

ISHARES COMEX GOLD TRUST
Form 10-K/A
November 12, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A

Amendment No. 1

x Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2007.

.. Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

Commission file number: 001-32418

iShares[®] COMEX[®] Gold Trust

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of
incorporation or organization)

81-6124036
(I.R.S. Employer
Identification No.)

c/o Barclays Global Investors International, Inc.

400 Howard Street

San Francisco, California 94105

Attn: Product Management Team

Intermediary Investor and Exchange-Traded Products Department

(Address of principal executive offices)

(415) 597-2000

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(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| | |
|---|--|
| iShares (Title of class) | American Stock Exchange (Name of exchange on which registered) |
| Securities registered pursuant to Section 12(g) of the Act: None | |

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes No

As of June 30, 2007, the registrant had 14,900,000 shares outstanding. The aggregate market value of the shares held by non-affiliates was approximately \$959,709,000.

DOCUMENTS INCORPORATED BY REFERENCE:

None.

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EXPLANATORY NOTE

This Amendment No. 1 to the Annual Report on Form 10-K for the year ended December 31, 2007 (the **Amendment**) amends the Annual Report on Form 10-K for the same period originally filed by the iShares® COMEX® Gold Trust (the **Trust**) on February 27, 2008 (the **Original Filing**). The purposes of the Amendment are: (i) to include at the end of Item 1 of Part I (Business) the information under the heading United States Federal Income Tax Consequences ; (ii) to file as Exhibits 4.2, 10.1 and 10.2, respectively, executed versions of the Standard Terms for Authorized Participant Agreements, the Custodian Agreement and the Sub-License Agreement, each dated as of January 19, 2005; and (iii) to identify in the signature page of the report the individual who acts as principal accounting officer.

Except as described above, the Amendment does not otherwise modify the information contained in the Original Filing, and the Trust has made no attempt to update such information to reflect changes or events taking place after February 27, 2008.

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Part I

Item 1. Business.

The purpose of the trust is to own gold transferred to the trust in exchange for shares issued by the trust (iShares). Each iShare represents a fractional undivided beneficial interest in the net assets of the trust. The assets of the trust consist primarily of gold held by the custodian on behalf of the trust. However, there may be situations where the trust will unexpectedly hold cash. For example, a claim may arise against a third party, which is settled in cash. In situations where the trust unexpectedly receives cash or other assets, no new iShares will be issued until after the record date for the distribution of such cash or other property has passed.

The trust was formed on January 21, 2005 when an initial deposit of gold was made in exchange for the issuance of three Baskets (a Basket consists of 50,000 iShares).

The sponsor of the trust is Barclays Global Investors International, Inc. The trustee of the trust is The Bank of New York and the custodian is The Bank of Nova Scotia.

The trust's net assets grew from \$907,668,832 at December 31, 2006 to \$1,481,289,446 by December 31, 2007, the trust's fiscal year-end. Outstanding shares in the trust grew from 14,400,000 shares at December 31, 2006 to 17,950,000 shares outstanding at December 31, 2007.

The activities of the trust are limited to (1) issuing Baskets of iShares in exchange for the gold deposited with the custodian as consideration, (2) selling gold as necessary to cover the sponsor's fee, trust expenses not assumed by the sponsor and other liabilities and (3) delivering gold in exchange for Baskets of iShares surrendered for redemption. The trust is not actively managed. It does not engage in any activities designed to obtain a profit from, or to ameliorate losses caused by, changes in the price of gold.

The sponsor of the registrant maintains an Internet website at www.ishares.com, through which the registrant's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are made available free of charge after they have been filed or furnished to the Securities and Exchange Commission. Additional information regarding the trust may also be found on the SEC's EDGAR database at www.SEC.gov.

Trust Objective

The objective of the trust is for the value of the iShares to reflect, at any given time, the price of gold owned by the trust at that time less the trust's expenses and liabilities. The iShares are intended to constitute a simple and cost-effective means of making an investment similar to an investment in gold. An investment in physical gold requires expensive and sometimes complicated arrangements in connection with the assay, transportation, warehousing and insurance of the metal. Traditionally, such expense and complications have resulted in investments in physical gold being efficient only in amounts beyond the reach of many investors. The iShares have been designed to remove the obstacles represented by the expense and complications involved in an investment in physical gold, while at the same time having an intrinsic value that reflects, at any given time, the price of the gold owned by the trust at such time less the trust expenses and liabilities. Although the iShares are not the exact equivalent of an investment in gold, they provide investors with an alternative that allows a level of participation in the gold market through the securities market.

An investment in iShares is:

Backed by gold held by the custodian on behalf of the trust.

The iShares are backed by the assets of the trust. The trustee's arrangements with the custodian contemplate that at the end of each business day there can be in the trust account no more than 430 ounces of gold in an unallocated form. Accordingly, the bulk of the trust's gold holdings is represented by physical gold, identified on the custodian's books as the property of the trust and held by the custodian in the vicinity of New York, Toronto, Montreal, London and other locations that may be authorized in the future.

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As accessible and easy to handle as any other investment in shares.

Retail investors may purchase and sell iShares through traditional brokerage accounts. Because the intrinsic value of each iShare is a function of the price of only a fraction of an ounce of gold held by the trust, the cash outlay necessary for an investment in iShares should be less than the amount required for currently existing means of investing in physical gold. iShares are eligible for margin accounts.

Listed.

The iShares are listed and trade on the AMEX under the symbol IAU.

Relatively cost efficient.

Because the expenses involved in an investment in physical gold are dispersed among all holders of iShares, an investment in iShares may represent a cost-efficient alternative to investments in gold for investors not otherwise in a position to participate directly in the market for physical gold.

Secondary Market Trading

While the objective of the trust is for the value of the iShares to reflect, at any given time, the price of gold owned by the trust at that time less the trust's expenses and liabilities, iShares may trade at, above or below their net asset value per iShare or NAV. The NAV of iShares will fluctuate with changes in the market value of the trust's assets. The trading prices of iShares will fluctuate in accordance with changes in their NAV as well as market supply and demand. The amount of the discount or premium in the trading price relative to the NAV may be influenced by non-concurrent trading hours between the major gold markets and the AMEX. While the iShares trade on the AMEX until 4:15 P.M. New York time, liquidity in the market for gold may be reduced after the close of the major world gold markets, including London, Zurich and COMEX (which usually closes from 1:30 P.M. until 2:00 P.M. New York time). As a result, during this time, trading spreads, and the resulting premium or discount, on iShares may widen. However, given that Baskets of iShares can be created and redeemed in exchange for the underlying amount of gold, the sponsor believes that the arbitrage opportunities may provide a mechanism to mitigate the effect of such premium or discount.

Valuation of Gold; Computation of Net Asset Value

On each business day, as soon as practicable after 4:00 p.m. (New York time), the trustee evaluates the gold held by the trust and determines the net asset value of the trust. For purposes of making these calculations, a business day means any day other than a day when the AMEX is closed for regular trading.

The trustee values the trust's gold on the basis of that day's announced COMEX settlement price for the spot month gold futures contract. At any point in time, the spot month contract is the futures contract then closest to maturity. If there is no announced COMEX settlement price for spot month gold futures on a business day, the trustee is authorized to use the most recently announced COMEX settlement price for spot month gold futures contracts unless the trustee, in consultation with the sponsor, determines that such price is inappropriate as a basis for evaluation.

The COMEX daily settlement price for each gold futures contract is established by a subcommittee of COMEX members shortly after the close of trading in New York. The daily settlement price for each contract (delivery month) is derived from the daily settlement price for the most active futures contract month, which is not necessarily the spot month. That settlement price for the most active futures contract month is the average, rounded off to the nearest multiple of ten cents, of the highest and lowest price of the trades for that contract month reported during the last one minute of trading prior to the close of the market.

For all other gold futures contract months, which may include the spot month, the settlement prices are determined by COMEX based upon the differentials reflected in spread trades between adjacent months, such differentials being directly or indirectly related to the most active month. These differentials are determined by the average of the

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highest and lowest spread trades (trades based upon the differential between the price for two contract months) reported during the last fifteen minutes of trading prior to the close of the market. In the case that there were no such spread trades, the average of the bids and offers for spread transactions during that last fifteen-minute period are used. In the case that there were no such bids and offers during that time, the contracts are settled at prices consistent with the differentials for other contract months that were settled by the first or second method. If the third method is used, the subcommittee of the COMEX members establishing those settlement prices provides a record of the differentials from other contract months which formed the basis for those settlements.

If the COMEX establishes, with the approval of, or after regulatory notification to, the Commodity Futures Trading Commission (CFTC), rules for regularly determining a gold price that is different from that described above, the trustee, in consultation with the sponsor, may decide to evaluate the gold held by the trust using such other COMEX gold price, and the new price will become effective 60 days after notice of the trustee's decision is sent to the holders of iShares.

Once the value of the gold has been determined, the trustee subtracts all accrued fees (other than the fees to be computed by reference to the value of the trust or its assets), expenses and other liabilities of the trust from the total value of the gold and all other assets of the trust. The resulting figure is the adjusted net asset value of the trust, which is used to compute all fees (including the trustee's and the sponsor's fees) which are calculated from the value of the trust's assets.

To determine the net asset value of the trust, the trustee subtracts from the adjusted net asset value of the trust the amount of accrued fees computed from the value of the trust's assets. The trustee also determines the NAV by dividing the net asset value of the trust by the number of the iShares outstanding at the time the computation is made.

Trust Expenses

The trust's only ordinary recurring expense is expected to be the sponsor's fee. In exchange for the sponsor's fee the sponsor has agreed to assume the following administrative and marketing expenses incurred by the trust: the trustee's monthly fee, the custodian's fee, AMEX listing fees, SEC registration fees, printing and mailing costs, audit fees and expenses and up to \$100,000 per annum in legal fees and expenses.

The sponsor's fee is accrued daily at an annualized rate equal to 0.40% of the adjusted net asset value of the trust and is payable monthly in arrears. The trustee, at the direction of the sponsor, and, in the absence of such direction, in its discretion, sells gold in such quantity and at such times as is necessary to permit payment of the sponsor's fee and of trust expenses or liabilities not assumed by the sponsor. The trustee is authorized to sell gold at such times and in the smallest amounts required to permit such payments as they become due, it being the intention to avoid or minimize the trust's holdings of assets other than gold. Accordingly, the amount of gold sold may vary from time to time depending on the level of the trust's expenses and the market price of gold. The custodian has agreed to purchase from the trust, at the request of the trustee, gold needed to cover trust expenses at a price equal to the price used by the trustee to determine the value of the gold held by the trust on the date of the sale.

The sponsor was paid \$4,276,778 for acting as the sponsor during the year ended December 31, 2007.

Deposit of Gold; Issuance of Baskets of iShares

The trust creates and redeems iShares on a continuous basis but only in Baskets of 50,000 iShares. Only registered broker-dealers who have entered into written agreements with the sponsor and the trustee (each, an Authorized Participant) can deposit gold and receive Baskets of iShares in exchange. Upon the deposit of the corresponding amount of gold with the custodian, and the payment of the trustee's applicable fee and of any expenses, taxes or charges (such as stamp taxes or stock transfer taxes or fees), the trustee delivers the appropriate number of Baskets to the DTC account of the depositing Authorized Participant. The sponsor and the trustee maintain a current list of Authorized Participants. Gold deposited with the custodian must either (a) meet the requirements to be delivered in settlement of a COMEX gold futures contract pursuant to rules adopted by COMEX, or (b) meet the London Good Delivery Standards of the London Bullion Market Association.

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Before making a deposit, the Authorized Participant must deliver to the trustee a written purchase order indicating the number of Baskets it intends to acquire and the location or locations where it expects to make the corresponding deposit of gold with the custodian. The date the trustee receives that order determines the amount of gold the Authorized Participant needs to deposit (such amount, the Basket Gold Amount). However, orders received by the trustee after 4:00 p.m. (New York time) on a business day are treated as received on the next following business day. Gold can be delivered to the custodian in the vicinity of New York, Toronto, Canada, Montreal, Canada, London, England, or at other locations that may be authorized in the future.

The Basket Gold Amount necessary for the creation of a Basket changes from day to day. The initial Basket Gold Amount (in effect at the time of the creation of the trust) was 5,000 fine ounces of gold. On each day that the AMEX is open for regular trading, the trustee adjusts the quantity of gold constituting the Basket Gold Amount as appropriate to reflect sales of gold, any loss of gold that may occur, and accrued expenses. The computation is made by the trustee as promptly as practicable after 4:00 p.m. (New York time). See Valuation of Gold; Computation of Net Asset Value for a description of how the COMEX determines settlement prices, including the settlement price for the spot month gold futures contract and how the trustee determines the NAV. The trustee determines the Basket Gold Amount for a given business day by multiplying the NAV by the number of iShares in each Basket (50,000) and dividing the resulting product by that day's COMEX settlement price for the spot month gold futures contract. Fractions of a fine ounce of gold smaller than 0.001 fine ounce are disregarded for purposes of the computation of the Basket Gold Amount. The Basket Gold Amount so determined is communicated by the sponsor to the market via its website for the iShares. The AMEX also publishes the Basket Gold Amount determined by the trustee as indicated above.

Because the sponsor has assumed what are expected to be most of the trust's expenses, and the sponsor's fee accrues daily at the same rate (*i.e.*, $\frac{1}{365}$ th of the net asset value of the trust multiplied by 0.40%), in the absence of any extraordinary expenses or liabilities the amount of gold by which the Basket Gold Amount decreases each day is predictable. The sponsor makes available on each business day, through the same website used to disseminate the actual Basket Gold Amount determined by the trustee as indicated above, an indicative Basket Gold Amount for the next business day. Authorized Participants may use that indicative Basket Gold Amount as guidance regarding the amount of gold that they may expect to have to deposit with the custodian in respect of purchase orders placed by them on such next business day and accepted by the trustee. The agreement entered with each Authorized Participant provides, however, that once a purchase order has been accepted by the trustee, the Authorized Participant will be required to deposit with the custodian the Basket Gold Amount determined by the trustee on the effective date of the purchase order.

No iShares are issued unless and until the custodian has informed the trustee that it has allocated to the trust's account (except that any amounts of less than 430 ounces may be held in the trust account on an unallocated basis) the corresponding amount of gold. In accordance with the procedures that the custodian has agreed to follow in connection with the creation of iShares, gold received by the custodian no later than 11:30 a.m. (local time at the place of delivery) is required to be allocated to the trust's account no later than 9:00 a.m. (New York time) on

(a) the same day, if it is delivered to the custodian's account at The Bank of England;

(b) the second business day thereafter, if it does not exceed

(i) 500,000 fine ounces, in the case of gold that, prior to the transaction, was already in the possession of the custodian (*e.g.* if the custodian held it for the account of the Authorized Participant party to the transaction), or

(ii) 50,000 fine ounces, in the case of gold which, prior to the transaction, was not in the possession of the custodian (*i.e.*, gold that is first delivered in physical form to the custodian in connection with the transaction); or

(c) the fourth business day thereafter, in the case of more than 50,000 fine ounces but less than 100,000 fine ounces of gold that, prior to the transaction, was not in the possession of the custodian.

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In all other cases, the custodian's obligation is to allocate gold to the trust's account as soon as practicable after its receipt at the custodian's facilities.

Redemption of Baskets of iShares; Withdrawal of Gold

Authorized Participants, acting on authority of the registered holder of iShares, may surrender Baskets of iShares in exchange for the corresponding Basket Gold Amount announced by the trustee. Upon the surrender of such iShares and the payment of the trustee's applicable fee and of any expenses, taxes or charges (such as stamp taxes or stock transfer taxes or fees), the trustee will deliver to the order of the redeeming Authorized Participant the amount of gold corresponding to the redeemed Baskets. iShares can only be surrendered for redemption in Baskets of 50,000 iShares each.

Before surrendering Baskets of iShares for redemption, an Authorized Participant must deliver to the trustee a written request indicating the number of Baskets it intends to redeem and the location where it would like to take delivery of the gold represented by such Baskets. The date the trustee receives that order determines the Basket Gold Amount to be received in exchange. However, orders received by the trustee after 4:00 p.m. (New York time) on a business day are treated as received on the next following business day.

The custodian may make the gold available for collection at its office or at the office of a sub-custodian if the gold is being held by a sub-custodian. Gold is delivered at the locations designated by the trustee, in consultation with the custodian. Redeeming Authorized Participants are entitled to express a preference as to where they would like to have gold delivered, but have no right to receive delivery at a specified location.

Unless otherwise agreed to by the Custodian, gold is delivered to the redeeming Authorized Participants in the form of physical bars only (except that any amount of less than 430 ounces may be transferred to an unallocated account of or as ordered by, the redeeming Authorized Participant).

Redemptions may be suspended only (i) during any period in which regular trading on the AMEX or the COMEX is suspended or restricted or one or both exchanges are closed (other than scheduled holiday or weekend closings), or (ii) during an emergency as a result of which delivery, disposal or evaluation of gold is not reasonably practicable.

Fees and Expenses of the Trustee

Each deposit of gold for the creation of Baskets of iShares and each surrender of Baskets of iShares for the purpose of withdrawing trust property (including if the Trust Agreement terminates) must be accompanied by a payment to the trustee of a fee of \$2,000.

The trustee will be entitled to reimburse itself from the assets of the trust for all expenses and disbursements incurred by it for extraordinary services it may provide to the trust or in connection with any discretionary action the trustee may take to protect the trust or the interests of the holders.

Trust Expenses and Gold Sales

In addition to the fee payable to the sponsor, the following expenses are paid out of the assets of the trust:

any expenses or liabilities of the trust that are not assumed by the sponsor;

any taxes and other governmental charges that may fall on the trust or its property;

expenses and costs of any action taken by the trustee or the sponsor to protect the trust and the rights and interests of holders of iShares; and

any indemnification of the sponsor as described below.

The trustee sells the trust's gold from time to time as necessary to permit payment of the fees and expenses that the trust is required to pay. See Trust Expenses.

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The trustee is not responsible for any depreciation or loss incurred by reason of sales of gold made in compliance with the Trust Agreement.

Payment of Taxes

The trustee may deduct the amount of any taxes owed from any distributions it makes. It may also sell trust assets, by public or private sale, to pay any taxes owed. Registered holders of iShares will remain liable if the proceeds of the sale are not enough to pay the taxes.

UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following discussion of the material United States federal income tax consequences that generally will apply to the purchase, ownership and disposition of iShares by a U.S. Shareholder (as defined below), and certain United States federal income consequences that may apply to an investment in iShares by a Non-U.S. Shareholder (as defined below), is based on the United States Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations promulgated thereunder and judicial and administrative interpretations of the Code, all as in effect on the date of this report and all of which are subject to change either prospectively or retroactively. The tax treatment of Shareholders may vary depending upon their own particular circumstances. Certain Shareholders (including banks, financial institutions, insurance companies, tax-exempt organizations, broker-dealers, traders, persons holding iShares as a position in a hedging, straddle, conversion, or constructive sale transaction for United States federal income tax purposes, persons whose functional currency is not the United States dollar, or other investors with special circumstances) may be subject to special rules not discussed below. In addition, the following discussion applies only to investors who will hold iShares as capital assets within the meaning of section 1221 of the Code. Moreover, the discussion below does not address the effect of any state, local or foreign tax law on an owner of iShares. Purchasers of iShares are urged to consult their own tax advisors with respect to all federal, state, local and foreign tax law considerations potentially applicable to their investment in iShares.

For purposes of this discussion, a U.S. Shareholder is a Shareholder that is:

An individual who is treated as a citizen or resident of the United States for United States federal income tax purposes;

A corporation or partnership (or entity treated as a corporation or partnership for United States federal income tax purposes) created or organized in or under the laws of the United States or any political subdivision thereof, including the District of Columbia;

An estate, the income of which is includible in gross income for United States federal income tax purposes regardless of its source; or

A trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or a trust that has made a valid election under applicable Treasury Regulations to be treated as a domestic trust.

A Shareholder that is not a U.S. Shareholder as defined above is considered a Non-U.S. Shareholder for purposes of this discussion.

Taxation of the Trust

The sponsor and the trustee will treat the trust as a grantor trust for United States federal income tax purposes. In the opinion of tax counsel to the trust, although not free from doubt due to the lack of directly governing authority, the trust will be classified as a grantor trust for United States federal income tax purposes. As a result, the trust itself will not be subject to United States federal income tax. Instead, the trust's income and expenses will flow through to the Shareholders, and the trustee will report the trust's income, gains, losses and deductions to the IRS on that basis. The opinion of tax counsel to the trust represents only its best legal judgment and is not binding on the IRS or any court. Accordingly, there can be no assurance that the IRS will agree with the conclusions of counsel's opinion and it is possible that the IRS or another tax authority could assert a position contrary to one or all of those conclusions and that a court could sustain that contrary position. Neither the sponsor nor the trustee will request a ruling from the IRS with respect to the classification of the trust for United States federal income tax purposes. If the IRS were to assert successfully that the trust is not classified as a grantor trust, the trust would be classified as a partnership for United States federal income tax purposes, which may affect timing and other tax consequences to the Shareholders.

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The following discussion assumes that the trust will be classified as a grantor trust for United States federal income tax purposes.

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Taxation of U.S. Shareholders

Shareholders will be treated, for United States 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, if any, and as if they directly incurred their respective pro rata shares of the trust's expenses. In the case of a Shareholder that purchases iShares for cash, its initial tax basis in its pro rata share of the assets held in the trust at the time it acquires its iShares will be equal to its cost of acquiring the iShares. In the case of a Shareholder that acquires its iShares as part of a creation of a Basket, the delivery of gold to the trust in exchange for the underlying gold represented by the iShares will not be a taxable event to the Shareholder, and the Shareholder's tax basis and holding period for the Shareholder's pro rata share of the gold held in the trust will be the same as its tax basis and holding period for the gold delivered in exchange therefor. For purposes of this discussion, and unless stated otherwise, it is assumed that all of a Shareholder's iShares are acquired on the same date and at the same price per iShare. Shareholders that hold multiple lots of iShares, or that are contemplating acquiring multiple lots of iShares, should consult their own tax advisers as to the determination of the tax basis and holding period for the underlying gold related to such iShares.

When the trust sells gold, for example to pay expenses, a Shareholder will recognize gain or loss in an amount equal to the difference between (a) the Shareholder's pro rata share of the amount realized by the trust upon the sale and (b) the Shareholder's tax basis for its pro rata share of the gold that was sold. A Shareholder's tax basis for its share of any gold sold by the trust generally will be determined by multiplying the Shareholder's total basis for its share of all of the gold held in the trust immediately prior to the sale, by a fraction the numerator of which is the amount of gold sold, and the denominator of which is the total amount of the gold held in the trust immediately prior to the sale. After any such sale, a Shareholder's tax basis for its pro rata share of the gold remaining in the trust will be equal to its tax basis for its share of the total amount of the gold held in the trust immediately prior to the sale, less the portion of such basis allocable to its share of the gold that was sold. The delivery to the trust of gold in specified denominations (*e.g.*, COMEX gold in denominations of 100 ounces) and the subsequent delivery by the trust of gold in different denominations (*e.g.*, LBMA gold in denominations of 400 ounces) will not constitute a taxable event.

Upon a Shareholder's sale of some or all of its iShares, the Shareholder will be treated as having sold the portion of its pro rata share of the gold held in the trust at the time of the sale that is attributable to the iShares sold. Accordingly, the Shareholder generally will recognize gain or loss on the sale in an amount equal to the difference between (a) the amount realized pursuant to the sale of the iShares, and (b) the Shareholder's tax basis for the portion of its pro rata share of the gold held in the trust at the time of sale that is attributable to the iShares sold, as determined in the manner described in the preceding paragraph.

A redemption of some or all of a Shareholder's iShares in exchange for the underlying gold represented by the iShares redeemed generally will not be a taxable event to the Shareholder. In addition, a Shareholder that acquires its iShares as part of a creation of a Basket by the delivery to the trust of gold in specified denominations (*e.g.*, COMEX gold in denominations of 100 ounces), the subsequent redemption of its iShares for gold delivered by the trust in different denominations (*e.g.*, LBMA gold in denominations of 400 ounces) will not constitute a taxable event, provided that amount of gold received upon redemption contains the equivalent metallic content of the gold delivered upon creation, less amounts accrued or sold to pay the trust's expenses and other charges. The Shareholder's tax basis for the gold received in the redemption generally will be the same as the Shareholder's tax basis for the portion of its pro rata share of the gold held in the trust immediately prior to the redemption that is attributable to the iShares redeemed. The Shareholder's holding period with respect to the gold received should include the period during which the Shareholder held the iShares redeemed. A subsequent sale of the gold received by the Shareholder will be a taxable event.

After any sale or redemption of less than all of a Shareholder's iShares, the Shareholder's tax basis for its pro rata share of the gold held in the trust immediately after such sale or redemption generally will be equal to its tax basis for its share of the total amount of the gold held in the trust immediately prior to the sale or redemption, less the portion of such basis which is taken into account in determining the amount of gain or loss recognized by the Shareholder upon such sale or, in the case of a redemption, is treated as the basis of the gold received by the Shareholder in the redemption.

Maximum 28% Long-Term Capital Gains Tax Rate for U.S. Shareholders Who Are Individuals

Under current law, gains recognized by individuals from the sale of collectibles, including gold, held for more than one year are taxed at a maximum rate of 28%, rather than the current 15% rate applicable to most other long-term capital gains. For these purposes, gain recognized by an individual upon the sale of an interest in a trust that holds collectibles is treated as gain recognized on the sale of collectibles, to the extent that the gain is attributable to unrealized appreciation in value of the collectibles held by the trust. Therefore, any gain recognized by an individual U.S. Shareholder attributable to a sale of iShares held for more than one year, or attributable to the trust's sale of any gold which the Shareholder is treated (through its ownership of iShares) as having held for more than one year, generally will be taxed at a maximum rate of 28%. The tax rates for capital gains recognized upon the sale of assets held by an individual U.S. Shareholder for one year or less or by a taxpayer other than an individual United States taxpayer are generally the same as those at which ordinary income is taxed.

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Brokerage Fees and Trust Expenses

Any brokerage or other transaction fee incurred by a Shareholder in purchasing iShares will be treated as part of the Shareholder's tax basis in the underlying assets of the trust. Similarly, any brokerage fee incurred by a Shareholder in selling iShares will reduce the amount realized by the Shareholder with respect to the sale.

Shareholders will be required to recognize the full amount of gain or loss upon a sale of gold by the trust (as discussed above), even though some or all of the proceeds of such sale are used by the trustee to pay trust expenses. Shareholders may deduct their respective pro rata shares of each expense incurred by the trust to the same extent as if they directly incurred the expense. Shareholders who are individuals, estates or trusts, however, may be required to treat some or all of the expenses of the trust as miscellaneous itemized deductions. Individuals may deduct certain miscellaneous itemized deductions only to the extent they exceed 2% of adjusted gross income. In addition, such deductions may be subject to phase-outs and other limitations under applicable provisions of the Code.

Investment by U.S. Tax-Exempt Shareholders

Certain U.S. Shareholders (U.S. Tax-Exempt Shareholders) are subject to United States federal income tax only on their unrelated business taxable income (UBTI). Unless they incur debt in order to purchase iShares, it is expected that U.S. Tax-Exempt Shareholders should not realize UBTI in respect of income or gains from the iShares. U.S. Tax-Exempt Shareholders should consult their own independent tax advisers regarding the United States federal income tax consequences of holding iShares in light of their particular circumstances.

Investment by Regulated Investment Companies

Mutual funds and other investment vehicles which are regulated investment companies within the meaning of Code section 851 should consult with their tax advisors concerning (i) the likelihood that an investment in iShares, although they are a security within the meaning of the Investment Company Act of 1940, may be considered an investment in the underlying gold for purposes of Code section 851(b), and (ii) the extent to which an investment in iShares might nevertheless be consistent with preservation of their qualification under Code section 851.

Investment by Certain Retirement Plans

Section 408(m) of the Code provides that the purchase of a collectible as an investment for an IRA, or for a participant-directed account maintained under any plan that is tax-qualified under section 401(a) of the Code, is treated as a taxable distribution from the account to the owner of the IRA, or to the participant for whom the plan account is maintained, of an amount equal to the cost to the account of acquiring the collectible. The sponsor has received a private letter ruling from the IRS which provides that the purchase of iShares by an IRA or a participant-directed account maintained under a plan that is tax-qualified under section 401(a) of the Code, will not constitute the acquisition of a collectible or be treated as resulting in a taxable distribution to the IRA owner or plan participant under Code section 408(m). However, in the event any redemption of iShares results in the distribution of gold bullion to an IRA or a participant-directed account maintained under a plan that is tax-qualified under Section 401(a) of the Code, such distribution would constitute the acquisition of a collectible to the extent provided under section 408(m) of the Code. See also ERISA and Related Considerations.

Taxation of Non-U.S. Shareholders

A Non-U.S. Shareholder generally will not be subject to United States federal income tax with respect to gain recognized upon the sale or other disposition of iShares, or upon the sale of gold by the trust, unless (1) the Non-U.S. Shareholder is an individual and is present in the United States for 183 days or more during the taxable year of the sale or other disposition, and the gain is treated as being from United States sources; or (2) the gain is effectively connected with the conduct by the Non-U.S. Shareholder of a trade or business in the United States and certain other conditions are met.

United States Information Reporting and Backup Withholding

The trustee will file certain information returns with the IRS in connection with the trust. A U.S. Shareholder may be subject to United States backup withholding tax in certain circumstances unless it provides its taxpayer identification number and complies with certain certification procedures. Non-U.S. Shareholders may have to comply with certification procedures to establish that they are not a United States person in order to avoid the information reporting and backup withholding tax requirements.

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The amount of any backup withholding will be allowed as a credit against a Shareholder's United States federal income tax liability and may entitle such a Shareholder to a refund, provided that the required information is furnished to the IRS.

Taxation in Jurisdictions Other Than the United States

Prospective purchasers of iShares that are based in or acting out of a jurisdiction other than the United States are advised to consult

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their own tax advisers as to the tax consequences, under the laws of such jurisdiction (or any other jurisdiction not being the United States to which they are subject), of their purchase, holding, sale and redemption of or any other dealing in iShares and, in particular, as to whether any value added tax, other consumption tax or transfer tax is payable in relation to such purchase, holding, sale, redemption or other dealing.

ERISA AND RELATED CONSIDERATIONS

The Employee Retirement Income Security Act of 1974 (ERISA) and/or section 4975 of the Code impose certain requirements on employee benefit plans and certain other plans and arrangements, including individual retirement accounts and annuities, Keogh plans, and certain collective investment funds or insurance company general or separate accounts in which such plans or arrangements are invested, that are subject to ERISA and/or the Code (collectively, Plans), and on persons who are fiduciaries with respect to the investment of assets treated as plan assets of a Plan. Investments by Plans are subject to the fiduciary requirements and the applicability of prohibited transaction restrictions under ERISA.

Government plans and some church plans are not subject to the fiduciary responsibility provisions of ERISA or the provisions of section 4975 of the Code, but may be subject to substantially similar rules under state or other federal law. Fiduciaries of any such plans, are advised to consult with their counsel prior to an investment in iShares.

In contemplating an investment of a portion of Plan assets in iShares, the Plan fiduciary responsible for making such investment should carefully consider, taking into account the facts and circumstances of the Plan, the Risk Factors discussed below and whether such investment is consistent with its fiduciary responsibilities, including, but not limited to: (a) whether the fiduciary has the authority to make the investment under the appropriate governing plan instrument; (b) whether the investment would constitute a direct or indirect non-exempt prohibited transaction with a party in interest; (c) the Plan's funding objectives; and (d) whether under the general fiduciary standards of investment prudence and diversification such investment is appropriate for the Plan, taking into account the overall investment policy of the Plan, the composition of the Plan's investment portfolio and the Plan's need for sufficient liquidity to pay benefits when due.

Item 1A. Risk Factors.

Because the iShares are created to reflect the price of the gold held by the trust, the market price of the iShares will be unpredictable. This creates the potential for losses, regardless of whether you hold iShares for a short-, mid-or long-term.

iShares are created to reflect, at any given time, the market price of gold owned by the trust at that time less the trust's expenses and liabilities. Because the value of iShares depends on the price of gold, it is subject to fluctuations similar to those affecting gold prices. The price of gold has fluctuated widely over the past several years. If gold markets continue to be characterized by the wide fluctuations that they have shown in the past several years, the price of the iShares will change suddenly and in an unpredictable manner. This exposes your investment in iShares to potential losses if you need to sell your iShares at a time when the price of gold is lower than it was when you made your investment in iShares. Even if you are able to hold iShares for the mid- or long-term you may never have a profit, because gold markets have historically experienced extended periods of flat or declining prices.

Following an investment in iShares, several factors may have the effect of causing a decline in the prices of gold and a corresponding decline in the price of iShares. Among them:

Large sales including those by the official sector. A significant portion of the aggregate world gold holdings is owned by governments, central banks and related institutions. If one or more of these institutions or other sellers decides to sell in amounts large enough to cause a decline in world gold prices, the price of the iShares will be adversely affected.

A significant increase in gold hedging activity by gold producers. Should there be an increase in the level of hedge activity of gold producing companies, it could cause a decline in world gold prices, adversely affecting the price of the iShares.

A significant change in the attitude of speculators and investors towards gold. Should the speculative community take a negative view towards gold, it could cause a decline in world gold prices, negatively impacting the price of the iShares.

Conversely, several factors may trigger a temporary increase in the price of gold prior to your investment in the iShares. If that is the case, you will be buying iShares at prices affected by the temporarily high prices of gold, and you may incur losses when the causes for the temporary increase disappear.

The amount of gold represented by the iShares will continue to be reduced during the life of the trust due to the sales necessary to pay the sponsor's fee and trust expenses. Without increases in the price of gold sufficient to compensate for such reduction, the price of the iShares will also decline and you will lose money on your investment in iShares.

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Although the sponsor has agreed to assume all organizational and certain ordinary administrative and marketing expenses incurred by the trust, not all trust expenses have been assumed by the sponsor. For example, any taxes and other governmental charges that may be imposed on the trust's property will not be paid by the sponsor. As part of its agreement to assume some of the trust's ordinary administrative expenses, the sponsor has agreed to pay legal fees and expenses of the trust not in excess of \$100,000 per annum. Any legal fees and expenses in excess of that amount will be the responsibility of the trust.

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Because the trust does not have any income, it needs to sell gold to cover the sponsor's fee and expenses not assumed by the sponsor. The trust may also be subject to other liabilities (for example, as a result of litigation) which have also not been assumed by the sponsor. The only source of funds to cover those liabilities will be sales of gold held by the trust. Even if there are no expenses other than those assumed by the sponsor, and there are no other liabilities of the trust, the trustee will still need to sell gold to pay the sponsor's monthly fee. The result of these periodic sales is that the amount of gold represented by each iShare will decrease. New deposits of gold, received in exchange for new iShares issued by the trust, do not reverse this trend.

A decrease in the amount of gold represented by each iShare results in a decrease in its price even if the price of gold has not changed. To retain the iShare's original price, the price of gold has to increase. Without that increase, the lower amount of gold represented by the iShare will have a correspondingly lower price. If these increases do not occur, or are not sufficient to counter the lower amount of gold represented by each iShare, you will sustain losses on your investment in iShares.

An increase in the trust expenses not assumed by the sponsor, or the existence of unexpected liabilities affecting the trust, will force the trustee to sell larger amounts of gold, and will result in a more rapid decrease of the amount of gold represented by each iShare and a corresponding decrease in its value.

The trust is a passive investment vehicle. This means that the value of your iShares may be adversely affected by trust losses that, if the trust had been actively managed, it might have been possible to avoid.

The trustee does not actively manage the gold held by the trust. This means that the trustee does not sell gold at times when its price is high, or acquire gold at low prices in the expectation of future price increases. It also means that the trustee does not make use of any of the hedging techniques available to professional gold investors to attempt to reduce the risks of losses resulting from price decreases. Any losses sustained by the trust will adversely affect the value of your iShares.

The price received upon the sale of iShares may be less than the value of the gold represented by them.

The result obtained by subtracting the trust's expenses and liabilities on any day from the price of the gold owned by the trust on that day is the net asset value of the trust which, when divided by the number of iShares outstanding on that date, results in the net asset value per iShare (NAV).

iShares may trade at, above or below their NAV. The NAV of iShares will fluctuate with changes in the market value of the trust's assets. The trading prices of iShares will fluctuate in accordance with changes in their NAVs as well as market supply and demand. The amount of the discount or premium in the trading price relative to the NAV per iShare may be influenced by non-concurrent trading hours between the major gold markets and the AMEX. While the iShares will trade on the AMEX until 4:15 P.M. New York time, liquidity in the market for gold will be reduced after the close of the major world gold markets, including London, Zurich and COMEX (which usually closes from 1:30 P.M. until 2:00 P.M. New York time). As a result, during this time, trading spreads, and the resulting premium or discount on iShares, may widen.

The liquidation of the trust may occur at a time when the disposition of the trust's gold will result in losses to investors in iShares.

The trust will have limited duration. If certain events occur, at any time, the trustee will have to terminate the trust. Otherwise, the trust will terminate automatically after forty years.

Upon termination of the trust, the trustee will sell gold in the amount necessary to cover all expenses of liquidation, and to pay any outstanding liabilities of the trust. The remaining gold will be distributed among investors surrendering iShares. Any gold remaining in the possession of the trustee after 90 days may be sold by the trustee and the proceeds of the sale will be held by the trustee until claimed by any remaining holders of iShares. Sales of gold in connection with the liquidation of the trust at a time of low prices will likely result in losses, or adversely affect your gains, on your investment in iShares.

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There may be situations where an Authorized Participant is unable to redeem a basket of shares. To the extent the value of gold decreases, these delays may result in a decrease in the value of the gold the Authorized Participant will receive when the redemption occurs, as well as a reduction in liquidity for all shareholders in the secondary market.

Although iShares surrendered by Authorized Participants in basket-size aggregations are redeemable in exchange for the underlying amount of gold, redemptions may be suspended during any period while regular trading on the AMEX or COMEX is suspended or restricted, or in which an emergency exists that makes it reasonably impracticable to deliver, dispose of, or evaluate gold. If any of these events occurs at a time when an Authorized Participant intends to redeem iShares, and the price of gold decreases before such Authorized Participant is able again to surrender for redemption baskets of iShares, such Authorized Participant will sustain a loss with respect to the amount that it would have been able to obtain in exchange for the gold received from the trust upon the redemption of its iShares, had the redemption taken place when such Authorized Participant originally intended it to occur. As a consequence, Authorized Participants may reduce their trading in iShares during periods of suspension, decreasing the number of potential buyers of iShares in the secondary market and, therefore, the price a shareholder may receive upon sale.

The liquidity of the iShares may also be affected by the withdrawal from participation of Authorized Participants.

In the event that one or more Authorized Participants which have substantial interests in iShares withdraw from participation, the liquidity of the iShares will likely decrease, which could adversely affect the market price of the iShares and result in your incurring a loss on your investment.

Authorized Participants with large holdings may choose to terminate the trust.

Holders of 75% of the iShares have the power to terminate the trust. This power may be exercised by a relatively small number of holders. If it is so exercised, investors who wished to continue to invest in gold through the vehicle of the trust will have to find another vehicle, and may not be able to find another vehicle that offers the same features as the trust.

The lack of an active trading market for the iShares may result in losses on your investment at the time of disposition of your iShares.

Although iShares are listed for trading on the AMEX, you should not assume that an active trading market for the iShares will develop or be maintained. If you need to sell your iShares at a time when no active market for them exists, such lack of an active market will most likely adversely affect the price you receive for your iShares (assuming you are able to sell them).

If the process of creation and redemption of Baskets of iShares encounters any unanticipated difficulties, the possibility for arbitrage transactions intended to keep the price of the iShares closely linked to the price of gold may not exist and, as a result, the price of the iShares may fall.

If the processes of creation and redemption of shares (which depend on timely transfers of gold to and by the custodian) encounter any unanticipated difficulties, potential market participants who would otherwise be willing to purchase or redeem Baskets of iShares to take advantage of any arbitrage opportunity arising from discrepancies between the price of the iShares and the price of the underlying gold may not be able to realize the profit they expect. If this is the case, the liquidity of the iShares may decline and the price of the iShares may fluctuate independently of the price of gold and may fall.

As an owner of iShares, you will not have the rights normally associated with ownership of other types of shares.

iShares are not entitled to the same rights as shares issued by a corporation. By acquiring iShares, you are not acquiring the right to elect directors, to receive dividends, to vote on certain matters regarding the issuer of your iShares or to take other actions normally associated with the ownership of shares.

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As an owner of iShares, you will not have the protections normally 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.

The trust is not registered as an investment company for purposes of United States federal securities laws, and is not subject to regulation by the SEC as an investment company. Consequently, the owners of iShares do not have the regulatory protections provided to investors in investment companies. For example, the provisions of the Investment Company Act that limit transactions with affiliates, prohibit the suspension of redemptions (except under certain limited circumstances) or limit sales loads do not apply to the trust.

The trust does not hold or trade in commodity futures contracts regulated by the Commodity Exchange Act (CEA), as administered by the Commodity Futures Trading Commission (CFTC). Furthermore, the trust is not a commodity pool for purposes of the CEA, and its sponsor is not subject to regulation by the CFTC as a commodity pool operator, or a commodity trading advisor. Consequently, the owner of iShares does not have the regulatory protections provided to investors in CEA-regulated instruments or commodity pools. Consequently, the trustee is not subject to registration as a commodity pool operator and the owners of iShares do not receive the disclosure document and certified annual report required to be delivered by a commodity pool operator.

The value of the iShares will be adversely affected if gold owned by the trust is lost or damaged in circumstances in which the trust is not in a position to recover the corresponding loss.

The responsibility of the custodian for loss or damage to the trust's gold is not unlimited. The agreement with the custodian contemplates that under certain circumstances the custodian will not be responsible for loss or damage to the trust's gold in the custodian's possession. For example, losses due to nuclear accidents, terrorism, riots, acts of God, insurrections, strikes and similar causes beyond the control of the custodian will be sustained by the trust. Any loss of gold owned by the trust will result in a corresponding loss in the NAV and it is reasonable to expect that such loss will also result in a decrease in the value at which the iShares are traded on the AMEX.

Gold transferred to the trust in connection with the creation of Baskets of iShares may not be of the quality required under the Trust Agreement. The trust will sustain a loss if the trustee issues iShares in exchange for gold of inferior quality and that loss will adversely affect the value of all existing iShares.

The procedures agreed to with the custodian contemplate that the custodian must undertake certain tasks in connection with the inspection of gold delivered by Authorized Participants in exchange for Baskets of iShares. The custodian's inspection includes review of the corresponding bar list to ensure that it accurately describes the weight, fineness, refiner marks and bar numbers appearing on the gold bars, but does not include any chemical or other tests designed to verify that the gold received does, in fact, meet the purity requirements referred to in the Trust Agreement. Accordingly, such inspection procedures may not prevent the deposit of gold that fails to meet these purity standards. Each person that deposits gold in the trust is liable to the trust if that gold does not meet the requirements of the Trust Agreement. The custodian will not be responsible or liable to the trust or to any investor in the event any gold otherwise properly inspected by it does not meet the purity requirements contained in the Trust Agreement. To the extent that Baskets of iShares are issued in exchange for gold of inferior quality and the trust is not able to recover damages from the person that deposited that gold, the total value of the assets of the trust will be adversely affected and, with it, the NAV. In these circumstances, it is reasonable to expect that the value at which the iShares trade on the AMEX will also be adversely affected.

The value of the iShares will be adversely affected if the trust is required to indemnify the sponsor or the custodian as contemplated in the Trust Agreement and the custodian agreement.

Under the Trust Agreement, the sponsor has a right to be indemnified from the trust for any liability or expense it incurs without negligence, bad faith or willful misconduct on its part. That means the sponsor may require the assets of the trust to be sold in order to cover losses or liability suffered by the sponsor. Any sale of that kind would reduce the net asset value of the trust and the value of the iShares.

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Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Not applicable.

Item 3. Legal Proceedings.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

Not applicable.

Table of Contents**Part IV****Item 15. Exhibits, Financial Statement Schedules.****Financial Statement Schedules**

See Index to Financial Statements on Page F-1 for a list of the financial statements being filed as part of this report. Schedules may have been omitted since they are either not required, not applicable, or the information has otherwise been included.

Exhibits

| Exhibit No. | Description | |
|-------------|--|---|
| 4.1 | Amended and Restated Depositary Trust Agreement | Incorporated by reference to Exhibit 4.1 filed with Current Report on Form 8-K on February 7, 2007 |
| 4.2 | Standard Terms for Authorized Participant Agreements | |
| 10.1 | Custodian Agreement | |
| 10.2 | Sub-license Agreement | |
| 23.1 | Consent of PricewaterhouseCoopers LLP* | |
| 31.1 | Certification by Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | |
| 31.2 | Certification by Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | |
| 32.1 | Certification by Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | |
| 32.2 | Certification by Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | |

* Previously filed.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned in the capacities* indicated thereunto duly authorized.

Barclays Global Investors International, Inc.

Sponsor of the iShares COMEX Gold Trust (Registrant)

/s/ LEE T. KRANEFUSS
Lee T. Kranefuss
Chief Executive Officer
(Principal executive officer)

Date: November 12, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities* and on the dates indicated.

/s/ LEE T. KRANEFUSS
Lee T. Kranefuss
Chief Executive Officer,
(Principal executive officer)
Director

Date: November 12, 2008

/s/ MICHAEL A. LATHAM
Michael A. Latham
Chief Financial Officer,
(Principal financial and accounting officer)
Director

Date: November 12, 2008

* The registrant is a trust, and the persons are signing in their capacities as officers of Barclays Global Investors International, Inc., the sponsor of the registrant.