



Information Circular: streetTRACKS Gold Shares

To: Head Traders, Technical Contacts, Compliance Officers, Head of ETF Trading, Structured Products Traders

From: William Slattery, Director, NASDAQ Listing Qualifications Department

DATE: March 5, 2007

The NASDAQ Stock Market LLC ("NASDAQ") began operating as a national securities exchange for trading non-NASDAQ listed securities on February 12, 2007. As a result, shares of the streetTRACKS Gold Trust (GLD), which has previously traded on our systems on an over-the-counter basis, are being traded by NASDAQ as an exchange on an unlisted trading privileges ("UTP") basis for the first time.

Background Information on the Funds

The streetTRACKS Gold Trust (the "Trust") issues streetTRACKS Gold Shares ("Shares") which represent units of fractional undivided beneficial interest in, and ownership of, the Trust. The Trust is an investment trust and is not managed like a corporation or an active investment vehicle. The Trust has no board of directors or officers or persons acting in a similar capacity. The Trust is not an investment company under the Investment Company Act of 1940. The purpose of the Trust is to hold gold bullion. The investment objective of the Trust is for the Shares to reflect the performance of the price of gold, less the Trust's expenses.

World Gold Trust Services, LLC, a wholly owned limited liability company of the World Gold Council, is the sponsor of the Trust ("Sponsor"). The Bank of New York is the trustee; HSBC Bank USA, an indirect wholly owned subsidiary of HSBC Holdings plc, is the custodian ("Custodian"); and State Street Global Markets LLC, a wholly owned subsidiary of State Street Corporation, is the marketing agent ("Marketing Agent").

As described more fully in the prospectus and the Statement of Additional Information ("SAI") for the Trust, generally, the assets of the Trust (e.g., gold bullion) will be sold to pay Trust expenses and management fees. These expenses and fees will reduce the value of an investor's Shares as gold bullion is sold to pay such costs. Ordinary operating expenses of the Trust include: (a) fees paid to the Sponsor; (b) fees paid to the Trustee; (c) fees paid to the Custodian; (d) fees paid to the Marketing Agent; and (e) various Trust administration fees, including printing and mailing costs, legal and audit fees, registration fees, and Nasdaq listing fees. The Trust's estimated ordinary operating expenses are accrued daily and reflected in the net asset value ("NAV") of the Trust.

The Trust will create Shares on a continuous basis only in aggregations of 100,000 Shares (such aggregation referred to as a "Basket"). Authorized Participants are the only persons that may place orders to create and redeem Baskets by making an in kind deposit of gold together with, if applicable, a specified cash payment. Similarly, the Trust will redeem Shares only in Baskets, principally in exchange for gold and, if applicable, a cash payment.

Authorized Participants are Depository Trust Company (“DTC”) participants who are registered broker-dealers or other securities market participants, such as a bank or other financial institution not required to register as a broker-dealer to engage in securities transactions. In each case, the Authorized Participant must have executed an agreement with the Trustee with respect to creations and redemptions of Baskets and an agreement with the Custodian establishing an account to be used for gold bullion transactions with the Trust.

The creation and redemption of Baskets requires the delivery to the Trust or the distribution by the Trust of the amount of gold and any cash represented by the Baskets being created or redeemed, the amount of which is based on the combined NAV of the number of Shares included in the Baskets being created or redeemed. The initial amount of gold required for deposit with the Trust to create Shares for the period from the formation of the Trust to the first day of trading of the Shares on the NYSE was 10,000 ounces per Basket. The number of ounces of gold required to create a Basket or to be delivered upon the redemption of a Basket will gradually decrease over time, due to the accrual of the Trust’s expenses and the sale of the Trust’s gold to pay the Trust’s expenses.

The registration statement for the Trust describes the various fees and expenses for the Shares. For a complete description of the Trust, visit <http://www.streettracksgoldshares.com>

Availability of Information About the Shares

The global trade in gold consists of over-the-counter transactions in spot, forwards, and options and other derivatives, together with exchange-traded futures and options. The last sale price for the Shares is disseminated over the Consolidated Tape. Gold pricing information based on the spot price for a troy ounce of gold from various financial information service providers, such as Reuters and Bloomberg, is available on a 24-hour basis.

Complete real-time data for gold futures and options prices traded on the COMEX (a division of the NYMEX) is available by subscription from Reuters and Bloomberg. The NYMEX also provides delayed futures and options information on current and past trading sessions and market news on its Web site. Nasdaq, via a link from its own public Web site (www.nasdaq.com) to the Trust Web site (www.streettracksgoldshares.com), will provide, at no charge, continuously updated bids and offers indicative of the spot price of gold.

The Trust Web site also will provide a calculation of the estimated NAV (also known as the Intraday Indicative Value or “IIV”) of a Share as calculated by multiplying the indicative spot price of gold by the quantity of gold backing each Share. Comparing the IIV with the last sale price of the Shares helps an investor to determine whether, and to what extent, Shares may be selling at a premium or a discount to the NAV. Although provided free of charge, the indicative spot price and IIV per Share will be provided on an essentially real-time basis. The Trust Web site provides the NAV of the Trust as calculated each business day by the Sponsor. In addition, the Trust Web site contains the following information, on a per-Share basis, for the Trust: (a) the IIV as of the close of the prior business day and the midpoint of the bid/ask price in relation to such IIV (“Bid/Ask Price”), and a calculation of the premium or discount of such price against such IIV; and (b) data in chart format displaying the frequency distribution of discounts and premiums of the Bid/Ask Price against the IIV, within appropriate ranges, for each of the four previous calendar quarters. The Trust Web site also provides the Trust’s prospectus, as well as the two most recent

reports to stockholders. The Trust Web site provides the last sale price of the Shares as traded in the U.S. market, subject to a 20-minute delay.

Regulatory Oversight

Purchasers of Shares do not have the protections associated with ownership of shares in an investment company registered under the Investment Company Act of 1940 or the protections afforded by the Commodity Exchange Act of 1936, or CEA. The Trust is not registered as an investment company under the Investment Company Act of 1940 and is not required to register under such act. Consequently, purchasers of Shares do not have the regulatory protections provided to investors in investment companies.

The Trust will not hold or trade in commodity futures contracts regulated by the CEA, as administered by the Commodity Futures Trading Commission, or CFTC. Furthermore, the Trust is not a commodity pool for purposes of the CEA, and none of the Sponsor, the Trustee or the Marketing Agent is subject to regulation by the CFTC as a commodity pool operator or a commodity trading advisor in connection with the Shares. Consequently, purchasers of Shares do not have the regulatory protections provided to investors in CEA-regulated instruments or commodity pools.

There is no regulated source of last sale information regarding physical gold, and the Securities and Exchange Commission has no jurisdiction over the trading of gold as a physical commodity.

Principal Risks

An investment in the Shares carries certain risks. The following specific risks are taken from and discussed in more detail in the Trust's prospectus. NASDAQ advises members to read the risk factors set forth in the Trust's prospectus carefully.

- The value of the Shares relates directly to the value of the gold held by the Trust and fluctuations in the price of gold could materially adversely affect an investment in the Shares.
- The Shares may trade at a price which is at, above or below the NAV per Share and any discount or premium in the trading price relative to the NAV per Share may widen as a result of non-concurrent trading hours between the COMEX and NASDAQ.
- The sale of gold by the Trust to pay expenses will reduce the amount of gold represented by each Share on an ongoing basis irrespective of whether the trading price of the Shares rises or falls in response to changes in the price of gold.
- When the fee reduction terminates or expires, the estimated ordinary expenses payable by the Trust may increase, thus reducing the NAV of the Trust more rapidly and adversely affecting an investment in the Shares.
- The sale of the Trust's gold to pay expenses at a time of low gold prices could adversely affect the value of the Shares.
- Purchasing activity in the gold market associated with the purchase of Baskets from the Trust may cause a temporary increase in the price of gold. This increase may adversely affect an investment in the Shares.
- As the Sponsor and its management have no prior history of operating an investment vehicle like the Trust, their experience may be inadequate or unsuitable to manage the Trust.
- The value of the Shares could decrease if unanticipated operational or trading problems arise.

- Holders of the Shares will not have the protections associated with ownership of shares in an investment company registered under the Investment Company Act of 1940 or the protections afforded by the Commodity Exchange Act.
- The Trust may be required to terminate and liquidate at a time that is disadvantageous to Shareholders.
- The lack of a market for the Shares may limit the ability of Shareholders to sell the Shares.
- The operations of the Trust and the Sponsor depend on support from the World Gold Council. This support may not be available in the future and, if such support is not available, the operations of the Trust may be adversely affected.
- Shareholders will not have the rights enjoyed by investors in certain other vehicles.
- An investment in the Shares may be adversely affected by competition from other methods of investing in gold.
- Crises may motivate large-scale sales of gold, which could decrease the price of gold and adversely affect an investment in the Shares.
- Substantial sales of gold by the official sector could adversely affect an investment in the Shares.
- A widening of interest rate differentials between the cost of money and the cost of gold could negatively affect the price of gold, which in turn, could negatively affect the price of the Shares.
- The Trust's gold may be subject to loss, damage, theft or restriction on access.
- The Trust may not have adequate sources of recovery if its gold is lost, damaged, stolen or destroyed and recovery may be limited, even in the event of fraud, to the market value of the gold at the time the fraud is discovered.
- Gold bullion allocated to the Trust in connection with the creation of a Basket may not meet the London Good Delivery Standards and, if a Basket is issued against such gold, the Trust may suffer a loss.
- Because neither the Trustee nor the Custodian oversees or monitors the activities of subcustodians who may hold the Trust's gold, failure by the subcustodians to exercise due care in the safekeeping of the Trust's gold could result in a loss to the Trust.
- The ability of the Trustee and the Custodian to take legal action against subcustodians may be limited, which increases the possibility that the Trust may suffer a loss if a subcustodian does not use due care in the safekeeping of the Trust's gold.
- Gold held in the Trust unallocated account and any Authorized Participant's unallocated gold account will not be segregated from the Custodian's assets. If the Custodian becomes insolvent, its assets may not be adequate to satisfy a claim by the Trust or any Authorized Participant. In addition, in the event of the Custodian's insolvency, there may be a delay and costs incurred in identifying the bullion held in the Trust's allocated gold account.
- In issuing Baskets, the Trustee will rely on certain information received from the Custodian, which is subject to confirmation after the Trustee has relied on the information. If such information turns out to be incorrect, Baskets may be issued in exchange for an amount of gold, which is more or less than the amount of gold which is required to be deposited with the Trust.
- The Trust's obligation to reimburse the Purchaser, the Marketing Agent and the Authorized Participants for certain liabilities in the event the Sponsor fails to indemnify the Purchaser, the Marketing Agent or the Authorized Participants could adversely affect an investment in the Shares.
- Competing claims over ownership of intellectual property rights related to the Trust could adversely affect the Trust and an investment in the shares.

Exchange Rules Applicable to Trading in the Shares

Trading in the Shares on NASDAQ is subject to [NASDAQ equity trading rules](#), including NASDAQ Rule 4630, which governs the trading of and surveillance procedures applicable to Commodity-Related Securities. Under that rule:

Information Barriers — Market Makers must establish adequate information barriers when engaging in inter-departmental communications and should refer to the NASD/NYSE Joint Memo on Chinese Wall Policies and Procedures in [NASD Notice to Members 91-45](#) for guidance on the minimum elements of adequate information barriers. For purposes of the Shares only, “inter-departmental” communications include communications to other departments within the same firm or the firm’s affiliates that involve trading in an underlying commodity, related commodity futures, options on commodity futures, forward contracts or swaps, or any other related commodity derivatives. Market Makers are also responsible for establishing adequate written supervisory procedures regarding these and other commodity-related securities in which they make markets.

Market Maker Accounts — Market Makers will be required to file and keep current a list identifying all accounts for trading in an underlying commodity, related commodity futures, options on commodity futures, forward contracts or swaps, or any other related commodity derivatives, that the Market Maker may have or over which it may exercise investment discretion. No Market Maker shall trade in an account that has not been reported as required by Rule 4630.

Books and Records — Market Makers will be required to make available to NASDAQ Regulation such books, records or other information pertaining to transactions in the underlying commodity, related commodity futures, options on commodity futures, forward contracts or swaps, or any other related commodity derivatives, as may be requested by NASDAQ Regulation.

Material Non-Public Information — In connection with trading the Shares or the underlying commodity, related commodity futures, options on commodity futures, forward contracts or swaps, or any other related commodity derivatives, Market Makers will not be permitted to use any material non-public information received from any person associated with the Market Maker or employee of such person regarding trading by such person or employee in the underlying commodity, related commodity futures, options on commodity futures, forward contracts or swaps, or any other related commodity derivatives.

Market Makers currently trading these Shares must complete the [Market Maker Disclosure Report for Commodity-Related Securities form](#) and establish written supervisory procedures for trading these Shares.

Trading Hours

The Shares will trade on NASDAQ between 7:00 a.m. and 8:00 p.m. ET.

Suitability

Trading in the Shares on NASDAQ will be subject to the provisions of [NASDAQ Rule 2310](#). Members recommending transactions in the Shares to customers should make a determination that the recommendation is suitable for the customer. In addition,

members must possess sufficient information to satisfy the “know your customer” obligation that is embedded in the NASDAQ Conduct Rules.

Members also should review [NASD Notice to Members 03-71](#) for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

Trading Halts

NASDAQ will halt trading in the Shares in accordance with [NASDAQ Rule 4120](#). The grounds for a halt under NASDAQ Rule 4120 include a halt by the primary market because the IIV and/or the spot price of gold are not being disseminated as required, or a halt for other regulatory reasons. In addition, NASDAQ will stop trading the Shares of a Fund if the primary market de-lists the Shares.

Delivery of a Prospectus

Pursuant to federal securities laws, investors purchasing Shares must receive a prospectus prior to or concurrently with the confirmation of a transaction in the Shares. Prospectuses may be obtained through the Funds’ Distributor at 1-800.621.1675 or from the Trust’s website at www.streettracksgoldshares.com.

Exemptive, Interpretive and No-Action Relief Under Federal Securities Regulations

The SEC has issued exemptive, interpretive or no-action relief from certain provisions of rules under the Securities Exchange Act of 1934 (the “Act”) regarding trading in the above mentioned exchange-traded funds.

Short Sale Rules

Transactions in ETFs will not be subject to “tick” requirements of the SEC short sale rule (SEC Rule 10a-1) or the “bid” requirements of the NASDAQ short sale rule ([NASDAQ Rule 3350](#)). Short orders must be marked SHORT or SHORT EXEMPT. (See paragraph below regarding Rule 200(g) of Regulation SHO.)

Rule 200(g) of Regulation SHO

The SEC Division of Market Regulation has stated that the Division will not recommend enforcement action under Rule 200(g) of Regulation SHO if a broker-dealer marks “short” rather than “short exempt” a short sale effected in the Shares, subject to specified conditions, including that a broker-dealer executing exempt short sales will mark such sales as “short” and in no event will such sales be marked “long”. (See letter from James A. Brigagliano, Assistant Director, Division of Market Regulation, SEC, to Ira Hammerman, Senior Vice President and General Counsel, Securities Industry Association, dated January 3, 2005.)

Regulation M Exemptions

Generally, Rules 101 and 102 of Regulation M prohibit any "distribution participant" and its "affiliated purchasers" from bidding for, purchasing, or attempting to induce any person to bid for or purchase any security which is the subject of a distribution until after the applicable restricted period, except as specifically permitted in Regulation M. The provisions of the Rules apply to underwriters, prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in a distribution of securities.

The SEC has granted an exemption from Rule 101 under Regulation M to permit persons participating in a distribution of the Shares to engage in secondary market transactions in such Shares during their participation in such a distribution. The SEC has also granted an exemption pursuant to paragraph (e) of Rule 102 under Regulation M to allow the redemption of Basket Aggregations during the continuous offering of shares.

Section 11(d)(1); SEC Rules 11d1-1 and 11d1-2

Section 11(d)(1) of the Act generally prohibits a person who is both a broker and a dealer from effecting any transaction in which the broker-dealer extends credit to a customer on any security which was part of a new issue in the distribution of which he participated as a member of a selling syndicate or group within thirty days prior to such transaction. The SEC has clarified that Section 11(d)(1) does not apply to broker-dealers that are not Authorized Participants (and, therefore, do not create Basket Aggregations) that engage in both proprietary and customer transactions in Shares in the secondary market. This relief is subject to specific conditions, including the condition that such broker-dealer (whether or not an Authorized Participant) does not, directly or indirectly, receive from the fund complex any payment, compensation or other economic incentive to promote or sell the Shares to persons outside the fund complex, other than non-cash compensation permitted under NASD Rule 2830(I)(5)(A), (B) or (C). The SEC also has taken a no-action position under Section 11(d)(1) of the Act that broker-dealers may treat Shares, for purposes of Rule 11d1-2, as "securities issued by a registered open-end investment company as defined in the Investment Company Act" and thereby extend credit or maintain or arrange for the extension or maintenance of credit on Shares that have been owned by the persons to whom credit is provided for more than 30 days, in reliance on the exemption contained in the rule.

The SEC has also taken a no-action position under Section 11(d) of the Exchange Act if an Authorized Participant ("AP") extends or maintains or arranges for the extension or maintenance of credit on Shares in reliance on the class exemption granted in the Letter re: Derivative Products Committee of the Securities Industry Association ("SIA") (November 21, 2005), provided (1) that the AP does not receive from the Trust, directly or indirectly, any payment, compensation or other economic incentive to promote or sell the Shares to persons outside the Trust, other than non-cash compensation permitted under NASD Rule 2830(I)(5)(A), (B), or (C); and (2) the AP does not extend, maintain or arrange for the extension or maintenance of credit to or for a customer on Shares before thirty days from the start of trading in the Shares (except as otherwise permitted pursuant to Rule 11d1-1). (See [letter](#) from Catherine McGuire, Chief Counsel, SEC Division of Market Regulation, to Securities Industry Association, Derivative Products Committee, dated November 21, 2005.)

This Information Circular is not a statutory prospectus. NASDAQ members should consult the prospectus for the Trust and the Trust's website at <http://www.streettracksgoldshares.com> for relevant information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, Director, NASDAQ Listing Qualifications, at 301.978.8088
- NASDAQ Office of General Counsel at 301.978.8400
- NASDAQ Market Sales at 800.846.0477

Appendix A

Exchange-Traded Fund

Symbol

CUSIP Number

streetTRACKS Gold Shares

GLD

863307104