

# Gold Bullion Securities GBS

## Investment Objective

Gold Bullion Securities (GBS) is designed to offer security holders a simple and cost-efficient way to access the gold market by providing a return equivalent to the movements in the gold spot price less the applicable management fee.

GBS is backed by physical allocated gold held by HSBC Bank plc (the custodian). Only metal that conforms with the London Bullion Market Association's (LBMA) rules for Good Delivery can be accepted by the custodian. Each physical bar is segregated, individually identified and allocated.

## About the pricing

Each individual Gold Bullion Security has an effective entitlement to gold, and that entitlement changes daily to reflect the accrual of the management fee.

Authorised participants create and redeem Gold Bullion Securities by delivering or receiving gold that conforms to LBMA Good Delivery standards.

Gold Bullion Securities are traded on exchange with a price that is based on the spot price of gold multiplied by the applicable metal entitlement.

## Product Information

|                             |  |
|-----------------------------|--|
| Product Name                | Gold Bullion Securities  |
| Issuer                      | Gold Bullion Securities Limited  |
| Legal Form                  | Debt security  |
| Domicile                    | Jersey   |
| Assets                      | Physically backed with allocated metal subject to LBMA rules for Good Delivery |
| Metals Lending              | No   |
| Vault Location              | London, UK   |
| Listing Date                | 31 March 2004  |
| Physical Delivery Available | Yes, please see the Tools section of our website                               |
| Base Currency               | USD  |
| Currency Hedged             | No – this product is not protected against adverse currency movements          |
| Management Fee              | 0.4% p.a.  |
| Product Manager             | ETFS Management Company (Jersey) Limited                                       |
| Custodian                   | HSBC Bank plc  |
| Trustee                     | The Law Debenture Trust Corporation p.l.c.                                     |
| UCITS Eligible              | Yes  |
| SIPP & ISA (UK) Eligible    | Yes  |
| UK Reporting Fund Status    | Yes  |
| Passported To               | Austria, Belgium, France, Germany, Ireland, Italy, Netherlands, United Kingdom |

## Benchmark Information

|                |                               |
|----------------|-------------------------------|
| Benchmark      | Spot Gold LBMA specifications |
| Base Currency  | USD                           |
| Bloomberg Code | GOLDLNPM                      |
| Reuters Code   | XAU=                          |

## Trading Information

| Exchange              | ISIN         | Exchange Code | Currency (Trading) | Bloomberg Code | Reuters Code |
|-----------------------|--------------|---------------|--------------------|----------------|--------------|
| London Stock Exchange | GB00B00FHZ82 | GBS           | USD                | GBS LN         | GBSx.L       |
| Deutsche Börse        | DE000A0LP781 | GG9B          | EUR                | GG9B GY        | GG9B.DE      |
| NYSE Euronext         | GB00B00FHZ82 | GBS           | EUR                | GBS FP         | GBS.PA       |
| Borsa Italiana        | GB00B00FHZ82 | GBS           | EUR                | GBS IM         | GBS.MI       |
| London Stock Exchange | GB00B00FHZ82 | GBSS          | GBX                | GBSS LN        | GBSS.L       |

## Index Performance

Historical index performance based on investment from 1 March 2012 to 28 February 2017. This information is denominated in USD .



Data from 1 March 2012 to 28 February 2017, Data source: Bloomberg. The performance shown is that of the gold spot price before fees, and not the securities. Historical performance is not indicative of future performance.

| Index (performance in USD)    | YTD  | 2 Years | 3 Years | 4 Years | 5 Years |
|-------------------------------|------|---------|---------|---------|---------|
| Spot Gold LBMA specifications | 9.1% | -1.3%   | -5.3%   | -24.8%  | -26.7%  |

## Risks

An investment in this product involves a degree of risk. Any decision to invest should be based on the information contained in the relevant prospectus. Prospective investors should obtain independent accounting, tax and legal advice and should consult their professional advisers to ascertain the suitability of this product as an investment to their own circumstances.

This product is not a UCITS product.

Securities in this product are structured as debt securities and not as shares (equity).

The value of a security in this product may go up or down and a security holder may lose some or all of the amount invested.

The price of precious metals may fluctuate and may be affected by numerous factors including supply and demand, the global financial markets and other political, financial or economic events.

The price of precious metals is generally quoted in US Dollars. To the extent that a security holder values precious metals in another currency, the value will be affected by changes in the exchange rate.

At any time, the price at which metal securities trade on an exchange may not always accurately reflect the price of precious metals.

## Glossary

|                        |  |
|------------------------|--|
| Authorised participant | Banks or other financial institutions that act as intermediaries between providers of securities and the ultimate investors. Authorised participants will liaise with providers to arrange for the creation and redemption of securities as requested by security holders.   |
| ETC                    | Exchange-traded commodities are products that track the price of commodities, providing security holders with the opportunity to gain access to the commodities market without having to take delivery of the commodities in question. Securities in ETCs are generally structured as debt securities rather than as equity. |
| Good delivery          | Rules for Good Delivery are issued by supervisory metals bodies in order to ensure that metals comply with a certain standard.   |
| Physically backed      | Physically backed ETCs hold the physical metal that the product is tracking. This physical metal is held in a vault by a custodian bank nominated by the provider and gives security holders a further level of security.  |
| Trustee                | The trustee is an independent entity that holds the physical metal on trust for the benefit of the security holders in proportion to each security holder's respective entitlement.  |
| Spot Price             | The price of a commodity or security at any given time.  |

## Important Information

### General

This financial promotion has been issued and approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by ETF Securities (UK) Limited ("ETFs UK") which is authorized and regulated by the United Kingdom Financial Conduct Authority ("FCA"). The products discussed in this document are issued by Gold Bullion Securities Limited (the "Issuer"). The Issuer is regulated by the Jersey Financial Services Commission.

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### Historical performance is no indication of future performance

Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. However, back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. Historical performance is not an indication of or a guide to future performance.

### No offer for sale

The information contained in this financial promotion is neither an offer for sale nor a solicitation of an offer to buy securities. This financial promotion should not be used as the basis for any investment decision.

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### Prospectus

Investors should refer to the section entitled "Risk Factors" in the relevant prospectus for further details of these and other risks associated with an investment in the securities offered by the Issuer.

The FCA has delivered to the regulators listed below certificates of approval attesting that the prospectus of the Issuer has been drawn up in accordance with European Directive 2003/71/EC as amended by European Directive 2010/73/EU.

The prospectus (and any supplements thereto) of the Issuer has been passported from the United Kingdom into Austria, Belgium, France, Germany, Italy, Ireland and the Netherlands, and has been filed with the Österreichische Finanzmarktaufsicht (Austrian Financial Market Authority) in Austria, Autorité des Services et Marchés Financiers (the Belgian Financial Services and Markets Authority) in Belgium, the Autorité des Marchés Financiers (France Authority for the Financial Markets) in France, the Bundesanstalt für Finanzdienstleistungsaufsicht (the German Federal Financial Supervisory Authority) in Germany, the Central Bank of Ireland in Ireland, the Commissione Nazionale per le Società e la Borsa (CONSOB) in Italy and the Autoriteit Financiële Markten (the Netherlands Authority for the Financial Markets) in the Netherlands.

Copies of the prospectus and related regulatory

documentation, including annual reports, can be obtained in France from HSBC France, 103, Avenue des Champs Elysées, 75008 Paris, (t) + 33 (0) 1 49 52 20 00 or (f) + 33 (0) 1 49 52 20 00, in Germany from HSBC Trinkaus & Burkhardt AG, Konsortialgeschäft, Königsallee 21/23, 40212 Düsseldorf, in the Netherlands from AMN Amro Bank (Nederland) N.V. (t) +31 20 527 2467 or (f) +31 20 527 1928 and in Italy from [www.etfsecurities.com](http://www.etfsecurities.com).

Passporting is where a prospectus that has been approved in the UK is automatically approved in certain other countries without such prospectus having to go through the approval process again.

### Third Parties

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