



FOR IMMEDIATE RELEASE

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**First Trust Launches the First Trust Indxx Innovative Transaction & Process ETF**  
*An index-based ETF that provides exposure to companies that are actively involved in blockchain technology.*

WHEATON, IL - (BUSINESS WIRE) - January 25, 2018 - [First Trust Advisors L.P.](#) ("First Trust"), a leading exchange-traded fund ("ETF") provider and asset manager, announced today that it has launched a new index-based ETF, the First Trust Indxx Innovative Transaction & Process ETF (**Nasdaq: LEGR**) (the "fund"). The fund seeks investment results that correspond generally to the price and yield (before the fund's fees and expenses) of an index called the Indxx Blockchain Index (the "index"). The index, which is created and administered by Indxx, LLC, tracks the performance of exchange-listed companies across the globe that are either actively using, investing in, developing, or have products that are poised to benefit from a new technology known as blockchain. The index seeks to include only companies that have devoted material resources to the use of blockchain technologies. To be included in the index, a company must meet strict eligibility criteria which include market capitalization and trading minimums. The index construction process sorts the companies into categories based on their exposure to blockchain technology and selects only those companies which are actively investing resources into products or services that use blockchain technology. The selected companies are equally weighted within their category and the index is capped at 100 companies.

Blockchain is essentially a network of computers that keep transactions secure in a decentralized database, or "digital ledger," similar to a shared spreadsheet, that the network can see and must approve before it can be verified and recorded. Once recorded, no one person can change it without the agreement of others and it is nearly impossible to tamper with. A growing number of industries and institutions are looking to embed blockchain technology into their day-to-day processes. Blockchain allows customers and suppliers to connect directly, without the need for a central entity, like a bank or financial institution, to make a transaction. "Indxx is excited to have developed one of the world's first indices to provide diversified exposure to the global blockchain space," according to Rahul Sen Sharma, Partner, Indxx, LLC. "We believe that blockchain is an exciting new technological innovation and our index research and development team is proud to have built an index that effectively targets it via a disciplined and transparent approach," said Sen Sharma.

Blockchain is the technology that underpins digital currencies, like bitcoin, but it has many more possible uses with the potential to move data of any kind swiftly and securely. "Although blockchain is still in its early stages, it promises to disrupt a variety of industries, potentially improving efficiency and security, while also reducing or removing the need for intermediaries," said Ryan Issakainen, CFA, Senior Vice President, ETF Strategist at First Trust. "This ETF enables investors to gain exposure to a diversified portfolio of companies that are involved in this cutting edge innovation," Issakainen said.

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For more information about First Trust, please contact Ryan Issakainen at (630) 765-8689 or [RIssakainen@FTAdvisors.com](mailto:RIssakainen@FTAdvisors.com).

## **About First Trust**

First Trust Advisors L.P., along with its affiliate First Trust Portfolios L.P., are privately held companies which provide a variety of investment services, including asset management and financial advisory services, with collective assets under management or supervision of approximately \$118 billion as of December 29, 2017 through unit investment trusts, exchange-traded funds, closed-end funds, mutual funds and separate managed accounts. First Trust is based in Wheaton, Illinois. For more information, visit <http://www.ftportfolios.com>.

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***You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Portfolios L.P. at 1-800-621-1675 to obtain a prospectus or summary prospectus which contains this and other information about the fund. The prospectus or summary prospectus should be read carefully before investing.***

## **ETF Characteristics**

The fund lists and principally trades its shares on The Nasdaq Stock Market LLC.

The fund's return may not match the return of the Indxx Blockchain Index. Securities held by the fund will generally not be bought or sold in response to market fluctuations.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Market prices may differ to some degree from the net asset value of the shares. Investors who sell fund shares may receive less than the share's net asset value. Shares may be sold throughout the day on the exchange through any brokerage account. However, unlike mutual funds, shares may only be redeemed directly from the fund by authorized participants, in very large creation/redemption units. If the fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a discount to the fund's net asset value and possibly face delisting.

## **Risk Considerations**

The fund's shares will change in value, and you could lose money by investing in the fund. One of the principal risks of investing in the fund is market risk. Market risk is the risk that a particular security owned by the fund, fund shares or securities in general may fall in value. There can be no assurance that the fund's investment objective will be achieved.

The fund may invest in securities issued by companies concentrated in a particular industry or sector, which involves additional risks including limited diversification. The fund may invest in small capitalization and mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

The prices of equity securities fluctuate for several reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market, such as market volatility, or when political or economic events affecting the issuers occur.

If the fund has lower average daily trading volumes, it may rely on a small number of third-party market makers to provide a market for the purchase and sale of shares.

An investment in a fund containing securities of non-U.S. issuers is subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers. These risks may be heightened for securities of companies located in, or with significant operations in, emerging market countries. The fund may invest in depositary receipts which may be less liquid than the underlying shares in their primary trading market. Changes in

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currency exchange rates and the relative value of non-U.S. currencies will affect the value of the fund's investment and the value of fund shares.

The fund currently has fewer assets than larger funds, and like other relatively new funds, large inflows and outflows may impact the fund's market exposure for limited periods of time.

Blockchain technology is an entirely new and relatively untested technology and may never be implemented to a scale that provides identifiable economic benefit to the companies included in the index. Blockchain systems could be vulnerable to fraud. There is little regulation of blockchain technology and because blockchain technology systems may operate across many national boundaries and regulatory jurisdictions, it is possible that it may be subject to widespread and inconsistent regulation. The values of the companies included in the index may not be a reflection of their connection to blockchain technology, but may be based on other business operations. Currently, blockchain technology is primarily used for the recording of transactions in digital currency, which are extremely speculative, unregulated and volatile. Because digital assets registered in a blockchain do not have a standardized exchange, like a stock market, there is less liquidity for such assets and greater possibility of fraud or manipulation.

As the use of Internet technology has become more prevalent in the course of business, the fund has become more susceptible to potential operational risks through breaches in cyber security.

The fund is classified as "non-diversified" and may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

First Trust Advisors L.P. is the adviser to the fund. First Trust Advisors L.P. is an affiliate of First Trust Portfolios L.P., the fund's distributor.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.

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Source: First Trust Advisors L.P.