

# SPLITS OF SECURITIES

## 01 What is a split?

From time to time, WisdomTree Issuers may determine to effect a division or split of the securities in issue. This is a corporate action whereby securities will be divided or split into a larger number of securities and the price per security will decrease. The value of an investor's total holding will remain unchanged as they will hold a larger number of securities than they did before the split.

Generally, a split will not lead to the compulsory redemption of any securities.

Stock splits are relatively common in the market in order to reduce the price at which securities are traded.

## 02 Why would an issuer effect a split?

Each WisdomTree Issuer aims to ensure that the securities it has issued trade efficiently on the various exchanges on which those securities are admitted to trading.

This includes monitoring the price of those securities to ensure that they trade efficiently for investors.

By effecting a split, the stock market price per security will decrease while increasing the number of securities in issue. This is done with the aim of making trading in the securities more efficient for investors, where possible.

## 03 How will I know if a split is taking place?

The relevant WisdomTree Issuer will make a legal announcement prior to commencing any split to give full information about the class of security to be subject to a split.

The legal announcement will also contain the relevant timeline for the split as well as the split ratio (i.e. the number of securities that will be issued for every one security issued prior to the split).

## 04 Example of the effect of a split?

When a split is effected, each investor's holding will be split into a larger number of securities and the price per security will decrease. The total value of an investor's holding will remain unchanged.

Where possible, we try to keep the split ratio as a whole number to avoid investors being left holding fractional securities, which would need to be redeemed compulsorily. The relevant legal announcement will explain whether any securities are expected to be subject to a compulsory redemption as part of the split.

The following table illustrates the effect of a hypothetical 5-for-1 share split:

	Number of Shares Owned	Hypothetical Price per Share	Total Value of Shares
Pre-Split	50	\$500.00	\$25,000.00
Post-Split	250	\$100.00	\$25,000.00

## 05 Do I need to take any action in connection with a split?

It is expected that splits will be automatically applied to all registered security holders on the effective date as set out in the relevant legal announcement. It is not expected that security holders will need to take any action.

If you hold your securities through a broker/intermediary, please see below.

## 06 What if I hold my securities through a broker/platform?

If you hold your securities through a broker, custodian or other intermediary, please contact that intermediary for information as to how a split will be recorded in their books and records.

There could be delays in your broker, custodian or intermediary reflecting a split in their books and records. Again, please discuss this with them if you have any concerns.

## 07 What if I hold my securities in CREST?

If you hold your securities in CREST, your account will be adjusted automatically to reflect a split. The total value of your holding will be unchanged as a result of a split.

## 08 Will there be any impact to trading on the effective date?

The Issuer does not generally expect any impact to trading on the Effective Date of a split, however it is possible to experience delays when the split is being reflected on holdings at the relevant Central Securities Depository systems for the various exchanges on the impacted security is listed.

## 09 Are there any changes to the security identifiers – ISINs, SEDOLs etc.?

This can sometimes vary depending on the WisdomTree Issuer that is effecting the split. Please see the legal announcement for details of any impact to security identifiers.

## 10 Will this trigger a tax event in relation to my holdings?

A split will take effect as a division of securities of each affected class so that no new securities will be issued and no securities will be redeemed.

Therefore, it is generally expected that a split will not have any tax consequences for existing security holders.

Affected security holders are nevertheless advised to consult their own independent tax advisers in relation any tax impact of a split.

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