



INSPECTORATE

03rd March 2017

The Directors
ETFs Metal Securities Ltd
Ordnance House,
31 Pier Road,
St Helier,
Jersey, JE4 8PW

Dear Sirs,

Audit of Silver Bullion in respect of ETFs Physical Silver Securities

ETFs Metal Securities Ltd (the "Client") has engaged Inspectorate International Limited ("Inspectorate") to conduct two inspections per year of the silver bullion held on behalf of ETFs Physical Silver Securities at the vault of HSBC Bank plc, London (the "Custodian") and at the vault of Malca-Amit, London (the "Sub-Custodian").

It is with pleasure that we submit below our reports to the Client in accordance with the agreed procedures for the Audit Reference Date of 31st December 2016.

Name of Account	Law Debenture Trust Plc as Trustee for ETFs Physical Silver
Material	London Good Delivery Silver Bars
Locations	HSBC Bank plc, London Malca-Amit, London
Results	As at the close of business on 31 st December 2016, Physical Silver Securities held title to 55,405 London Good Delivery Silver Bars with a weight of 53,359,381.300 troy ounces.



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Description of Activity	<p>Over the course of the inspection, we performed procedures including but not limited to:</p> <ol style="list-style-type: none">1. Compared the records of the Custodian to the records provided by the Administrator to verify that the silver bars are held in the name of the applicable account;2. Reconciled the total weight of silver bullion as recorded by the Administrator to the records of the Custodian as at the Audit Reference Date;3. Visually checked one bar from each pallet for the bar number, brand and purity;4. Reconciled the physical movement of bars which occurred during the inspection period between 31st December 2016 and 03rd March 2017.
Anomalies	<p>No anomalies were identified in respect of the silver bars as at 31st December 2016.</p>

The audit was carried out to the best of our knowledge and this report reflects our findings as at the time and place of the audit only.

For and on behalf of
INSPECTORATE INTERNATIONAL LIMITED