Part I  Reporting Issuer

1  Issuer's name  
FLEXSHARES CURRENCY HEDGED MORNINGSTAR DM ex-US FACTOR TILT INDEX FUND

2  Issuer's employer identification number (EIN)  
47-4840139

3  Name of contact for additional information  
RANDEL REIN

4  Telephone No. of contact  
312-630-1872

5  Email address of contact  
RR36@NTRES.COM

6  Number and street (or P.O. box if mail is not delivered to street address) of contact  
50 SOUTH LASALLE STREET

7  City, town, or post office, state, and ZIP code of contact  
CHICAGO, IL 60603

8  Date of action  
10/31/2018

9  Classification and description  
COMMON STOCK - REGULATED INVESTMENT COMPANY

10  CUSIP number  
33939L120

11  Serial number(s)  
N/A

12  Ticker symbol  
TLDH

13  Account number(s)  
N/A

Part II  Organizational Action

14  Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action. 
ON MARCH 29, JUNE 28, AND OCTOBER 4, 2018 FLEXSHARES CURRENCY HEDGED MORNINGSTAR DM ex-US FACTOR TILT INDEX FUND PAID DISTRIBUTIONS TO COMMON SHAREHOLDERS OF RECORD AS OF MARCH 26, JUNE 25, AND OCTOBER 1, 2018, RESPECTIVELY. A PORTION OF THE DISTRIBUTIONS CONSTITUTES A NON-TAXABLE RETURN OF CAPITAL.

15  Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis. 
THE PORTION OF THE DISTRIBUTIONS THAT CONSTITUTES A NON-TAXABLE RETURN OF CAPITAL WILL DECREASE A U.S. TAXPAYER'S BASIS IN THE SHARES OF FLEXSHARES CURRENCY HEDGED MORNINGSTAR DM ex-US FACTOR TILT INDEX FUND. THE NON-TAXABLE RETURN OF CAPITAL IS AS FOLLOWS:

<table>
<thead>
<tr>
<th>PER SHARE REDUCTION OF DISTRIBUTIONS PAYABLE ON:</th>
<th>BASIS IN COMMON STOCK</th>
</tr>
</thead>
<tbody>
<tr>
<td>MARCH 29, 2018</td>
<td>$0.043948</td>
</tr>
<tr>
<td>JUNE 28, 2018</td>
<td>$0.251874</td>
</tr>
<tr>
<td>OCTOBER 4, 2018</td>
<td>$0.098429</td>
</tr>
</tbody>
</table>

16  Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates. 
Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

INTERNAL REVENUE CODE SECTIONS 301, 316 AND 852.

18 Can any resulting loss be recognized? ▶ NO

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

SEE PART II, ITEM 15 OF THIS FORM FOR THE PER SHARE AMOUNTS AND DATES OF DISTRIBUTIONS IMPACTED BY THIS ORGANIZATIONAL ACTION. THIS ORGANIZATIONAL ACTION IS REPORTABLE WITH RESPECT TO CALENDAR YEAR 2018.

Signature ▶ Randal Rein ▶ Date ▶ 1/10/19

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Paid Preparer Use Only

Print your name ▶ Randal Rein ▶ Title ▶ Treasurer

Print/Tax preparer's name ▶ BENJAMIN J. ANDERSON ▶ Preparer's signature ▶ Date ▶ 1/17/2019 ▶ Check [ ] if self-employed ▶ PTIN ▶ P01269400

If filed by a practitioner, include practitioner's number

File's name ▶ KPMG LLP, 4200 WELLS FARGO CENTER, ▶ File's EIN ▶ 13-5565207

File's address ▶ 90 SOUTH 7TH STREET, MINNEAPOLIS, MN 55402 ▶ Phone no. 612-305-5000

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054