

WISDOMTREE ISSUER ICAV - ICSD FAQ

BACKGROUND

Today sub-funds (the Funds) of WisdomTree Issuer ICAV (the Issuer) settle trades in all shares using the central securities depositories (CSD) settlement model. In the UK, typically the issuing and settlement of shares is through the local CSD, Euroclear UK & Ireland Limited (the CREST System). The Funds are listed on multiple stock exchanges and, settlement occurs on multiple local CSDs. This has been the standard operating model for almost all of the funds that are domiciled in Ireland.

From 29 March 2021 the Issuer will lose the ability to use the CREST System as an issuing CSD.

In order to continue to issue shares, the Issuer is transitioning the settlement of trading in the shares to the International Central Securities Depository (**ICSD**) structure (the **ICSD Settlement Model**) in August 2020.

This transition was approved by Shareholders at an Extraordinary General Meeting on 20 April 2020.

What is an ICSD?

The ICSD refers collectively to Euroclear Bank (**Euroclear**) and Clearstream Banking Luxembourg (CBL), as the primary CSD's for the settlement model.

What is the Issuer's current settlement model?

The Funds currently issue all their shares through the CREST System.

Why are we migrating to the ICSD Settlement Model?

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 issuing and settlement of shares to the ICSD Settlement Model.

What are the advantages of the ICSD Settlement Model?

The key advantage of the transition is that it will ensure that trading in the shares can continue across multiple European exchanges when the extended period of equivalency currently agreed to by the UK and European Union ends. Euroclear and CBL provide a 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 ICSDs, 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. streamlined dividend record date methodologies across Europe; and
7. improved foreign exchange functionality on dividend payments.

Are there any ownership implications for shareholders?

For shareholders who are on the register of members at the close of the CREST System on the 7 August 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 depository.

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 depository interest or "CDI" (via Euroclear UK and Ireland Limited).

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 CSDs. 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 7 August 2020, will receive international shares at Clearstream Banking S.A., Luxembourg on Monday 10 August 2020.</p> <p>The DE ISIN and its corresponding WKN which is linked to the Global Bearer Certificates will be deactivated and replaced with 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 systems and no action is required from shareholders.</p>

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

Under the ICSD Settlement Model, investors who are not participants in the ICSD will 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.

Are there any changes to the Funds' security identifiers – ISINs, WKNs, SEDOLS etc.?

For UK Investors

For the Issuer, existing Irish ISINs (IE ISINs) will remain the same, although they 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 be deactivated and all DE ISINs and their corresponding WKNs will convert into the International Irish ISINs and corresponding WKNs as part of the ICSD migration. There is no action required to be undertaken by current German GBC holders.

For investors with unsettled shares in a DE ISIN as of close on Friday 7 August 2020, these ISINs will convert to the IE ISIN on settlement.

Existing WKNs for German investors associated with the DE ISIN will also convert into the WKN associated with the International Irish ISIN. These should be used for future reference and trading.

Investors will still be able to access all of the trading venues and platforms where the products are currently available, but as of 10th August will, need to use the new WKN and IE ISIN to reference products.

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

Please see the table on Page 5 for a list of all affected products and identifiers.

Will this change 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.

Does this change impact the price of my holdings or any dividend payments?

No. A change in the settlement model of the Issuer will have no impact on the price of shares. These will continue to trade on exchange as usual.

There will be no change to the dividend timeline for any relevant distributing products.

For information on current prices, dividends, fees, and charges please consult your broker.

Will the ICSD migration mean any changes to the Funds themselves?

No. The Funds 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 shareholders under the UCITS framework remain, with the same safeguards in place. This is purely a settlement model change.

Does the ICSD settlement model change affect the whole ETF industry generally or only the Issuer?

The UK's withdrawal from the European Union and subsequent inability to use the CREST System as an issuing CSD from 29 March 2021 may impact other ETF providers within the market.

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

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.

What is the effective date?

The change in settlement model to the ICSD Settlement Model will be taking place at the close of business of 7 August 2020 for the Issuer.

Which Funds are migrating to an ICSD Settlement Model?

The following Funds will be migrating:

Fund - Share Class Name	IE ISIN	IE ISIN WKN	DE ISIN (will be deactivated as at the close on 7 th August and will be replaced by IE ISIN)	DE ISIN WKN (will be deactivated as at the close on 7 th August and be replaced by IE WKN)
WisdomTree Artificial Intelligence UCITS ETF – USD Acc	IE00BDVPNG13	A2N7KX	DE000A2N7NJ6	A2N7NJ
WisdomTree AT1 CoCo Bond UCITS ETF – USD	IE00BZ0XVF52	A2JKH4	DE000A2JLJA3	A2JLJA
WisdomTree AT1 CoCo Bond UCITS ETF – USD Acc	IE00BZ0XVG69	A2JKH5		
WisdomTree AT1 CoCo Bond UCITS ETF – USD Hedged	IE00BFNNN012	A2PABN		
WisdomTree AT1 CoCo Bond UCITS ETF – EUR Hedged	IE00BFNNN236	A2JQ0E	DE000A2JRN56	A2JRN5
WisdomTree AT1 CoCo Bond UCITS ETF – GBP Hedged	IE00BFNNN459	A2PABP		
WisdomTree Battery Solutions UCITS ETF – USD Acc	IE00BKLF1R75	A2PUJK	DE000A2PUQR0	A2PUQR
WisdomTree CBOE S&P 500 PutWrite UCITS ETF – USD Acc	IE00BD49R243	A2JD97	DE000A2JEFE8	A2JEFE
WisdomTree Cloud Computing UCITS ETF - USD Acc	IE00BJGWQN72	A2PQVE	DE000A2PQ364	A2PQ36
WisdomTree Emerging Asia Equity Income UCITS ETF	IE00BYPGT035	A14YT0	DE000A140SG3	A140SG
WisdomTree Emerging Markets Equity Income UCITS ETF	IE00BQQ3Q067	A12HUR	DE000A14NDZ0	A14NDZ
WisdomTree Emerging Markets Equity Income UCITS ETF - Acc	IE00BDF12W49	A2ARXB	DE000A2ARXF9	A2ARXF
WisdomTree Emerging Markets SmallCap Dividend UCITS ETF	IE00BQZJBM26	A12HUS	DE000A14ND04	A14ND0
WisdomTree Enhanced Commodity UCITS ETF – USD	IE00BZ1GHD37	A2AE1N		
WisdomTree Enhanced Commodity UCITS ETF – USD Acc	IE00BYMLZY74	A2AE1P	DE000A2AE1R9	A2AE1R
WisdomTree Enhanced Commodity UCITS ETF – GBP Hedged Acc	IE00BG88WH84	A2N4VS		
WisdomTree Enhanced Commodity UCITS ETF – EUR Hedged Acc	IE00BG88WG77	A2JQ0F	DE000A2JRN64	A2JRN6
WisdomTree Enhanced Commodity UCITS ETF – CHF Hedged Acc	IE00BG88WL21	A2P0YZ		
WisdomTree EUR Aggregate Bond Enhanced Yield UCITS ETF – EUR	IE00BD49R912	A2JKH6	DE000A2JLJC9	A2JLJC
WisdomTree EUR Aggregate Bond Enhanced Yield UCITS ETF – EUR Acc	IE00BD49RB39	A2JKH7	DE000A2JLJD7	A2JLJD
WisdomTree EUR Government Bond Enhanced Yield UCITS ETF – EUR	IE00BD49RJ15	A2JKH8	DE000A2JLJE5	A2JLJE

Fund - Share Class Name	IE ISIN	IE ISIN WKN	DE ISIN (will be deactivated as at the close on 7 th August and will be replaced by IE ISIN)	DE ISIN WKN (will be deactivated as at the close on 7 th August and be replaced by IE WKN)
WisdomTree EUR Government Bond Enhanced Yield UCITS ETF – EUR Acc	IE00BD49RK20	A2JKH9	DE000A2JLJF2	A2JLJF
WisdomTree Europe Equity Income UCITS ETF	IE00BQZJBX31	A12HUT	DE000A14ND38	A14ND3
WisdomTree Europe Equity Income UCITS ETF Acc	IE00BDF16007	A2DHPT		
WisdomTree Europe Equity UCITS ETF - USD Hedged	IE00BVXBH163	A14SCC	DE000A14SLJ6	A14SLJ
WisdomTree Europe Equity UCITS ETF – GBP Hedged	IE00BYQCZQ89	A143HZ		
WisdomTree Europe Equity UCITS ETF – EUR Acc	IE00BYQCZX56	A1403C	DE000A142K52	A142K5
WisdomTree Europe Equity UCITS ETF – CHF Hedged Acc	IE00BYQCZT11	A2AB75		
WisdomTree Europe Equity UCITS ETF - USD Hedged Acc	IE00BYQCZP72	A2AB76		
WisdomTree Europe SmallCap Dividend UCITS ETF	IE00BQZJC527	A12HUU	DE000A14ND46	A14ND4
WisdomTree Europe SmallCap Dividend UCITS ETF - Acc	IE00BDF16114	A2ARXA	DE000A2ARXE2	A2ARXE
WisdomTree Eurozone Quality Dividend Growth UCITS - EUR Acc	IE00BZ56TQ67	A2AG1G	DE000A2AHL91	A2AHL9
WisdomTree Eurozone Quality Dividend Growth UCITS ETF - EUR	IE00BZ56SY76	A2AG1F		
WisdomTree Germany Equity UCITS ETF - GBP Hedged	IE00BVXBGY20	A14WBU		
WisdomTree Germany Equity UCITS ETF – USD Hedged	IE00BYQCZ682	A143HY		
WisdomTree Germany Equity UCITS ETF - EUR Acc	IE00BYQCZC44	A1403B	DE000A142K45	A142K4
WisdomTree Germany Equity UCITS ETF - CHF Hedged Acc	IE00BYQCZ914	A2AB70		
WisdomTree Global Quality Dividend Growth UCITS ETF - USD Acc	IE00BZ56SW52	A2AG1E	DE000A2AHL75	A2AHL7
WisdomTree Global Quality Dividend Growth UCITS ETF - USD	IE00BZ56RN96	A2AG1D		
WisdomTree India Quality UCITS ETF - USD	IE00BDGSK96	A2DJN0	DE000A2DJWH8	A2DJWH
WisdomTree India Quality UCITS ETF - USD Acc	IE00BDGSKL04	A2DJN1	DE000A2DJWJ4	A2DJWJ
WisdomTree ISEQ 20 UCITS ETF	IE00BVFB1H83	A14Q0H		
WisdomTree Japan Equity UCITS ETF - USD Hedged	IE00BVXC4854	A14SCB	DE000A14SLH0	A14SLH
WisdomTree Japan Equity UCITS ETF - GBP Hedged	IE00BYQCZF74	A143NM		
WisdomTree Japan Equity UCITS ETF - JPY Acc	IE00BYQCZN58	A1403E	DE000A142K78	A142K7
WisdomTree Japan Equity UCITS ETF - EUR Hedged Acc	IE00BYQCZJ13	A1403D	DE000A142K60	A142K6
WisdomTree Japan Equity UCITS ETF - CHF Hedged Acc	IE00BYQCZL35	A2AB8B		
WisdomTree Japan Equity UCITS ETF – USD Hedged Acc	IE00BYQCZD50	A2AB8C		
WisdomTree Japan SmallCap Dividend UCITS ETF – USD	IE00BFXK923	A2N4QZ		
WisdomTree Japan SmallCap Dividend UCITS ETF – USD Acc	IE00BFXK63	A2PABQ		
WisdomTree UK Equity Income UCITS ETF	IE00BYPGTJ26	A14YTZ		
WisdomTree US Equity Income UCITS ETF	IE00BQZJBQ63	A12HUV	DE000A14ND12	A14ND1
WisdomTree US Equity Income UCITS ETF - GBP Hedged Acc	IE00BD6RZZ53	A2DH1W		
WisdomTree US Equity Income UCITS ETF - Acc	IE00BD6RZT93	A2ARXC	DE000A2ARXG7	A2ARXG
WisdomTree US Equity Income UCITS ETF - EUR Hedged Acc	IE00BD6RZW23	A2AS6C	DE000A2AS9T2	A2AS9T
WisdomTree US Multifactor UCITS ETF – USD	IE00BD8ZCY59	A2PABL		
WisdomTree US Multifactor UCITS ETF – USD Acc	IE00BD8ZD313	A2PABM		
WisdomTree US Quality Dividend Growth UCITS ETF - USD Acc	IE00BZ56RG20	A2AGPV	DE000A2AGPX1	A2AGPX
WisdomTree US Quality Dividend Growth UCITS ETF - USD	IE00BZ56RD98	A2AGPU		
WisdomTree US SmallCap Dividend UCITS ETF	IE00BQZJBT94	A12HUW	DE000A14ND20	A14ND2
WisdomTree USD Floating Rate Treasury Bond UCITS ETF – USD	IE00BJFN5P63	A2PHF9		
WisdomTree USD Floating Rate Treasury Bond UCITS ETF – USD Acc	IE00BJJYX67	A2PHGN		

If you have any further questions, please contact WisdomTree at: infoeu@wisdomtree.com

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