

Conversion of 13 FinEx ETFs into international ETF structure

FinEx Funds ICAV and FinEx Physically Backed Funds ICAV (the Companies) intend to convert their 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 13 ETF sub-funds issued under the FinEx Funds ICAV and FinEx Physically Backed Funds ICAV umbrellas.

This document contains the relevant details on the conversion of the 13 FinEx 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.

Conversion

The 13 FinEx ETFs reported in the table on page 2 will be converted into international ETFs on Monday, 9 November 2020 (the "conversion date"). Following the shareholder approval from the extra-ordinary general meeting (EGM) on 15 June 2020, the conversion from the current domestic to the new international issuance structure 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 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, 6 November 2020 on a 1:1 basis. Settlement will remain possible until close of business on Friday, 6 November 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 26 October 2020. From Monday 26 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 13 FinEx ETFs subject to the mandatory conversion.

Impacted securities

13 FinEx ETFs subject to the mandatory conversion

Fund name	IE ISIN	Common Code	Final IE ISIN
SHS FINEX IC.TRAD.RUSS.CO.BDS UC.ETF USD ACC	IE00BD5FH213	192047773	IE00BD5FH213
SHS FINEX FDS-MSCI USA I.T.UCITS ETF	IE00BD3QJ757	098379380	IE00BD3QJ757
SHS FINEX FDS-MSCI USA UCITS ETF USD	IE00BD3QHZ91	098378375	IE00BD3QHZ91
SHS FINEX FDS-MSCI CHINA UCITS ETF USD	IE00BD3QFB18	100491869	IE00BD3QFB18
SHS FINEX FDS-FINEX CASH EQUIVA.UC.ETF RUB	IE00BL3DYX33	106535353	IE00BL3DYX33
SHS FINEX PHYS.BACKED FDS -HELD GOLD ETF	IE00B8XB7377	097486808	IE00B8XB7377
INE FINEX IC-BAR.TR.RUS.COR.BD.ETF RUB ACC	IE00B7L7CP77	088009673	IE00B7L7CP77
INE FINEX FUND IC-FINEX GERMANY ETF-EUR ACC	IE00BD3QJN10	098279261	IE00BD3QJN10
INE FINEX FUND IC-CASH EQUIV..ETF-USD ACC	IE00BL3DYW26	198018791	IE00BL3DYW26
INE FINEX FUND IC-RUSSIAN RTS EQ.ETF-USD ACC	IE00BQ1Y6480	137434318	IE00BQ1Y6480
INE FINEX FUND IC-GLOBAL EQUITY ETF-USD ACC	IE00BK224L29	210301518	IE00BK224L29
INE FINEX FUND IC-GLOBAL EQUITY ETF-RUB ACC	IE00BK224M36	210302212	IE00BK224M36
INE FINEX PHYS.BACK.IC-FFIN KAZ.EQ.ETF-KZT AC	IE00BG0C3K84	189225202	IE00BG0C3K84

Impact on stock exchange settlement instructions

Friday, 6 November 2020

What will happen

After close of business

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.

CBL/CBF-i customers: Pending exchange settlement instructions will be cancelled following change in static data of securities database. Customers should reinstruct accordingly.

Monday, 9 November 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, 9 November 2020.

Impact on OTC settlement instructions

Friday, 6 November 2020

What will happen

After close of business

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.

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.

Conversion of 13 FinEx ETFs into international ETF structure

Monday, 9 November 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, 9 November 2020.

Customers trading/clearing in the above ISINs on Xetra

For trades executed on Xetra as from Thursday, 5 November 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, 6 November 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, 9 November 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 13 FinEx ETFs to reflect the place of safekeeping, and holding ledger to PSAFE: CITIGB2LMAG Clearstream 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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