No securities regulatory authority has expressed an opinion about the securities offered hereunder and it is an offence to claim otherwise.

PROSPECTUS

Continuous Distribution April 25, 2008

CLAYMORE®

This prospectus qualifies the distribution of Units (defined below) of the following exchange-traded funds (each a "Claymore ETF" and together the "Claymore ETFs"):

Claymore Fundamental Index ETFs
Claymore Canadian Fundamental Index ETF
Claymore US Fundamental Index ETF C$ hedged
Claymore International Fundamental Index ETF
Claymore Japan Fundamental Index ETF C$ hedged
Claymore Europe Fundamental Index ETF

Claymore Growth & Income ETFs
Claymore CDN Dividend & Income Achievers ETF
Claymore Global Monthly Advantaged Dividend ETF[1]
Claymore S&P/TSX CDN Preferred Share ETF

Claymore Sector ETFs
Claymore Oil Sands Sector ETF
Claymore S&P/TSX Global Mining ETF
Claymore S&P Global Water ETF

Claymore International Growth ETFs
Claymore BRIC ETF

Claymore *CorePortfolio*™ ETFs
Claymore Global Balanced Income ETF
Claymore Global Balanced Growth ETF
Claymore Global All Equity ETF

[1] Formerly known as Claymore Global Monthly Yield Hog ETF

The Claymore ETFs are investment trusts established under the laws of the Province of Ontario and have been designed to replicate, to the extent possible, the performance of the applicable index. The investment strategy of the Claymore ETFs is to invest in and hold the constituent securities of the applicable indices in the same proportion as they are reflected in the applicable indices.

Common units (the "Common Units") and Advisor Class units (the "Advisor Class Units") of each of the Claymore ETFs and non-hedged Common units (the "Non-hedged Common Units") and non-hedged Advisor Class units ("Non-hedged Advisor Class Units") of Claymore US Fundamental Index ETF C$ hedged, are being issued and sold on a continuous basis and there is no maximum number of Units that may be issued. The Non-hedged Common Units and the Non-hedged Advisor Class Units are collectively referred to as the "Non-hedged Units". The Common Units, Advisor Class Units and Non-hedged Units are collectively referred to as the "Units."

Claymore Investments, Inc. ("Claymore" or the "Manager"), a registered investment counsel and portfolio manager, is the trustee and manager of the Claymore ETFs and is responsible for the administration of the Claymore ETFs. Claymore is a wholly-owned subsidiary of Claymore Group Inc., a financial services and asset management company based in the Chicago, Illinois area. Claymore Group Inc. and its affiliates have approximately 230 employees in North America and as of December 31, 2007 were providing supervisory, management or distribution-related services to exchange-traded funds, closed-end funds and unit investment trusts with combined assets of approximately U.S.$18.5 billion.

The Units, other than those of Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF and the Non-hedged Units, are listed on the Toronto Stock Exchange ("TSX") and offered on a continuous basis. Units of Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF and the Non-hedged Units of Claymore US Fundamental Index ETF C$ hedged have been conditionally approved for listing on the TSX. Subject to meeting the TSX's listing requirements, Units of Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF and Non-hedged Units of Claymore US Fundamental Index ETF C$ hedged will be offered on a continuous basis. Investors may buy or sell Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. From time to time as may be agreed by a Claymore ETF and the Designated Brokers and Underwriters, the Designated Brokers and Underwriters may agree to accept Constituent Securities as payment for Units from prospective purchasers. Investors may incur customary brokerage commissions in buying or selling Units. The Manager expects that the first issuance of the Units offered hereby of Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF will occur and be listed for trading on the TSX in July, 2008. The Manager expects that the first issuance of the Non-hedged Units offered hereby will occur and be listed for trading on the TSX in 2008.

Unitholders may redeem Units in any number for cash, subject to a redemption discount, or may exchange a Prescribed Number of Units (or integral multiple thereof) for Baskets of Securities of the Constituent Issuers of the Index held by each Claymore ETF and cash.

The Claymore ETFs issue, or will issue, Units directly to Designated Brokers and Underwriters. The initial issuance of Units of the Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF will not occur until it has received, in aggregate, subscriptions sufficient to satisfy the TSX's original listing requirements. The initial issuance of Non-hedged Units will not occur until Claymore US Fundamental Index ETF C$ hedged has received, in aggregate, subscriptions sufficient to satisfy the TSX's requirements for supplementary listings.

No underwriter has been involved in the preparation of the prospectus or has performed any review of the contents of the prospectus.

For a discussion of the risks associated with an investment in Units of the Claymore ETFs, see "Risk Factors."

In the opinion of counsel, provided that each of the Claymore ETFs qualifies as a mutual fund trust within the meaning of the *Income Tax Act* (Canada), the Units will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans and registered education savings plans.

While each Claymore ETF will be a mutual fund under the securities legislation of certain provinces and territories of Canada, it has been granted exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds.

"FTSE" is a trademark of FTSE International Limited ("FTSE"). "Research Affiliates", "Fundamental Index" and "Fundamental Indexation" are trademarks of Research Affiliates, LLC ("RA") that have been licensed to FTSE. FTSE has licensed certain of its trademarks and has sub-licensed certain trademarks of RA to the Manager for use in connection with the Claymore Fundamental Index ETFs. The Units of the Claymore Fundamental Index ETFs are not in any way sponsored, endorsed, sold or promoted by FTSE or by the London Stock Exchange Plc (the

“Exchange”) or by the Financial Times Limited (“FT”) or by RA and neither FTSE nor the Exchange nor FT nor RA makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE RAFI Developed ex US 1000 Index, FTSE US 1000 Index, FTSE RAFI Japan Canadian Dollar Hedged Index and FTSE RAFI Canada Index (collectively, the “FTSE Fundamental Indices”) and/or the figures at which the FTSE Fundamental Indices stand at any particular time on any particular day or otherwise.

“Dividend Achievers” and “Canadian Dividend Achievers” are trademarks of Mergent, Inc. (“Mergent”). Mergent has licensed certain of its trademarks to the Manager for use in connection with the Claymore CDN Dividend & Income Achievers ETF. The Claymore CDN Dividend & Income Achievers ETF and its units are not sponsored, endorsed, sold or promoted by Mergent. Mergent makes no representation or warranty, express or implied, to the unitholders of such exchange-traded fund or any member of the public regarding the advisability of investing in securities generally or in this fund particularly or the ability of any data supplied by Mergent to track general stock market performance.

“Zacks Global Yield Hog Index” is a trademark of Zacks Investment Research, Inc. (“Zacks”) and has been licensed for use by the Manager. The Units of the Claymore Global Monthly Advantaged Dividend ETF are not in any way sponsored, endorsed, sold or promoted by Zacks and Zacks makes no representation or warranty, express or implied, regarding the advisability of investing in securities generally or in the Claymore Global Monthly Advantaged Dividend ETF particularly or the ability of the Zacks Global Yield Hog Index to track general market performance.

Standard & Poor’s ®, S&P®, S&P/TSX Preferred Share Index, S&P Global Water Index and S&P/TSX Global Mining Index are trademarks of Standard and Poor’s (“S&P”), a division of The McGraw-Hill Companies, Inc. “TSX” is a trademark of the Toronto Stock Exchange (TSX) and has been licensed for use by S&P. These trademarks have been licensed for use by the Manager. Claymore S&P/TSX CDN Preferred Share ETF, Claymore S&P/TSX Global Mining ETF and Claymore S&P Global Water ETF are not sponsored, endorsed, sold or promoted by S&P or the TSX and neither S&P nor the TSX makes any representation regarding the advisability of investing in Claymore S&P/TSX CDN Preferred Share ETF, Claymore S&P/TSX Global Mining ETF or Claymore S&P Global Water ETF.

“Oil Sands Sector Index” is a trademark of Sustainable Wealth Management Ltd. (“Sustainable Wealth”). Sustainable Wealth has licensed certain of its trademarks to the Manager for use in connection with the Claymore Oil Sands Sector ETF. The Units of the Claymore Oil Sands Sector ETF are not in any way sponsored, endorsed, sold or promoted by Sustainable Wealth and Sustainable Wealth does not make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Sustainable Wealth Oil Sands Sector Index™ and/or the figure at which the Sustainable Wealth Oil Sands Sector Index™ stands at any particular time on any particular day or otherwise.

“BNY” and “The Bank of New York BRIC Select ADR Index” are service marks of The Bank of New York and have been licensed for use for certain purposes by the Manager in connection with the Claymore BRIC ETF. The Claymore BRIC ETF is not sponsored, endorsed, sold, recommended or promoted by The Bank of New York or any of its subsidiaries or affiliates, and none of The Bank of New York or any of its subsidiaries or affiliates makes any representation or warranty, express or implied, to the purchasers or owners of the products or any member of the public regarding the advisability of investing in financial products generally or in the products particularly, the ability of The Bank of New York BRIC Select ADR Index to track market performance or the suitability or appropriateness of the products for such purchasers, owners or such member of the public.

“Sabrient” is a trademark of Sabrient Systems, LLC (“Sabrient”) and has been licensed for use by the Manager. The Units of the Claymore *CorePortfolio*™ ETFs are not in any way sponsored, endorsed, sold or promoted by Sabrient and Sabrient makes no representation or warranty, express or implied, regarding the advisability of investing in securities generally or in the Claymore *CorePortfolio*™ ETFs particularly or the ability of the Sabrient Global Balanced Indices to track general market performance.

Registration of interests in, and transfer of, the Units will be made only through CDS. Beneficial owners will not have the right to receive physical certificates evidencing their ownership.

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IMPORTANT TERMS

Unless otherwise indicated, all references to dollar amounts in this prospectus are to Canadian dollars and all references to times in this prospectus are to Toronto time.

ADRs **–** American Depository Receipts.

Basket of Securities – in relation to a particular Claymore ETF, a group of securities determined by the Manager from time to time representing the constituents of the applicable Index in approximately the same weightings as such constituents are weighted in the applicable Index, based on each security's sale price at the last Valuation Time.

BNY **–** The Bank of New York, the provider of The Bank of New York BRIC Select ADR**.**

BNY License Agreement **–** an agreement between the Manager, on behalf of Claymore BRIC ETF, and BNY dated as of July 11, 2006 pursuant to which BNY has agreed to license the BNY BRIC Select ADR Index and certain trademarks of BNY to the Manager for use in connection with the Claymore BRIC ETF.

BRIC **-** Brazil, Russia, India and China.

Canadian securities legislation – the *Securities Act* in force in each province and territory of Canada, all regulations, rules, orders and policies made thereunder and all multilateral and national instruments adopted by the securities regulatory authorities.

CDS – CDS Clearing and Depository Services Inc.

CDS Participant **–** a participant in CDS that holds Units on behalf of beneficial owners of Units.

Claymore **–** Claymore Investments, Inc., a corporation established under the federal laws of Canada, the trustee and manager of the Claymore ETFs.

Claymore ETFs – Claymore Canadian Fundamental Index ETF, Claymore US Fundamental Index ETF C$ hedged, Claymore International Fundamental Index ETF, Claymore Japan Fundamental Index ETF C$ hedged, Claymore Europe Fundamental Index ETF, Claymore CDN Dividend & Income Achievers ETF, Claymore Global Monthly Advantaged Dividend ETF, Claymore S&P/TSX CDN Preferred Share ETF, Claymore Oil Sands Sector ETF, Claymore S&P/TSX Global Mining ETF, Claymore S&P Global Water ETF, Claymore BRIC ETF, Claymore Global Balanced Income ETF, Claymore Global Balanced Growth ETF and Claymore Global All Equity ETF, each an investment trust established under the laws of the Province of Ontario pursuant to the Declaration of Trust.

Claymore *CorePortfolio™ ETFs* **–** Claymore Global Balanced Income ETF, Claymore Global Balanced Growth ETF and Claymore Global All Equity ETF.

Claymore Fundamental Index ETFs **–** Claymore Canadian Fundamental Index ETF, Claymore US Fundamental Index ETF C$ hedged, Claymore International Fundamental Index ETF, Claymore Japan Fundamental Index ETF C$ hedged and Claymore Europe Fundamental Index ETF.

Claymore Growth & Income ETFs – Claymore CDN Dividend & Income Achievers ETF, Claymore Global Monthly Advantaged Dividend ETF and Claymore S&P/TSX CDN Preferred Share ETF.

Claymore International Growth ETFs – Claymore BRIC ETF.

Claymore Sector ETFs **–** Claymore Oil Sands Sector ETF, Claymore S&P/TSX Global Mining ETF and Claymore S&P Global Water ETF.

Constituent Issuers **–** in relation to a particular Index, the issuers which from time to time are included in that Index as selected by the Index Provider.

Constituent Securities – in relation to a particular Index, the securities of the Constituent Issuers included in that Index.

CRA **–** The Canada Revenue Agency.

Custodian – RBC Dexia Investor Services Trust.

Custodian Agreement – the custodian agreement dated February 15, 2006 (as amended from time to time) between the Manager, on behalf of the Claymore ETFs and RBC Dexia Investor Services Trust, as Custodian.

Declaration of Trust – the amended and restated master declaration of trust establishing the Claymore ETFs.

Designated Broker **—** a registered dealer that has entered into a Designated Broker Agreement with the Manager, on behalf of one or more Claymore ETFs pursuant to which the Designated Broker agrees to perform certain duties in relation to the Claymore ETFs.

Designated Broker Agreement – an agreement between the Manager, on behalf of a Claymore ETF, and a Designated Broker.

distribution record date **–** a date determined by the Manager as a record date for the determination of Unitholders of a Claymore ETF entitled to receive a distribution.

distribution payment date – a day which is no later than the 10^{th} business day following the applicable distribution record date, on which a Claymore ETF pays a distribution to its Unitholders.

ETF **–** exchange-traded fund.

FTSE – FTSE International Limited, a corporation established under the laws of the United Kingdom, the provider of the FTSE RAFI Developed ex US 1000 Index, FTSE RAFI US 1000 Canadian Dollar Hedged Index, FTSE RAFI Japan Canadian Dollar Hedged Index and FTSE RAFI Canada Index.

FTSE Europe License Agreement – an agreement between the Manager, on behalf of the Claymore Europe Fundamental Index ETF and FTSE dated as of December 14, 2005 pursuant to which FTSE has agreed to license the FTSE RAFI Europe Index and certain trademarks of FTSE and to sub-license certain trademarks of Research Affiliates, LLC to the Manager for use in connection with the Claymore Europe Fundamental Index.

FTSE Fundamental Indices – FTSE RAFI Developed ex US 1000 Index, FTSE RAFI US 1000 Canadian Dollar Hedged Index, FTSE RAFI Japan Canadian Dollar Hedged Index and FTSE RAFI Canada Index.

FTSE Japan License Agreement – a second variation agreement between the Manager, on behalf of the Claymore Japan Fundamental Index ETF C$ hedged, and FTSE dated as of June 21, 2006 pursuant to which FTSE has agreed to license the FTSE RAFI Japan Canadian Dollar Hedged Index and certain trademarks of FTSE and to sub-license certain trademarks of Research Affiliates, LLC, to the Manager for use in connection with the Claymore Japan Fundamental Index ETF C$ hedged.

FTSE License Agreements **–** the FTSE RAFI License Agreement, FTSE US License Agreement, FTSE Japan License Agreement and FTSE Europe License Agreement.

FTSE RAFI Index Methodology - *Methodology for the Management of the FTSE RAFI Index Series*, published by FTSE and available on its website at www.ftse.com.

FTSE RAFI License Agreement **–** an agreement between the Manager, on behalf of the Claymore Canadian Fundamental Index ETF, and FTSE dated as of December 14, 2005 pursuant to which FTSE has agreed to license the FTSE RAFI Canada Index and certain trademarks of FTSE and to sub-license certain trademarks of Research Affiliates, LLC, to the Manager for use in connection with the Claymore Canadian Fundamental Index ETF.

FTSE US License Agreement – a variation agreement between the Manager, on behalf of the Claymore International Fundamental Index ETF and Claymore US Fundamental Index ETF C$ hedged, and FTSE dated as of March 9, 2006 pursuant to which FTSE has agreed to license the FTSE RAFI Developed ex US 1000 Index and FTSE RAFI US 1000 Canadian Dollar Hedged Index and certain trademarks of FTSE and to sub-license certain trademarks of Research Affiliates, LLC, to the Manager for use in connection with the Claymore International Fundamental Index ETF and Claymore US Fundamental Index ETF C$ hedged.

Index/Indices – a benchmark or index, provided by an Index Provider, or a replacement or alternative benchmark or index that applies substantially similar criteria to those currently used by the Index Provider for the benchmark or index or a successor index that is comprised of or would be comprised of the same Constituent Securities, which is used by a Claymore ETF in relation to the Claymore ETF's investment objective.

Index Provider – third party providers of Indices, including but not limited to, FTSE, Mergent, Zacks, S&P, Sustainable Wealth, BNY and Sabrient with which Claymore has entered into licensing arrangements to use the relevant Indices and certain trademarks in connection with the operation of the applicable Claymore ETFs.

Management Fee Distribution – as described under "Fees and Expenses – Management Fee Distributions", an amount equal to the difference between the management fee otherwise chargeable and a reduced fee determined by the Manager from time to time, and that is distributed quarterly in cash to Unitholders who hold large investments in the Claymore ETFs.

Manager **–** Claymore Investments, Inc., a corporation established under the federal laws of Canada, the trustee and manager of the Claymore ETFs.

Market Price – as defined under "Description of the Units – Distributions – Reinvestment Plan."

Mergent – Mergent, Inc., a corporation established under the laws of Delaware, the provider of the Mergent's Canadian Dividend & Income Achievers Index.

Mergent Licence Agreement – an agreement between the Manager, on behalf of Claymore CDN Dividend & Income Achievers ETF, and Mergent dated as of June 24, 2006 pursuant to which Mergent has agreed to license the Mergent's Canadian Dividend & Income Achievers Index and certain trademarks of Mergent to the Manager for use in connection with the Claymore CDN Dividend & Income Achievers ETF.

NAV and ***NAV per Unit (of a class)*** **–** in relation to a particular Claymore ETF, the net asset value of the Claymore ETF and the net asset value per Unit of that class of that Claymore ETF, calculated by the Custodian as described in "Description of the Units – Calculation of Net Asset Value."

NI 81-102 **–** National Instrument 81-102 – *Mutual Funds.*

Plan Agent – Computershare Trust Company of Canada, plan agent for the Reinvestment Plan.

Plan Participant and ***Plan Unit*** – as defined under "Description of the Units – Distributions – Reinvestment Plan."

Prescribed Number of Units – in relation to a particular Claymore ETF, the number of Units determined by the Manager from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

Registrar and Transfer Agent **–** Computershare Investor Services Inc.

Reinvestment Plan – the distribution reinvestment plan of each Claymore ETF described under "Description of the Units – Distributions – Distribution Reinvestment Plan."

REIT – Real Estate Investment Trust.

Sabrient – Sabrient Systems, LLC, the provider of the Sabrient Global Balanced Income Index, Sabrient Global Balanced Growth Index and Sabrient Global All Equity Index.

Sabrient Global Balanced Indices - means the Sabrient Global Balanced Index, the Sabrient Global Balanced Growth Index and the Sabrient Global All Equity Index.

Sabrient Global Balanced Indices License Agreement – an agreement between the Manager, on behalf of the Claymore *CorePortfolio*™ ETFs, and Sabrient pursuant to which Sabrient has agreed to license the Sabrient Global Balanced Indices and certain trademarks of Sabrient to the Manager for use in connection with the Claymore *CorePortfolio*™ ETFs.

securities regulatory authorities – the securities commission or similar regulatory authority in each province and territory of Canada that is responsible for administering the Canadian securities legislation in force in such province or territory.

SIFT Rules – amendments to the Tax Act applicable to “SIFT trusts” and “SIFT partnerships” (as defined) contained in Bill C-52 which received Royal Assent on June 22, 2007.

S&P – Standard & Poor’s, a division of The McGraw-Hill Companies, Inc., a corporation established under the laws of New York, the provider of the S&P/TSX Global Mining Index and S&P Global Water Index.

S&P Index License Agreement – an agreement between the Manager, on behalf of Claymore S&P/TSX Global Mining ETF and S&P dated as of June 6, 2007 pursuant to which S&P has agreed to license the S&P/TSX Global Mining Index and certain trademarks of S&P to the Manager for use in connection with the Claymore S&P/TSX Global Mining ETF.

Sustainable Wealth – Sustainable Wealth Management Ltd., the provider of the Sustainable Wealth Oil Sands Sector Index.

Sustainable License Agreement – an agreement between the Manager, on behalf of the Claymore Oil Sands Sector ETF, and Sustainable Wealth dated as of July 11, 2006 pursuant to which Sustainable Wealth has agreed to license the Sustainable Wealth Oil Sands Sector Index™ and certain trademarks of Sustainable Wealth to the Manager for use in connection with the Claymore Oil Sands Sector ETF.

Tax Act – the *Income Tax Act* (Canada), as amended from time to time.

Trading Day – for each Claymore ETF, a day on which: (i) a session of the TSX is held; (ii) the primary market or exchange for the majority of the securities held by the Claymore ETF is open for trading; and (ii) the Index Provider calculates and publishes data relating to the Index.

TSX – The Toronto Stock Exchange.

Underwriter – a registered dealer (that may or may not be a Designated Broker) that has entered into an Underwriting Agreement with the Manager, on behalf of one or more Claymore ETFs, pursuant to which the Underwriter may subscribe for Units of that Claymore ETF as described under “Description of the Units – Issuance of Units.”

Underwriting Agreement – an agreement between the Manager, on behalf of one or more Claymore ETFs, and an Underwriter.

Unit – in relation to a particular Claymore ETF, a redeemable, transferable Common or Advisor Class unit of a Claymore ETF and, in relation to Claymore US Fundamental Index ETF C$ hedged, a redeemable, transferable non-hedged Common or non-hedged Advisor Class unit, which represents an equal, undivided interest in the net assets of that Claymore ETF.

Unitholder – a holder of Units of a Claymore ETF.

Valuation Date – each Trading Day and any other day designated by the Manager on which the NAV and NAV per Unit of a Claymore ETF will be calculated. If that Claymore ETF elects to have a December 15 year-end for tax purposes as permitted by the Tax Act, the NAV per Unit will be calculated on December 15.

Valuation Time – 5:00 p.m. (Toronto time) or such other time the Manager deems appropriate on each Valuation Date.

Zacks – Zacks Investment Research, Inc., the provider of the Zacks Global Yield Hog Index.

Zacks Global Yield Hog License Agreement – an agreement between the Manager, on behalf of Claymore Global Monthly Advantaged Dividend ETF, and Zacks pursuant to which Zacks has agreed to license the Zacks Global Yield Hog Index and certain trademarks of Zacks to the Manager for use in connection with the Claymore Global Monthly Advantaged Dividend ETF.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Units of the Claymore ETFs and should be read together with the more detailed information and statements contained elsewhere in this prospectus.

Issuers:

Claymore Fundamental Index ETFs
- Claymore Canadian Fundamental Index ETF
- Claymore US Fundamental Index ETF C$ hedged
- Claymore International Fundamental Index ETF
- Claymore Japan Fundamental Index ETF C$ hedged
- Claymore Europe Fundamental Index ETF

Claymore Growth & Income ETFs
- Claymore CDN Dividend & Income Achievers ETF
- Claymore Global Monthly Advantaged Dividend ETF, formerly Claymore Global Monthly Yield Hog ETF
- Claymore S&P/TSX CDN Preferred Share ETF

Claymore Sector ETFs
- Claymore Oil Sands Sector ETF
- Claymore S&P/TSX Global Mining ETF
- Claymore S&P Global Water ETF

Claymore International Growth ETFs
- Claymore BRIC ETF

Claymore *CorePortfolio*™ ETFs
- Claymore Global Balanced Income ETF
- Claymore Global Balanced Growth ETF
- Claymore Global All Equity ETF

(each, a "Claymore ETF" and collectively the "Claymore ETFs"). Each Claymore ETF is an investment trust established under the laws of the Province of Ontario.

Offerings:

Each Claymore ETF is offering two classes of units called Common units (the "Common Units") and Advisor Class units (the "Advisor Class Units"). Claymore US Fundamental Index ETF C$ hedged is offering two additional classes of units called non-hedged Common units (the "Non-hedged Common Units") and non-hedged Advisor Class units (the "Non-hedged Advisor Class Units"). The Non-hedged Common Units and Non-hedged Advisor Class Units are collectively referred to as the "Non-hedged Units". The Common Units, Advisor Class Units and Non-hedged Units are collectively referred to as the "Units."

The only difference between Common Units and Advisor Class Units is the service fee component of the management fees payable by a Claymore ETF in respect of the Units of each class (as described under "Fees and Expenses"). Accordingly, the net asset value ("NAV") per Unit of each class will not be the same as a result of the different fees allocable to each class of Units.

The Non-hedged Units of the Claymore US Fundamental Index ETF C$ hedged will be identical to the Common Units and Advisor Class Units of such Claymore ETF except that the fund's exposure in relation to Non-hedged Units to currencies other than the Canadian dollar will not be hedged back to the Canadian dollar.

Continuous Distribution:

Units of the Claymore ETFs are being issued and sold on a continuous basis and there is no maximum number of Units that may be issued.

Units of the Claymore ETFs, other than Claymore Europe Fundamental Index ETF, Claymore Global All Equity ETF and the Non-hedged Units of Claymore US Fundamental Index ETF C$ hedged, are listed on the Toronto Stock Exchange ("TSX"). Investors are able to buy or sell Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. Accordingly, investors may trade Units in the same way as other securities listed on the TSX, including by using market orders and limit orders. Investors may incur customary brokerage commissions in buying or selling Units. The Claymore ETFs issue Units directly to Designated Brokers and Underwriters. From time to time as may be agreed between a Claymore ETF and the Designated Brokers and Underwriters, the Designated Brokers and Underwriters may agree to accept Constituent Securities as payment for Units from prospective purchasers.

Units of Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF and the Non-hedged Units of Claymore US Fundamental Index ETF C$ hedged have been conditionally approved for listing on the TSX. Subject to meeting the TSX's listing requirements, Units of Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF and Non-hedged Units of Claymore US Fundamental Index ETF C$ hedged will be offered on a continuous basis as described above in relation to the other Claymore ETFs.

The Manager expects that the first issuance of the Units offered hereby of the Claymore Europe Fundamental Index ETF and the Claymore Global All Equity ETF will occur and be listed for trading on the TSX in July, 2008. The Manager expects that the first issuance of the Non-hedged Units offered hereby will occur and be listed for trading on the TSX in 2008.

See "Description of the Units – Issuance of Units" and "Description of the Units – Buying and Selling Units."

Investment Objective and Strategy:

The Claymore ETFs have been designed to replicate, to the extent possible, the performance of the applicable Index (as defined below), net of expenses. The investment strategy of the Claymore ETFs is to invest in and hold a proportionate share of the Constituent Securities of the applicable Index in the same proportion as they are reflected in that Index.

The following chart sets out the applicable Indices and Index Providers for each of the Claymore ETFs:

Claymore Fundamental Index ETFs	**Index**	**Index Provider**
Claymore Canadian Fundamental Index ETF	FTSE RAFI Canada Index	FTSE International Limited ("FTSE")
Claymore US Fundamental Index ETF C$ hedged	FTSE RAFI US 1000 Canadian Dollar Hedged Index	FTSE
Claymore Japan Fundamental Index ETF C$ hedged	FTSE RAFI Japan Canadian Dollar Hedged Index	FTSE

Claymore International Fundamental Index ETF	FTSE RAFI Developed ex US 1000 Index	FTSE
Claymore Europe Fundamental Index ETF	FTSE RAFI Europe Index	FTSE
Claymore Growth & Income ETFs	**Index**	**Index Provider**
Claymore CDN Dividend & Income Achievers ETF	Mergent's Canadian Dividend & Income Achievers Index	Mergent, Inc. ("Mergent")
Claymore Global Monthly Advantaged Dividend ETF	Zacks Global Yield Hog Index	Zacks Investment Research, Inc. ("Zacks")
Claymore S&P/TSX CDN Preferred Share ETF	S&P/TSX Preferred Share Index	Standard & Poor's ("S&P")
Claymore Sector ETFs	**Index**	**Index Provider**
Claymore Oil Sands Sector ETF	Sustainable Wealth Oil Sands Sector Index™	Sustainable Wealth Management Ltd.
Claymore S&P/TSX Global Mining ETF	S&P/TSX Global Mining Index	S&P
Claymore S&P Global Water ETF	S&P Global Water Index	S&P
Claymore International Growth ETFs	**Index**	**Index Provider**
Claymore BRIC ETF	BNY BRIC Select ADR Index (the "BNY BRIC Index")	The Bank of New York ("BNY")
Claymore *CorePortfolio*™ ETFs	**Index**	**Index Provider**
Claymore Global Balanced Income ETF	Sabrient Global Balanced Income Index	Sabrient Systems, LLC ("Sabrient")
Claymore Global Balanced Growth ETF	Sabrient Global Balanced Growth Index	Sabrient
Claymore Global All Equity ETF	Sabrient Global All Equity Index	Sabrient

Fundamental Indices™

The Claymore Fundamental Index ETFs have been designed to replicate the performance of the FTSE RAFI Canada Index, FTSE RAFI US 1000 Canadian Dollar

Canadian Dollar Hedged Index, FTSE RAFI Developed ex US 1000 Index and FTSE RAFI Europe Index (individually, a "FTSE Fundamental Index" and collectively, the "FTSE Fundamental Indices"), respectively, net of expenses. The investment strategy of the Claymore Fundamental Index ETFs is to invest in and hold the Constituent Securities of the respective FTSE Fundamental Indices in the same proportion as they are reflected in each FTSE Fundamental Index.

Mergent's Canadian Dividend & Income Achievers Index

The Claymore CDN Dividend & Income Achievers ETF has been designed to replicate, to the extent possible, the performance of the Mergent's Canadian Dividend & Income Achievers Index, net of expenses. The investment strategy of the Claymore CDN Dividend & Income Achievers ETF is to invest in and hold the Constituent Securities of the Mergent's Canadian Dividend & Income Achievers Index in the same proportion as they are reflected in the Mergent's Canadian Dividend & Income Achievers Index.

Zacks Global Yield Hog Index™

The Claymore Global Monthly Advantaged Dividend ETF has been designed to replicate the performance of the Zacks Global Yield Hog Index, net of expenses. The investment strategy of the Claymore Global Monthly Advantaged Dividend ETF is to invest in and hold the Constituent Securities of the Zacks Global Yield Hog Index in the same proportion as they are reflected in the Zacks Global Yield Hog Index and, as an alternative to or in conjunction with investing in and holding the Constituent Securities, invest in or use derivative instruments to obtain exposure to the performance of the Zacks Global Yield Hog Index.

S&P/TSX Preferred Share Index™

The Claymore S&P/TSX CDN Preferred Share ETF has been designed to replicate the performance of the S&P/TSX Preferred Share Index, net of expenses. The investment strategy of the Claymore S&P/TSX CDN Preferred Share ETF is to invest in and hold the Constituent Securities of the S&P/TSX Preferred Share Index in the same proportion as they are reflected in the S&P/TSX Preferred Share Index.

Sustainable Wealth Oil Sands Sector Index™

The Claymore Oil Sands Sector ETF has been designed to replicate, to the extent possible, the performance of the Sustainable Wealth Oil Sands Sector Index™, net of expenses. The investment strategy of the Claymore Oil Sands Sector ETF is to invest in and hold the Constituent Securities of the Sustainable Wealth Oil Sands Sector Index™ in the same proportion as they are reflected in the Sustainable Wealth Oil Sands Sector Index™.

S&P/TSX Global Mining Index™

The Claymore S&P/TSX Global Mining ETF has been designed to replicate the performance of the S&P/TSX Global Mining Index, net of expenses. The investment strategy of the Claymore S&P/TSX Global Mining ETF is to invest in and hold the Constituent Securities of the S&P/TSX Global Mining Index in the same proportion as they are reflected in the S&P/TSX Global Mining Index.

S&P Global Water Index™

The Claymore S&P Global Water ETF has been designed to replicate the performance of the S&P Global Water Index, net of expenses. The investment strategy of the Claymore S&P Global Water ETF is to invest in and hold the Constituent Securities of

Global Water Index.

BNY BRIC Index

The Claymore BRIC ETF has been designed to replicate, to the extent possible, the performance of the BNY BRIC Index, net of expenses. The companies in the BNY BRIC Index are selected by BNY using a proprietary methodology, which must meet certain minimum criteria. The investment strategy of the Claymore BRIC ETF is to invest in and hold the Constituent Securities of the BNY BRIC Index in the same proportion as they are reflected in the BNY BRIC Index.

Sabrient Global Balanced Indices

The Claymore *CorePortfolio*™ ETFs have been designed to replicate the performance of the Sabrient Global Balanced Income Index, the Sabrient Global Balanced Growth Index and the Sabrient Global All Equity Index, respectively (collectively, the "Sabrient Global Balanced Indices"), net of expenses. The investment strategy of the Claymore *CorePortfolio*™ ETFs is to invest in and hold the Constituent Securities of the respective Sabrient Global Balanced Indices in the same proportion as they are reflected in such Sabrient Global Balanced Index.

Indices

Fundamental Indices™

The FTSE RAFI Index Series is a series of fundamental-factor based indices provided by FTSE and calculated in association with Research Affiliates, LLC. The index series includes the FTSE RAFI Canada Index, FTSE RAFI US 1000 Canadian Dollar Hedged Index, the FTSE RAFI Developed ex US 1000 Index and 22 separate country indices, including the FTSE RAFI Japan Canadian Dollar Hedged Index. In 2005 the FTSE RAFI Index Series was awarded the William F. Sharpe Indexing Achievement Award for the Most Innovative Benchmark Index. All FTSE Fundamental Indices are calculated by compiling the following quantitative data for all public equity issuers in the relevant jurisdiction:

- ***Total cash dividends***: Five-year average of all regular and special cash distributions declared. Measures actual amounts of cash flow or income generated by an issuer and distributed to its common equity holders.
- ***Free cash flow***: Five-year average of operating income plus depreciation. Measures the profitability of an issuer after accounting for the costs incurred to generate sales.
- ***Total sales***: Five-year average total sales. Measures sales generated by an issuer.
- ***Book equity value***: Current period book equity value. Measures the cumulative value of capital and undistributed profits that have been generated throughout an issuer's history and is available to equity holders on its books.

An overall weight is calculated for each issuer by equally-weighting each fundamental measure. For issuers that have never paid dividends, that measure is excluded from the average. The constituents of each FTSE Fundamental Index are weighted in accordance with their fundamental weightings. The total value of each FTSE Fundamental Index is calculated in real time during each Trading Day and is available on the FTSE website at www.ftse.com.

The Manager believes that this fundamental index strategy avoids the tendencies of traditional market capitalization weighted indices such as the S&P/TSX Composite Index to (i) overweight overvalued securities, (ii) underweight undervalued securities and (iii) be overly influenced by market price fluctuations. As a result, the Claymore

Fundamental Index ETFs are designed to be less susceptible to market price changes that are not supported by issuer fundamentals than funds that track traditional indices. At the same time, the Claymore Fundamental Index ETFs will provide broad market exposure, low fees, liquidity and transparency.

The FTSE Fundamental Indices are reviewed and updated annually based on data as of the close of business on the Tuesday following the first Friday in March (or if that day is not a Trading Day, the next Trading Day) in accordance with the FTSE RAFI Index Methodology published by FTSE and available on its website at www.ftse.com.

The FTSE RAFI US 1000 Canadian Dollar Hedged Index and the FTSE RAFI Japan Canadian Dollar Hedged Index are hedged to Canadian dollars. The Claymore Japan Fundamental Index ETF C$ hedged and the Common Units and Advisor Class Units of Claymore US Fundamental Index ETF C$ hedged will also hedge their exposure to foreign currency by entering into currency contracts with financial institutions that have an "approved credit rating" as defined in NI 81-102. The exposure of Claymore US Fundamental Index ETF C$ hedged in relation to the Non-hedged Units to currencies other than the Canadian dollar will not be hedged back to the Canadian dollar.

More information is available on the FTSE website at www.ftse.com.

See "The Claymore ETFs – The Indices – Index Composition – FTSE Fundamental Indices."

Mergent's Canadian Dividend & Income Achievers Index

Since 1979, Mergent has identified, on a yearly basis, companies with a consistent stream of dividend payment increases, the "Dividend Achievers." The Index seeks to identify and select a diversified group of dividend and distribution paying companies which have consistently increased their annual dividends and payouts to shareholders. The Index represents a diversified portfolio of leading high yield equity securities in Canada weighted based on dividend yield and quality. The Manager believes that dividend indices demonstrate unique risk and return characteristics relative to other measures.

Mergent's Canadian Dividend & Income Achievers Index consists of some of the issuers in Mergent's Canadian Dividend Achievers and a group of Canadian income trusts and REITs. Canadian income trusts and REITs constitute up to 30% of the total weight of the Index and Mergent's Canadian Dividend Achievers™ constitutes the remaining balance.

To become eligible for inclusion in the Mergent's Canadian Dividend & Income Achievers Index , an issuer must meet the following criteria:

- ***Incorporation***: The issuer must be established in Canada.
- ***Trading***: The security of the company or trust must trade on a major Canadian exchange.
- ***Dividends and Distribution***s: For common shares, its aggregate annual regular dividend payments must have increased consistently over the course of the past 5 years. For income trusts and REITs, its aggregate regular distribution payment must have been paid consistently over the course of 2 years as of the date hereof (increasing each year until the 5 year history is established).
- ***Liquidity:*** All issuers in the index must have an average daily cash volume of $500,000 in the November and December prior to

reconstitution, which takes place after the close of business on the last trading day in January.

- ***Maximum Weighting***: No Constituent Issuer may have a weighting in the index that exceeds 7.5% of the total weight of the Index. The weighting methodology is modified yield weighted. The yields are determined by dividing the sum of the dividends paid over the prior 12 months to December 31 by the year end closing price.

- ***Reconstitution and Rebalancing:*** The Index will be reconstituted annually and rebalanced semi-annually. The Index is also rebalanced for corporate actions. During the semi annual rebalance, an issuer may be removed from the Index at the discretion of Mergent if it has reduced its dividend payment quarter over quarter.

The Mergent's Canadian Dividend & Income Achievers Index is reconstituted on a yearly basis effective at the close of the last trading day in January, according to Mergent's proprietary screening methodology.

See "The Claymore ETFs – The Indices – Index Composition – Mergent's Canadian Dividend & Income Achievers Index ."

Zacks Global Yield Hog Index™

The Claymore Global Monthly Advantaged Dividend ETF seeks investment results that correspond generally to the performance, before its fees and expenses, of an equity index called the Zacks Global Yield Hog Index™. The Zacks Global Yield Hog Index™ is comprised of approximately 125 to 150 securities selected, based on investment and other criteria, from a universe of global companies. The universe of securities within the Index includes: global listed common stocks; ADRs paying dividends; REITs; master limited partnerships; and Canadian income trusts.

The companies in the universe are selected using a proprietary methodology developed by Zacks designed to identify companies with potentially high income and superior risk-return profiles as determined by Zacks. The Index constituent selection methodology utilizes multi-factor proprietary selection rules to identify those securities that offer the greatest potential from a yield and risk return perspective, while maintaining industry diversification. This approach is specifically designed to enhance investment applications and investability. The Zacks Global Yield Hog Index is adjusted quarterly to assure timely stock selections.

More information is available on the Zacks website at www.zacks.com.

See "The Claymore ETFs – The Indices – Index Composition – Zacks Global Yield Hog Index™."

S&P/TSX Preferred Share Index™

The Claymore S&P/TSX CDN Preferred Share ETF seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P/TSX Preferred Share Index™.

The S&P/TSX Preferred Share Index is designed to serve the investment community's need for an investable benchmark representing the Canadian preferred share market. The S&P/TSX Preferred Share Index measures the performance of a selected group of preferred shares listed on the Toronto Stock Exchange. The Index is comprised of preferred shares issued by Canadian entities that meet criteria relating to minimum size, liquidity, issuer rating and exchange listing determined by Standard & Poor's. The

Index is based on a market capitalization weighted scheme and calculated by the divisor methodology used in Standard & Poor's equity indices. The Index is rebalanced twice a year, in January and July, when Index shares and constituents are reviewed.

Preferred shares are a class of equity security which pays a specified dividend that must be paid before any dividends can be paid to common share holders, and which takes precedence over common shares in the event of the company's liquidation. Although preferred shares represent a share ownership interest in a company, preferred shares generally do not carry voting rights and have economic characteristics similar to fixed income securities. Preferred shares generally are issued with a fixed par value and pay dividends based on a percentage of that par value at a fixed or variable rate. Additionally, preferred shares often have a liquidation value that generally equals the original purchase price of the preferred share at the date of issuance.

More information is available on the S&P website at www.standardandpoors.com.

See "The Claymore ETFs – The Indices – Index Composition – S&P/TSX Preferred Share Index."

Sustainable Wealth Oil Sands Sector Index™

The Sustainable Wealth Oil Sands Sector Index™ was designed to give investors the maximum exposure to the fastest growing industry in the Canadian energy sector and one of the largest reserves of oil in the world. The Index is restricted to companies that are highly focused on oil sands production and are expected to increase their oil sands production in the next ten years. The weightings in the Index are based on a proprietary mathematical formula that focuses on five key factors. By focusing on the following five factors, the Index is designed to invest in the companies that best represent the current and future production of oil sands:

- ***Current Oil Sands Production***: Current oil sands production measured in barrels per day.
- ***Projected 2015 Oil Sands Production*:** Projected oil sands production measured in barrels per day.
- ***Focus on Oil Sands Production*:** Percentage of total production focused on oil sands production.
- ***Market Liquidity.***
- ***Market Capitalization.***

The Index is updated annually on June 30 or, based on developments in the sector and input from an investment advisory board of industry experts, if there has been a corporate event such as divestiture, merger or acquisition.

More information is available on the Sustainable Wealth Oil Sands Sector Index™ website at www.oilsandsindex.com.

See "The Claymore ETFs – The Indices – Index Composition – Sustainable Wealth Oil Sands Sector Index™."

S&P/TSX Global Mining Index™

The S&P/TSX Global Mining Index currently comprises 84 stocks selected based on the relative importance of the global mining industry within their business model and has a balanced representation from different segments of the mining industry consisting of five sub-industries including: Aluminum, Diversified Metals & Mining, Gold, Precious Metals & Minerals, and Coal & Consumable Fuels. To ensure investability, a developed market listing and a minimum market capitalization of $300 million is required.

More information is available on the S&P website at www.standardandpoors.com.

See "The Claymore ETFs – The Indices – Index Composition – S&P/TSX Global Mining Index.™"

S&P Global Water Index™

The S&P Global Water ETF seeks investment results that correspond generally to the price and yield, before its fees and expenses, of an equity index called the S&P Global Water Index.

The S&P Global Water Index is comprised of 50 stocks selected, based on investment and other criteria, from a group of companies listed globally on exchanges in developed markets. This group includes all companies classified by S&P's Capital IQ Industry Classifications (the "CIQ Database") as being associated with the global demand for water including water utilities, infrastructure, equipment, instruments and materials.

The S&P Global Water Index comprises 50 stocks selected based on the relative importance of the global water industry within their business model and has a balanced representation from different segments of the water industry consisting of 25 water utilities and infrastructure companies (which includes: water supply; water utilities; waste water treatment; water, sewer and pipeline construction; water purification; water well drilling; and water testing companies) and 25 water equipment, instruments and materials companies (which includes: water treatment chemicals; water treatment appliances; pumps and pumping equipment; fluid power pumps and motors; totalizing fluid meters; and counting devices companies) (collectively, the "Water Industry Groups") based upon the CIQ Database. To ensure investability, a developed market listing and a minimum market capitalization of $250 million is required. The S&P Global Water Index is equal weighted (50%) to each of the Water Industry Groups and rebalanced annually.

The S&P Global Water Index is constructed based on the following criteria:

- S&P will identify those companies that are in the water business based on their CIQ database;

- Companies must have a minimum market capitalization of US$250 million and must be trading on a developed market exchange, either as a primary listing or as a liquid secondary or American Depository Receipt ("ADR") listing (emerging market companies with a liquid listing in a developed market are eligible);

- Each company is scored (the "Exposure Score") based on their exposure to the water industry based on a 0, 0.5 and 1 score (1 being the highest);

- The 25 largest companies ranked by Exposure Score from each of the two groups are selected;

- The index uses a modified market capitalization weighting scheme, with modifications made to satisfy the following principles: (i) industry level diversification; and (ii) each of the Water Industry Groups has a 50% weighting at the time of rebalancing; and

- No single stock with an Exposure Score of 1 has a weight of more than 10% at rebalance, and no single stock with an Exposure Score of 0.5 has a weight of more than 5% at rebalance.

More information is available on the S&P website at www.standardandpoors.com.

See "The Claymore ETFs – The Indices – Index Composition – S&P Global Water Index.™"

BNY BRIC Select ADR Index

The BNY BRIC Select ADR Index (the "BNY BRIC Index") tracks the performance of U.S. exchange-listed depositary receipts in American depositary receipts ("ADRs") and Global depositary receipts ("GDRs") form that are listed for trading on the New York Stock Exchange, American Stock Exchange ("AMEX") and Nasdaq Stock Market of companies from Brazil, Russia, India and China and that meet certain criteria. The Index utilizes ADRs and GDRs for the exposure to each of the four BRIC countries because the stock markets in each of these countries are relatively undeveloped and do not provide sufficient liquidity and/or listing standards. By utilizing ADRs and GDRs, the Manager believes the Index will be more efficient and will be focused on the higher quality, blue chip companies from these four countries.

Companies are selected using a proprietary methodology developed by The Bank of New York ("BNY"), which must meet the following criteria:

- ***Trading on U.S. Exchange***: The ADRs or GDRs must be listed for trading on the New York Stock Exchange, AMEX or Nasdaq Stock Market.

- ***Price***: The price per ADR or GDR must be greater than or equal to US$3.

- ***Trading Volume***: Minimum 3 month average daily ADR trading volume is greater than or equal to 25,000 shares, or 125,000 ordinary shares in the local market. In the case of new ADRs whose both ADR and ordinary share volume is less than 3 months, average daily volume for the available time period will be used in the calculation.

- ***Market capitalization***: Free-float adjusted market capitalization is greater than or equal to US$250 million.

- ***Passive Foreign Investment Companies***: Companies that are "passive foreign investment companies" for U.S. tax purposes are excluded based on the best information available.

Decisions regarding additions to and removals from the BNY BRIC Index are made by The Bank of New York ADR index administrator and are subject to periodic review by a policy steering committee known as The Bank of New York ADR Index Committee. The BNY BRIC Index is weighted based on a modified capitalization method, using a formula based on the aggregate of prices times share quantities. The number of shares used in the calculation generally represents the entire class or series of shares adjusted for free-float that trade in the local market and also trade in the form of depositary receipts in the United States.

The Index may be adjusted for changes in float that may affect the weighting of constituents generally on a quarterly basis.

Given that the ADRs underlying the index are U.S.-dollar denominated, the Claymore BRIC ETF will hedge its exposure to U.S. dollars by entering into currency contracts with financial institutions that have an "approved credit rating" as defined in NI 81-102.

See “The Claymore ETFs – The Indices – Index Composition – BNY BRIC Select ADR Index.”

Sabrient Global Balanced Indices

Each Claymore *CorePortfolio*™ ETF seeks investment results that correspond generally to the price and yield, before fees and expenses, of an index which allocates amongst multiple asset class exchange-traded funds. The Sabrient Global Balanced Indices are diversified by asset class, geography and strategy to match an individual’s investment goals and risk tolerance, while achieving superior, risk-adjusted returns.

The Sabrient Global Balanced Indices selection methodologies were developed by Sabrient as a quantitative approach to selecting multiple asset classes through exchange-traded funds. The Sabrient Global Balanced Indices and asset class weights are adjusted and rebalanced quarterly to the optimal asset mix depending on economic conditions and relative value of income and equity securities.

The Manager will seek to match the performance of the Sabrient Global Balanced Indices. The Sabrient Global Balanced Indices comprise a mixture of approximately 5 to ten existing exchange-traded funds selected, based on investment and other criteria, from a defined set of exchange-traded funds (and other designated products, as deemed appropriate) trading on the TSX.

The investment objectives of the Sabrient Global Balanced Indices are as follows:

- ***The Sabrient Global Balanced Income Index*****:** Objective is to generate a high level of current income with long term capital appreciation potential.

- ***The Sabrient Global Balanced Growth Index*****:** Objective is to balance strong long-term capital appreciation potential and current income, with a bias towards capital appreciation.

- ***The Sabrient Global All Equity Index*****:** Objective is to balance dividend income and long-term capital appreciation , while providing strong defensive characteristics.

Index Allocation Ranges:

The Sabrient Global Balanced Indices selection methodology is designed to identify a group of existing exchange-traded funds that together provide a balanced allocation to equities and fixed income within defined ranges.

Asset Class	Sabrient Global Balanced Income Index	Sabrient Global Balanced Growth Index	Sabrient Global All Equity Index
Dividend Focused Equity	25-50%	0-15%	0-30%
Large Cap Canadian Equity	0-10%	10-30%	0-20%
US Equity	0-5%	15-40%	0-20%
REITs	0-20%	0-20%	0%
International Equity	5-10%	20-45%	0-25%
Intermediate Fixed-Income	0-20%	0-15%	0%

Cdn Preferred Shares	5-15%	5-10%	5-15%
Short Fixed-Income	0-35%	0-25%	0%
Cash	0-5%	0-5%	0-5%

The objective of the Sabrient Global Balanced Indices is to provide an appropriate mix of equity and fixed income exposure for seeking both capital appreciation and income in varying importance based on the specific Index, with the potential for the equity portion to outperform on a risk-adjusted basis the broad market benchmarks.

The constituent selection methodology for the Sabrient Global Balanced Indices were developed by Sabrient as an effective, quantitative approach to selecting stocks in a diversified portfolio from a defined set of publicly traded exchange-traded funds. The Index constituent models evaluate and select exchange-traded funds using a proprietary, "100% Rules-Based Methodology" developed by Sabrient that employs a dynamic allocation strategy within prescribed ranges. Each exchange-traded fund is ranked based on the composite scoring of a number of factors, and is sorted from highest to lowest. The constituent selection process and portfolio rebalance is repeated at least once per quarter, on the first trading day of each calendar quarter, or more often if market conditions warrant.

The Sabrient Global Balanced Indices constituent selection methodology utilizes multi-factor proprietary selection rules to identify those exchange-traded funds that offer the greatest potential from a risk/return perspective while maintaining diversification among global regions, industries, and asset classes within the prescribed ranges. The Sabrient Global Balanced Indices are adjusted quarterly, or as required, to ensure timely constituent selections.

Potential Sabrient Global Balanced Indices constituents include a defined set of exchange-traded funds on the TSX (and potentially those traded in the U.S. where appropriate other than certain non-resident trusts).

More information is available on the Sabrient website at www.sabrient.com.

See "The Claymore ETFs – The Indices – Index Composition – Sabrient Global Balanced Indices™."

Manager:

Claymore, a registered investment counsel and portfolio manager, is the trustee and manager of the Claymore ETFs and will be responsible for the administration of the Claymore ETFs. Claymore is a wholly-owned subsidiary of Claymore Group Inc., a financial services and asset management company based in the Chicago, Illinois area. Claymore Group Inc. and its affiliates have approximately 230 employees in North America and, as of December 31, 2007, were providing supervisory, management or distribution-related services to exchange-traded funds, closed-end funds and unit investment trusts with combined assets of approximately U.S.$18.5 billion. See "Management of the Claymore ETFs – The Trustee and Manager."

Special Considerations for Purchasers:

The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the Claymore ETFs have obtained exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of any Claymore ETF through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to Claymore not to vote more than 20% of the Units of the Claymore ETFs at any meeting of Unitholders.

Market participants are permitted to sell Units of any Claymore ETF short and at any price without regard to the restrictions of the Universal Market Integrity Rules that generally prohibit selling securities short on the TSX unless the price is at or above the last sale price.

Each Claymore ETF is an index participation unit within the meaning of NI 81-102. Accordingly, mutual funds may purchase Units of the Claymore ETFs without regard to the control, concentration or "fund of funds" restrictions of NI 81-102.

The Units are not "mark-to-market properties", as that term is currently defined in the Tax Act, for the purposes of "mark-to-market" rules that apply to certain financial institutions. Under proposed amendments to the "mark-to-market" rules announced by the Department of Finance on November 7, 2007, the "mark-to-market" rules will apply, effective for taxation years that begin on or after that date, to property that falls within the meaning of "tracking property", as defined in the proposed amendments. The Units may be considered to be "tracking property" and thus, if enacted, the proposed amendments may cause the Units to be "mark-to-market properties". Financial institutions that are subject to the "mark-to-market" rules should consult their own tax advisors about the consequences of purchasing and holding Units in light of the November 7, 2007 proposed amendments. See "Description of the Units – Buying and Selling Units – Special Considerations for Unitholders".

See "Description of the Units – Buying and Selling Units – Special Considerations for Unitholders."

Distributions: Cash distributions on Units of the Claymore ETFs are expected to be made at least quarterly (if the Claymore ETF pays a regular distribution). As a result of the higher management fees on the Advisor Class Units, any such cash distributions on the Advisor Class Units are generally expected to be less than the distributions payable on the Common Units.

On an annual basis, the Claymore ETFs will ensure that the net income and net realized capital gains of the Claymore ETFs have been distributed to Unitholders to such an extent that the Claymore ETFs will not be liable for ordinary income tax thereon. To the extent that a Claymore ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the Claymore ETF will be paid as a "reinvested distribution." Reinvested distributions, net of any required withholding tax, will be reinvested automatically in additional Units at a price equal to the NAV per Unit of the Claymore ETFs and the Units will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution. See "Description of the Units – Distributions."

Distribution Reinvestment: The Claymore ETFs provide Unitholders with the opportunity to elect to reinvest cash distributions in and make optional cash payments to purchase additional Units through participation in a distribution reinvestment plan. See "Description of the Units – Distributions – Distribution Reinvestment Plan."

Exchanges and Redemptions: In addition to the ability to sell Units on the TSX, Unitholders may redeem Units in any number for cash, subject to a redemption discount, or may exchange a Prescribed Number of Units (or integral multiple thereof) for Baskets of Securities and cash. See "Description of the Units – Exchange and Redemption of Units."

Custodian: RBC Dexia Investor Services Trust is the custodian of the Claymore ETFs. See "Management of the Claymore ETFs – The Custodian."

Termination: The Claymore ETFs do not have a fixed termination date but may be terminated by the Manager upon not less than 60 days written notice to Unitholders. See "Management of the Claymore ETFs – Termination of the Claymore ETFs."

In the event that an Index Provider ceases to calculate the Index or the applicable License Agreement is terminated, the Manager may terminate a Claymore ETF on 60 days notice, change the investment objective of that Claymore ETF or seek to replicate an alternative index (subject to Unitholder approval if required in accordance with the Declaration of Trust), or make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders in the circumstances. See "The Claymore ETFs – The Indices – Termination of the Indices."

Documents Incorporated by Reference: Additional information about the Claymore ETFs is available in the most recently filed financial statements and management report of fund performance of each Claymore ETF. These documents are or will be incorporated by reference into, and form an integral part of, this prospectus. These documents are publicly available on the Claymore web site at www.claymoreinvestments.ca and may be obtained upon request, at no cost, by calling 1-866-417-4640 or by contacting a registered dealer. These documents and other information about the Claymore ETFs are or will be publicly available at www.sedar.com. See "Documents Incorporated by Reference".

Eligibility for Investment: In the opinion of counsel, provided that each of the Claymore ETFs qualifies as a mutual fund trust within the meaning of the Tax Act, the Units will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans and registered education savings plans. See "Eligibility for Investment."

Management Fees, Service Fee, Other Fees and Expenses and Management Fee Distributions:

Management Fee

Each Claymore ETF will pay the Manager a monthly management fee as set forth in the table below based on one-twelfth of the NAV of the Claymore ETF at month end plus, in respect of the Advisor Class Units and Non-hedged Advisor Class Units an additional amount based on one-quarter of the NAV of the Advisor Class Units of the Claymore ETF at the end of each calendar quarter, plus applicable taxes. The monthly management fee will be paid monthly in arrears and the additional amount will be paid quarterly at the end of each calendar quarter.

Claymore Fundamental Index ETFs	Annual Management Fee	Additional amount applicable to Advisor Class Units and Non-hedged Advisor Class Units
Claymore Canadian Fundamental Index ETF	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.40%)
Claymore US Fundamental Index ETF C$ hedged	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units or Non-hedged Advisor Class Units (total: 1.40%)
Claymore Japan Fundamental Index ETF C$ hedged	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class (total: 1.40%)

Claymore International Fundamental Index ETF	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.40%)
Claymore Europe Fundamental Index ETF	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.40%)

Claymore Growth & Income ETFs	**Annual Management Fee**	**Additional amount applicable to Advisor Class Units**
Claymore CDN Dividend & Income Achievers ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore Global Monthly Advantaged Dividend ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore S&P/TSX CDN Preferred Share ETF	0.45% of NAV of the Claymore ETF	0.50% of NAV of Advisor Class Units (total: 0.95%)
Claymore Sector ETFs	**Annual Management Fee**	**Additional amount applicable to Advisor Class Units**
Claymore Oil Sands Sector ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore S&P/TSX Global Mining ETF	0.55% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.30%)
Claymore S&P Global Water ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV per Advisor Class Unit (total: 1.35%)
Claymore International Growth ETFs	**Annual Management Fee**	**Additional amount applicable to Advisor Class Units**
Claymore BRIC ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore *CorePortfolio*™ ETFs	**Annual Management Fee**	**Additional amount applicable to Advisor Class Units**
Claymore Global Balanced Income ETF	0.70% of NAV of the Claymore ETF	1.00% of NAV per Advisor Class Unit (total: 1.70%)
Claymore Global Balanced Growth ETF	0.70% of NAV of the Claymore ETF	1.00% of NAV per Advisor Class Unit (total: 1.70%)
Claymore Global All Equity ETF	0.70% of NAV of the Claymore ETF	1.00% of NAV per Advisor Class Unit (total: 1.70%)

In the event that the Claymore *CorePortfolio*™ ETFs includes exchange-traded funds sponsored by Claymore, there shall be no duplication of management fees chargeable in connection with Constituent Securities held indirectly by a Claymore ETF through investments in other Claymore ETFs or other investment funds.

Service Fee

In respect of the Claymore ETFs other than the Claymore S&P/TSX CDN Preferred Share ETF and the Claymore *CorePortfolio*™ ETFs, the Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class Unit or Non-hedged Advisor Class Unit for each Advisor Class Unit or Non-hedged Advisor Class Unit held by clients of the registered dealer. In respect of the Claymore S&P/TSX CDN Preferred Share ETF, the Manager will pay to the registered dealers a service fee equal to 0.50% per annum of the NAV per Advisor Class Unit for each Advisor Class Unit held by clients of the registered dealer. In respect of the Claymore *CorePortfolio*™ ETFs, the Manager will pay to the registered dealers a service fee equal to 1.00% per annum of the NAV per Advisor Class Unit for each Advisor Class Unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

Other Fees and Expenses

The Manager is responsible for all costs and expenses of the Claymore ETFs except the management fee, any expenses related to the implementation and on-going operation of an independent review committee under NI 81-107, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described under "Management of the Claymore ETFs – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of a Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Management Fee Distributions

The Manager may agree to charge a reduced fee as compared to the fee it would otherwise be entitled to receive from the Claymore ETFs with respect to large investments in the Claymore ETFs by Unitholders. In such cases, an amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed to the applicable Unitholders as Management Fee Distributions.

See "Fees and Expenses."

Risk Factors:

There are certain general risk factors inherent to an investment in the Claymore ETFs, including:

(i) risk of error in replicating the applicable Index;

(ii) risks relating to investments in equity securities;

(iii) index investment strategy risk;

(iv) risks relating to the performance of the Designated Brokers in relation to rebalancing of and adjustments to the applicable Index;

(v) tracking error;

(vi) potential difficulties in the calculation of the applicable Index and the possible termination of the calculation of the applicable Index or the applicable License Agreement;

(vii) the possibility that Constituent Securities of the applicable Index may be cease traded, which may impact the exchange and redemption rights of the Units;

(viii) fluctuations in the NAV and NAV per Unit of the Claymore ETFs;

(ix) the possibility that the Claymore ETFs will be unable to acquire or dispose of illiquid securities;

(x) risks associated with the use of derivative transactions;

(xi) counterparty risks associated with securities lending;

(xii) the Units may trade in the market at a premium or a discount to the NAV per Unit and there can be no guarantee that Units will trade at prices that reflect their net asset value;

(xiii) potential conflicts of interest;

(xiv) changes in legislation, including tax legislation;

(xv) changes in the taxation of the Claymore ETFs;

(xvi) the potential application of the SIFT Rules to issuers of Constituent Securities or to a Claymore ETF;

(xvii) the current absence of a public trading market for the Units;

(xviii) the Claymore ETFs lack of operating history;

(xix) changes in dividend policies;

(xx) concentration risk;

(xxi) foreign investment risk;

(xxii) exchange rate risk; and

(xxiii) interest rate risk.

See “Risk Factors – General Risks Relating to an Investment in the Claymore ETFs.”

In addition to the general risk factors, there are certain risk factors inherent to an investment in the Claymore Oil Sands Sector ETF, including:

(i) commodity price fluctuations and volatility of oil and natural gas prices;

(ii) nature of oil sands exploration and development;

(iii) development schedule and cost overruns;

(iv) changes in royalty regime;

(v) changes in environmental regulations; and

(vi) fluctuations in the supply and cost of oil and gas may impact other energy issuers.

See “Risk Factors – Additional Risks Relating to an Investment in the Claymore Oil Sands Sector ETF.

In addition to the general risk factors, there is a mining industry risk inherent to an investment in the Claymore S&P/TSX Global Mining Index ETF.

See “Risk Factors – Additional Risk Relating to an Investment in the Claymore

S&P/TSX Global Mining Index ETF."

In addition to the general risk factors, there is a counterparty credit risk associated with forward purchase and sale agreements used by Claymore Global Monthly Advantaged Dividend ETF in order to obtain exposure to the performance of the Zacks Global Yield Hog Index.

See "Risk Factors – Additional Risk Relating to an Investment in the Claymore Global Monthly Advantaged Dividend ETF."

DOCUMENTS INCORPORATED BY REFERENCE

Pursuant to exemptive relief granted by the Canadian securities regulatory authorities, the Claymore ETFs are permitted, subject to certain terms and conditions, to omit certain financial statements and information that are typically included in a long-form prospectus from this prospectus, provided that the following publicly disclosed documents that have been or will be filed, which provide additional information about the Claymore ETFs, are incorporated by reference into, and form an integral part of, this prospectus:

(a) the annual financial statements of the Claymore ETFs for the fiscal year ended December 31, 2007 with the accompanying reports of the auditor dated March 11, 2008 or, if annual financial statements of the Claymore ETFs, together with an accompanying report of the auditor, are filed after the date of this prospectus, such subsequently filed annual financial statements and accompanying report of the auditor;

(b) the most recently filed interim financial statements of the Claymore ETFs that are filed after the date of this prospectus and that pertain to a period after the period to which the annual financial statements then incorporated by reference into this prospectus pertain;

(c) the annual management report of fund performance of each Claymore ETF for the fiscal year ended December 31, 2007 or, if any annual management reports of fund performance of Claymore ETFs are filed after the date of this prospectus, such subsequently filed annual management reports of fund performance;

(d) the most recently filed interim management report of fund performance for each Claymore ETF that is filed after the date of this prospectus and that pertains to a period after the period to which each annual management report of fund performance then incorporated by reference in this prospectus pertains.

The foregoing documents are incorporated by reference into this prospectus, which means that they legally form part of this document just as if they were printed as part of this document. Copies of the foregoing documents are publicly available on the Claymore web site at www.claymoreinvestments.ca and may be obtained upon request, at no cost, by calling 1-866-417-4640 or by contacting a registered dealer. These documents and other information about the Claymore ETFs are publicly available at www.sedar.com.

Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or in any other subsequently filed document that also is incorporated by reference herein modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or includes any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed in its unmodified or superseded form to constitute a part of this prospectus.

THE CLAYMORE ETFs

Claymore Fundamental Index ETFs (which include Claymore Canadian Fundamental Index ETF, Claymore US Fundamental Index ETF C$ hedged, Claymore International Fundamental Index ETF, Claymore Japan Fundamental Index ETF C$ hedged and Claymore Europe Fundamental Index ETF), **Claymore Growth & Income ETFs** (which include Claymore CDN Dividend & Income Achievers ETF, Claymore Global Monthly Advantaged Dividend ETF and Claymore S&P/TSX CDN Preferred Share ETF), **Claymore Sector ETFs** (which include Claymore Oil Sands Sector ETF, Claymore S&P/TSX Global Mining ETF and Claymore S&P Global Water ETF), **Claymore International Growth ETFs** (which include Claymore BRIC ETF) and **Claymore *CorePortfolio*™ ETFs** (which include Claymore Global Balanced Income ETF, Claymore Global Balanced Growth ETF and Claymore Global All Equity ETF) (each, a "Claymore ETF" and collectively the "Claymore ETFs"), are investment trusts established under the laws of the Province of Ontario. The Claymore ETFs have been established pursuant to a master declaration of trust (the "Declaration of Trust") dated February 15, 2006, as amended and restated from time to time.

The principal office of the Claymore ETFs and Claymore is located at 200 University Avenue, 13th floor, Toronto, Ontario, M5H 3C6.

Investment Objective and Strategy

The Claymore ETFs have been designed to replicate, to the extent possible, the performance of the applicable Index (as defined below), net of expenses. The investment strategy of the Claymore ETFs is to invest in and hold a proportionate share of the Constituent Securities of the applicable Index in the same proportion as they are reflected in that Index. The Manager may use a sampling methodology in selecting investments for a Claymore ETF. Sampling means that the Manager will use quantitative analysis to select securities from the applicable Index to obtain a representative sample of securities that resemble the Index in terms of key risk factors, performance attributes, industry weightings, market capitalization and other appropriate financial characteristics. The quantity of Constituent Securities selected using such sampling methodology will be based on a number of factors, including the asset base of the Claymore ETF.

In accordance with applicable securities legislation, including National Instrument 81-102, a Claymore ETF may invest in one or more other Claymore ETFs or certain other investment funds that provide exposure to the Constituent Securities of the applicable Index, provided that there shall be no duplication of management fees chargeable in connection with Constituent Securities held indirectly by a Claymore ETF through investments in other Claymore ETFs or other investment funds. In the event that a Claymore ETF invests in another Claymore ETF to obtain exposure to Constituent Securities, and the management fee payable by the other Claymore ETF is higher than that of the Claymore ETF, the Claymore ETF will pay the higher management fee on the portion of the Claymore ETF's assets invested in the other Claymore ETF, plus up to an additional 0.05% if necessary to hedge any currency exposure.

The following chart sets out the applicable Indices and Index Providers for each of the Claymore ETFs:

Claymore Fundamental Index ETFs	**Index**	**Index Provider**
Claymore Canadian Fundamental Index ETF	FTSE RAFI Canada Index	FTSE International Limited ("FTSE")
Claymore US Fundamental Index ETF C$ hedged	FTSE RAFI US 1000 Canadian Dollar Hedged Index	FTSE
Claymore Japan Fundamental Index ETF C$ hedged	FTSE RAFI Japan Canadian Dollar Hedged Index	FTSE

Claymore International Fundamental Index ETF	FTSE RAFI Developed ex US 1000 Index	FTSE
Claymore Europe Fundamental Index ETF	FTSE RAFI Europe Index	FTSE
Claymore Growth & Income ETFs	**Index**	**Index Provider**
Claymore CDN Dividend & Income Achievers ETF	Mergent's Canadian Dividend & Income Achievers Index	Mergent, Inc. ("Mergent")
Claymore Global Monthly Advantaged Dividend ETF	Zacks Global Yield Hog Index	Zacks Investment Research, Inc. ("Zacks")
Claymore S&P/TSX CDN Preferred Share ETF	S&P/TSX Preferred Share Index	Standard & Poor's ("S&P")
Claymore Sector ETFs	**Index**	**Index Provider**
Claymore Oil Sands Sector ETF	Sustainable Wealth Oil Sands Sector Index™	Sustainable Wealth Management Ltd.
Claymore S&P/TSX Global Mining ETF	S&P/TSX Global Mining Index	S&P
Claymore S&P Global Water ETF	S&P Global Water Index	S&P
Claymore International Growth ETFs	**Index**	**Index Provider**
Claymore BRIC ETF	BNY BRIC Select ADR Index (the "BNY BRIC Index")	The Bank of New York ("BNY")
Claymore *CorePortfolio*™ ETFs	**Index**	**Index Provider**
Claymore Global Balanced Income ETF	Sabrient Global Balanced Income Index	Sabrient Systems, LLC ("Sabrient")
Claymore Global Balanced Growth ETF	Sabrient Global Balanced Growth Index	Sabrient
Claymore Global All Equity ETF	Sabrient Global Balanced Index	Sabrient

Claymore Fundamental Index ETFs

The Claymore Fundamental Index ETFs have been designed to replicate the performance of the FTSE RAFI Canada Index, FTSE RAFI US 1000 Canadian Dollar Hedged Index, FTSE RAFI Japan Canadian Dollar Hedged Index, FTSE RAFI Developed ex US 1000 Index and FTSE RAFI Europe Index (individually, a "FTSE Fundamental Index" and collectively, the "FTSE Fundamental Indices"), respectively, net of expenses. The investment strategy of the Claymore Fundamental Index ETFs is to invest in and hold the Constituent Securities of the respective FTSE Fundamental Indices in the same proportion as they are reflected in such FTSE Fundamental Index. The Claymore US Fundamental Index ETF C$ hedged will not hedge the portion of its portfolio attributable to the Non-hedged Units.

Claymore Growth & Income ETFs

Mergent's Canadian Dividend & Income Achievers Index

The Claymore CDN Dividend & Income Achievers ETF has been designed to replicate, to the extent possible, the performance of the Mergent's Canadian Dividend & Income Achievers Index, net of expenses. The index is designed to track the performance of dividend paying companies that meet the requirements of Mergent to be classified as "Dividend Achievers."

Zacks Global Yield Hog Index™

The Claymore Global Monthly Advantaged Dividend ETF has been designed to replicate, to the extent possible, the performance of the Zacks Global Yield Hog Index, net of expenses. The Zacks Global Yield Hog Index is comprised of approximately 125 to 150 securities selected, based on investment and other criteria, from a universe of global companies. The universe of securities within the Index includes: global listed common stocks; ADRs paying dividends; real estate investment trusts; master limited partnerships; and Canadian income trusts. The companies in the universe are selected using a proprietary methodology developed by Zacks designed to identify companies with potentially high income and superior risk-return profiles as determined by Zacks while maintaining industry diversification.

In order to achieve its investment objective, the Claymore ETF will invest in and hold the Constituent Securities of the Zacks Global Yield Hog Index in the same proportion as they are reflected in the Zacks Global Yield Hog Index and, as an alternative to or in conjunction with investing in and holding the Constituent Securities, may invest in or use derivative instruments to obtain exposure to the performance of the Zacks Global Yield Hog Index, provided that the use of such derivative instruments is in compliance with NI 81-102.

Initially, in order to obtain exposure to the performance of the Zacks Global Yield Hog Index, the Claymore ETF will invest the net proceeds of its continuous offering in a portfolio of common shares of Canadian public companies listed on the Toronto Stock Exchange that qualify as "Canadian securities" for purpose of the Tax Act (the "Canadian Share Portfolio"). The Claymore ETF will enter into one or more forward purchase and sale agreements (collectively, the "Forward") with a Canadian chartered bank or an affiliate thereof (the "Counterparty") pursuant to which the Claymore ETF will agree to sell securities in the Canadian Share Portfolio to the Counterparty from time to time in exchange for a purchase price determined by reference to the Canadian dollar value (the "Forward Amount") of the performance of the Zacks Global Yield Hog Index. However, neither the Claymore ETF nor the Unitholders by virtue of their investment in Units will have any ownership interest in the Zacks Global Yield Hog Index or any other financial instrument, if any, the Counterparty chooses to hedge its exposure under the Forward.

Under the terms of the Forward, the Counterparty and the Claymore ETF have agreed that their settlement obligations under the Forward with respect to the Canadian Share Portfolio securities will be discharged by physical delivery of the Canadian Share Portfolio securities by the Claymore ETF to the Counterparty against cash payment or, at the election of the Claymore ETF, by the making of cash payments between the parties. The amount payable by the Counterparty for physical delivery of the Canadian Share Portfolio may be more or less than the original subscription price of the Units of the Claymore ETF. Concurrent with entering into the Forward, the Canadian Share Portfolio securities or other acceptable securities will be pledged to and may be held by the Counterparty as security for the obligations of the Claymore ETF under the Forward.

The Claymore ETF will be entitled to pre-settle the Forward in whole or in part from time to time as needed to fund Unit redemptions, pay expenses and for such other purposes as it may determine by tendering to the Counterparty securities of the Canadian Share Portfolio or, at the election of the Claymore ETF, in cash. The Counterparty will also be entitled to terminate the Forward upon the occurrence of certain specified events of default or termination events.

S&P/TSX Preferred Share Index™

The Claymore S&P/TSX CDN Preferred Share ETF has been designed to replicate, to the extent possible, the performance of the S&P/TSX Preferred Share Index, net of expenses. The investment strategy of the Claymore S&P/TSX CDN Preferred Share ETF is to invest in and hold the Constituent Securities of the S&P/TSX Preferred Share Index in the same proportion as they are reflected in the S&P/TSX Preferred Share Index.

Claymore Sector ETFs

Sustainable Wealth Oil Sands Sector Index™

The Claymore Oil Sands Sector ETF has been designed to replicate, to the extent possible, the performance of the Sustainable Wealth Oil Sands Sector Index™, net of expenses. The investment strategy of the Claymore Oil Sands Sector ETF is to invest in and hold the Constituent Securities of the Sustainable Wealth Oil Sands Sector Index™ in the same proportion as they are reflected in the Sustainable Wealth Oil Sands Sector Index™.

The Sustainable Wealth Oil Sands Sector Index™ is the first and only investment index that tracks the stocks of Canadian oil sands companies focused on exploration and production of Canada's oil sands resource. The investment objectives of the Sustainable Wealth Oil Sands Sector Index™ are to: (i) give investors a benchmark to track the world's second largest known oil reserve; (ii) reduce investment risk by owning a basket of stocks that represent the majority of the sector; (iii) provide an alternative to traditional, market capitalization indices; (iv) raise global awareness of the investment potential of the sector; and (v) help direct the growth of the sector as a long term shareholder and advocate for investments.

S&P/TSX Global Mining Index™

The Claymore S&P/TSX Global Mining ETF has been designed to replicate the performance of the S&P/TSX Global Mining Index, net of expenses. The investment strategy of the Claymore S&P/TSX Global Mining ETF is to invest in and hold the Constituent Securities of the S&P/TSX Global Mining Index in the same proportion as they are reflected in the S&P/TSX Global Mining Index. The Claymore S&P/TSX Global Mining ETF is intended to confer on Unitholders, in one convenient security, a proportionate share of economic benefits similar to those which a Unitholder could obtain through individual investments in the Constituent Securities of the S&P/TSX Global Mining Index.

S&P Global Water Index™

The Claymore S&P Global Water ETF has been designed to replicate the performance of the S&P Global Water Index, net of expenses. The investment strategy of the Claymore S&P Global Water ETF is to invest in and hold the Constituent Securities of the S&P Global Water Index in the same proportion as they are reflected in each S&P Global Water Index. The Claymore S&P Global Water ETF is intended to confer on Unitholders, in one convenient security, a proportionate share of economic benefits similar to those which a Unitholder could obtain through individual investments in the Constituent Securities of the S&P Global Water Index.

BNY BRIC Select ADR Index

The Claymore BRIC ETF has been designed to replicate, to the extent possible, the performance of the BNY BRIC Index, net of expenses. The companies in the BNY BRIC Index, which must meet certain minimum criteria, are selected by BNY using a proprietary methodology. The investment strategy of the Claymore BRIC ETF is to invest in and hold the Constituent Securities of the BNY BRIC Index in the same proportion as they are reflected in the BNY BRIC Index.

The Claymore BRIC ETF will hedge its exposure to the U.S. dollar by entering into currency transactions with financial institutions that have an "approved credit rating" as defined in NI 81-102. Hedging currency exposure to reduce the impact of fluctuations in exchange rates on the Claymore BRIC ETF is intended to reduce the direct exposure to U.S. dollar currency risk for unitholders.

Claymore *CorePortfolio*™ ETFs

Sabrient Global Balanced Indices

The Claymore *CorePortfolio*™ ETFs have been designed to replicate the performance of the Sabrient Global Balanced Income Index, the Sabrient Global Balanced Growth Index and the Sabrient Global All Equity Index, respectively (collectively, the "Sabrient Global Balanced Indices"), net of expenses. The investment strategy of the Claymore *CorePortfolio*™ ETFs is to invest in and hold the Constituent Securities of the respective Sabrient Global Balanced Indices in the same proportion as they are reflected in such Sabrient Global Balanced Index.

The Indices

Index Composition

FTSE Fundamental Indices

The FTSE RAFI Index Series is a series of fundamental factor-based indices provided by FTSE and calculated in association with Research Affiliates, LLC. The index series includes the FTSE RAFI Canada Index, FTSE RAFI US 1000 Canadian Dollar Hedged Index, the FTSE RAFI Developed ex US 1000 Index and 22 separate country indices, including the FTSE RAFI Japan Canadian Dollar Hedged Index and the FTSE RAFI Europe Index (each a "FTSE Fundamental Index" and collectively, the "FTSE Fundamental Indices").

In 2005, the FTSE RAFI Index Series was awarded the William F. Sharpe Indexing Achievement Award for the Most Innovative Benchmark Index.

Like all indices in the FTSE RAFI Index Series, the FTSE Fundamental Indices are calculated by compiling the following quantitative data for all public equity issuers in a jurisdiction:

- ***Total cash dividends***: Five-year average of all regular and special cash distributions declared. Measures actual amounts of cash flow or income generated by an issuer and distributed to its common equity holders.

- ***Free cash flow***: Five-year average of operating income plus depreciation. Measures the profitability of an issuer after accounting for the costs incurred to generate sales.

- ***Total sales***: Five-year average total sales. Measures sales generated by an issuer.

- ***Book equity value***: Current period book equity value. Measures the cumulative value of capital and undistributed profits that have been generated throughout an issuer's history and is available to equity holders on its books.

An overall weight is calculated for each issuer by equally-weighting each fundamental measure. For issuers that have never paid dividends, that measure is excluded from the average. The constituents of the FTSE Fundamental Indices are weighted in accordance with their fundamental weightings. The total value each of the FTSE Fundamental Indices is calculated in real time during each Trading Day and is available on the FTSE website at www.ftse.com.

The Manager believes that this fundamental index strategy avoids the tendencies of traditional market capitalization weighted indices such as the S&P/TSX Composite Index to (i) overweight overvalued securities, (ii) underweight undervalued securities and (iii) be overly influenced by market price fluctuations. As a result, the Claymore Fundamental Index ETFs are designed to be less susceptible to market price changes that are not supported by issuer fundamentals than funds that track traditional indices. At the same time, the Claymore Fundamental Index ETFs will provide broad market exposure, low fees, liquidity and transparency.

The Common Units and Advisor Class Units of Claymore US Fundamental Index ETF C$ hedged and Claymore Japan Fundamental Index ETF C$ hedged will hedge their exposure to foreign currency by entering into currency transactions with financial institutions that have an "approved credit rating" as defined in NI 81-102. Hedging currency exposure to reduce the impact of fluctuations in exchange rates on such funds is intended to reduce direct exposure to currency risk for unitholders. The Non-hedged Units of the Claymore US Fundamental Index ETF C$ hedged will be identical to the Common Units and Advisor Class Units of such Claymore ETF except that the fund's exposure in relation to the Non-hedged Units to currencies other than the Canadian dollar will not be hedged back to the Canadian dollar.

The FTSE RAFI Canada Index comprises the Canadian stocks represented amongst the constituents of the FTSE RAFI Developed ex US 1000 Index. As of February 29, 2008 the FTSE RAFI Canada Index included 55 issuers with an average market capitalization of $21 billion.

More information is available on the FTSE website at www.ftse.com.

FTSE RAFI US 1000 Canadian Dollar Hedged Index

The FTSE RAFI US 1000 Canadian Dollar Hedged Index comprises the largest 1000 US-listed companies by fundamental value, selected from the constituents of the FTSE US All Cap Index, part of the FTSE Global Equity Index Series.

The FTSE RAFI US 1000 Canadian Dollar Hedged Index is hedged to Canadian dollars.

More information is available on the FTSE website at www.ftse.com.

FTSE RAFI Developed ex US 1000 Index

The FTSE RAFI Developed ex US 1000 Index comprises the top 1000 non US-listed companies with the largest fundamental value, selected from the constituents of the FTSE Developed ex US Index. The FTSE RAFI Developed ex US 1000 Index can be divided into 25 separate country/regional indices, comprising stocks from each country represented amongst the constituents of the FTSE RAFI Developed ex US 1000 Index. These country indices cover the following regions: Austria, Australia, Belgium/Luxembourg, Canada, Denmark, Europe, Europe ex UK ex Switzerland, Eurozone, Finland, France, Germany, Greece, Hong Kong/China, Ireland, Italy, Japan, Netherlands, Norway, New Zealand, Portugal, Singapore, Spain, Sweden, Switzerland, and the UK.

More information is available on the FTSE website at www.ftse.com.

FTSE RAFI Japan Canadian Dollar Hedged Index

The FTSE RAFI Japan Canadian Dollar Hedged Index contains over 450 large and mid cap stocks capturing 90% of the Japanese market. Unlike the Nikkei 225 and TOPIX indices, the FTSE RAFI Japan Canadian Dollar Hedged Index is free float adjusted, liquidity tested and managed by an independent committee to provide the most transparent and predictable view of the market.

The FTSE RAFI Japan Canadian Dollar Hedged Index is hedged to Canadian dollars.

More information is available on the FTSE website at www.ftse.com.

FTSE RAFI Europe Index

The Claymore Europe Fundamental Index ETF has been designed to replicate, to the extent possible, the performance of the FTSE RAFI Europe Index, net of expenses. The investment strategy of the Claymore Europe Fundamental Index ETF is to invest in and hold the Constituent Securities of the FTSE RAFI Europe Index in the same proportion as they are reflected in the FTSE RAFI Europe Index.

More information is available on the FTSE website at www.ftse.com.

Mergent's Canadian Dividend & Income Achievers Index

Since 1979, Mergent has identified, on a yearly basis, companies with a consistent stream of dividend payment increases, the "Dividend Achievers." The index seeks to identify and select a diversified group of dividend and distribution paying companies which have consistently increased their annual dividends and payments to shareholders. The index represents a diversified portfolio of leading high yield equity securities in Canada weighted based on dividend yield and quality. The Manager believes that dividend indices demonstrate unique risk and return characteristics relative to other measures.

Mergent's Canadian Dividend & Income Achievers Index consists of some of the issuers in Mergent's Canadian Dividend Achievers and a group of income trusts and REITs. Canadian income trusts and REITs constitute up to 30% of the total weight of the Index and Mergent's Canadian Dividend Achievers™ constitutes the remaining balance.

To become eligible for inclusion in the Mergent's Canadian Dividend & Income Achievers Index, an issuer must meet the following criteria:

- ***Incorporation***: The issuer must be established in Canada.
- ***Trading***: The security of the company or trust must trade on a major Canadian exchange.
- ***Dividends and Distributions***: For common shares, its aggregate annual regular dividend payments must have increased consistently over the course of the past 5 years. For income trusts and REITs, its aggregate regular distribution payment must have been paid consistently over the course of 2 years as of the date hereof (increasing each year until the 5 year history is established).
- ***Liquidity:*** All issuers in the index must have an average daily cash volume of $500,000 in the November and December prior to reconstitution, which takes place after the close of business on the last trading day in January.
- ***Maximum Weighting***: No Constituent Issuer may have a weighting in the index that exceeds 7.5% of the index. The weighting methodology is modified yield weighted. The yields are determined by dividing the sum of the dividends paid over the prior 12 months to December 31 by the year end closing price.
- ***Reconstitution and Rebalancing:*** The index will be reconstituted annually and rebalanced semi-annually. The index is also rebalanced for corporate actions. During the semi-annual rebalance, an issuer may be removed from the index at the discretion of Mergent if it has reduced its dividend payment quarter over quarter.

More information is available on the Mergent website at www.dividendachievers.com.

Zacks Global Yield Hog Index™

The Claymore Global Monthly Advantaged Dividend ETF seeks investment results that correspond generally to the performance, before its fees and expenses, of an equity index called the Zacks Global Yield Hog Index™. The Zacks Global Yield Hog Index™ is comprised of approximately 125 to 150 securities selected, based on investment and other criteria, from a universe of global companies. The universe of securities within the Index includes: global listed common stocks; ADRs paying dividends; REITs; master limited partnerships; and Canadian income trusts.

The companies in the universe are selected using a proprietary methodology developed by Zacks designed to identify companies with potentially high income and superior risk-return profiles as determined by Zacks. The Zacks Global Yield Hog Index constituent selection methodology utilizes multi-factor proprietary selection rules to identify those securities that offer the greatest potential from a yield and risk return perspective while maintaining industry diversification. The approach is specifically designed to enhance investment applications and investability. The Zacks Global Yield Hog Index is adjusted quarterly to assure timely stock selections.

More information is available on the Zacks website at www.zacks.com.

S&P/TSX Preferred Share Index™

The Claymore S&P/TSX CDN Preferred Share ETF seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P/TSX Preferred Share Index™.

The S&P/TSX Preferred Share Index is designed to serve the investment community's need for an investable benchmark representing the Canadian preferred share market. The S&P/TSX Preferred Share Index measures the performance of a selected group of preferred shares listed on the Toronto Stock Exchange. The Index is comprised of preferred shares issued by Canadian entities that meet criteria relating to minimum size, liquidity, issuer rating and exchange listing determined by Standard & Poor's. The Index is based on a market capitalization weighted scheme and calculated by the divisor methodology used in Standard & Poor's equity indices. The Index is rebalanced twice a year, in January and July.

Preferred shares is a class of equity security which pays a specified dividend that must be paid before any dividends can be paid to common shareholders, and which takes precedence over common shares in the event of the company's liquidation. Although preferred shares represent a share ownership interest in a company, preferred shares generally do not carry voting rights and have economic characteristics similar to fixed income securities. Preferred shares generally are issued with a fixed par value and pay dividends based on a percentage of that par value at a fixed or variable rate. Additionally, preferred shares often have a liquidation value that generally equals the original purchase price of the preferred share at the date of issuance.

More information is available on the S&P website at www.standardandpoors.com.

The S&P/TSX Preferred Share Index is comprised of preferred shares trading on the Toronto Stock Exchange that meet criteria relating to size, liquidity, and issuer rating and is constructed based on the following criteria:

- Preferred shares trading in Canadian dollars on the Toronto Stock Exchange are eligible for inclusion.

- Preferred shares issued by a company to meet its capital or financing requirements are eligible. These include floating and fixed rate preferreds, cumulative and non-cumulative preferred shares, preferred shares with a callable or conversion feature, and trust preferred securities. Split preferreds, which are packaged securities linked to baskets of stocks, are also included.

- The preferred shares must have market capitalization of more than $100 million at the time of the rebalancing.

- The preferred shares must have a minimum trailing three-month average daily value traded of $100,000 at the time of the rebalancing.

- Preferred shares must have a minimum rating of P-3 or its equivalent by S&P, Dominion Bond Rating Service Limited or Moody's Investor Service. If more than one of the ratings agencies has issued a rating on the shares, the lowest rating will be used to determine eligibility.

- Preferred shares for which S&P cannot determine an indicated annual dividend yield are not eligible.

- If the initial eligibility basket has more than three lines of a single company's preferred shares, only the three largest by market capitalization are included.

Sustainable Wealth Oil Sands Sector Index™

The Sustainable Wealth Oil Sands Sector Index™ was designed to give investors the maximum exposure to the fastest growing industry in the Canadian energy sector and one of the largest reserves of oil in the world. The Index is restricted to companies that are highly focused on oil sands production and are expected to increase their oil sands production in the next ten years. The weightings in the Index are based on a proprietary mathematical formula that focuses on five key factors. By focusing on the following five factors, the Index is designed to invest in the companies that best represent the current and future production of oil sands:

- ***Current Oil Sands Production***: Current oil sands production measured in barrels per day.
- ***Projected 2015 Oil Sands Production***: Projected oil sands production measured in barrels per day.
- ***Focus on Oil Sands Production***: Percentage of total production focused on oil sands production.
- ***Market Liquidity.***
- ***Market Capitalization.***

The Index currently consists of 17 companies that were selected based on current and future oil sands production, production growth, liquidity, market capitalization and percentage of total product from Canada's oil sands.

More information is available on the Sustainable Wealth Oil Sands Sector Index™ website at www.oilsandsindex.com.

S&P/TSX Global Mining Index™

The S&P/TSX Global Mining Index currently comprises 84 stocks selected based on the relative importance of the global mining industry within their business model and has a balanced representation from different segments of the mining industry consisting of Aluminum, Diversified Metals & Mining, Gold, Precious Metals & Minerals, and Coal & Consumable Fuels. To ensure investability, a developed market listing and a minimum market capitalization of $300 million is required.

More information is available on the S&P website at www.standardandpoors.com

S&P Global Water Index™

The S&P Global Water ETF seeks investment results that correspond generally to the price and yield, before its fees and expenses, of an equity index called the S&P Global Water Index.

Claymore will seek to match the performance of the S&P Global Water Index. The S&P Global Water Index is comprised of 50 stocks selected, based on investment and other criteria, from a group of companies listed globally on exchanges in developed markets. This group includes all companies classified by S&P's Capital IQ Industry Classification (the "CIQ Database") as being associated with the global demand for water including water utilities, infrastructure, equipment, instruments and materials.

The S&P Global Water Index comprises 50 stocks selected based on the relative importance of the global water industry within their business model and has a balanced representation from different segments of the water industry consisting of 25 water utilities and infrastructure companies (which includes: water supply; water utilities; waste water treatment; water sewer and pipeline construction; water purification; water well drilling; and water testing companies) and 25 water equipment, instruments and materials companies (which includes: water treatment chemicals; water treatment appliances; pumps and pumping equipment; fluid power pumps and motors; totalizing fluid meters; and counting devices companies) (collectively, the "Water Industry Groups") based upon the CIQ Database. To ensure investability, a developed market listing and a minimum market capitalization of $250 million is required. The S&P Global Water Index is equal weighted (50%) to each of the Water Industry Groups and rebalanced annually.

The S&P Global Water Index is constructed based on the following criteria:

- S&P will identify those companies that are in the water business based on their CIQ database;
- Companies must have a minimum market capitalization of US$250 million and must be trading on a developed market exchange, either as a primary listing or as a liquid secondary or ADR listing (emerging market companies with a liquid listing in a developed market are eligible);
- Each company is scored (the "Exposure Score") based on their exposure to the water industry based on a 0, 0.5 and 1 score (1 being the highest);
- The 25 largest companies ranked by Exposure Score from each of the two groups are selected;
- The index uses a modified market capitalization weighting scheme, with modifications made to satisfy the following principles: (i) industry level diversification; and (ii) each of the Water Industry Groups has a 50% weighting at the time of rebalancing; and
- No single stock with an Exposure Score of 1 has a weight of more than 10% at rebalance, and no single stock with an Exposure Score of 0.5 has a weight of more than 5% at rebalance.

BNY BRIC Index

The BNY BRIC Index tracks the performance of U.S. exchange-listed depositary receipts in ADRs and Global Depositary Receipts ("GDRs") form that are listed for trading on the New York Stock Exchange, American Stock Exchange ("AMEX") and Nasdaq Stock Market of companies from Brazil, Russia, India and China and that meet certain criteria. The Index utilizes ADRs and GDRs for the exposure to each of the four BRIC countries because the stock markets in each of these countries are relatively undeveloped and do not provide sufficient liquidity and/or listing standards. By utilizing ADRs and GDRs, the Manager believes the Index will be more efficient and will be focused on the higher quality, blue chip companies from these four countries.

Companies are selected using a proprietary methodology developed by BNY, which must meet the following criteria:

- ***Trading on U.S. Exchange***: The ADRs or GDRs must be listed for trading on the New York Stock Exchange, AMEX or Nasdaq Stock Market.
- ***Price***: The price per ADR or GDR must be greater than or equal to US$3.
- ***Trading Volume***: Minimum 3 month average daily ADR trading volume is greater than or equal to 25,000 shares, or 125,000 ordinary shares in the local market. In the case of new ADRs whose both ADR and ordinary share volume is less than 3 months, average daily volume for the available time period will be used in the calculation.
- ***Market capitalization***: Free-float adjusted market capitalization is greater than or equal to US$250 million.
- ***Passive Foreign Investment Companies***: Companies that are "passive foreign investment companies" for U.S. tax purposes are excluded based on the best information available.

Given that the ADRs underlying the index are U.S.-dollar denominated, the Claymore BRIC ETF will hedge its exposure to U.S. dollars by entering into currency contracts with financial institutions that have an "approved credit rating" as defined in NI 81-102.

More information is available on The Bank of New York website at www.adrbny.com.

Sabrient Global Balanced Indices

Each Claymore *CorePortfolio*™ ETF seeks investment results that correspond generally to the price and yield, before fees and expenses, of an index which allocates amongst multiple asset class exchange-traded funds. The Sabrient Global Balanced Indices are diversified by asset class, geography and strategy to match an individual's investment goals and risk tolerance, while achieving superior, risk-adjusted returns.

The Sabrient Global Balanced Indices selection methodologies were developed by Sabrient as a quantitative approach to selecting multiple asset classes through exchange-traded funds. The Sabrient Global Balanced Indices and asset class weights are adjusted and rebalanced quarterly to the optimal asset mix depending on economic conditions and relative value of income and equity securities.

The Manager will seek to match the performance of the Sabrient Global Balanced Indices. The Sabrient Global Balanced Indices comprise a mixture of approximately 5 to 10 existing exchange-traded funds selected, based on investment and other criteria, from a defined set of exchange-traded funds (and other designated products, as deemed appropriate) trading on the TSX.

The investment objectives of the Sabrient Global Balanced Indices are as follows:

- ***The Sabrient Global Balanced Income Index*:** Objective is to generate a high level of current income with long term capital appreciation potential.

- ***The Sabrient Global Balanced Index*:** Objective is to balance strong long-term capital appreciation potential and current income, with a bias towards capital appreciation.

- ***The Sabrient Global All Equity Index*:** Objective is to balance dividend income and long-term capital appreciation, while providing strong defensive characteristics.

Index Allocation Ranges:

The Sabrient Global Balanced Indices selection methodology is designed to identify a group of existing exchange-traded funds that together provide a balanced allocation to equities and fixed income within defined ranges.

Asset Class	**Sabrient Global Balanced Income Index**	**Sabrient Global Balanced Growth Index**	**Sabrient Global All Equity Index**
Dividend Focused Equity	25-50%	0-15%	0-30%
Large Cap Canadian Equity	0-10%	10-30%	0-20%
US Equity	0-5%	15-40%	0-20%
REITs	0-20%	0-20%	0%
International Equity	5-10%	20-45%	0-25%
Intermediate Fixed-Income	0-20%	0-15%	0%
Cdn Preferred Shares	5-15%	5-10%	5-15%
Short Fixed-Income	0-35%	0-25%	0%
Cash	0-5%	0-5%	0-5%

The objective of the Sabrient Global Balanced Indices is to provide an appropriate mix of equity and fixed income exposure for seeking both capital appreciation and income in varying importance based on the specific index, with the potential for the equity portion to outperform on a risk-adjusted basis the broad market benchmarks.

The constituent selection methodology for the Sabrient Global Balanced Indices were developed by Sabrient as an effective, quantitative approach to selecting stocks in a diversified portfolio from a defined set of publicly traded exchange-traded funds. The index constituent models evaluate and select exchange-traded funds using a proprietary, “100% Rules-Based Methodology” developed by Sabrient that employs a dynamic allocation strategy within prescribed ranges. Each exchange-traded fund is ranked based on the composite scoring of a number of factors, and is sorted from highest to lowest. The constituent selection process and portfolio rebalance is repeated at least once per quarter, on the first trading day of each calendar quarter, or more often if market conditions warrant.

The Sabrient Global Balanced Indices constituent selection methodology utilizes multi-factor proprietary selection rules to identify those exchange-traded funds that offer the greatest potential from a risk/return perspective while maintaining diversification among global regions, industries, and asset classes within the prescribed ranges. The Sabrient Global Balanced Indices is adjusted quarterly, or as required, to ensure timely constituent selections.

Potential Sabrient Global Balanced Indices constituents include a defined set of exchange-traded funds on the TSX. Eligible exchange-traded funds include those sponsored by Claymore for the equity allocation, plus other exchange-traded funds as appropriate for the fixed income allocation.

More information is available on the Sabrient website at www.sabrient.com.

Rebalancing and Adjustment

FTSE Fundamental Indices

The FTSE Fundamental Indices are reviewed and updated annually based on data as of the close of business on the Tuesday following the first Friday in March (or if that day is not a Trading Day, the next Trading Day) in accordance with the FTSE RAFI Index Methodology published by FTSE and available on its website at www.ftse.com. Changes arising from the annual review will be implemented after the close of the index calculation on the third Friday in March (or if that day is not a Trading Day, the next Trading Day).

The FTSE Fundamental Indices will be adjusted periodically to reflect changes to Constituent Issuers such as mergers, take-overs, spin-offs, demergers, special dividends, bankruptcies and prolonged trading suspensions, as described in the FTSE RAFI Index Methodology. The portfolios of the Claymore Fundamental Index ETFs will be rebalanced by the end of the first Trading Day after the day on which any adjustment is implemented.

Mergent’s Canadian Dividend & Income Achievers Index

The Mergent’s Canadian Dividend & Income Achievers Index is reconstituted on a yearly basis effective at the close of the last trading day in January, according to Mergent’s proprietary screening methodology. The AMEX will make the required announcements prior to reconstitution via AmexTrader. Additions and deletions occur once a year at reconstitution, or in the event of certain corporate actions. Mergent reserves the right to add or delete a stock from the Index in special circumstances.

The Mergent’s Canadian Dividend & Income Achievers Index is rebalanced on a semi-annual basis using a modified yield methodology. Original weights are assigned yield on the effective date. Adjustments are effective after the close of the last trading day of January and July.

Share adjustments to reflect a split, reverse split or stock dividend will be made on the action’s effective date. Such changes do not require an adjustment to the divisor and are processed automatically. Dividend payments will be reinvested in the Mergent’s Canadian Dividend & Income Achievers Index.

Zacks Global Yield Hog Index

The Zacks Global Yield Hog Index is adjusted quarterly to assure timely stock selections.

S&P/TSX Preferred Share Index

The S&P/TSX Preferred Share Index is rebalanced once a year, in September, when index shares and Constituent Securities are reviewed. Corporate actions such as maturity, conversion, calls and delistings are treated according to the set of index rules as defined by the S&P/TSX Preferred Share Index.

Sustainable Wealth Oil Sands Sector Index™

The Sustainable Wealth Oil Sands Sector Index™ is updated annually on June 30 or, based on developments in the sector and input from an investment advisory board of industry experts, if there has been a corporate event such as divestiture, merger or acquisition.

S&P/TSX Global Mining Index

The S&P/TSX Global Mining Index will be rebalanced on a quarterly basis using a modified market capitalization approach. Securities with a weight of more than 5% in the Index cannot have a combined weight of more than 50% in the Index. In addition, no individual constituent can have a weight in the Index greater than or equal to 25%.

S&P Global Water Index

The S&P Global Water Index is equal weighted (50%) to each of the Water Industry Groups and rebalanced annually.

BNY BRIC Index

Decisions regarding additions to and removals from the BNY BRIC Index are made by The Bank of New York ADR index administrator and are subject to periodic review by a policy steering committee known as The Bank of New York ADR Index Committee. The BNY BRIC Index is weighted based on a modified capitalization method, using a formula based on the aggregate of prices times share quantities. The number of shares used in the calculation generally represents the entire class or series of shares adjusted for free-float that trade in the local market and also trade in the form of depositary receipts in the United States. The Index may be adjusted for changes in float that may affect the weighting of constituents generally on a quarterly basis.

Sabrient Global Balanced Indices

The Sabrient Global Balanced Indices comprise the 5 to 10 highest-ranking exchange-traded funds chosen among the eligible funds using a 100% rules-based quantitative ranking methodology. Each exchange-traded fund is ranked based on the composite scoring of a handful of specially-targeted factors, and is sorted from highest to lowest. The constituent selection process and portfolio rebalance is repeated at least once per quarter, on the first trading day of each calendar quarter, or more often if market conditions warrant.

Action on Index Rebalancing or Portfolio Adjustment

Whenever an Index Provider rebalances or adjusts an Index by adding securities to or subtracting securities from that Index, the applicable Claymore ETF will generally acquire and/or dispose of the appropriate number of securities through one or more Designated Brokers. If the value of all securities purchased by a Claymore ETF exceeds the value of all securities disposed of by that Claymore ETF, the Claymore ETF will issue to the Designated Broker(s) a number of Units with an aggregate NAV corresponding to the excess value. Conversely, if the value of all securities disposed of by a Claymore ETF exceeds the value of all securities acquired by that Claymore ETF, the Claymore ETF will receive Baskets of Securities or portions thereof from the Designated Broker(s) with an aggregate value corresponding to the excess value.

If a special dividend is paid on a constituent security of an Index, the applicable Claymore ETF will generally purchase Baskets of Securities or portions thereof from one or more Designated Brokers on the day preceding the adjustment day of that Index for an amount equal to the proceeds of the special dividend. The purchase of Baskets of Securities or partial Baskets of Securities from the Designated Broker(s) for an amount equal to the proceeds of the special dividend has the effect of conferring the value of the special dividend on the Claymore ETF without affecting the replication by the Claymore ETF of the applicable Index. As a result, special dividends will generally not have an effect on the replication of the weighting of such constituent security in the Indices by the Claymore ETFs.

Takeover Bids for Constituent Issuers

If a takeover bid (including an issuer bid) is made for a Constituent Issuer of an Index, the Manager, in its discretion, may or may not tender securities of such Constituent Issuer. If securities are tendered by a Claymore ETF, they may or may not be taken up under the bid. If a takeover bid is successful, the issuer may no longer qualify for inclusion in the applicable Index and may be removed from that Index, in which case any securities of the Constituent Issuer still held by the Claymore ETF will be disposed of by the Claymore ETF to one or more Designated Brokers as described above under "Action on Index Rebalancing or Portfolio Adjustment."

If the Claymore ETF tenders securities under a takeover bid and they are taken up but the Constituent Issuer is not taken out of the applicable Index, the Claymore ETF will use the proceeds received from tendering to the takeover bid to purchase securities of the Constituent Issuer to replenish Baskets of Securities held by that Claymore ETF. If the proceeds are not sufficient for this purpose, the Claymore ETF will purchase the necessary securities from the Designated Brokers in return for the issue of the appropriate number of Units. If the proceeds received by the Claymore ETF under a takeover bid are more than sufficient to purchase replacement securities where the Constituent Issuer is not removed from the applicable Index, the surplus will be used, first, to pay expenses of the Claymore ETF, and then any remaining amounts will be distributed to Unitholders.

Any non-cash consideration received by a Claymore ETF under a takeover bid will be sold by that Claymore ETF, and the proceeds applied in the manner described above in respect of cash proceeds received by the Claymore ETF under a takeover bid.

After a tender of securities by a Claymore ETF, a Unitholder exchanging Units for Baskets of Securities as described below under "Description of the Units – Exchange and Redemption of Units – Exchange of Units for Baskets of Securities" will be entitled to receive the applicable portion of the proceeds received by the Claymore ETF for securities taken up under the bid or, if the securities are not taken up, the applicable portion of those securities when they are returned to that Claymore ETF.

Use of the Indices

The Manager and the applicable Claymore ETF are permitted to use the applicable Index pursuant to the applicable License Agreement described below under "Management of the Claymore ETFs – License Agreements." The Manager and the Claymore ETFs do not accept responsibility for or guarantee the accuracy and/or completeness of the Indices or any data included in the Indices.

Termination of the Indices

The Index Providers calculate, determine and maintain the respective Indices. In the event that the Index Providers cease to calculate the Indices or the License Agreements are terminated, the Manager may terminate the applicable Claymore ETF(s) on 60 days notice, change the investment objective of that Claymore ETF or seek to replicate an alternative index (subject to Unitholder approval in accordance with the Declaration of Trust), or make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders of the Claymore ETF in the circumstances.

If an alternate index is selected, the investment objective of the Claymore ETF shall be to replicate the performance of such alternate index, net of expenses. Claymore must notify Unitholders, which notice may be by way of press release, at least 30 days prior to the effective date of the selection of an alternate index

Securities Lending

A Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to it pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the collateral on a daily basis.

Use of Derivative Instruments

The Claymore ETFs may invest in or use derivative instruments, provided that the use of such derivative instruments is in compliance with NI 81-102 and is consistent with the investment objective and investment strategy of the respective Claymore ETFs.

MANAGEMENT OF THE CLAYMORE ETFS

The Trustee and Manager

Claymore, a registered investment counsel and portfolio manager, is the trustee and manager of the Claymore ETFs and is responsible for the administration of the Claymore ETFs.

Currently, Claymore acts as the manager for the following TSX-listed closed end investment funds:

- Adjustable Rate MBS Trust (TSX:ADJ.UN) and
- Big Bank Big Oil Split Corp. (TSX: BBO, BBO.PR.A).

In addition, Claymore currently acts as the manager for the following TSX-listed exchange-traded investment funds:

- Claymore Canadian Fundamental Index ETF (TSX:CRQ),
- Claymore US Fundamental Index ETF C$ hedged (TSX:CLU),
- Claymore Oil Sands Sector ETF (TSX:CLO),
- Claymore BRIC ETF (TSX:CBQ),
- Claymore CDN Dividend & Income Achievers ETF (TSX:CDZ),
- Claymore Japan Fundamental Index ETF C$ hedged (TSX:CJP),
- Claymore International Fundamental Index ETF (TSX:CIE),
- Claymore S&P/TSX CDN Preferred Share ETF (TSX:CPD),
- Claymore S&P Global Water ETF (TSX:CWW),
- Claymore S&P/TSX Global Mining ETF (TSX:CMW),
- Claymore Global Balanced Income ETF (TSX:CBD),
- Claymore Global Balanced Growth ETF (TSX:CBN),
- Claymore Global Agriculture ETF (TSX: COW),
- Claymore Global Monthly Advantaged Dividend ETF (TSX:CYH),
- Claymore Equal Weight Banc & Lifeco ETF (TSX:CEW),
- Claymore 1-5 Year Laddered Bond ETF (TSX:CLF),
- Claymore Natural Gas Commodity ETF (TSX:GAS),
- Claymore Premium Money Market ETF (TSX:CMR) and
- Claymore Canadian Financial Monthly Income ETF (TSX:FIE)

Claymore is a wholly-owned subsidiary of Claymore Group Inc., a financial services and asset management company based in the Chicago, Illinois area. Claymore Group Inc. and its affiliates (collectively, "Claymore Group") include two investment advisers registered with the U.S. Securities Exchange Commission under the Investment Advisers Act of 1940 and a broker-dealer registered with the U.S. National Association of Securities Dealers ("NASD"). As of December 31, 2007, Claymore Group entities were providing supervisory, management or distribution-related services to exchange-traded funds, closed-end funds, unit investment trusts, separately managed accounts and mutual funds with combined assets of approximately U.S.$18.5 billion. Claymore Group has approximately 230 employees in North America.

Powers and Duties of the Trustee and Manager

Pursuant to the Declaration of Trust, Claymore is the trustee and manager of each of the Claymore ETFs and, as such, is responsible for providing managerial, administrative and compliance services to the Claymore ETFs including acquiring securities on behalf of the Claymore ETFs and for providing or arranging for required administrative services to the Claymore ETFs including, without limitation: authorizing the payment of operating expenses incurred on behalf of the Claymore ETFs; preparing financial statements and financial and accounting information as required by the Claymore ETFs; ensuring that Unitholders are provided with financial statements (including interim and annual financial statements) and other reports as are required by applicable law from time to time; ensuring that the Claymore ETFs comply with regulatory requirements and applicable stock exchange listing requirements; preparing the Claymore ETFs' reports to Unitholders and the securities regulatory authorities; determining the amount of distributions to be made by the Claymore ETFs and negotiating contractual agreements with third party providers of services, including Index Providers, Designated Brokers, the Custodian, the Registrar and Transfer Agent, the Plan Agent, auditors and printers.

Claymore is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of Unitholders, and in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent trustee and manager would exercise in similar circumstances.

Claymore may resign as trustee and/or manager of any of the Claymore ETFs upon 60 days notice to the Unitholders. If the Manager resigns it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Unitholders. If the Manager is in material default of its obligations under the Declaration of Trust and such default has not been cured within 30 days after notice of same has been given to the Manager, the Unitholders may remove the Manager and appoint a successor trustee and/or manager.

Claymore is entitled to fees for its services as Manager under the Declaration of Trust as described under "Fees and Expenses – Management Fee." In addition, Claymore and each of its directors, officers, employees and agents will be indemnified by each of the Claymore ETFs for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against Claymore or any of its officers, directors, employees or agents in the exercise of its duties thereunder, if they do not result from Claymore's wilful misconduct, bad faith, negligence or breach of its obligations under the Declaration of Trust.

The management and trustee services of Claymore under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents Claymore from providing similar services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Claymore ETFs) or from engaging in other activities.

Directors and Officers of the Manager

The name and municipality of residence of each of the directors and senior officers of Claymore and their principal occupations are as follows:

Name and Municipality of Residence	Position with Manager	Principal Occupation
Som Seif............................... Toronto, Ontario	Chief Executive Officer, President and Director	Chief Executive Officer, President and Director, Claymore Investments, Inc.
Bruce Albelda .... Hinsdale, Illinois	Chief Financial Officer and Director	Chief Financial Officer and Director, Claymore Group Inc.
Chuck R. Craig..................... Naperville, Illinois	Chief Investment Officer	Managing Director, Claymore Securities, Inc.
Nicholas Dalmaso................. Wheaton, Illinois	Secretary and Director	Senior Managing Director, Claymore Group, Inc.
Michael J. Rigert .... Naperville, Illinois	Vice President	Vice Chairman, Claymore Group Inc.
Jeffrey D. Logan................... Barrie, Ontario	Vice President	Vice President, Claymore Investments, Inc.
Matthew J. Patterson............. Naperville, Illinois	Vice President	Vice President, Claymore Group Inc.
David C. Hooten................... Wheaton, Illinois	Chairman of the Board of Directors	Chairman & Chief Executive Officer, Claymore Group Inc.

The following is a brief description of the background of the directors and officers of the Manager:

Som Seif, CFA, President, Chief Executive Officer and Director

Som is responsible for running the operations of Claymore Investments, Inc. and its business development and corporate strategies. Prior to joining Claymore in December 2004, Som was an investment banker with RBC Capital Markets, where he worked since 1999. Som played a key role in developing the structured products group at RBC Capital Markets in both Canada and the U.S., where he structured and raised capital for both Canadian and U.S. asset managers. Som is a Chartered Financial Analyst and has a Bachelor of Applied Science with an emphasis on Industrial and Systems Engineering from the University of Toronto.

Bruce Albelda, Chief Financial Officer and Director

Bruce heads Claymore Group's corporate finance team. Before joining Claymore, Bruce served as Chief Financial Officer for Cantata Technology, a privately-funded telecommunications company formed through the merger of Excel Switching Corporation and Brooktrout Technology. Additionally, Bruce served as Chief Financial Officer for Airslide Systems, a wireless infrastructure company and began his career in the Boston and Toronto offices of Bain & Company, an international management consulting firm. Bruce graduated cum laude from Williams College with a bachelors degree in Economics and earned his MBA from the Wharton School at the University of Pennsylvania.

Chuck R. Craig, CFA, Chief Investment Officer

Chuck serves as a portfolio manager for the Claymore/Raymond James SB-1 Equity Fund and oversees the screening, selection and development of several of the firm's unit investment trusts while also providing valuable market insight and analysis to the firm. Chuck previously served as Assistant Vice President of Equity Strategy Research at First Trust Portfolios. Chuck received a Masters of Science degree in Financial Markets at the Illinois Institute of Technology, a Bachelor of Science in Finance from Northern Illinois University, holds the Chartered Financial Analyst designation and is Series 7, 24, 53, 63 and 65 registered. He served for eight years in the U.S. Air Force, including six years at the White House Communications Agency, where he served three U.S. Presidents.

Nicholas Dalmaso, Secretary and Director

With financial services experience dating back to 1991, Nicholas serves as Senior Managing Director for Claymore Group and is directly responsible for the structural development of Claymore Group's exchange-traded offerings. Nick plays a key role in the determination of overall corporate strategies and previously served as Assistant General Counsel for both Nuveen Investments and Van Kampen Investments.

Michael J. Rigert, Vice President

Michael is responsible for Claymore Group's overall business development, playing a key role in the determination of overall corporate strategies and directly overseeing product development and investment management. With leadership and organizational experience dating back to 1984, Mike most recently served as Vice President and Knowledge Officer of the Enterprise Network Division for Sprint Corporation.

Jeffrey D. Logan, Vice President

With financial services experience dating back to 1996, Jeffrey plays a key role in the financial operations and fund administration of Claymore. Prior to joining Claymore in December 2005, Jeffrey spent over seven years at RBC Financial Group where he held several positions focused on investment funds. Jeffrey is a graduate of the University of Western Ontario.

Matthew J. Patterson, Vice President

Matt serves as an Attorney for Claymore Group and specializes in investment company and investment adviser matters. Matt previously served as Securities Counsel for Caterpillar Inc. and as Chief Compliance Officer and Secretary for its wholly-owned subsidiary, Caterpillar Investment Management Ltd. Additionally, he served as Chief Compliance Officer and Clerk of the Preferred Group of Mutual Funds, a mutual fund complex advised by Caterpillar Management Ltd. Prior to his tenure at Caterpillar, Matt served as an Associate in the Corporate Department of Skadden, Arps, Slate, Meagher & Flom LLP. Matt earned a JD, summa cum laude, from the University of Illinois College of Law and a BA from the University of Illinois.

David C. Hooten, Director

With financial services experience dating back to 1985, David is responsible for Claymore Group's corporate strategies and principles and oversees the management of all divisions within Claymore Group. Dave previously served as Managing Director of Sales for Structured Investments at Nuveen Investments and prior to that, served as Senior Vice President and National Accounts Manager for Nike Securities (now known as First Trust Portfolios).

The Independent Review Committee

Management of the Claymore ETFs is advised by an advisory board which also constitutes the independent review committee ("IRC") for the Claymore ETFs under NI 81-107. The advisory board consists of three members, each of whom is independent of Claymore and free from any interest and any business or other relationship which could, or could be reasonably perceived to, materially interfere with the exercise of the member's judgment.

However, the advisory board members may be members of the advisory boards or independent review committees of other investment funds managed by Claymore. The advisory board provides independent advice to the Manager to assist it in performing its services under the Declaration of Trust. The members of the advisory board are required to act honestly and in good faith in the best interests of the Claymore ETFs and the Unitholders, and in connection therewith will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Manager reports to the advisory board on the operation and performance of the Claymore ETFs on a quarterly basis, including with respect to compliance with the investment objective and strategy and material contracts as amended from time to time.

Under NI 81-107, the Manager refers all conflict of interest matters to the IRC for review or approval. The Manager has established written policies and procedures for dealing with conflict of interest matters, will maintain records in respect of these matters and will provide assistance to the IRC in carrying out its functions. The IRC is subject to requirements to conduct regular assessments and provide reports to the Claymore ETFs and to Unitholders in respect of its functions.

All fees and expenses of the advisory board incurred in connection with its duties with respect to the Claymore ETFs will be paid by the Claymore ETFs and the advisory board will have the authority to retain, at the expense of the Claymore ETFs, independent counsel or other advisors if the advisory board deems it appropriate to do so.

The members of the advisory board will be indemnified by the Claymore ETFs, except in cases of wilful misconduct, bad faith, negligence or breach of their standard of care. The advisory board members are not responsible for the investments made by the Claymore ETFs, or for the performance of the Claymore ETFs.

The following is a brief description of the background of the current members of the advisory board:

Randall C. Barnes

Prior to his retirement in 1997, Mr. Barnes spent four years as Senior Vice President and Treasurer of PepsiCo, Inc., where he was employed since 1987. He was President of the Pizza Hut International division from 1991 to 1993, and prior to that time Senior Vice President, Strategic Planning and New Business Development. Mr. Barnes currently sits on the advisory boards of the Claymore Funds and is a trustee of eleven NYSE-listed closed-end funds and 29 exchange-traded funds advised, administered or serviced by Claymore Advisors, LLC or Claymore Securities, Inc. in the United States.

Roman Friedrich III

Mr. Friedrich is the founder of Roman Friedrich & Company, a Vancouver-based firm that specializes in the provision of financial advisory services to corporations in the resource sector. Previously, he was a Managing Director at TD Securities Inc. Mr. Friedrich currently sits on the advisory boards of the Claymore Funds and is a director of Gateway Gold Corp. and StrataGold Corporation, both listed on the TSX, and GFM Resources Ltd., listed on the TSX Venture Exchange. Mr. Friedrich is the Chairman of the Board of Trustees of Dreman/Claymore Dividend & Income Fund, a NYSE-listed closed-end fund advised by Claymore Advisors, LLC.

Douglas G. Hall

Mr. Hall was a Managing Director at RBC Capital Markets covering public and private capital raising, mergers and acquisitions support and strategic advisory assignments for diversified industry groups from 1979 until his retirement in 2005. From 1998, he was responsible for senior account coverage in Atlantic Canada, and previously had senior corporate account coverage in Toronto. Mr. Hall currently sits on the advisory boards of the Claymore Funds, is a director of Millar Western Forest Products Ltd., a privately held lumber and pulp company based in Alberta and Southwest Properties Ltd., a privately held real estate company based in Nova Scotia, and is Chair of Nova Scotia Business Inc., a company formed by the Nova Scotia provincial government to manage the economic development function with a private sector board of directors.

The Custodian

RBC Dexia Investor Services Trust is Custodian of the assets of the Claymore ETFs pursuant to the Custodian Agreement and also carries out, on behalf of Claymore, certain aspects of the day-to-day administration of the Claymore ETFs, including calculating NAV, net income and net realized capital gains of the Claymore ETFs and maintaining the books and records of the Claymore ETFs.

Accounting and Reporting

A Claymore ETF's fiscal year is the calendar year or such other fiscal period permitted under the Tax Act as the Claymore ETF elects. The annual financial statements of a Claymore ETF shall be audited by the Claymore ETF's auditors in accordance with Canadian generally accepted auditing standards. The auditors will be asked to report on the fair presentation of the annual financial statements in accordance with Canadian generally accepted accounting principles. The Manager will ensure that the Claymore ETF complies with all applicable reporting and administrative requirements.

The Manager will keep adequate books and records reflecting the activities of the Claymore ETFs. A Unitholder or his or her duly authorized representative has the right to examine the books and records of the applicable Claymore ETF during normal business hours at the offices of the Manager. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the Claymore ETFs.

Changes to the Declaration of Trust

The Manager may amend the Declaration of Trust from time to time but may not, without the approval of at least a two-thirds majority of the votes of Unitholders of the Claymore ETF voting at a meeting of Unitholders duly called for such purpose: (i) change the fundamental investment objective of the Claymore ETF; (ii) increase the amount of fees and expenses for which the Claymore ETF will be responsible in any year; (iii) change the voting rights of Unitholders; or (iv) change the right of Unitholders to exercise voting rights over Baskets of Securities, as described under "Description of the Units – Exercise of Voting Rights over Baskets of Securities." Unitholders are entitled to one vote per whole Unit held on the record date established for voting at any meeting of Unitholders.

Termination of the Claymore ETFs

A Claymore ETF may be terminated by the Manager on at least 30 and not more than 60 days notice to Unitholders of such termination and the Manager will issue a press release in advance thereof. The Manager may also terminate a Claymore ETF in the event that the Index Provider ceases to calculate the Index or the respective License Agreement is terminated, as described above under "The Claymore ETFs – Index – Termination of the Index". Upon such termination the Constituent Securities, cash and other assets remaining after paying or providing for all liabilities and obligations of the Claymore ETF shall be distributed *pro rata* among the Unitholders of the Claymore ETF.

The rights of Unitholders to exchange and redeem Units described under "Description of the Units – Exchange and Redemption of Units" will cease as and from the date of termination of that Claymore ETF.

Permitted Mergers

A Claymore ETF may, without Unitholders' approval, enter into a merger or other similar transaction which has the effect of combining the funds or their assets (a "Permitted Merger") with any other investment fund or funds that have investment objectives that are similar to the Claymore ETF's Portfolio, subject to:

(a) approval of the merger by the ETF's IRC;

(b) compliance with certain merger pre-approval conditions set out in section 5.6 of NI 81-102; and

(c) written notice to Unitholders at least 60 days before the effective date of the merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective net asset values for the purpose of such transaction.

License Agreements

Claymore Fundamental Index ETFs

The Manager is permitted to use the FTSE Fundamental Indices and certain trademarks of FTSE and Research Affiliates LLC ("RA") in connection with the Claymore Fundamental Index ETFs pursuant to (i) the License Agreement entered into between the Manager and FTSE as of December 14, 2005; (ii) a variation agreement entered into between the Manager and FTSE as of March 9, 2006; and (iii) a second variation agreement entered into between the Manager and FTSE as of June 21, 2006 (collectively, the "FTSE License Agreements")

The Units of the Claymore Fundamental Index ETFs are not in any way sponsored, endorsed, sold or promoted by FTSE or by the London Stock Exchange Plc (the "Exchange") or by the Financial Times Limited ("FT") or by RA and neither FTSE nor the Exchange nor FT nor RA makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Fundamental Indices and/or the figures at which the FTSE Fundamental Indices stand at any particular time on any particular day or otherwise. The FTSE Fundamental Indices are compiled and calculated by FTSE in conjunction with RA. However, neither FTSE nor the Exchange nor FT nor RA shall be liable (whether in negligence or otherwise) to any person for any error in the FTSE Fundamental Indices and neither FTSE nor the Exchange nor FT nor RA shall be under any obligation to advise any person of any error therein.

Claymore CDN Dividend & Income Achievers ETF

The Manager is permitted to use the Mergent's Canadian Dividend & Income Achievers Index and certain trademarks of Mergent in connection with the Claymore CDN Dividend & Income Achievers ETF pursuant to the License Agreement entered into between the Manager and Mergent as of June 24, 2006 (the "Mergent License Agreement").

The Claymore CDN Dividend & Income Achievers ETF and its units are not sponsored, endorsed, sold or promoted by Mergent. Mergent makes no representation or warranty, express or implied, to the unitholders of this fund or any member of the public regarding the advisability of investing in securities generally or in this fund particularly or the ability of any data supplied by Mergent to track general stock market performance. Mergent's only relationship to Claymore is the licensing of certain trademarks and trade names of Mergent and of the data supplied by Mergent which is determined, composed and calculated by Mergent without regard to this fund or its units. Mergent has no obligation to take the needs of Claymore CDN Dividend & Income Achievers ETF or the unitholders of the fund into consideration in determining, composing or calculating the data supplied by Mergent. Mergent is not responsible for and has not participated in the determination of the prices of the units of the fund or the timing of the issuance or sale of such units. Mergent has no obligation or liability in connection with the administration, marketing or trading of this fund or its units.

MERGENT DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY DATA SUPPLIED BY IT OR ANY DATA INCLUDED THEREIN. MERGENT MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CLAYMORE, ITS SHAREHOLDERS OR AFFILIATES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DATA SUPPLIED BY MERGENT OR ANY DATA INCLUDED THEREIN. MERGENT MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DATA SUPPLIED BY MERGENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING. IN NO EVENT SHALL MERGENT HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Zacks Global Yield Hog Index™

The Manager is permitted to use the Zacks Global Yield Hog Index and certain trademarks of Zacks in connection with the Claymore Global Monthly Advantaged Dividend ETF pursuant to the License Agreement entered into between the Manager and Zacks (the "Zacks Global Yield Hog Index License Agreement").

The Units of the Claymore Global Monthly Advantaged Dividend ETF are not in any way sponsored, endorsed, sold or promoted by Zacks. Zacks makes no representation or warranty, express or implied, regarding the advisability of investing in securities generally or in the Claymore Global Monthly Advantaged Dividend ETF particularly or the ability of the Zacks Global Yield Hog Index to track general market performance. Zacks' only relationship to the Manager is the licensing of the Zacks Global Yield Hog Index which is determined, composed and calculated by Zacks without regard to the Manager or the Claymore Global Monthly Advantaged Dividend ETF. Zacks has no obligation to take the needs of the Manager or the unitholders of the Claymore Global Monthly Advantaged Dividend ETF into consideration in determining, composing or calculating the Zacks Global Yield Hog Index. Zacks shall not be liable to any person for any error in the Zacks Global Yield Hog Index nor shall it be under any obligation to advise any person of any error therein. If the Zacks Global Yield Hog Index License Agreement is terminated for any reason, Claymore will no longer be able to operate the Claymore Global Monthly Advantaged Dividend ETF based on the Zacks Global Yield Hog Index.

S&P Indices

The Manager is permitted to use the S&P/TSX Preferred Share Index, the S&P/TSX Global Mining Index, the S&P Global Water Index and certain trademarks of S&P in connection with the Claymore S&P/TSX CDN Preferred Share ETF, the Claymore S&P/TSX Global Mining ETF and the Claymore S&P Global Water ETF respectively, pursuant to the License Agreement entered into between the Manager and S&P (the "S&P Indices License Agreement").

The Units of the Claymore S&P/TSX CDN Preferred Share ETF, the Claymore S&P/TSX Global Mining ETF and the Claymore S&P Global Water ETF are not sponsored, endorsed, sold or promoted by S&P or the TSX and neither S&P nor the TSX makes any representation or warranty, express or implied, regarding the advisability of investing in securities generally or in the Claymore S&P/TSX CDN Preferred Share ETF or the Claymore S&P/TSX Global Mining ETF or the Claymore S&P Global Water ETF or particularly or the ability of the S&P/TSX Preferred Share Index or the S&P/TSX Global Mining Index or the S&P Global Water Index or to track general market performance. S&P's only relationship to the Manager is the licensing the S&P/TSX Preferred Share Index, the S&P/TSX Global Mining Index and the S&P Global Water Index, all of which are determined, composed and calculated by S&P without regard to the Manager or the Claymore S&P/TSX CDN Preferred Share ETF or the Claymore S&P/TSX Global Mining ETF or the Claymore S&P Global Water ETF. S&P has no obligation to consider the needs of the Manager or the unitholders of the Claymore S&P/TSX CDN Preferred Share ETF, the Claymore S&P/TSX Global Mining ETF or the Claymore S&P Global Water ETF into the S&P/TSX Preferred Share Index, the S&P/TSX Global Mining Index and the S&P Global Water Index nor shall it be under any obligation to advise any person of any error therein. If the S&P Indices License Agreement is terminated for any reason, Claymore will no longer be able to operate the Claymore S&P/TSX CDN Preferred Share ETF, the Claymore S&P/TSX Global Mining ETF and the Claymore S&P Global Water ETF respectively.

S&P AND TSX DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE S&P/TSX PREFERRED SHARE INDEX, THE S&P/TSX GLOBAL MINING INDEX AND THE S&P GLOBAL WATER INDEX OR ANY DATA INCLUDED THEREIN, AND S&P AND TSX SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. S&P AND TSX MAKE NO WARRANTY, CONDITION OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CLAYMORE INVESTMENTS, INC., OWNERS OF THE CLAYMORE S&P/TSX PREFERRED SHARE ETF, THE CLAYMORE S&P/TSX GLOBAL MINING ETF AND THE S&P GLOBAL WATER ETF, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P/TSX PREFERRED SHARE INDEX, THE S&P/TSX GLOBAL MINING INDEX AND THE S&P GLOBAL WATER INDEX OR ANY DATA INCLUDED THEREIN. S&P AND TSX MAKE NO EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR CONDITIONS, AND EXPRESSLY DISCLAIM ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE AND ANY

OTHER EXPRESS OR IMPLIED WARRANTY OR CONDITION WITH RESPECT TO THE S&P/TSX PREFERRED SHARE INDEX, THE S&P/TSX GLOBAL MINING INDEX AND THE S&P GLOBAL WATER INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL S&P OR TSX HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RESULTING FROM THE USE OF THE S&P/TSX PREFERRED SHARE INDEX, THE S&P/TSX GLOBAL MINING INDEX AND THE S&P GLOBAL WATER INDEX OR ANY DATA INCLUDED THEREIN, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Claymore Oil Sands Sector ETF

The Manager is permitted to use the Sustainable Wealth Oil Sands Sector Index™ and certain trademarks of Sustainable Wealth in connection with the Claymore Oil Sands Sector ETF pursuant to the License Agreement entered into between the Manager and Sustainable Wealth as of July 11, 2006 (the "Sustainable License Agreement").

The Units of the Claymore Oil Sands Sector ETF are not in any way sponsored, endorsed, sold or promoted by Sustainable Wealth and Sustainable Wealth makes no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Sustainable Wealth Oil Sands Sector Index™ and/or the figure at which the Sustainable Wealth Oil Sands Sector Index™ stands at any particular time on any particular day or otherwise. The Sustainable Wealth Oil Sands Sector Index™ is compiled and calculated by Sustainable Wealth. However, Sustainable Wealth shall not be liable (whether in negligence or otherwise) to any person for any error in the Sustainable Wealth Oil Sands Sector Index™ and Sustainable Wealth shall not be under any obligation to advise any person of any error therein.

Claymore BRIC ETF

The Manager is permitted to use the BNY BRIC Index and certain service marks of BNY in connection with the Claymore BRIC ETF pursuant to the License Agreement entered into between the Manager and BNY as of July 11, 2006 (the "BNY License Agreement").

"BNY" and "The Bank of New York BRIC Select ADR Index" are service marks of The Bank of New York and have been licensed for use for certain purposes by Claymore. Claymore's products based on the Index named above are not sponsored, endorsed, sold, recommended or promoted by The Bank of New York or any of its subsidiaries or affiliates, and none of The Bank of New York or any of its subsidiaries or affiliates makes any representation or warranty, express or implied, to the purchasers or owners of the products or any member of the public regarding the advisability of investing in financial products generally or in the products particularly, the ability of the ADR Index to track market performance or the suitability or appropriateness of the products for such purchasers, owners or such member of the public. The relationship between The Bank of New York, on one hand, and Claymore, on the other, is limited to the licensing of certain trademarks and trade names of The Bank of New York and of The Bank of New York BRIC Select ADR Index, which index is determined, composed and calculated by The Bank of New York without regard to Claymore or the products. Neither The Bank of New York nor any of its subsidiaries or affiliates has any obligation to take the needs of Claymore or the purchasers or owners of the products into consideration in determining, composing or calculating the ADR Index named above. Neither The Bank of New York nor any of its subsidiaries or affiliates is responsible for, or has participated in, the determination of the timing of, prices at, or quantities of the products to be issued or in the determination or calculation of the equation by which the products are to be converted into cash. Neither The Bank of New York nor any of its subsidiaries or affiliates has any obligation or liability in connection with the administration, marketing or trading of the products. NEITHER THE BANK OF NEW YORK NOR ANY OF ITS SUBSIDIARIES OR AFFILIATES GUARANTEES THE ACCURACY OR COMPLETENESS OF THE ADR INDEX OR ANY DATA INCLUDED THEREIN, AND NEITHER THE BANK OF NEW YORK NOR ANY OF ITS SUBSIDIARIES OR AFFILIATES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS THEREIN. NEITHER THE BANK OF NEW YORK NOR ANY OF ITS SUBSIDIARIES OR AFFILIATES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CLAYMORE, PURCHASERS OR OWNERS OF THE PRODUCTS OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE ADR INDEX OR ANY DATA INCLUDED THEREIN. NEITHER THE BANK OF NEW YORK NOR

ANY OF ITS SUBSIDIARIES OR AFFILIATES MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ADR INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE BANK OF NEW YORK OR ANY OF ITS SUBSIDIARIES OR AFFILIATES HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Designated Brokers

The Manager, on behalf of each of the Claymore ETFs, has entered into a Designated Broker Agreement with one or more Designated Brokers pursuant to which the Designated Broker agrees to perform certain duties relating to the Claymore ETFs including, without limitation: (i) to subscribe for a sufficient number of Units to satisfy the TSX's original listing requirements; (ii) to subscribe for Units on an ongoing basis in connection with the rebalancing of and adjustments to the applicable Index as described under "The Claymore ETFs – The Indices – Rebalancing and Adjustment" and "The Claymore ETFs – The Indices – Takeover Bids for Constituent Issuers" and when cash redemptions of Units occur as described under "Exchange and Redemption of Units"; and (iii) to post a liquid two-way market for the trading of Units on the TSX.

The Designated Broker Agreement provides that the Manager may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for Units of a Claymore ETF for cash in a dollar amount not to exceed 0.30% of the NAV of the Claymore ETF. The number of Units issued will be the subscription amount divided by the NAV per Unit next determined following the delivery by the Manager of a subscription notice to the Designated Broker. Payment for the Units must be made by the Designated Broker, and the Units will be issued, by no later than the third Trading Day after the subscription notice has been delivered.

Underwriters

The Manager, on behalf of the Claymore ETFs, may enter into various Underwriting Agreements with registered dealers (that may or may not be Designated Brokers) pursuant to which the Underwriters may subscribe for Units of one or more of the Claymore ETFs as described under "Description of the Units – Issuance of Units."

Proxy Voting Guidelines

The Manager does not intend to vote proxies in respect of securities held by the Claymore ETFs (other than the Claymore Canadian Fundamental Index ETF) because their investment portfolios are not actively managed and are determined based on the composition of the applicable Index.

With respect to the Claymore Canadian Fundamental Index ETF, the Manager has established proxy voting guidelines (the "Proxy Guidelines") that provide that the Manager will vote or refrain from voting the securities held by such fund in accordance with the recommendations of Institutional Shareholder Services Canada Corp. (or another proxy service provider). Generally, with respect to routine and non-routine matters such as mergers and acquisitions proposals, any compensation plan or other transaction that could significantly dilute or otherwise reduce the ownership position of current equity holders, any action that could significantly reduce the liquidity of or reporting requirements relating to a security, all plans of reorganization and all contested matters, proxies will be voted on a case by case basis.

The Proxy Guidelines provide that the Manager will maintain records of all votes cast by the Claymore ETFs. The Manager will publish these records on an annual basis on its website at www.claymoreinvestments.ca, in accordance with Canadian securities legislation.

DESCRIPTION OF THE UNITS

Each of the Claymore ETFs is authorized to issue an unlimited number of redeemable, transferable Units of each of the Common Units and the Advisor Class Units, each of which represents an equal, undivided interest in the net assets of that Claymore ETF. Claymore US Fundamental Index ETF C$ hedged is authorized to issue an unlimited number of redeemable, transferable units of two additional classes, to be known as the Non-hedged Common Units and the Non-hedged Advisor Class Units, respectively (the Non-hedged Common Units and Non-hedged Advisor Class Units, together are "Non-hedged Units"). In addition, each of the Claymore ETFs has created a separate institutional class of units, and in the case of Claymore US Fundamental Index ETF C$ hedged an additional class known as non-hedged institutional class units, that are intended to be offered directly to investors on a private placement or prospectus exempt basis.

Units of the Claymore ETFs are being issued and sold on a continuous basis and there is no maximum number of Units that may be issued. Units of Claymore ETFs, other than Claymore Europe Fundamental Index ETF, Claymore Global All Equity ETF and the Non-hedged Units, are listed on the TSX. Investors are able to buy or sell Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. Accordingly, investors may trade Units in the same way as other securities listed on the TSX, including by using market orders and limit orders. Investors may incur customary brokerage commissions in buying or selling Units. The Claymore ETFs issue Units directly to the Designated Brokers and Underwriters.

On December 16, 2004, the *Trust Beneficiaries' Liability, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any default, obligation or liability of the trust if, when the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of Ontario. Each of the Claymore ETFs is or will be a reporting issuer under the *Securities Act* (Ontario) prior to the initial issuance of Units and each Claymore ETF is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

All Units of each class of a Claymore ETF have equal rights and privileges. Each whole Unit of a class is entitled to one vote at all meetings of Unitholders and is entitled to participate equally with respect to any and all distributions made by a Claymore ETF to unitholders of that class, other than Management Fee Distributions, including distributions of net income and net realized capital gains and distributions upon the termination of the Claymore ETF. Units are issued only as fully paid and are non-assessable.

Issuance of Units

To Designated Brokers and Underwriters

All orders to purchase Units directly from the Claymore ETFs must be placed by Designated Brokers or Underwriters. The Claymore ETFs reserve the absolute right to reject any subscription order placed by a Designated Broker or Underwriter. No fees will be payable by a Claymore ETF to a Designated Broker or Underwriter in connection with the issuance of Units. On the issuance of Units, the Manager may, at its discretion, charge an administrative fee to a Designated Broker or Underwriter to offset the expenses (including any applicable TSX additional listing fees) incurred in issuing the Units.

On any Trading Day, a Designated Broker or Underwriter may place a subscription order for the Prescribed Number of Units (or an integral multiple thereof) of a Claymore ETF. If a subscription order is received by the Claymore ETF by 4:00 p.m. (Toronto time) on a Trading Day (9:00 a.m. (Toronto time) on any Trading Day that precedes the day on which the relevant Index is to be rebalanced or adjusted), the Claymore ETF will issue to the Designated Broker or Underwriter the Prescribed Number of Units (or an integral multiple thereof) by no later than the third Trading Day after the date on which the subscription order is accepted, provided that payment for such Units has been received.

For each Prescribed Number of Units issued, a Designated Broker or Underwriter must deliver payment consisting of, in the Manager's discretion, (i) one Basket of Securities and cash in an amount sufficient so that the value of the securities and the cash received is equal to the NAV of the Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the NAV of the Units next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by the Manager, in an amount sufficient so that the value of the securities and cash received is equal to the NAV of the Units next determined following the receipt of the subscription order.

The Manager will publish the Prescribed Number of Units and Basket of Securities for each Claymore ETF following the close of business on each Trading Day on its website, www.claymoreinvestments.ca. The Manager may, at its discretion, increase or decrease the Prescribed Number of Units from time to time.

To Designated Brokers in Special Circumstances

Units may be issued by a Claymore ETF to Designated Brokers in connection with the rebalancing of and adjustments to the Claymore ETF as described under "Rebalancing and Adjustment" and "The Claymore ETFs – The Indices – Takeover Bids for Constituent Issuers" and when cash redemptions of Units occur as described below under "Exchange and Redemption of Units – Redemption of Units for Cash."

To Unitholders as Reinvested Distributions

Units may be issued by a Claymore ETF to Unitholders of the Claymore ETF on the automatic reinvestment of special dividends and other reinvested distributions and in accordance with the Reinvestment Plan. See "Distributions" below.

Buying and Selling Units

As the Units are listed on the TSX, other than Claymore Europe Fundamental Index ETF and Claymore Global All Equity ETF, in respect of which their Units have been conditionally approved for listing and the Non-hedged Units for which an application to list such Units has been made, investors may trade Units in the same way as other securities listed on the TSX, including by using market orders and limit orders. An investor may buy or sell Units on the TSX only through a registered broker or dealer in the province or territory where the investor resides. Investors may incur customary brokerage commissions when buying or selling Units.

From time to time as may be agreed by a Claymore ETF and the Designated Brokers and Underwriters, the Designated Brokers and Underwriters may agree to accept Constituent Securities as payment for Units from prospective purchasers.

Investors may also be able to buy and redeem Units directly through brokers and dealers in the province or territory where the investor resides who are members of the investment fund network operated by Fund*SERV* Inc., subject to any required regulatory approval. Units issued and sold through a member of Fund*SERV* Inc. will be priced at the most recently published NAV per Unit of that class of the respective Claymore ETF.

Special Considerations for Unitholders

The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the Claymore ETFs have obtained exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of any Claymore ETF through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to Claymore not to vote more than 20% of the Units of that Claymore ETF at any meeting of Unitholders.

Under the Universal Market Integrity Rules applicable to trading on the TSX, market participants are generally not permitted to sell securities short unless the price is at or above the last sale price. However, under these rules market participants are permitted to sell Units of any Claymore ETF short and at any price on the TSX without regard to this restriction. The Units of each Claymore ETF are index participation units within the meaning of National Instrument 81-102. Accordingly, mutual funds may purchase Units of these Claymore ETFs without regard to the control, concentration or "fund of funds" restrictions of NI 81-102.

The Units are not "mark-to-market properties", as that term is currently defined in the Tax Act, for the purposes of "mark-to-market" rules that apply to certain financial institutions. Under proposed amendments to the "mark-to-market" rules announced by the Department of Finance on November 7, 2007, the "mark-to-market" rules will apply, effective for taxation years that begin on or after that date, to property that falls within the meaning of "tracking property", as defined in the proposed amendments. The Units may be considered to be "tracking property" and thus, if enacted, the proposed amendments may cause the Units to be "mark-to-market properties". Financial institutions that are subject to the "mark-to-market" rules should consult their own tax advisors about the consequences of purchasing and holding Units in light of the November 7, 2007 proposed amendments.

Exchange and Redemption of Units

The exchange and redemption rights described below must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold Units sufficiently in advance of the cut-off times described below to allow such CDS Participants to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

Exchange of Units for Baskets of Securities

On any Trading Day, Unitholders may exchange the Prescribed Number of Units (or an integral multiple thereof) for Baskets of Securities and cash. To effect an exchange of Units, a Unitholder must submit an exchange request in the form prescribed by the Manager from time to time to the applicable Claymore ETF at its head office by 4:00 p.m. (Toronto time) on a Trading Day (9:00 a.m. (Toronto time) on any Trading Day that precedes a day on which the applicable Index is to be rebalanced or adjusted). The exchange price will be equal to the NAV of the Units on the effective day of the exchange request, payable by delivery of Baskets of Securities (constituted as most recently published prior to the receipt of the exchange request) and cash. The Units will be redeemed in the exchange. The Manager will publish the Prescribed Number of Units and Basket of Securities following the close of business on each Trading Day on its website, www.claymoreinvestments.ca.

If an exchange request is not received by 4:00 p.m. (Toronto time) on a Trading Day (9:00 a.m. (Toronto time) on any Trading Day that precedes the day on which the applicable Index is to be rebalanced or adjusted), the exchange order will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Securities and cash will be made by no later than the third Trading Day after the effective day of the exchange request.

Unitholders should be aware that the NAV per Unit will decline on the date of declaration of any distribution payable in cash on Units. A Unitholder that exchanges Units prior to the applicable distribution record date will not be entitled to receive that distribution.

If Constituent Securities are cease traded at any time by order of a securities regulatory authority or other relevant regulator or stock exchange, the delivery of such securities to a Unitholder on an exchange in the Prescribed Number of Units may be postponed until such time as the transfer of the securities is permitted by law.

Redemption of Units for Cash

On any Trading Day, Unitholders may redeem Units of any Claymore ETF for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the TSX on the effective day of the redemption. Because Unitholders will generally be able to sell Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming their Units for cash.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by the Manager from time to time must be delivered to the applicable Claymore ETF at its head office by 9:00 a.m. (Toronto time) on that day. If a cash redemption request is not received by 9:00 a.m. (Toronto time) on a Trading Day, the cash redemption request will be effective only on the next Trading Day. Payment of the redemption price will be made by no later than the third Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

In connection with the redemption of Units, a Claymore ETF will generally dispose of securities or other assets.

Conversion of Units

Unitholders may convert Advisor Class Units into Common Units of the same Claymore ETF or Common Units into Advisor Class Units of the same Claymore ETF or, with respect to Claymore Fundamental Index ETF C$ hedged, either class of Non-hedged Units to Common Units or Advisor Class Units of such fund, by delivering a notice and surrendering such units by 5:00 p.m. (Toronto time) on any Trading Day and any such Units so surrendered shall be converted on such Trading Day.

For each Common Unit so converted, a holder will receive a number of Advisor Class Units equal to the Net Asset Value per unit of a Common Unit as of the Trading Day divided by the Net Asset Value per Advisor Class Unit as of the Trading Day.

For each Advisor Class Unit so converted, a holder will receive a number of Common Units equal to the Net Asset Value per unit of a Advisor Class Unit as of the Trading Day divided by the Net Asset Value per Common Unit as of the Trading Day.

Non-hedged Units may be converted into Common Units or Advisor Class Units of Claymore US Fundamental Index C$ hedged on the same basis at relative net asset values per unit.

Unitholders should consult with their own tax advisors about the tax consequences of undertaking Unit conversion.

Suspension of Exchange and Redemption

The Manager may suspend the redemption of Units or payment of redemption proceeds of a Claymore ETF: (i) during any period when normal trading is suspended on a stock exchange or other market on which securities owned by the Claymore ETF are listed and traded, if these securities represent more than 50% by value or underlying market exposure of the total assets of the Claymore ETF, without allowance for liabilities, and if these securities are not traded on any other exchange that represents a reasonably practical alternative for the Claymore ETF; or (ii) with the prior permission of the securities regulatory authorities where required, for any period not exceeding 30 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Claymore ETF or which impair the ability of the Custodian to determine the value of the assets of the Claymore ETF. The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Claymore ETFs, any declaration of suspension made by the Manager shall be conclusive.

Costs Associated with Exchange and Redemptions

The Manager may charge to Unitholders, at its discretion, an administrative fee of up to 0.05% of the exchange or redemption proceeds of the Claymore ETF to offset certain transaction costs associated with the exchange or redemption of Units of a Claymore ETF.

Distributions

Cash distributions of income on Units of a Claymore ETF are expected to be made at least quarterly and are expected to consist primarily of dividends or distributions received by the Claymore ETF less the expenses of the Claymore ETF. As a result of the higher management fees on the Advisor Class Units, any such cash distributions on the Advisor Class Units are expected to be less than the distributions payable on the Common Units.

On an annual basis, each Claymore ETF will ensure that all of its income (including income received from special dividends on securities held by that Claymore ETF) and net realized capital gains have been distributed to Unitholders to such an extent that the Claymore ETF will not be liable for ordinary income tax thereon. To the extent that a Claymore ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the Claymore ETF will be paid as a "reinvested distribution." Reinvested distributions on Units of a class, net of any required withholding, will be reinvested automatically in additional Units of the same class of the Claymore ETF at a price equal to the NAV per Unit of that class of the Claymore ETF and the Units of that class will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution. The tax treatment to Unitholders of reinvested distributions is discussed under the heading "Canadian Federal Income Tax Considerations."

Distribution Reinvestment Plan

Each Claymore ETF may adopt a Reinvestment Plan which will provide, that, beginning four months after the listing of Units of the Claymore ETFs on the TSX, a Unitholder (a "Plan Participant") may elect to automatically reinvest all cash distributions paid on Units of a class held by that Plan Participant in additional Units of that class ("Plan Units") in accordance with the terms of the Reinvestment Plan (as described below) and the reinvestment plan services agreement to be entered into by the Manager on behalf of the Claymore ETF and the Plan Agent. Notwithstanding the foregoing, Unitholders who are not residents of Canada will not be able to participate in the Reinvestment Plan and Unitholders who cease to be residents of Canada will be required to terminate such Unitholders' participation in the Reinvestment Plan.

A Unitholder that wishes to enrol in the Reinvestment Plan as of a particular distribution record date should notify the CDS Participant through which that Unitholder holds Units sufficiently in advance of that distribution record date to allow such CDS Participant to notify CDS by 4:00 p.m. (Toronto time) on the business day immediately prior to that distribution record date. Plan Participants may also make optional cash payments under the Reinvestment Plan by notifying their CDS Participants sufficiently in advance of the distribution payment date to allow such CDS Participant to notify the Plan Agent by 4:00 p.m. (Toronto time) on the business day immediately prior to that distribution payment date. Each optional cash payment must be for a minimum of $100 and the aggregate number of Plan Units that may be purchased with optional cash payments cannot exceed 2% of the outstanding Units at the commencement of such calendar year.

Distributions due to Plan Participants, along with any optional cash payments, will be applied, on behalf of Plan Participants, to purchase Plan Units directly from a Claymore ETF or in the market as follows:

- If the weighted average trading price of Units of that class on the TSX for the 10 business days immediately preceding the relevant distribution payment date, plus applicable commissions and brokerage charges on a per Unit basis (the "Market Price") is less than the NAV per Unit of that class as of the distribution payment date, Units of that class will be purchased in the market during the five Trading Days following such distribution payment date on any Trading Day when the Market Price is less than the NAV per Unit as at the relevant distribution payment date.

- No later than the sixth Trading Day after the relevant distribution payment date, the unused part, if any, of the distributions attributable to the Plan Participants and optional cash payments will be used to purchase Plan Units from the Claymore ETF at a purchase price equal to the higher of: (i) the NAV per Unit of that class on the relevant distribution payment date; and (ii) 95% of the Market Price for that class.

- If the Market Price of the class on the relevant distribution payment date is equal to or greater than the NAV per Unit of that class on such distribution payment date, distributions attributable to the Plan Participants and optional cash payments will be used to purchase Plan Units from the Claymore ETF through the issue of new Units of that class at the higher of: (i) the NAV per Unit of that class on the relevant distribution payment date; and (ii) 95% of the Market Price of that class on the relevant distribution payment date.

- Plan Units purchased from the Claymore ETF's treasury or in the market will be allocated *pro rata* based on the number of Units held by Plan Participants. Plan Units will be credited for the benefit of Plan Participants to the account of the CDS Participant through whom that Plan Participant holds Units.

- No fractional Plan Units will be issued under the Reinvestment Plan. Any remaining uninvested funds in lieu of fractional Plan Units will be credited to Plan Participants via their CDS Participant.

The automatic reinvestment of the distributions under the Reinvestment Plan will not relieve Plan Participants of any income tax applicable to such distributions. See "Canadian Federal Income Tax Considerations."

Plan Participants will be able to terminate their participation in the Reinvestment Plan as of a particular distribution record date by notifying their CDS Participant sufficiently in advance of that distribution record date to allow such CDS Participant to notify CDS and for CDS to notify the Plan Agent by 4:00 p.m. (Toronto time) on the business day immediately prior to that distribution record date. Beginning on the first distribution payment date after such notice is delivered, distributions to such Unitholders will be in cash. The form of termination notice will be available from CDS Participants and any expenses associated with the preparation and delivery of such termination notice will be for the account of the Plan Participant exercising its right to terminate participation in the Reinvestment Plan. The Manager will be able to terminate the Reinvestment Plan, in its sole discretion, upon not less than 30 days notice to the Plan Participants and the Plan Agent.

The Manager will also be able to amend, modify or suspend the Reinvestment Plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to Unitholders, which notice may be given by issuing a press release containing a summary description of the amendment or in any other manner the Manager determines to be appropriate. The Claymore ETF will not be required to issue Plan Units into any jurisdiction where that issuance would be illegal.

Calculation of Net Asset Value

The NAV and NAV per Unit for each class of a Claymore ETF will be calculated by the Custodian as of the Valuation Time on each Valuation Date. The NAV of each class of Units of a Claymore ETF on a particular date will be equal to the aggregate value of the assets of that Claymore ETF allocated to the class pro rata less the aggregate value of the liabilities of that Claymore ETF including any income, net realized capital gains or other amounts payable to Unitholders on or before such date allocated to the class pro rata and the value of the liabilities of that Claymore ETF for management fees allocated solely to the class, expressed in Canadian dollars at the applicable exchange rate on such date. The NAV per Unit of a class on any day will be obtained by dividing the NAV of that class on such day by the number of Units of that class then outstanding. The Manager will publish the NAV and NAV per Unit of each class for each Claymore ETF following the Valuation Time on the Valuation Date on its website, www.claymoreinvestments.ca.

In determining the NAV of each Claymore ETF at any time the Custodian will take into account the following:

(a) the value of any cash on hand or on deposit, prepaid expenses, cash dividends and other distributions declared and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless the Custodian determines that any such asset is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the Custodian determines to be the fair value thereof;

(b) bonds, debentures and other debt securities shall be valued by taking the average of the bid and ask prices at the Valuation Time on the Valuation Date. Short term investments including notes and money market instruments shall be valued at cost plus accrued interest;

(c) any security that is listed or dealt in on a stock exchange shall be valued at the sale price last reported at the Valuation Time on the Valuation Date on the principal stock exchange on which such security is traded, or, if no sale price is available at that time, the last closing price quoted for the security, but if bid and ask quotes are available, at the average of the latest bid and asked price rather than at the last quoted closing price (or such other price or value as Canadian securities legislation or Canadian generally accepted accounting principles shall require);

(d) any security purchased, the purchase price of which has not been paid, shall be included for valuation purposes as a security held, and the purchase price, including brokers' commissions and other expenses, shall be treated as a liability of the Claymore ETF;

(e) any security sold but not delivered, pending receipt of the proceeds, shall be valued at the net sale price;

(f) illiquid securities shall be valued at the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Claymore ETF's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of such securities may be made where the date on which the restriction will be lifted is known;

(g) the value of any futures contract or forward contract shall be the gain or loss with respect thereto that would be realized if, at the Valuation Time, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;

(h) if any investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Custodian to be inappropriate under the circumstances, then, notwithstanding the foregoing rules, the Custodian shall make such valuation as it considers fair and reasonable;

(i) the value of all assets of the Claymore ETF quoted or valued in terms of foreign currency, the value of all funds on deposit and contractual obligations payable to the Claymore ETF in foreign currency and the value of all liabilities and contractual obligations payable by the Claymore ETF in foreign currency shall be determined using the applicable rate of exchange current at, or as nearly as practicable to, the applicable date on which NAV is determined; and

(j) estimated expenses of the Claymore ETF shall be accrued to the date as of which the NAV is being determined.

Each portfolio transaction will be reflected in the calculation of NAV per Unit no later than the calculation of NAV per Unit next made after the date on which the transaction becomes binding. The issue of Units will be reflected in the calculation of NAV per Unit next made after the issue date for such Units, which may be up to three Trading Days after the date that the subscription order for such Units is accepted. The exchange or redemption of Units will be reflected in the calculation of NAV per Unit next made after the exchange request or redemption request is accepted.

Exercise of Voting Rights over Baskets of Securities

A Unitholder holding a minimum of a Prescribed Number of Units may instruct a Claymore ETF, on 15 Trading Days notice, to give the Unitholder a signed proxy with respect to any meeting of holders of Constituent

Securities of the Index held by that Claymore ETF. Such proxy will entitle the Unitholder to exercise the applicable voting rights, if any, for the applicable portion of the Constituent Securities held by the Claymore ETF based on the Constituent Securities underlying the number of Units held by the Unitholder. Instructions must be given for each meeting of securityholders of a Constituent Issuer. Eligible Unitholders must take the initiative to exercise this right as no reminders of this right will be sent to them. Eligible Unitholders will be required to certify to the applicable Claymore ETF either that the Unitholder is the beneficial owner of the Units held in the Unitholder's name, or that the proxy will be exercised or otherwise dealt with in accordance with the instructions of such beneficial owner.

Unitholders holding less than the Prescribed Number of Units of a Claymore ETF will not have any right to vote securities held by that Claymore ETF.

Non-Resident Unitholders

At no time may (i) non-residents of Canada, (ii) partnerships that are not Canadian partnerships or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units of either class of a Claymore ETF, and the Manager shall inform the Registrar and Transfer Agent of this restriction. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units of a class of a Claymore ETF then outstanding are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of such Units are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-resident Unitholders and partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the Manager may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of the Claymore ETF as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the Claymore ETF as a mutual fund trust for purposes of the Tax Act.

Registration and Transfer through CDS

Registration of interests in, and transfers of, the Units will be made only through CDS. Units must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon purchase of any Units, the owner will receive only the customary confirmation. References in this prospectus to a holder of Units means, unless the context otherwise requires, the owner of the beneficial interest in such Units.

Neither the Claymore ETFs nor the Manager will have any liability for (i) records maintained by CDS relating to the beneficial interests in the Units or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such owner's interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The Claymore ETFs have the option to terminate registration of the Units through the book-entry only system in which case certificates for Units in fully registered form will be issued to beneficial owners of such Units or to their nominees.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act for the Claymore ETFs and for a prospective investor in a Claymore ETF that, for the purpose of the Tax Act, is an individual, is resident in Canada, holds Units of the Claymore ETF, and any securities of Constituent Issuers accepted as payment for Units of a Claymore ETF, as capital property, and is not affiliated and deals at arm's length with the Claymore ETF. This summary is based upon the current provisions of the Tax Act and regulations thereunder, all specific proposals to amend the Tax Act and such regulations that have been publicly announced by the Minister of Finance (Canada) prior to the date hereof ("Tax Proposals"), and counsel's understanding of the current published administrative policies and assessing practices of the CRA. This summary does not take into account or anticipate any other changes in law whether by legislative, administrative or judicial action and it does not take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the considerations described below.

This summary is of a general nature only and is not exhaustive of all possible income tax considerations. Prospective investors should therefore consult their own tax advisors about their individual circumstances.

This summary is also based on the assumptions that (i) none of the issuers of securities held by a Claymore ETF will be a foreign affiliate of the Claymore ETF, (ii) none of the securities held by a Claymore ETF will be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act, and (iii) none of the securities held by a Claymore ETF will be an interest in a non-resident trust other than an "exempt foreign trust" as defined in Bill C-10, which received second reading in the Senate on December 4, 2007 (the "December 4, 2007 Tax Proposals") (or such proposals as amended or enacted, or successor provisions thereto).

This summary is based on the assumption that each Claymore ETF will comply at all material times with the conditions prescribed in the Tax Act and otherwise so as to qualify as a "mutual fund trust" as defined in the Tax Act. Counsel is advised that each of the Claymore ETFs has qualified, or is anticipated to qualify (as the case may be), as a "mutual fund trust" under the Tax Act at all material times.

Under the SIFT Rules, trusts or partnerships (defined as "SIFT trusts" and "SIFT partnerships", respectively) the securities of which are listed or traded on a stock exchange or other public market, and that hold one or more "non-portfolio properties" (as defined) would effectively be taxed on income and taxable capital gains in respect of such non-portfolio properties at combined rates comparable to the rates that apply to income earned and distributed by Canadian corporations. The SIFT Rules apply, generally: (i) in the case of a SIFT trust or SIFT partnership that would not have been a SIFT trust or SIFT partnership on October 31, 2006, had the SIFT Rules been in effect on that date, beginning with the first taxation year of such SIFT trust or SIFT partnership that ends in 2007; and (ii) in the case of a SIFT trust or SIFT partnership that would have been a SIFT trust or SIFT partnership on October 31, 2006, generally beginning with the first taxation year of such SIFT trust or SIFT partnership that ends in 2011, subject to compliance by such SIFT trust or SIFT partnership with "normal growth guidelines" released by the Department of Finance (Canada) that have been incorporated by reference into the SIFT Rules. Distributions of such income received by unitholders of SIFT trusts (and allocations of such income made to members of SIFT partnerships) are treated as eligible dividends from a taxable Canadian corporation.

The SIFT Rules could affect a Claymore ETF and its Unitholders to the extent that an issuer of Constituent Securities held by such Claymore ETF is a SIFT trust or SIFT partnership to which the SIFT Rules apply. In addition, the SIFT Rules could affect a Claymore ETF and its Unitholders to the extent that the Claymore ETF is itself a SIFT trust to which the SIFT Rules apply, and the Claymore ETF earns income from non-portfolio property or taxable capital gains from the disposition of non-portfolio property. As of the date hereof, the SIFT Rules apply to cause Claymore International Fundamental Index ETF to be a SIFT trust. As of the date hereof, the SIFT Rules would apply to cause Claymore Oil Sands Sector ETF to be a SIFT trust in its first taxation year that ends in 2011, subject to compliance by Claymore Oil Sands Sector ETF with "normal growth guidelines" released by the Department of Finance (Canada) that have been incorporated by reference into the SIFT Rules. Counsel has been advised by the Manager that Claymore Oil Sands Sector ETF has not exceeded the normal growth guidelines as of the date hereof. In the event that Claymore Oil Sands Sector ETF exceeds the normal growth guidelines in a taxation year prior to its first taxation year ending in 2011, it would be subject to tax under the SIFT Rules from the beginning of such prior taxation year. Claymore CDN Dividend & Income Achievers ETF, Claymore Canadian Fundamental Index ETF, and Claymore Oil Sands Sector ETF hold or have economic exposure to Constituent Securities of issuers affected by the SIFT Rules.

Taxation of Unitholders

Distributions

This portion of the summary describes the taxation of Claymore ETF distributions where a Claymore ETF is not a SIFT trust under the SIFT Rules. For a discussion of how Claymore ETF distributions would be taxed under the SIFT Rules where the Claymore ETF is a SIFT trust, see below under the heading "Taxation of Unitholders—Where Claymore ETF is a SIFT trust."

A Unitholder will be required to include in the Unitholder's income for tax purposes for any year the amount of net income and net taxable capital gains of the Claymore ETF, if any, paid or payable to the Unitholder in the year and deducted by the Claymore ETF in computing its income, whether or not such amounts are reinvested in additional Units, including in the case of Unitholders who receive Management Fee Distributions to the extent they are paid out of net income and net taxable capital gains of the Claymore ETF.

The non-taxable portion of any net realized capital gains of a Claymore ETF that is paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholder's income for the year and will not reduce the adjusted cost base of the Unitholder's Units of that Claymore ETF. Any other non-taxable distribution, such as a return of capital, will reduce the Unitholder's adjusted cost base. To the extent that a Unitholder's adjusted cost base would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Unitholder and the Unitholder's adjusted cost base will be nil immediately thereafter.

Each Claymore ETF will designate to the extent permitted by the Tax Act the portion of the net income distributed to Unitholders as may reasonably be considered to consist of, respectively, (i) taxable dividends (including eligible dividends) received or considered to be received by the Claymore ETF on shares of taxable Canadian corporations and (ii) net taxable capital gains realized or considered to be realized by the Claymore ETF. Any such designated amount will be deemed for tax purposes to be received or realized by Unitholders in the year as a taxable dividend and as a taxable capital gain, respectively. The dividend gross-up and tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by a taxable Canadian corporation will apply to amounts designated by the applicable Claymore ETF as such taxable dividends. Capital gains so designated will be subject to the general rules relating to the taxation of capital gains described below. In addition, a Claymore ETF may make designations in respect of the income from foreign sources, if any, so that Unitholders may be able to claim a foreign tax credit in accordance with the provisions of and subject to the general limitations under the Tax Act for a portion of foreign tax, if any, paid by the Claymore ETF. Any loss of the Claymore ETF for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, the Unitholders of such Claymore ETF.

Individuals and certain trusts and estates may be subject to an alternative minimum tax. Such persons may be liable for this alternative minimum tax in respect of eligible dividends from Canadian issuers and realized capital gains and amounts distributed to them by a Claymore ETF that are treated as such dividends or capital gains.

Where Claymore ETF is a SIFT trust

Under the SIFT Rules, distributions by a Claymore ETF that is a SIFT trust to its Unitholders of the Claymore ETF's income from non-portfolio property and taxable capital gains from dispositions of non-portfolio property would be treated as eligible dividends from a taxable Canadian corporation. Such distributions would qualify for the gross-up and dividend tax treatment applicable to eligible dividends received from taxable Canadian corporations.

Amounts distributed in excess of the income of a Claymore ETF are not be affected by the SIFT Rules, and continue not to be included in a Unitholder's income and, except to the extent they constituted the non-taxable portion of any net realized capital gains of the Claymore ETF, would reduce the adjusted cost base of the Unitholder's Units of the Claymore ETF.

As of the date hereof, the SIFT Rules apply to cause Claymore International Fundamental Index ETF to be a SIFT trust. Counsel is advised that Claymore International Fundamental Index ETF is not expected to distribute to its Unitholders material amounts of income from non-portfolio property. As of the date hereof, the SIFT Rules will apply to cause Claymore Oil Sands Sector ETF to be a SIFT trust in its first taxation year that ends in 2011, subject to compliance by Claymore Oil Sands Sector ETF with "normal growth guidelines" released by the Department of Finance (Canada) that have been incorporated by reference into the SIFT Rules. Counsel has been advised by the Manager that Claymore Oil Sands Sector ETF has not exceeded the normal growth guidelines as of the date hereof. In the event that Claymore Oil Sands Sector ETF exceeds the normal growth guidelines in a taxation year prior to its first taxation year ending in 2011, it would be subject to tax under the SIFT Rules from the beginning of such prior taxation year.

Composition of Distributions

Unitholders will be informed each year of the composition of the amounts distributed to them, including amounts in respect of both cash and reinvested distributions. This information will indicate whether distributions are to be treated as ordinary income, taxable dividends (including eligible dividends), taxable capital gains, non-taxable amounts, foreign source income, and as to foreign tax deemed paid by the Unitholder as those items are applicable.

Disposition of Units

Upon the actual or deemed disposition of a Unit, including the exchange or redemption of a Unit, a capital gain (or a capital loss) will generally be realized by the Unitholder to the extent that the proceeds of disposition of the Unit exceed (or are less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition. In general, the adjusted cost base of all Units of a class of a particular Claymore ETF held by the Unitholder is the total amount paid for the Units (including brokerage commissions paid and the amount of reinvested distributions), regardless of when the investor bought them, less any non-taxable distributions (other than the non-taxable portion of capital gains) such as a return of capital and less the adjusted cost base of any Units of that class of that Claymore ETF previously redeemed/exchanged by the Unitholder. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units are acquired, the cost of the newly acquired Units will be averaged with the adjusted cost base of all Units owned by the Unitholder as capital property immediately before that time. If a Unitholder participates in the Reinvestment Plan and acquires a Unit from a Claymore ETF at a price that is less than the then fair market value of the Unit, it is the administrative position of the Canada Revenue Agency that the Unitholder must include the difference in income and that the cost of the Unit will be correspondingly increased.

Where Units of a Claymore ETF are exchanged by the redeeming Unitholder for Baskets of Securities, the proceeds of disposition to the Unitholder of the Units will be equal to the fair market value of the Baskets of Securities so received, plus the amount of any cash received on the exchange, and less any capital gain or income realized by the Claymore ETF as a result of the transfer of those Baskets of Securities which has been designated by the Claymore ETF to the Unitholder. Where income or a capital gain realized by the Claymore ETF as a result of the transfer of Baskets of Securities on the redemption of Units has been designated by the Claymore ETF to a redeeming Unitholder, the Unitholder will be required to include in income the income or taxable portion of the capital gain so designated. The cost for tax purposes of securities acquired by a redeeming Unitholder on the exchange or redemption of Units will generally be the fair market value of such securities at that time.

Where Securities of Constituent Issuers are Accepted as Payment for Units of a Claymore ETF

Where securities of Constituent Issuers are accepted as payment for Units acquired by a Unitholder, such Unitholder will generally realize a capital gain (or capital loss) in the taxation year of the Unitholder in which the disposition of such securities takes place to the extent that the proceeds of disposition for such securities, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such securities to the Unitholder. For this purpose, the proceeds of disposition to the Unitholder will equal the aggregate of the fair market value of the Units received and the amount of any cash received in lieu of fractional Units. The cost to a Unitholder of Units so acquired will be equal to the fair market value of the securities of the Constituent Issuers disposed of in exchange for such Units at the time of disposition less any cash received in lieu of fractional Units, which sum would generally be equal to or would approximate the fair market value of the Units received as consideration for the securities of Constituent Issuers. In computing the adjusted cost base of a Unit so acquired by a Unitholder, the cost of such Unit must be averaged with the adjusted cost base of any other Units then held by that Unitholder as capital property.

Taxation of Capital Gains and Capital Losses

One-half of any capital gain realized by an investor and the amount of any net taxable capital gains realized or considered to be realized by a Claymore ETF and designated by the Claymore ETF in respect of an investor will be included in the investor's income as a taxable capital gain. One-half of a capital loss will be an allowable capital loss realized by an investor that may be deducted from taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

Taxation of the Claymore ETFs

This portion of the summary describes the taxation of the Claymore ETFs that are not SIFT trusts within the meaning of the SIFT Rules. For a discussion of how a Claymore ETF that is a SIFT trust would be taxed under the SIFT Rules, see the discussion below under the heading, "Taxation of the Claymore ETFs — Where Claymore ETF is a SIFT trust". A Claymore ETF will include in computing its income taxable distributions received on securities held by it, including any special dividends, the taxable portion of capital gains realized by the Claymore ETF on the disposition of securities held by it, and income earned by any securities lending activity. Under the SIFT Rules, certain income earned by issuers of Constituent Securities that are SIFT trusts or SIFT partnerships, when such income is distributed or allocated to a Claymore ETF, would be treated as eligible dividends from a taxable Canadian corporation. The Declaration of Trust governing each of the Claymore ETFs requires that the Claymore ETF distribute its net income and net realized capital gains, if any, for each taxation year of the Claymore ETF to Unitholders to such an extent that the Claymore ETF will not be liable in any taxation year for ordinary income tax (after taking into account any applicable losses of the Claymore ETF and the capital gains refunds to which the Claymore ETF is entitled). If in a taxation year the income for tax purposes of a Claymore ETF exceeds the cash available for distribution by the Claymore ETF, such as in the case of the receipt by the Claymore ETF of special dividends, the Claymore ETF will distribute its income through a payment of reinvested distributions.

The Claymore ETFs are subject to the suspended loss rules contained in the Tax Act. A loss realized on a disposition of capital property is considered to be a suspended loss when a Claymore ETF acquires a property (a "substituted property") that is the same or identical to the property disposed of, within 30 days before and 30 days after the disposition and the Claymore ETF owns the substituted property 30 days after the original disposition. If a loss is suspended, the applicable Claymore ETF cannot deduct the loss from the Claymore ETF's capital gains until the substituted property is sold and is not reacquired within 30 days before and after the sale.

On October 31, 2003 the Department of Finance (Canada) announced a Tax Proposal relating to the deductibility of losses under the Tax Act which is supposed to apply for all taxation years beginning after 2004. Under this Tax Proposal, a taxpayer will be considered to have a loss from a business or property for a taxation year only if, in that year, it is reasonable to assume that the taxpayer will realize a cumulative profit from the business or property during the time that the taxpayer has carried on, or can reasonably be expected to carry on, the business or has held, or can reasonably be expected to hold, the property. Profit, for this purpose, does not include capital gains or capital losses. If such Tax Proposal were to apply to a Claymore ETF, certain losses of the Claymore ETF could be limited. On February 23, 2005 the Minister of Finance (Canada) announced that an alternative proposal to replace such Tax Proposal would be released for comment. No such alternative proposal has been released as of the date hereof. There can be no assurance that such alternative proposal will not adversely affect a Claymore ETF.

In determining the income of a Claymore ETF, gains or losses realized upon dispositions of securities in which the Claymore ETF has invested will constitute capital gains or capital losses of the Claymore ETF in the year realized unless the Claymore ETF is considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Claymore ETF has acquired the securities in a transaction or transactions considered to be an adventure in the nature of trade. The Manager has advised counsel that each Claymore ETF will purchase securities with the objective of earning dividends and income thereon and will take the position that gains and losses realized on the disposition thereof are capital gains and capital losses. In addition, the Manager has advised counsel that each Claymore ETF has elected in accordance with the Tax Act to have each of its "Canadian securities" (as defined in the Tax Act) treated as capital property. Such election will ensure that gains or losses realized by a Claymore ETF on the disposition of Canadian securities are taxed as capital gains or capital losses.

A Claymore ETF will be entitled for each taxation year throughout which it is a mutual fund trust to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of its Units during the year ("capital gains refund"). The capital gains refund in a particular taxation year may not completely offset the tax liability of the Claymore ETF for such taxation year which may arise upon the sale of its investments in connection with redemptions of Units.

The Manager has advised counsel that, generally, each Claymore ETF will include gains and deduct losses on income account in connection with investments made through derivative securities, except where such derivatives are used to hedge securities held on capital account, and will recognize such gains or losses for tax purposes at the time they are realized by the Claymore ETF.

Each Claymore ETF is required to compute its income and gains for tax purposes in Canadian dollars. Therefore, the amount of income, cost, proceeds of disposition and other amounts in respect of investments that are not Canadian dollar denominated will be affected by fluctuations in the exchange rate of the Canadian dollar against the relevant foreign currency.

Foreign Investment Entities

The December 4, 2007 Tax Proposals deal with investments in certain "foreign investment entities" (as defined). If these new tax rules are passed as proposed, they may require a fund that invests in securities of such entities to include in the fund's income for each year income or gains computed in accordance with certain rules in the Tax Act, whether or not the fund actually receives any income or realizes any gains on such securities. Any such amounts would be reflected in distributions to unitholders out of the fund's income. It is proposed that the new rules will take effect for taxation years that begin after 2006.

Where a Claymore ETF is a SIFT trust

Pursuant to the SIFT Rules, a SIFT trust is subject to tax on its income from non-portfolio property and taxable capital gains from dispositions of non-portfolio property at a rate comparable to the combined federal and provincial corporate income tax rate, and distributions of such income to unitholders are treated as eligible dividends paid by a taxable Canadian corporation. The Units of Claymore Japan Fundamental Index ETF C$ hedged owned by the Claymore International Fundamental Index ETF constitute non-portfolio property to Claymore International Fundamental Index ETF under the SIFT Rules. As a result, income earned by Claymore International Fundamental Index ETF from Units of Claymore Japan Fundamental Index ETF C$ hedged, and taxable capital gains realized by Claymore International Fundamental Index ETF from the disposition of such Units, would be subject to tax under the SIFT Rules. Counsel is advised that Claymore International Fundamental Index ETF is not expected to earn material amounts of income from, or realize material taxable capital gains in respect of the disposition of, Units of Claymore Japan Fundamental Index ETF C$ hedged.

On December 20, 2007, the Department of Finance (Canada) announced Tax Proposals (the "December 20 Tax Proposals") that would amend the definition of "non-portfolio property" to exclude an interest in a "portfolio investment entity" (as defined in the December 20 Tax Proposals). Pursuant to the December 20 Tax Proposals, the investment by Claymore International Fundamental Index ETF in Claymore Japan Fundamental Index ETF C$ hedged would generally not be "non-portfolio property" for purposes of the SIFT Rules where Claymore Japan Fundamental Index ETF C$ hedged does not itself hold any "non-portfolio property". There can be no assurance that the December 20 Tax Proposals will apply to Claymore International Fundamental Index ETF or Claymore Japan Fundamental Index ETF C$ hedged, or that they will be enacted as proposed, or at all.

Claymore Oil Sands Sector ETF owns securities of certain Constituent Issuers of the Sustainable Wealth Oil Sands Sector Index™ which, in the aggregate, constitute non-portfolio property to Claymore Oil Sands Sector ETF under the SIFT Rules. As a result, income earned by Claymore Oil Sands Sector ETF from such securities, and taxable capital gains realized by Claymore Oil Sands Sector ETF from the disposition of such securities, would be subject to tax under the SIFT Rules beginning in the first taxation year of Claymore Oil Sands Sector ETF that ends in 2011, subject to compliance by Claymore Oil Sands Sector ETF with "normal growth guidelines" released by the Department of Finance (Canada) that have been incorporated by reference into the SIFT Rules. Counsel has been advised by the Manager that Claymore Oil Sands Sector ETF has not exceeded the normal growth guidelines as of the date hereof. In the event that Claymore Oil Sands Sector ETF exceeds the normal growth guidelines in a taxation year prior to its first taxation year ending in 2011, it would be subject to tax under the SIFT Rules from the beginning of such prior taxation year.

Tax Treatment of the Forward

The Claymore Global Monthly Advantaged Dividend ETF will not realize any income, gain or loss as a result of entering into the Forward. Provided that the Canadian Share Portfolio consists of "Canadian securities" within the meaning of the Tax Act and the Claymore Global Monthly Advantaged Dividend ETF elects in accordance with the Tax Act to have each of its Canadian securities treated as capital property, gains or losses realized by the Claymore Global Monthly Advantaged Dividend ETF on the sale of Canadian securities will be taxed as capital gains or capital losses. If the obligations of the Claymore Global Monthly Advantaged Dividend ETF and the Counterparty under the Forward are settled by making cash payments, a payment made or received by the Claymore Global Monthly Advantaged Dividend ETF may be treated as an income outlay or receipt, as applicable. If the Claymore Global Monthly Advantaged Dividend ETF delivers securities in the Canadian Share Portfolio to the Counterparty in satisfaction of its obligations under the Forward and receives a payment from the Counterparty equal to the price stipulated in the Forward, the Claymore Global Monthly Advantaged Dividend ETF will realize capital gains (or capital losses) equal to the amount by which such purchase price (less reasonable costs of disposition) exceeds (or is less than) the aggregate adjusted cost base of such securities.

No portion of the Forward price payable to the Claymore Global Monthly Advantaged Dividend ETF will constitute income from a foreign source. Accordingly, Unitholders will not be able to claim foreign tax credits in respect any portion of the Forward price calculated by reference to income from foreign securities included in the Zacks Global Yield Hog Index.

If, contrary to the advice of counsel to the Claymore Global Monthly Advantaged Dividend ETF or as a result of a change of law, upon physical settlement of the Forward the classification of the gain under the Forward is deemed to be something other than a capital gain on the sale of common shares thereunder, after-tax returns to holders of Units of the Claymore Global Monthly Advantaged Dividend ETF could be reduced and the Claymore Global Monthly Advantaged Dividend ETF could be subject to non-refundable income tax from such transactions.

ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP, counsel for the Claymore ETFs, Units of a class of a Claymore ETF will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans and registered education savings plans provided that either or both: (i) the Claymore ETF qualifies as a mutual fund trust within the meaning of the Tax Act, or (ii) Units of such class are listed on a designated stock exchange (including the TSX).

In the case of an exchange of Units of a Claymore ETF for a Basket of Securities of the Claymore ETF, the investor will receive securities. The securities received by an investor as a result of an exchange of Units may or may not be qualified investments for Registered Plans. Investors should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Registered Plans.

FEES AND EXPENSES

Management Fees

Each Claymore ETF will pay the Manager a monthly management fee as set forth in the table below based on one-twelfth of the NAV per Unit of the Claymore ETF at month end plus, in respect of the Advisor Class Units, an additional amount based on one-quarter of the NAV per Advisor Class Unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes. The monthly management fee will be paid monthly in arrears and the additional amount will be paid quarterly at the end of each calendar quarter.

Claymore Fundamental Index ETFs	**Annual management fee**	**Additional amount applicable to Advisor Class Units and Non-hedged Advisor Class Units**
Claymore Canadian Fundamental Index ETF	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.40%)
Claymore US Fundamental Index ETF C$ hedged	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units or Non-hedge Advisor Class Units, as the case may be (total: 1.40%)
Claymore International Fundamental Index ETF	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.40%)
Claymore Japan Fundamental Index ETF C$ hedged	0.65% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.40%)
Claymore Europe Fundamental Index ETF	0.65% of NAV of the Claymore ETF	0.75% of NAV per Advisor Class Unit (total: 1.40%)
Claymore Growth & Income ETFs	**Annual management fee**	**Additional amount applicable to Advisor Class Units**
Claymore CDN Dividend & Income Achievers ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore Global Monthly Advantaged Dividend ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore S&P/TSX CDN Preferred Share ETF	0.45% of NAV of the Claymore ETF	0.50% of NAV of Advisor Class Units (total: 0.95%)
Claymore Sector ETFs	**Annual management fee**	**Additional amount applicable to Advisor Class Units**
Claymore Oil Sands Sector ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore S&P/TSX Global Mining	0.55% of NAV of the	0.75% of NAV of Advisor Class Units

ETF	Claymore ETF	(total: 1.30%)
Claymore S&P Global Water ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV per Advisor Class Unit (total: 1.35%)
Claymore International Growth ETFs	**Annual management fee**	**Additional amount applicable to Advisor Class Units**
Claymore BRIC ETF	0.60% of NAV of the Claymore ETF	0.75% of NAV of Advisor Class Units (total: 1.35%)
Claymore *CorePortfolio*™ ETFs	**Annual management fee**	**Additional amount applicable to Advisor Class Units**
Claymore Global Balanced Income ETF	0.70% of NAV of the Claymore ETF	1.00% of NAV per Advisor Class Unit (total: 1.70%)
Claymore Global Balanced Growth ETF	0.70% of NAV of the Claymore ETF	1.00% of NAV per Advisor Class Unit (total: 1.70%)
Claymore Global Balanced ETF	0.70% of NAV of the Claymore ETF	1.00% of NAV per Advisor Class Unit (total: 1.70%)

In the event that the Claymore *CorePortfolio*™ ETFs includes exchange-traded funds sponsored by Claymore, there shall be no duplication of management fees chargeable in connection with Constituent Securities held indirectly by a Claymore ETF through investments in other Claymore ETFs or other Claymore investment funds.

Service Fee

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class Unit for each Advisor Class Unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

Other Fees and Expenses

The Manager is responsible for all costs and expenses of the Claymore ETFs except the management fee, any expenses related to the implementation and on-going operation of an independent review committee under NI 81-107, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described under "Management of the Claymore ETFs – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of a Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

The Claymore Global Monthly Advantaged Dividend ETF will pay to the Counterparty an amount under the Forward, calculated daily and payable quarterly in arrears, of between 0.35% to 0.45% per annum of the Forward Amount and an amount of between 0.10% and 0.20% per annum in respect of hedging costs in connection with the Canadian Share Portfolio.

Management Fee Distributions

To encourage very large investments in the Claymore ETFs and to achieve effective management fees which are competitive for these investments, the Manager may agree to charge a reduced fee as compared to the fee it otherwise would be entitled to receive from the Claymore ETFs with respect to investments in the Claymore ETFs by Unitholders that hold, on average during any period specified by the Manager from time to time (currently a quarter), Units of the Claymore ETFs having a specified aggregate value, currently in excess of $25 million. An amount equal to the difference between the fee otherwise chargeable and the reduced fee of the Claymore ETF will be distributed quarterly in cash by the Claymore ETF to those Unitholders as "Management Fee Distributions."

The availability and amount of Management Fee Distributions with respect to Units of a Claymore ETF will be determined by the Manager. Management Fee Distributions will generally be calculated and applied based on a Unitholder's average holdings of Units (excluding Units lent under the terms of securities lending agreements) over each applicable period as specified by the Manager from time to time. Management Fee Distributions will be available only to beneficial owners of Units and not to the holdings of Units by dealers, brokers or other CDS Participants that hold Units on behalf of beneficial owners. Management Fee Distributions will be paid first out of net income of the Claymore ETF then out of capital gains of the Claymore ETF and thereafter out of capital. See "Canadian Federal Income Tax Considerations – Taxation of Unitholders" for further details. In order to receive a Management Fee Distribution for any applicable period, a beneficial owner of Units must submit a claim for a Management Fee Distribution that is verified by a CDS Participant on the beneficial owner's behalf and provide the Manager with such further information as the Manager may require in accordance with the terms and procedures established by the Manager from time to time.

The Manager reserves the right to discontinue or change Management Fee Distributions at any time. The tax consequences of Management Fee Distributions made by a Claymore ETF generally will be borne by the Unitholders receiving these distributions.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Manager will receive the management fees described under "Fees and Expenses – Management Fees" for its services to the Claymore ETFs and will be responsible for paying the expenses of the Claymore ETFs described under "Fees and Expenses – Other Fees and Expenses."

RISK FACTORS

In addition to the considerations set out elsewhere in this prospectus, the following are certain considerations relating to an investment in Units which prospective investors should consider before purchasing such Units:

General Risks Relating to an Investment in the Claymore ETFs

Risk of Error in Replicating the Indices

The Claymore ETFs will not replicate exactly the performance of the Indices because the total return generated by the Units will be reduced by the management fee payable to Claymore and transaction costs incurred in adjusting the portfolio of securities held by the Claymore ETFs and other expenses of the Claymore ETFs, whereas such transaction costs and expenses are not included in the calculation of the Indices. It is also possible that, for a short period of time, the Claymore ETFs may not fully replicate the performance of the Indices due to the temporary unavailability of certain Constituent Securities in the secondary market or due to other extraordinary circumstances.

Equity Risk

Equities such as common shares give the holder part ownership in a company. The value of an equity security changes with the fortunes of the company that issued it. General market conditions and the health of the economy as a whole can also affect equity prices. Equity related securities that provide indirect exposure to the equity securities of an issuer, such as convertible debentures, can also be affected by equity risk.

Rebalancing and Adjustment Risk

Adjustments to Baskets of Securities held by the Claymore ETFs to reflect rebalancing of and adjustments to the Indices will depend on the ability of the Manager and the Designated Brokers to perform their respective obligations under the Designated Broker Agreement(s). If a Designated Broker fails to perform, the Claymore ETFs would be required to sell or purchase, as the case may be, Constituent Securities of the Indices in the market. If this happens, the Claymore ETFs would incur additional transaction costs that would cause the performance of the Claymore ETFs to deviate more significantly from the performance of the Indices than would otherwise be expected.

Tracking Error

Deviations in the tracking of the Indices by the Claymore ETFs could occur for a variety of reasons. For example, where a Claymore ETF tenders securities under a successful takeover bid for less than all securities of a Constituent Issuer and the Constituent Issuer is not taken out of the applicable Index, the Claymore ETF would be required to buy replacement securities for more than the takeover bid proceeds.

Adjustments to the Basket of Securities necessitated by the rebalancing of or adjustment to the Indices could affect the underlying market for Constituent Securities of the applicable Index which in turn would be reflected in the value of that Index. Similarly, subscriptions for Units by Designated Brokers and Underwriters may impact the market for Constituent Securities of the Index, as the Designated Broker or Underwriter seeks to buy or borrow such securities to constitute Baskets of Securities to deliver to the Claymore ETF as payment for the Units to be issued.

Calculation and Termination of the Indices

If the computer or other facilities of the Index Providers or the TSX malfunction for any reason, calculation of value of the Indices and the determination by the Manager of the Prescribed Number of Units and Baskets of Securities may be delayed and trading in Units may be suspended for a period of time.

In the event that an Index Provider ceases to calculate the Indices or the License Agreement is terminated, the Manager may terminate the relevant Claymore ETF on 60 days notice, change the investment objective of the Claymore ETF or seek to replicate an alternative index (subject to Unitholder approval in accordance with the Declaration of Trust), or make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders in the circumstances.

Cease Trading of Constituent Securities

If Constituent Securities of the Indices are cease traded at any time by order of the TSX, a securities regulatory authority or other relevant regulator or stock exchange, the Manager may suspend the exchange or redemption of Units until such time as the transfer of the securities is permitted by law. Thus, Units bear the risk of cease trading orders against any Constituent Security held by the Claymore ETFs.

Fluctuations in Net Asset Value

The NAV per Unit will vary according to, among other things, the value of the securities held by the Claymore ETFs. The Manager and the Claymore ETFs have no control over the factors that affect the value of the securities held by the Claymore ETFs, including factors that affect the equity markets generally such as general economic and political conditions, fluctuations in interest rates and factors unique to each issuer included in the Indices, such as changes in management, changes in strategic direction, achievement of strategic goals, mergers, acquisitions and divestitures, changes in distribution policies and other events.

Illiquid Securities

If a Claymore ETF is unable to dispose of some or all of the securities held by it, that Claymore ETF may experience a delay in the receipt of the proceeds of disposition until such time as it is able to dispose of such securities. Likewise, if certain Constituent Securities of the Indices are particularly illiquid, the Manager may be unable to acquire the number of securities necessary to replicate the weighting of such Index securities in the Indices at a price acceptable to the Manager on a timely basis.

Use of Derivative Instruments

The Claymore ETFs may use other derivative instruments from time to time as described under "The Claymore ETFs – Use of Derivative Instruments." The use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Risks associated with the use of derivatives include: (i) there is no guarantee that hedging to reduce risk will not result in a loss or that there will be a gain; (ii) there is no guarantee that a market will exist when the Claymore ETFs want to complete the derivative contract, which could prevent the Claymore ETFs from reducing a loss or making a profit; (iii) securities exchanges may impose trading limits on options and futures contracts, and these limits may prevent the Claymore ETFs from completing the derivative contract; (iv) the Claymore ETFs could experience a loss if the other party to the derivative contract is unable to fulfill its obligations; (v) if the Claymore ETF has an open position in an option, a futures contract or a forward contract with a dealer who goes bankrupt, the Claymore ETF could experience a loss and, for an open futures or forward contract, a loss of margin deposits with that dealer; and (vi) if a derivative is based on a stock market index and trading is halted on a substantial number of stocks in the index or there is a change in the composition of the index, there could be an adverse effect on the derivative. In circumstances where there is an interest rate hedge employed, total return on the investment portfolio of the Claymore ETFs may be higher with the hedge than without it when interest rates rise significantly, but total return may be lower than it otherwise would be in a stable to a falling interest rate environment.

Securities Lending

The Claymore ETFs may engage in securities lending in accordance with NI 81-102. Although it will receive collateral for the loans and such collateral will be marked-to-market, the Claymore ETFs may be exposed to the risk of loss should the borrower default on its obligation to return the borrowed securities and the collateral be insufficient to reconstitute the portfolio of loaned securities.

Trading Price of Units

Units may trade in the market at a premium or discount to the NAV per Unit and there can be no assurance that Units will trade at prices that reflect their net asset value. The trading price of the Units will fluctuate in accordance with changes in the Claymore ETF's NAV, as well as market supply and demand on the TSX. However, given that generally only Prescribed Numbers of Units are issued to Designated Brokers and Underwriters, and that holders of a Prescribed Number of Units (or an integral multiple thereof) may redeem such Units at their NAV, the Manager believes that large discounts or premiums to the NAV of the Units should not be sustained.

Potential Conflicts of Interest

The Manager and its directors and officers and their respective affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts which invest primarily in the securities held by one or more Claymore ETF.

Although officers, directors and professional staff of the Manager will devote as much time to the Claymore ETFs as is deemed appropriate to perform the Manager's duties, the staff of the Manager may have conflicts in allocating their time and services among the Claymore ETFs and the other funds managed by the Manager.

Changes in Legislation

There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects the distributions received by the Claymore ETFs or by the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Claymore ETFs or the Unitholders.

Taxation of the Claymore ETFs

On October 31, 2003 the Department of Finance (Canada) announced a Tax Proposal relating to the deductibility of losses under the Tax Act which is proposed to apply to taxation years beginning after 2004. Under this Tax Proposal, a taxpayer will be considered to have a loss from a business or property for a taxation year only if, in that year, it is reasonable to assume that the taxpayer will realize a cumulative profit from the business or property during the time that the taxpayer has carried on, or can reasonably be expected to carry on, the business or has held, or can reasonably be expected to hold, the property. Profit, for this purpose, does not include capital gains or capital losses. If such Tax Proposal were to apply to a Claymore ETF, certain losses of the Claymore ETF may be limited with after-tax returns to Unitholders reduced as a result. On February 23, 2005, the Minister of Finance (Canada) announced that an alternative proposal to replace this Tax Proposal would be released. No such alternative proposal has been released as of the date hereof. There can be no assurance that such alternative proposal will not adversely affect a Claymore ETF.

Currently, a trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents unless all or substantially all of its property is property other than taxable Canadian property as defined in the Tax Act. On September 16, 2004, the Minister of Finance (Canada) released a Tax Proposal which proposes that a trust would lose its status as a mutual fund trust if the aggregate fair market value of all units issued by the trust held by one or more non-resident persons or partnerships that are not Canadian partnerships, or any combination thereof, is more than 50% of the aggregate fair market value of all units issued by the trust where, at that time or any previous time, more than 10% (based on fair market value) of the trust's property is taxable Canadian property or certain other types of property. On December 6, 2004, the Department of Finance (Canada) tabled a Notice of Ways and Means Motion which did not include these proposed changes pending further consultation with interested parties. Bill C-52, which received Royal Assent on June 22, 2007, amended the current provision such that a trust is deemed not to be a mutual fund trust after any time when it can be reasonably considered that the trust was established or maintained primarily for the benefit of non-resident persons, unless at that time all or substantially all of its property is property other than taxable Canadian property. It is not clear whether this proposal supersedes the September 16, 2004 Proposed Amendments. If any of the Claymore ETFs were to cease to qualify as a "mutual fund trust" under the Tax Act, the income tax considerations described under the heading "Canadian Federal Income Tax Considerations" would be materially and adversely different in certain respects.

In determining its income for tax purposes, a Claymore ETF will treat gains or losses on the disposition of securities in which it has invested as capital gains and losses. In addition, in accordance with the CRA's published administrative practice, derivatives used to hedge capital items will be treated and reported for purposes of the Tax Act on capital account and designations with respect to its income and capital gains will be made and reported to Unitholders on this basis. CRA's practice is not to grant advance income tax rulings on the characterization of items as capital gains or income and no advance income tax ruling has been requested or obtained. If these dispositions or transactions of a Claymore ETF are not on capital account, the net income of the Claymore ETF for tax purposes and the taxable component of distributions to Unitholders could increase.

Under the SIFT Rules, trusts or partnerships (defined as "SIFT trusts" and "SIFT partnerships", respectively) the securities of which are listed or traded on a stock exchange or other public market and that hold one or more "non-portfolio properties" (as defined) are effectively be taxed on income and capital gains in respect of such non-portfolio properties at combined rates comparable to the rates that apply to income earned and distributed by Canadian corporations. The SIFT Rules apply, generally: (i) in the case of a SIFT trust or SIFT partnership that would not have been a SIFT trust or SIFT partnership on October 31, 2006, had the SIFT Rules been in effect on that date, beginning with the first taxation year of such SIFT trust or SIFT partnership that ends in 2007; and (ii) in the case of a SIFT trust or SIFT partnership that would have been a SIFT trust or SIFT partnership on October 31, 2006, generally beginning with the first taxation year of such SIFT trust or SIFT partnership that ends in 2011, subject to compliance by such SIFT trust or SIFT partnership with "normal growth guidelines" released by the Department of Finance (Canada) that have been incorporated by reference into the SIFT Rules. Distributions of such income received by unitholders of SIFT trusts (and allocations of such income made to members of SIFT partnerships) are treated as eligible dividends from a taxable Canadian corporation.

Certain issuers of Constituent Securities may be SIFT trusts or SIFT partnerships. In such event, the after-tax returns realized by Unitholders may be reduced to the extent that the Claymore ETF receives distributions of income or capital gains from such SIFT trusts or SIFT partnerships. In addition, as a result of the SIFT Rules, it is possible that SIFT trusts or SIFT partnerships may seek to restructure their affairs and organizational structures in a manner that could have an impact upon the returns to a Claymore ETF and could limit the number of potential issuers in which a Claymore ETF may invest. Finally, the SIFT Rules have had, and may continue to have, an effect on the trading price of trusts and limited partnerships that may be affected by the SIFT Rules.

As of the date hereof, the SIFT Rules apply to cause Claymore International Fundamental Index ETF to be a SIFT trust. As of the date hereof, the SIFT Rules would apply to cause Claymore Oil Sands Sector ETF to be a SIFT trust in its first taxation year that ends in 2011, subject to compliance by Claymore Oil Sands Sector ETF with "normal growth guidelines" released by the Department of Finance (Canada) that have been incorporated by reference into the SIFT Rules. Claymore Oil Sands Sector ETF has not exceeded the normal growth guidelines as of the date hereof. In the event that Claymore Oil Sands Sector ETF exceeds the normal growth guidelines in a taxation year prior to its first taxation year ending in 2011, it would be subject to tax under the SIFT Rules from the beginning of such prior taxation year. Claymore CDN Dividend & Income Achievers ETF, Claymore Canadian Fundamental Index ETF, and Claymore Oil Sands Sector ETF hold or have economic exposure to Constituent Securities of issuers affected by the SIFT Rules.

Absence of an Active Market for the Units and Lack of Operating History

The Claymore ETFs are newly or recently organized investment trusts with limited or no previous operating history. Although the Claymore ETFs are or will be listed on the TSX, there can be no assurance that an active public market for the Units will develop or be sustained.

Index Investment Strategy Risk

The Indices were not created by the Index Providers for the purpose of the Claymore ETFs. The Index Providers have the right to make adjustments or to cease calculating the Indices without regard to the particular interests of the Manager, the Claymore ETFs or the Unitholders.

Because the investment portfolio of the Claymore Fundamental Index ETFs will be managed to track the Indices, which are weighted based on the four fundamental factors and rebalanced using five-year average financial data as described above under the "The Claymore ETFs – The Indices – Index Composition – FTSE Fundamental Indices", a sudden, significant decline in one or more fundamental factors may not result in the removal of a Constituent Issuer from the Indices and, consequently, from the Claymore Fundamental ETFs. Likewise, a sudden, significant increase in one or more fundamental factors may not result in the addition of a new Constituent Issuer to the Indices and, consequently, to the Claymore Fundamental ETFs.

Changes in Dividend Policies

Dividends on common shares are not fixed but are declared at the discretion of an issuer's board of directors. There is no guarantee that the issuers of the common shares in which the Claymore ETF invests will declare dividends in the future or that if declared they will remain at current levels or increase over time.

Foreign Investment Risk

A Claymore ETF's investments in non-U.S. issuers may involve unique risks compared to investing in securities of U.S. issuers, including, among others, greater market volatility than U.S. securities and less complete financial information than for U.S. issuers. In addition, adverse political, economic or social developments could undermine the value of the Claymore ETF's investments or prevent the Claymore ETF from realizing the full value of its investments. Finally, the value of the currency of the country in which the Claymore ETF has invested could decline relative to the value of the Canadian dollar.

Concentration Risk

Certain of the Claymore ETFs' investments will be less diversified and the NAV of such funds may be more volatile than the value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time.

Exchange Rate Risk

Changes in foreign currency exchange rates may affect the NAV of Claymore ETFs which hold investments denominated in currencies other than the Canadian dollar. Except in the case of the Claymore Japan Fundamental Index ETF C$ hedged and Claymore US Fundamental Index ETF C$ hedged, other than the Non-hedged Units, Claymore ETFs will not seek to hedge their exposure to foreign currencies. There is no assurance that hedging transactions intended to limit a Claymore ETF's foreign currency exposure will be effective.

Interest Rate Risk

Investments in the Claymore S&P/TSX CDN Preferred Share ETF should be made with an understanding that the value of the units of the Claymore S&P/TSX CDN Preferred Share ETF will be affected by changes in the general level of interest rates. The NAV of the Claymore S&P/TSX CDN Preferred Share ETF will fluctuate with interest rate changes and the corresponding changes in the value of the securities held by the Claymore S&P/TSX CDN Preferred Share ETF.

Additional Risks Relating to an Investment in the Claymore Oil Sands Sector ETF

Commodity Price Fluctuations and Volatility of Oil and Natural Gas Prices

The operations and financial condition of the majority of issuers in which the Sustainable Wealth Oil Sands Sector Index™ will invest and, accordingly, the amount of distributions paid on such securities, will be dependent on commodity prices applicable to such issuers. Prices for commodities may vary and are determined by supply and demand factors including weather and general economic and political conditions. A decline in commodity prices could have an adverse effect on the operations and financial condition of the issuers of such securities and the amount of distributions paid on such securities.

In particular, the operational results and financial condition of issuers included in the portfolio are especially sensitive to oil and natural gas prices. Oil and natural gas prices have fluctuated widely during recent years and are affected by supply and demand factors, political events, weather and general economic conditions, among other things. Any decline in oil or increase in natural gas prices could have an adverse effect on the distributions received from the issuers included in the Sustainable Wealth Oil Sands Sector Index™ and the value of such issuers' securities.

Nature of Oil Sands Exploration and Development

Oil sands exploration and development is very competitive and involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. As with any petroleum property, there can be no assurance that bitumen will be produced from related projects. Furthermore, the marketability of the synthetic crude oil produced in the oil sands may be affected by numerous factors beyond issuers' control. These factors include, but are not limited to, market fluctuations of prices, proximity and capacity of pipelines and processing equipment, equipment availability and government regulations (including, without limitation, regulations relating to prices, taxes, royalties, land tenure, allowable production, importing and exporting of oil and gas and environmental protection). The extent of these factors cannot be accurately predicted and will change from time to time, but the combination of these factors may result in issuers not receiving an adequate return on invested capital. Because operating costs to produce synthetic crude oil from oil sands may be substantially higher than operating costs to produce conventional crude oil, an increase in such costs or a reduction in the price of synthetic crude oil or other competing products may render mining of bitumen resources from the oil sands uneconomical. A significant decrease in the price of oil may have a negative impact on the economic viability of oil sand projects.

There is no assurance that the companies operating in the oil sands sector will produce synthetic crude oil in quantities or at costs anticipated, or that they will not cease producing entirely in certain circumstances. Actual operating costs may differ materially from such current estimates. Moreover, it is possible that other developments, such as increasingly strict environmental and safety laws and regulations and enforcement policies thereunder and claims for damages to property or persons resulting from the operations in the oil sands sector, could result in substantial costs and liabilities, delays or an inability to complete projects or the abandonment of projects.

Development Schedule and Cost Overruns

Historically oil sands projects have experienced capital cost overruns due to a variety of factors. There is no assurance that the current construction and operations schedules of the issuers in the portfolio will proceed as planned without any delays or cost overruns. Any delays may increase the costs of development or production, requiring additional capital, and there can be no assurance that such capital will be available in a timely and cost-effective fashion.

Development of the projects in the oil sands sector may be adversely affected by one or more factors commonly associated with large industrial projects such as shortages of equipment, materials and labour, fluctuations in the prices of building materials, particularly steel, delays in delivery of equipment and materials, labour disputes, political events, local, native and political opposition, blockades or embargoes, litigation, adverse weather conditions, unanticipated increases in costs, natural disasters, accidents, unforeseen engineering, design, environmental or geological problems and other unforeseen circumstances. Any of these events or other unanticipated events could give rise to delays in development and production and cost overruns.

Royalty Regime

Issuers in the oil sands sector may have revenue and expenses that are affected by the applicable royalty regime. There can be no assurance that the federal government and the Province of Alberta will not adopt a new royalty regime that will make capital expenditures uneconomic or that the regime currently in place will remain unchanged.

Environmental Regulations

Oil sands extraction operations, pipelines and upgraders are subject to environmental regulation pursuant to federal and provincial legislation and regulations. These laws require various approvals and provide for restrictions and prohibitions on releases or emissions of various substances produced or used in association with such operations. Risks of substantial costs and liabilities are inherent in oil sands operations and a violation of any such law may result in the issuance of remedial orders, the suspension of approvals or the imposition of significant fines or penalties.

In late 2002 the Government of Canada ratified the Kyoto Protocol, an international agreement designed to manage greenhouse gas emissions and on February 16, 2005 it became effective. Other than as described in the 2005 Kyoto Plan, relatively few details regarding its implementation in Canada have been made by the federal government. On October 19, 2006, the federal government introduced *Canada's Clean Air Act* (Bill C-30) and accompanying *Notice of Intent to Develop and Implement Regulations and Other Measures to Reduce Air Emissions* (Notice of Intent) which proposed the enactment of legislation and regulations setting greenhouse gas emissions intensity targets as well as air pollutant emission reduction requirements for various industries including oil sands operations. On April 26, 2007, the federal government tabled a technical document entitled *Turning the Corner*, describing its program for greenhouse gas, air pollution and consumer efficiency regulations. The regulations proposed in the government's *Turning the Corner* plan will include binding emissions targets and compliance mechanisms aimed at halving emissions of smog and acid rain forming compounds by 2015 and reducing greenhouse gas emissions by 20% from 2006 levels by 2020. Under the proposed plan, facilities which emit more than 100,000 tonnes of carbon dioxide equivalent gas per year must decrease their "emissions intensity" (being an amount of emissions per unit of economic output, e.g., tonnes per barrel) by achieving a "target reduction rate" of 18% below 2006 greenhouse gas emission intensity levels by 2010. That rate will increase by 2% per year to reach 26% below 2006 greenhouse gas emission intensity levels in 2015.

Pre-empting the federal government's announcement of its proposed approach to reducing greenhouse gas emissions, the Province of Alberta recently enacted the *Climate Change and Emissions Management Amendment Act* (Alberta) and accompanying *Specified Gas Emitters Regulation* becoming the first Canadian jurisdiction to enact mandatory greenhouse gas emission reduction targets. With annual compliance beginning July 1, 2007, the Alberta regulations will require facilities which emit more than 100,000 tonnes of carbon dioxide equivalent gas per year to reduce greenhouse gas emissions by 12% below their average emissions intensities from 2003 to 2005. Alberta facilities built after the year 2000 will be given a three-year grace period beginning in their first full year of operation and will be allowed a five-year period over which to achieve their target of 12% below average emissions intensity from their baseline year being their third year of operation.

Numerous uncertainties remain regarding details of the federal government's plans and their implementation, as well as Alberta's newly enacted regulatory regime. There can be no assurance that future rules and regulations limiting air emissions, whether imposed by the federal government or by provincial governments, will not affect the profitability or continued operation of participants in the oil sands sector.

Other Energy Issuers

The amount of the distributions paid by pipeline/energy distribution issuers varies with the market demand for transportation of product on the distribution systems. While they are generally not as commodity price sensitive as oil and gas issuers, they may be affected by fluctuations in commodity prices in the longer term. Fluctuations in supply and cost of the basic materials from which the electricity is generated can impact power generation issuers.

Additional Risk Relating to an Investment in the Claymore S&P/TSX Global Mining Index ETF

Mining Industry Risk

The mining industry can be significantly affected by supply and demand, speculation, events relating to international political and economic developments, energy conservation, commodity prices, and tax and other government regulations.

Additional Risks Relating to an Investment in the Claymore Global Monthly Advantaged Dividend ETF

Counterparty Credit Risk

In entering into the Forward, the Claymore Global Monthly Advantaged Dividend ETF will be exposed to the credit risk associated with the Counterparty . Depending upon the relative values of the Zacks Global Yield Hog Index and the Canadian Share Portfolio, the Claymore ETF's exposure to the credit risk of the Counterparty may be significant. Unitholders will have no recourse or rights against the assets of the Counterparty in respect of the Forward or arising out of the Forward. The Units do not represent an interest in, or an obligation of the Counterparty or any affiliate thereof.

The Counterparty may choose to enter into transactions in order to hedge its exposure under the terms of the Forward to the economic performance of the Zacks Global Yield Hog Index. There is no assurance that the Counterparty will maintain a hedge or will do so with respect to the full amount or term of the Forward. The Claymore Global Monthly Advantaged Dividend ETF is exposed to the credit risk associated with the Counterparty in respect of the Forward.

MATERIAL CONTRACTS

The following contracts can reasonably be regarded as material to purchasers of Units:

(a) the Declaration of Trust;

(b) the Custodian Agreement;

(c) the FTSE License Agreements;

(d) the Mergent License Agreement;

(e) the Zacks Global Yield Hog Index License Agreement;

(f) the S&P Indices License Agreement;

(g) the Sustainable License Agreement;

(h) the BNY License Agreement;

(i) the Zacks Global Yield Hog Index License Agreement;

(j) the Designated Broker Agreement between the Manager, on behalf of the Claymore ETFs, and each respective Designated Broker; and

(k) the form of Underwriting Agreement that may be entered into between the Manager, on behalf of the Claymore ETFs, and various Underwriters from time to time.

Copies of the agreements referred to above may be inspected during business hours at the principal office of the Manager.

LEGAL MATTERS

The matters referred to under "Canadian Federal Income Tax Considerations" and "Eligibility for Investment" and certain other legal matters relating to the securities offered hereby will be passed upon on behalf of the Claymore ETFs and the Manager by Osler, Hoskin & Harcourt LLP.

AUDITORS

The auditors of the Claymore ETFs are Ernst & Young LLP, Chartered Accountants, Licensed Public Accountants, 222 Bay Street, 28th Floor, Toronto, Ontario, M5K 1J7.

REGISTRAR AND TRANSFER AGENT

Computershare Investor Services Inc., at its principal offices in Toronto, is the Registrar and Transfer Agent and distribution disbursing agent for the Units of the Claymore ETFs pursuant to a registrar, transfer agency and distribution disbursing agency agreement entered into with the Claymore ETFs.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the prospectus of Claymore Canadian Fundamental Index ETF, Claymore US Fundamental Index ETF C$ hedged, Claymore International Fundamental Index ETF, Claymore Japan Fundamental Index ETF C$ hedged, Claymore CDN Dividend & Income Achievers ETF, Claymore Global Monthly Advantaged Dividend ETF (formerly the Claymore Global Monthly Yield Hog ETF), Claymore S&P/TSX CDN Preferred Share ETF, Claymore Oil Sands Sector ETF, Claymore S&P/TSX Global Mining ETF, Claymore S&P Global Water ETF, Claymore BRIC ETF, Claymore Global Balanced Income ETF, Claymore, Global Balanced Growth ETF, Claymore Europe Fundamental Index ETF, and Claymore Global All Equity ETF (each, a "Claymore ETF" and collectively the "Claymore ETFs") dated April 25, 2008 relating to the sale and issuance of Common Units and Advisor Class Units of the Claymore ETFs and of Non-hedged Common Units and Non-hedged Advisor Class Units of Claymore US Fundamental Index ETF C$ hedged. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned prospectus of our audit reports to the Manager of each of the Claymore ETFs dated March 11, 2008 on the statements of investment portfolio as at December 31, 2007, the statements of net assets as at December 31, 2007 and 2006 (except for Claymore International Fundamental Index ETF, Claymore Japan Fundamental Index ETF C$ hedged, Claymore Global Monthly Advantaged Dividend ETF, Claymore S&P/TSX CDN Preferred Share ETF, Claymore S&P/TSX Global Mining ETF, Claymore S&P Global Water ETF, Claymore Global Balanced Income ETF, Claymore Global Balanced Growth ETF, Claymore Europe Fundamental Index ETF, Claymore Global All Equity ETF, which are only as at December 31, 2007) and the statements of operations, changes in net assets and cash flows for the periods then ended (except for Claymore International Fundamental Index ETF, Claymore Japan Fundamental Index ETF C$ hedged, Claymore Global Monthly Advantaged Dividend ETF, Claymore S&P/TSX CDN Preferred Share ETF, Claymore S&P/TSX Global Mining ETF, Claymore S&P Global Water ETF, Claymore Global Balanced Income ETF, Claymore Global Balanced Growth ETF, Claymore Europe Fundamental Index ETF, Claymore Global All Equity ETF, which are from the date of inception to December 31, 2007).

Toronto, Canada
April 25, 2008

Ernst & Young LLP

Chartered Accountants
Licensed Public Accountants

CERTIFICATE OF THE CLAYMORE ETFs AND MANAGER

Dated: April 25, 2008

This prospectus, together with the documents incorporated by reference into this prospectus, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), by Part 9 of the *Securities Act* (Alberta), by Part XI of the *Securities Act*, 1988 (Saskatchewan), by Part VII of the *Securities Act* (Manitoba), by Part XV of the *Securities Act* (Ontario), by Part 6 of the *Securities Act* (New Brunswick), by Section 63 of the *Securities Act* (Nova Scotia), by Part II of the *Securities Act* (Prince Edward Island), by Part XIV of the *Securities Act* (Newfoundland and Labrador), by Part 3 of the *Securities Act* (Yukon Territory), by the *Securities Act* (Northwest Territories) and by the *Securities Act* (Nunavut), and the respective regulations thereunder. This prospectus, together with the documents incorporated by reference, does not contain any misrepresentation likely to affect the value or the market price of the securities to be distributed, as required by the *Securities Act* (Québec) and the regulations thereunder.

CLAYMORE INVESTMENTS, INC.,
as Trustee and Manager on behalf of the Claymore ETFs

(Signed) SOM SEIF	(Signed) BRUCE ALBELDA
Chief Executive Officer and President	Chief Financial Officer

On behalf of the Board of Directors of Claymore Investments, Inc.

(Signed) DAVID C. HOOTEN	(Signed) NICHOLAS DALMASO
Director	Director