

EXECUTION COPY

DATED 17 September 2007

ETFs COMMODITY SECURITIES LIMITED

AND

THE LAW DEBENTURE TRUST CORPORATION P.L.C.

SUPPLEMENTAL TRUST INSTRUMENT
modifying the provisions of the
TRUST INSTRUMENT DATED 21 September 2006
constituting
MICRO AND COMMODITY SECURITIES
entered into between
ETFs COMMODITY SECURITIES LIMITED
and
THE LAW DEBENTURE TRUST CORPORATION P.L.C.

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THIS SUPPLEMENTAL TRUST INSTRUMENT is made this 17th day of September 2007

BETWEEN:

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

each being a "party" and together the "parties".

WHEREAS:

- (A) This Supplemental Trust Instrument is supplemental to the Trust Instrument (the "**Principal Trust Instrument**") dated 21 September 2006 between the Company and the Trustee constituting Micro and Commodity Securities.
- (B) By resolutions of the board of directors of the Company passed on 20 July 2007 the Company has resolved to issue up to 1,000,000,000 New Securities of any type to be constituted by this Supplemental Trust Instrument.
- (C) The Trustee has agreed to act as trustee of these presents for the benefit of the Security Holders of the Forward Securities upon and subject to the terms and conditions of these presents.
- (D) Pursuant to Clause 33.2(b) of the Principal Trust Instrument and Condition 30.2(b) of the Conditions, the Company may (with the consent of the Trustee) amend the Principal Trust Instrument if, in the opinion of the Company and the Trustee the amendment is necessary or desirable and is not materially prejudicial to the rights of Security Holders.
- (E) Pursuant to the Company's powers referred to in Recital (D) the Company has determined to amend the Principal Trust Instrument and certain of the Trustee Consent Documents in order to make changes which are not materially prejudicial to the rights of Security Holders and the Trustee has given its consent to the same, in each case in the manner hereinafter appearing.
- (F) The Company and the Trustee intend that this Supplemental Trust Instrument shall constitute a written variation of the terms of the Principal Trust Instrument and the written consent of the Trustee to such variation and the variation of certain of the Trustee Consent Documents.

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

1. DEFINITIONS

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

1.2 In this Supplemental Trust Instrument, the following expressions shall have the following meanings:

Classic Index Securities means together ETFS Classic All Commodities DJ-AIGCISM category undated limited recourse secured debt securities of US\$2.87779500 in principal amount (subject to adjustment) each, ETFS Energy DJ-AIGCISM category undated limited recourse secured debt securities of US\$5.64390900 in principal amount (subject to adjustment) each, ETFS Petroleum DJ-AIGCISM category undated limited recourse secured debt securities of US\$4.57979700 in principal amount (subject to adjustment) each, ETFS Ex-Energy DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.45205450 in principal amount (subject to adjustment) each, ETFS Precious Metals DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.24407800 in principal amount (subject to adjustment) each, ETFS Industrial Metals DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.96915000 in principal amount (subject to adjustment) each, ETFS Agriculture DJ-AIGCISM category undated limited recourse secured debt securities of US\$0.97138225 in principal amount (subject to adjustment) each, ETFS Softs DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.15008550 in principal amount (subject to adjustment) each, ETFS Livestock DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.24413550 in principal amount (subject to adjustment) each and ETFS Grains DJ-AIGCISM category undated limited recourse secured debt securities of US\$0.69245400 in principal amount (subject to adjustment) each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to a defined number of Micro Securities of different classes as specified in the Trust Instrument and these Conditions and recorded on the relevant Register of Index Securities and “ETFS All Commodities DJ-AIGCISM Index Securities”, “ETFS Energy DJ-AIGCISM Index Securities”, “ETFS Petroleum DJ-AIGCISM Index Securities”, “ETFS Ex-Energy DJ-AIGCISM Index Securities”, “ETFS Precious Metals DJ-AIGCISM Index Securities”, “ETFS Industrial Metals DJ-AIGCISM Index Securities”, “ETFS Agriculture DJ-AIGCISM Index Securities”, “ETFS Softs DJ-AIGCISM Index Securities”, “ETFS Livestock DJ-AIGCISM Index Securities” and “ETFS Grains DJ-AIGCISM Index Securities” shall be construed accordingly

Classic Individual Securities means together the Aluminium class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Coffee class undated limited recourse secured debt securities of US\$0.50 in principal amount each, Copper class undated limited recourse secured debt securities of

US\$3.00 in principal amount each, classic Corn class undated limited recourse secured debt securities of US\$0.25 in principal amount each, Cotton class undated limited recourse secured debt securities of US\$0.50 in principal amount each, Crude Oil class undated limited recourse secured debt securities of US\$5.00 in principal amount each, Gasoline class undated limited recourse secured debt securities of US\$5.00 in principal amount each, Gold class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Heating Oil class undated limited recourse secured debt securities of US\$3.00 in principal amount each, Lean Hogs class undated limited recourse secured debt securities of US\$0.50 in principal amount each, Live Cattle class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Natural Gas class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Nickel class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Silver class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Soybean Oil class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Soybeans class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Sugar class undated limited recourse secured debt securities of US\$3.00 in principal amount each, Wheat class undated limited recourse secured debt securities of US\$0.25 in principal amount each and Zinc class undated limited recourse secured debt securities of US\$1.00 in principal amount each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to one million Micro Securities of the relevant class and recorded on the relevant Register of Individual Securities and “**ETFS Aluminium Individual Securities**”, “**ETFS Coffee Individual Securities**”, “**ETFS Copper Individual Securities**”, “**ETFS Corn Individual Securities**”, “**ETFS Cotton Individual Securities**”, “**ETFS Crude Oil Individual Securities**”, “**ETFS Gasoline Individual Securities**”, “**ETFS Gold Individual Securities**”, “**ETFS Heating Oil Individual Securities**”, “**ETFS Lean Hogs Individual Securities**”, “**ETFS Live Cattle Individual Securities**”, “**ETFS Natural Gas Individual Securities**”, “**ETFS Nickel Individual Securities**”, “**ETFS Silver Individual Securities**”, “**ETFS Soybean Oil Individual Securities**”, “**ETFS Soybeans Individual Securities**”, “**ETFS Sugar Individual Securities**”, “**ETFS Wheat Individual Securities**” and “**ETFS Zinc Individual Securities**” shall be construed accordingly

**Classic Micro and
Commodity Securities**

means Micro Classic Securities, Classic Index Securities and Classic Individual Securities and “**Classic Micro or Commodity Securities**” means any of them

| | |
|---------------------------------|--|
| Effective Date | means the later of 27 September 2007 or 10 days following the release of the RIS announcement referred to in Clause 7.3 |
| Existing Securities | means Micro and Commodity Securities |
| Forward Index Securities | means together ETFS Forward All Commodities DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$2.917076500 in principal amount (subject to adjustment) each, ETFS Forward Energy DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$6.376686000 in principal amount (subject to adjustment) each, ETFS Forward Petroleum DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$1.674195000 in principal amount (subject to adjustment) each, ETFS Forward Ex-Energy DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$7.380227000 in principal amount (subject to adjustment) each, ETFS Forward Precious Metals DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$2.695051000 in principal amount (subject to adjustment) each, ETFS Forward Industrial Metals DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$1.162448500 in principal amount (subject to adjustment) each, ETFS Forward Agriculture DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$2.190805500 in principal amount (subject to adjustment) each, ETFS Forward Softs DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$1.034876500 in principal amount (subject to adjustment) each, ETFS Forward Livestock DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$0.849386000 in principal amount (subject to adjustment) each and ETFS Forward Grains DJ-AIGCI-F3 SM category undated limited recourse secured debt securities of US\$0.943797500 in principal amount (subject to adjustment) each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to a defined number of Micro Securities of different classes as specified in the Trust Instrument and these Conditions and recorded on the relevant Register of Index Securities and “ ETFS Forward All Commodities DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Energy DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Petroleum DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Ex-Energy DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Precious Metals DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Industrial Metals DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Agriculture DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Softs DJ-AIGCI-F3SM Index Securities ”, “ ETFS Forward Livestock DJ-AIGCI-F3SM Index Securities ” and “ ETFS |

Forward Grains DJ-AIGCI-F3SM Index Securities” shall be construed accordingly

Forward Individual Securities

means together the Forward Aluminium class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Coffee class undated limited recourse secured debt securities of US\$0.50000000 in principal amount each, Forward Copper class undated limited recourse secured debt securities of US\$5.00000000 in principal amount each, Forward Corn class undated limited recourse secured debt securities of US\$0.50000000 in principal amount each, Forward Cotton class undated limited recourse secured debt securities of US\$0.50000000 in principal amount each, Forward Crude Oil class undated limited recourse secured debt securities of US\$8.00000000 in principal amount each, Forward Gasoline class undated limited recourse secured debt securities of US\$8.00000000 in principal amount each, Forward Gold class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Heating Oil class undated limited recourse secured debt securities of US\$5.00000000 in principal amount each, Forward Lean Hogs class undated limited recourse secured debt securities of US\$3.00000000 in principal amount each, Forward Live Cattle class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, Forward Natural Gas class undated limited recourse secured debt securities of US\$3.00000000 in principal amount each, Forward Nickel class undated limited recourse secured debt securities of US\$5.00000000 in principal amount each, Forward Silver class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, Forward Soybean Oil class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Soybeans class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Sugar class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, Forward Wheat class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each and Forward Zinc class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to one million Micro Securities of the relevant class and recorded on the relevant Register of Individual Securities and “**ETFS Forward Aluminium Individual Securities**”, “**ETFS Forward Coffee Individual Securities**”, “**ETFS Forward Copper Individual Securities**”, “**ETFS Forward Corn Individual Securities**”, “**ETFS Forward Cotton Individual Securities**”, “**ETFS Forward Crude Oil Individual Securities**”, “**ETFS Gasoline Individual Securities**”, “**ETFS Forward Gold Individual Securities**”, “**ETFS**

Forward Heating Oil Individual Securities”, “ETFS Forward Lean Hogs Individual Securities”, “ETFS Forward Live Cattle Individual Securities”, “ETFS Forward Natural Gas Individual Securities”, “ETFS Forward Nickel Individual Securities”, “ETFS Forward Silver Individual Securities”, “ETFS Forward Soybean Oil Individual Securities”, “ETFS Forward Soybeans Individual Securities”, “ETFS Forward Sugar Individual Securities”, “ETFS Forward Wheat Individual Securities” and “ETFS Forward Zinc Individual Securities” shall be construed accordingly

Forward Micro and Commodity Securities

means Micro Forward Securities, Forward Index Securities and Forward Individual Securities and “Forward Micro or Commodity Securities” means any of them

Index Securities

means the Classic Index Securities and the Forward Index Securities

Individual Securities

means the Classic Individual Securities and the Forward Individual Securities

Micro Forward Securities

means together the Forward Aluminium class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Forward Coffee class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Forward Copper class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Forward Corn class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Forward Cotton class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Forward Crude Oil class undated limited recourse secured debt securities of US\$0.00000800 in principal amount each, Forward Gasoline class undated limited recourse secured debt securities of US\$0.00000800 in principal amount each, Forward Gold class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Forward Heating Oil class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Forward Lean Hogs class undated limited recourse secured debt securities of US\$0.00000300 in principal amount each, Forward Live Cattle class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, Forward Natural Gas class undated limited recourse secured debt securities of US\$0.00000300 in principal amount each, Forward Nickel class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Forward Silver class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, Forward Soybean Oil class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Forward Soybeans class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each,

Forward Sugar class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, Forward Wheat class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each and Forward Zinc class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and recorded on the relevant Register of Micro Forward Securities and “**Aluminium Micro Forward Securities**”, “**Coffee Micro Forward Securities**”, “**Copper Micro Forward Securities**”, “**Corn Micro Forward Securities**”, “**Cotton Micro Forward Securities**”, “**Crude Oil Micro Forward Securities**”, “**Gasoline Micro Forward Securities**”, “**Gold Micro Forward Securities**”, “**Heating Oil Micro Forward Securities**”, “**Lean Hogs Micro Forward Securities**”, “**Live Cattle Micro Forward Securities**”, “**Natural Gas Micro Forward Securities**”, “**Nickel Micro Forward Securities**”, “**Silver Micro Forward Securities**”, “**Soybean Oil Micro Forward Securities**”, “**Soybeans Micro Forward Securities**”, “**Sugar Micro Forward Securities**”, “**Wheat Micro Forward Securities**” and “**Zinc Micro Forward Securities**” shall be construed accordingly

Micro Securities means the Micro Classic Securities and the Micro Forward Securities

New Securities means the Forward Micro and Commodity Securities

NEW SECURITIES

2. CREATION OF NEW SECURITIES

- 2.1 The New Securities shall be created and constituted by this Supplemental Trust Instrument and the Principal Trust Instrument. The Security Holders of the New Securities are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Principal Trust Instrument, this Supplemental Trust Instrument, the applicable Security Deed and the Conditions set out in the Second Schedule to this Supplemental Trust Instrument.
- 2.2 Subject to Clause 4.1 of the Principal Trust Instrument, New Securities shall be created upon an Authorised Participant giving to, and the Registrar and the Company accepting, an Application for the creation of New Securities, and the Authorised Participant making payment for such New Securities, all in accordance with the Authorised Participant Agreement.
- 2.3 The New Securities constitute direct secured limited recourse obligations of the Company secured as set out in the Security Deed applicable to that class of New Securities.
- 2.4 The New Securities of a particular class shall rank *pari passu* equally and rateably with all other New Securities of that class, without discrimination or preference, as a secured obligation of the Company.
- 2.5 The Company may, subject to compliance with Clause 3.1 and to Clause 4.1 of the Principal Trust Instrument, issue New Securities from time to time as it sees fit.

- 2.6 The provisions of the Principal Trust Instrument (as amended by the Supplemental Trust Instrument and this Second Supplemental Trust Instrument) apply to the New Securities *mutatis mutandis* as they do to the Existing Securities save as otherwise provided herein.

3. COVENANT TO REDEEM NEW SECURITIES

- 3.1 The Company covenants with the Trustee that it will, in accordance with the Principal Trust Instrument and this Supplemental Trust Instrument, by 4 p.m. on the Redemption Payment Date in respect of any New Securities pay, or procure to be paid, the Redemption Amount for such New Securities into the Redemption Account specified in the applicable Redemption Notice in full cleared and immediately available funds in accordance with the Conditions set out in the Second Schedule to this Second Supplemental Trust Instrument PROVIDED THAT every payment to person who is a holder of the New Securities in respect of such Redemption Amount shall be in satisfaction *pro tanto* of the covenant by the Company in this Clause.

- 3.2 Clause 6.2 of the Principal Trust Instrument shall apply to the New Securities as it does to the Existing Securities.

4. MAXIMUM OUTSTANDING AMOUNT OF THE NEW SECURITIES

- 4.1 No New Securities of any class may be issued if following issue of those New Securities the total number of New Securities in issue on that date would exceed 1,000,000,000, or such greater number as shall be established pursuant to Clause 4.2 (the "*New Securities Programme Limit*").

- 4.2 Subject to the consent of the Jersey Financial Services Commission the New Securities Programme Limit may be increased to such amount as may from time to time have been admitted to listing by the UK Listing Authority and the Company and notified to the Trustee and by and RIS announcement.

5. ISSUE AND CONSTITUTION OF THE NEW SECURITIES

On the issue date in relation to any New Securities of any type, the Company shall deliver or cause to be delivered to the Trustee a copy of the applicable Pricing Supplement. Upon the Registrar registering in the relevant Register the names of the subscribers of such New Securities as the holders thereof, such New Securities shall become constituted by the Principal Trust Instrument and this Supplemental Trust Instrument without further formality.

6. NEW SECURITIES CERTIFICATES

- 6.1 In the event that a Security Holder of New Securities requests that a Certificate be issued to it in respect of its Micro or Commodity Securities, such Certificate shall be issued and will be despatched to the relevant Security Holder within 10 Business Days of being issued. The Certificates (if any) for the Forward Individual Securities will be in the form or substantially in the form set out in Part A of the First Schedule (*Form of Certificate for Forward Individual Securities*) to this Supplemental Trust Instrument or in such other form as the Trustee may approve. The Certificates (if any) for the Forward Index Securities will be in the form or substantially in the form set out in Part B of the First Schedule (*Form of Certificate for Forward Index Securities*) to this Supplemental Trust Instrument or in such other form as the Trustee may approve. The Certificates (if any) for the Micro Forward Securities will be in the form or substantially in the form set out in Part C of the First Schedule (*Form of Certificate for Micro Forward Securities*) to this Supplemental Trust Instrument or in such other form as the Trustee may approve. The

Company shall comply with the terms and provisions of the Certificates and the Conditions set out in the Second Schedule to this Supplemental Trust Instrument in relation to the New Securities and the New Securities shall be held subject to, and with the benefit of, such Conditions all of which shall be deemed to be incorporated in these presents and shall be binding on the Company and the Security Holders of the New Securities and all persons claiming through or under them respectively. Every Security Holder shall be entitled to receive one Certificate for all New Securities of each class held by it but so that joint holders shall be entitled to one Certificate only in respect of all New Securities of that class held jointly by them which Certificate shall be delivered to that one of the joint holders whose name stands first in the Register in respect of such joint holding. Where a Security Holder has transferred or had redeemed a part only of its holding of New Securities of any class it shall be entitled (without charge) to a Certificate for the balance of such holding. For the avoidance of doubt, no Security Holder in respect of a Forward Commodity Security shall be entitled to be registered as the holder of the Micro Forward Securities by reference to which the amount payable on Redemption of such Forward Commodity Securities is calculated or to receive any Certificate in respect thereof unless he first surrenders his Certificate for Forward Commodity Securities for cancellation in accordance with Clause 9.2 of the Principal Trust Instrument.

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

6.2.1 a Certificate for such number of Forward Commodity Securities (if any) as he requests to remain in the form of Forward Commodity Securities; and

6.2.2 one Certificate each in respect of the balance of the Micro Forward Securities of each class comprised in such Forward Commodity Securities,

and the relevant Registers shall be updated accordingly.

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

6.3.1 a Certificate for such number of Forward Commodity Securities of any class or classes requested by him as are comprised of the Micro Forward Securities represented by such surrendered Certificates as he requests to be combined in the form of Forward Commodity Securities of such class or classes; and

6.3.2 one or more Certificates in respect of the balance of the Micro Forward Securities not combined in the form of Forward Commodity Securities,

and the relevant Registers shall be updated accordingly.

6.4 Pursuant to the Regulations, the Company may make arrangements for the holding of title to New Securities in uncertificated form ("*Participating Securities*") and the transfer of title thereto otherwise than by a written instrument as provided for in the provisions contained in the Fifth Schedule (*Provisions Relating to Securities in Uncertificated Form*) to the Principal Trust Instrument (all of which provisions shall be deemed to be, and shall have effect as though, incorporated in these presents). Where any provisions of these presents (including, but not limited to, this Clause 6.4 and the Third Schedule to the Principal Trust Instrument (*Provisions Relating to Registration and Transfer*)) are, insofar as they relate to New Securities in uncertificated form, inconsistent with the provisions of

the Fifth Schedule of the Principal Trust Instrument (*Provisions Relating to Securities in Uncertificated Form*), the Fifth Schedule of the Principal Trust Instrument (*Provisions Relating to Securities in Uncertificated Form*) shall prevail.

EXISTING SECURITIES

7. AMENDMENTS TO THE EXISTING SECURITIES

- 7.1 With effect from the Effective Date hereof the Conditions set out in the Second Schedule to this Supplemental Trust Instrument shall apply to the Micro and Commodity Securities to the exclusion of the conditions set out in the Second Schedule to the Principal Trust Instrument and accordingly with effect from the Effective Date hereof the Existing Securities shall be held subject to, and with the benefit of, Conditions set out in the Second Schedule to this Supplemental Trust Instrument, all of which shall be binding on the Company and the Security Holders of the Existing Securities and all persons claiming through or under them respectively.
- 7.2 In accordance with Clauses 33.1 and 33.2 of the Principal Trust Instrument, the Trustee confirms that it is of the opinion that the amendments to the Principal Trust Instrument made herein are necessary or desirable and not materially prejudicial and subject to the giving of 10 days notice to the Security Holders in respect of the changes to the Conditions hereby consents to the terms of this Supplemental Trust Instrument.
- 7.3 The Issuer hereby covenants promptly after the execution hereof to give notice of the amendments to the Existing Securities set out in Clauses 7.1 and 7.2 to Security Holders. Such notice will be given by way of a RIS announcement.

GENERAL

8. AMENDMENTS TO THE TRUST INSTRUMENT

- 8.1 All references in Clause 2.2 of the Principal Trust Instrument to “Micro Securities” shall be replaced by references to “Micro Classic Securities”.
- 8.2 All references in Clause 2.2 of the Principal Trust Instrument to “Individual Securities” shall be replaced by references to “Classic Individual Securities”.
- 8.3 A new Clause 2.2A shall be added to the Principal Trust Instrument as follows:
- “2.2A The amount payable upon Redemption of a Forward Individual Security of a particular class is equal to the aggregate amount which would be payable on the Redemption of one million Micro Forward Securities of that same class. Each Forward Individual Security may be surrendered in accordance with Clause 9 in exchange for such Micro Forward Securities. As at the date hereof the Micro Forward Securities and Forward Individual Securities of the classes set out in the table below are available for issue. Micro Forward Securities and Forward Individual Securities shall have the Principal Amounts respectively set against their designation in the table below:

| Micro Forward Securities | Principal Amount | Forward Individual Securities | Principal Amount |
|------------------------------------|------------------|--|------------------|
| Aluminium Micro Forward Securities | \$ 0.00000100 | ETFS Forward Aluminium Individual Securities | \$ 1.00000000 |
| Coffee Micro Forward Securities | \$ 0.00000050 | ETFS Forward Coffee Individual Securities | \$ 0.50000000 |
| Copper Micro | \$ 0.00000500 | ETFS Forward Copper | \$ 5.00000000 |

| Micro Forward Securities | Principal Amount | Forward Individual Securities | Principal Amount |
|--------------------------------------|-------------------------|--|-------------------------|
| Forward Securities | | Individual Securities | |
| Corn Micro Forward Securities | \$ 0.00000050 | ETFS Forward Corn Individual Securities | \$ 0.50000000 |
| Cotton Micro Forward Securities | \$ 0.00000050 | ETFS Forward Cotton Individual Securities | \$ 0.50000000 |
| Crude Oil Micro Forward Securities | \$ 0.00000800 | ETFS Forward Crude Oil Individual Securities | \$ 8.00000000 |
| Gasoline Micro Forward Securities | \$ 0.00000800 | ETFS Forward Gasoline Individual Securities | \$ 8.00000000 |
| Gold Micro Forward Securities | \$ 0.00000100 | ETFS Forward Gold Individual Securities | \$ 1.00000000 |
| Heating Oil Micro Forward Securities | \$ 0.00000500 | ETFS Forward Heating Oil Individual Securities | \$ 5.00000000 |
| Lean Hogs Micro Forward Securities | \$ 0.00000300 | ETFS Forward Lean Hogs Individual Securities | \$ 3.00000000 |
| Live Cattle Micro Forward Securities | \$ 0.00000150 | ETFS Forward Live Cattle Individual Securities | \$ 1.50000000 |
| Natural Gas Micro Forward Securities | \$ 0.00000300 | ETFS Forward Natural Gas Individual Securities | \$ 3.00000000 |
| Nickel Micro Forward Securities | \$ 0.00000500 | ETFS Forward Nickel Individual Securities | \$ 5.00000000 |
| Silver Micro Forward Securities | \$ 0.00000150 | ETFS Forward Silver Individual Securities | \$ 1.50000000 |
| Soybean Oil Micro Forward Securities | \$ 0.00000100 | ETFS Forward Soybean Oil Individual Securities | \$ 1.00000000 |
| Soybeans Micro Forward Securities | \$ 0.00000100 | ETFS Forward Soybeans Individual Securities | \$ 1.00000000 |
| Sugar Micro Forward Securities | \$ 0.00000150 | ETFS Forward Sugar Individual Securities | \$ 1.50000000 |
| Wheat Micro Forward Securities | \$ 0.00000100 | ETFS Forward Wheat Individual Securities | \$ 1.00000000 |
| Zinc Micro Forward Securities | \$ 0.00000150 | ETFS Forward Zinc Individual Securities | \$ 1.50000000 |

8.4 All references in Clause 2.3 of the Principal Trust Instrument to “Micro Securities” shall be replaced by references to “Micro Classic Securities”.

8.5 All references in Clause 2.3 of the Principal Trust Instrument to “Index Securities” shall be replaced by references to “Classic Index Securities”.

8.6 A new Clause 2.3A shall be added to the Principal Trust Instrument as follows:

“2.3A The amount payable upon Redemption of a Forward Index Security is equal to the aggregate amounts which would be payable on the Redemption of a defined number of Micro Forward Securities of various classes as set out in the table below (subject to Rebalancing). Each Forward Index Security may be surrendered in accordance with Clause 9 in exchange for such Micro Forward Securities (subject to re-balancing). As at the date hereof the Forward Index Securities of the categories set out in the table below are available for issue. The Principal Amount of each such Forward Index Security at the date of these presents is as set out in the table below:

| Forward Index Securities | Number | Principal Amount (subject to adjustment) of Forward Index Securities |
|---|---------------|---|
| <i>ETFS Forward All Commodities DJ-AIGCISM Index Securities</i> | | \$ 2.917076500 |
| Natural Gas Micro Forward Securities | 129,045 | |
| Crude Oil Micro Forward Securities | 53,984 | |
| Gasoline Micro Forward Securities | 15,223 | |
| Heating Oil Micro Forward Securities | 24,090 | |
| Live Cattle Micro Forward Securities | 108,766 | |
| Lean Hogs Micro Forward Securities | 28,764 | |
| Wheat Micro Forward Securities | 162,007 | |
| Corn Micro Forward Securities | 380,374 | |
| Soybeans Micro Forward Securities | 205,132 | |
| Aluminium Micro Forward Securities | 150,682 | |
| Copper Micro Forward Securities | 30,016 | |
| Zinc Micro Forward Securities | 31,567 | |
| Nickel Micro Forward Securities | 11,840 | |
| Gold Micro Forward Securities | 203,217 | |
| Silver Micro Forward Securities | 36,108 | |
| Sugar Micro Forward Securities | 40,707 | |
| Cotton Micro Forward Securities | 215,415 | |
| Coffee Micro Forward Securities | 210,190 | |
| Soybean Oil Micro Forward Securities | 80,784 | |
| <i>ETFS Forward Energy DJ-AIGCISM Index Securities</i> | | \$ 6.376686000 |
| Natural Gas Micro Forward Securities | 775,400 | |
| Crude Oil Micro Forward Securities | 324,373 | |
| Gasoline Micro Forward Securities | 91,469 | |
| Heating Oil Micro Forward Securities | 144,750 | |
| <i>ETFS Forward Petroleum DJ-AIGCISM Index Securities</i> | | \$ 1.674195000 |
| Crude Oil Micro Forward Securities | 591,027 | |
| Gasoline Micro Forward Securities | 166,662 | |
| Heating Oil Micro Forward Securities | 263,743 | |
| <i>ETFS Forward Ex-Energy DJ-AIGCISM Index Securities</i> | | \$ 7.380227000 |
| Aluminium Micro Forward Securities | 135,934 | |
| Copper Micro Forward Securities | 32,491 | |
| Zinc Micro Forward Securities | 28,478 | |
| Nickel Micro Forward Securities | 10,681 | |
| Gold Micro Forward Securities | 183,327 | |
| Silver Micro Forward Securities | 32,574 | |
| Live Cattle Micro Forward Securities | 98,120 | |
| Lean Hogs Micro Forward Securities | 25,867 | |
| Wheat Micro Forward Securities | 146,151 | |
| Corn Micro Forward Securities | 343,145 | |
| Soybeans Micro Forward Securities | 185,055 | |
| Sugar Micro Forward Securities | 36,723 | |
| Cotton Micro Forward Securities | 194,332 | |
| Coffee Micro Forward Securities | 189,618 | |
| Soybean Oil Micro Forward Securities | 72,877 | |

| Forward Index Securities | Number | Principal Amount (subject to adjustment) of Forward Index Securities |
|---|---------------|---|
| <i>ETFS Forward Industrial Metals DJ-AIGCISM Index Securities</i> | | \$ 1.162448500 |
| Aluminium Micro Forward Securities | 928,618 | |
| Copper Micro Forward Securities | 221,959 | |
| Zinc Micro Forward Securities | 194,452 | |
| Nickel Micro Forward Securities | 72,695 | |
| <i>ETFS Forward Precious Metals DJ-AIGCISM Index Securities</i> | | \$ 2.695051000 |
| Gold Micro Forward Securities | 917,827 | |
| Silver Micro Forward Securities | 163,081 | |
| <i>ETFS Forward Livestock Index DJ-AIGCISM Securities</i> | | \$ 0.84938600 |
| Live Cattle Micro Forward Securities | 956,315 | |
| Lean Hogs Micro Forward Securities | 252,111 | |
| <i>ETFS Forward Agriculture DJ-AIGCISM Index Securities</i> | | \$ 2.190805500 |
| Wheat Micro Forward Securities | 183,840 | |
| Corn Micro Forward Securities | 431,635 | |
| Soybeans Micro Forward Securities | 232,777 | |
| Sugar Micro Forward Securities | 46,193 | |
| Cotton Micro Forward Securities | 244,446 | |
| Coffee Micro Forward Securities | 238,517 | |
| Soybean Oil Micro Forward Securities | 91,671 | |
| <i>ETFS Forward Grains DJ-AIGCISM Index Securities</i> | | \$ 0.943797500 |
| Wheat Micro Forward Securities | 246,905 | |
| Corn Micro Forward Securities | 579,704 | |
| Soybeans Micro Forward Securities | 312,629 | |
| <i>ETFS Forward Softs DJ-AIGCISM Index Securities</i> | | \$ 1.034876500 |
| Sugar Micro Forward Securities | 140,285 | |
| Cotton Micro Forward Securities | 742,373 | |
| Coffee Micro Forward Securities | 724,367 | |

9. CONSENT OF THE TRUSTEE

The Trustee hereby consents to the amendments to be made to the Facility Agreement and the and the Guarantee each proposed to be entered into on or about the date of this Supplemental Trust Instrument and in the forms attached hereto and initialled by the parties to this Supplemental Trust Instrument.

10. GOVERNING LAW AND SUBMISSION TO JURISDICTION

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

11. CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999

No person who is not a party to this Supplemental Trust Instrument shall have any rights under the Contracts (Rights of Third Parties) Act 1999 (the "Act") to enforce any term of this Supplemental Trust Instrument, but this does not affect any rights that a person may have other than under the Act.

12. EFFECTIVENESS

12.1 In so far as this Supplemental Trust Instrument relates to the Existing Securities its terms shall take effect on the Effective Date.

12.2 In so far as this Supplemental Trust Instrument related to the New Securities its terms shall take effect upon the Issuer confirming to the Trustee, in writing, that the New Securities to be constituted hereunder can be issued.

13. CONSTRUCTION

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

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

**THE FIRST SCHEDULE
PART A**

FORM OF CERTIFICATE FOR NEW SECURITIES

| Reference No. | Certificate No. | Transfer No. | Number of Securities | Commodity |
|---------------|-----------------|--------------|-------------------------|-----------|
|---------------|-----------------|--------------|-------------------------|-----------|

ETFS COMMODITY SECURITIES LIMITED

Authorised pursuant to resolutions of the Board of Directors of ETFS Commodity Securities Limited
(the "Issuer") passed on 15 September 2006

(Incorporated with limited liability under the laws of Jersey with registered number 90959)

ISSUE OF FORWARD

[ALUMINIUM]/[COFFEE]/[COPPER]/[CORN]/[COTTON]/[CRUDE
OIL]/[GASOLINE]/[GOLD]/[HEATING OIL]/[LEAN HOGS]/[LIVE CATTLE]/[NATURAL
GAS]/[NICKEL]/[SILVER]/[SOYBEAN OIL]/[SOYBEANS]/[SUGAR]/[WHEAT]/[ZINC]

INDIVIDUAL SECURITIES

THIS IS TO CERTIFY THAT

is/are the registered holder(s) of _____ of the above-mentioned undated limited recourse secured individual securities with a Principal Amount of US\$• each (the "Individual Securities") which are constituted by a trust instrument dated 21 September 2006 as amended by a supplemental trust instrument dated [] September 2007 (the "Trust Instrument") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the holders of such Individual Securities, and such Individual Securities are issued with the benefit of and subject to the provisions contained in the Trust Instrument and the Conditions (the "Conditions") set out in the Second Schedule to the Trust Instrument. The Issuer acknowledges that it is indebted to the holder of such Individual Securities in respect of the higher from time to time of the Principal Amount and the Redemption Amount (each as defined in the Conditions) in accordance with the Conditions and subject as provided in the Trust Instrument undertakes to pay on redemption of such Individual Securities the amount due in accordance with the Conditions.

Given under the Securities Seal of the Issuer

on

NOTES:

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

No transfer of any of the securities comprised in this Certificate will be registered until this Certificate has been lodged with the Issuer's Registrar, COMPUTERSHARE INVESTOR SERVICES (CHANNEL ISLANDS) LIMITED, P.O. BOX No. 83, ORDNANCE HOUSE, 31 PIER ROAD, ST. HELIER, JERSEY JE4 8PW. TELEPHONE: 01534 825329/825231. FAX 01534 825247.

PART B

FORM OF CERTIFICATE FOR NEW SECURITIES

| Reference No. | Certificate No. | Transfer No. | Number of Securities | Commodity |
|---------------|-----------------|--------------|----------------------|-----------|
|---------------|-----------------|--------------|----------------------|-----------|

ETFS COMMODITY SECURITIES LIMITED

Authorised pursuant to resolutions of the Board of Directors of ETFS Commodity Securities Limited (the "Issuer") passed on 15 September 2006

(Incorporated with limited liability under the laws of Jersey with registered number 90959)

ISSUE OF FORWARD

ETFS DJ-AIGCISM

[ALL COMMODITIES]/[ENERGY]/[PETROLEUM]/[EX-ENERGY]/[PRECIOUS METALS]/[INDUSTRIAL METALS]/[AGRICULTURE]/[SOFTS]/[LIVESTOCK]/[GRAINS]

INDEX SECURITIES

THIS IS TO CERTIFY THAT

is/are the registered holder(s) of _____ of the above-mentioned undated limited recourse secured index securities with a Principal Amount of US\$[] (subject to adjustment) each (the "Index Securities") which are constituted by a trust instrument dated 21 September 2006 as amended by a supplemental trust instrument dated [] September 2007 (the "Trust Instrument") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the holders of such Index Securities, and such Index Securities are issued with the benefit of and subject to the provisions contained in the Trust Instrument and the Conditions (the "Conditions") set out in the Second Schedule to the Trust Instrument. The Issuer acknowledges that it is indebted to the holder of such Index Securities in respect of the higher from time to time of the Principal Amount and the Redemption Amount (each as defined in the Conditions) in accordance with the Conditions and subject as provided in the Trust Instrument undertakes to pay on redemption of such Index Securities the amount due in accordance with the Conditions.

Given under the Securities Seal of the Issuer

on

NOTES:

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

No transfer of any of the securities comprised in this Certificate will be registered until this Certificate has been lodged with the Issuer's Registrar, COMPUTERSHARE INVESTOR SERVICES (CHANNEL ISLANDS) LIMITED, P.O. BOX No. 83, ORDNANCE HOUSE, 31 PIER ROAD, ST. HELIER, JERSEY JE4 8PW. TELEPHONE: 01534 825329/825231. FAX 01534 825247.

PART C

FORM OF CERTIFICATE FOR MICRO SECURITIES

| Reference No. | Certificate No. | Transfer No. | Number of Securities | Commodity |
|---------------|-----------------|--------------|----------------------|-----------|
|---------------|-----------------|--------------|----------------------|-----------|

ETFS COMMODITY SECURITIES LIMITED

Authorised pursuant to resolutions of the Board of Directors of ETFS Commodity Securities Limited (the "Issuer") passed on 15 September 2006

(Incorporated with limited liability under the laws of Jersey with registered number 90959)

ISSUE OF FORWARD

[ALUMINIUM]/[COFFEE]/[COPPER]/[CORN]/[COTTON]/[CRUDE OIL]/[GASOLINE]/[GOLD]/[HEATING OIL]/[LEAN HOGS]/[LIVE CATTLE]/[NATURAL GAS]/[NICKEL]/[SILVER]/[SOYBEAN OIL]/[SOYBEANS]/[SUGAR]/[WHEAT]/[ZINC]

MICRO SECURITIES

THIS IS TO CERTIFY THAT

is/are the registered holder(s) of _____ of the above-mentioned undated limited recourse secured micro securities with a Principal Amount of US\$• each (the "Micro Securities") which are constituted by a trust instrument dated 21 September 2006 as amended by a supplemental trust instrument dated [] September 2007 (the "Trust Instrument") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the holders of such Micro Securities, and such Micro Securities are issued with the benefit of and subject to the provisions contained in the Trust Instrument and the Conditions (the "Conditions") set out in the Second Schedule to the Trust Instrument. The Issuer acknowledges that it is indebted to the holder of such Micro Securities in respect of the higher from time to time of the Principal Amount and the Redemption Amount (each as defined in the Conditions) in accordance with the Conditions and subject as provided in the Trust Instrument undertakes to pay on redemption of such Micro Securities the amount due in accordance with the Conditions.

Given under the Securities Seal of the Issuer

on

NOTES:

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

No transfer of any of the securities comprised in this Certificate will be registered until this Certificate has been lodged with the Issuer's Registrar, COMPUTERSHARE INVESTOR SERVICES (CHANNEL ISLANDS) LIMITED, P.O. BOX No. 83, ORDNANCE HOUSE, 31 PIER ROAD, ST. HELIER, JERSEY JE4 8PW. TELEPHONE: 01534 825329/825231. FAX 01534 825247.

THE SECOND SCHEDULE

THE CONDITIONS

"The Micro and Commodity Securities are undated, limited recourse, secured debt securities of ETFS Commodity Securities Limited (the "**Issuer**") and are constituted by, are issued subject to and have the benefit of, a trust instrument (the "**Trust Instrument**") dated 21 September 2006 between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee (the "**Trustee**") for the holders of Micro and Commodity Securities (the "**Security Holders**") as amended by a supplemental trust instrument dated 17 September 2007, governed by Jersey law.

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

1. DEFINED TERMS AND INTERPRETATION

1.1 In these Conditions, the following words and expressions have the following meanings:

Acceptable Credit Rating means a long term senior debt credit rating of at least BBB+ from Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. (or any successor to the ratings business thereof), and of at least Baa1 from Moody's Investors Service Inc. (or any successor to the ratings business thereof);

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

Agreed Pricing has the meaning given in Condition 8.1(b);

Agreed Redemption Form means a notice in the form prescribed from time to time by the Issuer requesting Redemption of Micro and Commodity Securities using Agreed Pricing;

AIG means American International Group, Inc., a corporation incorporated in Delaware, USA, whose principal office is situated at 70 Pine Street, New York, New York, USA;

AIG-FP means AIG Financial Products Corp., a corporation incorporated in Delaware, United States, whose chief executive office is situated at 50 Danbury Road, Wilton, Connecticut, USA;

AIG Guarantee means the guarantee dated 21 September 2006 and letter of confirmation dated on or about 17 September 2007 with respect thereto given by AIG to the Issuer of the obligations of AIG-FP to the Issuer under the Facility Agreement between AIG-FP and the Issuer;

Authorised Participant means a person which has entered into an Authorised Participant Agreement with the Issuer in relation to Commodity Securities and has entered into a corresponding Direct Agreement with at least one Commodity Contract Counterparty, and which is not an Unacceptable Authorised Participant in respect of that Commodity Contract Counterparty provided that no person shall be an Authorised Participant unless and until the Security Conditions with respect to the Authorised Participant and that Commodity Contract Counterparty shall have been satisfied and provided further that a person can be an Authorised Participant in respect of one Commodity Contract Counterparty but not another;

Authorised Participant Agreement means a written agreement between the Issuer and another person under which such person is appointed to act as an "Authorised Participant", distribution agent or in a substantially similar function in relation to Micro Securities and/or Commodity Securities comprising *inter alia* Micro Securities and if such agreement is subject to conditions precedent, provided that such conditions have been satisfied;

Business Day means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in both London and New York;

Calculation Agent means a person appointed by the Issuer to determine various matters in accordance with Condition 16, the first such Calculation Agent being AIG-FP;

Capital Adjustment means an adjustment factor to be included in the calculation of the Multiplier which is agreed from time to time by a Commodity Contract Counterparties and the Issuer;

category means, in relation to Index Securities, the type of Index Security determined by the mix of different classes of Micro Securities comprised in the Index Security;

Certificated or Certificated Form means not in Uncertificated Form;

CIP means "Commodity Index Percentage" as defined in the Handbook from time to time;

class means a class of Micro Securities or Individual Securities under which the Issuer's obligations to make payment, and the corresponding class of Commodity Contracts under which any Commodity Contract Counterparty's obligations to make payment, are determined by reference to a particular Individual Commodity Index, and Micro or Individual Securities, and the corresponding class of Commodity Contracts, referable to a particular Individual Commodity Index but of different Strategies are each of a separate and distinct class;

Classic Commodity Contract means in relation to Micro Securities of a particular class (or Commodity Securities to the extent they are comprised of Micro Securities of that class), a contract between the Issuer and a Commodity Contract Counterparty created in accordance with a Facility Agreement and giving rise to matching rights and obligations to such Micro Securities;

Classic Index Securities means, together, ETFs All Commodities DJ-AIGCISM category undated limited recourse secured debt securities of US\$2.87779500 in principal amount (subject to adjustment) each, ETFs Energy DJ-AIGCISM category undated limited recourse secured debt securities of US\$5.64390900 in principal amount (subject to adjustment) each, ETFs Petroleum DJ-AIGCISM category undated limited recourse secured debt securities of US\$4.57979700 in principal amount (subject to adjustment) each, ETFs Ex-Energy DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.45205450 in principal amount (subject to adjustment) each, ETFs Precious Metals DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.24407800 in principal amount (subject to adjustment) each, ETFs Industrial Metals DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.96915000 in principal amount (subject to adjustment) each, ETFs Agriculture DJ-AIGCISM category undated limited recourse secured debt securities of US\$0.97138225 in principal amount (subject to adjustment) each, ETFs Softs DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.15008550 in principal amount (subject to adjustment) each, ETFs Livestock DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.24413550 in principal amount (subject to adjustment) each and ETFs Grains DJ-AIGCISM category undated limited recourse secured debt securities of US\$0.69245400 in principal amount (subject to adjustment) each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to a defined number of Micro Securities of different classes as specified in the Trust Instrument and these Conditions and recorded on the relevant Register of Index Securities and "ETFs All Commodities DJ-AIGCISM Index Securities", "ETFs Energy DJ-

AIGCISM Index Securities", "ETFS Petroleum DJ-AIGCISM Index Securities", "ETFS Ex-Energy DJ-AIGCISM Index Securities", "ETFS Precious Metals DJ-AIGCISM Index Securities", "ETFS Industrial Metals DJ-AIGCISM Index Securities", "ETFS Agriculture DJ-AIGCISM Index Securities", "ETFS Softs DJ-AIGCISM Index Securities", "ETFS Livestock DJ-AIGCISM Index Securities" and "ETFS Grains DJ-AIGCISM Index Securities" shall be construed accordingly;

Classic Individual Securities means, together, Aluminium class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Coffee class undated limited recourse secured debt securities of US\$0.50 in principal amount each, Copper class undated limited recourse secured debt securities of US\$3.00 in principal amount each, Corn class undated limited recourse secured debt securities of US\$0.25 in principal amount each, Cotton class undated limited recourse secured debt securities of US\$0.50 in principal amount each, Crude Oil class undated limited recourse secured debt securities of US\$5.00 in principal amount each, Gasoline class undated limited recourse secured debt securities of US\$5.00 in principal amount each, Gold class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Heating Oil class undated limited recourse secured debt securities of US\$3.00 in principal amount each, Lean Hogs class undated limited recourse secured debt securities of US\$0.50 in principal amount each, Live Cattle class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Natural Gas class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Nickel class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Silver class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Soybean Oil class undated limited recourse secured debt securities of US\$1.00 in principal amount each, Soybeans class undated limited recourse secured debt securities of US\$2.00 in principal amount each, Sugar class undated limited recourse secured debt securities of US\$3.00 in principal amount each, Wheat class undated limited recourse secured debt securities of US\$0.25 in principal amount each and Zinc class undated limited recourse secured debt securities of US\$1.00 in principal amount each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to one million Micro Securities of the relevant class and recorded on the relevant Register of Individual Securities and "ETFS Aluminium Individual Securities", "ETFS Coffee Individual Securities", "ETFS Copper Individual Securities", "ETFS Corn Individual Securities", "ETFS Cotton Individual Securities", "ETFS Crude Oil Individual Securities", "ETFS Gasoline Individual Securities", "ETFS Gold Individual Securities", "ETFS Heating Oil Individual Securities", "ETFS Lean Hogs Individual Securities", "ETFS Live Cattle Individual Securities", "ETFS Natural Gas Individual Securities", "ETFS Nickel Individual Securities", "ETFS Silver Individual Securities", "ETFS Soybean Oil Individual Securities", "ETFS Soybeans Individual Securities", "ETFS Sugar Individual Securities", "ETFS Wheat Individual Securities" and "ETFS Zinc Individual Securities" shall be construed accordingly;

Classic Micro and Commodity Securities means Micro Classic Securities, Classic Individual Securities and Classic Index Securities and **Classic Micro or Commodity Securities** means any of them;

Commodity Contract means in relation to Micro Securities of a particular class (or Commodity Securities to the extent they are comprised of Micro Securities of that class), a contract between the Issuer and a Commodity Contract Counterparty created in accordance with a Facility Agreement and giving rise to matching rights and obligations to such Micro Securities and includes Classic Commodity Contracts and Forward Commodity Contracts;

Commodity Contract Termination means the termination of Commodity Contracts by a Commodity Contract Counterparty in accordance with a Facility Agreement;

Commodity Contract Counterparty means the counterparty to each Facility Agreement with the Issuer and includes AIG-FP;

Commodity Contract Counterparty Downgrade means with respect to a Commodity Contract Counterparty, neither that Commodity Contract Counterparty nor its Guarantor (if any) having an Acceptable Credit Rating;

Commodity Securities means Index Securities and Individual Securities;

comprised in and **comprised of** in relation to a Commodity Security means the Micro Securities by reference to which the amount payable on Redemption of that Commodity Security is calculated and for which a Commodity Security (when in Certificated Form) may be surrendered in accordance with the provisions of the Trust Instrument and **comprise** and **comprised** shall be construed accordingly;

Compulsory Daily Pricing Number means, in respect of a Compulsory Redemption and a type of Micro or Commodity Securities, the number of outstanding Micro or Commodity Securities of the relevant type or types which, in relation to each Pricing Day on which Micro or Commodity Securities of that type or those types are required to be priced under the relevant Facility Agreement, shall be:

- (a) if the Compulsory Redemption Number is not more than the Redemption Limit (in each case for the type), the Compulsory Redemption Number;
- (b) if the Compulsory Redemption Number is equal to or more than five times the Redemption Limit, 20 per cent. of the Compulsory Redemption Number; and
- (c) otherwise, the amount shall be the Redemption Limit on the first and on each consecutive Pricing Day thereafter except on the last Pricing Day when the amount shall be the Compulsory Redemption Number minus the sum of the Compulsory Number Priced on each preceding Pricing Day for that class or those classes in relation to that Compulsory Redemption;

Compulsory Number Priced means in respect of a Pricing Day and a type of Micro or Commodity Securities, the Compulsory Daily Pricing Number; provided that where the Compulsory Redemption Date is notified in accordance with Condition 9.6 the Compulsory Number Priced in respect of a type of Micro or Commodity Securities for any Pricing Day shall be reduced by the number of Micro or Commodity Securities of that type which are subject to a Redemption Form submitted in respect of that Pricing Day and, if such reduction would result in a negative number, that negative number shall be carried forward and applied to reduce the Compulsory Number Priced for the next following Pricing Day and any negative number on the last Pricing Day will be ignored;

Compulsory Redemption means a Redemption of Micro or Commodity Securities in accordance with Condition 9.11;

Compulsory Redemption Date means a date notified in accordance with Conditions 9.1, 9.2, 9.3, 9.4 or 9.5;

Compulsory Redemption Number means in respect of a Compulsory Redemption Date and a type of Micro or Commodity Securities, where such Compulsory Redemption Date is notified in accordance with:

- (a) Condition 9.1 or 9.2, the total number of Micro or Commodity Securities of that type outstanding as at the Business Day immediately preceding the Compulsory Redemption Date;
- (b) Conditions 9.5, provided that the Individual Commodity Index relates to that type, the total number of Micro or Commodity Securities of that type outstanding as at the Business Day immediately preceding the Compulsory Redemption Date;
- (c) Condition 9.6, the number of that type of outstanding Micro or Commodity Securities in respect of which notice was given by the Issuer in accordance with Condition 9.6; and
- (d) Condition 9.7, the number of Micro or Commodity Securities of that type in respect of which notice was given by the Issuer in accordance with Condition 9.7 with respect to the Security Holder in question;

Conditions means these terms and conditions on and subject to which Micro and Commodity Securities are issued;

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

- (a) holds 10 per cent. or more of the shares in such company;
- (b) is able to exercise significant influence over the management of such company by virtue of his shareholdings in such company;
- (c) holds 10 per cent. or more of the shares in a parent undertaking of such company;

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

Counterparty Event of Default means:

- (a) the failure of any Commodity Contract Counterparty to make a payment it is due to make in respect of a Commodity Contract Termination in accordance with the relevant Facility Agreement, where such failure is not rectified within five Business Days following the day on which the Commodity Contract Counterparty receives notice of the failure sent by the Issuer, or being in any other breach of the Facility Agreement provided that such breach (if capable of being rectified) is not rectified within (5) five Business Days of the Commodity Contract Counterparty receiving written notice from the Issuer of such breach;
- (b) any Guarantor failing to pay an amount due under the relevant Guarantee, when due;
- (c) any Commodity Contract Counterparty or Guarantor suffering an Insolvency Event; or
- (d) the expiration or termination of any Guarantee (other than where a replacement guarantee (or other form of credit support) acceptable to the Issuer and the Trustee in their sole discretion is provided to the Issuer in lieu of a Guarantee upon or prior to such expiration or termination) or the failing or ceasing of a Guarantee to be in full force and effect for the purpose of the relevant Facility Agreement, in each case other than in accordance with its terms, prior to the satisfaction of all obligations of a Commodity Contract Counterparty under the Facility Agreement to which such Guarantee relates and without the written consent of the Issuer (and this paragraph (d) shall apply *mutatis mutandis* to any replacement guarantee (or other form of credit support));

CREST means the system of paperless settlement of transfers and the holding of securities in Uncertificated Form administered by Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited);

Default Rate means a rate per annum of interest equal to LIBOR plus 2 per cent., compounding daily;

Defaulted Obligation means the failure of the Issuer to make or procure any payment in respect of the Redemption of any Micro and Commodity Securities when due, and such failure is not remedied within 48 hours of receipt of notice requiring remedy of the same provided that if the amount paid by a Commodity Contract Counterparty under the terms of a Facility Agreement in respect of a Commodity Contract Termination as a result of such Redemption is subject to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction or any political sub-division thereof or any authority thereof having power to tax, as required by law (as modified by the practice of any relevant governmental revenue authority) then in effect, and that Commodity Contract Counterparty is not obliged under that Facility Agreement to make any additional payment in respect of the withholding or deduction and the net amount is so paid or procured to be paid by the Issuer in respect of that Redemption, that shall not be a Defaulted Obligation;

Direct Agreement means an agreement entered into between a Commodity Contract Counterparty and an Authorised Participant or a person proposed by the Issuer to become an Authorised Participant;

DJ-AIGCI-F3SM means the Dow Jones — AIG Commodity Index 3 Month ForwardSM calculated by AIG-FP in conjunction with Dow Jones, and published by Dow Jones;

DJ-AIGCISM means the Dow Jones — AIG Commodity IndexSM calculated by AIG-FP in conjunction with Dow Jones, and published by Dow Jones;

DJ-AIG Commodity Indices means both the DJ-AIGCISM and the DJ-AIGCI-F3SM and includes the other related indices and sub-indices of the DJ-AIGCISM and **DJ-AIG Commodity Index** shall be construed accordingly;

Dow Jones means Dow Jones & Company, Inc.;

ECIPs means, with respect to a DJ-AIG Commodity Index, the effective percentage weights of the constituent commodities in that DJ-AIG Commodity Index from time to time as published by Dow Jones and/or AIG-FP (or as determined by the Calculation Agent for the purposes of one or more Facility Agreements if no such percentage weights have been so published);

Extended Voluntary Rebalancing means a Voluntary Rebalancing which the Issuer has determined should be conducted over the same days as if a Required Rebalancing was occurring in that month;

Extraordinary Resolution means in respect of one or more types of Micro and Commodity Securities a resolution passed at a duly convened meeting of the holders of Micro and Commodity Securities of such type or types holding not less than 75 per cent. by Price (or if no Price was determined on the day of that meeting, the most recently determined Price) of such type or types of Micro and Commodity Securities or a resolution in writing of holders of such type or types of Micro and Commodity Securities holding not less than 75 per cent. by Price (as at the date of the last signature (or if no Price was determined on that date, the most recently determined Price)) of such type or types of Micro or Commodity Securities, and where so provided for in the Trust Instrument holders of Index Securities or Individual Securities may for this purpose be treated as holders of the relevant type or types of Micro Securities of which they are comprised;

Facility Agreements means the agreements of that name between the Issuer and different Commodity Contract Counterparties providing for the creation and termination of Commodity Contracts thereunder including an agreement of that name between the Issuer and AIG-FP dated 21 September 2006 as amended and restated by an amendment and restatement agreement dated 17 September 2007;

Forward Commodity Contract means in relation to Micro Forward Securities of a particular class (or Forward Commodity Securities to the extent they are comprised of Micro Forward Securities of that class), a contract between the Issuer and a Commodity Contract Counterparty created in accordance with a Facility Agreement and giving rise to matching rights and obligations to such Micro Forward Securities;

Forward Index Securities means, together, ETFS Forward All Commodities DJ-AIGCISM category undated limited recourse secured debt securities of US\$2.917076500 in principal amount (subject to adjustment) each, ETFS Forward Energy DJ-AIGCISM category undated limited recourse secured debt securities of US\$6.376686000 in principal amount (subject to adjustment) each, ETFS Forward Petroleum DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.674195000 in principal amount (subject to adjustment) each, ETFS Forward Ex-Energy DJ-AIGCISM category undated limited recourse secured debt securities of US\$7.380227000 in principal amount (subject to adjustment) each, ETFS Forward Precious Metals DJ-AIGCISM category undated limited recourse secured debt securities of US\$2.695051000 in principal amount (subject to adjustment) each, ETFS Forward Industrial Metals DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.162448500 in principal amount (subject to adjustment) each, ETFS Forward Agriculture DJ-AIGCISM category undated limited recourse secured debt securities of US\$2.190805500 in principal amount (subject to adjustment) each, ETFS Forward Softs DJ-AIGCISM category undated limited recourse secured debt securities of US\$1.034876500 in principal amount (subject to adjustment) each, ETFS Forward Livestock DJ-AIGCISM category undated limited recourse secured debt securities of US\$0.849386000 in principal amount (subject to adjustment) each and ETFS Forward Grains DJ-AIGCISM category undated limited recourse secured debt securities of US\$0.943797500 in principal amount (subject to adjustment) each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to a defined number of Micro Securities of different classes as specified in the Trust Instrument and these Conditions and recorded on the relevant Register of Index Securities and "**ETFS Forward All Commodities DJ-AIGCI-F3SM Index Securities**", "**ETFS Forward Energy DJ-AIGCI-F3SM Index Securities**", "**ETFS Forward Petroleum DJ-AIGCI-F3SM Index Securities**", "**ETFS Forward Ex-Energy DJ-**

AIGCI-F3SM Index Securities", **"ETFS Forward Precious Metals DJ-AIGCI-F3SM Index Securities**", **"ETFS Forward Industrial Metals DJ-AIGCI-F3SM Index Securities**", **"ETFS Forward Agriculture DJ-AIGCI-F3SM Index Securities**", **"ETFS Forward Softs DJ-AIGCI-F3SM Index Securities**", **"ETFS Forward Livestock DJ-AIGCI-F3SM Index Securities**" and **"ETFS Forward Grains DJ-AIGCI-F3SM Index Securities**" shall be construed accordingly;

Forward Individual Securities means together Forward Aluminium class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Coffee class undated limited recourse secured debt securities of US\$0.50000000 in principal amount each, Forward Copper class undated limited recourse secured debt securities of US\$5.00000000 in principal amount each, Forward Corn class undated limited recourse secured debt securities of US\$0.50000000 in principal amount each, Forward Cotton class undated limited recourse secured debt securities of US\$0.50000000 in principal amount each, Forward Crude Oil class undated limited recourse secured debt securities of US\$8.00000000 in principal amount each, Forward Gasoline class undated limited recourse secured debt securities of US\$8.00000000 in principal amount each, Forward Gold class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Heating Oil class undated limited recourse secured debt securities of US\$5.00000000 in principal amount each, Forward Lean Hogs class undated limited recourse secured debt securities of US\$3.00000000 in principal amount each, Forward Live Cattle class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, Forward Natural Gas class undated limited recourse secured debt securities of US\$3.00000000 in principal amount each, Forward Nickel class undated limited recourse secured debt securities of US\$5.00000000 in principal amount each, Forward Silver class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, Forward Soybean Oil class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Soybeans class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each, Forward Sugar class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, Forward Wheat class undated limited recourse secured debt securities of US\$1.00000000 in principal amount each and Forward Zinc class undated limited recourse secured debt securities of US\$1.50000000 in principal amount each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and which may be Redeemed in an amount calculated by reference to one million Micro Securities of the relevant class and recorded on the relevant Register of Individual Securities and **"ETFS Forward Aluminium Individual Securities"**, **"ETFS Forward Coffee Individual Securities"**, **"ETFS Forward Copper Individual Securities"**, **"ETFS Forward Corn Individual Securities"**, **"ETFS Forward Cotton Individual Securities"**, **"ETFS Forward Crude Oil Individual Securities"**, **"ETFS Forward Gasoline Individual Securities"**, **"ETFS Forward Gold Individual Securities"**, **"ETFS Forward Heating Oil Individual Securities"**, **"ETFS Forward Lean Hogs Individual Securities"**, **"ETFS Forward Live Cattle Individual Securities"**, **"ETFS Forward Natural Gas Individual Securities"**, **"ETFS Forward Nickel Individual Securities"**, **"ETFS Forward Silver Individual Securities"**, **"ETFS Forward Soybean Oil Individual Securities"**, **"ETFS Forward Soybeans Individual Securities"**, **"ETFS Forward Sugar Individual Securities"**, **"ETFS Forward Wheat Individual Securities"** and **"ETFS Forward Zinc Individual Securities"** shall be construed accordingly;

Forward Micro and Commodity Securities means Micro Forward Securities, Forward Individual Securities and Forward Index Securities and **Forward Micro or Commodity Securities** means any of them;

FSA means the UK Financial Services Authority;

FSMA means the Financial Services and Markets Act 2000;

Full Pricing Day means a day which is a Pricing Day in respect of all Individual Commodity Indices;

Funding Rate means a rate per annum of interest equal to LIBOR, compounding daily;

Further Securities means securities issued by the Issuer in accordance with Condition 20.1;

General Notice means any notice given in accordance with these Conditions other than a Pricing Notice;

General Trading Day means a "Business Day" as defined in the Handbook from time to time (and meaning as at the date of the Trust Instrument "any day on which the sum of the CIPs for

those Index Commodities that are open for trading is greater than 50 per cent." where "Index Commodities" has the meanings given to it in the Handbook);

Guarantee means in respect of any Commodity Contract Counterparty, any guarantee or other credit support agreement provided by a guarantor or other credit support provider in respect of such Commodity Contract Counterparty's obligations under the relevant Facility Agreement insofar as it relates to the Pool and includes the AIG Guarantee;

Guarantor means in respect of any Commodity Contract Counterparty, any guarantor or other credit support provider who has entered into a Guarantee in respect of such Commodity Contract Counterparty's obligations under the relevant Facility Agreement insofar as it relates to the relevant Pool and includes AIG;

Handbook means the document called "DJ-AIGCISM Handbook" which sets out the methodology for calculation of the DJ-AIGCISM and the DJ-AIGCI-F3SM, prepared and as amended from time to time by Dow Jones and AIG-FP, a copy of which, as at the date of the Trust Instrument, can be obtained from the following address: <http://www.aigfp.com/home/commodities/djaigcihandbook>;

Hedge Roll Day means each of the fifth to ninth (inclusive) General Trading Days of each Month, provided that if the ninth General Trading Day of that Month is not a Pricing Day for one or more Individual Commodity Indices, the next following Pricing Day for each such Individual Commodity Index shall also be a Hedge Roll Day for Micro Securities of that class;

Hedging Disruption Event means an event, circumstance or cause that a Commodity Contract Counterparty reasonably and in good faith determines has had or would reasonably be expected to have a materially adverse effect on that Commodity Contract Counterparty's ability to hedge its positions in connection with the relevant Facility Agreement or Commodity Contracts of the relevant class, including, without limitation, any limitation or prohibition associated with acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any hedging transaction in connection with the relevant Facility Agreement or such Commodity Contracts, in each case whether due to market illiquidity, position limits in respect of any futures contract, illegality, the adoption of or change in any law or other regulatory instrument, lack of availability of hedging transaction market participants or the occurrence or existence of any other circumstance or event;

Index Securities means the Classic Index Securities and the Forward Index Securities;

Individual Commodity Index means an index for an individual commodity (as adjusted through the addition or removal of other Individual Commodity Indices) as calculated by Dow Jones in conjunction with AIG-FP and published by Dow Jones from time to time;

Individual Securities means together the Classic Individual Securities and the Forward Individual Securities;

Insolvency Event means, in relation to a person other than the Issuer, such person (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to

(7) (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts;

Investment Company Act means the Investment Company Act of 1940 of the USA;

Issuer Business Day means a day which is both a General Trading Day and a London Business Day;

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

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

Lead Future means for each Individual Commodity Index and each Trading Day, the particular futures contract which is the "Lead Future" (as defined in the Handbook) for that Individual Commodity Index;

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

LIBOR means, in respect of any date of determination:

- (a) the rate for overnight deposits in U.S. Dollars which appears on Telerate Page 3750 (or any successor page) as of 11:00 a.m. on the day that is two London Business Days preceding such date of determination; or
- (b) in the event of the unavailability of the Telerate Page 3750, the rate for such determination date will be determined on the basis of the rates at which deposits in US Dollars are offered by four major banks in the London interbank market ("**Reference Banks**") at approximately 11:00 a.m. on the day that is two London Business Days preceding the relevant determination date to prime banks in the London interbank market for overnight deposits commencing on that date and in an amount (a "**Representative Amount**") that is representative for a single transaction in the relevant market at the relevant time. The Issuer will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the rate for such date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as

requested, the rate for such determination date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Issuer, at approximately 11.00 a.m., New York City time, on such determination date for loans in US Dollars to leading European banks for overnight deposits commencing on the determination date and in a Representative Amount;

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

Listing Failure means the refusal of the UK Listing Authority to admit to the Official List any Micro or Commodity Securities issued or to be issued under the Programme;

Listing Failure Date means the day which was or would have been the date on which payment would have been made for Commodity Contracts pursuant to the terms of the relevant Facility Agreement corresponding to the Micro or Commodity Securities in respect of which a Listing Failure has occurred;

Listing Rules means the Listing Rules of the UK Listing Authority from time to time, made under section 73A of the FSMA;

London Business Day means a day (other than a Saturday or a Sunday) on which banks are open for the transaction of general business in London;

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

Market Disruption Event means, in respect of a particular Individual Commodity Index, any of the following events:

- (a) the Relevant Exchange fails to determine, announce or publish the relevant Settlement Price(s); or
- (b) the termination or suspension of, or material limitation or disruption in the trading of, any Lead Future or Next Future used in the calculation of an Individual Commodity Index; or
- (c) the Settlement Price of the Lead Future or Next Future used in the calculation of the Individual Commodity Index reflects the maximum permitted price change (as set from time to time by the Relevant Exchange for that Lead Future or Next Future) from the previous day's Settlement Price;

in each case as determined by the Calculation Agent for the purposes of one or more Facility Agreements;

Micro and Commodity Securities means Micro Securities, Index Securities and Individual Securities and **Micro or Commodity Securities** means any of them;

Micro Classic Securities means, together, Aluminium class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Coffee class undated limited recourse secured debt securities of US\$0.000000500 in principal amount each, Copper class undated limited recourse secured debt securities of US\$0.000000300 in principal amount each, Corn class undated limited recourse secured debt securities of US\$0.00000025 in principal amount each, Cotton class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Crude Oil class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Gasoline class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Gold class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Heating Oil class undated limited recourse secured debt securities of US\$0.00000300 in principal amount each, Lean Hogs class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Live Cattle class undated limited recourse secured debt securities of US\$0.00000200 in principal amount each, Natural Gas class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Nickel class undated limited recourse secured debt securities of US\$0.00000200 in principal amount each, Silver class undated limited recourse secured debt securities of US\$0.00000200 in principal amount each, Soybean Oil class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Soybeans class undated limited recourse secured debt securities of US\$0.00000200 in principal amount each, Sugar class undated limited recourse secured debt

securities of US\$0.00000300 in principal amount each, Wheat class undated limited recourse secured debt securities of US\$0.00000025 in principal amount each and Zinc class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and recorded on the relevant Register of Micro Securities and "**Aluminium Micro Securities**", "**Coffee Micro Securities**", "**Copper Micro Securities**", "**Corn Micro Securities**", "**Cotton Micro Securities**", "**Crude Oil Micro Securities**", "**Gasoline Micro Securities**", "**Gold Micro Securities**", "**Heating Oil Micro Securities**", "**Lean Hogs Micro Securities**", "**Live Cattle Micro Securities**", "**Natural Gas Micro Securities**", "**Nickel Micro Securities**", "**Silver Micro Securities**", "**Soybean Oil Micro Securities**", "**Soybeans Micro Securities**", "**Sugar Micro Securities**", "**Wheat Micro Securities**" and "**Zinc Micro Securities**" shall be construed accordingly;

Micro Forward Securities means, together, Forward Aluminium class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Forward Coffee class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Forward Copper class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Forward Corn class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Forward Cotton class undated limited recourse secured debt securities of US\$0.00000050 in principal amount each, Forward Crude Oil class undated limited recourse secured debt securities of US\$0.00000800 in principal amount each, Forward Gasoline class undated limited recourse secured debt securities of US\$0.00000800 in principal amount each, Forward Gold class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Forward Heating Oil class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Forward Lean Hogs class undated limited recourse secured debt securities of US\$0.00000300 in principal amount each, Forward Live Cattle class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, Forward Natural Gas class undated limited recourse secured debt securities of US\$0.00000300 in principal amount each, Forward Nickel class undated limited recourse secured debt securities of US\$0.00000500 in principal amount each, Forward Silver class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, Forward Soybean Oil class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Forward Soybeans class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each, Forward Sugar class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, Forward Wheat class undated limited recourse secured debt securities of US\$0.00000100 in principal amount each and Forward Zinc class undated limited recourse secured debt securities of US\$0.00000150 in principal amount each, in each case of the Issuer, created pursuant to and constituted by the Trust Instrument and recorded on the relevant Register of Micro Securities and "**Aluminium Micro Forward Securities**", "**Coffee Micro Forward Securities**", "**Copper Micro Forward Securities**", "**Corn Micro Forward Securities**", "**Cotton Micro Forward Securities**", "**Crude Oil Micro Forward Securities**", "**Gasoline Micro Forward Securities**", "**Gold Micro Forward Securities**", "**Heating Oil Micro Forward Securities**", "**Lean Hogs Micro Forward Securities**", "**Live Cattle Micro Forward Securities**", "**Natural Gas Micro Forward Securities**", "**Nickel Micro Forward Securities**", "**Silver Micro Forward Securities**", "**Soybean Oil Micro Forward Securities**", "**Soybeans Micro Forward Securities**", "**Sugar Micro Forward Securities**", "**Wheat Micro Forward Securities**" and "**Zinc Micro Forward Securities**" shall be construed accordingly;

Micro Securities means the Micro Classic Securities and the Micro Forward Securities;

Month means calendar month;

Multiplier means, with respect to each class of Commodity Contract, the number determined in accordance with Condition 6;

New York Business Day means a day (other than a Saturday or a Sunday) on which banks are open for the transaction of general business in New York;

Next Future means for each Individual Commodity Index and each Trading Day, the particular futures contract which is the "Next Future" (as defined in the Handbook) for that Individual Commodity Index on that Trading Day;

Notice Deadline means, on a General Trading Day, the earlier of 2.30 p.m. or such other time determined by the Issuer as the Notice Deadline in respect of a particular General Trading Day or generally;

Notifiable Weights means, in relation to a category of Index Securities:

- (a) For a Required Rebalancing, (i) if the Relevant DJ-AIG Commodity Index is the DJ-AIGCISM, the CIPs as published by Dow Jones to be used in rebalancing of the DJ-AIGCISM at the time of the Rebalancing, and (ii) if the Relevant DJ-AIG Commodity Index is the DJ-AIGCI-F3SM, the effective percentage weights of the constituent commodities in the DJ-AIGCI-F3SM derived by the Calculation Agent for the purposes of that Required Rebalancing from such CIPs using the Settlement Prices by reference to which the DJ-AIGCI-F3SM is determined on the Rebalancing Calculation Date with respect to that Required Rebalancing; and
- (b) For a Voluntary Rebalancing, the ECIPs for the Relevant DJ-AIG Commodity Index at the end of the first General Trading Day following the last Hedge Roll Day of the relevant Month, except where the Commodity Contract Counterparty has given notice under its Facility Agreement in which case the Notifiable Weights shall be the ECIPs for the Relevant DJ-AIG Commodity Index at the end of the fourth General Trading Day of the relevant Month (or, if that day is not a Full Pricing Day, the first prior Full Pricing Day),

in each case expressed as a percentage and adjusted by the Commodity Contract Counterparty if necessary to sum to precisely 100 per cent.;

Official List means the official list maintained by the UK Listing Authority for the purpose of Part VI of FSMA;

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

- (a) Micro or Commodity Securities which have been redeemed and cancelled pursuant to the Trust Instrument; and
- (b) Micro or Commodity Securities which have been purchased and cancelled pursuant to the Trust Instrument;

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

Pool means a separate fund or pool to which Micro Securities of a particular class (and Commodity Securities to the extent that they are comprised of that class of Micro Securities) are attributable;

Pool Factor means at any time in respect of any Pool and the Micro Securities and Individual Securities/and Index Securities to the extent that they comprise Micro Securities of that class) attributable to that Pool fee number determined as at that time in accordance with Conditions 5.4 and 20.3;

Price means:

- (a) for a Micro Security or a class of Micro Securities, the price determined in accordance with Condition 5; and
- (b) for a Commodity Security or type of Commodity Securities, the sum of the Prices of each and every Micro Security comprised in that Commodity Security or that type of Commodity Securities;

and **Pricing** (other than when used in the terms Pricing Date and Pricing Day) shall be construed accordingly;

Pricing Date means:

- (a) in the case of an Agreed Redemption Form, the day upon which that form is deemed to have been received by the Issuer; or
- (b) in the case of a Settlement Redemption Form in relation to an Individual Security or a Micro Security, the Pricing Day upon which the Redemption Amount is determined; or
- (c) in the case of a Settlement Redemption Form in relation to an Index Security, the Pricing Date determined in accordance with Condition 8.11;

Pricing Day means, for each class of Micro Securities, a Trading Day for the Individual Commodity Index applicable to that class of Micro Securities that is not a Market Disruption Day for that Individual Commodity Index (other than a Market Disruption Day for which a substitute value for that Individual Commodity Index is determined by the Calculation Agent in accordance with the provisions of the Facility Agreements);

Pricing Notice means a Redemption Form or a Withdrawal Notice;

Principal Amount means in respect of each Micro or Commodity Security the amount specified in clause 2 of the Trust Instrument, as may be adjusted in respect of Index Securities in accordance with the Trust Instrument;

Programme means the programme for the issuance of Commodity Securities;

Prohibited Benefit Plan Investor means any "employee benefit plan" within the meaning of section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), subject to Part 4 of Title I of ERISA as amended any "plan" to which section 4975(e)(1) of the United States Internal Revenue Code of 1986, (the "Code") applies or any entity whose underlying assets include "plan assets" of any of the foregoing by reason of an employee benefit plan's or other plan's investment in such entity, which employee benefit plan, plan or entity is subject to Title I of ERISA or section 4975 of the Code or any United States Federal, state, or local law that is substantially similar to the prohibited transaction provisions of section 406 of ERISA or section 4975 of the Code; or any person who holds Commodity Securities for the benefit of such an employee benefit plan, plan or entity;

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

properly authenticated dematerialised instruction shall bear the meaning given to it in the Regulations;

Property to be Assigned means with respect to each Authorised Participant Agreement and each Commodity Contract Counterparty:

- (a) all of the right, title, interest and benefit of the Issuer, existing now or in the future, in, to, under or in respect of the Authorised Participant Agreement as it applies as a separate agreement in relation to that Commodity Contract Counterparty in accordance with its terms; and
- (b) all other rights, moneys and property whatsoever which may from time to time at any time be derived from or accrue with the respect to the Authorised Participant Agreement as it so applies including:
 - (i) all of the Issuer's rights to receive payment of any amounts which may become payable to it pursuant to the Authorised Participant Agreement or with respect to such Authorised Participant Agreement as it so applies;
 - (ii) all amounts due, payable and properly received by the Issuer pursuant to the Authorised Participant Agreement;
 - (iii) all the Issuer's rights to serve notices and/or make demands pursuant to such Authorised Participant Agreement as it so applies and/or to take such steps as are required to cause payments to become due and payable thereunder or with respect to such Authorised Participant Agreement as it so applies;
 - (iv) all of the Issuer's rights of action in respect of any breach of such Authorised Participant Agreement as it so applies; and
 - (v) all of the Issuer's rights to receive damages or obtain other relief in respect of such Authorised Participant Agreement as it so applies;

Qualified Purchaser means a "qualified purchaser" as defined under the Investment Company Act;

Rebalancing means an adjustment to the number (and if applicable classes) of Micro Securities comprised in an Index Security and the Principal Amount of an Index Security, in accordance with Condition 14;

Rebalancing Calculation Date means, for a Required Rebalancing and for an Extended Voluntary Rebalancing, the fourth General Trading Day of the Month in which the Rebalancing is to be effected (or, if that day is not a Full Pricing Day, the first prior Full Pricing Day); and for any other Voluntary Rebalancing, the first General Trading Day following the last Hedge Roll Day of the relevant Month;

Redemption means the redemption of Micro and Commodity Securities by the Issuer in accordance with these Conditions (and **Redeem** shall be construed accordingly);

Redemption Account means a bank account to receive payments of the Redemption Amount in respect of the Redemption of Commodity Contracts (and matching Commodity Securities or Micro Securities), which account shall be:

- (a) For an Authorised Participant, the bank account notified in writing by the Authorised Participant to the Issuer, each Commodity Contract Counterparty and the Trustee from time to time;
- (b) For a Compulsory Redemption or where there are no Authorised Participants, the bank account of the Issuer secured for the benefit of the Security Holders or of the Trustee for the benefit of such Security Holders; and
- (c) Otherwise, the bank account specified in the Redemption Form;

Redemption Amount means the amount payable by the Issuer to the Security Holder upon the Redemption of Micro and Commodity Securities, as may be reduced for any withholdings or deductions for or on account of tax as set out in Condition 10.5;

Redemption Fee means the fee payable by a Security Holder upon Redemption of Micro and Commodity Securities in accordance with Condition 11;

Redemption Form means an Agreed Redemption Form or a Settlement Redemption Form in the form prescribed from time to time by the Issuer and in accordance with these Conditions, as the case may be;

Redemption Limits means the limits on Redemption set out in Condition 8.7;

Redemption Payment Date means:

- (a) in the case of a Redemption pursuant to a Settlement Redemption Form, the third London Business Day following the Pricing Date of that Redemption; *provided that* if that day is not a New York Business Day then the Redemption Payment Date shall be on the next following Business Day; or
- (b) in the case of a Redemption pursuant to an Agreed Redemption Form, the London Business Day specified for such payment in that form; *provided that* the date so specified shall be not earlier than one London Business Day following the day upon which that form was deemed to have been received by the Issuer; or
- (c) in the case of a Redemption in accordance with a Listing Failure, the third London Business Day following the relevant Listing Failure Date; *provided that* if that day is not a New York Business Day then the Redemption Payment Date shall be the next following Business Day, or such other Business Day as may be agreed by the relevant Commodity Contract Counterparty and the Authorised Participant who submitted the relevant Redemption Form; or
- (d) in the case of a Redemption following the nomination of a Compulsory Redemption Date, the London Business Day which is the third London Business Day following the last Pricing Day on which the Price of Micro and Commodity Securities being Redeemed was determined in accordance with these Conditions; *provided that* if that day is not a New York Business Day then the Redemption Payment Date shall be the next following Business Day;

Registers means the registers of Security Holders of each type kept and maintained by the Registrar and "**Register**" shall be construed accordingly. At the date of the Trust Instrument there are 48 Registers, one for each of the 48 different types of Micro and Commodity Securities currently envisaged to be created pursuant to the Trust Instrument;

Registrar means Computershare Investor Services (Channel Islands) Limited or such other person as may be appointed by the Issuer from time to time to maintain the Registers, to receive and process applications for Micro and Commodity Securities, to receive and process applications for Redemptions of Micro and Commodity Securities and receive and process applications for exchanges of Commodity Securities for Micro Securities and vice versa;

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

Relevant DJ-AIG Commodity Index means in the case of Classic Commodity Contracts and Classic Micro and Commodity Securities, the DJ-AIGCISM and in the case of Forward Commodity Contracts and Forward Micro and Commodity Securities the DJ-AIGCI-F3SM;

Relevant Exchange means, for each Individual Commodity Index, the futures exchange on which is traded the futures contract by reference to the prices of which that Individual Commodity Index is calculated;

Required Rebalancing means, with respect to an Index Security, a Rebalancing necessitated by and carried out in conjunction with a rebalancing of the Relevant DJ-AIG Commodity Index;

Required Security Document means, with respect to an Authorised Participant Agreement and a Commodity Contract Counterparty, each security that the relevant Commodity Contract Counterparty requires the Issuer to execute over the Property to be Assigned in favour of the relevant Commodity Contract Counterparty as security for the Secured Obligations (which may include, but shall not be limited to, a Security Assignment), having regard to the jurisdiction of incorporation of the Authorised Participant (or proposed Authorised Participant) or of the branch through which such person is acting for the purposes of such Authorised Participant Agreement (as the case may be);

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

Secured Obligations means:

- (a) all present and future obligations (which, for the avoidance of doubt, are all limited recourse obligations) of the Issuer to the relevant Commodity Contract Counterparty on account of Creation Amounts and interest thereon; and
- (b) all losses, damages, legal and other costs, charges and expenses sustained, suffered or incurred by the relevant Commodity Contract Counterparty arising out of or in connection with any act, matter or thing done or omitted to be done by the Issuer under the Facility Agreement or the Security Assignment or any other Required Security Documents.

Secured Property means (in respect of Micro Securities of any class and of Commodity Securities to the extent that the amount payable on Redemption of such Commodity Securities is calculated by reference to Micro Securities of the corresponding class) all rights of the Issuer under the corresponding Facility Agreement(s), Commodity Contracts and any Guarantee to the extent that they apply to payments due in respect of Micro and Commodity Securities of that type, or any part thereof, and which are subject to the security created in favour of the Trustee pursuant to the applicable Security Deed;

Securities Act means the Securities Act of 1933 of the USA;

Security Assignment means, in respect of each Authorised Participant Agreement and each Commodity Contract Counterparty, the Security Assignment pertaining to that Authorised Participant Agreement as it applies in relation to that Commodity Contract Counterparty entered into between the Issuer and the relevant Commodity Contract Counterparty and securing the Secured Obligations of the Issuer to that Commodity Contract Counterparty;

Security Conditions means, with respect to a proposed Authorised Participant and a Commodity Contract Counterparty, that (a) each Required Security Document with respect to the relevant Authorised Participant Agreement and Commodity Contract Counterparty has been duly executed by the Issuer, (b) notice (duly executed by the Issuer) of each such Required Security Document has been duly given by the Issuer to such proposed Authorised Participant and (c) such proposed Authorised Participant has executed an acknowledgement of such notice in favour of the relevant Commodity Contract Counterparty;

Security Deed means in respect of each Pool and the corresponding class of Commodity Contracts, the security deed entered into between the Issuer and the Trustee pertaining to that Pool in the case of the Pools corresponding to Micro Classic Securities dated 21 September 2006 and in the case of the Pools corresponding to Micro Forward Securities dated 17 September 2007;

Security Holder means a registered holder of Micro or Commodity Securities;

Settlement Failure means, in respect of a Redemption where the Security Holder has delivered the Micro and Commodity Securities to the Issuer (via the CREST system or another method agreed with the Issuer), a failure by the Issuer to pay or to procure the payment of the whole of a Redemption Amount into the relevant Redemption Account on a Redemption Payment Date;

Settlement Failure Date means, in relation to a Settlement Failure, the date on which such Settlement Failure occurred;

Settlement Price means, in relation to any Pricing Day and a futures contract traded on a Relevant Exchange, the official settlement price of the Relevant Exchange for such day in relation to such futures contract as determined in accordance with the regulations of the Relevant Exchange;

Settlement Pricing has the meaning given in Condition 8.1(a);

Settlement Redemption Form means a notice in the form prescribed from time to time by the Issuer for requesting Redemption of Micro and Commodity Securities using Settlement Pricing;

Strategy means each of the two groups of Micro and Commodity Securities constituted by these Conditions, being Classic Micro and Commodity Securities and Forward Micro and Commodity Securities and **Strategies** will be construed accordingly;

Target Number means the targeted number of Micro Securities in each category of Index Security following a Rebalancing, calculated as set out in Condition 10;

Trading Day means, for each Individual Commodity Index, a day on which the Relevant Exchange for that Individual Commodity Index is open for trading during its regular trading session, notwithstanding such Relevant Exchange closing prior to its scheduled closing time;

Trustee means The Law Debenture Trust Corporation p.l.c. of Fifth Floor, 100 Wood Street, London EC2V 7EX, England and any replacement trustee under the Trust Instrument;

Trustee Consent Documents means each Facility Agreement (but excluding the schedules to that Facility Agreement, save schedules 11 and 12, and excluding clause 7.14 of that Facility Agreement), Commodity Contracts created thereunder and the Guarantees;

Trust Instrument means the trust instrument dated 21 September 2006, between the Issuer and the Trustee as supplemented by a supplemental trust instrument between the Issuer and the Trustee dated 17 September 2007 constituting Micro and Commodity Securities;

type means, in relation to Micro Securities and Individual Securities, a class thereof and, in relation to Index Securities, the category thereof;

UK means the United Kingdom of Great Britain and Northern Ireland;

UK Listing Authority means the FSA in its capacity as the competent authority for the purposes of Part VI of the FSMA;

Unacceptable Authorised Participant means in respect of a Commodity Contract Counterparty, an Authorised Participant in respect of which a notice has been given (and not withdrawn) under that Commodity Contract Counterparty's Facility Agreement that such Authorised Participant is to be treated as an Unacceptable Authorised Participant in respect of that Commodity Contract Counterparty;

Uncertificated Form means recorded on a Register as being held in uncertificated form, title to which, by virtue of the Regulations, may be transferred by means of CREST;

Uncertificated Notice of Meeting means a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of CREST;

US Dollars or **US\$** means the lawful currency of the USA;

US Person means a "US person" as defined in Regulation S under the Securities Act;

USA means the United States of America;

Value means, in relation to a Micro Security and a day, the Price of a Commodity Contract of the same class as that Micro Security on that same day;

Voluntary Rebalancing means a Rebalancing other than a Required Rebalancing; and

Weights means the proportionate target weightings of each commodity represented in an Index Security used in carrying out a Rebalancing, established as set out in Condition 14.7 and expressed as a percentage.

- 1.2 The following rules shall apply to the interpretation of these Conditions unless the context otherwise requires:
- (a) Headings to Conditions, paragraphs, and other provisions of these Conditions are inserted for ease of reference only and shall not affect the interpretation of these Conditions.
 - (b) Any reference to a person or persons includes reference to any individual, corporation, partnership, joint venture, association, public body, governmental authority or other entity.
 - (c) Words in the singular shall also include the plural and vice versa.
 - (d) Any reference to these Conditions or to any agreement or document includes a reference to these Conditions, or, as the case may be, such agreement or document, as amended, varied, novated, supplemented or replaced from time to time.
 - (e) Unless otherwise indicated, any reference in these Conditions to a time is a reference to local time in London, England.

2. STATUS OF MICRO AND COMMODITY SECURITIES

- 2.1 Micro and Commodity Securities constitute undated limited recourse secured debt obligations of the Issuer secured as set out in Condition 3. The Micro and Commodity Securities of each type rank *pari passu* among themselves.
- 2.2 Each Individual Security and each Index Security constitutes a separate security from the Micro Securities by reference to which the amount payable on Redemption of that Individual Security or Index Security is calculated and for which they may be surrendered in accordance with the provisions of the Trust Instrument.
- 2.3 The amount payable upon Redemption of an Individual Security of a particular class is equal to the aggregate amount which would be payable on the Redemption of one million Micro Securities of that same class. Each Individual Security may be surrendered in accordance with the provisions of the Trust Instrument in exchange for such Micro Securities.
- 2.4 The amount payable upon Redemption of an Index Security is equal to the aggregate amounts which would be payable on the Redemption of a defined number of Micro Securities of various classes as set out in the table in the Trust Instrument (subject to Rebalancing). Each Index Security may be surrendered in accordance with the provisions of the Trust Instrument in exchange for such Micro Securities (subject to Rebalancing).
- 2.5 A Security Holder holding:
- (a) Commodity Securities in Certificated Form may surrender the certificates for cancellation and receive certificates in respect of the Micro Securities comprised in such Commodity Securities; or
 - (b) Micro Securities in Certificated Form of the appropriate classes and in at least the appropriate numbers of each class may surrender the certificates for cancellation and receive certificates for such number of Commodity Securities of any class or classes requested by him as are comprised of the Micro Securities represented by such surrendered certificates as he requested to be combined in the form of such Commodity Securities and one or more Certificates in respect of the balance of the Micro Securities not so combined in the form of Commodity Securities,
- in each case in accordance with the provisions of the Trust Instrument.
- 2.6 The Issuer shall at all times publish on the Issuer's Website:
- (a) the classes of Micro Securities and corresponding Individual Securities which are in issue or available to be issued; and
 - (b) the categories of Index Securities which are in issue or available to be issued, and the number and classes of Micro Securities which at that time are comprised in each category of Index Securities.

3. SECURITY AND LIMITED RECOURSE

- 3.1 The obligations of the Issuer in respect of each class of Micro Securities (and any type of Commodity Securities to the extent that the amount payable on Redemption of such Commodity Securities is calculated by reference to Micro Securities of that class) are secured pursuant to the Security Deed applicable to that class by a first ranking floating charge in favour of the Trustee for the Security Holders over, and by an assignment by way of security of, all the Issuer's rights in relation to the Secured Property of that class.
- 3.2 The Trustee and the Security Holders of any class of Micro Securities (and any type of Commodity Securities if and to the extent that the amount payable on Redemption of such Commodity Securities is calculated by reference to Micro Securities of that class) shall have recourse only to sums derived from the Secured Property relating to the relevant Pool. If, the Trustee (or any other secured party) having realised the same, the net proceeds are insufficient for the Issuer to make all payments which, but for the effect of this Condition, would then be due, the obligations of the Issuer will be limited to such net proceeds of realisation, neither the Trustee nor any person acting on its behalf shall be entitled to take any further steps against the Issuer to recover any further sums and no debt shall be owed by the Issuer to any such person in respect of any such further sum. In particular, neither the Trustee nor any Security Holder shall be entitled to institute, nor join with any other person in bringing, instituting or joining, any bankruptcy, suspension of payments, moratorium of any indebtedness, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding or other proceeding under any similar law (whether court based or otherwise) (except for the appointment of a receiver and manager pursuant to the relevant Security Deed) for two years (or, if later, the longest suspense period, preference period or similar period (howsoever described) ending with the onset of insolvency in respect of which transactions entered into by the Issuer within such period may be subject to challenge under applicable insolvency or other proceeding) plus one day after the date on which all amounts payable under the last outstanding security of any class issued by the Issuer and constituted by the Trust Instrument are repaid in relation to the Issuer, nor shall they have any claim in respect of any sum arising in respect of the Secured Property for any other Pool or any other assets of the Issuer.

4. FORM AND TRANSFER

- 4.1 Micro and Commodity Securities are in registered form and are individually transferable.
- 4.2 Micro and Commodity Securities may be held and transferred in Uncertificated Form by means of CREST in accordance with the Regulations. The Trustee may, without the consent of Security Holders, concur with the Issuer in making modifications to the provisions of the Trust Instrument in order to reflect changes in the Regulations or in the applicable law and practice relating to the holding or transfer of Micro and Commodity Securities in Uncertificated Form. A Security Holder may request that his Micro or Commodity Securities be held in Certificated Form, in which case such Micro or Commodity Securities shall be removed from CREST.
- 4.3 The Issuer shall at all times keep at its registered office, or at such other place in Jersey as the Trustee may agree, registers showing the date of issue and all subsequent transfers and changes of ownership of all outstanding Micro Securities, Index Securities and Individual Securities and the names and addresses of the Security Holders and the persons deriving title under them. The Trustee and the Security Holders or any of them and any person authorised by any such person shall be at liberty at all reasonable times during office hours to inspect the Registers and to take (free of charge) copies of, or extracts from, the same or any part thereof. In the event of the Trustee requiring to convene a meeting of or to give any notice to, the Security Holders the Issuer shall furnish the Trustee (free of charge) with such copies of, or extracts from, the Registers as it shall require. The Registers may be closed by the Issuer for such periods and at such times (not exceeding in the whole 30 days in any one year) as it may think fit.
- 4.4 The Issuer, the Trustee and, to the extent relevant, each Security Holder, by accepting a Micro or Commodity Security, agrees to treat the Micro and Commodity Securities as equity interests in the Issuer for all U.S. federal tax purposes.

5. PRICE OF MICRO SECURITIES

- 5.1 The Price for a Micro Security of a particular class for a Pricing Day is the amount determined for that class by the following formula (calculated to thirteen places of decimals with 0.0000000000005 rounded upwards):

$$P_{(i,t)} = I_{(i,t)} \times M_{(i,t)} \times PF_{(i,t)} / 10,000,000;$$

where:

- i refers to the relevant class of Micro Securities;
- t refers to the applicable Pricing Day;
- $P_{(i,t)}$ is the Price of Micro Securities of class i and for day t;
- $I_{(i,t)}$ is the closing settlement price level of the Individual Commodity Index applicable to Micro Securities of class i for day t; and
- $M_{(i,t)}$ is the Multiplier for class i and for day t.
- $PF_{(i,t)}$ is the Pool Factor applicable to the relevant class of Micro Security on day t.

- 5.2 The Price for a Micro Security on any day other than a Pricing Day is the same as the Price for that class of Micro Security on the most recent Pricing Day for that class (but using the Multiplier determined for that day rather than the Multiplier for the most recent Pricing Day).
- 5.3 The Price of a Commodity Security is the sum of the Prices of each and every Micro Security comprised in that Commodity Security.
- 5.4 The Pool Factor for each Pool and the Micro Securities and Individual Securities (and Index Securities to the extent that they comprise Micro Securities of that class) attributable to that Pool shall be 1.000000 unless and until otherwise determined for that Pool and such Micro Securities and Individual Securities (and Index Securities to such extent) in accordance with Condition 20.3.

6. MULTIPLIER

- 6.1 The Multiplier for Micro Classic Securities was 1.0000000 on the day on which the first Classic Micro or Commodity Securities (of any type) were issued. The Multiplier for Micro Forward Securities will be 1.0000000 on the day on which the first Forward Micro or Commodity Securities (of any type) are issued.
- 6.2 On every subsequent day, the Multiplier for Micro Securities shall be adjusted in accordance with the following formula (calculated to seven places of decimals with 0.00000005 rounded upwards):

$$M_{(i,t)} = M_{(i,t-1)} \times (1 + CA_{(i,t)});$$

where:

- i refers to the relevant class of Micro Securities;
- t refers to the applicable day;
- $M_{(i,t)}$ is the Multiplier for class i and day t;
- $M_{(i,t-1)}$ is the Multiplier for class i the previous day t-1; and
- $CA_{(i,t)}$ is the Capital Adjustment applicable for class i on day t, expressed as a decimal.

- 6.3 The Issuer shall announce and publish on the Issuer's Website the Multiplier applicable from time to time.

7. CAPITAL ADJUSTMENT

- 7.1 The calculation of the Price at which Micro and Commodity Securities may be Redeemed includes the Capital Adjustment for each day on which the Price is calculated. The Capital Adjustment shall be as agreed from time to time between the Commodity Contract Counterparties and the Issuer, and shall be included in the calculation of the Multiplier.

8. REDEMPTION OF MICRO AND COMMODITY SECURITIES BY SECURITY HOLDERS

Redemption Entitlement

- 8.1 Each Micro Security of a particular class carries the right on Redemption to payment of either:
 - (a) the higher of (i) the Principal Amount for that class, and (ii) the Price of that Micro Security on the applicable Pricing Day determined in accordance with Condition 5.1 (*Settlement Pricing*); or
 - (b) where applicable, an amount determined by agreement between a Commodity Contract Counterparty and a Security Holder which is an Authorised Participant in accordance with Condition 8.15 (*Agreed Pricing*).

- 8.2 Subject as otherwise provided in these conditions, each Commodity Security of a particular type carries the right on Redemption to payment of the aggregate amounts payable on Redemption for all Micro Securities of which it is comprised, such amounts determined in accordance with Condition 8.1.

Redemption by Authorised Participants

- 8.3 A Security Holder who is also an Authorised Participant may (subject as provided herein) require the Issuer to Redeem all or part of its holding of Micro and Commodity Securities by lodging with the Registrar a Redemption Form specifying either Settlement Pricing or Agreed Pricing provided that if at any time a Redemption Amount is due to be paid by the Issuer in respect of a Redemption to a particular Authorised Participant, the amount payable by the Issuer may be discharged in whole or in part pursuant to the set-off provisions set out in the Authorised Participant Agreement. A Settlement Redemption Form may in addition be deemed to have been lodged by an Authorised Participant with the Registrar on a Listing Failure Date in the circumstances further described in the applicable Authorised Participant Agreement.

Redemption by Other Security Holders

- 8.4 A Security Holder which is not also an Authorised Participant may only require the Issuer to Redeem all or any part of its holdings of Micro and Commodity Securities if, on any General Trading Day, there are no Authorised Participants, and the Security Holder submits on such day a valid Settlement Redemption Form.

Redemption Amount

- 8.5 The Redemption Amount with respect to a Redemption shall be the amount (in US Dollars) determined as follows:
- (a) If the Redemption is effected using Settlement Pricing, an amount equal to the sum of the amounts determined in accordance with Condition 8.1 or 8.2 in respect of all of the Micro or Commodity Securities thereby Redeemed; or
 - (b) If the Redemption is effected using Agreed Pricing, the amount specified as the Redemption Amount in the Agreed Redemption Form.
- 8.6 The Issuer shall on the Redemption Payment Date in respect of any Redemption pay (or procure the payment of) the Redemption Amount in respect of that Redemption into the applicable Redemption Account.

Redemption Limits

- 8.7 Micro Securities of a particular class (and any type of Commodity Securities to the extent that the amount payable on Redemption of such Commodity Securities is calculated by reference to Micro Securities of that class) may not be Redeemed on a day pursuant to a Settlement Redemption Form:
- (a) submitted by any Security Holder (including any Authorised Participant), to the extent that the sum of the Prices of all Micro Securities of that class (and any type of Commodity Securities to the extent that the amount payable on Redemption of such Commodity Securities is calculated by reference to Micro Securities of that class) which are Redeemed on that day would exceed the sum of the Commodity Contract Counterparty Redemption Limits for that class of Micro Securities on that day (such limit being the **Redemption Limit** for that class of Micro Securities); or
 - (b) submitted by any Authorised Participant, to the extent that the sum of the Prices of all Micro Securities of that class (and any type of Commodity Securities to the extent that the amount payable on Redemption of such Commodity Securities is calculated by reference to Micro Securities of that class) which are Redeemed on that day pursuant to Settlement Redemption Forms submitted by that Authorised Participant would exceed the sum of the Commodity Contract Counterparty Redemption Limits for that class of Micro Securities on that day in respect only of those Commodity Contract Counterparties for which that Authorised Participant is an Authorised Participant (such limit being the **Authorised Participant Redemption Limit** for that class of Micro Securities and that Authorised Participant).

For the purposes of this Condition, the **Commodity Contract Counterparty Redemption Limit** with respect to a class of Micro Securities and a Commodity Contract Counterparty is the amount

denominated in USD agreed between the Issuer and that Commodity Contract Counterparty as the redemption limit in respect of the corresponding class of Commodity Contracts (being, in the case of AIG-FP, USD 250,000,000 multiplied by the CIP of the relevant commodity and relevant DJ-AIG Commodity Index on that day in respect of Classic Commodity Contracts and USD 250,000,000 multiplied by the CIP of the relevant commodity and Relevant DJ-AIG Commodity Index on that day in respect of Forward Commodity Contracts).

- 8.8 For the purposes of the Redemption Limits, Redemption Forms will be dealt with in order of their actual receipt by the Issuer and, for the purpose of this Condition, Condition 8.12 shall be disregarded.

Settlement Pricing

8.9 A Settlement Redemption Form shall be invalid:

- (a) if it does not specify a number and type of Micro or Commodity Securities to be Redeemed;
- (b) if it relates to the Redemption of: (i) more than one type of Micro or Commodity Security (other than by operation of Condition 8.11(c)(i)) or (ii) both Commodity Securities and Micro Securities;
- (c) for a Settlement Redemption Form lodged by an Authorised Participant, if it is received by the Issuer at any time other than between 8.00 a.m. and 6.30 p.m. on an Issuer Business Day;
- (d) if it does not specify the Redemption Account into which the Redemption Amount shall be payable;
- (e) to the extent that the number of Micro or Commodity Securities of that type or in aggregate to be Redeemed would result in a Redemption Limit being exceeded, and the relevant Commodity Contract Counterparty does (or Commodity Contract Counterparties do) not agree to that Redemption Limit being exceeded (in which event such Settlement Redemption Form will not be capable of being invalidated under this Condition 8.9(e) in respect of the greatest number of Micro or Commodity Securities of the relevant type or types that would not result in the Redemption Limit being exceeded);
- (f) if the Settlement Redemption Form is submitted by an Authorised Participant, and the number of Micro or Commodity Securities of that type or in aggregate to be Redeemed would result in an Authorised Participant Redemption Limit being exceeded (in which event such Settlement Redemption Form shall not be capable of being invalidated under this Condition 8.9(f) in respect of the greatest number of Micro or Commodity Securities of the relevant type that would not result in the Authorised Participant Redemption Limit being exceeded);
- (g) where notice of a Compulsory Redemption Date has been given in accordance with Conditions 9.1 or 9.2, if the Settlement Redemption Form is received or deemed received on or after: (i) where notice has been given other than in accordance with Condition 9.1 or 9.2 (save, in the latter case, as a result of a Commodity Contract Counterparty Downgrade), the Compulsory Redemption Date or (ii) where notice has been given in any other case under Condition 9.2, the date on which notice of the Compulsory Redemption Date was given;
- (h) if it relates to the Redemption of Individual Securities, and it is received or deemed received on or after the Compulsory Redemption Date in respect of that class of Individual Securities, of which notice has been given in accordance with Condition 9.5; or
- (i) if it relates to the Redemption of Micro and Commodity Securities that are the subject of a Listing Failure;

and, save as provided in Condition 8.9(e), no Micro and Commodity Securities of the relevant type shall be Redeemed in respect of or under that Settlement Redemption Form.

- 8.10 If the Issuer considers that a purported Settlement Redemption Form is invalid, it shall notify the Security Holder giving that Settlement Redemption Form of that fact as soon as reasonably possible. The Issuer shall not be obliged to Redeem pursuant to a Settlement Redemption Form any Micro or Commodity Securities where the relevant Commodity Contract Counterparty has not confirmed a corresponding Commodity Contract Termination in accordance with the provisions of the relevant Facility Agreement.

8.11 If a Settlement Redemption Form is deemed received by the Issuer prior to the Notice Deadline on an Issuer Business Day (**Day 1**):

- (a) if Day 1 is a Pricing Day for all types of Micro and Commodity Securities to be Redeemed pursuant to that Settlement Redemption Form, all those Micro and Commodity Securities will be Priced on Day 1 (and that day shall be the Relevant Pricing Day and the Pricing Date for each such type of Micro and Commodity Securities);
- (b) if Day 1 is not a Pricing Date for any type of Micro or Commodity Security to be Redeemed pursuant to that Settlement Redemption Form:
 - (i) the Security Holder may by written notice to the Issuer, sent before the Notice Deadline on the next succeeding Issuer Business Day, cancel the Settlement Redemption Form; and where such a Withdrawal Notice is given no Micro and Commodity Securities shall be Redeemed in respect of or under that Settlement Redemption Form; and
 - (ii) if no notice is issued under Condition 8.11(b)(i) then the Settlement Redemption Form will be deemed received on the next Issuer Business Day (and no Pricing of Micro and Commodity Securities for that Settlement Redemption Form shall occur before then) and that Issuer Business Day will then constitute Day 1 for the Settlement Redemption Form and this Condition 8.11 shall apply thereto accordingly;
- (c) If Day 1 is a Pricing Day for one or more classes of Micro Security comprised in an Index Security that is to be Redeemed pursuant to that Settlement Redemption Form, the Micro Securities so comprised for which it is a Pricing Day will be Priced on that day (and that day shall be the Relevant Pricing Day for those Micro Securities) and the other classes will be Priced on the next Pricing Day for each such class (and the day on which each such other class is Priced shall be the Relevant Pricing Day for that class) provided that if not all types of Micro Securities comprised in an Index Security that is to be Redeemed have been Priced at the end of the fourth General Trading Day following Day 1 then:
 - (i) the Redemption of the Index Security shall be effected in accordance with Condition 10.7;
 - (ii) the Issuer will be deemed to have received from the relevant Security Holder a Settlement Redemption Form in respect of the Micro Securities to be delivered to the Security Holder by the Issuer pursuant to Condition 10.7 (such deemed Settlement Redemption Form a **Micro Securities Settlement Redemption Form**);
 - (iii) the Security Holder may by written notice to the Issuer, sent before the Notice Deadline on the next succeeding Issuer Business Day, cancel the Micro Securities Settlement Redemption Form, and where such notice is given no Micro Securities shall be Redeemed in respect thereof;
 - (iv) if no notice is given under Condition 8.11(c)(ii), the Micro Securities Settlement Redemption Form will be deemed received on the next Issuer Business Day and that Issuer Business Day will then constitute Day 1 for Micro Securities Settlement Redemption Form and this Condition 8 shall apply thereto accordingly; and
- (d) where Condition 8.11(c) applies, the Pricing Date in respect of the deemed Settlement Redemption Notice relating to the Priced Securities will be the last Trading Day on which any class of Micro Security comprised in that Index Security is Priced, *provided that* if the proviso in Condition 8.11(c)(i) applies, the Pricing Date for that Index Security will be the fourth General Trading Day following Day 1 (whether or not any Micro Securities comprised in that Index Security are Priced on that day).

8.12 A Settlement Redemption Form which is received by the Issuer on an Issuer Business Day after the Notice Deadline but prior to 6.30 p.m. shall be deemed to be received by the Issuer at 8.00 a.m. on the following Issuer Business Day, unless the Issuer agrees to treat that Settlement Redemption Form as having been received prior to the Notice Deadline in which case it shall be deemed to have been received by the Issuer prior to the Notice Deadline.

8.13 Within one Business Day after the last Pricing Date in respect of any Settlement Redemption Form, the Issuer shall notify the relevant Security Holder of the Redemption Amount payable in respect of that Settlement Redemption Form, determined as provided above.

- 8.14 The Issuer may change or vary the procedures for the lodgement of Settlement Pricing Forms and these Conditions shall be modified in respect of Redemptions using Settlement Pricing to the extent of any such agreement.

Agreed Pricing

- 8.15 A Commodity Contract Counterparty and an Authorised Participant may submit an Agreed Redemption Form to the Issuer (either jointly, or in separate notices). An Agreed Redemption Form is conclusive evidence that the Commodity Contract Counterparty and the Authorised Participant have agreed upon the Redemption by the Issuer of a number and type of Micro or Commodity Securities specified in the notice(s), and the US Dollar amount which is the Redemption Amount for those Micro or Commodity Securities.
- 8.16 If a Commodity Contract Counterparty and an Authorised Participant purport to send an Agreed Redemption Form by separate notices:
- (a) which are inconsistent with one another in relation to any of the items referred to in Condition 8.18(a), 8.18(b) or 8.18(c); or
 - (b) one of which is invalid under Condition 8.18,
- those notices shall not constitute a valid Agreed Redemption Form and the Issuer shall reject the notices and advise that Commodity Contract Counterparty and that Authorised Participant accordingly.
- 8.17 Where an Agreed Redemption Form is submitted by separate notices from the Authorised Participant and a Commodity Contract Counterparty, the Issuer shall be deemed to have received the Agreed Redemption Form at the time that it is deemed to receive the second of the two notices.
- 8.18 An Agreed Redemption Form shall be invalid if it does not set out:
- (a) the number and type of Micro and Commodity Securities to be Redeemed;
 - (b) the Redemption Amount for that Redemption (stated as a total amount); and
 - (c) the Redemption Payment Date for that Redemption, which shall be not earlier than two London Business Days following the day on which the Agreed Redemption Form is deemed received by the Issuer.

9. COMPULSORY REDEMPTION BY THE ISSUER OR TRUSTEE

Compulsory Redemption on Termination

- 9.1 The Issuer may at any time (upon not less than seven days' notice in the case of (a) below and not less than thirty days' notice in the case of (b) below) by RIS announcement nominate an Issuer Business Day to be a Compulsory Redemption Date for all Micro and Commodity Securities, or all Micro or Commodity Securities of any one or more type, if:
- (a) notice is given by either party thereto terminating a Facility Agreement or nominating a compulsory pricing date thereunder in respect of all Commodity Contracts created thereunder; or
 - (b) the Issuer elects to Redeem all Micro and Commodity Securities, or all Micro or Commodity Securities of any one or more type.
- 9.2 If a Counterparty Event of Default, a Commodity Contract Counterparty Downgrade or an Issuer Insolvency Event has occurred and is continuing, the Trustee may at any time, at its discretion, and shall if so directed in writing by Security Holders holding not less than 25 per cent. by Price (as at the date of the last signature) of the affected Micro and Commodity Securities (as a whole) then outstanding or by an Extraordinary Resolution of the Security Holders holding affected Micro and Commodity Securities (as a single class), the Trustee having first been indemnified and/or secured to its satisfaction, give notice to the Issuer that all the affected Micro and Commodity Securities outstanding are required to be Redeemed and nominating an Issuer Business Day falling not less than 20 Issuer Business Days (or two Issuer Business Days in the case of an Issuer Insolvency Event) from the giving of such notice to be a Compulsory Redemption Date and for this purpose "affected Micro and Commodity Securities" means, in the context of an Issuer Insolvency Event, all of them, and in the context of a Counterparty Insolvency Event or a Commodity Contract Counterparty Downgrade, those Micro and Commodity Securities that are attributable to the Pool or Pools which include rights against that particular Commodity Contract Counterparty.

- 9.3 If a Compulsory Redemption Date is nominated by the Issuer pursuant to Condition 9.1(a) in relation to any Micro or Commodity Securities following notice having been given by the Issuer to terminate a Facility Agreement or to nominate a compulsory pricing date thereunder by reason of a Counterparty Event of Default, and prior to the Compulsory Redemption Date, the Issuer has determined to divide a Pool to which outstanding Commodity Contracts created under that Facility Agreement are attributable by allocating all such Commodity Contracts to the New Pool in accordance with Condition 20.3, the redemption pursuant to this Condition shall not apply to the Micro or Commodity Securities attributable to that Pool but shall apply (*mutatis mutandis*) to the New Micro Securities, New Individual Securities and New Index Securities attributable to such new Pool and otherwise on the basis of this Condition 9.
- 9.4 If a Facility Agreement has been terminated, or notice of a compulsory pricing date thereunder by reason of a Counterparty Event of Default, then no further Redemption Notices in respect of Micro or Commodity Securities attributable to a Pool to which outstanding Commodity Contracts created under that Facility Agreement are attributable, given on or after the date of such termination shall be effective unless and until the Issuer has determined to divide such Pool as referred to in Condition 9.2 and such division has become effective.

Compulsory Redemption due to Index Disruption

- 9.5 The Issuer may at any time (upon not less than thirty days' notice) by RIS announcement nominate an Issuer Business Day to be a Compulsory Redemption Date for all Micro Securities of a particular class (or Commodity Securities which are comprised (in whole or in part) of that class of Micro Securities) if:
- (a) an Individual Commodity Index which relates to that class of Micro Securities is no longer calculated and published in accordance with the Handbook and the Calculation Agent gives notice to the Issuer under a Facility Agreement of its intent to discontinue calculation and notification of that Individual Commodity Index to the Issuer under that Facility Agreement; or
 - (b) non-calculation or non-publication of an Individual Commodity Index which relates to that class of Micro Securities for any reason continues for a continuous period of thirty days, and a Commodity Contract Counterparty and the Issuer are unable to reach agreement on a permanent replacement mechanism or amendments to the relevant Facility Agreement to give effect to that mechanism.

Compulsory Redemption due to Hedging Disruption

- 9.6 The Issuer may at any time (upon not less than thirty days' notice) by RIS announcement nominate an Issuer Business Day to be a Compulsory Redemption Date for a particular class of Micro Securities (or type of Commodity Securities which are comprised (in whole or in part) of that class of Micro Securities), and the number of such Micro Securities (and the number(s) and type(s) of such Commodity Securities), if as a consequence of a Hedging Disruption Event a Commodity Contract Counterparty or any of its Affiliates is required by law or by the order of a regulatory authority having jurisdiction to close hedging positions (if any) which a Commodity Contract Counterparty (acting reasonably) attributes to the hedging of its obligations in connection with the relevant Facility Agreement or Commodity Contracts of the same class. Any such notice may specify a number of Micro or Commodity Securities (which may not be all of those Micro or Commodity Securities) to be redeemed in consequence of such notice and if in relation to any particular type of Micro or Commodity Securities the Issuer does not redeem all the outstanding Micro or Commodity Securities they will be redeemed in accordance with Condition 9.11 *pro rata* to holdings on the relevant Register as at the Compulsory Redemption Date.

Compulsory Redemption for cause

- 9.7 The Issuer may, in its absolute discretion, at any time by written notice to a Security Holder nominate an Issuer Business Day (being not less than seven Trading Days and not more than fourteen Trading Days following the date of the notice) to be a Compulsory Redemption Date in respect of Micro and Commodity Securities held by that Security Holder, if:
- (a) the Issuer required the Security Holder in accordance with Condition 15 to certify whether or not it is a Prohibited Benefit Plan Investor and (i) the Security Holder did not by the date specified in the notice given under Condition 15 provide such a certification to the Issuer in

the form and executed in the manner required or (ii) the Security Holder certified that it is a Prohibited Benefit Plan Investor; or

- (b) the Issuer required the Security Holder in accordance with Condition 15 to certify whether or not it is a Prohibited US Person and the (i) Security Holder did not by the date specified in the notice given under Condition 15 provide such a certification to the Issuer in the form and executed in the manner required or (ii) the Security Holder certified that it is a Prohibited US Person; or
- (c) the Issuer considers (in its sole discretion) (a) that such Micro and Commodity Securities are or may be owned or held directly or beneficially by any person in breach of any law or requirement of any country or by virtue of which such person is not qualified to own those Micro and Commodity Securities, or (b) that the ownership or holding or continued ownership or holding of those Micro and Commodity Securities (whether on its own or in conjunction with any other circumstance appearing to the Issuer to be relevant) would, in the reasonable opinion of the Issuer, cause a pecuniary or tax disadvantage to the Issuer or any other Security Holders which it or they might not otherwise have suffered or incurred,

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

- 9.8 If a Security Holder which is the subject of a notice under Condition 9.7 provides to the Issuer prior to the Notice Deadline proof required by the Issuer that its Micro and Commodity Securities have been transferred to a person that is not a Prohibited Benefit Plan Investor or a Prohibited US Person, then the Micro and Commodity Securities referred to in that notice shall not be redeemed under these Conditions.
- 9.9 If a Security Holder which is the subject of a notice under Condition 9.7 does not provide to the Issuer prior to the Notice Deadline proof required by the Issuer that its Micro and Commodity Securities have been transferred to a person that is not a Prohibited Benefit Plan Investor or a Prohibited US Person, then the Micro and Commodity Securities referred to in that notice shall not be capable of being transferred by that Security Holder and the Issuer shall not be required to register any purported transfer of those Micro and Commodity Securities.
- 9.10 The Issuer shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Condition 9. The exercise of the powers conferred by this Condition 9 shall not be questioned or invalidated in any case on the grounds that there was insufficient evidence of direct or beneficial ownership or holding of the Micro and Commodity Securities, or any other grounds save that such powers shall have been exercised in good faith.

Compulsory Redemptions

- 9.11 Where a Compulsory Redemption Date is notified in accordance with these Conditions other than pursuant to Condition 9.9, in respect thereof:
 - (a) the Issuer shall, no later than 8.00 a.m. on the Compulsory Redemption Date, by RIS announcement publish the Compulsory Daily Pricing Number of Micro and Commodity Securities of each relevant type to be priced on successive Pricing Days for each class commencing on the Compulsory Redemption Date;
 - (b) on the Compulsory Redemption Date and on any required succeeding Pricing Day the applicable Compulsory Number Priced for each type of Micro or Commodity Securities to which the Compulsory Redemption Date relates shall be priced until Micro and Commodity Securities of that type (including, in the case of a Compulsory Redemption Date notified in accordance with Condition 9.6, all those Micro or Commodity Securities that have previously been deducted from the Compulsory Daily Pricing Number for that type pursuant to the proviso contained in the definition of "Compulsory Number Priced" in connection with that Compulsory Pricing Date) in a number equal to the Compulsory Redemption Number for that type have been Priced;
 - (c) on the Redemption Payment Date for such Compulsory Redemption the Issuer shall (subject to the Security Holder depositing the Micro and Commodity Securities in question

into an appropriate CREST account or otherwise delivering such Micro and Commodity Securities to the Issuer by agreement with the Issuer) pay into the appropriate Redemption Account(s) the sum of the Prices of all Micro and Commodity Securities thereby Priced together with an amount equivalent to interest thereon calculated at the rate of the Capital Adjustment then prevailing, in each case from the third London Business Day following the Pricing Day on which that Price was determined (provided that if that day is not a New York Business Day then on the next following Business Day) until and including the Redemption Payment Date;

- (d) each Redemption Account shall be credited with the relevant Security Holder's *pro-rata* share of the sum of the Prices of all Micro and Commodity Securities thereby Priced (and the Issuer shall be under no obligation to make payment of the amount so Priced until that amount shall have been determined); and
- (e) upon payment in full of that amount all such Micro and Commodity Securities which were so priced shall be cancelled.

9.12 Where a Compulsory Redemption Date is notified to a Security Holder in accordance with Condition 9.7:

- (a) on the Compulsory Redemption Date and on any required succeeding Pricing Day the applicable Compulsory Number Priced of each type of Micro or Commodity Securities shall be priced until Micro and Commodity Securities of that type in a number equal to the Compulsory Redemption Number for that type have been Priced; and
- (b) within three Business Days of the Redemption Payment Date for such Compulsory Redemption the Issuer shall (subject to the Security Holder depositing the Micro and Commodity Securities in question into an appropriate CREST account or otherwise delivering such Micro and Commodity Securities to the Issuer in such manner as may be agreed by the Issuer or otherwise all such Micro or Commodity securities being cancelled to the satisfaction of the Issuer) pay into the appropriate Redemption Account(s) the Redemption Amount.

10. SETTLEMENT OF REDEMPTION AMOUNTS

10.1 Where a Redemption Form has been given for the Redemption of Micro or Commodity Securities, the Security Holder which holds those Micro or Commodity Securities which are the subject of that Redemption must deposit the Micro and Commodity Securities in question into an appropriate CREST account and give correct delivery versus payment instructions in accordance with the Redemption Notice if they were in Uncertificated Form, or otherwise deliver the Micro and Commodity Securities to be Redeemed and any certificates representing them to the Issuer in such manner as the Issuer may agree if they are in Certificated Form. Once a valid Redemption Form is given in respect of Micro and Commodity Securities, unless the Redemption Form is validly withdrawn (in accordance with Condition 8.11) the Micro and Commodity Securities in respect of which it was given may not be transferred by the Security Holder (except to the Issuer), and the Issuer may refuse to recognise any subsequent transfer of any of those Micro or Commodity Securities.

10.2 Failure by a Security Holder to deposit those Micro and Commodity Securities into an appropriate CREST account and give correct delivery versus payment instructions shall not invalidate the Redemption of those Micro and Commodity Securities. Where settlement of a Redemption of Micro and Commodity Securities is delayed due to the failure of the Security Holder to deposit the Micro and Commodity Securities in question into an appropriate CREST account or give correct delivery versus payment instructions or otherwise deliver such Micro and Commodity Securities and any certificates representing them in a manner agreed by the Issuer, the Security Holder shall not be entitled to any interest on the Redemption Amount after the Redemption Payment Date. If the Security Holder fails to deliver such Micro and Commodity Securities to the Issuer (via the CREST system or another method agreed with the Issuer), the Issuer shall be entitled to pay the Redemption Amount in respect thereof into the Trustee's Redemption Account (to be held on trust for the Security Holder), and to cancel the entry in the Register in respect of those Micro and Commodity Securities.

10.3 Where Micro or Commodity Securities are Redeemed in accordance with Condition 9, the Issuer shall be entitled, upon payment of the Redemption Amount (less the Redemption Fee, if

applicable) into the applicable Redemption Account to cancel the entry in the Register in respect of those Micro and Commodity Securities being Redeemed.

- 10.4 Save to the extent that the proviso to Condition 8.3 applies, payment of the Redemption Amount (less any applicable Redemption Fee deducted under Condition 11) into the applicable Redemption Account on the Redemption Payment Date is in full satisfaction of all liability which the Issuer has to Security Holders in respect of the Micro and Commodity Securities which have been Redeemed.
- 10.5 The Issuer may, at any time, notify a Security Holder that a Commodity Contract Counterparty may have to withhold or deduct from a payment for a Commodity Contract Termination that corresponds to any Redemption by that Security Holder an amount for or on account of, any present or future taxes, duties assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction or any political sub-division thereof or any authority thereof having power to tax, as required by law (as modified by the practice of any relevant governmental revenue authority) then in effect and such notice shall specify any form or document to be delivered by beneficial owners of Micro or Commodity Securities that may allow the Commodity Contract Counterparty to make such payment without any such withholding or deduction or with such withholding or deduction at a reduced rate. If such forms or documents are not provided to the Issuer and the relevant Commodity Contract Counterparty by the relevant Security Holder or if it is not the beneficial owner of Micro or Commodity Securities held by such Security Holder and which are to be redeemed, such beneficial owner, then any such payment will be reduced (and the matching obligation of the Issuer to pay any Redemption Amount to that Security Holder will also be reduced) by the amount of the withholding or deduction.
- 10.6 The Redemption of Micro or Commodity Securities by the Issuer pursuant to the occurrence of a Listing Failure, and delivery of Micro or Commodity Securities by an Authorised Participant in connection therewith, shall be effected in accordance with the procedures set out in the applicable Authorised Participant Agreement.
- 10.7 If the proviso in Condition 8.11(c) applies with respect to an Index Security, then on the Redemption Payment Date for that Index Security the Issuer shall Redeem the Index Security:
- (a) to the extent that it is comprised of Micro Securities which have been Priced at the end of the fourth General Trading Day following Day 1 (**Priced Securities**), by payment into the relevant Redemption Account of an amount equal to the Redemption Amount that would have been determined for that Index Security if it had been comprised of the Priced Securities only; and
 - (b) to the extent that it is comprised of Micro Securities still not priced at the end of the fourth General Trading Day following Day 1 (**Delayed Securities**), by delivering to the relevant Security Holder Micro Securities of the same classes and in the same number as such Delayed Securities,

and otherwise in accordance with this Condition 10. The Issuer may give such directions to the Security Holder as appear to the Issuer to be necessary to enable the settlement of any payment or delivery to be made by it pursuant to this Condition.

11. REDEMPTION FEE

- 11.1 Subject as provided below, it is a condition to the performance by the Issuer of the obligation to Redeem Micro and Commodity Securities that the Issuer may deduct the Redemption Fee from the Redemption Amount and that if it does not the Security Holder of such Micro and Commodity Securities shall pay to the Issuer the Redemption Fee in respect of such Redemption in accordance with this Condition 11. The Issuer may offset the amount of the Redemption Fee payable hereunder against the Redemption Amount payable to the Security Holder.
- 11.2 On a Redemption of Micro and Commodity Securities at the request of an Authorised Participant, the Redemption Fee shall be the amount agreed in the relevant Authorised Participant Agreement to be payable, or such other amount as may be agreed by the Issuer and that Authorised Participant at the time of the Redemption, regardless of the number of Micro and Commodity Securities being redeemed.
- 11.3 On a Redemption of Micro and Commodity Securities at the request of a Security Holder who is not an Authorised Participant (where there are no Authorised Participants), the Redemption Fee shall be an amount equal to the cost to the Issuer of satisfying such Redemption request, which

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

- 11.4 On a Compulsory Redemption of Micro and Commodity Securities by the Issuer or at the request of the Trustee, the Redemption Fee shall be an amount equal to the cost to the Issuer incurred in relation to the Redemption, including the costs of enquiries under Condition 15 and the cost of giving notices under Condition 9 being not greater than £500 or such other amount as may be notified through a RIS. The Issuer shall notify Security Holders whose Micro and Commodity Securities are subject to Compulsory Redemption of the amount of those costs, and their allocation to particular Security Holders, at the time of the Redemption.
- 11.5 The Issuer may set off any amount payable to the Issuer in accordance with this Condition 11 by the holder of Micro and Commodity Securities in respect of the Redemption Fee against the Redemption Amount payable by the Issuer to such holder.

12. INTEREST ON SETTLEMENT FAILURE

- 12.1 Following the occurrence of a Settlement Failure, interest shall accrue on any balance of the Redemption Amount not paid or otherwise discharged by or on behalf of the Issuer from the Settlement Failure Date. Such interest shall:
- (a) accrue at the Funding Rate from and including the Settlement Failure Date to but excluding the date falling three Business Days after the Settlement Failure Date, and thereafter at the Default Rate; and
 - (b) cease to accrue on the date on which such balance is paid into the relevant Redemption Account.

13. SATISFACTION OF REDEMPTION FORMS BY TRANSFER

- 13.1 The Issuer may in its absolute discretion elect to satisfy Redemption Forms by transfer of the appropriate number of Micro and Commodity Securities to one or more Authorised Participant(s) from Security Holder(s) seeking Redemption, and for that purpose the Issuer may authorise any person on behalf of the Security Holder to execute one or more instruments of transfer in respect of the relevant number(s) of Micro and Commodity Securities provided that the amount payable to the Security Holder shall still be an amount equal to the relevant Redemption Amount (less the Redemption Fee) and the relevant Redemption Payment Day will be the date of the transfer(s).

14. REBALANCING OF INDEX SECURITIES

- 14.1 The rights of an Index Security shall be adjusted from time to time, so that the numbers and classes of Micro Securities comprised in such Index Securities and the Principal Amount of such Index Securities shall be adjusted as provided in this Condition 14 (a **Rebalancing**).
- 14.2 A Rebalancing will take place whenever the DJ-AIG Commodity Indices are rebalanced (a **Required Rebalancing**), and may at the election of the Issuer take place on other occasions if the Issuer considers in good faith a Rebalancing to be desirable to help reduce tracking error with the DJ-AIG Commodity Indices or any of their sub-indices (a **Voluntary Rebalancing**).
- 14.3 A Rebalancing shall not create, issue, redeem or cancel any Micro and Commodity Securities and no payment shall be made to a Security Holder in respect of any Rebalancing.
- 14.4 The Issuer covenants under the Trust Instrument that it shall procure that, in conjunction with each Rebalancing of Index Securities, the number of Commodity Contracts of each class in existence (and possibly, in the case of a Required Rebalancing, classes of Commodity Contracts) in existence will be adjusted to correspond with the number and classes of Micro and Commodity Securities in existence immediately following the Rebalancing.
- 14.5 If there is to be a change in the classes of Micro Securities that are comprised in a category of Index Securities following a Required Rebalancing, the Issuer shall notify the holders of those Index Securities of the change not less than fifteen days prior to the Rebalancing Calculation Date. The classes so notified may include new classes of Micro Securities representing new commodities the prices of which are to be included in the calculation of the DJ-AIG Commodity Indices following the Rebalancing. In the absence of a notification there shall be no change to the classes of Micro Securities which are comprised in category of Index Securities.
- 14.6 The Issuer shall notify holders of Index Securities of a Voluntary Rebalancing not less than 10 days prior to the expected Rebalancing Calculation Date of that Rebalancing, at the same time

notifying them of the month in which that Voluntary Rebalancing is to be effected and whether the Voluntary Rebalancing is to be an Extended Voluntary Rebalancing.

14.7 The Weights to be used in a Rebalancing shall be as follows:

- (a) The Weights for the ETFS All Commodities DJ-AIGCISM Index Securities and the ETFS Forward All Commodities DJ-AIGCI-F3SM Index Securities shall be the same as the Notifiable Weights of the Relevant DJ-AIG Commodity Index notified by the Commodity Contract Counterparty in accordance with the Facility Agreement; and
- (b) The Weights for each other category of Index Securities shall be the Weights determined in accordance with paragraph (a) above (excluding those Weights of commodities which are not represented in that category of Index Security), re-weighted proportionally so that the sum of the Weights of the commodities represented in that Index Security equals exactly 100 per cent.

14.8 The Issuer shall notify the holders, by way of RIS announcement, of each category of Index Securities of the Weights used in the Rebalancing of the Index Securities following their calculation.

14.9 On a Rebalancing Calculation Date, the Target Number of Micro Securities comprised in each Index Security of a particular category following a Rebalancing shall be calculated by applying the following formula to each class of Micro Securities to be comprised in that category of Index Securities:

$$MST_{(i,j)} = VSum_{(j,T)} \times Weight_{(i,j,T)} / P_{(i,T)}$$

where:

- T refers to the Rebalancing Calculation Date;
- i refers to the relevant class of Micro Securities;
- j refers to the relevant category of Index Securities;
- MST_(i,j) is the Target Number of Micro Securities of class i to be comprised in each Index Security of category j following the Rebalancing;
- VSum_(j,T) is the sum of the Values of each and every Micro Security comprised in an Index Security of category j on the Rebalancing Calculation Date provided that if that day is a Market Disruption Day for any Individual Commodity Index, a substitute value for such index calculated by the Calculation Agent for the purposes of the Facility Agreement shall be used instead;
- Weight_(i,j,T) is the applicable Weight for Micro Securities of class i in Index Securities of category j, on the Rebalancing Calculation Date, determined in accordance with Condition 14.7, expressed as a decimal (so that 1 per cent. is expressed as 0.01); and
- P_(i,T) is the Price of Micro Securities of class i, on the Rebalancing Calculation Date provided that if that day is a Market Disruption Day for any Individual Commodity Index, a substitute value for such index calculated by the Calculation Agent for the purposes of the Facility Agreement shall be used instead.

14.10 For a Required Rebalancing and an Extended Voluntary Rebalancing, the number of Micro Securities of each class comprised in each Index Security of a particular category will be adjusted as follows:

- (a) Where the number of Micro Securities comprised in a category of Index Securities is being reduced (because the Target Number of Micro Securities of that class for the category of Index Security in question, determined in accordance with Condition 14.9, is less than the number of Micro Securities of that class comprised in each Index Security of that category prior to the Rebalancing), at the commencement of each day (day t) following each of the first "N" (as defined below) Hedge Roll Days the reduction in number of Micro Securities of each such class, in relation to that category of Index Securities, shall be:

$$MSDR_{(i,j,t)} = (MSB_{(i,j)} - MST_{(i,j)}) / N$$

where:

- i refers to the relevant class of Micro Securities;
- t refers to day t;

- j refers to the relevant category of Index Securities;
- $MSDR_{(i,j,t)}$ is the number of Micro Securities of class i reduced on day t;
- $MSB_{(i,j)}$ is the number of Micro Securities of class i before the Rebalancing;
- $MST_{(i,j)}$ is the Target Number of Micro Securities of class i, determined in accordance with Condition 14.9; and
- N is five, or such other number of days scheduled for the Rebalancing (assuming no Market Disruption Days);

provided however that if the Hedge Roll Day is not a Pricing Day for a class of Individual Commodity Index, " $MSDR_{(i,j,t)}$ " for that class of Micro Security shall be zero on day t and on the day following the next Pricing Day for that class of Individual Commodity Index that number of Micro Securities will be reduced in addition to any other reduction to occur on such day.

- (b) Where the number of Micro Securities comprised in a category of Index Securities is being increased or established (because the Target Number of Micro Securities of that class for the category of Index Security in question, determined in accordance with Condition 14.9, is greater than the number of Micro Securities of that class comprised, or that class was not comprised, in each Index Security of that category prior to the Rebalancing), at the commencement of each day (day t) on which there is a reduction in Micro Securities pursuant to Condition 14.10(a), the increase in number of Micro Securities of each such class, in relation to that category of Index Securities, shall be:

$$MSDI_{(i,j,t)} = VPTI_{(i,j,T)} \times VMSDR_{(j,t)} / P_{(i,t-1)}$$

where:

- i refers to the relevant class of Micro Securities;
- t refers to day t;
- j refers to the relevant category of Index Securities;
- $MSDI_{(i,j,t)}$ is the increase in the number of Micro Securities of class i on day t;
- $VPTI_{(i,j,T)}$ is the Value, on the Rebalancing Calculation Date, of the Micro Securities of class i to be increased during the Rebalancing expressed as a percentage of the Value of all Micro Securities comprised in Index Securities of category j to be increased during the Rebalancing;
- $VMSDR_{(j,t)}$ is the Value, on the Pricing Day immediately prior to day t, of all Micro Securities comprised in Index Securities of category j reduced on day t in accordance with Condition 14.10(a); and
- $P_{(i,t-1)}$ is the Price of Micro Securities of class i, on the Pricing Day immediately prior to day t;

provided however if the day prior to day t is not a Pricing Day for a class of Individual Commodity Index, " $MSDI_{(i,j,t)}$ " for that class of Micro Security shall be zero on day t and shall be recalculated (by changing only $P_{(i,t-1)}$) on the day following the next Pricing Day for that class of Individual Commodity Index and that recalculated number of Micro Securities will be increased in addition to any other increase to occur on such day.

- (c) Micro Securities required to be removed from an Index Security in accordance with Condition 14.10(a) shall thereupon, without further action by the Security Holder, be converted into the Micro Securities required to be added in accordance with Condition 14.10(b).

14.11 For a Voluntary Rebalancing other than an Extended Voluntary Rebalancing, at the commencement of the day following the Rebalancing Calculation Date each class of Micro Securities comprised in each category of Index Securities in existence will be adjusted in accordance with Condition 14.10 except that N shall be 1 and day t shall be the first General Trading Day following the Rebalancing Calculation Date.

14.12A Commodity Contract Counterparty and the Issuer may agree refinements to the Rebalancing mechanisms set out above from time to time, without the consent of the Trustee. Subject to the same provisos to Condition 30.2(d), the Rebalancing mechanisms set out above shall be amended in the manner agreed in writing by the Commodity Contract Counterparty and the Issuer and notified to Security Holders in an RIS announcement.

14.13 No money shall be payable by the Issuer to Security Holders, or by Security Holders to the Issuer, in respect a Rebalancing.

15. ENQUIRIES AS TO STATUS OF SECURITY HOLDERS

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

- (a) to certify, no later than the date (the *Investor Notice Expiry Date*) falling fifteen Trading Days following the date on which the Issuer sends or transmits such requirement to that Security Holder whether that Security Holder is a Prohibited US Person or a Prohibited Benefit Plan Investor (and if that Security Holder is a Prohibited Benefit Plan Investor or Prohibited US Person, to notify the Issuer of the number and type of Micro and Commodity Securities in respect of which it is a Prohibited Benefit Plan Investor or Prohibited US Person); and
- (b) if that Security Holder asserts that it is not a Prohibited US Person or not a Prohibited Benefit Plan Investor (or not a Prohibited Benefit Plan investor or not a Prohibited US Person in respect of all Micro and Commodity Securities held by it), to provide to the Issuer by the Investor Notice Expiry Date a certificate in the form and executed in the manner determined by the Issuer that the Security Holder is not a Prohibited US Person or not a Prohibited Benefit Plan Investor (or not a Prohibited Benefit Plan Investor or not a Prohibited US Person in respect of certain Micro and Commodity Securities held by it, specifying the number and type of Micro and Commodity Securities in respect of which it is, and is not, a Prohibited Benefit Plan Investor or is, and is not, a Prohibited US Person).

15.2 The Issuer may provide to any Commodity Contract Counterparty copies of any enquiries made by it under this Condition 15 and any responses received from the Security Holder.

15.3 The Issuer shall be entitled, save to the extent that it has made enquiry under this Condition 15, to assume that none of the Micro and Commodity Securities are held by Prohibited US Persons or Prohibited Benefit Plan Investors.

16. CALCULATION AGENT

16.1 The Calculation Agent is appointed by the Issuer and each Commodity Contract Counterparty for the purposes of the relevant Facility Agreement (but not for the purposes of these Conditions, the Micro and Commodity Securities or the Trust Instrument) to:

- (a) determine whether a Market Disruption Event exists;
- (b) if an Individual Commodity Index is not published for five or more consecutive Trading Days by reason of those Trading Days being Market Disruption Days in respect of that Individual Commodity Index, to calculate and provide to the Issuer a substitute value for that Individual Commodity Index on each subsequent Trading Day for as long as the Market Disruption Event continues; and
- (c) if an Individual Commodity Index is not published on a Trading Day for any reason other than that Trading Day being a Market Disruption Day in respect of that Individual Commodity Index, to calculate and provide to the Issuer a substitute value for that Individual Commodity Index for that Trading Day and for each subsequent Trading Day for as long as the non-publication continues.

16.2 The Calculation Agent is or will be required under each relevant Facility Agreement (or any calculation agency agreement entered into by it in connection therewith) to act in good faith and in a commercially reasonable manner and in accordance with its obligations set out in that Agreement. Subject thereto, in the absence of manifest error the determinations of the Calculation Agent are final and conclusive.

16.3 Where for the purposes of each Facility Agreement a substitute value for an Individual Commodity Index is calculated by the Calculation Agent for a Trading Day, that substitute value shall be used in the calculation of the Price of Micro Securities to which that Individual Commodity Index is applicable for that Trading Day, in lieu of the Individual Commodity Index.

16.4 If the Issuer provides copies to the Trustee of determinations notified to the Issuer by the Calculation Agent and/or notifies the Trustee (or any other person) of determinations made by the Calculation Agent, but it shall do so on the express basis that:

- (a) such copies and notifications are provided to the Trustee for information purposes only;

- (b) neither the Trustee nor any holder or potential holder of Micro and Commodity Securities shall be entitled to rely as against the Calculation Agent upon any determination of the Calculation Agent; and
- (c) no duty shall be owed by the Calculation Agent to the Trustee or any holder or potential holder of Micro and Commodity Securities in connection with any such determination.

17. ENFORCEMENT

17.1 In addition to any of the powers conferred on the Trustee pursuant to the Security Deed with respect to the Secured Property, the Trustee may at any time:

- (a) after the occurrence of a Defaulted Obligation, at its discretion, and shall, if so directed in writing by the Security Holder to whom such Defaulted Obligation is owed, the Trustee having first been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing, take such proceedings and/or other action as it may think fit against or in relation to the Issuer to enforce any such obligation of the Issuer under the Trust Instrument and the security constituted by the Security Deed(s) in respect of the relevant Micro and Commodity Securities to which such Defaulted Obligation relates;
- (b) if a Counterparty Event of Default and/or a Commodity Contract Counterparty Downgrade and/or an Issuer Insolvency Event has occurred and is continuing, at its discretion, and shall if so directed in writing by Security Holders holding not less than 25 per cent. by Price (as at the date of the last signature or, if no Price was determined on such date the most recently determined Price) of the affected Micro and Commodity Securities (as a whole) then outstanding or by an Extraordinary Resolution of the Security Holders holding affected Micro and Commodity Securities (as a single class), the Trustee having first been indemnified and/or secured to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing, take such proceedings and/or other action as it may think fit against or in relation to the Issuer to enforce any obligations of the Issuer under the Trust Instrument and the security constituted by the Security Deed(s) in respect of all affected and outstanding Micro and Commodity Securities and for this purpose (and Condition 17.3) "affected Micro and Commodity Securities" means, in the context of an Issuer Insolvency Event, all of them, and in the context of a Counterparty Event of Default or a Commodity Contract Counterparty Downgrade, those Micro and Commodity Securities that are attributable to the Pool or Pools which include rights against that particular Commodity Contract Counterparty;

17.2 If the Trustee considers that the Issuer is in material breach of any of the covenants, undertakings and obligations (other than payment obligations) in the Trust Instrument and has not remedied the same within 30 days of being required to do so by the Trustee, the Trustee may, but shall not be obliged to, give notice to all Security Holders of that fact. Prior to giving any such notice, the Trustee shall provide a copy of the proposed notice to the Issuer and shall include with the notice any statement of not more than 1,000 words prepared by the Issuer and provided to the Trustee for the purpose within 7 days of receipt of the copy of the proposed notice referred to herein. In any such notice the Trustee may designate a Period (the **Breach Redemption Period**) commencing on any General Trading Day until the date one month from such General Trading Day (inclusive) during which each Security Holder will be entitled to redeem all (but not some only) of the Micro and Commodity Securities held by it in the same manner as though there were no Authorised Participants. After the expiry of the Breach Redemption Period, the relevant breach shall be deemed waived without prejudice to the right of the Trustee to take action in the event of any subsequent such breach.

17.3 If a Counterparty Event of Default and/or a Commodity Contract Counterparty Downgrade and/or an Issuer Insolvency Event is occurring at the same time as a Defaulted Obligation, a Security Holder holding affected Micro and Commodity Securities to whom a Defaulted Obligation is owed will not be entitled to require the Trustee to take action in accordance with Condition 17.1 until the expiry of 30 days from the occurrence of the Counterparty Event of Default and/or Issuer Insolvency Event, nor shall he be so entitled if, during such period of 30 days, the Trustee has elected, or been required, to take action in accordance with Condition 17.1(a).

17.4 Subject to Condition 17.6, only the Trustee may enforce the provisions of the Trust Instrument or the Security Deeds. Where the Trustee has elected or been directed to enforce the Issuer's obligations under the Trust Instrument and the security constituted by a Security Deed, the right

of Security Holders to lodge a Redemption Form with the Registrar shall cease. Valid Redemption Forms lodged before the date the Trustee announces its intention to enforce the security (the **Election Date**) will be Redeemed in the normal manner. The Price for all Micro and Commodity Securities of a particular type outstanding at the Election Date will be the average Redemption Amount of the remaining Micro or Commodity Securities of that type.

- 17.5 If the Trustee takes any action pursuant to Condition 17.1 with respect to any Micro or Commodity Securities to which a Defaulted Obligation relates, it shall give notice to the Issuer that such Micro and Commodity Securities in respect of which such action is taken are, and they shall become, due and payable at their Redemption Amount, calculated in accordance with Condition 8.1 (Redemption Entitlement).
- 17.6 No Security Holder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing, in which case any such Security Holder will have only such rights against the Issuer as those which the Trustee is entitled to exercise against or in relation to the Issuer.

18. APPLICATION OF MONEYS

- 18.1 All moneys received by the Trustee pursuant to the realisation of Secured Property in respect of a particular class of Micro Securities (and any type of Commodity Securities to the extent that the amount payable on Redemption of such Commodity Securities is calculated by reference to Micro Securities of that class and for which they may be surrendered in accordance with the provisions of the Trust Instrument) shall be held by the Trustee upon trust, to apply them:
- (a) FIRST in payment or satisfaction of all amounts then due to the Trustee and unpaid (including to its attorneys, managers, agents, delegates or other person appointed by the Trustee) under terms of the Trust Instrument, and to payment of any remuneration and expenses of any receiver and the costs of realisation of the security constituted by the relevant Security Deed;
 - (b) SECONDLY in or towards payment or performance *pari passu* and rateably of all amounts then due and unpaid and all obligations due to be performed and unperformed in respect of Micro Securities of that class and any type of Commodity Securities to the extent that they are comprised of Micro Securities of that class; and
 - (c) THIRDLY in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer and any other person).

19. RESTRICTIONS

- 19.1 So long as any Micro and Commodity Securities of a particular type are outstanding, the Issuer covenants in the Trust Instrument, *inter alia*:
- (a) not to incur or permit to subsist in respect of any Pool any indebtedness for borrowed money other than Micro and Commodity Securities or Further Securities, and not to give any guarantee or indemnity in respect of indebtedness of any person, save in each case with the prior written consent of the Trustee;
 - (b) other than as permitted under the applicable Security Deed, not to dispose of any of the Secured Property or any interest therein, or to create any mortgage, pledge, charge, lien, or other form of encumbrance or security interest or right of recourse in respect thereof in favour of any person;
 - (c) not to undertake any business save for the issue and redemption of Micro and Commodity Securities, the acquisition and disposal of Commodity Contracts, entering into the necessary documents and performing its obligations and exercising its rights thereunder;
 - (d) to use reasonable endeavours to ensure that at all times after the date three months following Listing there are at least two Authorised Participants and until then there is at least one Authorised Participant;
 - (e) not to issue any Micro or Commodity Securities of any type unless it has purchased Commodity Contracts with corresponding terms and in an aggregate matching Redemption Amount;
 - (f) not to maintain an office or other fixed place of business, nor to establish any permanent establishment, nor be or become tax resident, in any jurisdiction other than Jersey;

- (g) not to make any election under U.S. federal income tax laws to be treated otherwise than as an association taxable as a corporation for U.S. federal income tax purposes;
- (h) to undertake any business so as to seek to minimise the impact of taxation; and
- (i) to procure that the Pools are at all times maintained in a manner so that they are readily distinguishable from each other.

20. FURTHER SECURITIES; OTHER POOLS; TRANSFERS TO NEW POOLS; CONSOLIDATION AND DIVISION

- 20.1 Subject to its ability to create corresponding Commodity Contracts, the Issuer may (without the consent of the Security Holders) create and issue additional classes of undated limited recourse secured debt securities constituted by an instrument or deed supplemental to this Trust Instrument and may establish additional pools for the purposes of such securities and the Trustee shall join in such instrument or deed and thereupon such pool shall be a "Pool" for the purposes of the Trust Instrument and such securities shall be "Micro Securities" for such purposes, and the Issuer may further create and issue Commodity Securities, the amount payable on Redemption of which is calculated by reference to such Micro Securities in accordance with the Trust Instrument (and for which such Commodity Securities when in Certificated Form may be surrendered in accordance with the provisions of the Trust Instrument). Any such additional classes of Micro Securities shall have recourse only to the Pool attributable to the relevant classes and not to any other Pool. Other such securities created and issued by the Issuer under this Condition 20.1 may relate to different commodities than those in respect of which Individual Securities are initially issued, or involve the same commodities but different Individual Commodity Indices, or be Index Securities involving different combinations of Micro Securities or with different weightings, or involve different pricing mechanisms; *provided that* the Issuer shall only issue constituted by the Trust Instrument other such Micro Securities, Individual Securities and Index Securities the creation and redemption price of which is determined by reference to an Individual Commodity Index or Individual Commodity Indices or any other one or more commodities index or sub-index calculated by AIG-FP in conjunction with Dow Jones and published by Dow Jones. Other such securities created by the Issuer under this Condition 20.1 may be created and issued subject to different terms and conditions in lieu of the Trust Instrument (including but not limited to different pricing mechanisms), to be determined by the Issuer. If other securities issued by the Issuer under this Condition 20.1 are subject to different terms and conditions in lieu of the Trust Instrument the Issuer shall publish those new conditions in its RIS announcement or in a prospectus or listing particulars or supplementary prospectus or supplementary listing particulars and on the Issuer's Website.
- 20.2 The Issuer shall not accept Applications for, or issue, Micro Securities of a new class, or Commodity Securities (the amount payable on Redemption of which is calculated by reference to (and when held in Certificated form may be surrendered in exchange for) Micro Securities of a new class) under Condition 20.1 unless it has first (a) created corresponding Commodity Contracts under the terms of a Facility Agreement and (b) executed and delivered to the Trustee a Security Deed assigning by way of security for the benefit of the Trustee and the relevant Security Holders the contractual rights of the Issuer under each commodity contract of the relevant class and creating a first floating charge for the benefit of the Trustee and the relevant Security Holders over the rights of the Issuer under that facility agreement (to the extent that it relates to such class), commodity contracts of that class created under it and any Guarantee supporting the obligations of the relevant Commodity Contract Counterparty to the Issuer to the extent that they apply to payments due in respect of that new class, for the benefit of the Trustee and the relevant Security Holders.
- 20.3 The Issuer may at any time (without the consent of the Security Holders) determine to divide any Pool (the *Existing Pool*) by allocating some of the Secured Property attributable to that existing Pool to a new Pool (the *New Pool*). If it determines to do so, the following shall apply:
- (a) the Issuer may only transfer all (and not merely some) of the Commodity Contracts with any one Commodity Contract Counterparty attributable to that Pool;
 - (b) prior to or on the transfer becoming effective, the Issuer shall create undated limited recourse secured micro securities (*New Micro Securities*) and undated limited recourse secured individual securities (*New Individual Securities*) of a new class referable to the same Individual Commodity Index and otherwise on the same terms as the Micro

Securities attributable to the Existing Pool (the *Existing Micro Securities*) and the Individual Securities attributable to the Existing Pool (the *Existing Individual Securities*), each having a principal amount determined in accordance with Condition 20.3(d) constituted by an instrument or deed on the same terms (*mutatis mutandis*) as the Trust Instrument (save that there shall be no obligation to procure Listing of the New Micro Securities or the New Individual Securities) and on terms that such New Micro Securities and New Individual Securities shall have recourse only to the assets attributable to the New Pool, and shall issue such New Micro Securities to the Security Holders of the Existing Micro Securities outstanding immediately prior to the transfer becoming effective on the basis of one New Micro Security for each Existing Micro Security then held and such New Individual Securities to the Security Holders of the Existing Individual Securities outstanding immediately prior to the transfer becoming effective on the basis of one New Individual Security for each Existing Individual Security then held. For this purpose any Micro Security or Individual Security in respect of which a Defaulted Obligation has occurred and is continuing shall be treated as outstanding;

- (c) prior to or on the transfer becoming effective, the Issuer shall also create new classes of undated limited recourse secured index securities ("*New Index Securities*"), each on the same terms as the existing categories of Index Securities ("*Existing Index Securities*") which comprise Existing Micro Securities, each having a principal amount determined in accordance with Condition 20.3(d) constituted by an instrument or deed on the same terms (*mutatis mutandis*) as the Trust Instrument (save that there shall be no obligation to procure Listing of the New Index Securities of any category) and on terms that such New Index Securities shall have recourse only to the assets attributable to the New Pools to which they are attributable, such New Index Securities being capable when in Certificated Form of surrender in exchange for the New Micro Securities of which they are comprised (being New Micro Securities corresponding to the Existing Micro Securities of which the Existing Index Securities to which that category of New Index Securities corresponds are comprised) and by reference to which the amount payable on Redemption of such New Index Securities is calculated, and shall issue such New Index Securities to the Security Holders of the Existing Index Securities outstanding immediately prior to the transfer becoming effective on the basis of one New Index Security for each Existing Index Security then held. For this purpose any Index Security in respect of which a Defaulted Obligation has occurred and is continuing shall be treated as outstanding;
- (d) the principal amount and Pool Factor of each New Micro Security and each New Individual Security shall be the proportion of the principal amount and Pool Factor respectively, of each Existing Micro Security and each Existing Individual Security (respectively) outstanding immediately prior to the transfer becoming effective that the aggregate Price of the Commodity Contracts to be transferred bears to the aggregate Price of the Commodity Contracts attributable to the Existing Pool, and on the creation and issue of the New Micro Securities and the New Individual Securities becoming effective the principal amount and Pool Factors of each Existing Micro Security and each Existing Individual Security and the principal amount of each Existing Index Security shall be reduced accordingly and the principal amount of each New Index Security determined accordingly; and
- (e) the Issuer shall enter into a Security Deed with the Trustee in relation to the assets attributable to the New Pool to secure the New Micro Securities and the New Individual Securities (and the New Index Securities to the extent that they comprise New Micro Securities), which shall be on the same terms (*mutatis mutandis*) as the Security Deed (the "*Existing Security Deed*") in relation to the Existing Pool, and the Trustee shall release the property to be transferred from the Existing Security Deed.

20.4 Without prejudice to the foregoing, the Issuer may consolidate or divide all of the Micro or Commodity Securities of any type into Micro or Commodity Securities of the same type but with a proportionately larger or smaller Principal Amount and Multiplier. The Issuer may also consolidate or divide all of the Commodity Securities of any type into Commodity Securities of the same type without adjusting their Multiplier by instead changing the number of Micro Securities of which they are comprised and hence their Principal Amount. Such consolidation or division shall be effected by deed or instrument supplemental to the Trust Instrument.

20.5 Whenever as a result of consolidation of Micro or Commodity Securities a Security Holder would become entitled to a fraction of a Micro or Commodity Security the Issuer will Redeem such fraction of a Micro or Commodity Security.

21. ISSUER'S ABILITY TO PURCHASE MICRO AND COMMODITY SECURITIES

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

22. LISTING

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

23. WAIVER, AUTHORISATION AND DETERMINATION

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

24. EXERCISE OF DISCRETIONS

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

25. PRESCRIPTION

The Trust Instrument does not provide for any prescription periods.

26. REMOVAL, RETIREMENT OR REPLACEMENT OF TRUSTEE

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

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

27. GOVERNING LAW OR JURISDICTION

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

28. TRUSTEE'S LIABILITY

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

29. AMENDMENTS TO CONDITIONS

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

30. AMENDMENTS TO DOCUMENTS

30.1 Pursuant to the Trust Instrument, the Issuer covenants that it will not amend, vary, modify or supplement any of the Trustee Consent Documents without the prior written consent of the Trustee save where, in respect of a Facility Agreement, that amendment is at the election of the relevant Commodity Contract Counterparty to amend the terms of the Facility Agreement to substantially conform that Facility Agreement to another Facility Agreement entered into between the Issuer and another Commodity Contract Counterparty.

30.2 The Issuer may by supplemental agreement or supplemental instrument or deed, as applicable, amend any of the Trustee Consent Documents (in respect of Conditions (a), (d), (h) or (i) below without the consent of the Trustee) save where, in respect of and under the terms of a Facility Agreement, that amendment is automatic or at the election of the relevant Commodity Contract Counterparty, and the Trustee agrees in the Trust Instrument to join in a supplemental agreement or supplemental instrument or deed as applicable accordingly, if one or more of the following applies:

- (a) if the amendment is to substitute as debtor under a Facility Agreement or a Guarantee another person having an Acceptable Credit Rating;
- (b) in the opinion of the Issuer and the Trustee the amendment is necessary or desirable and is not materially prejudicial to the rights of Security Holders;
- (c) in the opinion of the Trustee, the amendment is of a formal, minor or technical nature or to correct a manifest or proven error;
- (d) the amendment is to effect changes to any Rebalancing mechanism provided that:
 - (i) the Calculation Agent has notified the Issuer in accordance with the terms of a Facility Agreement that it has determined that such adjustments would more accurately reflect the position of a hypothetical investor seeking to track one or more of the indices embedded within the Index Securities, in which event CSL shall be entitled to deliver a copy of such notice to the Trustee, or otherwise give notice to the Trustee of the Calculation Agent's determination, but in each case only on the basis set out in Condition 16.4;
 - (ii) the adjustments so agreed have the consequence that at the time of the Rebalancing there is no change to the value of the Index Securities being Rebalanced; and
 - (iii) the adjustments do not take effect until at least 30 days have elapsed after they are announced to Security Holders in an RIS announcement;
- (e) the amendment is to substitute a different forward commodity index for the DJ-AIGCI-F3SM and its sub-indices and consequential changes provided that:
 - (i) the adjustments so agreed have the consequence that at the time of the Rebalancing there is no change to the value of the Index Securities being Rebalanced; and
 - (ii) the adjustments do not take effect until at least 30 days have elapsed after they are announced to Security Holders in an RIS announcement;
- (f) the amendment affects only Index Securities of one or more particular category or categories or the method, process or rights associated with Rebalancing, the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of different categories of Index Securities differently, and the terms of the amendment are authorised

by separate Extraordinary Resolutions of the holders of each category of Index Security affected passed in accordance with the Trust Instrument or in any case by a separate resolution in writing of holders of such category of Index Security affected holding not less than 75 per cent. by Price (as at the date of the last signature or if no Price was determined on that date, the most recently determined Price) of such category;

- (g) Condition (f) above does not apply to the amendment, the amendment affects only Index Securities or the method, process or rights associated with Rebalancing and the terms of the amendment are authorised by an Extraordinary Resolution of the holders of the Index Securities (as a single class) passed in accordance with the Trust Instrument or by a resolution in writing of the holders of the Index Securities holding not less than 75 per cent. by Price (as at the date of the last signature or if no Price was determined on that date, the most recently determined Price) of the Index Securities (as a whole);
- (h) Conditions (f) and (g) above do not apply to the amendment, the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of different types of Micro and Commodity Securities differently and the terms of the amendment are authorised by separate Extraordinary Resolutions of the holders of each type of Micro or Commodity Security affected passed in accordance with the Trust Instrument or in each case by a separate resolution in writing of holders of such type of Micro or Commodity Security affected holding not less than 75 per cent. by Price (as at the date of the last signature or if no Price was determined on that date, the most recently determined Price) of such type, provided that unless the Issuer or the Trustee determines in its discretion that the amendment would affect the holders of Index Securities and/or Individual Securities differently from the holders of the relevant class(es) of Micro Securities, holders of Index Securities and/or Individual Securities shall for this purpose be treated as though they were holders of the Micro Securities by reference to which the amount payable on Redemption of their Index Securities and/or Individual Securities is calculated and not as though they were holders of the Index Securities and/or Individual Securities;
- (i) Conditions (f) and (g) inclusive above do not apply to the amendment and the terms of the amendment are authorised by an Extraordinary Resolution of the Security Holders (as a single class) passed in accordance with the Trust Instrument or by a resolution in writing of Security Holders holding not less than 75 per cent. by Price (as at the date of the last signature or if no Price was determined on that date, the most recently determined Price) of the Micro and Commodity Securities (as a whole); or
- (j) the terms of the amendment are necessary or desirable in the opinion of the Issuer and the Trustee to comply with any statutory or other requirement of law (including as modified or applied in any respect to the Micro and Commodity Securities) or any Listing Rules or to rectify any inconsistency, technical defect, manifest error or ambiguity in the terms of such Document.

30.3 In the case of an amendment to a Facility Agreement or an Authorised Participant Agreement, the amendment may not take effect for at least 30 days (or five Issuer Business Days if the amendment is to be made pursuant to an obligation in the Facility Agreement to negotiate in good faith following notice being given by either party thereto of the occurrence of a Material Adverse Change (as defined therein), following publication of a notice thereof through a RIS and the Issuer shall not agree to any such amendment unless it does not take effect until such period has elapsed.

30.4 The Issuer shall notify all Security Holders of a proposed amendment as referred to in Condition 30.2(b) by publishing a notice on a RIS at least 30 days' prior to such amendment becoming effective.

30.5 A change to the Rebalancing Mechanism under Condition 30.2(d) shall take effect no earlier than 30 days following the determination and will be notified to Security Holders by publishing a notice on a RIS.

30.6 The Issuer shall notify all Security Holders of a proposed amendment as referred to in Conditions 30.2(f) to 30.2(i) (inclusive) by publishing a notice on the RIS as soon as practicable after such amendment is proposed and in any event, upon such amendment becoming effective.

30.7 Notwithstanding any provision to the contrary in this Condition 30 or in any other Document, the power to assent to any modification or amendment to the provision of any Document which

modifies the power to amend such Document shall require a unanimous resolution in writing of holders of the Micro and Commodity Securities of any type then outstanding.

31. NOTICES

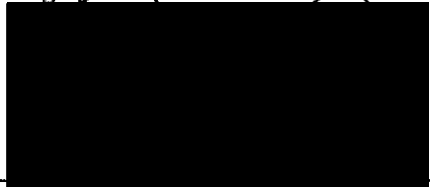
- 31.1 Except as provided below, all notices required or permitted to be given to Security Holders, the Issuer or the Registrar under the Trust Instrument or pursuant to any other Document must be in writing in English.
- 31.2 All notices required or permitted to be given to a Security Holder under the Trust Instrument or pursuant to any other Trustee Consent Document shall be made by publication through a RIS where required under the terms of such document, but otherwise may be given by publication on the Issuer's Website.
- 31.3 All notices required to be given by the Issuer to Security Holders under the Trust Instrument or otherwise shall be given in writing, except to the extent that the notice relates to a meeting of Security Holders where, in relation to any Micro Securities which are held in Uncertificated Form, the directors may from time to time permit notices of Security Holder meetings to be made by means of an electronic communication in the form of an Uncertificated Notice of Meeting in such form and subject to such terms and conditions as may from time to time be prescribed by the directors (subject always to facilities and requirements of CREST) and may in similar manner permit supplements, or amendments, to any such Uncertificated Notice of Meeting to be made by like means.
- 31.4 Any Pricing Notice shall be sent by fax to the Issuer's primary fax number, as follows:
Fax: [REDACTED]
or such other fax number as may be published on the Issuer's Website, and confirmed by email to the following email address:
Email: [REDACTED]
- 31.5 Any Pricing Notice shall be deemed to have been received upon sending, subject to confirmation of uninterrupted and error-free transmission by a transmission report.
- 31.6 Any General Notice to be given to the Issuer shall be sent to the Issuer's primary fax number set out above or delivered by hand, sent by prepaid recorded delivery or registered post (or registered airmail in the case of an address outside the United Kingdom), to the following address:
Name: ETFS Commodity Securities Limited
Address: Ordnance House, 31 Pier Road
St. Helier, Jersey JE4 8PW
Channel Islands
Attention: Graeme Ross
Fax number: [REDACTED]
or such other address as may be published for the Issuer on the Issuer's Website.
- 31.7 Any General Notice shall, in the absence of earlier receipt, be deemed to have been received as follows:
(a) if delivered by hand, at the time of actual delivery; or
(b) if sent by prepaid recorded delivery or registered post (or registered airmail in the case of an address outside the United Kingdom), on the date it is delivered or its delivery is attempted.

32. PAYMENT PROVISIONS

- 32.1 All monies payable by the Issuer in respect of Micro and Commodity Securities shall be paid in US Dollars in full cleared and immediately available funds.
- 32.2 All monies payable by the Issuer on the Redemption of any Micro and Commodity Securities (including, without limitation, any interest payable under Condition 11.2) shall be paid in full, free and clear of and without any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction or any political subdivision thereof or any authority thereof having power to tax, unless such deduction or withholding is required by law to which the person making the payment is subject.
- 32.3 Where a day on which a payment would otherwise be due and payable is not a Business Day, such payment shall be due and payable by the payer on the next following Business Day."

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

EXECUTED AND DELIVERED as a DEED by)
ETFs COMMODITY SECURITIES LIMITED)
acting by)



Director

EXECUTED AND DELIVERED as a DEED by)
THE LAW DEBENTURE)
TRUST CORPORATION p.l.c)
acting by)

Director

Director/Secretary

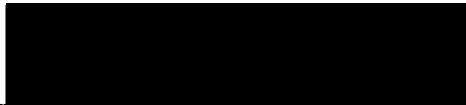
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IN WITNESS WHEREOF this Supplemental Trust Instrument has been executed as a deed on the date first above stated.

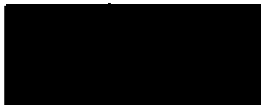
EXECUTED AND DELIVERED as a DEED by)
ETFs COMMODITY SECURITIES LIMITED)
acting by)

Director

EXECUTED AND DELIVERED as a DEED by)
THE LAW DEBENTURE)
TRUST CORPORATION p.l.c)
acting by)



Director



Director/Secretary

14617792
Representing Law Debenture Corporate Services Ltd