

ETFs SECURITIES PALLADIUM TRUST

2010 Grantor Trust Tax Reporting Statement

EIN: 26-4733157

CUSIP: 26923A106

Ticker: PALL

The following information is being provided to assist Shareholders of the ETFs Palladium Trust with reporting of their taxable income and expenses for the period January 1, 2010 through December 31, 2010, pursuant to Treasury Regulation Section 1.671-5. Under this regulation, the ETFs Palladium Trust is considered a "non-mortgage widely held fixed investment trust."

TAXATION OF THE TRUST

The ETFs Palladium Trust is a grantor trust for U.S. federal income tax purposes. As a result, the Trust itself is not subject to U.S. federal income tax. Instead, the Trust's income and expenses "flow through" to the Shareholders.

TAXATION OF US INDIVIDUAL SHAREHOLDERS

Shareholders generally will be treated, for U.S. federal income tax purposes, as if they directly owned a pro rata share of the underlying assets held in the Trust. Shareholders also will be treated as if they directly received their respective pro rata shares of the Trust's income and proceeds, and directly incurred their pro rata share of the Trust's expenses. Most state and local tax authorities follow U.S. Income tax rules in this regard. However, Shareholders should contact their own tax advisors as to the state and local tax consequences of ownership of PALL shares.

The Trust holds only palladium bullion and, accordingly, received no income during the year.

The Trust paid expenses monthly, as shown in the attached 2010 Expense File. An example illustrating the computation of a Shareholder's share of expenses is provided. The calculation period is monthly.

Because the Trust sold only a de minimis amount of palladium for payment of Trust expenses during the year and made no distributions of sale proceeds to its Shareholders, under Treas. Reg. Sec. 1.671-5(c)(2)(iv)(B) neither the Trust nor brokers are required to report the gross proceeds of Trust sales to Shareholders on Form 1099B. Certain brokers may nevertheless elect to report these proceeds to their customers on a composite Form 1099B. For those Shareholders who have not received this information on Form 1099B, it is contained in the attached 2010 Gross Proceeds File.

ETFS PALLADIUM TRUST 2010 EXPENSE FILE

Date	Expenses Per Share
January	0.00000000
February	0.01174730
March	0.01805873
April	0.02178325
May	0.02321176
June	0.02357557
July	0.02321536
August	0.02390928
September	0.02493036
October	0.02556525
November	0.02951937
December	0.03088005
Total for year	0.25639630

How to Calculate the Shareholder's Investment Expenses

Identify in the table above the months (full and partial) in which the Shareholder held shares in the ETFS Palladium Trust (PALL). The amount in the column labeled "Expenses Per Share," represents the amount of investment expense paid per share for a full month. For any month in which the shares were not held on each day in such month, the expenses should be pro-rated based on the number of days held.

Example illustrating calculation of a Shareholder's 2010 ETFS Palladium Trust Investment Expenses

Assume that a Shareholder purchased 200 shares on June 15, 2010 and sold them on November 15, 2010. For the month of June, Shareholder's expenses are $\$0.023575568 \times (15/30) = \0.011787784 per share. For the months of July through October, the expenses per share are as shown. For the month of November Shareholder's expenses are $\$0.014759687$ per share ($0.029519374 \times (15/30)$). The total expenses for Shareholder are therefore $\$0.12416773$ per share, or $\$24.83$.

Total Expenses per Share	\$ 0.12416773
Total Shares	200
Total Expense	<u>\$ 24.83</u>
(1040 Sch A)	

ETFs PALLADIUM TRUST 2010 GROSS PROCEEDS FILE

Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
01/01/2010	0.10000000		
01/02/2010	0.10000000		
01/03/2010	0.10000000		
01/04/2010	0.10000000		
01/05/2010	0.10000000		
01/06/2010	0.10000000		
01/07/2010	0.10000000		
01/08/2010	0.10000000		
01/09/2010	0.10000000		
01/10/2010	0.10000000		
01/11/2010	0.09999865		
01/12/2010	0.09999661		
01/13/2010	0.09999525		
01/14/2010	0.09999341		
01/15/2010	0.09999341		
01/16/2010	0.09999341		
01/17/2010	0.09999341		
01/18/2010	0.09999341		
01/19/2010	0.09999176		
01/20/2010	0.09999005		
01/21/2010	0.09998733		
01/22/2010	0.09998733		
01/23/2010	0.09998733		
01/24/2010	0.09998733		
01/25/2010	0.09998733		
01/26/2010	0.09998733		
01/27/2010	0.09998733		
01/28/2010	0.09998733		
01/29/2010	0.09998733		
01/30/2010	0.09998733		
01/31/2010	0.09998733		
02/01/2010	0.09998733		
02/02/2010	0.09996044	0.00002689	0.01174730
02/03/2010	0.09996044		
02/04/2010	0.09996009		
02/05/2010	0.09996009		
02/06/2010	0.09996009		
02/07/2010	0.09996009		
02/08/2010	0.09996009		
02/09/2010	0.09996009		
02/10/2010	0.09995945		
02/11/2010	0.09995945		
02/12/2010	0.09995945		
02/13/2010	0.09995945		
02/14/2010	0.09995945		
02/15/2010	0.09995945		

ETFs PALLADIUM TRUST 2010 GROSS PROCEEDS FILE

Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
02/16/2010	0.09995945		
02/17/2010	0.09995837		
02/18/2010	0.09995837		
02/19/2010	0.09995837		
02/20/2010	0.09995837		
02/21/2010	0.09995837		
02/22/2010	0.09995837		
02/23/2010	0.09995837		
02/24/2010	0.09995837		
02/25/2010	0.09995837		
02/26/2010	0.09995837		
02/27/2010	0.09995837		
02/28/2010	0.09995837		
03/01/2010	0.09995837		
03/02/2010	0.09995837		
03/03/2010	0.09991417	0.00004227	0.01805873
03/04/2010	0.09991417		
03/05/2010	0.09991397		
03/06/2010	0.09991397		
03/07/2010	0.09991397		
03/08/2010	0.09991397		
03/09/2010	0.09991397		
03/10/2010	0.09991397		
03/11/2010	0.09991397		
03/12/2010	0.09991397		
03/13/2010	0.09991397		
03/14/2010	0.09991397		
03/15/2010	0.09991397		
03/16/2010	0.09991397		
03/17/2010	0.09991322		
03/18/2010	0.09991322		
03/19/2010	0.09991322		
03/20/2010	0.09991322		
03/21/2010	0.09991322		
03/22/2010	0.09991322		
03/23/2010	0.09991322		
03/24/2010	0.09991186		
03/25/2010	0.09991186		
03/26/2010	0.09991116		
03/27/2010	0.09991116		
03/28/2010	0.09991116		
03/29/2010	0.09991116		
03/30/2010	0.09991116		
03/31/2010	0.09991116		
04/01/2010	0.09991116		
04/02/2010	0.09991116		
04/03/2010	0.09991116		

ETFs PALLADIUM TRUST 2010 GROSS PROCEEDS FILE

Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
04/04/2010	0.09991116		
04/05/2010	0.09991116		
04/06/2010	0.09986310	0.00004706	0.02178325
04/07/2010	0.09986276		
04/08/2010	0.09986276		
04/09/2010	0.09986214		
04/10/2010	0.09986214		
04/11/2010	0.09986214		
04/12/2010	0.09986214		
04/13/2010	0.09986214		
04/14/2010	0.09986214		
04/15/2010	0.09986111		
04/16/2010	0.09986111		
04/17/2010	0.09986111		
04/18/2010	0.09986111		
04/19/2010	0.09986003		
04/20/2010	0.09986003		
04/21/2010	0.09986003		
04/22/2010	0.09986003		
04/23/2010	0.09986003		
04/24/2010	0.09986003		
04/25/2010	0.09986003		
04/26/2010	0.09986003		
04/27/2010	0.09985860		
04/28/2010	0.09985860		
04/29/2010	0.09985860		
04/30/2010	0.09985860		
05/01/2010	0.09985860		
05/02/2010	0.09985860		
05/03/2010	0.09985860		
05/04/2010	0.09985860		
05/05/2010	0.09985752		
05/06/2010	0.09985752		
05/07/2010	0.09981372	0.00004380	0.02321176
05/08/2010	0.09981372		
05/09/2010	0.09981372		
05/10/2010	0.09981372		
05/11/2010	0.09981372		
05/12/2010	0.09981372		
05/13/2010	0.09981318		
05/14/2010	0.09981318		
05/15/2010	0.09981318		
05/16/2010	0.09981318		
05/17/2010	0.09981318		
05/18/2010	0.09981318		
05/19/2010	0.09981318		
05/20/2010	0.09981160		

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Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
05/21/2010	0.09981082		
05/22/2010	0.09981082		
05/23/2010	0.09981082		
05/24/2010	0.09981082		
05/25/2010	0.09981082		
05/26/2010	0.09981082		
05/27/2010	0.09981082		
05/28/2010	0.09981082		
05/29/2010	0.09981082		
05/30/2010	0.09981082		
05/31/2010	0.09981082		
06/01/2010	0.09981082		
06/02/2010	0.09981082		
06/03/2010	0.09976286	0.00004796	0.02357557
06/04/2010	0.09976286		
06/05/2010	0.09976286		
06/06/2010	0.09976286		
06/07/2010	0.09976286		
06/08/2010	0.09976286		
06/09/2010	0.09976286		
06/10/2010	0.09976286		
06/11/2010	0.09976286		
06/12/2010	0.09976286		
06/13/2010	0.09976286		
06/14/2010	0.09976286		
06/15/2010	0.09976286		
06/16/2010	0.09976286		
06/17/2010	0.09976286		
06/18/2010	0.09976286		
06/19/2010	0.09976286		
06/20/2010	0.09976286		
06/21/2010	0.09976213		
06/22/2010	0.09976213		
06/23/2010	0.09976191		
06/24/2010	0.09976214		
06/25/2010	0.09976214		
06/26/2010	0.09976214		
06/27/2010	0.09976214		
06/28/2010	0.09976214		
06/29/2010	0.09976214		
06/30/2010	0.09976368		
07/01/2010	0.09976368		
07/02/2010	0.09976368		
07/03/2010	0.09976368		
07/04/2010	0.09976368		
07/05/2010	0.09976368		
07/06/2010	0.09976368		

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Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
07/07/2010	0.09971357	0.00005011	0.02321536
07/08/2010	0.09971357		
07/09/2010	0.09971357		
07/10/2010	0.09971357		
07/11/2010	0.09971357		
07/12/2010	0.09971357		
07/13/2010	0.09971357		
07/14/2010	0.09971357		
07/15/2010	0.09971357		
07/16/2010	0.09971357		
07/17/2010	0.09971357		
07/18/2010	0.09971357		
07/19/2010	0.09971357		
07/20/2010	0.09971357		
07/21/2010	0.09971357		
07/22/2010	0.09971357		
07/23/2010	0.09971501		
07/24/2010	0.09971501		
07/25/2010	0.09971501		
07/26/2010	0.09971501		
07/27/2010	0.09971501		
07/28/2010	0.09971501		
07/29/2010	0.09971501		
07/30/2010	0.09971501		
07/31/2010	0.09971501		
08/01/2010	0.09971501		
08/02/2010	0.09971501		
08/03/2010	0.09971501		
08/04/2010	0.09966262	0.00005239	0.02390928
08/05/2010	0.09966262		
08/06/2010	0.09966262		
08/07/2010	0.09966262		
08/08/2010	0.09966262		
08/09/2010	0.09966262		
08/10/2010	0.09966262		
08/11/2010	0.09966262		
08/12/2010	0.09966262		
08/13/2010	0.09966262		
08/14/2010	0.09966262		
08/15/2010	0.09966262		
08/16/2010	0.09966262		
08/17/2010	0.09966262		
08/18/2010	0.09966262		
08/19/2010	0.09966262		
08/20/2010	0.09966262		
08/21/2010	0.09966262		
08/22/2010	0.09966262		

ETFs PALLADIUM TRUST 2010 GROSS PROCEEDS FILE

Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
08/23/2010	0.09966262		
08/24/2010	0.09966262		
08/25/2010	0.09966262		
08/26/2010	0.09966262		
08/27/2010	0.09966262		
08/28/2010	0.09966262		
08/29/2010	0.09966262		
08/30/2010	0.09966262		
08/31/2010	0.09966262		
09/01/2010	0.09966262		
09/02/2010	0.09961170	0.00005093	0.02493036
09/03/2010	0.09961170		
09/04/2010	0.09961170		
09/05/2010	0.09961170		
09/06/2010	0.09961170		
09/07/2010	0.09961170		
09/08/2010	0.09961170		
09/09/2010	0.09961170		
09/10/2010	0.09961170		
09/11/2010	0.09961170		
09/12/2010	0.09961170		
09/13/2010	0.09961170		
09/14/2010	0.09961170		
09/15/2010	0.09961232		
09/16/2010	0.09961232		
09/17/2010	0.09961232		
09/18/2010	0.09961232		
09/19/2010	0.09961232		
09/20/2010	0.09961232		
09/21/2010	0.09961232		
09/22/2010	0.09961232		
09/23/2010	0.09961416		
09/24/2010	0.09961416		
09/25/2010	0.09961416		
09/26/2010	0.09961416		
09/27/2010	0.09961416		
09/28/2010	0.09961286		
09/29/2010	0.09961286		
09/30/2010	0.09960996		
10/01/2010	0.09960996		
10/02/2010	0.09960996		
10/03/2010	0.09960996		
10/04/2010	0.09960996		
10/05/2010	0.09956244	0.00004752	0.02556525
10/06/2010	0.09956244		
10/07/2010	0.09956225		
10/08/2010	0.09956156		

ETFs PALLADIUM TRUST 2010 GROSS PROCEEDS FILE

Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
10/09/2010	0.09956156		
10/10/2010	0.09956156		
10/11/2010	0.09956156		
10/12/2010	0.09956126		
10/13/2010	0.09956126		
10/14/2010	0.09956126		
10/15/2010	0.09956126		
10/16/2010	0.09956126		
10/17/2010	0.09956126		
10/18/2010	0.09956126		
10/19/2010	0.09956126		
10/20/2010	0.09956126		
10/21/2010	0.09956126		
10/22/2010	0.09956126		
10/23/2010	0.09956126		
10/24/2010	0.09956126		
10/25/2010	0.09956126		
10/26/2010	0.09956126		
10/27/2010	0.09956126		
10/28/2010	0.09956126		
10/29/2010	0.09956126		
10/30/2010	0.09956126		
10/31/2010	0.09956126		
11/01/2010	0.09956126		
11/02/2010	0.09951156	0.00004970	0.02951937
11/03/2010	0.09951156		
11/04/2010	0.09951156		
11/05/2010	0.09951133		
11/06/2010	0.09951133		
11/07/2010	0.09951133		
11/08/2010	0.09951133		
11/09/2010	0.09951133		
11/10/2010	0.09951133		
11/11/2010	0.09951062		
11/12/2010	0.09951043		
11/13/2010	0.09951043		
11/14/2010	0.09951043		
11/15/2010	0.09951043		
11/16/2010	0.09951043		
11/17/2010	0.09951043		
11/18/2010	0.09951043		
11/19/2010	0.09951043		
11/20/2010	0.09951043		
11/21/2010	0.09951043		
11/22/2010	0.09951043		
11/23/2010	0.09951043		
11/24/2010	0.09951043		

ETFs PALLADIUM TRUST 2010 GROSS PROCEEDS FILE

Date	Palladium Ounces		Proceeds Per Share
	Palladium Ounces Per Share	Sold To Cover Expenses	
11/25/2010	0.09951043		
11/26/2010	0.09951043		
11/27/2010	0.09951043		
11/28/2010	0.09951043		
11/29/2010	0.09951043		
11/30/2010	0.09951043		
12/01/2010	0.09951043		
12/02/2010	0.09946220	0.00004520	0.03088005
12/03/2010	0.09946196		
12/04/2010	0.09946196		
12/05/2010	0.09946196		
12/06/2010	0.09946185		
12/07/2010	0.09946185		
12/08/2010	0.09946166		
12/09/2010	0.09946166		
12/10/2010	0.09946147		
12/11/2010	0.09946147		
12/12/2010	0.09946147		
12/13/2010	0.09946147		
12/14/2010	0.09946193		
12/15/2010	0.09946193		
12/16/2010	0.09946193		
12/17/2010	0.09946170		
12/18/2010	0.09946170		
12/19/2010	0.09946170		
12/20/2010	0.09946233		
12/21/2010	0.09946233		
12/22/2010	0.09946233		
12/23/2010	0.09946233		
12/24/2010	0.09946233		
12/25/2010	0.09946233		
12/26/2010	0.09946233		
12/27/2010	0.09946233		
12/28/2010	0.09946192		
12/29/2010	0.09946192		
12/30/2010	0.09946108		
12/31/2010	0.09946064		
Totals		0.00050383	0.25639630