

AVVISO n.11169

18 Giugno 2007

ETFplus – ETC

Mittente del comunicato : Borsa Italiana
Societa' oggetto dell'Avviso : ETFS Metal Securities
Oggetto : ETFplus – segmento ETC – Inizio
negoziazione 5 ETC emessi da ETFS Metal
Securities Ltd

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Denominazione	“ETFS Physical Platinum” “ETFS Physical Palladium” “ETFS Physical Silver” “ETFS Physical Gold” “ETFS Physical PM Basket”
Tipo strumento:	Exchange Traded Commodities
Emittente:	ETFS Metal Securities Limited
Oggetto:	INIZIO DELLE NEGOZIAZIONI IN BORSA
Data inizio negoziazione:	20 giugno 2007
Mercato di quotazione:	Borsa - Comparto ETFplus
Segmento di negoziazione:	Segmento ETC
Orari e modalità di negoziazione:	Negoziazione continua e l’orario stabilito dall’art. IA.8.1.4 delle Istruzioni
Modalità di liquidazione dei contratti:	liquidazione a contante garantita il terzo giorno di borsa aperta successivo a quello di conclusione dei contratti.

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

Vedi scheda riepilogativa delle caratteristiche degli ETC

Disposizioni della Borsa Italiana

Dal giorno 20 giugno 2007 gli ETC “ETFS Physical Platinum”, “ETFS Physical Palladium”, “ETFS Physical Silver”, “ETFS Physical Gold” e “ETFS Physical PM Basket” verranno iscritti nel Listino Ufficiale, sezione “ETFplus”.

Allegati:

- Scheda riepilogativa delle caratteristiche degli ETC;
- Traduzione in lingua italiana della Nota di sintesi;
- Supplemento al prospetto del 27 aprile 2007 (trattamento fiscale).

N.	Denominazione ETC	ISIN	Sigla alfabetica	Descrizione e denominazione a listino	Codice SIA	Sottostante	Numero ETC emessi al 14/6/2007	Commissioni totali annue	Commissioni Entrata/Uscita/Performance	Valuta di denominazione	Valuta di negoziazione	Quant. Min. negoz.	Controvalore minimo blocchi (euro)	Creation/Redemptions	Specialista	Quantitativo minimo di ciascuna proposta	Differenziale massimo di prezzo
1	ETFS Physical Platinum	JE00B1VS2W53	PHPT	ETFS PH PLATINUM	437064	1/10 Oncia Troy di Platino	192.036	0,49%	NO	USD	EURO	1	150.000	1	Flow Traders BV	2.500	3%
2	ETFS Physical Palladium	JE00B1VS3002	PHPD	ETFS PH PALLADIUM	437088	1/10 Oncia Troy di Palladio	235.056	0,49%	NO	USD	EURO	1	150.000	1	Flow Traders BV	10.000	3%
3	ETFS Physical Silver	JE00B1VS3333	PHAG	ETFS PH SILVER	437089	1 Oncia Troy di Argento	1.060.352	0,49%	NO	USD	EURO	1	150.000	1	Flow Traders BV	25.000	1%
4	ETFS Physical Gold	JE00B1VS3770	PHAU	ETFS PH GOLD	437090	1/10 Oncia Troy di Oro	495.168	0,39%	NO	USD	EURO	1	150.000	1	Flow Traders BV	5.000	1%
5	ETFS Physical PM Basket	JE00B1VS3W29	PHPM	ETFS PH PMBASKET	437091	1/100 Oncia Troy di Platino 2/100 Oncia Troy di Palladio 12/10 Oncia Troy di Argento 4/100 Oncia Troy di Oro	280.050	0,44%	NO	USD	EURO	1	150.000	1	Flow Traders BV	5.000	3%

Emittente: ETFS Metal Securities Limited

Emissione di
ETFS Metal Securities

Traduzione italiana della NOTA SINTETICA

La presente nota sintetica è redatta in termini generali e non contiene l'illustrazione delle varie eccezioni alle indicazioni generali che sono invece presenti in altra parte del Prospetto. La presente nota sintetica deve essere letta come introduzione al Prospetto e qualsiasi decisione da parte di un investitore di investire in "Titoli su Metalli" (Metal Securities) dovrebbe essere presa basandosi sul Prospetto nella sua interezza. Laddove venga intrapresa davanti ad una corte un'azione legale relativa alle informazioni contenute in un prospetto, l'investitore che agisce in giudizio potrebbe, ai sensi delle norme nazionali degli Stati dell'Area Economica Europea, dover sostenere le spese di traduzione del prospetto prima dell'inizio del procedimento legale. La responsabilità civile è dei soggetti responsabili della nota sintetica, compresa la sua traduzione, ma solo nel caso in cui la nota sintetica sia ingannevole, non veritiera o incoerente laddove letta insieme alle altre parti del prospetto.

ETFS Metal Securities Limited (l'“**Emittente**”) è il promotore di un programma in forza del quale possono essere di volta in volta emessi *Metal Securities*, in quattro classi di Titoli Individuali ed una categoria di Titoli su Panieri. I *Metal Securities* sono stati concepiti per consentire agli investitori di ottenere un'esposizione ad un rendimento mediante investimenti in Metalli Preziosi fisici (mediante Titoli Individuali) o panieri di Metalli Preziosi fisici (mediante Titoli su Panieri) senza la necessità di negoziare o custodire Metalli Preziosi fisici. I Partecipanti Autorizzati riceveranno *Metal Securities* dietro invio di Metalli Preziosi fisici al Depositario. Gli investitori possono acquistare e vendere i loro *Metal Securities* mediante la negoziazione dei titoli quotati nella Borsa di Londra (e qualsiasi altra borsa nella quale di volta in volta sono ammessi alle negoziazioni).

Il Mercato dei Metalli Preziosi

L'Emittente ritiene che i metalli preziosi si distinguano dalle altre merci per due fattori: possono essere conservati in un caveau a basso costo senza deperimento; e, sia che si tratti di monete o gioielli, i metalli preziosi possono essere utilizzati come mezzo di tesaurizzazione.

Mentre l'argento e l'oro hanno una storia vecchia di migliaia di anni, il platino ed il palladio hanno una storia molto più breve. Tutti e quattro questi metalli preziosi vengono estratti dal sottosuolo, possono essere riciclati ed il loro impiego principale è nell'industria e nel campo dell'oreficeria.

Il platino ed il palladio sono i due metalli più conosciuti tra i sei metalli del gruppo del platino (*platinum group metals* - “PGM”), che si trovano tutti in natura insieme al nickel e il rame. Il platino ed il palladio hanno l'importanza economica maggiore e vengono trovati in maggiori quantità. Circa il 50% della richiesta di platino e di palladio proviene dalla produzione di auto catalitiche che ne hanno aumentato la domanda negli ultimi dieci anni rispettivamente del 100% e del 60%.

L'argento è simile al platino ed al palladio in quanto almeno i due terzi della richiesta proviene dalle applicazioni industriali (inclusa la fotografia) mentre meno di un terzo della richiesta proviene dall'oreficeria. L'oro è molto diverso da questo punto di vista dato che solamente l'11% della richiesta di oro proviene dalla domanda industriale mentre il 73% viene dall'oreficeria. A causa della rapida crescita dei convertitori catalitici, negli ultimi dieci anni la richiesta di platino e di palladio è cresciuta più rapidamente di quella dell'argento e dell'oro.

I centri principali per il mercato *over the counter* dei metalli fisici sono Londra, Zurigo, New York ed Hong Kong. Le banche centrali, i produttori e gli utilizzatori di metalli preziosi, come anche gli investitori e gli speculatori, tendono a trattare i loro affari mediante uno di questi centri. Anche gli operatori di altri centri come Dubai e diverse città dell'Estremo Oriente fanno transazioni sostanziali sul mercato *over the counter*, generalmente in gioielli e piccoli lingotti (da 1 kg o meno), e coprono la loro esposizione in uno dei centri principali.

La compensazione nel mercato dei metalli preziosi fisici è concentrata principalmente a Zurigo e Londra per il platino ed il palladio ed a Londra per l'argento e l'oro. Esistono due associazioni professionali di categoria che agiscono come coordinatori delle attività condotte in questi mercati – il *London Platinum and Palladium Market* (LPPM) e la *London Bullion Market Association* (LBMA). Il ruolo ricoperto da entrambe queste istituzioni comprende la tenuta di una lista di “*Good Delivery*”, garantire che i lingotti fisici soddisfino lo standard di qualità minimo, il coordinamento della compensazione di mercato e della custodia in caveau, la promozione delle pratiche di buona condotta commerciale e lo sviluppo di documentazione standard.

I Metal Securities

Un *Metal Security* è un'obbligazione di debito dell'Emittente, garantita, non datata e con regresso limitato, che dà diritto al Detentore del Titolo (*Security Holder*) (a condizione che sia un Partecipante Autorizzato) a richiedere il riscatto del titolo ed a ricevere nella Data di Liquidazione una quantità di Metallo Prezioso pari al Titolo sul Metallo (*Metal Entitlement*) in tale data. Un *Security Holder* che non sia un Partecipante Autorizzato può richiedere il riscatto di un *Metal Security* solamente qualora in un dato Giorno Lavorativo non ci sono Partecipanti Autorizzati, nel qual caso il *Security Holder* riceverà i proventi della vendita del *Metal Entitlement* in dollari statunitensi invece che in Metallo Prezioso.

Secondo il presente Programma, verranno emessi cinque tipi di *Metal Security* – gli *ETFS Physical Platinum Securities*, *ETFS Physical Palladium Securities*, *ETFS Physical Silver Securities*, *ETFS Physical Gold Securities* e *ETFS Physical PM Basket Securities* – ed ognuno verrà garantito da Metallo Prezioso fisico depositato in un caveau e cioè ogni *Metal Security* verrà garantito dalla “allocazione” di Metallo Prezioso che si attiene allo standard di “*Good Delivery*” indicato dall'Associazione di Pertinenza.

Ci sarà un *Metal Entitlement* separato per ogni classe di Titoli Individuali, che nel giorno di inizio della prima trattazione dei *Metal Securities* nella Borsa di Londra sarà di 0,10 troy oz di platino, 0,10 troy oz di palladio, 1 troy oz di argento e 0,10 troy oz di oro fino. Il *Metal Entitlement* del Paniere di Titoli sarà l'insieme dei *Metal Entitlements* dei Titoli Individuali che li comprendono. Successivamente, il *Metal Entitlement* verrà ridotto giornalmente per un importo pari alla Commissione di Gestione. Qualora vengano emessi nuovi titoli o vengano riscattati quelli esistenti, ciò sarà fatto al *Metal Entitlement* prevalente, così da assicurare che tutti i titoli dello stesso tipo abbiano lo stesso *Metal Entitlement* e siano interamente sostituibili.

Custodia e Metallo Garantito

Il platino ed il palladio verranno custoditi dal Depositario nei suoi caveau di Londra o presso il Sub-Depositario di Zurigo nei suoi caveau di Zurigo. L'argento e l'oro verranno custoditi dal Depositario nei suoi caveau di Londra. Il Metallo Prezioso potrebbe essere conservato altrove dal Depositario o da un Sub-Depositario su base temporanea, prima che questo venga trasportato nei sopra indicati caveau o come parte di un processo di creazione o riscatto. Il Depositario sarà responsabile del trasporto, maneggio e di qualsiasi spesa associata allo spostamento del Metallo Prezioso da o verso i suoi caveau di Londra e tra gli eventuali caveau dei sub-depositari.

La HSBC Bank USA, NA, la cui filiale di Londra è regolamentato dall'Autorità di Vigilanza Finanziaria e che è una controllata indiretta interamente posseduta dalla HSBC Holdings p.l.c., è il Depositario del Metallo Prezioso detenuto nei *Secured Metal Accounts* e nel *Subscription Unallocated Account*.

Tutto il Metallo Prezioso detenuto nei *Secured Metal Accounts* sarà soggetto ad una commissione fissa a favore del Trustee in virtù del *Security Deed* applicabile al fine di garantire gli obblighi contratti dall'Emittente nei confronti del Trustee e dei *Security Holders* dei *Metal Securities* della relativa classe. Il Metallo Prezioso nei *Secured Metal Accounts* sarà detenuto in forma ripartita – e cioè lingotti *Good Delivery* privi di vincoli tutti identificabili univocamente – eccetto nel caso in cui una somma non possa essere detenuta interamente in lingotti o nel contesto di un processo di creazione o riscatto.

Richiesta e Riscatto

I *Metal Securities* possono essere richiesti o riscattati in qualsiasi momento dai Partecipanti Autorizzati in cambio di Metallo Prezioso, nel rispetto delle condizioni previste. Il processo di emissione e di riscatto serve a garantire che i *Metal Securities* abbiano liquidità sufficiente e che il prezzo al quale vengono negoziati nella Borsa di Londra riproduca l'esposizione (subordinatamente alla deduzione delle commissioni) al prezzo del relativo Metallo Prezioso. Le richieste ed i riscatti di *Metal Securities* possono essere effettuate solamente da un Partecipante Autorizzato – tutti gli altri soggetti devono acquistare e vendere *Metal Securities* attraverso la negoziazione nella Borsa di Londra (o qualsiasi altra borsa nella quale è ammessa la negoziazione di *Metal Securities*).

Un *Metal Security* verrà emesso solamente al ricevimento di un Modulo di Sottoscrizione valido e dopo che il Metallo Prezioso è stato trasferito nei *Secured Metal Accounts*. Un *Metal Security* verrà cancellato solamente al ricevimento di un Modulo di Riscatto valido e alla consegna dei relativi *Metal Securities* al Conservatore del Registro nel Giorno di Liquidazione, dopo che il Metallo Prezioso è stato spostato dai *Secured Metal Accounts*.

Struttura del titolo

L'Emittente è stato costituito come una società con struttura ad ombrello o multiclasse con Gruppi di attività (*Pools of assets*) separati in modo che l'Emittente possa emettere distinti tipi di titoli, basati su diversi Metalli Preziosi o combinazioni di essi, o che hanno alcune altre caratteristiche differenti, ma in modo tale che ognuna di queste classi separate di titoli faccia ricorso solamente al Gruppo di attività attribuito a tale classe e non alle attività attribuite ad altre classi. Le attività e passività attribuibili ad ogni classe di Titoli Individuali (ed il Paniere di Titoli nella misura in cui comprenda tali Titoli Individuali) rappresenteranno il Gruppo di attività di tale classe.

Esistono pertanto quattro Gruppi distinti applicabili ai *Metal Securities*. Un solo Gruppo garantisce tutti i Titoli Individuali di una sola classe e tutti i Titoli su Panieri nella misura in cui comprendono tali Titoli Individuali.

I *Metal Securities* saranno costituiti in Trust mediante strumento (*Trust Instrument*) stipulato tra l'Emittente e *The Law Debenture Trust Corporation p.l.c.* in qualità di trustee per i *Security Holders* di ogni tipo. Il Trustee detiene tutti i diritti ed i titoli in virtù del *Trust Instrument* sul trust per i *Security Holders*. Inoltre, l'Emittente ed il Trustee hanno stipulato un *Security Deed* separato per ogni Gruppo di attività. I diritti ed i titoli del Trustee in virtù di ogni *Security Deed* sono detenuti dal Trustee sul trust per conto dei *Security Holders* di quella particolare classe di *Metal Security*.

Amministrazione

La controllante dell'Emittente, ETFSL, fornirà, o farà in modo che siano forniti, tutti i servizi di gestione ed amministrazione all'Emittente e pagherà tutte le spese di gestione ed amministrazione dell'Emittente; comprese le commissioni per il Trustee ed il Depositario, quale corrispettivo di ciò l'Emittente pagherà alla ETFSL una Commissione di Gestione. La Commissione di Gestione varia con il tipo di Metallo Prezioso e si aggirerà tra lo 0,39% allo 0,49% all'anno e sarà dedotta giornalmente dal *Metal Entitlement*. Alla fine di ogni mese, una quantità di Metallo Prezioso pari alla Commissione di Gestione giornaliera cumulabile per quel mese verrà trasferita dai *Secured Metal Accounts*.

Considerazioni sull'Investimento

I rendimenti passati non sono indicativi di quelli futuri e la performance degli investimenti nei *Metal Securities* potrebbe essere volatile.

Un investimento in *Metal Securities* comporta un significativo grado di rischio. Quelli indicati qui di seguito sono solo alcuni dei fattori di rischio che gli investitori dovrebbero considerare attentamente prima di decidere se investire nei *Metal Securities*:

- I prezzi del Metallo Prezioso, e quindi il valore dei *Metal Securities*, possono fluttuare ampiamente. Dato che i prezzi dei *Metal Securities* sono determinati in dollari statunitensi, il loro valore nelle altre valute subirà l'influenza dei movimenti del tasso di cambio;
- I mercati dei Metalli Preziosi possono essere interessati da inconvenienti o volatilità del mercato a causa della carenza di Metallo Prezioso fisico. Tali eventualità possono portare ad una correzione dei prezzi del Metallo Prezioso. La correzione del prezzo può anche portare a tassi per consegna differita (*forward*) o per prestiti (*lease*) volatili, e quindi a un aumento del differenziale denaro-lettera nelle borse dove vengono negoziati i *Metal Securities*, riflettendo i tassi forward a breve termine del relativo Metallo Prezioso.
- In qualsiasi momento, il prezzo al quale vengono negoziati i *Metal Securities* nella Borsa di Londra (o qualsiasi altra borsa nella quale di volta in volta è ammessa la loro negoziazione) può non riflettere esattamente il prezzo del Metallo Prezioso rappresentato da tali *Metal Securities*;
- L'accesso ai caveau del Depositario o in quelli del Sub-Depositario a Zurigo potrebbe essere limitato da eventi naturali, quali alluvioni, o azioni umane, come un attacco terroristico. Il Depositario non ha l'obbligo di assicurare il Metallo Prezioso detenuto nei *Secured Metal Accounts* contro perdite, furto o danni e l'Emittente non intende assicurarsi contro tali rischi. Pertanto, esiste il rischio che la Proprietà in Garanzia (*Secured Property*) possa essere persa, rubata o danneggiata e che l'Emittente possa non essere in grado di soddisfare i suoi obblighi rispetto ai *Metal Securities*.
- La posizione degli investitori dipende dal fatto che esistano dei Partecipanti Autorizzati che creano un mercato di *Metal Securities* per minimizzare gli errori del tracking dell'indice (*tracking error*) e per fornire liquidità agli investitori
- Esistono delle circostanze nelle quali può essere imposto agli investitori un riscatto anticipato dei *Metal Securities*, e ciò farà sì che un investimento in *Metal Securities* venga riscattato prima di quanto desiderato.

Si veda "Fattori di Rischio" (*Risk Factors*) nel Prospetto.



“Bringing Exchange Traded Commodities to the World’s Stock Exchanges”

ETFS Metal Securities Limited

*(Incorporated and registered in Jersey under the Companies
(Jersey) Law 1991 (as amended) with registered number 95996)*

Prospectus for the issue of

ETFS Metal Securities

Supplementary prospectus

This document (the “**Supplemental Prospectus**”), which comprises a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”) and Article 16 of Directive 2003/71/EC, should be read in conjunction with the prospectus (the “**Prospectus**”) of the Issuer dated 18 April 2007. Terms used in this document, unless otherwise stated bear the same meanings as in the Prospectus.

This document has been filed with the Financial Services Authority (the “**FSA**”) and made available to the public in accordance with Rule PR 3.2 of the Prospectus Rules and Articles 14 and 16 of the Prospectus Directive. This document has been approved as a supplementary prospectus by the FSA under Section 87A of the FSMA and Articles 13 and 16 of the Prospectus Directive.

ETFS Metal Securities Limited (the “**Issuer**”) has established a programme under which Metal Securities (either Individual Securities or Basket Securities) may be issued from time to time. The Issuer reserves the right to increase the number of Metal Securities that may be issued, and to issue Metal Securities as Individual Securities or as Basket Securities, in any proportions.

Application will be made to the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) for the listing of all the Metal Securities for trading and quotation on the Official Market (*Amtlicher Markt*) of the Frankfurt Stock Exchange. For this purpose application has been made to the Listing Department of the Frankfurt Stock Exchange. Public trading of the Metal Securities on the Frankfurt Stock Exchange can occur only after the application of such admission has been approved, which is expected to occur on 9 May 2007. There can be no assurance that such admission will necessarily be approved.

Settlement and delivery of the Metal Securities on the Frankfurt Stock Exchange will be in the form of co-ownership shares in a Global Bearer Certificate as described in more detail under the heading “Significant new information – Settlement and Delivery” in Part 1 of this Supplemental Prospectus.

It is intended that application will be made for the admission of all of the Metal Securities to listing on the Borsa Italiana s.p.a. Public trading of the Metal Securities on the ETFplus market of the Borsa Italiana s.p.a. (a regulated market) can occur only after the application for such admission has been approved. There can be no assurance that such admission will necessarily be approved.

Application will be made for the admission of all the Metal Securities to listing on the Eurolist of Euronext SA, Paris (a regulated market). Public trading of the Metal Securities on Euronext SA can occur only after the application for such admission has been approved, which is expected to occur on 10 May 2007. There can be no assurance that such admission will necessarily be approved.

Application will be made for the admission of all the Metal Securities to listing on Eurolist by Euronext Amsterdam. Public trading of the Metal Securities on Eurolist by Euronext Amsterdam can occur only after the application for such admission has been approved, which is expected to occur on 10 May 2007. There can be no assurance that such admission will necessarily be approved.

An investment in Metal Securities involves a significant degree of risk. In addition to the other information contained in this document and the Prospectus, the risk factors contained in the section headed “Risk Factors” in the Prospectus should be carefully considered by prospective investors before deciding whether to invest in Commodity Securities. It should be remembered that the price of securities can go down as well as up.

The Metal Securities are intended for professional or institutional investors only. Metal Securities are not intended for anyone else.

The Issuer accepts responsibility for the information contained in this Supplemental Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplemental Prospectus is in accordance with the facts and does not omit anything likely to affect the import of the information.

PART 1

GENERAL INFORMATION

Introduction

ETFS Metal Securities Limited (the “**Issuer**”) was incorporated as a private limited company in Jersey on 22 February 2007 under the Companies (Jersey) Law 1991 (as amended) (the “**Law**”) and changed its status to a public company on 30 March 2007. The Issuer operates under the Law and secondary legislation made thereunder. It is registered in Jersey under number 95996. The Issuer’s registered office is Ordnance House, 31 Pier Road, St Helier, Jersey, Channel Islands, JE4 8PW. All of the Issuer’s issued ordinary shares are owned by ETF Securities Limited.

The Individual Securities and the Basket Securities have been listed on the official list of the UK Listing Authority and admitted to trading on the Domestic Market of the London Stock Exchange (a regulated market). Trading takes place within the Exchange Traded Commodities segment of the London Stock Exchange.

This Supplemental Prospectus contains additional information in connection with the trading of the Metal Securities on the Frankfurt Stock Exchange, the ETFplus market of the Borsa Italiana s.p.a., on the Eurolist of Euronext SA and on the Eurolist by Euronext Amsterdam.

The Issuer has requested the FSA to provide the competent authority in Germany, the *Bundesanstalt für Finanzdienstleistungsaufsicht* (the German Federal Financial Supervisory Authority), the competent authority in Italy, the *Commissione Nazionale per le Società e la Borsa* (CONSOB), the competent authority in France, the *Autorité des Marchés Financiers* (France Authority for the Financial Markets) and the competent authority in The Netherlands, the *Autoriteit Financiële Markten* (Netherlands Authority for the Financial Markets) with certificates of approval attesting that the Prospectus and this Supplemental Prospectus have been drawn up in accordance with Directive 2003/71/EC.

The Issuer may request the FSA to provide competent authorities in other EEA Member States with such certificates.

The FSA will remain the competent authority for the purposes of approving all prospectuses published by the Issuer under the Prospectus Directive.

Significant new information

Admission to trading on the Official Market (Amtlicher Markt) of the Frankfurt Stock Exchange

The Issuer and HSBC Trinkaus & Burkhardt AG (the “**Bank**”) of Königsallee 21/23, 40212 Düsseldorf, Federal Republic of Germany will file an application for the listing of the Metal Securities for trading and quotation on the Official Market (*Amtlicher Markt*) of the Frankfurt Stock Exchange. The stock exchange quotation will be denominated in Euro. Public trading of the Metal Securities on the Frankfurt Stock Exchange can occur only after the application for such admission has been approved, which is expected to occur on 9 May 2007. There can be no assurance that such admission will necessarily be approved. Settlement and delivery of the Metal Securities on the Frankfurt Stock Exchange will be in the form of co-ownership shares in a Global Bearer Certificate as described in more detail under the heading “Settlement and Delivery” below.

Admission to trading on the ETFplus market of the Borsa Italiana s.p.a.

It is intended that application will be made for the admission of all of the Metal Securities to listing on the Borsa Italiana s.p.a. Public trading of the Metal Securities on the ETFplus market of the Borsa Italiana s.p.a. (a regulated market) can occur only after the application for such admission has been approved. There can be no assurance that such admission will necessarily be approved.

Admission to trading on the Eurolist of Euronext SA

Application will be made for the admission of all the Metal Securities to listing on the Eurolist of Euronext SA, Paris (a regulated market). Public trading of the Metal Securities on Euronext SA can occur only after the application for such admission has been approved, which is expected to occur on 10 May 2007. There can be no assurance that such admission will necessarily be approved.

Admission to trading on the Eurolist by Euronext Amsterdam

Application will be made for the admission of all the Metal Securities to listing on Eurolist by Euronext Amsterdam. Public trading of the Metal Securities on Eurolist by Euronext Amsterdam can occur only after the application for such admission has been approved, which is expected to occur on 10 May 2007. There can be no assurance that such admission will necessarily be approved.

Settlement and Delivery on the Frankfurt Stock Exchange

For the purpose of good delivery of the Metal Securities on the Frankfurt Stock Exchange, Clearstream Banking Aktiengesellschaft (“**Clearstream**”) will issue, for each type and the relevant number of Metal Securities, a Global Bearer Certificate (the “**Global Bearer Certificate**”) in the German language created under German law (“**Collective Safe Custody**”). The Global Bearer Certificates will have the following German ISIN Codes:

Type of Global Bearer Certificate	ISIN Code
ETFS Physical Platinum	DE000A0N62D7
ETFS Physical Palladium	DE000A0N62E5
ETFS Physical Silver	DE000A0N62F2
ETFS Physical Gold	DE000A0N62G0
ETFS Physical PM Basket	DE000A0N62H8

A non-binding English language translation of the conditions of the Global Bearer Certificate is set out in Part 2 of this Supplemental Prospectus.

For each Global Bearer Certificate, the relevant number and type of Metal Securities will be registered in the name of Vidacos Nominees Limited, London, England (the “**Nominee**”) in the relevant Register of Security Holders and credited to a separate safe custody account of Clearstream with Citibank N.A., London, England (the “**Custodian**”). The safe custody account assigned to the Metal Securities (the “**Safe Custody Account**”) will be designated “Clearstream Banking Aktiengesellschaft (Clearstream) – Special Safe Custody Account for Metal Securities Global Bearer Certificate” – followed by the name of the type of Metal Security concerned as set out in Annex 2.

In accordance with the conditions governing the Global Bearer Certificate:

- each co-owner thereof will be entitled, at his expense, to demand at any time that Clearstream arrange for the registration of the co-owner or a third party designated by him, in the relevant Register of Security Holders of the number of Metal Securities corresponding to his co-ownership share or any portion thereof in the Global Bearer Certificate; and
- any registered holder of Metal Securities will be entitled, at his expense, to have his Metal Securities delivered to the Custodian for crediting to the Safe Custody Account against a corresponding co-ownership share in the Global Bearer Certificate.

Whenever the number of Metal Securities represented by the Global Bearer Certificate changes (as a result, for example, of deliveries to the Safe Custody Account, withdrawals from the Safe Custody Account or issues or redemptions of Metal Securities), Clearstream will amend the Global Bearer Certificate accordingly.

Unless otherwise agreed, the Issuer will treat the Nominee as one single security holder so far as fractional rights and entitlements are concerned.

Cash Payments and Exercise of Subscription Rights and Other Rights

Cash payments are credited to Clearstream’s cash account with the Custodian and paid by Clearstream to the respective co-owners.

Any subscription rights or other rights and any fractional rights relating to the Metal Securities in the Safe Custody Account will be held by Clearstream at the Bank’s disposal. Upon the request of the Bank, Clearstream will give instructions to the Custodian for the exercise, purchase or sale of such subscription rights, other rights or fractional rights. In case of any flow of cash amounts resulting out of such transactions, Clearstream will without delay inform the Bank by fax of the net proceeds or the net costs, respectively, and the related value date. The net proceeds or the net costs, respectively, must be credited or debited to the Bank’s cash account with Clearstream or as otherwise agreed between Clearstream and the Bank.

Clearstream Banking AG

Clearstream is a company that was incorporated on 12 July 1949 in Frankfurt under the laws of the Federal Republic of Germany.

Clearstream is a regulated credit institution under the German Banking Act and licensed as the German Central Securities Depository pursuant to the German Securities Deposit Act, i.e. a professional depository that holds securities for its customers and facilitates the clearance and settlement of securities transactions among them through electronic book-entry transfers between their accounts, thereby eliminating the need for physical movement of the securities. Clearstream also provides other services to its customers, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream's customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

Clearstream conducts its business in the legal form of a German stock corporation (*Aktiengesellschaft*), registered in the commercial register at the local court in Frankfurt under number HRB 7500, and with registered office at Neue Börsenstraße 1, D-60487 Frankfurt am Main, Federal Republic of Germany.

Settlement and Delivery on the ETFplus market of the Borsa Italiana s.p.a.

All Metal Securities traded on the Borsa Italiana s.p.a. will be recorded in the Register in the name of Monte Titoli s.p.a. and held beneficially for persons who have bought through the Borsa Italiana s.p.a. For those persons Monte Titoli s.p.a. will maintain its own record of holders ("**Italian sub-register**"). All Metal Securities traded on the Borsa Italiana s.p.a. are eligible for settlement through the normal Monte Titoli s.p.a. settlement systems on the deposit accounts opened with Monte Titoli s.p.a. Market makers and other account holders at Monte Titoli s.p.a. will be permitted to transfer securities between the Register and the Italian sub-register and any other sub-registers applicable to other markets to which the Metal Securities may be admitted to trading, and thereby be able to move securities between the London Stock Exchange, such other markets and Monte Titoli s.p.a.

Settlement and Delivery on the Eurolist of Euronext SA

All Metal Securities traded on Euronext SA will be recorded in the Register in the name of Euroclear France or another Euroclear company and held beneficially for persons who have bought through Euronext SA. For those persons Euroclear will maintain its own record of holders ("**French sub-register**"). All Metal Securities traded on Euronext SA are eligible for settlement and clearing through the normal Euroclear systems. Market makers and other account holders at Euroclear will be permitted to transfer securities between the Register and the French sub-register and any other sub-registers applicable to other markets to which the Metal Securities may be admitted to trading, and thereby be able to move securities between the London Stock Exchange, such other markets and Euronext SA.

Settlement and Delivery on the Eurolist by Euronext Amsterdam

All Metal Securities traded on Eurolist by Euronext Amsterdam are eligible for settlement in the systems of Euroclear Bank Brussels and Euroclear NIEC (*Euroclear Nederlands Interprofessioneel Effecten Centrum*), the Euroclear Dutch Interprofessional Securities Centre.

Metal Securities not to be offered to the public in France

Prior to the listing of the Metal Securities on the Eurolist of Euronext SA (a regulated market):

- (i) the Metal Securities may not be offered or sold directly or indirectly by way of a public offering (an *appel public à l'épargne*) in France as defined in Article L.411-1 of the *Code Monétaire et Financier*;
- (ii) the Metal Securities may not be offered or sold directly or indirectly to the public in any EEA State, except that an offer of Metal Securities may be made to the public in an EEA State:
 - (a) for a period of 12 months (only in Germany where the offer starts within) from the date the prospectus is (i) published following approval by the competent authority in that EEA State or (ii) approved in another EEA State and notified to the competent authority in that EEA State, all in accordance with Directive 2003/71/EC; or

- (b) at any time in circumstances in which a prospectus is not required to be published pursuant to Article 3 of Directive 2003/71/EC; and
- (iii) copies of the Prospectus or this Supplemental Prospectus may not be distributed to the public in France except to “qualified investors” trading for their own account or to a limited circle of investors as defined in Article L.411-2 of the *Code Monétaire et Financier*.

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

Supply and Inspection of Documents

For the duration of the Programme or so long as any Metal Securities remain outstanding, copies of the Prospectus and this Supplemental Prospectus and all financial information required to be disclosed by the Issuer pursuant to the applicable rules will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) in The Netherlands, free of charge, by calling the Dutch Listing Agent, Fortis Bank (Nederland N.V., on +31 20 527 2467 or faxing a request to +31 20 527 1928 or the German Listing Agent, HSBC Trinkaus & Burkhardt, AG, Konsortialgeschäft, Königsallee 21/23, 40212 Düsseldorf or the French Listing Agent HSBC France 103, Avenue des Champs Elysées 75008 Paris.

General

Taxation

Information regarding United Kingdom and Jersey taxation in respect of the Programme and Metal Securities is set out in Part 8 (*Additional Information*) of the Prospectus. Information regarding taxation in Germany, Italy, France and The Netherlands is set out in Part 3 of this Supplemental Prospectus. If an investor is in any doubt about the tax position, it should consult a professional adviser.

Disclaimer

No person has been authorised to give any information or to make any representation in connection with the offering of the Metal Securities other than those contained in the Prospectus and this Supplemental Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

Taxation in Italy

The information set out below is a summary of certain limited aspects of the Italian tax consequences of the acquisition, ownership and disposition of Metal Securities by a Security Holder who is not an Authorised Participant and it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase Metal Securities. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than Italy. This summary is based on the tax laws of Italy as in effect on the date of this Supplemental Prospectus, as well as regulations, rulings and decisions of its taxing and other authorities available on or before such date and now in effect. All of the foregoing is subject to change, which change could apply retroactively and could affect the continued validity of this summary. Because it is a general summary, holders of Metal Securities should consult their own tax advisers as to the Italian or other tax consequences of the purchase, holding and disposition of Metal Securities including, in particular, the application to their particular situations of the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws. This summary assumes that the Issuer is not a tax resident nor deemed to be a tax resident of Italy.

Tax on income and capital gains

Provided the Metal Securities qualify broadly as derivative instruments for the purposes of Italian tax law, which they are expected to do, then the following consequences apply to a Security Holder who is not an Authorised Participant, in respect of the net cash proceeds received from a redemption or sale of the Metal Securities over the sum paid by such a holder on their subscription or purchase:

- (i) proceeds from the sale or redemption of the Metal Securities received by a holder which is (a) an Italian resident corporation or similar commercial entity, (b) an Italian individual engaged in entrepreneurial activities to which the Metal Securities are effectively connected, or (c) a permanent establishment in Italy of a non-Italian resident to which the Metal Securities are effectively connected, must be included in the relevant holder's corporate income tax (*IRES*, applicable at 33 per cent.) determination (and, in certain cases, depending on the status of such holder, may also have to be included in its taxable base for regional tax purposes, (*IRAP*) applicable at rates between 4.25 per cent. and 5.25 per cent.) and are therefore subject to the general Italian corporate tax regime, or to personal income taxation (as business income), as the case may be, according to the ordinary rules;
- (ii) capital gains realised by Italian resident individuals, not engaged in entrepreneurial activities to which the Metal Securities are effectively connected, and by certain other non commercial entities upon the sale for consideration or redemption of the Metal Securities are subject to a substitute tax (*imposta sostitutiva*) currently at the rate of 12.5 per cent. Under the tax return regime, which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity, *imposta sostitutiva* on capital gains is

chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised pursuant to all disposals of Metal Securities and other financial instruments triggering a capital gain that is subject to the same tax regime, carried out during any given fiscal year. These individuals and non commercial entities must report the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual income tax return to be filed with the Italian tax authorities for such year and pay *imposta sostitutiva* on such gains. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years;

- (iii) as an alternative to the tax return regime, Italian resident individuals not engaged in entrepreneurial activities to which the Metal Securities are effectively connected and certain other non commercial entities may elect to pay the *imposta sostitutiva* separately on the capital gains realised upon each sale or redemption of the Metal Securities (under a so called “*Risparmio Amministrato*” regime, which is managed through the provision of non discretionary asset management services to a taxpayer). Such a separate taxation of each capital gain is allowed subject to: (a) the Metal Securities being deposited with an Italian bank, a *società di intermediazione mobiliare (SIM)* or with one of certain other authorised financial intermediaries, (b) each relevant capital gain being realised through such intermediary, and (c) an express election for the *Risparmio Amministrato* regime being timely made in writing by the relevant Metal Security holder. The financial intermediary, on the basis of the information provided by the taxpayer, accounts for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of Metal Securities (as well as in respect of capital gains realised at revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian fiscal authorities on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the Metal Securities holder. Under the *Risparmio Amministrato* regime, where a sale or redemption of Metal Securities results in a capital loss, such loss may be used to reduce the subsequent capital gains realised in the same tax year and up to the following fourth. All gains that have been subject to the *Risparmio Amministrato* regime do not have to be included in the yearly income tax return of the holder of Metal Securities;
- (iv) also as an alternative to the tax return regime, the increase or decrease in the fair market value of the Metal Securities, as well as the gains or losses realised upon the sale for consideration or redemption of the same securities by Italian resident individuals not engaged in entrepreneurial activities to which the Metal Securities are effectively connected, and by certain other non commercial entities, who have elected for the *Risparmio Gestito* regime (namely, a regime managed by an authorised intermediary providing discretionary management services), will be included in the computation of the annual Net Asset Value (the “**NAV**”) accrued appreciation or depreciation of the managed assets, which is subject to a 12.5 per cent. *imposta sostitutiva*, applied directly by the authorised asset manager. Under the *Risparmio Gestito* regime, any net NAV loss reported at year end may be carried forward and deducted against future NAV increases in the four succeeding years. All gains that have been subject to the *Risparmio Gestito* regime do not have to be included in the yearly income tax return of the holder of Metal Securities;
- (v) the increase or decrease in the fair market value of the Metal Securities, as well as the gains or losses realised upon the sale for consideration or redemption of the same securities by Italian resident common funds and hedge funds are included in the determination of the yearly NAV accrued appreciation or depreciation of each fund that is subject to a substitute tax (*imposta sostitutiva*) currently at a rate of 12.5 per cent.;
- (vi) the increase or decrease in the fair market value of the Metal Securities, as well as the gains or losses realised upon the sale for consideration or redemption of the same securities by Italian resident pension funds (subject to the regime provided for by articles 14, 14 ter and 14 quater, paragraph 1, of Legislative Decree 21 April 1993, no. 124 as further substituted by Legislative Decree no. 252 of 5 December 2005) are included in the determination of the yearly NAV accrued appreciation or depreciation of the assets under management that is subject to a substitute tax (*imposta sostitutiva*) currently at a rate of 11 per cent.;

(vii) non-Italian resident Security Holders without a permanent establishment in Italy to which the Metal Securities are effectively connected are not subject to income tax in Italy on the proceeds realised on the sale of the Metal Securities, provided that:

- the Metal Securities have been deposited in Italy and are traded on an official market; or
- the Metal Securities have been deposited in Italy and the holder is a resident of a country which allows a satisfactory exchange of information with the Italian tax authorities and certain filing requirements have been complied with by the holder; or
- the Metal Securities have not been deposited in Italy.

If, instead of being treated as derivative instruments as expected, the Metal Securities were to be characterised as debt instruments representing so-called “atypical securities” pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 (as amended) a different tax treatment would apply. Interest and other proceeds received from “atypical securities” issued by non-Italian resident issuers are subject to a 27 per cent. withholding tax applied by an Italian resident intermediary intervening in the payment save where held by a commercial partnership, a commercial private and public institution resident in Italy for tax purposes or by an Italian permanent establishment of a non-Italian resident entity. Instead these entities must include the proceeds in their taxable business income, under the same terms as described under paragraph b(i) above. However, it is expected that the Metal Securities should qualify broadly as derivative instruments rather than as “atypical securities”.

Inheritance and gift taxes

Italian inheritance and gift taxes were abolished by Law no. 383 of 18 October 2001 in respect of gifts made or succession proceedings started after 25 October 2001 and then recently reintroduced by Law Decree no. 262 of 3 October 2006, converted with amendments into Law no. 286 of 24 November 2006, entered in force on 29 November 2006 and further modified by Law No. 296 of 27 December 2006, effective as of 1 January 2007.

Further to the above law amendments, the transfer by inheritance of the Metal Securities is currently subject to inheritance tax at the following rates:

- (i) when the beneficiary is the spouse or a relative in direct lineage, the value of the Metal Securities transferred to each beneficiary exceeding Euro 1,000,000 is subject to a 4 per cent. rate;
- (ii) when the beneficiary is a brother or a sister, the value of the Metal Securities exceeding Euro 100,000 for each beneficiary is subject to a 6 per cent. rate;
- (iii) when the beneficiary is a relative within the fourth degree or is a relative-in-law in direct and collateral lineage within the third degree, the value of the Metal Securities transferred to each beneficiary is subject to a 6 per cent. rate;
- (iv) in cases different from points (i), (ii) and (iii) the value of the Metal Securities transferred to each beneficiary is subject to an 8 per cent. rate.

The transfer of the Metal Securities by reason of a donation filed for registration is broadly subject to gift tax at the following rates:

- (i) when the donee is the spouse or a relative in direct lineage, the value of the Metal Securities gifted to each beneficiary exceeding Euro 1,000,000 is subject to a 4 per cent. rate;
- (ii) when the beneficiary is a brother or a sister, the value of the Metal Securities exceeding Euro 100,000 for each beneficiary is subject to a 6 per cent. rate;
- (iii) when the donee is a relative within the fourth degree or a relative-in-law in direct and collateral lineage within the third degree, the value of the Metal Securities gifted to each beneficiary is subject to a 6 per cent. rate;
- (iv) when the donee is a person not listed under previous points (v), (vi) and (vii), the value of the Metal Securities gifted to each beneficiary is subject to an 8 per cent. rate.

If the beneficiary of the transfer for gift purposes or *mortis causa* is a qualifying heavily disabled individual under Law 5 February 1992, No. 104, the gift or inheritance tax is levied exclusively on the part of the net transferred value exceeding Euro 1,500,000.

Value added tax

No Italian value added tax will be payable by a holder of Metal Securities in consideration for the issue or transfer of Metal Securities.

Securities Transfer Tax

The purchase and sale of Metal Securities should not be subject to the Italian securities transfer tax of Royal Decree no. 3278 of 1923 and later amendments. It should be noted under the mentioned securities transfer tax law, all trades executed on an official stock exchange are in any case exempt from tax.

The European Savings Directive

The EU Savings Directive (the “**Directive**”) came into force on 1 July 2005. The Directive applies, amongst other matters, to payments of interest on debt claims of every kind made by a paying agent in an EU Member State for the benefit of individual investors resident in the EU. In circumstances where the Directive applies, such a paying agent would be under an obligation to provide information to the tax authorities of the EU Member States in which individual investors reside. A paying agent for these purposes is any economic operator who pays interest to, or secures interest for the beneficial owner, and could in relation to Metal Securities include an Italian broker effecting the sale of Metal Securities.

Metal Securities are undated secured limited recourse debt obligations of the Issuer. However, as no return in respect of Metal Securities (whether in the form of cash or Bullion on redemption, or as a result of trading on the ETFplus market of the Borsa Italiana s.p.a.) should constitute a payment of interest for the purposes of the Directive, it is not envisaged that holders or their paying agents will be within the scope of the Directive.

Reform of taxation of financial revenue

A bill of law (namely A.C. 1762/XV) presented by the Government to the Italian Parliament on 4 October 2006, is intended to provide for a delegation to be granted to the same Government to issue, within twelve months from the entering into force of the resulting law, one or more legislative decrees introducing a partial amendment of the Italian tax treatment of financial income and capital gains of a financial nature. The tax regime amendments provided by the bill of law include, amongst others, the abolition of the substitute tax currently applicable to the yearly NAV increase of Italian common funds and the introduction of a withholding tax system applicable to certain categories of holders of units in the same funds. A so called *light multiplier* should also be introduced in order to increase the determination of income which is taxed upon receipt, to make up for the tax deferral in relation to income accrual. Under Article 1.1(f) of the bill of law, the same exemptions and exclusions as currently applicable should be preserved. The legislative decree to be issued by the Government within twelve months from the entry in force of the delegation law may provide for a deferral of effectiveness of the new tax regime of between four to twelve months after the enactment of the same legislative decree.