

Conversion of 17 PIMCO ETFs into international ETF structure

PIMCO ETFS PLC (the "Company") intends to convert its Irish-domiciled Exchange-Traded Funds (ETFs) to the ICSD model in the Common Depository structure, thus centralising the issuance process in one Common Depository. This migration wave will consist of 17 ETF sub-funds issued under the PIMCO ETFs plc umbrella.

This document contains the relevant details on the conversion of the 17 PIMCO 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 17 PIMCO ETFs reported in the table on page 2 will be converted into international ETFs on Monday, 26 October 2020 (the "conversion date"). The conversion from the current domestic to the new international issuance structure is subject to the approval from the Irish High Court and it is expected to be received on around Tuesday, 12 October 2020. The conversion has become mandatory and does not require any action from customers.

IE-ISINs (Irish domiciled) static data will be updated in Clearstream Banking'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 accounts ("6-series accounts") in the international settlement environment, over the weekend of the conversion, based on customer's holdings on record date Friday, 23 October 2020 on a 1:1 basis. Settlement will remain possible until close of business on Friday, 23 October 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 upon receipt of Irish High Court approval and it is expected to start on Tuesday 13 October 2020. From Tuesday 13 October 2020 remote market common codes will be closed for settlement. From this date customers should refrain from instructing on remote market codes. Any pending settlement instructions, including matched instructions, will be cancelled in remote common codes and customers will have to reinstruct with the home market common code. For matched domestic instructions, which are already provisioned, customers and their counterparty 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 17 Pimco ETFs subject to the mandatory conversion.

Impacted securities

17 PIMCO ETFs subject to the mandatory conversion			
Fund name	IE ISIN	Common Code	Final IE ISIN
SHS PIMCO ETFS EM.MKT.ADV.LO.BD.IS.UCITS ETF	IE00B4P11460	68655722	IE00B4P11460
SHS PIMCO ETFS PLC-E.MKT.A.LO.BD IN.ETF	IE00BH3X8336	108585684	IE00BH3X8336
SHS PIMCO F.I.S.ETFS PLC-P.E.EN.SH.MAT.S.ETF	IE00B5ZR2157	58303852	IE00B5ZR2157
SHS PIMCO F.I.S.ETFS PLC-PI.E.S.M.UCITS ETF	IE00BVZ6SP04	123212851	IE00BVZ6SP04
SHS PIMCO ETFS PLC-SH.T.HI.YI.CORP.BD	IE00B7N3YW49	76747326	IE00B7N3YW49
SHS PIMCO ETFS PLC-US SH.T.HI.YI.EU.U.ETF	IE00BF8HV600	97935718	IE00BF8HV600
SHS PIMCO ETFS PLC-SH.T.HI.YI.CO.BD ACC	IE00BVZ6SQ11	123938780	IE00BVZ6SQ11
SHS PIMCO F.I.S.ETFS PLC-SH.T.HI.YI.CO.BD CHF	IE00BWC52G65	130737803	IE00BWC52G65
SHS PIMCO ETFS PLC-PI.US ST.HY.CO.BD.IND.ETF	IE00BYXVWC37	131801254	IE00BYXVWC37
SHS PIMCO ETFS PLC-EU.S.T.H.Y.C.B EURH ACC	IE00BD26N851	173755406	IE00BD26N851
SHS PIMCO F.I.S.ETFS PLC-GBP SH.MAT.ETF INC	IE00B622SG73	81896330	IE00B622SG73
SHS PIMCO F.I.S.ETFS PLC-USD SH.MAT.ETF INC	IE00B67B7N93	64196316	IE00B67B7N93
SHS PIMCO F.I.S.ETFS PLC-USD S.MAT.-INS.GBP	IE00BK9YKZ79	205886451	IE00BK9YKZ79
SHS PIMCO F.I.S.ETFS PLC-P.CO.BD UC.ETF	IE00BF8HV717	99794267	IE00BF8HV717
SHS PIMCO F.I.S.ETFS PLC-P.L.D.EU CO BD.UC.	IE00BP9F2J32	113863765	IE00BP9F2J32
SHS PIMCO ETFS PLC-EU.SH.T.H.Y.C.B.I EUR ACC	IE00BD8D5G25	170061250	IE00BD8D5G25
SHS PIMCO F.I.S.E.PLC-EU.SH.T.H.Y.C.B EUR INC	IE00BD8D5H32	172555594	IE00BD8D5H32

Impact on stock exchange settlement instructions

Friday, 23 October 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, 26 October 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, 26 October 2020.

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Impact on OTC settlement instructions

Friday, 23 October 2020	What will happen
After close of business	Customers' pending OTC settlement instructions on CASCADE will be cancelled and customers should restruct to the CBL/CBF-i settlement platform (Creation) on their accounts. No separate Customer information will go out. 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 restruct accordingly.
Monday, 26 October 2020	What will happen
Start of business	External settlement instructions The place of settlement for customer transactions in international ETFs will be the CBL/CBF-i settlement platform as from settlement date Monday, 26 October 2020.

Customers trading/clearing in the above ISINs on Xetra

For trades executed on Xetra as from Thursday, 22 October 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, 23 October 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, 26 October 2020	
CBL/CBF will execute the conversion and credit the customer's account in CBL/CBF-i with the IE ISINs of the corporate action. The customer's CASCADE account will be debited accordingly.	<ul style="list-style-type: none">Customers should amend their static reference data for the 17 Pimco ETFs to reflect the place of safekeeping, and holding ledger to PSafe: CITIGB2LMAGClearstream Banking recommends customers to make arrangements with their underlying clients to make the relevant amendments as soon as possible after the conversion date.

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 ^a
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) and offers further details on how the international ETF structure helps meet the post-trade challenges of the ETF market.

For further information, please contact Client Services.

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