

## Conversion of 27 Legal & General ETFs into international ETF structure

Legal & General UCITS LTD (Ireland) intends to convert its Irish-domiciled and Global Bearer Certificate exchange-traded funds (ETFs) to the ICSD model in Common Depository structure, thus centralising the issuance process in one Common Depository. This migration wave will consist of 27 ETFs issued under the Legal & General UCITS ETF PLC umbrella.

This document contains the relevant details on the conversion of the 27 Legal & General ETFs into the international ETF structure.

No action is required from customers for the conversion of the securities into the international ETF structure. Depending on the customer's current settlement arrangements, there may be settlement-related actions for customers to take. Please refer to the information provided below.

### Mandatory conversion

The 27 Legal & General ETFs reported in the table on page 2 will be converted into international ETFs on Monday, 20 April 2020 (the "conversion date"). The conversion from the current domestic to the new international issuance structure is subject to the shareholder approval and will be confirmed after the extraordinary general meeting (EGM) being held on 27 February 2020. Once approved, the conversion will become mandatory and does not require any action from customers.

DE-ISINs (global bearer certificates/GSCs in collective safe custody) will be converted into international IE-ISINs over the weekend of the exchange based on customer holdings on record date Friday, 17 April 2020 on a 1:1 basis. Settlement will remain possible until close of business on Friday, 17 April 2020. As from that time, external and bridge settlement in the DE ISINs will no longer be possible. Booking of GBC exchanges from the original ISINs into German certificates and GBC re-exchange from German certificates into the original ISINs are only possible until noon (CET) 16 April 2020.

IE-ISINs (Irish domiciled) static data will be updated in Clearstream's securities database (including the WSS database) to flag the ISIN as international. The IE ISINs will remain the same. If customers have holdings in a CASCADE account (collective safe custody), they will be converted into the customer's corresponding CBF-i account(s) ("6-series accounts") in the international settlement environment, over the weekend of the conversion, based on customer's holdings on record date Friday, 17 April 2020 on a 1:1 basis. Settlement will remain possible until close of business on Friday, 17 April 2020.

Positions in Remote Market Common Codes held in other CSDs such as Monte Titoli, BP2S Netherlands, Euroclear France, Euroclear UK & IE will be repatriated to their respective Home Market Common Code starting Monday 6 April 2020. From Monday 6 April 2020 remote market common codes will be closed for settlement. From this date, customers should refrain from instructing on remote market codes. Pending settlement instructions, including matched instructions, will be cancelled in remote common codes and customers will have to re-instruct with the Home Market Common Code. For matched domestic instructions that are already provisioned, customers and their counterparties should cancel both legs and re-instruct on the new home code setup. For this, customers may need to contact their counterparties directly to ensure prompt cancellation.

Stock exchange trading in the various markets will remain possible (unless announced otherwise) but customers are requested to check with their counterparty which settlement arrangement within the ICSDs should be applied to settle their trades

The repatriation of positions in Remote Market Common Codes to Home Market code concerns all 27 Legal & General ETFs subject to the mandatory conversion..

## Impacted securities

27 Legal & General ETFs subject to the mandatory conversion			
Fund name	IE ISIN	DE GBC ISIN	Final IE ISIN
SHS L+G ALL COMMODITIES UCITS ETF USD ACC	IE00BF0BCP69	DE000A2DQ7P3	IE00BF0BCP69
SHS L+G-ARTIFICIAL INTELLIGENCE U.ETF-USD ETF	IE00BK5BCD43	DE000A2PPAU8	IE00BK5BCD43
SHS L+G ASIA PACIFIC EX JAPAN EQUITY UC.ETF	IE00BFXR5W90	DE000A2PANR9	IE00BFXR5W90
SHS L+G BATTERY VALUE-CHAIN UC.ETF USD ACC	IE00BF0M2Z96	DE000A2H9VG9	IE00BF0M2Z96
SHS L+G-CLEAN WATER U.ETF-USD ETF	IE00BK5BC891	DE000A2PPAT0	IE00BK5BC891
SHS L+G CYBER SECURITY UCITS ETF USD	IE00BYPLS672	DE000A14ZT85	IE00BYPLS672
SHS L+G DAX DAILY 2X LONG UCITS ETF EUR	IE00B4QNH68	DE000A0X8994	IE00B4QNH68
SHS L+G DAX DAILY 2X SHORT UCITS ETF	IE00B4QNHZ41	DE000A0X9AA8	IE00B4QNHZ41
SHS L+G-E FUND MSCI CHINA A UCITS ETF USD	IE00BHBFD83	DE000A1XEFE1	IE00BHBFD83
SHS L+G ECOMMERCE LOGISTICS UCITS ETF GBP	IE00BF0M6N54	DE000A2H9VH7	IE00BF0M6N54
SHS L+G-EU.EQ.(RESP.EXCL) UCITS ETF-EUR	IE00BKLTRN76	DE000A2PWZC9	IE00BKLTRN76
SHS L+G EUROPE EX UK EQUITY UCITS ETF	IE00BFXR5V83	DE000A2PADM1	IE00BFXR5V83
SHS L+G FTSE 100 LEVERAGED 2X GO UCITS ETF	IE00B4QNJ23	-	IE00B4QNJ23
SHS L+G FTSE 100 SUP.SH.STR.(2X) UC.ETF GBP	IE00B4QNK008	-	IE00B4QNK008
SHS L+G GLOBAL EQUITY UCITS ETF	IE00BFXR5S54	DE000A2PADP4	IE00BFXR5S54
SHS L+G GOLD MINING UCITS ETF USD ACC	IE00B3CNHG25	DE000A0Q8NC8	IE00B3CNHG25
SHS L+G-HEALTHCARE BREAKTHROUGH U.ETF-USD ETF	IE00BK5BC677	DE000A2PPAV6	IE00BK5BC677
SHS L+G JAPAN EQUITY UCITS ETF	IE00BFXR5T61	DE000A2PADQ2	IE00BFXR5T61
SHS L+G LON.DA.A.CO.EX AG+LIV.UC.ETF USD ACC	IE00BYQJ1388	DE000A2DQ7Q1	IE00BYQJ1388
SHS L+G LONGER DATED ALL COM.UCITS ETF USD	IE00B4WPHX27	DE000A1CXBV8	IE00B4WPHX27
SHS L+G PHARMA BREAKTR.GO UCITS ETF USD ACC	IE00BF0H7608	DE000A2H9VJ3	IE00BF0H7608
SHS L+G ROBO GLB.ROBOTICS+AUTOM.UCITS ETF A	IE00BMW3QX54	DE000A12GJD2	IE00BMW3QX54
SHS L+G RUSSELL 2000 US SM.CAP UCITS ETF USD	IE00B3CNHJ55	DE000A0Q8NE4	IE00B3CNHJ55
SHS L+G UK EQUITY UCITS ETF	IE00BFXR5R48	-	IE00BFXR5R48
SHS L+G US ENERGY INFRASTR.MLP UCITS ETF A	IE00BHZKHS06	DE000A1XE2Q3	IE00BHZKHS06
SHS L+G US EQUITY RES.EQ. UCITS ETF USD ACC	IE00BKLWY790	DE000A2PWZD7	IE00BKLWY790
SHS L+G US EQUITY UCITS ETF	IE00BFXR5Q31	DE000A2PADR0	IE00BFXR5Q31

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## Impact on stock exchange settlement instructions

Friday, 17 April 2020	What will happen
After close of business	<p>CBF customers: Pending exchange settlement instructions will be modified to the CBF-i settlement platform (Creation) on customers' accounts. No separate customer information will go out.</p> <p>CBL/CBF-i customers: Pending exchange settlement instructions will be cancelled following change in static data of securities database. Customers should reinstruct accordingly.</p>
Monday, 20 April 2020	What will happen
Start of business	Stock exchange transactions on Xetra will settle in the CBL/CBF-i settlement platform as from settlement date Monday, 20 April 2020.

## Impact on OTC settlement instructions

Friday, 17 April 2020	What will happen
After close of business	<p>Customers' pending OTC settlement instructions on CASCADE will be cancelled and customers should reinstruct to the CBL/CBF-i settlement platform (Creation) on their accounts. No separate Customer information will go out.</p> <p>Customers' pending OTC settlement instructions on the CBL/CBF-i settlement platform (Creation) will be cancelled following change in static data of securities database. Customers should reinstruct accordingly.</p>
Monday, 20 April 2020	What will happen
Start of business	<p><b>External settlement instructions</b></p> <p>The place of settlement for customer transactions in international ETFs will be the CBL/CBF-i settlement platform as from settlement date Monday, 20 April 2020.</p>

## Customers trading/clearing in the above ISINs on Xetra

For trades executed on Xetra as from Thursday, 16 April 2020, the related transactions will settle exclusively in CBL/CBF-i.

## Customers settling Xetra transactions in CBL or CBF-i today

There is no impact for customers. Customer transactions will continue to settle in CBL/CBF-i.

## Customers settling Xetra transactions in CBF today

What will happen close of business on	Actions
Friday, 17 April 2020	
CBF will modify the customer's pending instructions to the CBL/CBF-i settlement platform (Creation) on the customer's CBF-i account.	No action to take.
The start of business on Monday, 20 April 2020	
<p>CBL/CBF will execute the conversion and credit the customer's account in CBL/CBF-i with the IE ISINs of the corporate action.</p> <p>The customer's CASCADE account will be debited accordingly.</p>	<ul style="list-style-type: none"><li>Customers should amend their static reference data for the 27 Legal &amp; General ETFs to reflect the place of safekeeping, and holding ledger to PSAFE: IRVTGB2XGPT</li><li>Clearstream Banking recommends customers to make arrangements with their underlying clients to make the relevant amendments as soon as possible after the conversion date.</li></ul>

## Other stock exchanges

Clearstream Banking recommends customers to check the relevant details with the local infrastructure of the other trading venues (Euronext, LSE, Borsa Italiana).

## Place of settlement - Overview

Settlement type	Trading venue	Place of settlement pre-conversion	Place of settlement post-conversion <sup>a</sup>
Stock exchange settlement	Xetra	CBL (/CBF-i)	CBL (/CBF-i)
	Xetra	CBF	CBL (/CBF-i)
OTC	N/A	CBL (/CBF-i)	CBL (/CBF-i)
	N/A	CBF	CBL (/CBF-i)

a. Allowing the customers to centralise their OTC activity and stock exchange activity in the same location.

## Any questions?

### Have you read our international ETFs Product Information publication?

The Product Information publication is available on our website ([www.clearstream.com](http://www.clearstream.com)) and offers further details on how the international ETF structure helps meet the post-trade challenges of the ETF market.

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