UK and the EU during the Transition Period and the extent to which the UK continues to apply laws that are based on EU legislation. The longer term process to implement the political, economic and legal framework that is agreed between the UK and the EU is likely to lead to continuing uncertainty and periods of exacerbated volatility in both the UK and in wider European markets. The UK's exit from the EU, the anticipation of the exit or the terms of the exit could also create significant uncertainty in the UK (and potentially global) financial markets, which may materially and adversely affect the performance of the Issuer, value of the ETC Securities and returns to Securityholders. It could also potentially make it more difficult to raise capital in the EU and/or increase the regulatory compliance burden which could restrict the Issuer's future activities and thereby negatively affect returns.

PRECIOUS METALS MARKET OVERVIEW

The information provided below does not purport to be a complete summary of information relating to gold or its storage, trade associations or relevant legislation. Prospective purchasers of ETC Securities are advised to conduct their own independent investigation of gold or consult with their relevant advisors as to the prospects and consequences of a purchase of ETC Securities linked to gold.

The following information has been extracted from the sources identified below. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced inaccurate or misleading.

Further information relating to Gold can be found on the website of the LBMA at www.lbma.org.uk.

Introduction

Gold is classified as a precious metal as it is considered to be rare and/or have a high economic value. The higher relative value of gold is driven by various factors including its rarity, use in industrial processes and use as an investment commodity. Chemically, gold is less reactive than most elements, has high lustre, is softer or more ductile, and has a higher melting point than other non-precious metals.

Gold can be stored in a vault without deteriorating and, whether as coins or jewellery, gold can be used as a store of value. Gold is mined and can be recycled and its main sources of demand are investors (including central banks), industrial use, and jewellery.

Gold Pricing

The price of gold is volatile and its fluctuation is expected to have a direct impact on the value of the ETC Securities.

Pricing of gold can be impacted by fundamental issues of supply and demand, along with political and economic considerations, especially when gold-producing countries are involved. Gold is considered a store of value, so any political and economic uncertainty, and deflation or inflation fears can stimulate accumulation and higher prices.

Market Participants

The participants in the world gold markets may be classified in the following sectors: the mining and producer sector, the banking sector, the official sector, the investment sector, and the manufacturing sector. A brief description of each follows.

Mining and Producer Sector

This group includes mining companies that specialise in gold metal production, mining companies that produce gold as a by-product of other production (such as zinc and copper), scrap merchants and recyclers.

Banking Sector

Bullion banks provide a variety of services to the gold market and its participants, thereby facilitating interactions between other parties. Services provided by the bullion banking community include traditional banking products as well as mine financing, physical gold purchases and sales, hedging and risk management, inventory management for industrial users and consumers, and deposit and loan instruments.

Official Sector

The official sector is important to the gold market and it encompasses the activities of the various central

banking operations of gold-holding countries.

Investment Sector

This sector includes the investment and trading activities of both professional and private investors and speculators. These participants range from large hedge and mutual funds to day-traders on futures exchanges and retail-level coin collectors.

Manufacturing Sector

The fabrication and manufacturing sector represents all the commercial and industrial users of gold for whom gold is a daily part of their business. The jewellery industry is a large user of gold.

In the following sections a brief overview of gold is set out, including information regarding the primary sources of demand and supply, an overview of historical pricing and the operation of the gold market.

Gold

World Gold Supply and Demand

A key distinguishing characteristic of gold is that virtually all the gold that has ever been mined still exists today in one form or another. The supply of gold can be sourced from either new mine production or from the recycling or mobilisation of existing above-ground gold stocks.

Historical Price of Gold

The price of gold is volatile and its fluctuations are expected to have a direct impact on the value of the ETC Securities. However, movements in the price of gold in the past, and any past or present trends, are not a reliable indicator of future movements. Movements may be influenced by various factors, including announcements from central banks regarding a country's reserve gold holdings, agreements among central banks, fluctuations in the value of the U.S. dollar, political uncertainties around the world, and economic concerns.

For this purpose, "gold prices" refers to the London Gold PM Auction Price. The London Bullion Market Association ("**LBMA**")¹ announced on 7 November 2014 that ICE Benchmark Administration ("**ICE**") had been selected to be the third-party administrator for the LBMA Gold Price. This took effect from 20 March 2015 and currently the ICE provides the auction platform methodology as well as overall independent administration of the transparent electronic auction process.

ICE gold auctions take place daily at approximately 10:30 AM London time (gold AM auction) and 3:00 PM London time (gold PM auction) or such other times as confirmed by ICE, and the LBMA Gold Price benchmarks are calculated and distributed by ICE. As at the date of this Base Prospectus ICE is included in the register of administrators and benchmarks maintained by the European Securities and Markets Authority under Regulation (EU) 2016/2011 of the European Parliament and Council (the "**Benchmarks Regulation**").

The London Gold Auction Price is the most widely used benchmark for daily gold prices.

As at the date of this Base Prospectus, fixing prices for gold are published on the website of the LBMA (www.lbma.org.uk) and by various news agencies.

ICE BENCHMARK ADMINISTRATION LIMITED MAKES NO WARRANTY, EXPRESS OR IMPLIED,

¹ London Bullion Market Association (LBMA) is the coordinator for activities conducted on behalf of its members and other participants in the London Bullion Market; it is the principal point of contact between the market and its regulators.

EITHER AS TO THE RESULTS TO BE OBTAINED FROM THE USE OF THE LBMA GOLD PRICE AND/OR THE FIGURE AT WHICH THE LBMA GOLD PRICE STANDS AT ANY PARTICULAR TIME ON ANY PARTICULAR DAY OR OTHERWISE. ICE BENCHMARK ADMINISTRATION MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR USE WITH RESPECT TO ANY OF THE ETC SECURITIES.

Operation of gold market

The global trade in gold consists of over-the-counter (“**OTC**”) and exchange-based transactions. Unlike a futures exchange, where trading is based around standard contract units, settlement dates and delivery specifications, the OTC market allows flexibility. It also provides confidentiality, as transactions are conducted solely between the two principals involved.

Futures Exchanges

The most significant gold futures exchanges are COMEX, operated by Commodity Exchange, Inc., a subsidiary of New York Mercantile Exchange, Inc., and the Tokyo Commodity Exchange, Inc. (“**TOCOM**”). The COMEX is the largest exchange in the world for trading metals futures and options and has been trading gold since 1974. The TOCOM has been trading gold since 1982.

Futures contracts are defined by the exchange for each commodity. For each commodity traded, this contract specifies the precise quality and quantity standards. The contract's terms and conditions also define the location and timing of physical delivery.

An exchange does not buy or sell those contracts, but seeks to offer a transparent forum where members, on their own behalf or on the behalf of customers, can trade the contracts in a safe, efficient and orderly manner. Gold futures trade electronically almost 24 hours a day, five business days a week.

In addition to the public nature of the pricing, futures exchanges in the United States are regulated. External governmental oversight is performed by the CFTC, which reviews all the rules and regulations of United States futures exchanges and monitors their enforcement.

Over-the-Counter Market

The OTC market accounts for most global gold trading, including spot, forward and option and other derivative transactions conducted on a principal to principal basis. The OTC market trades on a 24-hour per day continuous basis with its main centres being London, New York and Zurich.

The LBMA plays an important role in setting the OTC gold trading industry standards. The LBMA's “London Good Delivery Lists” identify approved refiners of gold. In the OTC market, gold that meets the specifications for weight, dimensions, fineness (or purity), identifying marks (including the assay stamp of an LBMA-acceptable refiner) and appearance set forth in the “The Good Delivery Rules for Gold and Silver Bars” published by the LBMA are “London Good Delivery Bars”. A London Good Delivery Bar (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. The fine gold content of a gold bar is calculated by multiplying the gross weight of the bar (expressed in units of 0.025 troy ounces) by the fineness of the bar. A London Good Delivery Bar must also bear the stamp of one of the refiners who are on the LBMA approved list.

London Market Regulation

The Prudential Regulation Authority (the “**PRA**”) at the Bank of England is responsible for prudential banking regulation of most of the financial firms that are active in the London gold market. The PRA works closely with the Financial Conduct Authority (the “**FCA**”) which is responsible for consumer and competition issues. Trading in spot, forwards and wholesale deposits in the London gold market is underpinned by the Non-Investment Products Code, which has been drawn up by participants in the UK foreign exchange, money and bullion markets.

Traditional ways to access gold

Historically, investors looking to add gold exposure to their portfolios had three primary options to choose from. These are described below along with the fourth option of using exchange traded funds, notes or commodities.

Physical gold

Holding bullion, jewellery, coins and certificates linked to gold provides pure access to gold. These forms of gold exposure, however, are generally not as liquid as holding a security (like a stock or futures contract) and may be impractical or costly to store, buy and/or secure.

Derivatives and futures contracts

Derivatives and futures contracts have predominantly been limited to large institutional investors with the resources and experience to administer these positions themselves.

Investments in the equities of mining stocks or in gold mutual funds

Prior to the introduction of exchange traded commodities and exchange traded funds, mutual funds provided convenient access to gold-linked investments in a generally cost-efficient manner and with low investment minimums. However, these vehicles typically have less historical correlation to gold and a higher historical correlation to the equity market than products that hold either physical gold or invest in gold futures.

Exchange traded funds and exchange traded commodities

These products represent a recent innovation for accessing the gold market. These investment vehicles typically offer the ability for investors to buy and sell their investment in gold through a brokerage account. Within exchange traded funds and exchange traded commodities, there are several approaches for delivering gold exposure:

- **Equities**

These products typically gain exposure by investing in equities tied to the gold market, such as gold mining companies. These products typically have less historical correlation to the gold spot prices and higher historical correlation to the equity market than products holding physical gold or investing in gold futures.

- **Gold-based futures**

These products hold gold futures contracts and typically roll those forward as necessary to avoid taking physical delivery of gold. While these products are more directly linked to the price of gold, they may diverge from the actual spot price of gold because of the roll costs associated with accessing gold via the futures market.

- **Physical metal**

These exchange traded commodities offer investors participation in a structure that holds actual physical gold bullion. Because they hold physical gold, these products offer the most direct access to the current price of gold.

Investing in the ETC Securities to gain exposure to gold prices

The ETC Securities offer investors a relatively easy means of gaining exposure to the movement in spot prices of gold and provide an alternative means of gaining exposure that is very similar to a direct investment in gold. The objective is for the value of the ETC Securities to reflect, at any given time, the price of gold at that time (as reflected in the Metal Reference Price), less fees and expenses. Investors who previously had difficulty purchasing, storing or insuring gold or who may have been prohibited from holding physical commodities or derivatives, may now invest in securities that seek to track the price of

gold. Although the ETC Securities are not the exact equivalent of an investment in gold, they provide investors with an alternative that allows a level of participation in the gold market through the securities market. The ETC Securities may be traded, borrowed and shorted, and settle into – and can be transferred between – brokerage accounts.

Storage, trade associations, documentation and regulation

Storage

Certain members of the London bullion market either use their own vaults for the storage of gold or have the dedicated use of storage facilities with another party. Costs for storage and insurance of gold are subject to negotiation.

The LBMA clearing members use the unallocated accounts they maintain between each other for the settlement of mutual trades as well as third party transfers. These transfers are conducted on behalf of clients and other members of the London bullion market in settlement of their own loco London bullion activities. This system is designed to avoid the security risks and costs that would be involved in the physical movement of gold.

Trade associations

The relevant trade association for gold is the LBMA. The LBMA is the London-based trade association that represents the wholesale gold bullion market in London. London is the focus of the international OTC market for gold, with a client base that includes the majority of the central banks that hold gold plus producers, refiners, fabricators and other traders throughout the world. The LBMA was formally incorporated in 1987 in close consultation with the Bank of England, which was the bullion market's regulator at that time. Since the passage of the FSMA, spot and forward trading in bullion in the UK have not been regulated activities. As a result of the passage of the Financial Markets Act 2012, regulation of the UK financial markets has been significantly changed. The PRA at the Bank of England is now responsible for prudential banking regulation of most of the financial firms that are active in the bullion market. The PRA works closely with the FCA which is responsible for consumer and competition issues.

Members of the London bullion market typically trade with each other and with their clients on a principal-to-principal basis, which means that all risks, including those of credit, are between the two counterparties to a transaction, as opposed to an exchange traded environment. The London bullion market is a wholesale market, where minimum traded amounts for clients are generally 1,000 ounces of gold.

As of the date of this Base Prospectus, further information on the LBMA can be found on www.lbma.org.uk.

The LBMA "Good Delivery List" is now widely recognised as representing the de facto standard for the quality of gold bars due to the stringent criteria for assaying standards and bar quality that an applicant must satisfy in order to be listed. The Issuer will only accept gold that meets the LBMA "Good Delivery" requirements.

Documentation

London Precious Metals Clearing Limited ("LPMCL") has published the standard forms of Allocated Precious Metals Accounts Agreement and Unallocated Precious Metals Accounts Agreement (latest versions dated 7 July 2008 and 5 October 2007 respectively) setting out the standard terms on which custodians hold precious metals in allocated and unallocated accounts on behalf of clients. These LPMCL standard forms have superseded the earlier versions published by the LBMA.

The LBMA has published a number of other standard documents and agreements which cover the terms and conditions for dealing in spot, forward, options and derivatives transactions in the OTC gold market.

In all dealings in gold the Issuer will, to the extent possible, use the standard LPMCL and LBMA documentation, amended as required in connection with the ETC Securities.

Market Regulation

As far as the London bullion market is concerned, regulation falls under two categories, the companies involved and the market itself. The PRA at the Bank of England (website: <http://www.bankofengland.co.uk>) is responsible for prudential banking regulation of most of the financial firms that are active in the bullion market. The PRA works closely with the FCA (website: <https://www.fca.org.uk>) which is responsible for consumer and competition issues.

Under the FSMA, all United Kingdom based banks, together with other investment firms, are subject to a range of requirements including capital adequacy, liquidity and systems and controls. Conduct of business in the London bullion market however falls under two jurisdictions dictated by the type of business. The FCA is responsible for “investment business” as defined under the FSMA, which for the bullion market covers derivatives.

The requirements upon firms in their dealings with market professionals are set out in MiFID II, which became effective on 1 January 2018. For spot, forwards and deposits in gold which are not covered by the FSMA, guidelines for the conduct of business are set out in The London Code of Conduct for Non-Investment Products (the “**London Code**”). This London Code has been drawn up by market practitioners representing the foreign exchange, money and bullion markets in conjunction with the Bank of England. It sets out the standards of conduct and professionalism expected between market practitioners and their clients.

In June 2014, the UK HM Treasury announced a review in relation to the way in which wholesale financial markets operate. Following this review the FCA published a policy statement implementing the regulatory and supervisory regime for seven additional benchmarks in the fixed income, commodity and currency markets to be treated as “regulated benchmarks” in the UK. This included the LBMA Gold Price and became effective as of 1 April 2015. The consequence of this meant that administrators responsible for these benchmarks will need to be regulated and comply with the relevant FCA regulations. However, this did not mean participants involved in auction rounds during the price setting process will be regulated by the FCA as they are not considered to be price submitters.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction:

1. with the semi-annual unaudited financial statements of the Issuer as at and for the period from 4 December 2018 (date of incorporation) to 30 September 2019 which have been previously published and can be accessed through the following link:

<https://www.amundi.fr/professional/document/download/FR0013416716/Periodic%20Report/EN>

Such document shall be incorporated in, and form part of, this Base Prospectus, save that any statement contained in such document which is incorporated by reference herein shall be modified or superseded for the purposes of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The Issuer has not yet published any audited annual financial statements with the financial statements for the period from incorporation to 31 March 2020 due to be published by 31 July 2020.

2. with the section entitled “Terms and Conditions of the ETC Securities” of the Base Prospectus issued by the Issuer on 20 May 2019 which have been previously published and can be accessed through the following link:

<https://www.amundi.fr/professional/document/download/FR0013416716/Prospectus/EN>

The documents incorporated herein by reference have been filed with the Central Bank.

TERMS AND CONDITIONS OF THE ETC SECURITIES

With respect to the issue by the Issuer of Series Amundi Physical Gold ETC, Tranche 1 of which was issued on 23 May 2019, the Terms and Conditions for all Tranches of such Series are those set out in the Base Prospectus dated 20 May 2019. However, please note that the following Terms and Conditions, which are in an identical form, apply to the issue of new Series after 20 May 2020.

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the Final Terms of the relevant Series, shall be applicable to the ETC Securities of such Series. The full text of these terms and conditions together with the relevant provisions of Part A of the relevant Final Terms shall be endorsed on the ETC 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, the Trust Deed, the Security Trust Deeds, the Terms and Conditions, the Custody Agreement, the Agency Agreement and the Metal Sale Agreement referred to in these terms and conditions are available for inspection during normal business hours at the specified office of the Issuer, the Trustee, the Issuing and Paying Agent and at the specified offices of each of the Paying Agents and will be sent to a Securityholder on request to the Issuer, the Issuing and 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.

1 Definitions

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

“**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, the Advisor 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 HSBC Securities Services (Ireland) DAC and any successor or replacement thereto.

“**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 the administrator or sponsor of the Metal Reference Price 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, the Advisor or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Metal Reference Price to perform its or their respective obligations under the ETC Securities.

“Advisor” means Amundi Asset Management S.A.S. and any successor or replacement thereto.

“Advisory Agreement” means, in respect of a Series, the advisory agreement in the form of the Master Advisory 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 Advisor and any other parties specified in such Issue Deed as being a party to such Advisory Agreement, as amended and/or supplemented by such Issue Deed and as such Advisory Agreement is amended, supplemented, novated or replaced from time to time.

“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 Issuing and Paying Agent, the Advisor, each relevant Paying Agent (as may be required by the rules of any Relevant Stock Exchange) 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 Advisor, the Administrator, the Custodian, the Metal Counterparty, the Issuing and Paying Agent, any Paying Agent(s) and such other agent(s) as may be appointed from time to time in relation to the ETC Securities under the Advisory Agreement, the Administration Agreement, the Custody Agreement, the Metal Sale Agreement, 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, the segregated account held at the London vault of the Custodian in the name of the Issuer for the account of such Series for any and all Metal in allocated form that is deposited with or received by the Custodian from time to time to be held by the Custodian as bailee for the Issuer for such Series.

“Allocated Account (Sub-Custodian)” means, in respect of a Series for which the Custodian is holding any Metal owned by the Issuer through a Sub-Custodian, each segregated account held at the London vault of the relevant Sub-Custodian in the name of the Custodian for any and all Metal in allocated form that is deposited with or received by the relevant Sub-Custodian from time to time to be held by the Sub-Custodian for the Custodian for the purposes of such Series.

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

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

“Arranger” means Amundi Asset Management S.A.S. 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 Advisor, 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” 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 comprising the Underlying Metal as at the start of such Redemption Disposal Period.

“Business Day” means, in respect of a Series, each day (other than a Saturday or a Sunday) on which (i) Euronext Paris is open for business, (ii) the over-the-counter market of the LBMA is open for business and (iii) commercial banks in Ireland are open for business.

“Buy-Back Order” means a request for the Issuer to buy back ETC Securities delivered in accordance with the relevant Authorised Participant Agreement.

“Buy-Back Settlement Amount” means, in respect of a buy-back of ETC Securities, an amount of Metal per ETC Security determined by the Administrator as being equal to the product of the Metal Entitlement in respect of the relevant Buy-Back Trade Date and the aggregate number of ETC Securities to be bought back pursuant to the relevant Buy-Back Order.

“Buy-Back Trade Date” means a Business Day on which a Buy-Back 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.

“Clearing System” means Euroclear France or any replacement clearing system.

“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 Security.

“Corporate Services Agreement” means the corporate services agreement in respect of the Issuer dated on or about 20 May 2019 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, Cafico Corporate Services Limited whose registered office is at 2nd Floor, Palmerston House, Fenian Street, Dublin 2, Ireland and any successor or replacement thereto.

“Custodian” means HSBC Bank Plc and any successor or replacement thereto.

“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 Advisor 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.

“Deemed Redemption Sale Proceeds” has the meaning given to it in the definition of Total Redemption Sale Proceeds.

“Definitive Securities” means ETC Securities in individual, security printed, definitive form to be held directly by holders outside of a Clearing System and includes any replacement ETC Security issued pursuant to these Conditions.

“Deutsche Börse” means the Deutsche Börse and any replacement or successor thereto.

“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 in fine troy ounces) as at the Early Redemption Trade Date and (b) the Average Metal Sale Price for the relevant Redemption Disposal Period; 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 Business Day, the Early Redemption Settlement Date shall be the next following Business 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.

“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 Metal 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*).

“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, the Advisor 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.

“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 ETC Securities.

“Euroclear France” means Euroclear France S.A. and any successor thereto.

“Euronext Amsterdam” means Euronext Amsterdam and any replacement or successor thereto.

“Euronext Paris” means Euronext Paris and any replacement or 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, 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 Securityholders duly convened and held in accordance with the relevant provisions of the Trust Deed.

“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 fine troy ounces) as at the Final Redemption Valuation Date and (b) the Average Metal Sale Price for the relevant Redemption Disposal Period; 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 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 Security” means, in respect of each Series, the global security representing the ETC Securities comprising such Series.

“Gold” means (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.

“holder” has the meaning given to it in Condition 2 (*Form and Title*).

“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, the Advisor 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) 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 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 on such Issue Date.

“Issuer” means Amundi Physical Metals plc, a public limited liability company incorporated and registered in Ireland with registration number 638962, 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 account opened with HSBC Bank plc (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 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, but excluding any agreed fees and expenses payable by the Advisor in accordance with the terms of the Transaction Documents and/or Clause 4 (*Payment of Fees and Operational Expenses*) of the Advisory Agreement, in each case, relating to such Series.

“Issuing and Paying Agent” means HSBC France and any successor or replacement thereto or any delegate or sub-delegate thereof.

“LBMA” means The London Bullion Market Association 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 Advisory Terms” means, in respect of a Series, the master advisory 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 Metal Sale Terms” means, in respect of a Series, the master metal sale 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 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, Gold.

“Metal Counterparty” means HSBC Bank Plc and any successor or replacement thereto.

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

“Metal Reference Price” means, in respect of a Metal and any given day and subject to Condition 9 (*Successor Metal Reference Price or Metal Reference Price Source and Metal Reference Price Event*), the value in USD for that day of the afternoon’s benchmark price known as the “LBMA Gold Price”, which is a benchmark afternoon price per troy ounce of Gold for delivery in London for settlement in two business days (as such term is used in the LBMA market) through a full member of the LBMA authorised to effect such delivery, provided that if on a day (i) the afternoon benchmark price is not scheduled to be published but the morning benchmark price is, the morning benchmark price shall be used and (ii) no morning or afternoon benchmark price is scheduled to be published, the Metal Reference Price for such day shall be deemed to be the benchmark price (whether morning or afternoon but if both are published on a day, then the afternoon benchmark price shall be used) published on the next day on which a price is published for such Metal.

“Metal Reference Price Event” means:

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

“Metal Reference Price Source” means any screen or other source on which the 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 or Metal Reference Price Source and Metal Reference Price Event*).

“Metal Sale Agreement” means, in respect of a Series, the metal sale agreement in the form of the Master Metal Sale 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 Metal Counterparty, the Advisor and any other parties specified in such Issue Deed as being a party to such Metal Sale Agreement providing for the sale of Metal by the Metal Counterparty on behalf of the Issuer in respect of such Series, as amended and/or supplemented by such Issue Deed and as such Metal Sale Agreement is amended, supplemented, novated or replaced from time to time.

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

“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 Metal 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.

“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.

“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 and day:

- (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 Issuing and 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*);
- (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 Security to the extent that it shall have been exchanged for one or more Definitive Securities pursuant to its provisions,

provided that for the purposes of (I) ascertaining the right to attend and vote at any meeting of the Securityholders, (II) the determination of how many ETC Securities are outstanding for the purposes of the Conditions, the Trust Deed and the Security Trust Deeds 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 Securityholders, 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, the amount of Metal in the Allocated Accounts which relates to any over-allocation of Metal by the Custodian to the relevant Allocated Accounts in order to allow for:

- (i) delivery of an amount of Metal into the Allocated Accounts that equates to a single Metal bar, plate, ingot or other relevant metal shape notwithstanding that the amount of Metal due to the Issuer was less than the weight of such single Metal bar, plate, ingot or other relevant metal shape; or
- (ii) withdrawal of an amount of Metal from the Allocated Accounts that equates to a single Metal bar, plate, ingot or other relevant metal shape notwithstanding that the amount of Metal due from the Issuer was greater than the weight of such single Metal bar, plate, ingot or other relevant metal shape.

“Over-allocated Metal Cash Proceeds” means an amount denominated in USD determined by the Custodian 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; or

- (ii) 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 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”.

“**Paying Agent**” means the Issuing and Paying Agent and any paying agent appointed by the Issuer under the Agency Agreement and specified in the Final Terms (including any successor or replacement thereto).

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

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

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

“**Programme**” means the Secured Precious Metals Linked ETC Securities Programme of the Issuer.

“**Programme Maximum Number of ETC Securities**” means two billion.

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

“**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; 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.

“**Redemption Fees**” means an amount determined by the Issuer, or the Advisor on its behalf, equal to the costs incurred by or on behalf of the Issuer in connection with the early or final redemption of the ETC Securities, as applicable.

“**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, the Clearing System and any additional or alternative clearing system approved by the Issuer, the Trustee and the Issuing and 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 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) 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 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 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 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) 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 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;
- (x) 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 prospective or actual departure from the EU; or
- (xi) 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 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.

"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 Advisory Agreement, the Agency Agreement, the Administration Agreement, the Custody Agreement and the Metal Sale 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 Underlying Metal, (ii) the Issuer Cash Account, (iii) all property, assets and sums held by the Issuing and Paying Agent and/or the Custodian and/or the Metal Counterparty in connection with such Series and/or any Transaction Document (other than any Metal credited to an unallocated account opened with the Custodian in the name of the Issuer in connection with such Series) and (iv) 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 pursuant to each Security Trust Deed, 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 Trust Deeds 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 Metal Counterparty, (iii) to pay the Taxes (other than any income, corporation or similar tax), fees, expenses or other amounts due to the Issuing and Paying Agents and the Paying Agents pursuant to the Agency Agreement, due to the Custodian pursuant to the Custody Agreement or any precious metals overdraft agreement in respect of any Over-allocated Metal, due to the Administrator pursuant to the Administration Agreement, due to the Advisor pursuant to the Advisory 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 English Law Secured Property and the Irish Law Secured Property for such Series.

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

“Security Trust Deed” means, in respect of a Series, the English Law Security Trust Deed or the Irish Law Security Trust Deed for such Series, as the context may require, and **“Security Trust Deeds”** shall refer to both of them.

“Security Trustee” means HSBC Corporate Trustee Company (UK) Limited and any successor or replacement thereto.

“Securityholder” has the meaning given to it in Condition 2 (*Form and Title*).

“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, in respect of a Series, each day (other than a Saturday or a Sunday) on which each of (i) Euronext Paris and (ii) the over-the-counter market of the LBMA is open for business.

“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 Securityholders in accordance with Condition 19 (*Notices*).

“Stock Exchange” means Euronext Paris, Euronext Amsterdam, the Deutsche Börse and/or the

London Stock Exchange.

“Sub-Custodian” means any sub-custodian, agent or depositary (including an entity within the Custodian’s corporate group) appointed by the Custodian in accordance with the Custody Agreement and in respect of a Series to perform any of the Custodian’s duties under the Custody Agreement including the safekeeping of Metal, and any successor or replacement thereto from time to time.

“Sub-Custody Agreement” means an agreement between the Custodian and a Sub-Custodian pursuant to which the Sub-Custodian is appointed to act as sub-custodian in connection with the duties and obligations of the Custodian under the Custody Agreement as amended, supplemented, novated or replaced from time to time.

“Subscription Order” means a request for the Issuer to issue ETC Securities delivered in accordance with the relevant Authorised Participant Agreement.

“Subscription Settlement Amount” means, in respect of a subscription for ETC Securities, an amount of Metal determined by the Administrator as being equal to the product of the Metal Entitlement in respect of the relevant Subscription Trade Date and the aggregate number of ETC Securities to be issued pursuant to the relevant Subscription Order.

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

“Total Expense Ratio” has the meaning given to it in Condition 4(c)(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 Metal Counterparty during such Redemption Disposal Period in accordance with the terms of the Metal Sale 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 Metal Counterparty by the close of business on the final day of such Redemption Disposal Period in accordance with the terms of the Metal Sale Agreement (and as further described in Condition 10 (*Metal Sale on Early or Final Redemption*)), the Metal Reference Price 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 one fine troy ounce.

"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 Trust Deed, the Corporate Services Agreement, the Advisory Agreement, the Administration Agreement, the Agency Agreement, the Custody Agreement, the Metal Sale Agreement, each Authorised Participant Agreement and any other documents 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 Security Trustee, the Advisor 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 HSBC Corporate Trustee Company (UK) Limited and any successor or replacement thereto.

"Underlying Metal" means, in respect of a Series, all Metal recorded and identified in the Allocated Accounts including, for the avoidance of doubt, any Over-allocated Metal and any Metal held by the Metal Counterparty pending any sale of such Metal in accordance with the terms of the Metal Sale Agreement.

"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*).

"Website" means the website maintained by or on behalf of the Issuer at www.Amundieftf.com (or such other website as may be notified to Securityholders in accordance with Condition 19 (*Notices*) from time to time).

2 Form and Title

The ETC Securities are issued in bearer form and shall not be exchangeable for any other form of securities. The ETC Securities will be represented on issue by a Global Security in bearer form.

Title to the ETC Securities shall pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any ETC Security shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder. In the Conditions, “**Securityholder**” and, when used in the context of ETC Securities, “**holder**” means the bearer of any ETC Security of the relevant Series.

3 Constitution and Status

The ETC Securities are constituted by the Trust Deed for the relevant Series and secured by each Security Trust Deed 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*) and Condition 14 (*Enforcement*). The Securityholders 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 Trust Deed.

4 Metal Entitlement and Total Expense Ratio

(a) **Publication of Metal Entitlement**

In respect of each calendar day up to (and including) the Early Redemption Trade Date or Final Redemption Valuation Date, as applicable, the Issuer shall publish the Metal Entitlement for such calendar day notified to it by the Administrator on the Website by no later than the immediately following Business Day.

(b) **Determination of Metal Entitlement**

The “**Metal Entitlement**” in respect of a Series and any calendar day shall be an amount per ETC Security 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_t**” means the Metal Entitlement in respect of the relevant calendar day;

“**ME_{t-1}**” means the Metal Entitlement in respect of the immediately preceding calendar day;

“**TER_t**” 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).

(c) **Total Expense Ratio**

- (i) The “**Total Expense Ratio**” is the rate per annum at which the “all in one” operational fee which is payable to the Advisor in respect of each Series is calculated. 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 from such Metal Entitlement. 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.

- (ii) The Total Expense Ratio in respect of a Series may be varied by the Issuer on the request of the Advisor from time to time, provided that no increase in the Total Expense Ratio in respect of a Series will take effect unless Securityholders of such Series have been given at least 30 calendar days' prior notice in accordance with Condition 19 (*Notices*).
- (iii) 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.
- (iv) 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 Metal Counterparty (on behalf of the Issuer) on a monthly or such other periodic basis as may be agreed between the Custodian, the Metal Counterparty and the Issuer (or the Advisor on its behalf) from time to time. Upon effective delivery of a notice from the Advisor (acting on behalf of the Issuer) to each of the Issuer, the Custodian, the Metal Counterparty, the Administrator and the Security Trustee (a "**TER Metal Sale Notice**") specifying the amount of Metal determined by the Administrator (and verified by the Advisor) (the "**TER Metal**") to be sold on the date on which the TER Metal Sale Notice is effective, the Custodian will transfer to the Metal Counterparty an amount of Metal equal to the TER Metal. 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.
- (v) The cash proceeds of a sale of TER Metal (less any Taxes or other deductions permitted to be made by the Metal Counterparty in accordance with the Metal Sale Agreement) will be paid by the Metal Counterparty to the Issuer Cash Account. Using such cash proceeds, the Issuer will pay the relevant fee due to the Advisor pursuant to the Advisory Agreement and the Advisor will, in turn, pay the agreed fees of the Issuer's other service providers.

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, pursuant to each Security Trust Deed, by:

- (A) an assignment by way of security of all of the Issuer's rights, title, interest and benefit present and future against the Custodian and each of the Sub-Custodian(s) (if any) relating to the Underlying Metal under the Custody Agreement and any Sub-Custody Agreement(s);
 - (B) a first fixed charge over and to the extent of the Issuer's title in each Allocated Account, all of the Underlying Metal held in the Allocated Accounts from time to time and all sums and assets derived therefrom;
 - (C) an assignment by way of security of all of the Issuer's rights, title, interest and benefit present and future in, to and under the Advisory Agreement, the Administration Agreement, the Agency Agreement, the Custody Agreement and the Metal Sale Agreement;
 - (D) 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); and
 - (E) a first fixed charge over (I) all sums, Metal and/or any other property held now or in the future by the Issuing and Paying Agent and/or the Custodian or any Sub-Custodian(s) (other than any Metal credited to an unallocated account opened with the Custodian in the name of the Issuer in connection with such Series) 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 Metal Counterparty relating to the sale of TER Metal or Underlying Metal pursuant to the Metal Sale Agreement.
- (ii) The Security is granted to the Security Trustee as continuing Security for the Secured Issuer Obligations. In accordance with each Security Trust Deed, prior to any enforcement of the Security, the Security Trustee will be deemed to release from such Security without the need for any notice or other formalities (and without liability to the Security Trustee):
- (A) sums and/or Metal held by or on behalf of the Issuer, the Custodian or any Sub-Custodian, the Administrator, the Issuing and 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:
 - (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) Metal deliverable to the Metal Counterparty pursuant to these Conditions and/or the Metal Sale Agreement for the purposes of effecting a sale of the Underlying Metal;
 - (III) TER Metal deliverable by the Custodian to the Metal Counterparty and the proceeds of any sale thereof that is payable to the Advisor as described in Condition 4 (*Metal Entitlement and Total Expense Ratio*);

- (IV) Metal in respect of Buy-Back Settlement Amounts deliverable from the Allocated Accounts in accordance with the terms of the Custody Agreement; and
- (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 payable to the Custodian in priority to the payment of the Redemption Amount to any Securityholder.

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 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. Where the Security is released over any Over-allocated Metal Cash Proceeds in accordance with (V), it shall be paid to the Custodian only and not 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*) and 5(i) (*Issuer's Rights as Beneficial Owner of Secured Property*).

(b) **Money Received by the Trustee 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 Trustee (or to the order of the Trustee) 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 Issuing and 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 to the Trustee for the account of the Securityholders except to the extent that there is failure by the Issuing and Paying Agent to pass such payment to the relevant Securityholders (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 the Issuing and Paying Agent or the Trustee and notice to that effect has been given to the Securityholders, except to the extent that there is failure by the Issuing and Paying Agent to pass such payment to the relevant Securityholders (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 Securityholders 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 received by or on behalf of the Trustee 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 Trustee 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 Issuing and Paying Agent and any other Agent including reimbursement in respect of any proper payment of Redemption Amounts made to the Securityholders;
- (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 the Trustee holds any moneys in respect of ETC Securities that have become void or in respect of which claims have become prescribed, the Trustee will hold them on the trusts described above.

(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 (or any Sub-Custodian(s)) to the Metal 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 which the Metal Counterparty is permitted to deduct from the proceeds of the liquidation of the Secured Property in accordance with the terms of the Metal Sale Agreement and as further described in Condition 10(d) (*Metal Sale on Early or Final Redemption*), as follows:
 - (A) first, in payment to the Custodian of the Over-allocated Metal Cash Proceeds;
 - (B) secondly, in payment or satisfaction of all Taxes and other amounts properly incurred by or payable to the Metal 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 the Metal Counterparty's remuneration) required to be paid by the Metal Counterparty in connection with the performance of its obligations under these Conditions and the Metal Sale Agreement and/or by the Metal 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 the Metal Counterparty in accordance with this Condition 5(c)(ii)(B) duplicate any amounts which the Metal Counterparty has deducted from the proceeds of the liquidation of the Secured Property in accordance with the terms of the Metal Sale Agreement and as further described in Condition 10(d) (*Metal Sale on Early or Final Redemption*);

- (C) thirdly, 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 Trust Deeds 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 Trust Deeds 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);
- (D) fourthly, in payment of any amounts owing to the Issuing and Paying Agent for reimbursement in respect of any proper payment of Redemption Amounts made to the Securityholders;
- (E) fifthly, in payment or satisfaction of the Issuer Series Fees and Expenses;
- (F) sixthly, in payment or satisfaction of any accrued and unpaid sale proceeds of TER Metal to the Advisor in accordance with the terms of the Advisory Agreement and as described in Condition 4 (*Metal Entitlement and Total Expense Ratio*);
- (G) seventhly, in payment of any Specified Interest Amounts owing to Securityholders by the Issuer *pari passu* and rateably;
- (H) eighthly, in payment of any amounts (other than Specified Interest Amounts) owing to the Securityholders by the Issuer *pari passu* and rateably; and
- (I) ninthly, 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 Trust Deed 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 amounts which the Metal Counterparty is permitted to deduct from the proceeds of the realisation of the Underlying Metal in accordance with Condition 5(c) properly incurred by the

Metal Counterparty prior to the enforcement of the Security by the Security Trustee (which shall have been certified (including the amounts due to the Metal Counterparty) by the Issuer and the Metal Counterparty to the Security Trustee which certificate shall be conclusive and binding)) as follows:

- (i) first, in payment to the Custodian of the Over-allocated Metal Cash Proceeds;
- (ii) secondly, 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 Trust Deeds and/or any other Transaction Document (which for the purpose of this Condition 5(d) and the Security Trust Deeds 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 Trust Deeds 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);
- (iii) thirdly, in payment of any amounts owing to the Issuing and Paying Agent for reimbursement in respect of any proper payment of Redemption Amounts and default interest (if any) made to the Securityholders;
- (iv) fourthly, in payment or satisfaction of the Issuer Series Fees and Expenses;
- (v) fifthly, in payment or satisfaction of any accrued and unpaid sale proceeds of TER Metal to the Advisor in accordance with the terms of the Advisory Agreement and as described in Condition 4 (*Metal Entitlement and Total Expense Ratio*);
- (vi) sixthly, in payment of any Specified Interest Amounts owing to Securityholders by the Issuer *pari passu* and rateably;
- (vii) seventhly, 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 Securityholders by the Issuer *pari passu* and rateably; and
- (viii) eighthly, 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 holders of at least one-fifth in number of the ETC Securities then outstanding or by an Extraordinary Resolution of the Securityholders, in each case subject to it having been pre-funded and/or secured and/or indemnified to its satisfaction by one or more Securityholders (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 Securityholders. Notwithstanding anything to the contrary in the Security Trust Deeds, 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 the Metal Counterparty to sell Metal in accordance with the terms of the Security Trust Deeds) that is not a full member of the LBMA, provided that if the Security Trustee is unable to sell some or all of the Metal to a full member of the LBMA, it may sell in its discretion, subject to and in accordance with any instructions received from the Securityholders, 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 Trust Deeds, 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 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 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 Securityholders (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 Trustee 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 Trustee 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 under the control of the Trustee and available for such payment (and, for the avoidance of doubt, the Trustee shall not be required to exercise any form of investment discretion with respect to such deposits), 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 in the name or under the control of the Trustee may be placed on deposit at such bank or financial institution and in such currency as the 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 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 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 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 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 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, 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 Pre-enforcement Minimum Accumulated Amount. If such accumulated moneys amount to less than the Pre-enforcement Minimum Accumulated Amount, all such moneys in the name or under the control of the Security Trustee 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***

In respect of the ETC Securities, the Transaction Parties and the Securityholders 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 Trust Deeds, 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 Securityholders or any other person acting on behalf of any of them shall be entitled to take any steps against (i) any of the Issuer's officers, shareholders, corporate service providers or directors or (ii) following extinguishment in accordance with this Condition 5(h), 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. 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 by the shareholders, officers, agents, employees 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 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 or director, is hereby deemed expressly waived by the Transaction Parties and the Securityholders.

None of the Transaction Parties, the Securityholders 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 insolvency, administration, bankruptcy, winding-up, 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.

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 Securityholders*), 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:

- (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 Securityholders 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 Security Trustee and except as provided for or contemplated in the Conditions or any 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 share capital and any assets securing any other series of securities; and
 - (ii) each series of securities and any related agreements entered into by the Issuer 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) 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 Advisor) 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 Trust Deeds and the order of priority specified in the Conditions, the Trust Deed and the Security Trust Deeds, as applicable, to be amended, terminated or discharged (other than as contemplated by the Trust Deed, the Security Trust Deeds and/or the Conditions);
- (c) release any party to the Trust Deed, the Security Trust Deeds 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 Trust Deeds 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 Trust Deeds 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 Trust Deeds or any other Transaction Document (other than any Authorised Participant Agreement and other than as contemplated by the Conditions, the Trust Deed, the Security Trust Deeds 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 or a collection account relating to fees received in connection with the issuance or buy-back of securities of a series, (B) relates to the issuance of a series of securities and such series of securities has the benefit of security over the Issuer's interest in such account or (C) is opened in connection with the administration and management of the Issuer and only moneys necessary for that purpose are credited to it;
- (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;
- (s) subject as provided in Condition 6(a), incur any other indebtedness for borrowed moneys other than issuing further securities (which may or may not form a single series with the 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 ETC 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 transferred to or to the order of the Issuer an amount of Metal in respect of each further ETC Security equal to the Metal Entitlement on the relevant Subscription Trade Date; or
- (t) permit or cause any Underlying Metal to be transferred out of the Allocated Accounts other than (i) to the Custodian in connection with the settlement of a buy-back from an Authorised Participant, (ii) to the Metal Counterparty in order to liquidate TER Metal following valid delivery of a TER Metal Sale Notice, (iii) to the Metal Counterparty following an Early Redemption Trade Date or the Final Redemption Valuation Date in accordance with Condition 5(c) and the Metal Sale Agreement and (iv) otherwise as permitted pursuant to Condition 5(a)(ii) or by the Conditions, the Trust Deed, the Security Trust Deeds or any other Transaction Document,

provided that the Issuer shall not take any action (even where the prior written consent of the Security 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 constitution).

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 Securityholders 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 Securityholders 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 Securityholders 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 Securityholders.

(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 is due either (A) in respect of a Subscription Order, (B) in respect of a Buy-Back Order or (C) in respect of a sale of TER Metal by the Metal Counterparty, 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 (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, the Issuer may (but shall not be obliged to), in each case, give the Transaction Parties and the Securityholders 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 Advisor, the Administrator, the Custodian, the Issuing and Paying Agent, all of the Authorised Participants and/or the Metal Counterparty resign 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 Advisory Agreement, the Administration Agreement, the Custody Agreement, the Agency Agreement, the Authorised Participant Agreements or the Metal Sale Agreement, as applicable, the Issuer may (but shall not be obliged to) give the Transaction Parties and the Securityholders 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 value of an 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 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 Securityholders 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 Securityholders 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 Securityholders (or otherwise to its satisfaction)), give notice to the Issuer (copied to each Transaction Party and the Securityholders 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.

(e) **Purchases**

The Issuer may (without the consent of the Trustee, the Security Trustee or any Securityholder), from time to time, buy back all or some of the ETC Securities from Authorised Participants or other persons.

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 Trust Deeds, the Security Trustee will and will be deemed to release without the need for any notice or other formalities from such Security the relevant portion of the Secured Property relating to the ETC Securities so purchased and cancelled.

8 Disruption Events and Postponement or Suspension

(a) **Disruption Events**

The Advisor (or, in the case of a service provider disruption in respect of the Advisor 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 is subject to a material suspension or material limitation on the over-the-counter market of the LBMA or any other primary exchange or trading facility for the trading of such Metal; or
 - (B) the over-the-counter market of the LBMA or any other primary exchange or trading facility for the trading of the relevant Metal 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 or any other primary exchange or trading facility for the trading of such Metal has been permanently discontinued or has disappeared;
 - (ii) **Service Provider Disruption:** save as otherwise agreed in the relevant Transaction Document(s), if any of the Advisor, the Administrator, the Custodian, the Issuing and Paying Agent, all of the Authorised Participants and/or the Metal Counterparty 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; and/or
 - (iv) **Allocated Accounts Disruption:** any Underlying Metal is no longer held in the Allocated 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 Advisor 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 Issuing and 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 Advisor shall consider whether the relevant Disruption Event would disrupt the actions required to be performed by the Issuer, any Authorised Participant 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 Advisor notifies the Issuer, the Authorised Participants, the Administrator, the Trustee, the Security Trustee and the Issuing and Paying Agent that such suspension and/or postponement is over.

- (ii) The Advisor 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 Advisor’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 Advisor shall have no liability to the Issuer, the Trustee, the Security Trustee, any Securityholder, 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) The Issuer shall, as soon as reasonably practicable after receipt by it of a Suspension Notice, give notice thereof to the Securityholders 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 Advisor 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 10th Business Day following such Disruption Postponable Date, the Issuer, acting in good faith and in consultation with the Advisor, 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 Securityholders 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 Securityholder 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 or Metal Reference Price Source and Metal Reference Price Event

(a) **Successor Metal Reference Price**

If on any Business Day, the Advisor determines that the Metal Reference Price has been replaced by a successor price acceptable to the Advisor, then the Advisor 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 ETC Securities 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 Securityholders of the same in accordance with Condition 19 (*Notices*).

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

If on any Business Day the Advisor 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 Advisor 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 ETC Securities 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 Securityholders of the same in accordance with Condition 19 (*Notices*).

(c) **Metal Reference Price Event**

If at any time the Advisor 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 ETC Securities, the Metal Reference Price shall be:

- (i) such other reference price for the Metal as the Advisor 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 Advisor 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 Advisor 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 Advisor 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 Advisor 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 Advisor, 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.

10 Metal Sale on Early or Final Redemption

- (a) The Issuer has authorised and directed the Custodian to deliver the Underlying Metal held by the Custodian (or any Sub-Custodian) to, or to the order of, the Metal 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 Security Trust Deeds, 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 Metal Counterparty of the Early Redemption Trade Date or the Final Redemption Valuation Date, upon the occurrence of the first day of the related Redemption Disposal Period, the Metal 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 Metal Sale Agreement.
- (c) In liquidating the Underlying Metal, the Metal 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 Metal Counterparty will not be liable to the Issuer or to the Trustee, the Securityholders 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 Metal 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 Metal 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 Metal Counterparty shall sell to a purchaser of Underlying Metal meeting the criteria set out in Condition 10(f).
- (f) Subject as provided above, in carrying out any liquidation, the Metal Counterparty may sell the Underlying Metal:
 - (i) to itself, or any Affiliate of it, provided that the Metal Counterparty shall sell at a price which it believes to be a fair market price;
 - (ii) to one or more members of the LBMA willing to purchase the Underlying Metal at a fair market price; and/or
 - (iii) to one or more counterparties that are willing to purchase the Underlying Metal at a fair market price,
 provided that, in each case:
 - (A) the Metal 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 Metal Counterparty is unable to liquidate the Metal in the manner set out in Condition 10(f)(A), the Metal 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 Metal Counterparty or (ii) the last day of the Redemption Disposal Period, the Metal 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 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 Metal Counterparty shall pay the Net Actual Redemption Sale Proceeds to the Issuer Cash Account or 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 Metal Sale 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 Securityholders 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) Payments of the Redemption Amount and/or any Enforcement Surplus Principal Amount in respect of each Definitive Security shall, subject to Condition 11(c) (*Payments Subject to Fiscal Laws*), be made against presentation and surrender of the relevant ETC Security at the specified office of any Paying Agent outside the United States, by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to, an account denominated in such currency with a bank located in the principal financial centre for such currency nominated by such holder, as the case may be.
- (ii) For as long as the ETC Securities are represented by a Global Security deposited with the Clearing System and held by the Clearing System or a common depository, central depository or nominee, as applicable, on behalf of the Clearing System, 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 holder of the Global Security, subject to and in accordance with the terms of such Global Security and provided that any presentation of the Global Security for such purpose is made to the Issuing and 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 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 Security. Payments made to any person shown in the records of the Clearing System as owning any ETC Security represented by the Global Security shall be subject to and made in accordance with the rules of the Clearing System.

(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 Securityholders in respect of such payments. No payments will be made at any office of a Paying Agent in the United States of America.

(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 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 Securityholders, 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, negligently 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 Securityholder. 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 the appointment of the Advisor, the Administrator, the Issuing and Paying Agent, any Paying Agent(s), the Custodian and/or the Metal Counterparty and to appoint additional or other Paying Agents. 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) an Issuing and Paying Agent, (ii) a Custodian in London, (iii) an Advisor, (iv) an Administrator, (v) a Metal Counterparty and (vi) 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 Securityholders 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 the Issuer shall be rounded up to the nearest 0.001 fine troy ounce, (ii) all amounts of Metal to be delivered by the Issuer shall be rounded down to the nearest 0.001 fine troy ounce, (iii) all amounts of cash in USD to be paid to the Issuer shall be rounded up to the nearest USD 0.01 and (iv) all amounts of cash in USD to be paid by the Issuer shall be rounded down to the nearest USD 0.01, in each case as may be adjusted by the Issuer (or the Advisor 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 Securityholders 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 Security shall become void unless the Global 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 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 Securityholders (or otherwise to its satisfaction)), give notice to the Issuer (copied to each Transaction Party and the Securityholders 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 Trust Deeds 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 Securityholders 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 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 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 Securityholders (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 Trust Deeds, only the Security Trustee may enforce the Security in accordance with the Security Trust Deeds 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 an Extraordinary Resolution or in writing by holders of at least one-fifth in number of the ETC Securities then outstanding (in accordance with the Security Trust Deeds) and (b) it shall have been secured and/or pre-funded and/or indemnified to its satisfaction by one or more Securityholders (or otherwise to its satisfaction). None of the Secured Creditors, the Other Creditors, the Securityholders or the other Transaction Parties shall be entitled to proceed directly against the Issuer in respect of the Security Trust Deeds unless the Security Trustee, having become bound to proceed in accordance with the terms of the Security Trust Deeds, fails or neglects to do so within a reasonable time and such failure is continuing. The Trustee, the Security Trustee, the Securityholders and the 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 Trust Deeds.

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 Trust Deeds, by one or more Securityholders or otherwise.

15 Meetings of Securityholders, Modification, Waiver, Substitution and Entitlement

(a) *Meetings of Securityholders*

The Trust Deed contains provisions for convening meetings of Securityholders 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 Securityholders 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 Securityholders 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 Securityholders 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 Securityholders 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 2 (*Irish Law Security and Irish Law Secured Property*) or Clause 4 (*Application of Moneys*) of the Irish Law Security Trust Deed or Clause 2 (*English Law Security and English Law Secured Property*) or Clause 4 (*Application of Moneys*) 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 Securityholders (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 Securityholders 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 (A) the Metal Counterparty under the Metal Sale Agreement or (B) the Custodian under the Custody Agreement and, in each case, the related release of Security, provided each such transfer and release is effected in accordance with the terms of the Metal Sale Agreement, the Custody Agreement, the Security Trust Deeds and/or the Conditions (as applicable), and any other release of Security permitted by the Security Trust Deeds;
- (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 Securityholders);
- (iii) any appointment of an additional or replacement Transaction Party provided such appointment or replacement is effected in accordance with the Conditions;
- (iv) the substitution of the Metal Reference Price with a successor Metal Reference Price, the substitution of the 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 or Metal Reference Price Source and Metal Reference Price Event*);
- (v) 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*);
- (vi) any amendment to any term of the Conditions or any Transaction Document which relates to an operational or procedural issue;
- (vii) any amendment to any term of any Authorised Participant Agreement in accordance with the terms therein;

- (viii) any increase to the Programme Maximum Number of ETC Securities;
- (ix) any amendment to the name of the Programme; or
- (x) 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 Securityholders*), the Trustee may agree, without the consent of the Securityholders, 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, (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 Securityholders, (iii) any adjustment to the Metal Entitlement in relation to which the Underlying Metal has been damaged, stolen or otherwise lost and/or (iv) 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. Any such modification, authorisation or waiver shall be binding on the Securityholders and shall be notified by the Issuer to the Securityholders in accordance with Condition 19 (*Notices*) as soon as reasonably practicable.

Without prejudice to Condition 15(a) (*Meetings of Securityholders*), the Security Trustee may agree, only if directed by the Trustee to do so, to (i) any modification to the Security Trust Deeds that is, in the opinion of the Trustee, 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 Trust Deeds that is, in the opinion of the Trustee, 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 Securityholders in accordance with Condition 19 (*Notices*) as soon as reasonably practicable.

(c) ***Substitution***

The Trustee may, without the consent of the Securityholders, agree to the substitution, in place of the Issuer (or of any previous substitute) as the principal debtor under the Trust Deed, the Security Trust Deeds, 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 Trust Deeds 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 Trust Deed 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 Trust Deed 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 Trust Deeds, provided that such change of law, in the opinion of the Trustee, would not be materially prejudicial to the interests of such Securityholders;
- (vii) the Issuer and the Substituted Obligor comply with such other requirements as the Trustee may direct in the interests of the Securityholders; and
- (viii) a legal opinion satisfactory to the Trustee is 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 Securityholders 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 Trust Deed, 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 Securityholders as a class and will not have regard to the consequences of such exercise for individual Securityholders and the Trustee will not be entitled to require, nor shall any Securityholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Securityholders. So long as the ETC Securities are in global form and the Global Security is held by or on behalf of the Clearing System, in considering the interests of Securityholders, 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 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 Trust Deeds, 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 Securityholders as a class and will not have regard to the consequences of such exercise for individual Securityholders or the other Secured Creditors and the Security Trustee will not be entitled to require, nor shall any Securityholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Securityholders. So long as the ETC Securities are in global form and the Global Security is held by or on behalf of the Clearing System, in considering the interests of Securityholders, 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 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 Issuing and Paying Agent or such other Paying Agent, as the case may be, as may, from time to time, be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders, 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

The Global Security relating to the ETC Securities is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not in part for Definitive Securities if the Global Security is held on behalf of Euroclear France or any other Relevant Clearing System and any such clearing system permanently ceases to do business without a successor.

“Exchange Date” means a day falling not less than 60 calendar days after the date on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located.

Any such exchange may be effected on or after an Exchange Date by the holder of the Global Security surrendering the Global Security to or to the order of the Issuing and Paying Agent. In exchange for the Global Security, the Issuer will deliver, or procure the delivery of, duly executed and authenticated Definitive Securities in an aggregate number equal to the number of ETC Securities represented by the Global Security submitted for exchange, security printed in accordance with and substantially in the form required under the Trust Deed, as supplemented and/or modified and/or superseded by the Final Terms of the first Tranche of ETC Securities of the relevant Series. Each such Definitive Security shall be serially numbered and shall not be issued with coupons.

18 Further Issues

Subject to Condition 5 (*Security and Application of Proceeds*), the Issuer may (without the consent of the Trustee or any Securityholder), 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 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 Trust Deeds 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 Trust Deeds 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 Security, given by their being delivered (so long as the Global Security is held on behalf of a Relevant Clearing System) to such Relevant Clearing System or otherwise to the holder of the Global 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 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 Advisor 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 Advisor 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 Advisor, it shall, without the consent of the Security Trustee or the Securityholders, 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 Advisor 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 Securityholders 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.

Neither the Advisor nor the Trustee shall have any duty to monitor, enquire or satisfy itself as to whether any Regulatory Requirement Event has occurred. The Advisor 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 Securityholders.

21 Clearing System

None of the Issuer nor any Transaction Party will have any responsibility for the performance by the Clearing System (or its 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 the 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 and the ETC Securities (including any Global Security), and any non-contractual obligations arising out of or in connection with them, are governed, 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, 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 waives 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 Securityholders 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 Advisor, the Custodian and the Metal 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.

SUMMARY OF TRANSACTION DOCUMENTS

The following is a summary of certain provisions of certain Transaction Documents relating to the Programme and the ETC Securities and should be read in conjunction with the rest of this Base Prospectus. The summaries below are of certain provisions of the Transaction Documents and do not purport to be complete and are subject to the detailed provisions of the relevant Transaction Documents.

Capitalised terms used in the summaries below but not defined therein shall have the meanings given to such terms in the Conditions.

Trust Deed

The Trust Deed relating to a Series will be entered into as a deed by the Issuer, the Trustee, the Advisor and each other party thereto upon the execution of the Issue Deed. The Issue Deed will incorporate and may amend and/or supplement the Master Trust Terms. The Trust Deed for a Series contains the provisions setting out the various obligations of the Issuer and the Trustee with respect to such Series. Each Trust Deed will be governed by and construed in accordance with the laws of Ireland.

The Trust Deed will constitute the ETC Securities of the relevant Series and will set out the covenants of the Issuer, including, *inter alia*, its covenant to pay, provisions relating to its duty to provide various persons with information, to prepare and display certain information, only to do such things as are contemplated within such Trust Deed (most importantly, in relation to the issue of the ETC Securities) and its duties with respect to its obligations under the ETC Securities.

Each Trust Deed will also set out the basis for the remuneration and indemnification of the Trustee in respect of its duties, the conditions for appointment, retirement and removal and contains provisions which are supplemental to certain statutory provisions and which set out the powers of the Trustee and the extent of its duties. The Trustee in respect of a Series may retire upon giving not less than 120 calendar days' prior written notice to the Issuer, and the Securityholders may by Extraordinary Resolution remove any Trustee, provided that the retirement or removal of a sole trust corporation will not be effective until a trust corporation is appointed as successor Trustee. If the sole trust corporation in respect of a Series gives notice of retirement or an Extraordinary Resolution is passed for its removal, the Issuer will use all reasonable endeavours to procure that another trust corporation is appointed as the Trustee for such Series but if it fails to do so before the expiry of such 120 calendar day notice period, the Trustee will have the power to appoint a new Trustee.

Irish Law Security Trust Deed

In respect of each Series, by executing the relevant Issue Deed, the Issuer, the Advisor and the Security Trustee will be deemed to have entered into an Irish Law Security Trust Deed governed by the laws of Ireland on the terms set out in the Master Irish Law Security Trust Terms as amended or supplemented by such Issue Deed. The Irish Law Security in respect of a Series is constituted pursuant to the Irish Law Security Trust Deed relating to such Series and the Irish Law Security Trust Deed will set out, *inter alia*, provisions relating to the creation and enforcement of the Irish Law Security, the appointment of receivers, the rights of the Security Trustee in relation to Irish Law Secured Property and provisions relating to the application of the net proceeds derived from the realisation of the Irish Law Secured Property (whether by way of liquidation or enforcement).

The Security over the Secured Property for each Series will comprise both (i) the Irish Law Security created over the Irish Law Secured Property by the Irish Law Security Trust Deed and (ii) the English Law Security created over the English Law Secured Property by the English Law Security Trust Deed. See Condition 5 for a description of the terms of the Security.

English Law Security Trust Deed

In respect of each Series, by executing the relevant Issue Deed, the Issuer, the Advisor and the Security Trustee will be deemed to have entered into an English Law Security Trust Deed governed by the laws of England and Wales on the terms set out in the Master English Law Security Trust Terms as amended or supplemented by such Issue Deed. The English Law Security in respect of a Series is constituted pursuant to the English Law Security Trust Deed relating to such Series and the English Law Security Trust Deed will set out, *inter alia*, provisions relating to the creation and enforcement of the English Law Security, the appointment of receivers, the rights of the Security Trustee in relation to English Law Secured Property and provisions relating to the application of the net proceeds derived from the realisation of the English Law Secured Property (whether by way of liquidation or enforcement).

The Security over the Secured Property for each Series will comprise both (i) the Irish Law Security created over the Irish Law Secured Property by the Irish Law Security Trust Deed and (ii) the English Law Security created over the English Law Secured Property by the English Law Security Trust Deed. See Condition 5 for a description of the terms of the Security.

Administration Agreement

By executing the relevant Issue Deed, the Issuer, the Administrator, the Trustee, the Security Trustee and the Advisor will be deemed to have entered into an Irish law governed Administration Agreement relating to the provision of administration services in respect of the relevant Series. Any amendments to the terms of the Administration Agreement will not be effective unless all parties have agreed in writing to such amendments, save that the Administrator is entitled to amend the terms of the Administration Agreement unilaterally by prior notice if required to comply with any applicable law, court order or directive.

The Administration Agreement sets out the duties, rights and obligations of the Administrator in relation to the relevant Series and the basis for its liability, remuneration and indemnification.

Under the Administration Agreement, the Administrator will be liable for any direct losses suffered by the Issuer as a result of (i) the negligence, fraud or wilful misconduct on the part of the Administrator, its delegated affiliates, directors, officers or employees or (ii) the Administrator, acting unreasonably, being at fault for any material non-adherence of its obligations under the Administration Agreement. The Administration Agreement also provides for certain indemnities from the Issuer in favour of the Administrator in respect of any direct liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, legal costs, expenses or disbursements of any kind or nature whatsoever other than those resulting from (i) the negligence, fraud or wilful misconduct on the part of the Administrator, its delegated affiliates, directors, officers or employees or (ii) the Administrator, acting unreasonably, being at fault for any material non-adherence of its obligations under the Administration Agreement.

The Issuer may terminate the appointment of the Administrator on giving the relevant party not less than 120 calendar days' prior notice. Notwithstanding the foregoing, the Issuer may, at any time, terminate the appointment of the Administrator with immediate effect if:

- (i) the Administrator commits any material breach of its obligations under the Administration Agreement which, if capable of remedy, has not been remedied within 15 calendar days of it becoming aware of, or its receiving notice of, such breach; or
- (ii) the Administrator commits any breach of its obligations under the Administration Agreement which, if capable of remedy, has not been remedied within 30 calendar days of it becoming aware of, or its receiving notice of, such breach.

Furthermore, the appointment of the Administrator will automatically terminate with immediate effect if (among other things):

- (i) the Administrator becomes incapable of acting;
- (ii) the Administrator is dissolved (other than pursuant to a consolidation, amalgamation or merger); or
- (iii) the Administrator is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy or fails to defend against an involuntary petition filed against it, makes a general assignment, arrangement or composition with or for the benefit of its creditors, consents to the appointment of a liquidator, receiver or administrator or any such official is appointed, or is subject to a resolution or court order made for its winding-up.

The Administrator may resign its appointment at any time without giving any reason and without being liable for any costs of the Issuer by giving at least 120 calendar days' prior notice to the Issuer.

No resignation of the Administrator will take effect until a replacement Administrator (of similar standing to the resigning Administrator) has been appointed, provided that if the Issuer fails within 45 calendar days of receiving the notice of resignation to appoint a successor, the resigning Administrator shall be entitled to nominate an entity for that role.

Custody Agreement

By executing the relevant Issue Deed, the Issuer, the Advisor, the Custodian, the Trustee and the Security Trustee will be deemed to have entered into an English law governed Custody Agreement relating to the Allocated Account(s) of the relevant Series.

The Custody Agreement sets out the duties of the Custodian in relation to the relevant Series including, among other things:

- (i) the obligation to open and maintain one or more Allocated Accounts in respect of the Metal which the Issuer requests, and which the Custodian agrees, to hold for the Issuer on an allocated basis on the terms of the Custody Agreement; and
- (ii) the obligation to facilitate certain deposits of Metal into, and withdrawals of Metal out of, the Allocated Accounts in accordance with the terms of the Custody Agreement.

The Custody Agreement provides, among other things, that the Custodian will use all reasonable care in the performance of its duties (including the selection of any Sub-Custodian) and will ensure that it will, in respect of each Allocated Account (a) segregate the Metal deposited into such Allocated Account from any Metal held for another Series, the Custodian's own account or any of the Custodian's other clients, (b) identify it its books that the title to any Metal deposited into such Allocated Account belongs to the Issuer and (c) ensure that any Metal deposited into such Allocated Account will remain in the Custodian's London vault or at the vaults of a Sub-Custodian within the UK.

The terms of the Custody Agreement provide that the Custodian may appoint a Sub-Custodian solely for the temporary custody and safekeeping of the Metal until such Metal is transported to the London vault premises of the Custodian. The Sub-Custodians may themselves select sub-custodians to provide temporary custody and safekeeping services. The Custodian is required to use reasonable care in the appointment of any Sub-Custodian and, when appointing any Sub-Custodian, is obliged to request that any such Sub-Custodian segregates the Metal in respect of the relevant Series from Metal held in respect of any other Series and from Metal the Sub-Custodians owns or holds on behalf of other clients. The terms of the Custody Agreement provide that the Custodian shall only be liable to the Issuer in respect of any Sub-Custodian for any loss suffered as a result of any act, omission or insolvency of any Sub-Custodian in situations where the Custodian has acted negligently or in bad faith in appointing that Sub-Custodian.

The terms of the Custody Agreement set out the basis for the remuneration and indemnification of the Custodian in respect of its duties. The Custody Agreement sets out the conditions for appointment, resignation (upon at least 120 calendar days' prior notice to the Issuer, the Trustee, the Security Trustee

and the Issuing and Paying Agent, provided such notice expires at least 90 calendar days before the Final Redemption Valuation Date) and termination of the appointment (by the Issuer upon at least 60 calendar days' prior notice, provided such notice expires at least 90 calendar days before the Final Redemption Valuation Date or immediately by operation of the Custody Agreement upon (i) the Custodian becoming incapable of acting, (ii) the Custodian being dissolved (other than pursuant to a consolidation, amalgamation or merger), or (iii) the Custodian being adjudged bankrupt or insolvent, filing a voluntary petition in bankruptcy or failing to defend against an involuntary petition filed against it, making a general assignment, arrangement or composition with or for the benefit of its creditors, consenting to the appointment of a liquidator, receiver or administrator or any such official being appointed, or being subject to a resolution or court order made for its winding-up) of the Custodian.

The terms of the Custody Agreement provide that no resignation of the Custodian nor any termination of the Custodian's appointment (other than an automatic and immediate termination by operation of the Custody Agreement) by the Issuer shall take effect until a new Custodian has been appointed, but, in the case of a resignation only, if no such appointment has been made within 90 calendar days of the relevant resignation notice being given, a successor nominated by the Custodian will be appointed as a replacement within 30 calendar days of such nomination, provided it can fulfil the duties of the Custodian under the Custody Agreement and is acceptable to the Issuer, the Advisor, the Trustee and the Security Trustee.

The terms of the Custody Agreement provide that the Custodian shall maintain insurance in regard to its business, including the Metal and custody business, on such terms and conditions as it considers appropriate.

The terms of the Custody Agreement provide that the Custodian shall not be liable to the Issuer for any delay in performance, or for the non-performance, of any of its obligations under the Custody Agreement by reason of any external, irresistible or unforeseeable cause beyond the Custodian's reasonable control, including breakdown, malfunction or failure of, or in connection with, any communication, computer, transmission, clearing or settlement facilities, industrial action, acts and regulations of any governmental or supra national bodies or authorities, or the rules of any relevant regulatory or self-regulatory organisation.

Advisory Agreement

By executing the relevant Issue Deed, the Issuer and the Advisor will be deemed to have entered into an Irish law governed Advisory Agreement for the relevant Series.

The Advisory Agreement sets out the duties and obligations of the Advisor in relation to the relevant Series and the basis for its liability, remuneration and indemnification. It also sets out the conditions for appointment, resignation and termination of the Advisor.

Under the Advisory Agreement, the Issuer appoints the Advisor to act on behalf of the Issuer under the Conditions and the relevant Transaction Documents. The Advisory Agreement sets out the obligation for the Issuer to liaise with the Custodian and Metal Counterparty to sell TER Metal on a periodic basis and for the Issuer to make payment of the proceeds of the sale, less any required deductions, to the Advisor. The Advisory Agreement also sets out the obligation of the Advisor to pay the agreed fees of the Issuer's service providers.

The Issuer may at any time vary or terminate the appointment of the Advisor relating to a Series with the prior written approval of the Trustee and on giving the Advisor not less than 120 calendar days' prior notice to that effect, provided that no termination of the appointment of the Advisor may take effect until a termination fee has been paid to the Advisor. Notwithstanding the foregoing, the appointment of the Advisor shall automatically terminate if an Advisor becomes incapable of acting or is subject to certain bankruptcy or insolvency proceedings (including the commencement of an action).

The Advisor in respect of a Series may resign its appointment at any time without giving any reason by giving the Issuer and the Transaction Parties at least 120 calendar days' prior notice to that effect, which notice shall expire at least 90 calendar days before the Final Redemption Valuation Date in respect of such Series.

Without prejudice to the automatic termination of the Advisor in connection with the aforementioned events and the requirement for the payment of the termination fee in connection with any other termination of the Advisor's appointment, no resignation or termination of the appointment of the Advisor will take effect until a replacement Advisor has been appointed, provided that if the Issuer fails within a period of 90 calendar days of notice of resignation given pursuant to the preceding paragraph to appoint a successor to such Advisor, the resigning Advisor will be entitled to select such an entity and provided such entity is acceptable to the Issuer and the Trustee, the Issuer will appoint such entity as successor Advisor. The Advisor's resignation shall become effective on the day a successor is appointed or, if earlier, 45 calendar days after the Advisor has nominated a successor Advisor, or, where applicable, on the latest date on which the Issuer is meant to appoint a successor Advisor in accordance with the previous sentence if it fails to do so.

Authorised Participant Agreements

In relation to each Series, the Issuer will have entered into an Irish law governed Authorised Participant Agreement with one or more Authorised Participants, as such agreement may be amended, supplemented, novated or replaced from time to time. Each Authorised Participant Agreement sets out the provisions relating to the subscription by each Authorised Participant of ETC Securities of the relevant Series and buy-back of ETC Securities of such Series by the Issuer. Each Authorised Participant Agreement also sets out the terms on which an Authorised Participant may offer, sell or deliver ETC Securities and contains certain representations, warranties and undertakings of the Authorised Participant in relation thereto.

Pursuant to the Authorised Participant Agreement, on the Series Issue Date, the Issuer agrees to issue, and the Authorised Participant agrees to subscribe and pay for, the number of ETC Securities as separately agreed between the Issuer and the Authorised Participant. The Authorised Participant shall (i) in respect of each ETC Security it is subscribing for, deliver an amount of unallocated Metal to the Issuer's unallocated account with the Custodian marked for the Series equal to the Initial Metal Entitlement specified in respect of the Series Issue Date in the relevant Final Terms and (ii) in respect of all such ETC Securities it is subscribing for, pay to the Issuer (or the Administrator on behalf of the Issuer) an amount equal to the Subscription Fee, in each case, by such time as separately agreed between the parties in the Operating Model. The Issuer will not issue ETC Securities to the Authorised Participant until such unallocated Metal has been received into such unallocated account and subsequently allocated to the Allocated Accounts for the Series.

In connection with a Subscription Order relating to further Tranches of the Series, the Authorised Participant agrees to (i) in respect of each ETC Security being issued, deliver (or cause to be delivered) an amount of unallocated Metal to the Issuer's unallocated account with the Custodian marked for such Series equal to the Metal Entitlement specified in respect of the relevant Subscription Trade Date in the relevant Final Terms and (ii) in respect of all such ETC Securities being issued, pay to the Issuer (or the Administrator on behalf of the Issuer) an amount equal to the Subscription Fee. The Issuer will not issue ETC Securities to the Authorised Participant until such unallocated Metal has been received in the unallocated account and subsequently allocated to the Allocated Accounts for the Series.

In connection with a Buy-Back Order relating to a Series, the Authorised Participant agrees to (i) deliver to the Issuing and Paying Agent (on behalf of the Issuer) the relevant ETC Securities subject to such Buy-Back Order and (ii) pay an amount equal to the Buy-Back Fee, in each case by such times as the parties may separately agree in the Operating Model. In return, the Issuer will deliver to the Authorised Participant

in respect of each ETC Security being bought back an amount of unallocated Metal equal to Metal Entitlement as at the Buy-Back Trade Date. The Issuer will not deliver such unallocated Metal and buy-back such ETC Securities from the Authorised Participant until the Issuing and Paying Agent has confirmed receipt of such ETC Securities to the Issuer.

Only an Authorised Participant may submit a Subscription Order or a Buy-Back Order and the Issuer will only accept any such Subscription Order or Buy-Back Order if it is given by an Authorised Participant and all conditions precedent to an issue or buy-back of the ETC Securities have been satisfied. In accordance with the terms of the Authorised Participant Agreement the Issuer will not be obliged to accept any Subscription Order or Buy-Back Order if, amongst other things (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 Advisor has determined that any request for subscriptions and/or buy-backs should be temporarily suspended.

In relation to any Subscription Order or 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 subscription or buy-back or where either the Issuer or the Authorised Participant has failed to perform its obligations with respect to the relevant Subscription or Buy-Back for a prolonged period of time.

The Authorised Participant Agreement sets out the conditions for appointment and resignation of the relevant Authorised Participant. The Issuer may at any time terminate the appointment of the relevant Authorised Participant with immediate effect if (i) the relevant Authorised Participant commits any material breach of its obligations (which shall include, without limitation, a repeated failure to pay the Subscription Fees or Buy-Back Fees owed to the Issuer) which to the extent remediable has not been remedied within 15 calendar days of the relevant Authorised Participant becoming aware of, or its receiving notice from the Issuer of such breach, (ii) if the Issuer determines, in good faith and in a commercially reasonable manner, that the conduct of such Authorised Participant is detrimental to the reputation or development potential of the business of the Issuer or any other Transaction Party or the relationships of those entities with third parties or (iii) the Authorised Participant is subject to an insolvency or similar event (provided, in such circumstances, it would be permissible under any applicable law for the Issuer to terminate the Authorised Participant's appointment as a result of such event).

Metal Sale Agreement

By executing the relevant Issue Deed, the Issuer, the Metal Counterparty and the Advisor will be deemed to have entered into an English law governed Metal Sale Agreement for the relevant Series.

The Metal Sale Agreement sets out the provisions relating to the sale by the Metal Counterparty of the Underlying Metal during a Redemption Disposal Period and the periodic sale of TER Metal in respect of the relevant Series. Under the Metal Sale Agreement, the Metal Counterparty is permitted to sell the relevant Metal to itself, its Affiliates, any member of the Metal Reference Price Source (or any successor) or any other counterparty, provided that (i) each such party is willing to pay a fair market price and (ii) the Metal Counterparty shall always first, acting in good faith and a commercially reasonable manner, use reasonable efforts to ensure that any such 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).

The Metal Sale Agreement also contains various representations to be made and indemnities to be given by the Metal Counterparty in relation to its performance of its obligations under the Metal Sale Agreement. The terms of the Metal Sale Agreement set out the conditions for appointment, resignation (upon at least 120 calendar days' prior notice to the Issuer, provided such notice expires at least 90 calendar days before the Final Redemption Valuation Date) and termination of the appointment (by the Issuer upon at least 60 calendar days' prior notice, provided such notice expires at least 90 calendar days before the Final

Redemption Valuation Date or immediately by operation of the Metal Sale Agreement upon (i) the Metal Counterparty becoming incapable of acting, (ii) the Metal Counterparty being dissolved (other than pursuant to a consolidation, amalgamation or merger), or (iii) the Metal Counterparty being adjudged bankrupt or insolvent, filing a voluntary petition in bankruptcy or failing to defend against an involuntary petition filed against it, making a general assignment, arrangement or composition with or for the benefit of its creditors, consenting to the appointment of a liquidator, receiver or administrator or any such official being appointed, or being subject to a resolution or court order made for its winding-up) of the Metal Counterparty.

The terms of the Metal Sale Agreement provide that no resignation or termination of the appointment of the Metal Counterparty shall take effect until a new Metal Counterparty (satisfactory to the Advisor) has been appointed, although if no such appointment has been made within 90 calendar days of a notice of resignation being given, the Metal Counterparty is entitled to nominate a replacement Metal Counterparty which is willing to take on the role.

CREST CLEARING ARRANGEMENTS

The ETC Securities will be cleared through the clearing system(s) specified in the relevant Final Terms in accordance with the rules and procedures of the relevant clearing system. The International Securities Identification Number (ISIN) and any Common Code and/or other applicable clearing system identification numbers will be specified in the relevant Final Terms.

Settlement and CREST

It may be possible for investors to hold indirect interests in the ETC Securities (such ETC Securities being “**Underlying ETC Securities**”) through the system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited or any successor thereto in accordance with the United Kingdom Uncertificated Securities Regulations 2001) (“**CREST**”) by holding dematerialised depository interests (“**CREST Depository Interests**” or “**CDIs**”).

CDIs are independent securities constituted under English law issued, held, settled and transferred through CREST. CDIs are issued by CREST Depository Limited or any successor thereto (the “**CREST Depository**”) pursuant to a global deed poll dated 25 June 2001 (in the form contained in Chapter 3 of the CREST International Manual (which forms part of the CREST Manual)) (as subsequently modified, supplemented and/or restated) (the “**CREST Deed Poll**”). CDIs are issued by the CREST Depository and held through CREST in dematerialised uncertificated form in accordance with the CREST Deed Poll. CDIs in respect of Underlying ETC Securities will be constituted, issued to investors and transferred pursuant to the terms of the CREST Deed Poll.

CDIs represent indirect interests in the Underlying ETC Securities to which they relate and holders of CDIs will not be the legal owners of the Underlying ETC Securities. The Issuer will issue Underlying ETC Securities with the intention that indirect interests in such Underlying ETC Securities be held through CDIs. In order to enable the settlement of indirect interests in the relevant Underlying ETC Securities within CREST, investors will need to hold such indirect interests via CDIs. The CDIs will not be offered to the public or admitted to trading on a regulated market.

Following the delivery of the Underlying ETC Securities into a relevant clearing system permitted in the CREST Manual, indirect interests in Underlying ETC Securities may be delivered, held and settled in CREST by means of the creation of dematerialised CDIs representing indirect interests in the relevant Underlying ETC Securities. For Underlying ETC Securities which are cleared through Euroclear and Clearstream Luxembourg, interests in the Underlying ETC Securities will be credited to the Euroclear account of CREST International Nominee Limited (the “**CREST Nominee**”) and the CREST Nominee will hold such interests as nominee for CREST Depository Limited (the “**CREST Depository**”) which will issue CDIs to the relevant CREST participants. The CDIs will therefore consist of indirect rights of a CDI holder in, or relating to, the Underlying ETC Securities which are held (through the CREST Nominee) on trust for the benefit of the CDI holder by the CREST Depository and will constitute a record acknowledging that the CREST Nominee holds the Underlying ETC Securities as nominee on behalf of the CREST Depository. The CDIs will be issued once the relevant Underlying ETC Securities are credited to the CREST Nominee’s account. It is intended that CDIs will be issued to the relevant CREST participants on or around the Issue Date of the relevant Tranche of the Underlying ETC Securities. However, CDIs may be created at any time following the credit of relevant Underlying ETC Securities to the CREST Nominee’s account with Euroclear.

Each CDI will be treated as one Underlying ETC Security, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to holders of CDIs any interest or other amounts received by it as holder of the Underlying ETC Securities on trust for such CDI holder. Therefore, the holders of CDIs are entitled to the proceeds from the Underlying ETC Securities. If a matter arises that requires a vote of Securityholders, the Issuer may, with the prior written

consent of the Trustee or with the sanction of an Extraordinary Resolution, make arrangements to permit the holders of CDIs to instruct the CREST Depository to exercise the voting rights of the CREST Nominee in respect of the Underlying ETC Securities. However, there is no guarantee that it will be possible to put such voting arrangements in place for holders of CDIs.

Transfers of interests in Underlying ETC Securities by the CREST Nominee to a participant of the relevant clearing system will be effected by cancellation of the CDIs and transfer of an interest in such Underlying ETC Securities underlying the CDIs to the account of the relevant participant with the relevant clearing system. It is expected that the CDIs will have the same securities identification number as the ISIN of the Underlying ETC Securities and will not require a separate listing on a recognised stock exchange.

The rights of the holders of CDIs will be governed by the arrangements between CREST and the relevant clearing system, including the CREST Deed Poll executed by the CREST Depository. These rights may be different from those of holders of ETC Securities which are not represented by CDIs.

The attention of investors in CDIs is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from Euroclear UK & Ireland Limited at 33 Cannon Street, London EC4M 5SB or by calling +442078490000 or from the Euroclear UK & Ireland Limited website at www.euroclear.com.

USE OF PROCEEDS

The net proceeds from the issue of a Series of ETC Securities will be an amount of Metal which will ultimately be held in the Allocated Accounts in respect of such Series. Such Metal shall be used to meet the Issuer's obligations under such Series of ETC Securities.

DESCRIPTION OF THE ISSUER

General

Amundi Physical Metals plc (the “**Issuer**”) was incorporated on 4 December 2018 as a public limited company in Ireland under the Irish Companies Act with registration number 638962. The Issuer has been incorporated for an indefinite period. The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The registered office of the Issuer is at 2nd Floor, Palmerston House, Fenian Street, Dublin 2, Ireland. The telephone number of the Issuer is +353 1 9058020. The authorised and issued share capital of the Issuer is €25,000 divided into 25,000 ordinary shares of €1 each. All of the issued shares are fully-paid up and are held by Cafico Trust Company Limited on trust for charitable purposes pursuant to a declaration of trust dated 6 December 2018.

Business

So long as any of the ETC Securities remain outstanding, the Issuer shall not, without the prior written consent of the Trustee incur any other indebtedness for borrowed monies or engage in any business (other than acquiring and holding the Secured Property, issuing further Series of ETC Securities and entering into related agreements and transactions as provided for in Condition 6), or, *inter alia*, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property (including office premises or like facilities), consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entity to any person (otherwise than as contemplated in the Conditions and the Trust Deed) or issue any shares (other than such shares as were in issue on the date of this Prospectus). In addition to the restrictive covenants in the Master Trust Terms and Conditions, the Issuer is governed by the terms of its constitution and relevant provisions of Irish law.

Other than the subscription monies received in respect of the issued share capital (to the extent not applied in discharge of certain establishment expenses of the Issuer), the Issuer has, and will have, no assets other than a small amount of profit received by the Issuer in connection with the issue of each Series of ETC Securities and in respect of a Series of ETC Securities, any rights, property, sums or other assets on which such Series of ETC Securities issued under the Programme are secured.

The ETC Securities are obligations of the Issuer alone and not of the Trustee. Furthermore, they are not obligations of, or guaranteed in any way by, any other party.

Save in respect of the proceeds of any deposits and investments made from amounts representing the Issuer’s issued and paid-up share capital and a small amount of profit in connection with the issue of ETC Securities, the Issuer does not expect to accumulate any surpluses. Fees and expenses payable on a monthly basis by the Issuer to the Advisor will be paid out of the proceeds of the relevant Series of ETC Securities and funded by way of the monthly sale of Metal deducted on a daily basis from the Metal Entitlement of the ETC Securities of such Series at a rate equal to the portion of the Total Expense Ratio applicable to each day. Agreed fees and expenses payable to the Issuer’s service providers, including the Corporate Services Provider, the Trustee, the Security Trustee, the Custodian, the Administrator and other Agents will be paid by the Advisor out of the proceeds of the sale of Metal mentioned in the previous sentence. None of the above-mentioned Transaction Parties may have recourse to assets of the Issuer which are held as security for ETC Securities of any Series other than the ETC Securities of the Series in respect of which the claim arises. Additionally, the above-mentioned Transaction Parties have agreed that the payments of outstanding fees (if any) shall be limited to amounts available, following application in accordance with the terms of the Trust Deed, to discharge such liabilities.

In accordance with Article 41.6(c) of Directive 2006/43/EC of the European Parliament and of the Council and any relevant implementing measures of Ireland, the Issuer does not consider it appropriate to have either an audit committee or an administrative or supervisory body entrusted to carry out the functions of

an audit committee. This is because the Issuer's principal business consists of the issue of ETC Securities and the application of the Secured Property towards making payments in respect of the relevant ETC Securities and paying certain fees, expenses and other related amounts and as such, the Issuer is not conducting an operating business.

Directors

The Issuer's constitution provides that the Board of Directors of the Issuer will consist of at least two Directors.

As at the date of this Base Prospectus, the Directors of the Issuer are as follows:

Name	Function	Business Address
Rolando Ebuna	Director	2 nd Floor, Palmerston House, Fenian Street, Dublin 2, Ireland
Máiréad Lyons	Director	2 nd Floor, Palmerston House, Fenian Street, Dublin 2, Ireland
Matthieu André Michel Guignard	Director	91-93 Boulevard Pasteur, 75015 Paris, France

The Company Secretary of the Issuer is Cafico Secretaries Limited of Palmerstown House, Fenian Street, Dublin 2. The Corporate Services Provider of the Issuer is Cafico Corporate Services Limited of Palmerstown House, Fenian Street, Dublin 2. Pursuant to the Corporate Services Agreement, its duties include the provision of certain management, administrative, secretarial, accounting and related services. The appointment of the Corporate Services Provider may be terminated and the Corporate Services Provider may retire upon three months' notice subject to the appointment of an alternative Corporate Services Provider on similar terms to the existing Corporate Services Provider.

Financial Statements

The financial year of the Issuer ends on 31 March in each year. The Issuer will publish half-yearly and yearly financial statements for each financial year.

The Issuer will publish half-yearly financial statements for each financial year by 31 December in each year. The Issuer will publish yearly financial statements for each financial year by 31 July in each year.

The Issuer has not yet published any audited annual financial statements. The financial statements for the period from incorporation to 31 March 2020 are due to be published by 31 July 2020.

The auditor of the Issuer is KPMG Ireland. KPMG Ireland is a member of Chartered Accountants Ireland.

DESCRIPTION OF THE CUSTODIAN AND METAL COUNTERPARTY

The Issuer confirms that such information has been accurately reproduced from information published and provided by HSBC Bank plc and that, so far as it is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced inaccurate or misleading.

HSBC Bank plc is an affiliate of HSBC Holdings plc. HSBC Holdings plc is one of the largest banking and financial services organisations in the world, with global businesses serving more than 40 million customers worldwide through a network that covers 64 countries and territories. The Group comprises of 4 business lines: Retail Banking & Wealth Management, Commercial Banking, Global Banking & Markets, and Global Private Banking.

HSBC Global Banking & Markets serves clients (corporates, governments and financial institutions) in more than 60 countries and territories, offering a wide range of products and services: transaction banking, financing, advisory, capital markets, risk management services and custody.

The custody business offers the following services

- Direct Custody & Clearing
- Fund Services
- Global Custody
- Issuer Services
- Broker Outsourcing

As of 31 December 2019, HSBC had \$8.5 trillion of assets under custody, and \$4.0 trillion of assets under administration.

TAXATION

The following is a summary of certain aspects of the tax treatment in respect of payments of the Issuer and amounts paid in respect of the ETC Securities by the Issuer (or an agent appointed by it) in accordance with the terms and conditions of such ETC Securities, based on the laws and practices currently in force, which are subject to change after the date of this Base Prospectus and which changes could be made on a retrospective basis. It is limited to the country of incorporation of the Issuer and those countries in which admission to trading may be sought or offers for which a prospectus is required under the Prospectus Regulation may be made pursuant to this Base Prospectus.

It does not relate to any other tax consequences or to withholdings in respect of payments by other persons (such as custodians, depositaries or other intermediaries) unless otherwise specified. Particular rules may apply to certain classes of taxpayers holding the ETC Securities. The summary does not purport to be exhaustive and does not constitute tax or legal advice and the comments below are of a general nature only. With respect to certain structured financial instruments, such as the ETC Securities, it may be the case that in certain jurisdictions there is currently neither case law nor comments of the financial authorities as to the tax treatment of such financial instruments. Accordingly, there is a risk that the relevant financial authorities and courts or the paying agents in such jurisdictions may adopt a view different from that summarised below. Each investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from the purchase, holding, sale and redemption of the ETC Securities and the receipt of payments thereon under the laws of their country of residence, citizenship or domicile.

All payments in respect of the ETC Securities by the Issuer or by an agent appointed by the Issuer will be subject to any applicable withholding taxes.

None of the Issuer, the Adviser or any Transaction Party makes any representation or warranty as to the tax consequences to any investor of the acquisition, holding or disposal of the ETC Securities. The tax consequences for each investor in the ETC Securities can be different and therefore investors and counterparties are advised to consult with their tax advisers as to their specific consequences.

The tax legislation of the investor's home state and/or to Irish tax legislation may have an impact on the income received by investors from the ETC Securities.

Information Reporting

Information relating to the ETC Securities, their holders and beneficial owners may be required to be provided to tax authorities in certain circumstances pursuant to domestic or international reporting and transparency regimes. This may include (but is not limited to) information relating to the value of the ETC Securities, amounts paid or credited with respect to the ETC Securities, details of the holders or beneficial owners of the ETC Securities and information and documents in connection with transactions relating to the ETC Securities. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries.

Austria

This section on taxation contains a brief summary of certain important principles which are of significance in connection with the purchase, holding or sale of the ETC Securities in Austria. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. This summary is based on the currently applicable tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact the tax consequences described. It is recommended that potential investors in

the ETC Securities consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the ETC Securities. Tax risks resulting from the ETC Securities (in particular from a potential qualification as a foreign investment fund within the meaning of § 188 of the Austrian Investment Funds Act 2011 – Investmentfondsgesetz 2011) shall in any case be borne by the investor. With regard to certain innovative or structured financial securities or instruments such as ETC Securities, there is currently hardly any case law or comments of the fiscal authorities as to the tax treatment of such financial securities and instruments. Accordingly, it cannot be ruled out that the Austrian fiscal authorities and courts or the Austrian banks (custodian or paying agents) adopt a view different from that outlined below. For the purposes of the following it is assumed that the ETC Securities are legally and factually offered to an indefinite number of persons. Unless otherwise explicitly noted the following only refers to ETC Securities held as private assets.

General remarks

Individuals having a domicile (*Wohnsitz*) or their habitual abode (*gewöhnlicher Aufenthalt*) in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of management (*Ort der Geschäftsleitung*) or their legal seat (*Sitz*) in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in the case of unlimited and limited (corporate) income tax liability; Austria's right to tax may be restricted by double taxation treaties.

The Issuer does not assume responsibility for Austrian withholding tax (*Kapitalertragsteuer*) at source.

Income taxation of securities in general

Investment income (*Einkünfte aus Kapitalvermögen*) comprises (a) income from derivatives (*Einkünfte aus Derivaten*), including cash settlements, option premiums received and income from the sale or other realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates (the mere exercise of an option does not trigger tax liability); e.g., in the case of index certificates, the tax basis amounts to the sales proceeds or the redemption amount minus the acquisition costs, (b) income from the provision of capital (*Überlassung von Kapital*) including interest payments (*Zinserträge*) and (c) income from realised capital gains (*Einkünfte aus realisierten Wertsteigerungen*) derived from assets that generate income from the provision of capital, including income of zero coupon bonds and accrued interest. The withdrawal of securities from a securities account (*Depotentnahme*) and circumstances leading to a restriction of Austria's taxation right regarding securities vis-à-vis other countries, e.g., a relocation from Austria (*Wegzug*), are in general also deemed to constitute a taxable sale. In both cases, no taxation may arise if certain conditions are fulfilled.

ETC Securities held privately by Austrian resident individuals

Individuals subject to unlimited income tax liability in Austria holding the ETC Securities as non-business assets are subject to income tax on all resulting investment income. Investment income from the ETC Securities with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), is subject to withholding tax (*Kapitalertragsteuer*) at a flat rate of 27.5%; no additional income tax is levied over and above the amount of tax withheld (final taxation; *Endbesteuerung*). Investment income

from the ETC Securities without an Austrian nexus must be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases upon application the option exists to tax all income subject to income tax at a flat rate at the regular progressive income tax rates (option to regular taxation). Whether the use of the option is beneficial from a tax perspective must be determined by consulting a tax advisor. The acquisition costs must not include ancillary acquisition costs (*Anschaffungsnebenkosten*). Expenses such as bank charges and custody fees must not be deducted; this also applies if the option to regular taxation is exercised.

Income from ETC Securities that are not offered to the public within the meaning of the Austrian Income Tax Act are not subject to withholding tax and final taxation, but are instead subject to the normal progressive rates up to 50% (for income above EUR 90.000 p.a. and up to EUR 1 million p.a.) and 55% (as far as the income exceeds EUR 1 million p.a.; this tax rate is, as the law stands today, applicable until 2020).

Generally, securities with a value-based repayment are assessed by the Austrian tax authorities as certificates. Accordingly, certificates are securitized capital claims that reflect the performance of an underlying asset and grant the buyer a right to receive a monetary or settlement amount that depends on the value of an underlying asset. Underlyings may include stocks, indices, commodities, currencies, bonds, or precious metals. Capital gains from such securities are treated by the Austrian tax authorities as investment income from derivative financial instruments.

The following restrictions on the offsetting of losses apply, among others: negative income from realised increases in value and from derivatives may be neither offset against interest from bank accounts and other non-securitized claims vis-à-vis credit institutions (except for cash settlements and lending fees) nor against income from private foundations, foreign private law foundations and other comparable legal estates (*Privatstiftungen, ausländische Stiftungen oder sonstige Vermögensmassen, die mit einer Privatstiftung vergleichbar sind*); income subject to income tax at the special tax rate of 27.5% may not be offset against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income. The Austrian custodian agent has to effect the offsetting of losses by taking into account all of a taxpayer's securities accounts with the custodian agent, and to issue a written confirmation to the taxpayer to this effect.

ETC Securities held as business assets by Austrian resident individuals

Individuals subject to unlimited income tax liability in Austria holding the ETC Securities as business assets are subject to income tax on all resulting investment income. Investment income from the ETC Securities with an Austrian nexus is subject to withholding tax at a flat rate of 27.5%. While withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value and income from derivatives must be included in the investor's income tax return. The flat rate of 27.5% is, in principle, still applicable if the realization of such income is not the focus of the taxpayer's business activity. Investment income from the ETC Securities without an Austrian nexus must always be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases upon application the option exists to tax all income subject to income tax at a flat rate at the regular progressive income tax rates (option to regular taxation).

The flat tax rate does not apply to income from realised increases in value and income from derivatives if realizing these types of income constitutes a key area of the respective investor's business activity. Expenses such as bank charges and custody fees must not be deducted; this also applies if the option to regular taxation is exercised. For the Products held as business assets the acquisition costs may also include ancillary costs incurred upon the acquisition (which may be deducted from capital gains). Depreciations to the lower fair market value and losses from the alienation, redemption and other realisation of financial assets and derivatives, which are subject to income tax at the flat rate of 27.5%, are primarily to be offset against income from realised increases in value of such financial assets and

derivatives and with appreciations in value of such assets within the same business unit (*Wirtschaftsgüter desselben Betriebes*); only 55% of the remaining negative difference may be offset against other types of income.

Securities held by Austrian resident corporations / Private Foundations

Corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on investment income from the ETC Securities at a rate of 25%. Investment income from the ETC Securities as defined in the Austrian Income Tax Act with an Austrian nexus is subject to withholding tax at a flat rate of 27.5%. However, a 25% rate may be applied by the withholding agent, if withheld for a corporation. Such withholding tax can be credited against the corporate income tax liability. Under certain conditions withholding tax is not levied in the first place by filing a declaration of exemption (*Befreiungserklärung*). Losses from the alienation of the ETC Securities can be offset against other income.

Private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in § 13(3) and (6) of the Austrian Corporate Income Tax Act and holding the ETC Securities as non-business assets are subject to interim taxation at a rate of 25% on interest income, income from realised increases in value and income from derivatives (inter alia, if the latter are in the form of securities). Pursuant to the Austrian tax authorities' view, the acquisition costs must not include ancillary acquisition costs. Expenses such as bank charges and custody fees must not be deducted. Interim tax does generally not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the same tax period. Investment income from the ETC Securities with an Austrian nexus is in general subject to withholding tax at a flat rate of 27.5%. However, a 25% rate may be applied by the withholding agent, if the debtor of the withholding tax is a private foundation. Such withholding tax can be credited against the tax falling due. Under the conditions set forth in § 94(12) of the Austrian Income Tax Act withholding tax is not levied.

Non-resident Investors

Individuals and corporations subject to limited (corporate) income tax liability in Austria are generally taxable on income from the ETC Securities only if they have a permanent establishment (*Betriebsstätte*) in Austria and the ETC Securities are attributable to such permanent establishment. In such case, they will, in general, be subject to the same tax treatment as resident investors.

If any payments on the ETC Securities were to be treated as a payment of interest for Austrian tax purposes, the following would apply with respect to non-resident investors who do not have a permanent establishment in Austria to which the ETC Securities are attributable:

Interest income derived by non-resident individuals is subject to taxation in Austria if (1) the securities are issued by an Austrian issuer (or by an Austrian branch of a foreign issuer) and (2) withholding tax has to be levied due to an Austrian paying agent or custodian. As the issuer is not an Austrian issuer and does not issue securities through an Austrian branch, no such limited taxation should apply.

Accrued interest in case of a sale or other disposition of securities (including the difference between the sales price and the acquisition cost in case of zero-coupon-bonds) is regarded as interest income subject to non-resident taxation if the debtor of the accrued interest (the acquirer of the securities) has its seat, domicile or its place of management in Austria or is the branch of a foreign bank, and the sales transaction, in the course of which the accrued interest is paid, is handled by an Austrian paying agent.

No taxation of interest income applies vis-à-vis non-resident corporate investors. No taxation of interest also applies vis-à-vis individuals who are residents in a country, with which Austria agreed on an automatic exchange of information, if an appropriate proof is provided by the investor. The proof has to be made, among others, by a certificate of residence of the tax authorities of the investor's residence state and further documentation in case of corporations. In case of transparent partnerships, the residence status

of the partners is decisive. Moreover, foreign investors have the possibility to seek relief from any withheld withholding tax in a refund procedure with the Austrian tax office with prior electronic notification (§ 240a Federal Tax Act).

Risk of qualification of securities as foreign investment funds

Further, subject to certain conditions, the ETC Securities may be qualified as units of a foreign investment fund in the meaning of section 188 of the Austrian Investment Funds Act. The term "foreign investment fund" comprises (i) undertakings for collective investment in transferable securities ("**UCITS**") the state of origin of which is not Austria, (ii) alternative investment funds ("**AIF**") pursuant to the Austrian Act on Alternative Investment Fund Managers (*Alternative Investmentfonds Manager-Gesetz*, AIFMG) the state of origin of which is not Austria (except real estate AIFs), and (iii) undertakings subject to a foreign jurisdiction, irrespective of the legal form they are organized in, the assets of which are invested according to the principle of risk-spreading on the basis either of a statute, of the undertaking's articles or of customary exercise, if one of the following conditions is fulfilled: (a) the undertaking is factually, directly or indirectly, not subject to a corporate income tax in its state of residence that is comparable to Austrian corporate income tax; (b) the profits of the undertaking are in its state of residence subject to corporate income tax that is comparable to Austrian corporate income tax, at a rate of less than 15%; or (c) the undertaking is subject to a comprehensive personal or material tax exemption in its state of residence. In order to assess whether the undertaking invests according to the principle of risk-spreading, an economic approach applies (substance over form). The Austrian tax authorities consider it as an indication that no foreign investment fund is given if the lack of an investment strategy precludes the qualification of an investment structure as an AIF because the competent regulatory authority qualifies the strategy as an entrepreneurial strategy. According to the view of the Austrian tax authorities, an investment fund is in particular assumed if the issuer has an obligation to the investor how to invest the funds received or if it can influence the value of the underlying assets.

Uncertainties exist as to the precondition under which a foreign issuer must qualify as an AIF manager; regarding the definition of an AIF, the guidelines issued by the Austrian Financial Market Authority are applicable. Prospective investors are, therefore, advised to consult their tax advisors to obtain further information about the interpretation of the law and the application of the law by the tax authorities in this regard.

In case of requalification of a financial instrument into a foreign investment fund, such foreign investment fund units are regarded as transparent for tax purposes. Both distributions as well as retained income are subject to income tax. Retained income may be deemed distributed for tax purposes (so called "*income equivalent to distributions*" – *ausschüttungsgleiche Erträge*) as early as on 31 December of each year. In case a foreign investment fund does neither have an Austrian tax representative nor has reported such income equivalent to distributions to the Austrian tax authorities by itself, a lump sum calculation will take place. Such lump sum calculation generally results in a higher tax basis. Generally, the flat (special) income tax rate of 27.5% applies. Capital gains on a disposal of units in foreign investment funds are taxed by means of the 27.5% withholding tax or are taxed at the flat (special) income tax rate of 27.5%. In addition, on non-investment income the progressive tax rate is applicable. Please note that it may be derived from a ruling of the European Court of Justice regarding the flat-rate taxation of foreign investment funds in Germany, that such flat rate taxation violates EU law.

General information about the automatic exchange of information

The EU Directive 2003/48/EC ("**EU Savings Directive**") was replaced on November 10, 2015 by the automatic exchange of information, which is applicable in Austria since January 1, 2017.

Since August 10, 2016, the Austrian accounts register has been operative which contains all information concerning accounts at banks operating in Austria (*Kontenregister- und Konteneinschaugesetz*). Investors can access such information via FinanzOnline.

Further, the Common Reporting Standard Act (CRSA; *Gemeinsamer Meldestandard-Gesetz*) was implemented into national law. The CRSA determines international standards for the automatic exchange of information in Austria and regulates the performance of administrative assistance between Austria and other states in context of the automatic exchange of information. It also includes reporting obligations of financial institutions concerning account information of non-Austrian residents – which are resident in countries taking part in the global standard of information exchange – which has to be transmitted to the responsible tax authorities. The countries taking part in the automatic exchange of information will be determined in a decree by the Austrian Ministry of Finance.

Austrian inheritance and gift tax

In Austria, inheritance and gift tax are not levied any more. However, if certain thresholds are exceeded, a notification may become necessary.

France

General

The following summary is based on the tax laws and regulations in force in France as at the date of this Base Prospectus and as applied by the French tax authorities, all of which are subject to change or to different interpretation, potentially with retroactive effect. It does not purport to be a comprehensive description of all the French tax considerations which may be relevant to a decision to purchase, own or dispose of the ETC Securities.

Potential purchasers and sellers of the ETC Securities are advised not to rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but to ask their own tax adviser's advice on their individual taxation with respect to the purchase, ownership, redemption or disposal of the ETC Securities. In particular, this tax summary does not address the tax treatment of Securityholders that are subject to special rules, such as partnerships, trusts or regulated investment companies, international organisations, banks or other financial institutions, insurance companies, among others. Prospective investors should consult their tax advisers as to the French and foreign tax treatment in light of their particular circumstances.

The tax treatment described below is based on the assumption that the ETC Securities will be assimilated to securities equivalent to bonds (obligations) for French tax purposes.

Withholding Tax

To the extent that the Issuer of the ETC Securities is not domiciled or established in France (notably ETC Securities are not issued through a permanent establishment of the Issuer in France), the payments made on the ETC Securities to a beneficial owner of ETC Securities which is not a French resident for tax purposes and does not hold the ETC Securities in connection with a permanent establishment or a fixed base in France will not be subject to a withholding tax (*retenue à la source*) in France.

French Resident Individuals

The following is an overview of French tax rules applicable to individuals, resident in France for tax purposes, who hold ETC Securities as part of their private assets, who do not trade on the stock market on a regular basis and, accordingly, who are not considered as professional traders. Individuals who engage in professional trading transactions should consult their tax advisers concerning the tax rules applicable in their specific case.

Redemption Premium

Redemption premium from obligations issued by foreign entities is subject to personal income tax (Article 120- 8° of the French Tax Code ("**FTC**").

Pursuant to Article 125 A of the FTC, subject to certain limited exceptions, the redemption premium received by individuals who are fiscally domiciled in France (*domiciliés fiscalement*) is subject to a 12.8 per cent. advance tax (payable either by way of a withholding or by the individuals themselves), which is deductible from their personal income tax liability in respect of the year in which the payment has been made.

The redemption premium is then subject to personal income tax either at the flat tax rate of 12.8 per cent. or, upon election of the taxpayer, at the progressive scale with a maximum rate of 45 per cent. (the election for taxation at the progressive scale being global and applied to all the savings income and capital gains of the taxpayer), the above mentioned advance tax of 12.8 per cent. being in both cases deductible from the personal income tax liability.

Social contributions are levied (either by way of withholding or paid by the individuals themselves) at an aggregate rate of 17.2 per cent., broken down as follows:

- a general social contribution (*Contribution sociale généralisée*) of 9.2 per cent. (of which 6.8 per cent. is deductible from the basis of assessment for personal income tax for the year of payment);
- an additional contribution to the social levy (*Prélèvement de solidarité*) of 7.5 per cent.; and
- a social security debt repayment contribution (*Contribution au remboursement de la dette sociale*) of 0.5 per cent.

A tax on higher income (*Contribution exceptionnelle sur les hauts revenus*) is applicable at a rate of 3 per cent. to 4 per cent. on the income derived by individuals which exceeds € 250,000 (for single persons) or € 500,000 (for couples).

Losses derived from the redemption of the ETC Securities cannot be deducted from the Securityholder's taxable income.

Interest Payment

According to Articles 125 A and 125 D of the FTC, subject to certain exceptions, interest and other assimilated revenues paid in respect of ETC Securities to French individual investors who are fiscally domiciled (*domiciliés fiscalement*) in France and paid by paying agents (*établissements payeurs*) established in France are subject to a non-definitive 12.8 per cent. withholding tax (*prélèvement à la source obligatoire non libératoire de l'impôt sur le revenu*), which is deductible from their personal income tax liability in respect of the year in which the payment has been made. In these situations, social contributions are also levied by way of withholding tax at the aggregate rate of 17.2 per cent. on interest and other similar revenues paid by paying agents established in France, as follows:

- a general social contribution (*Contribution sociale généralisée*) of 9.2 per cent. (of which 6.8 per cent. is deductible from the basis of assessment for personal income tax for the year of payment);
- an additional contribution to the social levy (*Prélèvement de solidarité*) of 7.5 per cent.; and
- a social security debt repayment contribution (*Contribution au remboursement de la dette sociale*) of 0.5 per cent.

If the paying agent is not located in France, and subject to certain exceptions, the filing and payment of the 12.8 per cent. withholding tax and social contributions is to be made by the individual investor itself. However, if the paying agent is located in the European Union or in a State which is a member of the European Economic Area and which has entered into an administrative assistance treaty with a view to combating tax fraud and avoidance, the filing and payment of the levy and social contributions may, upon request by the French individual investor, be performed by such paying agent.

A tax on higher income (*Contribution exceptionnelle sur les hauts revenus*) is applicable at a rate of 3 per cent. to 4 per cent. on the income derived by individuals which exceeds € 250,000 (for single persons) or € 500,000 (for couples).

Capital Gains

Capital gains realised on sales of ETC Securities are subject to personal income tax either at the flat tax rate of 12.8 per cent., or upon election of the taxpayer, to personal income tax at progressive rates, with a maximum rate of 45 per cent. (the election for a taxation at the progressive scale being global and then applied to all the savings income and capital gains of the taxpayer), as of the first euro earned (Article 200-A 2 of the FTC), to which are added the following social contributions at an aggregate rate of 17.2 per cent.:

- a general social contribution (Contribution sociale généralisée) of 9.2 per cent. (of which 6.8 per cent. is deductible from the basis of assessment for personal income tax for the year of payment);
- an additional contribution to the social levy (Prélèvement de solidarité) of 7.5 per cent.; and
- a social security debt repayment contribution (Contribution au remboursement de la dette sociale) of 0.5 per cent..

A tax on higher income (*Contribution exceptionnelle sur les hauts revenus*) is applicable at a rate of 3 per cent. to 4 per cent. on the income derived by individuals which exceeds € 250,000 (for single persons) or € 500,000 (for couples).

Capital losses may only be used to offset capital gains of the same type incurred within the same year; in case of a remaining negative balance of capital losses, capital losses are then used to offset capital gains of the same type during the following 10 years.

French Real Estate Wealth Tax

As from 1 January 2018, the French wealth tax (*impôt de solidarité sur la fortune*) is repealed and replaced by the French real estate wealth tax (*impôt sur la fortune immobilière*).

ETC Securities held by individuals in their personal portfolio would broadly only be included in the basis of assessment for French real estate wealth tax (*impôt sur la fortune immobilière*), as the case may be, in respect of the portion of the value of the ETC Securities representing French real estate assets. As at 1 January 2020, French wealth tax is applicable at a maximum rate of 1.5 per cent. to individuals who own personal real estate assets where their net asset value exceeds € 1,300,000.

Duties on Inheritance and Gift Tax

Subject to certain conditions, ETC Securities inherited or received as gifts by individuals are subject to inheritance and gift taxes in France.

Legal Entities Subject to Corporate Income Tax in France

Redemption Premium

The redemption premium is calculated by the difference between the amounts to be received and the amounts paid at the time of the acquisition or subscription of the ETC securities.

The premium is subject to a staggered taxation when the premium, computed as indicated above, exceeds 10 per cent. of the subscription or acquisition price and for ETC Securities whose average issue price is not greater than 90 per cent. of their redemption value (Article 238 *septies* E II 1° of the FTC).

In the other cases (where the conditions are not met), the premium is taxable at the time of reimbursement.

Where the redemption value of the ETC Securities cannot be determined before the maturity date, the securities holder may be subject to tax on a deemed redemption premium. The taxable portion of the

deemed premium is equal to the difference between (i) the fraction of the deemed premium accrued until the end of the fiscal year, and (ii) the fractions taxed during the previous fiscal years. The deemed premium results from the application to the acquisition price, according to the method of compound interest, of a deemed interest rate equal to 105 per cent. of the last monthly interest rate applicable in respect of long term public loans (*taux mensuels des emprunts d'Etat à long terme*) known at the date of the acquisition (Article 238 *septies* E II 2 and 3 of the FTC). Furthermore, the redemption date is deemed to be the most distant date mentioned in the contract.

In the specific circumstances where the ETC Securities are treated as index-linked (it being noted that the qualification of the ETC Securities as index-linked or non index-linked is not clear under French law), the redemption premium is computed at the end of the fiscal year as the value of reimbursement that takes into account the variation of the deemed index (Article 238 *septies* E II 2 and 3 of the FTC). The taxable portion of the deemed premium is equal to the difference between (i) the fraction of the deemed premium accrued until the end of the fiscal year, computed at a rate which, in accordance with the methods of compound interest, allows obtaining of the reimbursement value (that takes into account the variation of the deemed index) and (ii) the fractions taxed during the previous fiscal years according to the same method.

In order to avoid double taxation, when the ETC Securities are sold or reimbursed, the portion of the premium that has already been subject to the staggered taxation during the previous financial year is deducted in determining the capital gain.

The redemption premium is subject to corporate income tax ("**CIT**") at the following rate: CIT is currently levied, in the general case, at 28 per cent. for FY2020 and is increased by a social contribution (*contribution sociale*) at a 3.3 per cent. rate applied on the CIT due, after deduction of € 763,000 per 12-month period (Article 235 ter ZC of the FTC). Certain legal entities may pay CIT at the reduced rate of 15 per cent., up to a maximum taxable amount of € 38,120 per 12-month period, and may qualify for exemption from the 3.3 per cent. social contribution under certain conditions (Articles 219-I-b and 235 ter ZC of the FTC). The standard CIT rate will be reduced progressively, to 26.5 per cent. for FY2021 and 25 per cent. for FY2022. Pursuant to the French Finance Act for 2020, companies with a turnover higher than €250 million will be taxed at a rate of 31 per cent. for FY2020 and 27.5 per cent. for FY2021 (increased by a social contribution (*contribution sociale*) at a 3.3 per cent. rate applied on the CIT due, after deduction of €763,000 per 12-month period).

Capital Gains

Capital gains or losses realised on the sale of ETC Securities by a legal entity subject to CIT are subject to the short-term capital gains or short-term capital losses regime.

Capital gains are included in the taxable income of the current fiscal year at the time of their realisation and are taxable at the standard CIT rate of 28 per cent. plus the 3.3 per cent. social contribution (or the reduced rate of 15 per cent. up to € 38,120 of taxable income, where applicable). As mentioned above, the standard CIT rate will progressively be reduced to 26.5 per cent. for FY2021 and 25 per cent. for FY2022. Pursuant to the French Finance Act for 2020, companies with a turnover higher than €250 million will be taxed at a rate of 31 per cent. for FY2020 and 27.5 per cent. for FY2021 (increased by a social contribution (*contribution sociale*) at a 3.3 per cent. rate applied on the CIT due, after deduction of €763,000 per 12-month period).

Capital losses are charged against taxable income or contribute to the creation of losses carried forward under the conditions set forth by commonly applicable law.

Germany

The following is a general description of certain tax considerations relating to the purchasing, holding and disposing of the ETC Securities. It does not purport to be a complete analysis of all tax considerations

relating to the ETC Securities. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular Securityholder of the ETC Securities. The discussions that follow are based upon the applicable German laws in force and their interpretation on the date of this Base Prospectus. These tax laws and interpretations are subject to change that may occur after such date, even with retrospective effect.

Prospective Securityholders should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing the ETC Securities, including the application and effect of any federal, state or local taxes, under the tax laws of Germany and each country of which they are residents or citizens.

Income Tax

ETC Securities held by tax residents as private assets

In case the ETC Securities are held as private assets (*Privatvermögen*) by an individual investor whose residence or habitual abode is in Germany, any amounts received with respect to the ETC Securities are qualified as proceeds from receivables (*Erträge aus sonstigen Kapitalforderungen*). Although the German Income Tax Code distinguishes between the taxation of current proceeds from receivables and the taxation of capital gains from receivables, all proceeds are taxed as capital investment income (*Einkünfte aus Kapitalvermögen*) at a 25 per cent. flat tax (*Abgeltungsteuer*) (plus a 5.5 per cent. solidarity surcharge (*Solidaritätszuschlag*) thereon and, if applicable to the individual investor, church tax). Individual investors are entitled to a tax allowance (*Sparer-Pauschbetrag*) for amounts treated as investment income of € 801 per year (€ 1,602 for jointly assessed individual investors). The tax allowance is considered for purposes of the withholding tax if the investor files a withholding tax exemption request (*Freistellungsauftrag*) with the respective Domestic Paying Agent (as described below) where the securities deposit account to which the ETC Securities are allocated is held. The deduction of the effective income related expenses for tax purposes is not possible.

The capital gain is generally determined as the difference between the proceeds from the sale or redemption of the ETC Securities and the acquisition costs. Expenses directly and factually related to the sale or redemption are taken into account in computing the taxable capital gain. Otherwise the deduction of related expenses for tax purposes is not permitted.

Where the ETC Securities are acquired and/or sold in a currency other than Euro, the acquisition costs will be converted into Euro at the time of acquisition, the sale proceeds will be converted into Euro at the time of sale, and only the difference will then be computed in Euro.

Capital losses from the sale or redemption of the ETC Securities held as private assets should generally be tax-recognised irrespective of the holding period of the ETC Securities. Any tax-recognised capital losses may not be used to offset other income like employment or business income but may only be offset against investment income. Capital losses not utilised in one annual assessment period may be carried forward into subsequent assessment periods but may not be carried back into preceding assessment periods.

In certain scenarios, the tax deductibility of certain capital losses from the ETC Securities may be limited in accordance with the following:

- (i) Pursuant to a tax decree issued by the German Federal Ministry of Finance dated 18 January 2016, each of a bad debt loss (*Forderungsausfall*) (i.e. should the Issuer become insolvent) and a waiver of a receivable (*Forderungsverzicht*) (to the extent the waiver does not qualify as a hidden contribution) shall generally, in each case, not be treated like a sale, such that losses suffered upon such bad debt loss or waiver shall not be tax deductible. However, in contrast to the view of the German tax authorities, the German Federal Fiscal Court decided in 2017 that a final bad debt loss with respect to a capital claim shall be deductible for tax purposes; the question whether this

also applies to a waiver of a receivable has been left open by the court. With respect to a voluntary waiver of a receivable, a lower German fiscal court confirmed the view of the German tax authorities in a final decision, whilst another lower fiscal court rejected the jurisdiction of the German Federal Fiscal Court with respect to the tax deductibility of a bad debt loss. Two further decisions in this context are currently still pending with the German Federal Fiscal Court.

- (ii) While the German tax authorities previously took the position that a disposal (and, as a consequence, a tax loss resulting from such disposal) shall not be recognised if the Notes are sold at a market price which is lower than the transaction costs, or if the level of transaction costs is restricted because of a mutual agreement that the transaction costs are calculated by subtracting a certain amount from the sale price, the German tax authorities have concluded in an amendment from 10 May 2019 to the tax decree issued by the German Federal Ministry of Finance dated 18 January 2016 that the recognition of a sale as a disposal shall not depend on the amount of any consideration or the amount of the transaction costs.
- (iii) While the German tax authorities previously took the position that capital losses shall not be recognised by the German tax authorities if no (or only de minimis) payments are made to the individual investors on the maturity or redemption date of the Notes, the German Federal Fiscal Court has published a decision to the contrary with regard to losses incurred in connection with knock-out certificates. In this decision the German Federal Fiscal Court took the view that exceeding the knock-out threshold (i.e. no payments on the day of exceeding the knock out threshold) shall be treated similar to a bad debt loss as a sale at the value of zero, so that losses suffered shall also be deductible for tax purposes. According to an amendment to the tax decree issued by the German Federal Ministry of Finance dated 18 January 2016 and published on 16 September 2019, the German Federal Ministry of Finance now also applies the principles of the ruling of the German Federal Fiscal Court.
- (iv) As of 1 January 2021, capital losses of non-business investors in the scenarios described above can be set-off against income derived from capital investments only up to an amount of €10,000 per annum. Losses exceeding that threshold in these cases can be carried forward and set-off against income derived from capital investments up to an amount of €10,000 per annum in subsequent years, subject to certain requirements.

The flat tax is generally collected by way of withholding. If the ETC Securities are kept or administered in a domestic securities deposit account by a German credit or financial services institution (or by a German branch of a foreign credit or financial services institution), or by a German securities trading firm (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) (each, a **“Domestic Paying Agent”**) which pays or credits the interest, a 25 per cent. withholding tax, plus a 5.5 per cent. solidarity surcharge thereon (and, if applicable to the individual investor, church tax), is levied on interest income under the ETC Securities, resulting in a total withholding tax charge of 26.375 per cent.

The same applies for any capital gains from the sale or redemption of the ETC Securities if the ETC Securities are kept or administered in a domestic securities deposit account by a Domestic Paying Agent since their acquisition.

If the ETC Securities were sold or redeemed after being transferred to a securities deposit account with a Domestic Paying Agent, the 25 per cent. withholding tax (plus solidarity surcharge thereon and, if applicable to the individual investor, church tax) would be levied on 30 per cent. of the proceeds from the sale or the redemption, as the case may be, unless the investor or the previous account bank was able and allowed to provide evidence for the investor's actual acquisition costs to the Domestic Paying Agent. The applicable withholding tax rate is in excess of the aforementioned rate, if church tax is applicable to the individual investor. In this case the collection of church tax on capital gains from the sale or redemption of the ETC Securities is provided for as a standard procedure unless the noteholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

If no Domestic Paying Agent (as defined above) is involved in the payment process or if no or insufficient withholding tax is withheld by a Domestic Paying Agent, the Securityholder will have to include its income from the ETC Securities in its tax return and the flat income tax of 25 per cent., plus a 5.5 per cent. solidarity surcharge thereon and, if applicable to the individual investor, church tax, will be collected by way of assessment.

Payment of the flat tax will generally satisfy any income tax liability of the Securityholders in respect of such investment income. Securityholders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent.

The coalition agreement between the German Christian Democratic Party and the German Social Democratic Party for the formation of a new German federal government provides that the flat tax regime shall be partially abolished for certain capital investment income. This means, however, that income received by investors holding the ETC Securities as private assets may be taxed at individual progressive income tax rates of up to 45 per cent. in the future (plus a 5.5 per cent. solidarity surcharge thereon, unless abolished or reduced in the future, and church tax, if applicable to the individual investor). According to the recent act on the reduction of the solidarity surcharge (*Gesetz zur Rückführung des Solidaritätszuschlags*), the solidarity surcharge shall only be levied for wage tax and income tax purposes from the assessment period 2021 onwards if the individual income tax of the individual investor exceeds the threshold of EUR 16,956 (EUR 33,912 for jointly assessed investors). The solidarity surcharge shall however continue to be applicable for withholding tax, flat tax and corporate income tax purposes. If in case of flat tax the income tax burden for an individual investor is lower than the flat tax of 25%, the individual investor can apply for its capital investment income being assessed at its individual progressive rates (see above) in which case solidarity surcharge would be refunded.

ETC Securities held by tax residents as business assets

If the ETC Securities are held as business assets (*Betriebsvermögen*) by an individual or corporate investor that is tax resident in Germany (i.e. persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany), interest income under the ETC Securities and capital gains from the sale or redemption of the ETC Securities are subject to personal or corporate income tax (plus solidarity surcharge thereon and, if applicable to the individual investor, church tax). Losses realised on the sale or redemption of the ETC Securities may be offset in particular against items of positive income under the general tax rules or deducted as part of losses carried back or forward, although the minimum taxation rules must be observed. Interest income under the ETC Securities and capital gains from the sale or redemption of the ETC Securities will also be subject to trade tax.

Where a Domestic Paying Agent (as defined above) is involved in the payment process, tax at a rate of 25 per cent. (plus a 5.5 per cent. solidarity surcharge thereon and, if applicable to the individual investor, church tax) will in principle also be withheld from interest income paid or credited under the ETC Securities and from capital gains from the sale or redemption of the ETC Securities. However, no withholding is generally required on capital gains from the sale or redemption of ETC Securities derived by German resident corporate Securityholders and upon application by individual Securityholders holding the ETC Securities as domestic business assets. With respect to church tax applicable to an individual investor please see above under "*ETC Securities held by tax residents as private assets*". Any German withholding tax (including surcharges) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

ETC Securities held by non-tax residents

Amounts derived from the ETC Securities by Securityholders who are not tax resident in Germany are in general exempt from German income taxation, and no withholding tax shall be withheld, unless (i) the ETC Securities are held as business assets of a German permanent establishment of the investor or by a permanent German representative of the investor, or (ii) the income is paid by a Domestic Paying Agent

against presentation of the ETC Securities (if applicable) (so-called over-the-counter transaction, *Tafelgeschäft*).

If the income derived from the ETC Securities is subject to German taxation according to (i) or (ii) above, the income is subject to German income taxation and withholding tax similar to that described above for German tax residents. Under certain circumstances, foreign investors may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*) entered into with Germany.

Investment Tax Act

According to the German Investment Tax Act, the Issuer would qualify as a foreign investment fund for German Investment Tax Act purposes if it qualifies as an AIF under the EU AIFM Directive. In this case, it cannot be excluded that Securityholders will be taxed on the basis of any annual increase in the value of the relevant Metal Entitlement compared with the relevant acquisition costs of a Securityholder even if such increase in value has not yet been realised by the Issuer or distributed to a Securityholder. This will result in a corresponding increase of the acquisition cost at the level of the Securityholder. Therefore, if an ETC Security is subsequently sold or redeemed and any increase in value of the relevant Metal Entitlement is realised, the taxable capital gain from the sale or redemption of the ETC Securities will be reduced accordingly. It is however also possible that only virtual gains will be subject to tax at the level of the Securityholder, which will never be realised. This is the case if the value of the relevant Metal Entitlement subsequently decreases and the interim value, which has been the basis for the taxation, will not be realised upon the sale or redemption of an ETC Security. The tax deductibility of any losses realised for tax purposes in this case is subject to the general rules as described above.

Inheritance and Gift Tax

The transfer of the ETC Securities to another person by way of gift or inheritance may be subject to German gift or inheritance tax, respectively, if *inter alia*

- (i) the testator, the donor, the heir, the donee or any other acquirer had his residence, habitual abode or, in the case of a corporation, association (*Personenvereinigung*) or estate (*Vermögensmasse*), has its seat or place of management in Germany at the time of the transfer of property; or
- (ii) except as provided under paragraph (i) above, the testator's or donor's ETC Securities belong to business assets attributable to a permanent establishment or a permanent representative in Germany.

Special regulations may apply to certain German expatriates.

Prospective investors are urged to consult with their tax advisor to determine the particular inheritance or gift tax consequences in light of their particular circumstances.

Other Taxes

No stamp, issue, registration, value added or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the ETC Securities. Under certain circumstances, however, entrepreneurs may opt for value added tax with regard to the sale of the ETC Securities to other entrepreneurs. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany.

Ireland

Introduction

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the ETC Securities based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Securityholders who beneficially

own their ETC Securities as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding ETC Securities, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only.

While it is noted that the ETC Securities do not give rise to periodic interest payments, the below provisions should apply were any payments on the ETC Securities to be treated as a payment of interest. Prospective investors in the ETC Securities should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the ETC Securities and the receipt of any return thereon under the laws of their country of residence, citizenship or domicile.

Taxation of Holders of ETC Securities

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on an ETC Security so long as interest paid on the relevant ETC Security does not come within certain rules introduced by the Finance Act 2016 and Finance Act 2017 (as described below under the heading “*Deductibility of Interest*”) and meets the following conditions:

- (i) the ETC Securities are quoted Eurobonds i.e. securities which are issued by a company (such as the Issuer), which are listed on a recognised stock exchange (such as Euronext Paris) and which carry a right to interest; and
- (ii) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:
 - (a) the ETC Securities are held in a clearing system recognised by the Irish Revenue Commissioners; (DTC, Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or
 - (b) the holder of the ETC Securities is beneficially entitled to interest payable in respect of the ETC Securities, is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form; and
- (iii) interest which is profit dependent and which is paid out on the ETC Securities could, under certain anti-avoidance provisions, be re-characterised as a distribution and subject to dividend withholding tax in certain circumstances. However, this should not apply on the basis of a confirmation by the Issuer that, at the time the ETC Securities were issued, the Issuer was not in possession or aware of any information which could reasonably be taken to indicate that interest or other distributions paid on the ETC Securities would not be subject, without reduction computed by reference to the amount of such interest or other distribution, to a tax in a relevant territory which generally applies to profits, income or gains received in that relevant territory by persons from sources outside that relevant territory, where the term “relevant territory” means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty (each, a “**Relevant Territory**”).

Thus, so long as the ETC Securities continue to be quoted on Euronext Paris, are held in DTC, Euroclear and/or Clearstream, Luxembourg, and the Issuer has provided the confirmations set out in paragraph (iii) above, interest on the ETC Securities can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the ETC Securities continue to be quoted but cease to be held in a recognised clearing system, interest on the ETC Securities may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and the Issuer has provided the confirmations set out in paragraph (iii) above.

Deductibility of Interest

Rules contained in the Finance Act 2016 and Finance Act 2017 restrict the deductibility of interest paid by a qualifying company (such as the Issuer) that is profit dependent or exceeds a reasonable commercial return to the extent that the interest is associated with a 'specified property business' carried on by that qualifying company. A 'specified property business' of a qualifying company means, subject to a number of exceptions, a business of holding 'specified mortgages', units in an IREF (being a specified form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA) or shares that derive their value or the greater part of their value, directly or indirectly, from Irish land. A 'specified mortgage' for this purpose is (i) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, Irish land, (ii) a 'specified agreement' (effectively a profit dependent derivative) which derives its value, or the greater part of its value, directly or indirectly, from Irish land or a loan to which (i) above applies, (iii) the portion of a specified security (essentially a security in respect of which, if the Finance Act 2016 and Finance Act 2017 rules did not apply to it, payments on that security would be deductible under section 110 of the TCA) that is attributable to the specified property business in accordance with the rules or (iv) units in an IREF (being a specified form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA).

The legislation treats the holding of such assets as a separate business to the rest of the qualifying company's activities. The qualifying company is taxed on any profit that is attributable to that business at 25% and any such interest that is profit dependent or exceeds a reasonable commercial return, subject to a number of exceptions, is not deductible and potentially subject to Irish dividend withholding tax at 25%.

Accordingly, on the basis that the Issuer will not acquire 'specified mortgages' (within the meaning of section 110 of the TCA), units in an IREF (being a specified form of investment undertaking within the meaning of Chapter 1B, Part 27 of the TCA) or shares that derive the greater part of their value, directly or indirectly, from Irish land, these rules should not apply to this transaction.

Encashment Tax

Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from a payment on any ETC Security where such payment is collected or realised by a bank or encashment agent in Ireland on behalf of any holder of the ETC Securities. There is an exemption from encashment tax where the beneficial owner of the interest is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank.

Income Tax, PRSI and Universal Social Charge

Notwithstanding that a holder of the ETC Securities may receive interest on the ETC Securities free of withholding tax, the holder of the ETC Securities may still be liable to pay Irish income tax with respect to payments on the ETC Securities. Holders of the ETC Securities resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, pay related social insurance (PRSI) contributions and the universal social charge in respect of income they receive on ETC Securities.

Income payments on the ETC Securities may have an Irish source and therefore may be within the charge to Irish income tax, notwithstanding that the Securityholder is not resident in Ireland. In the case of holders of the ETC Securities who are non-resident individuals such holders may also be liable to pay the universal social charge in respect of payments they receive on the ETC Securities. Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, any interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income

tax provided the recipient company is not resident in Ireland and is either resident in a Relevant Territory which imposes a tax that generally applies to interest receivable in that Relevant Territory by companies from sources outside that Relevant Territory or, where the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come into force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a Relevant Territory or is a company not resident in Ireland which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a Relevant Territory are resident for the purposes of tax in a Relevant Territory and is not under the control of person(s) who are not so resident or is a company where the principal class of shares of the company or its 75% parent is substantially and regularly traded on a recognised stock exchange. For the purpose of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or, in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the ETC Securities are held or attributed may have a liability to Irish corporation tax on payments received under the ETC Securities.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Income payments on the ETC Securities which do not fall within the above exemptions is within the charge to income tax, and, in the case of holders of the ETC Securities who are individuals, the charge to the universal social charge. In the past, the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any holder of the ETC Securities.

Capital Gains Tax

A holder of the ETC Securities will not be subject to Irish tax on capital gains on a disposal of the ETC Securities unless (i) such holder is either resident or ordinarily resident in Ireland or (ii) such holder carries on a trade in Ireland through a branch or agency in respect of which the ETC Securities were used or held or (iii) the ETC Securities cease to be listed on a stock exchange in circumstances where the ETC Securities derive their value or more than 50% of their value from Irish real estate, mineral rights or exploration rights.

Capital Acquisitions Tax

A gift or inheritance of ETC Securities will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 33 per cent) if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponent is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the ETC Securities are regarded as property situate in Ireland (i.e. if the ETC Securities are physically located in Ireland or the register of the Notes is maintained in Ireland).

Stamp Duty

No stamp duty or similar tax is imposed in Ireland on the issue, transfer or redemption of the ETC Securities provided the Issuer is a qualifying company for the purposes of Section 110 of the TCA and the proceeds of the issuance of the ETC Securities are used in the course of the Issuer's business (on the basis of an exemption provided for in Section 85(2)(c) of the Irish Stamp Duties Consolidation Act 1999).

Luxembourg

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*impôt de solidarité*), as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Withholding Tax

Under Luxembourg tax law currently in effect and subject to certain exceptions (as described below), there is no Luxembourg withholding tax upon interest payment or repayment of principal in case of reimbursement, redemption, repurchase or exchange of the ETC Securities.

However, under the Luxembourg law dated 23 December 2005, as amended (the “**Relibi Law**”), interest payments made by paying agents established in Luxembourg (as defined in the Relibi Law) to Luxembourg individual residents are subject to a 20 per cent. withholding tax. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

In the event of payments under the ETC Securities coming within the scope of the Relibi Law, such payments would at present be subject to withholding tax of 20 per cent.

Income Taxation

Non-resident Securityholders of ETC Securities

A non-resident corporate Securityholder of ETC Securities or a non-resident individual Securityholder of ETC Securities acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which such ETC Securities are attributable, is subject to Luxembourg income tax on any gains realised upon the sale or disposal, in any form whatsoever, of the ETC Securities.

Resident Securityholders of ETC Securities

A corporate Securityholder of ETC Securities must include any gain realised on the sale or disposal, in any form whatsoever, of the ETC Securities, in its taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to an individual Securityholder of ETC Securities, acting in the course of the management of a professional or business undertaking.

A Securityholder of ETC Securities that is governed by the law of 11 May 2007 on family estate management companies, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds as amended, or by the law of 23 July 2016 on reserved alternative investment funds (provided it is not foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned law of 23 July 2016 apply), is not subject to Luxembourg income tax in respect of gains realised on the sale or disposal, in any form whatsoever, of the ETC Securities.

A gain realised by an individual Securityholder of ETC Securities, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of ETC Securities is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the ETC Securities were acquired.

Net Wealth Taxation

A corporate Securityholder of ETC Securities, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such ETC Securities are attributable, is subject to Luxembourg net wealth tax on such ETC Securities, except if the Securityholder of ETC Securities is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, or is a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended or is a reserved alternative investment fund governed by the law of 23 July 2016. However, a securitisation company subject to the amended law of 22 March 2004 and a company subject to the amended law of 15 June 2004 on venture capital vehicles are, as from 1 January 2016, subject to a minimum net wealth tax, as well as reserved alternative investment funds subject to the law of 23 July 2016, provided it is foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned law of 23 July 2016 applies.

An individual Securityholder of ETC Securities, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg net wealth tax on such ETC Securities.

Other Taxes

Neither the issuance nor the transfer of ETC Securities will give rise to any Luxembourg stamp duty, value added tax, issuance tax, registration tax, transfer tax or similar taxes or duties, unless the documents relating to the ETC Securities are voluntarily registered in Luxembourg or appended to a document that requires obligatory registration in Luxembourg.

Where a Securityholder of ETC Securities is a resident of Luxembourg for tax purposes at the time of his/her death, the ETC Securities are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of ETC Securities if embodied in a Luxembourg deed or recorded in Luxembourg.

Netherlands

Introduction

The following summary is intended for general information and does not purport to be a comprehensive description of all Netherlands tax consequences that could be relevant to Securityholders. Each prospective Securityholder should consult a professional tax adviser with respect to the tax consequences of an investment in the ETC Securities. This summary is based on Netherlands tax legislation and published case law in force as of the date of this document. It does not take into account any developments or amendments thereof after that date, regardless of whether or not such developments or amendments have retroactive effect. For the purposes of this summary, "the Netherlands" shall mean that part of the Kingdom of the Netherlands that is in Europe.

Scope

Regardless of whether or not a Securityholder of ETC Securities is, or is treated as being, a resident of the Netherlands, with the exception of the section on withholding tax below, this summary does not address the Netherlands tax consequences for a Securityholder:

- (i) having a substantial interest (aanmerkelijk belang) in the Issuer (such a substantial interest is generally present if an equity stake of at least 5 per cent, or a right to acquire such a stake, is held, in each case by reference to the Issuer's total issued share capital, or the issued capital of a certain class of shares);
- (ii) who is a private individual and who may be taxed in box 1 for the purposes of Netherlands income tax (inkomstenbelasting) as an entrepreneur (ondernemer) having an enterprise (onderneming) to which the ETC Securities are attributable, or who may otherwise be taxed in box 1 with respect to benefits derived from the ETC Securities;
- (iii) which is a corporate entity and a taxpayer for the purposes of Netherlands corporate income tax (vennootschapsbelasting), having a participation (deelneming) in the Issuer (such a participation is generally present in the case of an interest of at least 5 per cent. of the Issuer's nominal paid-up share capital);
- (iv) which is a corporate entity or a person taxable as a corporate entity and an exempt investment institution (vrijgestelde beleggingsinstelling) or investment institution (beleggingsinstelling) for the purposes of Netherlands corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for tax purposes;
- (v) which is a corporate entity or a person taxable as a corporate entity and a resident of Aruba, Curaçao or Sint Maarten;
- (vi) which is not considered the beneficial owner (uiteindelijk gerechtigde) of the ETC Securities and/or the benefits derived from the ETC Securities; or
- (vii) which is a person to whom the ETC Securities are attributed on the basis of the separated private assets provisions (afgezonderd particulier vermogen) in the Netherlands Income Tax Act 2001 (Wet inkomstenbelasting 2001) and/or the Netherlands Gift and Inheritance Tax Act 1956 (Successiewet 1956).

For the purpose of the Netherlands tax consequences described herein, it is assumed that the Issuer is neither a resident nor deemed to be a resident of the Netherlands for Netherlands tax purposes.

Withholding tax

Based on the assumption that the Issuer is not a resident of the Netherlands for Netherlands tax purposes, all payments made by the Issuer under the ETC Securities may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Income tax

Resident Securityholders: A Securityholder who is a private individual and a resident, or treated as being a resident of the Netherlands for Netherlands income tax purposes, must record the ETC Securities as assets that are held in box 3. Taxable income with regard to the ETC Securities is then determined on the basis of a certain deemed return on the Securityholder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year insofar as the yield basis exceeds a €30,846 threshold (*heffingvrij vermogen*), rather than on the basis of income actually received or gains actually realised. Such yield basis is determined as the fair market value of certain qualifying assets held by the Securityholder, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the ETC Securities will be included as an asset in the Securityholder's yield basis. The Securityholder's yield basis is allocated to up to three brackets for which different deemed returns apply.

The first bracket includes amounts up to and including €72,797, which amount is split into a 67 per cent. low-return part and a 33 per cent. high-return part. The second bracket includes amounts in excess of €72,797 and up to and including €1,005,572, which amount is split into a 21 per cent. low-return part and a 79 per cent. high-return part. The third bracket includes amounts in excess of €1,005,572, which is considered high-return in full. For 2020 the deemed return on the low-return parts is 0.06 per cent. and on the high-return parts is 5.33 per cent. The deemed return percentages are reassessed every year. The deemed return on the Securityholder's yield basis is taxed at a rate of 30 per cent.

Non-resident Securityholders: A Securityholder who is a private individual and neither a resident, nor treated as being a resident, of the Netherlands for Netherlands income tax purposes, will not be subject to such tax in respect of benefits derived from the ETC Securities, unless such Securityholder is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise which is effectively managed in the Netherlands, to which enterprise the ETC Securities are attributable.

Corporate income tax

Resident Securityholders: A Securityholder which is a corporate entity or a person taxable as a corporate entity and, for Netherlands corporate income tax purposes, a resident, or treated as being a resident, of the Netherlands, is taxed in respect of benefits derived from the ETC Securities at rates of up to 25 per cent.

Non-resident Securityholders: A Securityholder which is a corporate entity or a person taxable as a corporate entity and, for Netherlands corporate income tax purposes, neither a resident, nor treated as being a resident, of the Netherlands, will not be subject to corporate income tax, unless such Securityholder has an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, a Netherlands Enterprise (*Nederlandse onderneming*), to which Netherlands Enterprise the ETC Securities are attributable, or such Securityholder is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the ETC Securities are attributable. Such Securityholder is taxed in respect of benefits derived from the ETC Securities at rates of up to 25 per cent.

Gift and inheritance tax

Resident Securityholders: Netherlands gift tax or inheritance tax (*schenk- of erfbelasting*) will arise in respect of an acquisition (or deemed acquisition) of ETC Securities by way of a gift by, or on the death of, a Securityholder who is a resident, or treated as being a resident, of the Netherlands for Netherlands gift and inheritance tax purposes.

Non-resident Securityholders: No Netherlands gift tax or inheritance tax will arise in respect of an acquisition (or deemed acquisition) of ETC Securities by way of a gift by, or on the death of, a Securityholder who is neither a resident, nor treated as being a resident, of the Netherlands for Netherlands gift and inheritance tax purposes.

Other taxes

No Netherlands turnover tax (*omzetbelasting*) will arise in respect of any payment in consideration for the issue of ETC Securities, with respect to any cash settlement of ETC Securities or with respect to the delivery of ETC Securities. Furthermore, no Netherlands registration tax, capital tax, transfer tax or stamp duty (nor any other similar tax or duty) will be payable in connection with the issue or acquisition of ETC Securities.

Residency

A Securityholder will not become a resident, or a deemed resident, of the Netherlands for Netherlands tax purposes by reason only of holding ETC Securities.

Spain

The following general summary does not consider all aspects of taxation in Spain that may be relevant to a Securityholder in the light of the Securityholder's particular circumstances and income tax situation. This summary applies to Securityholders who are solely tax resident in Spain, and it is not intended to be, nor should it be construed to be, legal or tax advice. It is based on Spanish tax laws and regulations, all as currently in effect and all subject to change at any time, possibly with retroactive effect. Securityholders should consider the legislative changes which could occur in the future.

In particular, Securityholders should note that the Spanish government is considering the introduction of specific tax measures that may modify the taxation of, among others, the debt securities described herein. These measures may include, inter alia, the following amendments:

- (i) Personal Income Tax: An increase to the tax rates applicable to dividends, interest and income and capital gains derived from the transfer of debt securities or ordinary shares corresponding to individuals resident in Spain.*
- (ii) Net Wealth tax: An increase of 1% in the Net Wealth Tax rate applicable to individuals whose net worth exceeds €10 million.*
- (iii) Corporate Income Tax: The Spanish participation exemption may be modified from a full exemption to a 95% exemption. In addition, a potential minimum 15% tax rate (in some cases 18%, e.g. for credit entities) may also be introduced under specific conditions.*

These measures have not yet been passed and it is unclear if (or how) they might ultimately be approved.

Prospective Securityholders are urged to consult their own tax advisers as to the particular tax consequences to them of subscribing, purchasing, holding and disposing of the ETC Securities, including the application and effect of state, local, foreign and other tax laws and the possible effects of changes in the tax laws of Spain.

It must be noted that the tax treatment of the ETC Securities is not specifically foreseen in Spanish legislation. Therefore, the following information is based on a reasonable interpretation of general principles underlying Spanish taxation as well as traditionally governing official guidance issued by the Spanish Tax Authorities on financial products. It is also based on the pattern that the ETC Securities would be classified for tax purposes in Spain as debt securities.²

Taxation of a Spanish Tax Resident Individual

Personal Income Tax ("Impuesto sobre la Renta de las Personas Físicas") ("PIT")

Any income derived from the ETC Securities will constitute a return on investment obtained from the transfer of a person's own capital to third parties in accordance with the provisions of article 25 of the PIT Law, and will therefore, form part of the savings income tax base pursuant to the provisions of the PIT Law. The saving income tax base are currently subject to the following tax rates: (i) income up to €6,000 will be taxed at 19 per cent., (ii) any excess up to €50,000 will be taxed at 21 per cent. and (iii) any excess over €50,000 will be taxed at 23 per cent.

² Please note that the tax classification of the ETC Securities as debt securities for Spanish tax purposes could also be a matter of controversy. Following the traditional position of the Tax Authorities in Spain, the ETC Securities should be classified as debt securities for tax purposes, leading to the tax regime, which is described herein. Should the Spanish Tax Authorities classify the ETC Securities as instruments generating capital gains or losses, the tax treatment could be different, potentially impacting aspects such as withholding tax or applicable tax rates.

In the case of transfer, redemption or cash settlement, the income obtained by the investor would be the difference between the amount received (reduced by the expenses related to the transfer) and the acquisition cost or subscription value (increased by the costs related to the acquisition). Losses derived from the transfer of the ETC Securities are disregarded if securities of the same kind, meaning securities issued by the same issuer and which form part of the same financial transaction or derive from a unity of purpose, including the systematic collection of financing, with the same legal status, transfer regime and which grant the investors with similar rights and obligations, have been acquired during the period between two months before or two months after the date of the transfer which generates the loss. In such a case, losses will be deductible when the transfer of the acquired securities of the same kind of the Securityholder takes place.

As regards income obtained by Spanish tax resident individuals under the ETC Securities, no Spanish withholding taxes should be deducted by the Issuer if it is not resident in Spain for tax purposes and does not have a permanent establishment in Spain.

However, Spanish withholding taxes on income obtained under the ETC Securities may have to be deducted by other entities as follows:

- (i) Income obtained upon transfer of the ETC Securities will be subject to Spanish withholding tax at the rate applicable from time to time (currently, 19 per cent.) to be deducted by a financial entity acting on behalf of the seller, provided such entity is resident for tax purposes in Spain or has a permanent establishment in the Spanish territory.
- (ii) Income obtained upon redemption or reimbursement of the ETC Securities will be subject to Spanish withholding tax at the rate applicable from time to time (currently, 19 per cent.) to be deducted by a financial entity appointed by the Issuer (if any) for the redemption of the ETC Securities, provided such entity is resident for tax purposes in Spain or has a permanent establishment in the Spanish territory.

Amounts withheld may be credited against the final Spanish tax resident individuals PIT liability.

Inheritance and Gift Tax (“Impuesto sobre Sucesiones y Donaciones”) (“IGT”)

Spanish tax resident individuals who acquire ownership or other rights over any ETC Securities by inheritance, gift or legacy will be subject to IGT in accordance with the Spanish IGT Law, without prejudice to the specific legislation applicable in each autonomous region. The effective tax rate, after applying all relevant factors, ranges from 7.65 per cent. to 81.6 per cent. Some tax benefits could reduce the effective tax rate.

Net Wealth Tax (“Impuesto sobre el Patrimonio”) (“NWT”)

For the 2020 tax year, Spanish tax resident individuals are subject to NWT, which imposes a tax on property and rights in excess of €700,000 held on the last day of the calendar year.

According to Spanish NWT Law (subject to any exceptions provided under relevant legislation in an autonomous region), Spanish tax resident individuals whose net worth is above €700,000 and who hold ETC Securities on the last day of any year would therefore be subject to NWT for such year at marginal rates varying between 0.2 per cent. and 2.5 per cent. of the average market value of the ETC Securities during the last quarter of such year.

In accordance with article 3 of the Royal Decree-Law 18/2019, of 18 December (*Real Decreto-ley 18/2019, de 18 de diciembre, por el que se adoptan determinadas medidas en materia tributaria, catastral y de seguridad social*), during year 2020 the 100% relief of this tax will continue to be repealed; but from the year 2021 a full exemption on NWT would apply (*bonificación del 100%*), unless such exemption is revoked or postponed again.

Taxation of a Spanish Tax Resident Company

Corporate Income Tax (“Impuesto sobre Sociedades”) (“CIT”)

According to article 10.3 of the Spanish CIT Law, income obtained by a Spanish tax resident entity from the investment in the ETC Securities would be included in the taxable base of the said entity in accordance with the accounting standards, being taxed at the rate corresponding to the Securityholder (currently, general CIT rate is 25 per cent.).

According to article 61.s of the CIT Regulations no withholding tax shall be withheld in respect of ETC Securities traded on an official market of an OECD country.

Reporting Obligations

Spanish tax resident (i.e. individuals, legal entities, permanent establishments in Spain of non-Spanish resident entities) must report to the tax authorities the values they have abroad. The reporting obligation must be fulfilled from 1 January until 31 March of the year following that for which the information refers to. However, there will be no reporting obligation for those values whose aggregate value is lower than € 50,000. Finally, in the year after the one in which the information was provided, the information returns should be filed only if: the values of the values already reported have increased (unless the increase does not exceed € 20,000); or those values are no longer held.

Indirect taxes

The acquisition and transfer of the ETC Securities will be exempt from indirect taxes in Spain (i.e. exempt from Transfer Tax and Stamp Duty, in accordance with the consolidated text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September 1993, and exempt from Value Added Tax, in accordance with Law 37/1992 of 28 December 1992 regulating such tax).

Sweden

The following summary outlines certain Swedish tax consequences relating to Securityholders of ETC Securities that are considered to be resident in Sweden or non-Swedish Securityholders having a permanent establishment in Sweden to which the ETC Securities are attributable. The summary is based on the laws of Sweden as currently in effect and is intended to provide general information only. Special tax consequences that are not described below may also apply for certain categories of taxpayers, including investment companies, mutual funds, life insurance companies and ETC Securities held by a partnership or as current assets in a business operation. The summary does not address the rules regarding reporting obligations for, among others, payers of interest. Credit of foreign taxes is not addressed in the summary. Further, specific tax consequences may be applicable if, and to the extent, a Securityholder realises a capital loss on the ETC Securities and to any currency exchange gains or losses.

Individuals resident in Sweden

Generally, all capital income (e.g. amounts that are considered to be interest for Swedish tax purposes, redemption proceeds and capital gains on ETC Securities) obtained by individuals (and estates of deceased individuals) resident in Sweden for tax purposes will be taxable at a rate of 30 per cent.

If amounts that are considered to be interest for Swedish tax purposes are paid by a legal entity domiciled in Sweden (or a Swedish branch of a non-Swedish entity) to a private individual (or an estate of a deceased individual) resident in Sweden for tax purposes, Swedish preliminary taxes are normally withheld by the legal entity on such payments. Swedish preliminary taxes will normally be withheld also on other returns on securities and receivables (but not capital gains) paid to an individual, provided such return is paid out together with an amount that is considered to be interest for Swedish tax purposes.

A person is resident in Sweden for Swedish tax purposes if the person (a) is domiciled in Sweden; (b) has permanently stayed in Sweden; or (c) has been domiciled earlier in Sweden and, after having moved abroad, continues to have an essential connection with Sweden.

Corporations resident in Sweden

Capital gains from the disposal of the ETC Securities, redemption proceeds and interest redemption premium should be taxable. The taxable capital gain, being the difference between the sale price and the acquisition cost of the ETC Securities, is taxed at the corporate tax rate of 21.4 per cent. (the tax rate is 22 per cent. for fiscal years commencing prior to 1 January 2019 and will be reduced to 20.6 per cent. for fiscal years commencing after 31 December 2020).

Corporations are generally deemed to be resident in Sweden only if they are incorporated in Sweden under Swedish corporate laws.

Stamp taxes and duties

No stamp duty, transfer tax or similar tax or duty will apply in Sweden in connection with a transfer of the ETC Securities.

Switzerland

The present is of general nature and only addresses investors holding the ETC Securities as business assets. Private investors (holding the ETC Securities as part of their private wealth) should consult their tax advisor for an analysis of the tax treatment applicable to them.

Swiss Tax Resident Securityholders

If the ETC Securities are held as business assets, any profit derived from the ETC Securities in excess of their book value is subject to ordinary (individual or corporate) income tax. Contrary to individual income tax, corporate income tax is generally a flat rate tax (the rate of which also varies depending on the cantons and commune of seat of the corporation).

Swiss Withholding Tax

Payments under the ETC Securities will not be subject to Swiss withholding tax (35 per cent.), provided that the Issuer of the ETC Securities is at all times domiciled and effectively managed outside of Switzerland and provided that the proceeds from the offering and sale of the ETC Securities are used outside of Switzerland.

Stamp Taxes (Issuance Stamp Tax, Securities Transfer Tax)

The issue of the ETC Securities is not subject to the Swiss federal issuance stamp tax.

Sale or purchase of ETC Securities may be subject to securities transfer stamp tax (0.3 per cent. in relation to foreign securities) if the ETC Securities have to be characterised as structured products, if a Swiss securities dealer (e.g. a Swiss bank or broker) is involved as an intermediary or as a counterparty in such transactions and if no specific (full or half) exemption is available. Exemptions may be available in relation to specific parties (e.g. a half exemption applies in relation to a party qualifying as an exempt investor, e.g. collective investment scheme or foreign pension funds) or in relation to specific transactions (e.g. full exemption applies in case of redemptions, or in relation to specific types of securities).

United Kingdom

Withholding Tax

The Issuer may make payments, which fall to be treated as payments of interest for UK income tax purposes, in respect of any ETC Security without deduction or withholding for or on account of United Kingdom (the “UK”) tax where such payments do not have a “UK source”.

If payments, which are treated as payments of interest for UK income tax purposes, have a “UK source”, such payments made by the Issuer in respect of any ETC Security may nevertheless be made without

deduction or withholding for or on account of UK tax if that ETC Security is listed on a “recognised stock exchange” within the meaning of section 1005 of the Income Tax Act 2007 (“**ITA 2007**”). This is as a result of the exemption from withholding tax for quoted Eurobonds set out in section 882 ITA 2007. On the basis of information published by HMRC regarding which stock exchanges are so recognised, the London Stock Exchange is, amongst other stock exchanges, a recognised stock exchange for these purposes and, therefore, payments of interest in respect of an ETC Security may be made without withholding or deduction for or on account of UK tax if, and for so long as, such ETC Security is listed on the London Stock Exchange or any other recognised stock exchange.

Payments of interest with a “UK source” made by the Issuer in respect of any ETC Security that is not listed on a recognised stock exchange may be made without deduction or withholding for or on account of UK tax if such payments are “excepted payments” within sections 933 to 937 ITA 2007.

Payments of interest in respect of any ETC Security may have a “UK source” if the Underlying Metal in relation to such ETC Security is located in warehouses in the UK and in other circumstances.

The UK withholding tax treatment of any payments of interest which are “UK source” and which are not “excepted payments”, which are made in respect of any ETC Security which is not listed on a such a recognised stock exchange, will depend upon the specific circumstances and the specific terms of such ETC Security including whether any payments in respect of such ETC Security fall to be treated as interest for UK tax purposes.

United States

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Ireland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the ETC Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the ETC Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the ETC Securities, under proposed U.S. Treasury regulations, such withholding would not apply to foreign passthru payments prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the ETC Securities, no person will be required to pay additional amounts as a result of the withholding.

FATCA is particularly complex and its application is uncertain at this time. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the ETC Securities.

OFFERS

An investor intending to acquire or acquiring any ETC Securities from an Authorised Offeror will do so, and offers and sales of the ETC Securities to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations and settlement arrangements. None of the Issuer, the Arranger nor any Transaction Party (other than, where applicable, the Authorised Participants) will be a party to any such arrangements with investors and, accordingly, this Base Prospectus and any Final Terms may not contain such information and, in such case, an investor must obtain such information from the relevant Authorised Offeror. Investors should however note the following:

Amount of the offer: The number of ETC Securities subject to the offer will be determined on the basis of the demand for the ETC Securities and prevailing market conditions and be published.

Offer Price: Such price as is individually agreed between an Authorised Offeror and the relevant purchaser.

Offer Period: ETC Securities may be offered at any time during the period from and including the date of the Base Prospectus to (but excluding) the date falling 12 months after the date of the Base Prospectus unless such consent is withdrawn prior the date falling 12 months after the date of the Base Prospectus by notice published on the website maintained on behalf of the Issuer at www.Amundieftf.com (or such other website as may be notified to Securityholders).

Publication of a Supplement: If the Issuer publishes a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation which relates to the Issuer or the ETC Securities, investors who have already agreed to purchase ETC Securities before the supplement is published shall have the right to withdraw their acceptances by informing the relevant distributor in writing within 2 working days (or such other longer period as may mandatorily apply in the relevant country) of publication of the supplement. The terms and conditions of the ETC Securities and the terms on which they are offered and issued will be subject to the provisions of any such supplement.

SUBSCRIPTION AND SALE

Only Authorised Participants may subscribe for ETC Securities from the Issuer. The Authorised Participant(s) in respect of each Series of ETC Securities will be specified in the relevant Final Terms.

This document has been approved as a Base Prospectus by the Central Bank in its capacity as competent authority under the Prospectus Regulation. The Issuer has requested the Central Bank to provide the competent authorities in Austria, France, Germany, Luxembourg, Spain, Sweden, the Netherlands and the United Kingdom, with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation. The Issuer may in due course request the Central Bank to provide competent authorities in additional Member States within the European Economic Area with such certificates. The provisions set out in this section "Subscription and Sale" should be construed accordingly.

In the following paragraphs of this "Subscription and Sale" section, references to "ETC Securities" should be taken to include references to "interests in ETC Securities held through CDIs".

Selling Restrictions

United States

The ETC Securities have not been and will not be registered under the Securities Act or under the securities law of any state or political sub-division of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (collectively, the "**United States**"), and the ETC Securities may include ETC Securities in bearer form that are subject to U.S. tax law requirements. No person has registered nor will register as a commodity pool operator of the Issuer under the CEA and the CFTC Rules of the CFTC, and the Issuer has not been and will not be registered under any United States federal laws. The ETC Securities are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act pursuant to Regulation S thereunder ("**Regulation S**").

Accordingly, the ETC Securities may not at any time be offered, sold or otherwise transferred except (i) in an "Offshore Transaction" (as such term is defined under Regulation S) and (ii) to, or for the account or benefit of, a Permitted Transferee.

A "**Permitted Transferee**" means any person who is not any of:

- (a) a U.S. person as defined in Rule 902(k)(1) of Regulation S;
- (b) a person who comes within any definition of U.S. person for the purposes of the CEA or any CFTC Rule, guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a "Non-United States person" as such term is defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are not "Non-United States persons", shall be considered a U.S. person); or
- (c) a "resident of the United States" for purposes of, and as defined in implementing regulations proposed or issued under, Section 13 of the Bank Holding Company Act of 1956, as amended ("**BHC Act**").

Transfers of ETC Securities within the United States or to any person other than a Permitted Transferee (a "**Non-Permitted Transferee**") are prohibited.

The foregoing restrictions on the offer, sale or other transfer of ETC Securities to a Non-Permitted Transferee may adversely affect the ability of an investor in the ETC Securities to dispose of the ETC Securities in the secondary market, if any, and significantly reduce the liquidity of the ETC Securities. As a result, the value of the ETC Securities may be materially adversely affected.

As defined in Rule 902(k)(1) of Regulation S, "U.S. person" means:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organized or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. person;
- (d) any trust of which any trustee is a U.S. person;
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership or corporation if:
 - (i) organized or incorporated under the laws of any foreign jurisdiction; and
 - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in §230.501(a) of the Code of Federal Regulations, Title 17) who are not natural persons, estates or trusts.

As defined in CFTC Rule 4.7, "Non-United States person" means:

- (a) a natural person who is not a resident of the United States;
- (b) a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;
- (c) an estate or trust, the income of which is not subject to United States income tax regardless of source;
- (d) an entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of part 4 of the Commodity Futures Trading Commission's regulations by virtue of its participants being Non-United States persons; and
- (e) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

As modified in the definition of "Permitted Transferee" above, the definition of "Non-United States person" excludes for purposes of paragraph (d) above, the exception in the proviso to the extent that it would apply to persons who are not "Non-United States persons".

As defined in CFTC Rule 23.160 regarding the application of certain swap provisions of the CEA in cross-border transactions (17 CFR § 23.160), "U.S. person" means:

- (a) a natural person who is a resident of the United States;
- (b) an estate of a decedent who was a resident of the United States at the time of death;

- (c) a corporation, partnership, limited liability company, business or other trust, association, joint-stock company, fund, or any form of entity similar to any of the foregoing, in each case:
 - (i) that is organized or incorporated under the laws of the United States; or
 - (ii) that has its principal place of business in the United States, including any branch of the legal entity ("**legal entity**");
- (d) a pension plan for the employees, officers, or principals of a legal entity, unless the pension plan is primarily for foreign employees of such entity;
- (e) a trust governed by the laws of a state or other jurisdiction in the United States, if a court within the United States is able to exercise primary supervision over the administration of the trust;
- (f) a legal entity (other than a limited liability company, limited liability partnership or similar entity where all of the owners of the entity have limited liability) that is owned by a U.S. person and for which such person(s) bears unlimited responsibility for the obligations and liabilities of the legal entity, including any branch of the legal entity; or
- (g) an individual account or joint account (discretionary or not) where the beneficial owner (or one of the beneficial owners in the case of a joint account) is a U.S. person.

As defined in the final regulations issued under Section 13 of the BHC Act, 17 CFR 225.10(d)(8), "resident of the United States" means a "U.S. person" as defined in Regulation S.

The term "U.S. person" as defined in CFTC Rule 23.160 and as set forth above is accurate as of the date of this Base Prospectus. However, on 8 January 2020, the CFTC released a newly proposed rule (85 Fed. Reg. 952 (Jan. 8, 2020)) regarding the application of certain swap provisions of the CEA in cross-border transactions. The proposed rule includes an amended definition of "U.S. person" intended to harmonise the CFTC definition with that set forth by the SEC (as defined below) in relation to its own cross-border rules. As such, the definition of U.S. person as set forth above may be subject to change upon the issuance of any final rule based on this newly proposed rule. Each person who offers, sells or otherwise transfers ETC Securities has exclusive responsibility for ensuring that its offer, sale or other transfer is not to or for the account or benefit of any person other than a Permitted Transferee as such term is defined as of the date of such offer, sale, pledge or other transfer.

The ETC Securities have not been approved or disapproved by the United States Securities and Exchange Commission ("**SEC**") or any other regulatory agency in the United States, nor has the SEC or any other regulatory agency in the United States passed upon the accuracy or adequacy of this document or the merits of the ETC Securities. Any representation to the contrary is a criminal offence. Furthermore, the ETC Securities do not constitute, and have not been marketed as, contracts for the sale of a commodity for future delivery (or options thereon) subject to the CEA, and neither trading in the ETC Securities nor this document has been approved by the CFTC under the CEA, and no person other than a Permitted Transferee may at any time trade or maintain a position in the ETC Securities.

Each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that it has complied and will comply with the aforementioned transfer and selling restrictions and it will have sent to each dealer to which it sells ETC Securities a confirmation or other notice setting forth the above restrictions on offers and sales of the ETC Securities. Each Authorised Participant has further represented and agreed that it has not offered, sold or delivered and will not at any time offer, sell or deliver the ETC Securities of any identifiable Tranche except in accordance with Rule 903 of Regulation S, and that none of it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to such ETC Securities, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”), each Tranche of ETC Securities must be issued and delivered outside the United States and its possessions in connection with their original issue and any other sale. Each Authorised Participant represents that it has not offered, sold or delivered, and agrees that it will not offer, sell or deliver, directly or indirectly, any ETC Securities of any Tranche within the United States or its possessions in connection with their original issue or otherwise. Further, in connection with the original issue of any Tranche of ETC Securities or otherwise, each Authorised Participant represents that it has not communicated, and agrees that it will not communicate, directly or indirectly, with a prospective purchaser if either of such Authorised Participant or such purchaser is within the United States or its possessions or otherwise involve such Authorised Participant’s U.S. office in the offer or sale of such ETC Securities. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the C Rules.

Public Offer Selling Restriction under the Prospectus Regulation

Subject to the selling restriction relating to the United Kingdom set out below, in relation to each Member State of the European Economic Area, each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that it has not made and will not make an offer of ETC Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms to the public in that Member State, except that it may make an offer of such ETC Securities to the public in that Member State:

- (a) if the relevant Final Terms in relation to the ETC Securities specify that an offer of those ETC Securities may be made by the Authorised Participant(s) other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a “**Non-exempt Offer**”), following the date of publication of this Base Prospectus in relation to such ETC Securities which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period (if any) beginning and ending on the dates (if any) specified in such prospectus or final terms, as applicable;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of ETC Securities referred to in paragraphs (b) to (d) above shall require the Issuer or any Authorised Participant to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer of ETC Securities to the public” in relation to any ETC Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the ETC Securities to be offered so as to enable an investor to decide to purchase or subscribe for the ETC Securities and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

Austria

In addition to the restrictions set out under *Public Offer Selling Restriction under the Prospectus Regulation*, which apply in any Member State (including Austria), each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that it will only make an offer of the ETC

Securities to the public in Austria in compliance with the Austrian Capital Market Act 2019 (Kapitalmarktgesetz 2019, the “**CMA 2019**”).

Ireland

Each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that:

- (a) it has not and will not underwrite the issue of, or place the ETC Securities otherwise than in conformity with the provisions of European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the “**MiFID II Regulations**”) including, without limitation, Regulation 5 (Requirement for Authorisation (and certain provisions relating to MTFs and OTFs)) thereof, any rules or codes of conduct made under the MiFID II Regulations and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it has not and will not underwrite the issue of, or place, the ETC Securities, otherwise than in conformity with the provisions of the Irish Companies Act, the Irish Central Bank Acts 1942 to 2018 (as amended) and any codes of practice made under Section 117(1) of the Irish Central Bank Act 1989 (as amended); and
- (c) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the ETC Securities, otherwise than in conformity with the provisions of the Market Abuse Regulation ((EU) 596/2014, as amended) and any rules and guidance issued by the Central Bank under Section 1370 of the Irish Companies Act.

Italy

The ETC Securities are not intended to be made available for general sale in Italy. The offering of the ETC Securities has not and will not be registered with the relevant Italian competent authorities pursuant to the Italian securities legislation and each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that, accordingly, no ETC Securities may be offered, promoted or marketed, nor may this Base Prospectus or any other document relating to the ETC Securities be distributed, in the Republic of Italy.

The Netherlands

Each Authorised Participant represents, warrants and agrees in the relevant Authorised Participant Agreement, and each further Authorised Participant appointed under the Programme will be required to represent, warrant and agree, that it has not made and will not make an offer of ETC Securities which are outside the scope of approval of this Base Prospectus, as completed by the Final Terms relating thereto, to the public in the Netherlands in reliance on Article 1(4) of the Prospectus Regulation unless:

- (a) such offer was or is made exclusively to persons or entities which are qualified investors as defined in the Prospectus Regulation; or
- (b) each such ETC Security has a minimum denomination in excess of EUR 100,000 (or the equivalent thereof in non-Euro currency) and subject to compliance with the relevant requirements under the PRIIPs Regulation.

Spain

Each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that until this Base Prospectus has been registered with the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores), the ETC Securities may not be listed, offered, sold or distributed in Spain, nor may any document or offer material be distributed in Spain or targeted at Spanish resident investors, except, in each case, in accordance with the requirements set out in the Prospectus Regulation

and any other related regulations that may be in force from time to time in Spain, including, among others, Royal Legislative Decree 4/2015 of 23 October of the Securities Markets (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*) (as amended and restated) and Royal Decree 1310/2005 of 4 November on admission to trading of securities in official secondary markets, public offerings and prospectus (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*) (as amended and restated).

Once this Base Prospectus has been passported into Spain, any offer of ETC Securities in Spain made pursuant to such passported Base Prospectus shall be addressed only, and offer materials will be made available solely, to those investors to which the offer is addressed according to the terms of this Base Prospectus as passported into Spain.

Sweden

Each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement, that, in Sweden, this Base Prospectus will not be used, directly or indirectly, for an offer for subscription or purchase or to issue invitations to subscribe for or purchase interests in the ETC Securities or to be distributed, whether as a draft or final document in relation to any such offer, invitation or sale unless in compliance with any applicable provisions of the Prospectus Regulation.

Switzerland

The ETC Securities can only be offered, sold, marketed or otherwise made available to professional clients as defined in the Swiss Financial Services Act ("**FinSA**") and its implementing ordinance. The ETC Securities have not been and will not be listed or admitted to trading on a trading venue in Switzerland.

United Kingdom

The ETC Securities are not intended to be made available for general sale in the United Kingdom. Each Authorised Participant represents, warrants and agrees in the relevant Authorised Participant Agreement that it will only offer or promote the ETC Securities in the United Kingdom to legal entities constituting a "qualified investor" (as such term is defined in the Prospectus Regulation), and each Securityholder shall (directly or indirectly) only offer or promote the ETC Securities in the United Kingdom to legal entities constituting a "qualified investor" (as such term is defined in the Prospectus Regulation), provided further that, in each case, any such offer or promotion must also be in compliance with any other applicable promotion or marketing restrictions in the United Kingdom.

Under no circumstances shall any ETC Securities be offered or promoted to a retail client (as defined in point (11) of Article 4(1) of MiFID II) in the United Kingdom.

General

These selling restrictions may be modified by the agreement of the Issuer and the Authorised Participants following a change in a relevant law, regulation or directive. Any such modification may be set out in a supplement to this Base Prospectus if required.

None of the Issuer or any Authorised Participant represents that the ETC Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Each Authorised Participant agrees in the relevant Authorised Participant Agreement that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it

purchases, offers, sells or delivers ETC Securities or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Authorised Participant this Base Prospectus

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 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, France, Germany, Luxembourg, Spain, Sweden, the Netherlands, the United Kingdom and, in respect of resales or final placements to qualified investors (as defined in the Prospectus Regulation) only, Switzerland. This consent is valid for 12 months from the date of publication of this Base Prospectus.

Investors should be aware that information on the terms and conditions of the offer by any Authorised Offeror shall be provided at the time of the offer by such Authorised Offeror. Any Authorised Offeror using this Base Prospectus and KIDs (applicable for EEA and UK retail investors) for the relevant ETC Securities for the purpose of any offering must state on its website that it uses this Base Prospectus and KIDs (applicable for EEA and UK retail investors) in accordance with the consent given and the conditions attached thereto.

FORM OF FINAL TERMS

The form of Final Terms that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Final Terms dated [●]

AMUNDI PHYSICAL METALS PLC

ETC Securities of [Amundi Physical Gold ETC][*insert Series title*] issued under its Secured Precious Metal Linked ETC Securities Programme (the “ETC Securities”)

Issue of ● [*insert number of ETC Securities of the Tranche*] ETC Securities, being Tranche ● [*insert Tranche Number*] of [Amundi Physical Gold ETC][*insert Series title*] specified in these Final Terms

Part A – Contractual Terms

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 20 May 2020 [and the Supplement[s] to the Base Prospectus dated [●] [and [●]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (Regulation (EU) 2017/1129) (the “**Prospectus Regulation**”). This document constitutes the final terms of the ETC Securities described herein for the purposes of Article 8.4 of the Prospectus Regulation and must be read in conjunction with such Base Prospectus [(as so supplemented)]. Full information on the Issuer and the offer of the ETC Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [, any Supplement[s] to the Base Prospectus][and any translations of the Summary] [is] [are] available for viewing on the website maintained on behalf of the Issuer at www.Amundietf.com, at the registered office of the Issuer and at the specified office of the Issuing and Paying Agent [and copies may be obtained from the offices of each additional Paying Agent]. A summary of the individual issue is annexed to these Final Terms.]

[The following alternative language applies if (i) the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date than 20 May 2020, (ii) a new Base Prospectus is published during the offer period of a Non-exempt Offer but prior to the Issue Date of the relevant ETC Securities or (iii) a new Base Prospectus is published after the offer period of a Non-exempt Offer but prior to the Issue Date of the relevant ETC Securities:

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [20 May 2019] [as supplemented by the Supplement[s] to the Base Prospectus dated ●].

This document constitutes the final terms of the ETC Securities described herein for the purposes of Article 8(4) of the Prospectus Regulation (Regulation (EU) 2017/1129) (the “**Prospectus Regulation**”) and must be read in conjunction with the Base Prospectus dated 20 May 2020 (the “**Current Base Prospectus**”) [and the Supplement[s] to the Current Base Prospectus,] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, save in respect of the Conditions which are extracted from the Base Prospectus dated [20 May 2019] [as so supplemented] and are incorporated by reference into the [Current Base Prospectus]. Full information on the Issuer and the offer of the ETC Securities is only available on the basis of the combination of this final terms and the Base Prospectus dated [20 May 2019] [as so supplemented] and the [Current Base Prospectus] [and the Supplement[s] to the Current Base Prospectus].]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

GENERAL TERMS

1 Issuer:

Amundi Physical Metals plc

- 2 (i) Series: [Amundi Physical Gold ETC][*insert Series title*]
(ii) Tranche Number(s): [•]
- 3 Aggregate Number of ETC Securities of the Series:
(i) Immediately following the issue of the relevant Tranche of ETC Securities: [•]
(ii) Comprising the relevant Tranche of ETC Securities: [•]
- 4 Metal Entitlement:
(i) Initial Metal Entitlement as at the Series Issue Date: [•]
(ii) Metal Entitlement as at the Subscription Trade Date of the relevant Tranche of ETC Securities (if not the first Tranche of ETC Securities of the Series): [•]
- 5 Issue Date:
(i) Series Issue Date: [•]
(ii) Issue Date of the relevant Tranche of ETC Securities (if not the first Tranche of ETC Securities of the Series): [•]
- 6 Scheduled Maturity Date: [•]
- 7 Relevant Regulatory Law Reference Date: [•]³
- 8 Date on which Board approval for issuance of ETC Securities obtained: [•]⁴

TRANSACTION PARTIES

- 9 [Additional Paying Agent(s):] [*Where a Paying Agent is applicable in addition to the Issuing and Paying Agent [•]/[•]*]
[*Give name and address of institution(s)*]
- 10 Authorised Participant(s): As at the date of these Final Terms:
[*Give name and address of institution(s)*]

PROVISIONS RELATING TO FEES

- 11 Total Expense Ratio (as at the date of these Final Terms): [•]

PROVISIONS RELATING TO REDEMPTION

³ This should generally be the trade date for the first Tranche of the Series.

⁴ If this is not the first Tranche of a Series, include the board approval date for the first Tranche of such Series.

- 12 Nominal Amount: USD [●], being an amount equal to 10 per cent. of the Issue Price per ETC Security as at the Series Issue Date.⁵
- 13 Specified Interest Amount: USD [●], being an amount equal to 1 per cent. of the Nominal Amount.

GENERAL PROVISIONS APPLICABLE TO THE ETC SECURITIES

- 14 Non-exempt Offer: An offer of the ETC Securities may be made by any Authorised Offeror(s) other than pursuant to Article 1(4) of the Prospectus Regulation in [*specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported*] and any other Relevant Member State where the Base Prospectus (and any supplements) have been notified to the competent authority in that Relevant Member State and published in accordance with the Prospectus Regulation.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the Tranche(s) of ETC Securities described herein pursuant to Amundi Physical Metal Plc's Secured Precious Metal Linked ETC Securities Programme.

Signed on behalf of the Issuer:

By:
Duly authorised

⁵ The Issue Price per ETC Security should be determined based on the value of the Metal comprising the Metal Entitlement as determined by reference to the Metal Reference Price.

Part B – Other Information

1 LISTING

- (i) Listing and admission to trading: [Application has been made for the ETC Securities to be admitted to [Euronext Paris] and for the ETC Securities to be admitted to trading on the regulated market thereof.]/[Application has also been made for the ETC Securities to be admitted to [Euronext Amsterdam]/[the Deutsche Börse]/[the London Stock Exchange] and for the ETC Securities to be admitted to trading on the regulated market[s] and/or main market[s] thereof.]
- [The earliest date on which the ETC Securities will be admitted to trading on the regulated market of [Euronext Paris]/[Euronext Amsterdam]/[the Deutsche Börse]/[the London Stock Exchange] will be [•].]
- Application may be made for the ETC Securities to be listed on additional Stock Exchanges and admitted to trading on additional markets from time to time.
- [As at the date of these Final Terms, ETC Securities of this Series have been admitted to trading on [Euronext Paris]/[Euronext Amsterdam]/[the Deutsche Börse]/[the London Stock Exchange].]
- (ii) Estimate of total net proceeds of the issue: [•]
- (iii) Estimate of total expenses related to admission to trading for the relevant Tranche: [•]

2 REASONS FOR THE OFFER

- Reasons for the offer: [See section headed “Investing in the ETC Securities to gain exposure to gold price” in the Base Prospectus.]/ [•]

3 OPERATIONAL INFORMATION

- ISIN: [•]
- Common Code: [•]
- CFI: [•]
- FISN: [•]
- SEDOL: [•]
- WKN (if applicable): [•]
- Delivery: Delivery [free of]/[against] payment.

Annex – Issue Specific Summary

[Issue specific summary to be inserted]

GENERAL INFORMATION

- 1 The Issuer has obtained all necessary consents, approvals and authorisations (if any) which are necessary in Ireland at the date of this Base Prospectus in connection with the establishment of the Programme. The establishment and update of the Programme were authorised by resolutions of the Board of Directors of the Issuer passed on 25 April 2019 and 13 May 2020 respectively.
- 2 There has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer, in each case, since its incorporation on 4 December 2018.
- 3 The Issuer is not involved in any governmental, legal or arbitration proceedings that may have, or have had since its incorporation on 4 December 2018, a significant effect on its financial position or profitability nor is the Issuer aware that any such proceedings are pending or threatened.
- 4 The Securities represent indebtedness of the Issuer. Securities may be accepted for clearance through Euroclear Paris.

The International Securities Identification Number (ISIN), the Stock Exchange Daily Official List (SEDOL) and (where applicable) the WKN and identification number for each Series of ETC Securities will be set out in the relevant Final Terms.

The address for Euroclear Paris is Euroclear France S.A., 66 rue de la Victoire 75009 Paris, France.

The address of any other Clearing System that is a Relevant Clearing System for a Series of ETC Securities will be specified in the relevant Final Terms.

- 5 The Issuer will provide post-issuance information in relation to the Metal Entitlement of the ETC Securities in respect of each calendar day up to (and including) the Early Redemption Trade Date or Final Redemption Valuation Date, as applicable, by no later than the immediately following Business Day on the website maintained on behalf of the Issuer at www.Amundietf.com (or such other website as may be notified to Securityholders in accordance with Condition 19).
- 6 The Advisor will pay the expenses of the Issuer relating to the admission to trading of ETC Securities on the relevant Stock Exchanges on which the ETC Securities are traded.
- 7 The LEI Code of the Issuer is 635400OKXTE2YQC92T76.
- 8 For the life of this Base Prospectus and for so long as any listed ETC Securities remain outstanding, copies of the current version of each of the documents specified below (together with all earlier versions of such documents to the extent that there are ETC Securities of any Series outstanding in respect of which the version in question of such document is still relevant) will be available in physical format, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer and the specified office of the Advisor at Avenue 91-93 Boulevard Pasteur, 75015 Paris, France and will be available at www.Amundietf.com (or such other website as may be notified to Securityholders):

- 8.1 each Issue Deed;
- 8.2 the Master Terms and Conditions
- 8.3 the Master Trust Terms;
- 8.4 the Master Irish Law Security Trust Terms;
- 8.5 the Master English Law Security Trust Terms;
- 8.6 the Master Custody Terms;
- 8.7 the Master Advisory Terms;

- 8.8** the Master Administration Terms;
- 8.9** the Master Agency Terms;
- 8.10** the Master Metal Sale Terms;
- 8.11** the constitution of the Issuer;
- 8.12** this Base Prospectus together with any supplement hereto;
- 8.13** each set of Final Terms;
- 8.14** each KID;
- 8.15** the most recent annual and interim reports of the Issuer; and
- 8.16** such other documents (if any) as may be required by the rules of any Relevant Stock Exchange.
- 9** Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the ETC Securities and is not itself seeking admission of the ETC Securities to the Official List of Euronext Dublin or to trading on the regulated market of Euronext Dublin for the purposes of the Prospectus Regulation.
- 10** Any website referred to herein does not form part of this Base Prospectus and has not been scrutinised or approved by the Central Bank.
- 11 Terms of any Offer**
- | | |
|---|--|
| Offer Price: | Such price as is individually agreed between an Authorised Offeror and the relevant purchaser. |
| Conditions to which the offer is subject: | In the event of an offer being made by an Authorised Offeror, the Authorised Offeror will provide information to investors on the terms and conditions of the offer at the time the offer is made. |
| Description of the time period, including any possible amendments during which the offer will be open and a description of the application process: | In respect of any ETC Securities, offers may be made at any time during the period from and including the date of the Base Prospectus to (but excluding) the date falling 12 months after the date of the Base Prospectus. There is no application process for potential purchasers. Instead, each Authorised Offeror may offer to investors in agreed transactions. |
| Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: | Not applicable given the manner in which ETC Securities will be offered. The ETC Securities will not be the subject of an offer that asks for applications from potential purchasers and then reduces subscriptions and refunds any excess amount should those potential purchasers not be allocated ETC Securities. |
| Details of the minimum and/or maximum amount of application: | Not applicable given the manner in which ETC Securities will be offered. |
| Details of the method and time limits for paying up and delivering the ETC Securities: | As individually agreed between a purchaser and the relevant Authorised Offeror. |
| Manner in and date on which results of the offer are to be made public: | The Issuer will sell all ETC Securities of a Series to one or more Authorised Participants on their issue. The Authorised Participants may act as market makers on stock exchanges |

and may also offer to the public in over-the-counter transactions during the offer period. The Authorised Participants are likely to hold ETC Securities in inventory. The number of ETC Securities issued will not vary based on the results of any offer (with any offer being agreed on an individual basis) and, as a result, there is no necessity to notify the public of the results of any offer.

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:

Not applicable given the manner in which ETC Securities will be offered.

Tranche(s) which has/have been reserved for certain countries:

Not applicable given the manner in which ETC Securities will be offered.

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:

As described above, there will be no formal offer period prior to issue and there will be no applications process whereby allotments are required to be made. As a result, no notification of allotments is required. No dealing by an investor may take place until such investor has been delivered the relevant ETC Securities.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

As may be agreed between the purchaser and the relevant Authorised Offeror.

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

Any Authorised Offeror is entitled to make an offer in Austria, France, Germany, Luxembourg, the Netherlands, Spain, Sweden and the United Kingdom subject to the conditions set out in this Base Prospectus.

REGISTERED OFFICE OF THE ISSUER

Amundi Physical Metals plc
2nd Floor, Palmerston House
Fenian Street
Dublin 2
Ireland

TRUSTEE AND SECURITY TRUSTEE

HSBC Corporate Trustee Company (UK) Limited
8 Canada Square
London
E14 5HQ
United Kingdom

ADMINISTRATOR

HSBC Securities Services (Ireland) DAC
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

ISSUING AND PAYING AGENT

HSBC France
103 Avenue des Champs-Élysées
Cedex 08
Paris, 75419
France

ARRANGER AND ADVISOR

Amundi Asset Management S.A.S
91-93 Boulevard Pasteur
75015 Paris
France

CUSTODIAN AND METAL COUNTERPARTY

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

LEGAL ADVISORS

*To the Arranger and the Advisor in respect of
English law*

Linklaters LLP
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London
EC2Y 8HQ
United Kingdom

To the Issuer in respect of Irish law

Arthur Cox
10 Earlsfort Terrace
Dublin 2
Ireland

To the Trustee and the Security Trustee

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AUDITOR

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IRISH LISTING AGENT

Arthur Cox Listing Services Limited
10 Earlsfort Terrace
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Ireland