



WisdomTree Multi Asset Issuer PLC
LEI: 2138003QW2ZAYZODBU23
03 November 2020

WisdomTree Multi Asset Issuer PLC (the “Issuer”)

Transition to ICSD Settlement Model

Dear Shareholder

Background

As you may be aware, the Issuer currently settles trades in all securities issued by the Issuer (the **Securities**) using the central securities depositories (**CSD**) settlement model. The securities of the Issuer (the) are issued on multiple local CSDs and, in the UK, settlement is through Euroclear UK & Ireland Limited (the **CREST system**). 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 Securities, it is proposed to transfer the settlement of trading in the Securities to the International Central Securities Depository structure (the **ICSD Settlement Model**) (the **Transition**) on or around 11 December 2020 (the **Transition Date**). In doing so, this will bring the Issuer in line with the broader European ETP market, which is increasingly migrating to the ICSD Settlement Model. The advantages of the ICSD Settlement Model are set out further below under the heading *What are the operational advantages of the Transition?* and within the FAQ guidance document on the WisdomTree website at: https://www.wisdomtree.eu/en-gb/-/media/eu-media-files/other-documents/faq/wisdomtree_wtma_q&a.pdf.

The Transition will apply to all of the Securities, which are listed in Appendix I.

1. Key Implications of the Changes

- (1) The Transition will allow the Securities to continue to trade on European exchanges after 29 March 2021.
- (2) You will continue to hold the same Securities following the Transition, and your rights will not be affected.
- (3) The price and the Irish ISINs of the Securities will remain the same following the implementation of the Transition.
- (4) Investors who currently hold their Securities through a nominee or broker account will not be impacted by the Transition and will continue to hold a beneficial entitlement to the Securities in the same way that they hold their entitlement under the current CSD settlement model.
- (5) As part of the Transition, where DE ISINs for German investors have been issued, these will merge into the Irish ISINs on the Transition Date. Further information can be found in the FAQ guidance document on the WisdomTree website at https://www.wisdomtree.eu/en-gb/-/media/eu-media-files/other-documents/faq/wisdomtree_wtma_q&a.pdf.
- (6) You will continue to hold, or have a beneficial entitlement to, the same Securities following the Transition; there is no exchange of Securities or sale of Securities as part of the Transition. As a result the Transition are not expected



to be chargeable events for tax purposes, however investors are advised to liaise with their tax advisors in relation to the tax implications in individual circumstances.

2. Proposed Transition to the ICSD Settlement Model

What are the operational advantages of the Transition?

The key advantage of the Transition is that it will ensure that trading in the Securities can continue across multiple European exchanges when the extended period of equivalency currently agreed to by the UK and European Union ends on 29 March 2021. Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking S.A., Luxembourg (**Clearstream** and, together with Euroclear, the **ICSDs**) provide centralised settlement mechanism for Securities traded across multiple stock exchanges in Europe. 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 ICSDs, increasing the time in which trades can match and settle, 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 Securities with less fragmentation across multiple settlement systems;
- (5) the ability to pool inventory, reducing failed settlement and settlement delays;
- (6) streamlined dividend record date methodologies across Europe; and
- (7) improved foreign exchange functionality on dividend payments.

What is the difference between the ICSD Settlement Model and the Current Settlement Model from a legal perspective?

The main difference between the Current Settlement Model and the ICSD Settlement Model relates to the securityholders of record registered on the Issuer's register of securityholders (the **Register of Members**).

Under the Current Settlement Model, only investors with accounts in the CREST system operated by Euroclear UK & Ireland Limited and certain CSDs (e.g., Clearstream Banking AG) or their nominees are registered on the Register of Members.

Under the ICSD Settlement Model, the aggregate holdings of all investors will be evidenced by a global share certificate and the sole registered holder of all Securities will be Citivic Nominees Limited (the **Common Depository's Nominee**), the nominee of the common depository, Citibank Europe plc.

What are the roles and obligations of the Common Depository's Nominee and the ICSDs?

On the Transition Date, the Common Depository's Nominee and the ICSDs will have contractual obligations to pass the beneficial interest and all associated rights of the Common Depository's Nominee (as the registered securityholder) in all Securities to the underlying investors in the Securities.



For example, if the Common Depositary's Nominee receives any redemption proceeds from the Issuer or its authorised agent in respect of a Security, the Common Depositary's Nominee will arrange for such payments to be passed on to the ICSD, who will in turn pay these to the underlying investors.

How do I trade and settle Securities under the ICSD Settlement Model?

Under the ICSD Settlement Model, investors who are not participants in the ICSD Settlement Model will need to use a broker, nominee, custodian bank or other intermediary which is a participant in the ICSD Settlement Model to trade and settle Securities, 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.

What are the ownership implications for investors?

For investors who are registered on the Register of Members immediately before the Transition Date (e.g. a CSD or its nominee), their ownership of Securities will change from legal ownership of the relevant Securities to ownership of a beneficial entitlement in those Securities through the Common Depositary's Nominee.

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

3. Costs

The costs associated with the implementation of the Transition will be borne by WisdomTree Multi Asset Management Limited.

Should you have any questions in relation to the above, please do not hesitate to contact WisdomTree UK Limited at infoeu@wisdomtree.com.



Appendix I

Listing Name	ISIN	DE ISIN	London Stock Exchange	Borsa Italiana	Deutsche Boerse
WisdomTree FTSE 100 3x Daily Leveraged	IE00B88D2999	n/a	Yes	No	No
WisdomTree FTSE 100 3x Daily Short	IE00B7VB3908	n/a	Yes	No	No
WisdomTree EURO STOXX 50® 3x Daily Leveraged	IE00B7SD4R47	DE000A1VFZ69	Yes	Yes	Yes
WisdomTree EURO STOXX 50® 3x Daily Short	IE00B8JF9153	DE000A1VFZ51	Yes	Yes	Yes
WisdomTree DAX 30 3x Daily Leveraged	IE00B878KX55	DE000A1VFZ44	Yes	Yes	Yes
WisdomTree DAX 30 3x Daily Short	IE00B8GKPP93	DE000A1VFZ36	Yes	Yes	Yes
WisdomTree S&P 500 3x Daily Leveraged	IE00B7Y34M31	DE000A133ZS8	Yes	Yes	Yes
WisdomTree S&P 500 3x Daily Short	IE00B8K7KM88	DE000A133ZX8	Yes	Yes	Yes
WisdomTree NASDAQ 100 3x Daily Leveraged	IE00B8W5C578	DE000A133ZY6	Yes	Yes	Yes
WisdomTree NASDAQ 100 3x Daily Short	IE00B8VZVH32	DE000A133ZR0	Yes	Yes	Yes
WisdomTree Gold 3x Daily Leveraged	IE00B8HGT870	DE000A1ZLCQ2	Yes	Yes	Yes
WisdomTree Gold 3x Daily Short	IE00B6X4BP29	DE000A1ZLCP4	Yes	Yes	Yes
WisdomTree Copper 3x Daily Leveraged	IE00B8JVMZ80	n/a	Yes	Yes	No
WisdomTree Copper 3x Daily Short	IE00B8KD3F05	n/a	Yes	Yes	No
WisdomTree Natural Gas 3x Daily Leveraged	IE00B8VC8061	DE000A133ZU4	Yes	Yes	Yes
WisdomTree Natural Gas 3x Daily Short	IE00B76BRD76	DE000A133ZW0	Yes	Yes	Yes
WisdomTree Silver 3x Daily Leveraged	IE00B7XD2195	DE000A1ZK3W9	Yes	Yes	Yes
WisdomTree Silver 3x Daily Short	IE00B8JG1787	DE000A1ZK3V1	Yes	Yes	Yes
WisdomTree FTSE 100 2x Daily Short	IE00B94QKF15	n/a	Yes	No	No
WisdomTree FTSE 100 1x Daily Short	IE00B94QKG22	n/a	Yes	No	No
WisdomTree FTSE 100 2x Daily Leveraged	IE00B94QKC83	n/a	Yes	No	No
WisdomTree FTSE 250 1x Daily Short	IE00BBGBF313	n/a	Yes	No	No
WisdomTree FTSE 250 2x Daily Leveraged	IE00B94QKJ52	n/a	Yes	No	No
WisdomTree Palladium 1x Daily Short	IE00B94QLR02	n/a	Yes	Yes	No
WisdomTree Palladium 2x Daily Leveraged	IE00B94QLN63	n/a	Yes	Yes	No
WisdomTree FTSE MIB 3x Daily Short	IE00B873CW36	n/a	No	Yes	No



WisdomTree FTSE MIB 3x Daily Leveraged	IE00B8NB3063	n/a	No	Yes	No
WisdomTree BTP 10Y 3x Daily Leveraged	IE00BKT09149	n/a	No	Yes	No
WisdomTree BTP 10Y 3x Daily Short	IE00BKS8QM96	n/a	No	Yes	No
WisdomTree Bund 10Y 3x Daily Leveraged	IE00BKT09255	n/a	No	Yes	No
WisdomTree Bund 10Y 3x Daily Short	IE00BKS8QN04	DE000A1ZLZB5	No	Yes	Yes
WisdomTree Gilts 10Y 3x Daily Leveraged	IE00BKT09479	n/a	Yes	No	No
WisdomTree Gilts 10Y 3x Daily Short	IE00BKS8QQ35	n/a	Yes	No	No
WisdomTree US Treasuries 10Y 3x Daily Leveraged	IE00BKT09032	n/a	Yes	Yes	No
WisdomTree US Treasuries 10Y 3x Daily Short	IE00BKS8QT65	DE000A1ZLZC3	Yes	Yes	Yes
WisdomTree EURO STOXX Banks 3x Daily Leveraged	IE00BLS09N40	DE000A18HC82	Yes	Yes	Yes
WisdomTree EURO STOXX Banks 3x Daily Short	IE00BLS09P63	DE000A18HC90	Yes	Yes	Yes
WisdomTree WTI Crude Oil Pre-roll	IE00BVFZGC04	DE000A18HC25	Yes	Yes	Yes
WisdomTree Brent Crude Oil Pre-roll	IE00BVFZGD11	DE000A18HC33	Yes	Yes	Yes
WisdomTree BTP 10Y 5x Daily Short	IE00BYNXNS22	n/a	No	Yes	No
WisdomTree Bund 10Y 5x Daily Short	IE00BYNXPH56	n/a	No	Yes	No
WisdomTree US Treasuries 10Y 5x Daily Short	IE00BYNXPJ70	n/a	No	Yes	No
WisdomTree Emerging Markets 3x Daily Leveraged	IE00BYTYHN28	DE000A2BGQ21	Yes	Yes	Yes
WisdomTree Emerging Markets 3x Daily Short	IE00BYTYHM11	DE000A2BGQ39	Yes	Yes	Yes
WisdomTree S&P 500 VIX Short-Term Futures 2.25x Daily Leveraged	IE00BYTYHQ58	DE000A2BGQ13	Yes	Yes	Yes
WisdomTree Brent Crude Oil 3x Daily Short	IE00BYTYHR65	DE000A2BGQ05	Yes	Yes	Yes
WisdomTree FTSE MIB Banks	IE00BYMB4Q22	n/a	No	Yes	No
WisdomTree Bund 30Y 3x Daily Short	IE00BF4TW453	DE000A2F4V47	No	Yes	Yes
WisdomTree Gilts 10Y 1x Daily Short	IE00BF4TW560	n/a	Yes	No	No
WisdomTree US Treasuries 30Y 3x Daily Short	IE00BF4TW784	n/a	Yes	Yes	No
WisdomTree Industrial Metals Enhanced	IE00BF4TWC33	DE000A2GCWM6	Yes	Yes	Yes
WisdomTree Energy Enhanced	IE00BF4TWF63	DE000A2GCWN4	Yes	Yes	Yes