

**This is important**

**Upcoming changes to your investment in VanEck Vectors Morningstar Wide Moat ETF (MOAT).**

Your investment in MOAT is being restructured. You need to complete a Transfer Form to adopt the new structure. If you don't take action your investment will be sold and your money returned to you at your cost. Your three options are outlined on page 2 of this notice under 'What you need to do'. To remain invested your Transfer Form must be received by post or online at [bit.ly/vaneckoffer](https://bit.ly/vaneckoffer) by **5pm Friday 4<sup>th</sup> October 2019**

Dear Investor,

I am writing to you as an investor in the VanEck Vectors Morningstar Wide Moat ETF (ASX: MOAT). An upcoming change requires you to complete a Transfer Form online or by post to remain invested via ASX.

**Summary**

To improve your investor experience we are restructuring your investment in MOAT. There are no changes to the current investment exposure or the fees or costs. To remain invested in MOAT you need to either:

- complete the enclosed Transfer Form and return it in the prepaid envelope provided; or
- go online to [bit.ly/vaneckoffer](https://bit.ly/vaneckoffer) to complete the form.

If you do nothing you will be unable to access your money for approximately 90 days from Tuesday 8<sup>th</sup> October 2019.

**What is happening?**

Your current investment is in a US fund made by a 'cross-listing' of the US fund's shares on ASX. You have been issued CHESS Depository Interests ('CDIs') over the US fund's shares. The US fund, its shares and the CDIs are issued by VanEck Vectors ETF Trust ('US Trust'). The US fund cross-listing is being replaced on ASX with a new Australian feeder fund ('New Fund') operated by VanEck Investments Limited ('VanEck'). The New Fund will invest in the US fund shares. There is no change to the investment exposure or the fees or costs charged by the New Fund. However, to move your investment to the New Fund, you need to accept the Offer by VanEck (see 'Notice of Offer' below) to exchange your CDIs for units in the New Fund by completing a Transfer Form online or by post. Going forward you will no longer need to complete US W-8BEN tax forms as the New Fund will do this, resulting in less administration for you. The New Fund also offers a Dividend Reinvestment Plan.

**Announcement**

The US Trust has today announced that it has applied to ASX for the removal of the US fund shares from trading on ASX and termination of the associated CDI programs, with trading to be suspended at 4pm Tuesday 8<sup>th</sup> October 2019 AEDT ('Suspension Date'). So that your investment in the US fund strategy can continue, VanEck has established a New Fund to replace the US fund on ASX, including taking over the 'MOAT' trading code.

**See Schedule 1** to this letter to understand the differences between investing via the US fund and the New Fund.

**Notice of Offer**

To facilitate a smooth transition of your investment in CDIs to units in the New Fund, VanEck hereby offers to acquire all your CDIs in exchange for units of equal value in the New Fund ('the Offer'). If you accept the Offer, your CDIs will be exchanged for units in the New Fund at no cost to you on a 1:1 basis prior to the open of trading on ASX on Friday 11<sup>th</sup> October 2019 based on the value of the US fund shares at the close of trading on NYSE on Thursday 10<sup>th</sup> October 2019. This Offer should be read with the enclosed Supplementary PDS for the US fund and the PDS for the New Fund, both dated 30 August 2019.

## What you need to do

### **Option 1: To remain invested in MOAT via ASX you must provide a Transfer Form by Friday 4<sup>th</sup> October 2019.**

In order to accept the Offer above you must deliver a duly completed Transfer Form to Link Market Services ('Registrar') by 5pm Friday 4<sup>th</sup> October 2019 AEDT. You can do this simply online at [bit.ly/vaneckoffer](http://bit.ly/vaneckoffer) or by completing the Transfer Form enclosed with this letter and returning it in the prepaid envelope also provided. We recommend completing the Transfer Form online and at the same time checking that your details are up to date.

**Option 2: If you have a US brokerage account** you can request the US fund shares are delivered to your account by contacting the Registrar on 1300 68 38 37.

**Option 3: If you do not wish to remain invested in MOAT** you can sell your CDIs on ASX before 4pm on the Suspension Date. Exiting the investment may have tax consequences.

**If you do nothing** you will be unable to trade your CDIs or access your money for approximately 90 days from the Suspension Date. During this time your CDIs will be cancelled and the associated US fund shares will be sold and the proceeds returned to you, less costs of brokerage and foreign exchange from USD to AUD. Fluctuations in the USD/AUD exchange rate from when the US fund shares are sold in USD and the net proceeds converted into AUD can increase or decrease the value of your investment. Exiting the investment may have tax consequences.

### **Check your bank account and other details with Link are up to date**

If you have Australian investments under the same HIN (Holder Identification Number) or SRN (Security Registered Number) with the Registrar, the bank account, ABN, TFN and communication method that you have nominated with the Registrar for those investments will be applied to your investment in MOAT from Friday 11<sup>th</sup> October 2019. You should check your details are up to date either online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or by calling 1300 68 38 37.

### **Timetable**

The proposed timetable for the CDI termination and reorganisation is set out in **Schedule 2** to this letter.

### **Tax treatment**

Australian tax law provides 'roll-over relief' from the imposition of CGT when one security is exchanged for another security. The roll-over relief allows investors to ignore any capital gain and to instead treat the new security as having been acquired when the original security was acquired, and at the price paid for the original security. The Australian Taxation Office's Class Ruling CR 2018/45 applied this roll-over relief to a similar transaction. You should consult your own professional tax adviser about your own personal circumstances before making a decision.

### **Any questions?**

If you have any questions, please visit [www.vaneck.com.au/offer](http://www.vaneck.com.au/offer) or contact the Registrar on 1300 68 38 37 or your financial adviser, accountant or stock broker.

The US Trust may make further announcements about the changes via the ASX.

We thank you for your continued support and look forward to receiving your Transfer Form instructions (online at [bit.ly/vaneckoffer](http://bit.ly/vaneckoffer) or by post) to convert your CDIs to units in the New Fund.

Yours sincerely,

### **Arian Neiron**

Managing Director and Head of Asia Pacific  
VanEck Investments Limited

### **IMPORTANT NOTICE**

This letter contains general information only and is not personal financial advice. The information does not take into account the individual investment objectives, financial situation or needs of any person. Before making an investment decision, you should consider in consultation with professional financial and tax advisers if the decision is appropriate for your personal financial situation, needs and objectives.

## Schedule 1 - COMPARISON OF KEY FEATURES OF US FUND AND THE NEW AUSTRALIAN FEEDER FUND

The following is a summary only. Investors should read the current MOAT PDS dated 22 September 2017 as supplemented by the Supplementary PDS dated 30 August 2019, and the New Fund PDS dated 30 August 2019 for full details. The PDSs are available at [www.vaneck.com.au/offer](http://www.vaneck.com.au/offer)

Key features	US fund cross-listing	New Fund
<b>Fund name</b>	VanEck Vectors Morningstar Wide Moat ETF	VanEck Vectors Morningstar Wide Moat ETF (ARSN 634 551 714)
<b>Country of domicile</b>	United States	Australia
<b>Principal listing</b>	NYSE	ASX
<b>ASX trading code</b>	MOAT	MOAT
<b>Issuer</b>	VanEck Vectors ETF Trust ARBN 604 339 808	VanEck Investments Limited ABN 22 146 596 116 AFSL 416755
<b>Type of fund</b>	US ETF (Exchange traded fund)	Australian ETF
<b>Investment objective</b>	To provide investment returns before fees and other costs which track the performance of the Reference Index	To provide investment returns before fees and other costs which track the performance of the Reference Index
<b>Reference Index</b>	Morningstar® Wide Moat Focus Index™	Morningstar® Wide Moat Focus Index™
<b>Underlying investment holdings</b>	Predominantly shares in companies comprising the Reference Index	Shares in the US fund
<b>Securities held by investor</b>	CDIs (CHESS Depository Interests) over US fund shares	Units in an Australian registered managed investment scheme
<b>Regulated by</b>	US Securities and Exchange Commission (SEC)	Australian Securities and Investments Commission (ASIC)
<b>W-8BEN Forms required</b>	Yes	No
<b>Potential US Estate Tax liability</b>	Yes	No
<b>Management costs</b>	0.49% p.a.	0.49% p.a.
<b>Dividend reinvestment plan (DRP)</b>	No	Yes

## Schedule 2 - TIMETABLE

It is anticipated that the following process, dates and times will be followed in relation to the removal of the US fund shares from trading on ASX. However, such process, dates and times are subject to change.

Date	Description
Friday 4 <sup>th</sup> October 2019	<b>Last day to deliver your Transfer Form to the Registrar</b> - Last day for CDI Holders to instruct the Registrar to exchange CDIs for units in the New Fund.
Tuesday 8 <sup>th</sup> October 2019 (close of trading)	<b>Suspension Date</b> - Last day of trading of US fund shares on ASX.
Thursday 10 <sup>th</sup> October 2019	<b>Record Date</b>
Friday 11 <sup>th</sup> October 2019	<b>Implementation date of exchange of CDIs for units</b> on a 1:1 and dollar for dollar basis at value of US fund shares at close of NYSE on 10 <sup>th</sup> October 2019. <b>Delisting Date</b> - US fund shares removed from trading on ASX
Tuesday 17 <sup>th</sup> December 2019	<b>Cancellation of remaining CDIs and sale of US fund shares on NYSE</b> CDN will sell remaining US fund shares and distribute proceeds less costs to investors who did not elect to exchange their CDIs for units in the New Fund.

For more information go to [www.vaneck.com.au/offer](http://www.vaneck.com.au/offer) or contact the Registrar, Link Market Services Limited on 1300 68 38 37.

## IMPORTANT NOTICE

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