

# WISDOMTREE MULTI ASSET ISSUER PLC — ICSD FAQ

## BACKGROUND

WisdomTree Multi Asset Issuer PLC (the **Issuer**) currently settles trades in all shares using the central securities depositories (**CSD**) settlement model. The Exchange Traded Products of the Issuer (the **ETPs**) are listed on multiple stock exchanges and, as a result, settlement is on multiple local CSDs. In the UK, settlement is through Euroclear UK & Ireland Limited (the **CREST system**). Following the UK's withdrawal from the European Union, the Issuer will lose the ability to use the CREST system as an issuing CSD from 29 March 2021, when the extended period of equivalency currently agreed to by the UK and European Union will end.

In order to continue to issue shares in the ETPs, the Issuer will transfer the settlement of trading in the shares to the International Central Securities Depository (**ICSD**) structure (the **ICSD Settlement Model**) on 11<sup>th</sup> December 2020.

### 01 What is an ICSD?

The International Central Securities Depository, commonly referred to as ICSD, refers collectively to Euroclear Bank ("Euroclear") and Clearstream Banking Luxembourg ("CBL"), as the primary providers of the settlement model.

### 02 What is the Issuer's current settlement model?

WisdomTree Multi Asset Issuer PLC currently issues shares through the CREST system.

### 03 What are the key dates?

The change in settlement model to the ICSD model will be taking place on or around 11<sup>th</sup> December 2020 for WisdomTree Multi Asset Issuer PLC.

## 04 Why are we migrating to the ICSD settlement model?

Following the UK's withdrawal from the European Union, the Issuer will lose the ability to use the CREST system as an issuing CSD, from 29 March 2021, when the extended period of equivalency currently agreed to by the UK and European Union will end. In order to continue to issue shares, the issuer will transfer the issue and settlement the shares to the ICSD Settlement Model.

## 05 What are the advantages of the ICSD Settlement Model?

The key advantage of the transition is that it will ensure that trading in the ETPs can continue across multiple European exchanges following the UK's withdrawal from the European Union. Euroclear Bank S.A./N.V. (Euroclear) and Clearstream Banking S.A., Luxembourg (Clearstream), who together make up the ICSD, provide centralised settlement mechanism for shares traded across multiple stock exchanges. The ICSD Settlement Model also offers the following benefits:

1. Improved secondary market tradability for investors by creating a more efficient settlement infrastructure.
2. Improved settlement process efficiency through longer operating hours of the ICSD, increasing the time in which trades can match and settle and thereby minimising operational complexity.
3. Reduction in inventory requirements and lower capital charges and overheads for market makers and broker dealers.
4. Enhanced liquidity for investors in the Funds with less fragmentation across multiple settlement systems.
5. The ability to pool inventory, reducing failed settlement and settlement delays.
6. Efficiencies in foreign exchange functionality and aligning records across Europe.
7. Streamlined dividend record date methodologies across Europe.

## 06 Does this settlement model change affect the whole Exchange Traded Product (ETP) industry generally or only WisdomTree?

The UK's withdrawal from the European Union and subsequent settlement issues for UK investors via CREST may impact other exchange traded product (ETP) providers within the market.

By changing to an ICSD Settlement Model, WisdomTree should avoid these issues (as indicated above), however although the wider ETP industry may not have put the same provisions in place, the market is generally moving towards the ICSD Settlement Model.

## 07 Will the ICSD migration mean any changes to the ETPs themselves?

No. WisdomTree ETPs will remain domiciled in Ireland and there will be no changes to the name, management, or investment objectives of each product. Furthermore all protections for ETP shareholders remain, with the same safeguards in place. This is purely a settlement model change.

## 08 Are there any ownership implications for shareholders?

For shareholders who are registered on the Register of Members immediately before the 11<sup>th</sup> December 2020 migration date (e.g. a CSD or its nominee), their ownership of shares will change from legal ownership to ownership of a beneficial entitlement through the nominee of the Common Depositary.

Existing shareholders with shares held in the CREST system will automatically continue to hold the beneficial entitlement to these shares by means of a CREST depositary interest (Euroclear UK and Ireland Limited).

Shareholders who currently hold their shares through a nominee or broker account will not be impacted by the migration and will continue to hold a beneficial entitlement to the shares in the same way that they hold their entitlement under the current settlement model.

## 10 Will all shareholders get individual notifications?

Shareholders on the share register as at the 03 November 2020 will be sent a notification of the upcoming migration to the ICSD Settlement Model. If you are not a registered shareholder on this date or if your shares are held through an intermediary, you may not receive this notification.

On 03 November 2020, public notifications will also be made to exchanges, data providers and investment intermediaries to inform them of the upcoming migration to the ICSD Settlement Model.

Please contact your investment intermediary or broker for further information.

## 11 What will happen to my holdings at each local CSD?

The table below shows the anticipated effects of the ICSD migration where there are direct holdings at local CSD's. Note: it is possible that some CSDs hold shares indirectly through their accounts at other CSDs.

Current Local CSD	Impact of ICSD migration as at the corporate action date
Euroclear UK & Ireland (CREST)	<p>Domestic shares will be reclassified as international shares (with the same IE ISIN) on a 1:1 basis via CREST's account at Euroclear Bank ("EB"). Account holders in CREST will receive CREST Depository Interests in CREST.</p> <p>This is automatically done within the CREST system and no action is required from shareholders.</p>
Clearstream Bank Frankfurt (CBF)	<p>Investors who held their shares in CBF in their 'Cascade' accounts as of 23.59 on Friday 11th December 2020, will receive international shares at Clearstream Banking S.A., Luxembourg on Monday 14th December 2020.</p> <p>The DE ISIN and its corresponding WKN which is linked to the Global Bearer Certificates will be deactivated and replaced with the existing International Irish ISINs and its corresponding WKN. Please refer to the table below for more details.</p> <p>This is automatically done within the Clearstream system and no action is required from shareholders.</p>
SIX Securities Services (SIS)	<p>Domestic shares will be reclassified as international shares (with the same IE ISIN) on a 1:1 basis. Holdings in SIS will be in SIS' subaccount at either EB or CBL (at SIS's discretion).</p> <p>This is automatically done within the SIX system and no action is required from shareholders.</p>
Monte Titoli	<p>Domestic shares will be reclassified as international shares (with the same IE ISIN) on a 1:1 basis. Holdings in Monte Titoli will be in Monte Titoli's sub-account: EOC (Euroclear Bank Brussel).</p> <p>This is automatically done within the Monte Titoli system and no action is required from shareholders.</p>
Euroclear Bank (EB) or Clearstream (CBL)	<p>Domestic shares will be reclassified as international shares (with the same IE ISIN) on a 1:1 basis.</p> <p>This is automatically done within the EB and CBL system and no action is required from shareholders.</p>

## 14 How do I trade and settle ETP shares under the ICSD Settlement Model?

Under the ICSD Settlement Model, investors who are not participants in the ICSD will need to use a broker, nominee, custodian bank or other intermediary which is a participant in the ICSD to trade and settle shares, similar to the way investors under the Current Settlement Model use a broker or other intermediary which is a participant in the CSD for the market in which the investor intends to trade and settle. The chain of beneficial ownership in the ICSD Settlement Model will therefore be similar to existing nominee arrangements under the Current Settlement Model.

Please consult your investment intermediary or broker for further information.

## 15 Are there any changes to the WisdomTree ETP security identifiers – ISINs, WKNs, SEDOLS etc.?

For WisdomTree Multi Asset Issuer PLC, all of the existing Irish ISINs (IE ISINs) will remain the same, although will be known as 'International Irish ISINs' from the effective dates (above).

These International Irish ISINs will still be available through CREST but via a Crest Depository Interest or CDI.

Neither the change to an International Irish ISIN or use of a CDI will have any impact on how the products trade, settle or transfer. Investors may only see changes to references in documentation.

## FOR GERMAN INVESTORS

The current DE ISINs which are created via a Global Bearer Certificate (GBC) and currently held in Clearstream Frankfurt CSD will fall away and all existing holdings under DE ISINs will merge into the International Irish ISINs as part of the ICSD migration. There is no action required to be undertaken by current German GBC holders.

Existing WKNs for German investors associated with the DE ISIN will also merge into the International Irish ISINs WKN identifier and these can be used for future reference and trading.

Product SEDOLs for the Issuer's German listings will also change to reflect the migration to the ICSD and new International ISIN. This identifier is largely used by platforms and data vendors, who will be provided with updated information to ensure continuity for investors in the Issuer's German listings.

Investors will still be able to access all the trading venues and platforms where the products are currently available but will use the new WKN and IE ISIN to reference the products.

## 19 How will the Splits and Consolidations corporate actions effect the migration to ICSD?

As per the announcement made by the Issuer on 9<sup>th</sup> October, where certain products will undergo either a Split or Consolidation corporate action on 09 November 2020, this will have an impact on the identifiers of some of the products of the Issuer, as referenced in the table further below.

Although no new securities are being issued, following the corporate actions, new ISINs, new SEDOLs and, for German investors, new WKN codes associated with those new Irish ISINs will be issued in respect of the split / consolidated securities of each class.

For products affected by the corporate actions and which receive new Irish ISINs, please find further details on the important notices section of our website.

Please note that the Issuer will update this document with the new ISINs and WKNs once they are effective on or around 10<sup>th</sup> November 2020, but no later than 25<sup>th</sup> November 2020.

All other product identifiers will remain the same. Please consult to your broker or trading platform if you have any issues locating product information or identifiers.

*Please see the table below for a list of all effected products and identifiers.*

## 20 Will this change in settlement model impact the tax status of my investments or my future tax reporting?

No. The change in settlement model to an ICSD is not expected to be a chargeable event for tax purposes, however Shareholders are advised to liaise with their tax advisors in relation to the tax implications in individual circumstances.

## 21 Does this change impact the price of my holdings?

No. A change in the settlement model of the issuing entity will have no impact on the price of the exchange traded products (ETPs) themselves. The affected ETPs will trade on exchange as usual and the total ownership costs to end investors may actually decrease under the new ICSD Settlement Model, depending on broker fees and charges.

For information on current prices, fees and charges please speak to your broker.

## 22 Will there be any exchange listing changes as part of this migration?

No. There are no listing changes as part of this migration and there will be no new listings initiated as part of the ICSD process.

## 23 Which ETPs are migrating to an ICSD Settlement Model?

Fund – Share Class Name	IE ISIN	IE ISIN WKN	DE ISIN (will be deactivated as at the close on 11 <sup>th</sup> December and will be replaced by IE ISIN)	DE ISIN WKN (will be deactivated as at the close on 11 <sup>th</sup> December and be replaced by IE WKN)
WisdomTree Gold 3x Daily Short	IE00B6X4BP29	A1VBKD	DE000A1ZLCP4	A1ZLCP
WisdomTree Natural Gas 3x Daily Short	IE00B76BRD76	A1VBKC	DE000A133ZW0	A133ZW
WisdomTree EURO STOXX 50® 3x Daily Leveraged	IE00B7SD4R47	A1VBKT	DE000A1VVFZ69	A1VVF6
WisdomTree FTSE 100 3x Daily Short	IE00B7VB3908	A1VBKK		
WisdomTree Silver 3x Daily Leveraged	IE00B7XD2195	A1VBKL	DE000A1ZK3W9	A1ZK3W
WisdomTree S&P 500 3x Daily Leveraged	IE00B7Y34M31	A1VBKR	DE000A133ZS8	A133ZS
WisdomTree FTSE MIB 3x Daily Short	IE00B873CW36	A108U8		
WisdomTree DAX 30 3x Daily Leveraged	IE00B878KX55	A1VBKS	DE000A1VVFZ44	A1VVF4
WisdomTree FTSE 100 3x Daily Leveraged	IE00B88D2999	A1VBKV		
WisdomTree DAX 30 3x Daily Short	IE00B8GKPP93	A1VBKG	DE000A1VVFZ36	A1VVF3
WisdomTree Gold 3x Daily Leveraged	IE00B8HGT870	A1VBKP	DE000A1ZLCQ2	A1ZLCQ
WisdomTree EURO STOXX 50® 3x Daily Short	IE00B8JF9153	A1VBKH	DE000A1VVFZ51	A1VVF5
WisdomTree Silver 3x Daily Short	IE00B8JG1787	A1VBAP	DE000A1ZK3V1	A1ZK3V
WisdomTree Copper 3x Daily Leveraged	IE00B8JVMZ80	A1VBKQ		
WisdomTree S&P 500 3x Daily Short	IE00B8K7KM88	A1VBKF	DE000A133ZX8	A133ZX
WisdomTree Copper 3x Daily Short	IE00B8KD3F05	A1VBKE		
WisdomTree FTSE MIB 3x Daily Leveraged	IE00B8NB3063	A1ZBAD		
WisdomTree Natural Gas 3x Daily Leveraged	IE00BLRPRG98	A3GL7C	DE000A133ZU4	A133ZU
WisdomTree NASDAQ 100 3x Daily Short	IE00BLRPRJ20	A3GL7D	DE000A133ZR0	A133ZR
WisdomTree NASDAQ 100 3x Daily Leveraged	IE00BLRPRL42	A3GL7E	DE000A133ZY6	A133ZY

Fund – Share Class Name	IE ISIN	IE ISIN WKN	DE ISIN (will be deactivated as at the close on 11 <sup>th</sup> December and will be replaced by IE ISIN)	DE ISIN WKN (will be deactivated as at the close on 11 <sup>th</sup> December and be replaced by IE WKN)
WisdomTree FTSE 100 2x Daily Leveraged	IE00B94QKC83	A2BAGG		
WisdomTree FTSE 100 2x Daily Short	IE00B94QKF15	A2BAGE		
WisdomTree FTSE 100 1x Daily Short	IE00B94QKG22	A2BAGH		
WisdomTree FTSE 250 2x Daily Leveraged	IE00B94QKJ52	A2BJ9Q		
WisdomTree Palladium 2x Daily Leveraged	IE00B94QLN63	A1ZHVL		
WisdomTree Palladium 1x Daily Short	IE00B94QLR02	A1ZHVK		
WisdomTree FTSE 250 1x Daily Short	IE00BBGBF313	A2BAGF		
WisdomTree Bund 30Y 3x Daily Short	IE00BF4TW453	A2F4WK	DE000A2F4V47	A2F4V4
WisdomTree Gilts 10Y 1x Daily Short	IE00BF4TW560	A3GMCG		
WisdomTree US Treasuries 30Y 3x Daily Short	IE00BF4TW784	A28DSR		
WisdomTree Industrial Metals Enhanced	IE00BF4TWC33	A2HH1S	DE000A2GCWM6	A2GCWM
WisdomTree Energy Enhanced	IE00BF4TWF63	A2HH1T	DE000A2GCWN4	A2GCWN
WisdomTree BTP 10Y 3x Daily Short	IE00BKS8QM96	A13FRU		
WisdomTree Bund 10Y 3x Daily Short	IE00BKS8QN04	A1VF92	DE000A1ZLZB5	A1ZLZB
WisdomTree Gilts 10Y 3x Daily Short	IE00BKS8QQ35	A2BJ9R		
WisdomTree US Treasuries 10Y 3x Daily Short	IE00BKS8QT65	A1VF93	DE000A1ZLZC3	A1ZLZC
WisdomTree US Treasuries 10Y 3x Daily Leveraged	IE00BKT09032	A14HU4		
WisdomTree BTP 10Y 3x Daily Leveraged	IE00BKT09149	A15KH7		
WisdomTree Bund 10Y 3x Daily Leveraged	IE00BKT09255	A3GM CJ		
WisdomTree Gilts 10Y 3x Daily Leveraged	IE00BKT09479	A2BAGD		
WisdomTree EURO STOXX Banks 3x Daily Leveraged	IE00BLS09N40	A14JCP	DE000A18HC82	A18HC8
WisdomTree EURO STOXX Banks 3x Daily Short	IE00BLS09P63	A14HG5	DE000A18HC90	A18HC9
WisdomTree WTI Crude Oil Pre-roll	IE00BFVZGC04	A18C5F	DE000A18HC25	A18HC2
WisdomTree Brent Crude Oil Pre-roll	IE00BFVZGD11	A179AH	DE000A18HC33	A18HC3
WisdomTree FTSE MIB Banks	IE00BYMB4Q22	A2D1VD		
WisdomTree BTP 10Y 5x Daily Short	IE00BYNXNS22	A17HAG		
WisdomTree Bund 10Y 5x Daily Short	IE00BYNXPH56	A17HAF		
WisdomTree US Treasuries 10Y 5x Daily Short	IE00BYNXPJ70	A3GMCH		
WisdomTree Emerging Markets 3x Daily Short	IE00BYTYHM11	A2BGRH	DE000A2BGQ39	A2BGQ3
WisdomTree Emerging Markets 3x Daily Leveraged	IE00BYTYHN28	A2BCZZ	DE000A2BGQ21	A2BGQ2
WisdomTree S&P 500 VIX Short-Term Futures 2.25x Daily Leveraged	IE00BLRPRH06	A3GL7G	DE000A2BGQ13	A2BGQ1
WisdomTree Brent Crude Oil 3x Daily Short	IE00BLRPRK35	A3GL7F	DE000A2BGQ05	A2BGQ0
WisdomTree Brent Crude Oil 3x Daily Leveraged	IE00BMTM6D55	A3GM4K		
WisdomTree WTI Crude Oil 3x Daily Leveraged	IE00BMTM6B32	A3GM4L		
WisdomTree WTI Crude Oil 3x Daily Short	IE00BMTM6C49	A3GM4M		

\*\*Products where the IE ISIN will change due to corporate event as mentioned above.

If you have any further questions, please contact WisdomTree at: [infoeu@wisdomtree.com](mailto:infoeu@wisdomtree.com)

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