

# Concept Fund Solutions plc<sup>1</sup>

Investment Company with Variable Capital  
Registered Office: 78 Sir John Rogerson's Quay, Dublin 2, Ireland  
Registration number: 393802  
(the "Company")

## Important notice to Shareholders of

**db x-trackers iBoxx USD Emerging Sovereigns Quality Weighted UCITS ETF (DR)**  
**db x-trackers USD Corporate Bond UCITS ETF DR)**  
**db x-trackers JPX-Nikkei 400 UCITS ETF (DR)**  
**db x-trackers MSCI World Index UCITS ETF (DR)**  
**db x-trackers S&P 500 UCITS ETF (DR)**

(the Funds)<sup>2</sup>

14 February 2018

Dear Shareholder

The Board of Directors hereby informs shareholders of the Funds (the "Shareholders") that it is proposed to make amendments to the share classes set out in the table below (the "Currency Hedged Share Classes").

Fund	Currency Hedged Share Class	ISIN
db x-trackers iBoxx USD Emerging Sovereigns Quality Weighted UCITS ETF (DR)	"2D – EUR Hedged"	IE00BD4DXB77
db x-trackers USD Corporate Bond UCITS ETF (DR)	"2D – EUR Hedged"	IE00BZ036J45
db x-trackers JPX-Nikkei 400 UCITS ETF (DR)	"2D – GBP Hedged"	IE00BPVLQF37
db x-trackers JPX-Nikkei 400 UCITS ETF (DR)	"3C – EUR Hedged"	IE00BRB36B93
db x-trackers JPX-Nikkei 400 UCITS ETF (DR)	"4C – USD Hedged"	IE00BTGD1B38
db x-trackers MSCI World Index UCITS ETF (DR)	"2D – GBP Hedged"	IE00BZ1BS790
db x-trackers S&P 500 UCITS ETF (DR)	"1C – EUR Hedged"	IE00BM67HW99
db x-trackers S&P 500 UCITS ETF (DR)	"2C – GBP Hedged"	IE00BM67HX07
db x-trackers S&P 500 UCITS ETF (DR)	"3C – CHF Hedged"	IE00B8KMSQ34

This proposal follows the Central Bank's adoption of the ESMA opinion in relation to UCITS share classes (ESMA34-43-296), whereby the Company will be better positioned to meet the requirements of the ESMA opinion by implementing a new hedging model to replace the current model which employs the currency hedging methodology of the Hedged Index (as defined below) of the Reference Index tracked or replicated by the relevant Fund.

Capitalised terms used in this notice shall have the same meaning ascribed to them in the latest version of the prospectus of the Company (the "Prospectus") unless the context otherwise requires.

Registered in Dublin as an open-ended variable capital umbrella investment company with limited liability and as an umbrella fund with segregated liability between sub-funds.

Registration Number 393802. Registered Office as above.

Directors: Tom Murray (Irish), Michael Whelan (Irish), Gerry Grimes (Irish), Alex McKenna (British), Manooj Mistry (British)

## Amendments

The Sub-Portfolio Manager previously sought to employ the currency hedging methodology of the relevant currency hedged version of the Reference Index ("**Hedged Index**") for each of the Funds in relation to the Currency Hedged Share Classes. Going forward the Sub-Portfolio Manager will not follow the currency hedging methodology of such Hedged Index (and references thereto will be removed from the relevant Supplement) but will instead follow a hedging model as set out in the Prospectus (and/or relevant Supplement). As per this methodology, the Sub-Portfolio Manager will seek to hedge the currency of the Currency Hedged Share Class against the currency exposures of the underlying securities in the portfolio of the relevant Fund which differ to the currency of that Currency Hedged Share Class. The Sub-Portfolio Manager will generally hedge these currency exposures at Share Class level by entering into currency forward exchange contracts.

In line with the ESMA opinion, the Company will also seek to ensure that any over-hedged or under-hedged positions caused by external factors outside the control of the Company will not exceed 105% of the Net Asset Value for over-hedged positions and will not fall short of 95% of the portion of the Net Asset Value which is to be hedged against currency movements for under-hedged positions.

Investors should note that the Currency Hedged Share Classes will not completely eliminate currency risk, or provide a precise hedge, and as such, investors may have exposures to currencies other than the currency of the Currency Hedged Share Class.

## Notification of Implementation

The date of implementation of the new hedging model for each Fund will be notified on the website of the Company ([www.Xtrackers.com](http://www.Xtrackers.com)) (the "**Implementation Date**") but will be no earlier than 16 March 2018 and no later than 30 July 2018.

## Revised Supplement

The above changes will be reflected in a revised supplement of each Fund (each a "**Supplement**") to be issued on or around the Implementation Date. Copies of the revised Supplement reflecting the above change will be available on the website of the Company ([www.Xtrackers.com](http://www.Xtrackers.com)), and a copy may be obtained on request free of charge at the registered office of the Company or at the offices of the foreign representatives, once available.

Should you not agree with the proposed change, you may redeem your shares held in the Fund in accordance with the terms and conditions laid down in the Prospectus of the Company.

Shareholders who subscribe or redeem shares in the Fund on the primary market are entitled to redeem their shares in the Fund in accordance with the Prospectus. Please note that the Company does not charge any redemption fee for the sale of shares in the secondary market. Orders to sell shares through a stock exchange can be placed via an authorised intermediary or stockbroker. However, Shareholders should note that orders in the secondary market may incur costs over which the Company has no control and to which the above exemption of redemption charges does not apply.

Please note that if you are holding shares of the Fund through a financial intermediary or clearing agent, redemption charges may be applied by such financial intermediary or clearing agent.

If you have any queries or if any of the above is not clear you should seek advice from your stockbroker, bank manager, legal adviser, accountant or other independent financial advisor. Shareholders should also consult their own professional advisers as to the specific tax implications under the laws of the countries of their nationality, residence, domicile or incorporation.

Yours faithfully

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Director  
For and on behalf of  
**Concept Fund Solutions plc**

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<sup>1</sup> Please note that on 16 February 2018, Concept Fund Solutions plc will be re-named "Xtrackers (IE) plc".

<sup>2</sup> Please note that on 16 February 2018, the Funds will be re-named as per the table below:

Old Name	New Name
db x-trackers iBoxx USD Emerging Sovereigns Quality Weighted UCITS ETF (DR)	Xtrackers USD Emerging Markets Bond Quality Weighted UCITS ETF
db x-trackers USD Corporate Bond UCITS ETF (DR)	Xtrackers USD Corporate Bond UCITS ETF
db x-trackers JPX-Nikkei 400 UCITS ETF (DR)	Xtrackers JPX-Nikkei 400 UCITS ETF
db x-trackers MSCI World Index UCITS ETF (DR)	Xtrackers MSCI World UCITS ETF
db x-trackers S&P 500 UCITS ETF (DR)	Xtrackers S&P 500 UCITS ETF

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