

WisdomTree Commodity Securities Limited
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21 October 2020

WISDOMTREE COMMODITY SECURITIES LIMITED

WisdomTree Short and Leveraged Commodity Securities

Proposals for the substitution of the Individual Commodity Index Amendments to the Conditions

Further to the announcements made by WisdomTree Commodity Securities Limited (the “**Issuer**”) on 29 September 2020 and 15 October 2020, the Issuer today announces that the Extraordinary Resolutions as set out in the circular (the “**Circular**”) to holders of the WisdomTree Short and Leveraged Commodity Securities of certain classes (the “**Affected Securities**”) dated 29 September 2020 were passed at the adjourned meeting of the holders of the Affected Securities of the following classes held on 21 October 2020 by the requisite majority.

Class of Affected Securities

	ISIN
WisdomTree WTI Crude Oil 2x Daily Leveraged Individual Securities	JE00BDD9Q840
WisdomTree WTI Crude Oil 1x Daily Short Individual Securities	JE00B24DK975
WisdomTree Natural Gas 2x Daily Leveraged Individual Securities	JE00BDD9Q956
WisdomTree Natural Gas 1x Daily Short Individual Securities	JE00B24DKH53
WisdomTree Brent Crude Oil 2x Daily Leveraged Individual Securities	JE00BDD9QD91
WisdomTree Brent Crude Oil 1x Daily Short Individual Securities	JE00B78DPL57

The Issuer further announces that the Issuer and the Trustee have entered into a twenty-third supplemental trust instrument dated 21 October 2020 substantially in the form set out in the Circular. Pursuant to the twenty-third supplemental trust instrument, with effect from the date of this notice, the Conditions (as set out in Part 7 (*Trust Instrument and Short and Leveraged Commodity Securities*)) of the Short and Leveraged Commodity Securities will be amended as follows:

- in the first paragraph the words “, a twenty-first supplemental trust instrument dated 21 May 2020, a twenty-second supplemental trust instrument dated 22 June 2020 and a twenty-third supplemental trust instrument dated 21 October 2020” will be substituted for the words “and a twenty-first supplemental trust instrument dated 21 May 2020”;
- the definition of “Designated Settlement Period” in Condition 1.1 will be amended by adding the words “or Second Month Security” after “any class of Three Times Commodity Security”;
- the definition of “Exchange Hours” in Condition 1.1 will be amended by adding the words “and, in respect of a Second Month Security and a Full Trading Day for that class, the period commencing at 9.00 a.m. (London time) on that Full Trading Day and ending at the end of the Designated Settlement Period in respect of that class on that Full Trading Day” after the words “in respect of that class on that Full Trading Day”;
- the definition of “Exchange Index Value” in Condition 1.1 will be amended by adding the words “or a Second Month Security” after “Three Times Commodity Security”;
- the definition of “Full Trading Day” in Condition 1.1 will be amended by adding the words “or Second Month Security” after “Three Times Commodity Security”;

- the definition of “Handbook” in Condition 1.1 will be amended by adding at the end “and includes the document entitled “Index Methodology –Bloomberg SL Commodity Indices” prepared and as amended, varied, supplemented or replaced from time to time by Bloomberg”;
- the definition of “Intra-day Price” in Condition 1.1 will be amended by deleting “or (b)” and substituting “other than a Second Month Security, (b) at any time on a Trading Day in respect of a Second Month Security or (c)” and by adding at the end:

“and provided further in the case of a Second Month Contract that if at the time when the Intra-day Price is determined, there is no real time publication by Bloomberg of the value of the relevant Commodity Index, the Calculation Agent shall instead use a special value of the relevant Commodity Index calculated using those prices most recently reported on the Relevant Exchange for the futures contracts by reference to the prices of which that Commodity Index is calculated (in whole or in part)”;

- the definition of “Lead Future” in Condition 1.1 will be amended by adding ‘or “Lead Contract”’ after ‘which is the “Lead Future”’;
- a definitions of “Second Month Contract” and “Second Month Security” will be added after the definition of “RIS” as follows:

“**Second Month Contract** means a Commodity Contract relating to a Second Month Security;

Second Month Security means a WisdomTree WTI Crude Oil 2x Daily Leveraged Individual Security, a WisdomTree WTI Crude Oil 1x Daily Short Individual Security, a WisdomTree Natural Gas 2x Daily Leveraged Individual Security, a WisdomTree Natural Gas 1x Daily Short Individual Security, a WisdomTree Brent Crude Oil 2x Daily Leveraged Individual Security or a WisdomTree Brent Crude Oil 1x Daily Short Individual Security and **Second Month Securities** shall be construed accordingly;”;

- the definition of “Next Future” in Condition 1.1 will be amended by adding ‘or “Next Contract”’ after ‘which is the “Next Future”’;
- the definition of “Out-of-Hours” in Condition 1.1 will be amended by adding the words “or a Second Month Security” after “Three Times Commodity Security”;
- the definition of “Out-of-Hours Index Value” in Condition 1.1 will be amended by adding the words “or a Second Month Security” after “Three Times Commodity Security”;
- the definition of “Pricing Day” in Condition 1.1 will be amended by adding the words “or a Second Month Security” after “Three Times Commodity Security”;
- the definition of “Restrike Cost” in Condition 1.1 will be amended by adding the words “or Second Month Security” after “each class of Three Times Commodity Security”;
- the definition of “Restrike Day” in Condition 1.1 will be amended by adding the words “or Second Month Security” after “Three Times Commodity Security”;
- the definition of “Restrike Disruption Day” in Condition 1.1 will be amended by adding the words “or Second Month Security” after “Three Times Commodity Security”;

- the definition of “Restrike Event” in Condition 1.1 will be amended:
 - by adding a new paragraph (c) as follows:
 - “(c) in respect of a Second Month Security which is a Leveraged Individual Security of any class and a Full Trading Day for that class, if:
 - (i) the Out-of-Hours Index Value in respect of that class falls during Out-of-Hours in respect of such Full Trading Day to or below 65 per cent. of the closing settlement price level of that Individual Commodity Index for the last Full Trading Day in respect of that class ending prior to the commencement of the Restrike Index Value Determination Window during which the Restrike Event occurred (or, for any subsequent Restrike Event occurring during the same General Trading Session, to or below 65 per cent. of the preceding Restrike Index Value for that General Trading Session); or
 - (ii) the Exchange Index Value in respect of that class falls during Exchange Hours in respect of such Full Trading Day, to or below 65 per cent. of the closing settlement price level of that Individual Commodity Index for the last Full Trading Day in respect of that class ending prior to the commencement of the Restrike Index Value Determination Window during which the Restrike Event occurred (or, for any subsequent Restrike Event occurring during the same General Trading Session, to or below 65 per cent. of the preceding Restrike Index Value for that General Trading Session);”;
 - by adding a new paragraph (d) as follows:
 - “(d) in respect of a Second Month Security which is a Short Individual Security of any class and a Full Trading Day for that class, if:
 - (i) the Out-of-Hours Index Value in respect of that class rises during Out-of-Hours in respect of such Full Trading Day to or above 170 per cent. of the closing settlement price level of that Individual Commodity Index for the last Full Trading Day in respect of that class ending prior to the commencement of the Restrike Index Value Determination Window during which the Restrike Event occurred (or, for any subsequent Restrike Event occurring during the same General Trading Session, to or above 170 per cent. of the preceding Restrike Index Value for that General Trading Session); or
 - (ii) the Exchange Index Value in respect of that class rises during Exchange Hours in respect of such Full Trading Day to or above 170 per cent. of the closing settlement price level of that Individual Commodity Index for the last Full Trading Day in respect of that class ending prior to the commencement of the Restrike Index Value Determination Window during which the Restrike Event occurred (or, for any subsequent Restrike Event occurring during the same General Trading Session, to or above 170 per cent. of the preceding Restrike Index Value for that General Trading Session),”;
 - by substituting for “the occurrence of (a) or (b)” the words “the occurrence of (a), (b), (c) or (d)” and by substituting for “the Individual Commodity Index applicable to that Three Times Leveraged Individual Security or Three Times Short Individual Security (as the case may be)” the words “the Individual Commodity Index applicable to that Three Times

Leveraged Individual Security, that Three Times Short Individual Security or that Second Month Security (as the case may be)”;

- the definition of “Restrike Index Value” in Condition 1.1 will be amended by “or a Second Month Security of any class which is a Leveraged Individual Security” after “Three Times Leveraged Individual Security of any class” and by adding the words “or a Second Month Security of any class which is a Short Individual Security” after “Three Times Short Individual Security of any class”;
- the definition of “Restrike Index Value Determination Window” in Condition 1.1 will be amended by deleting the sentence “For the purposes of these Conditions, the Restrike Index Value Determination Window shall be as the same as is determined for the purposes of one or more Facility Agreements” and substituting therefor the following:

“and in respect of any class of Second Month Security means:

- (c) in respect of a Restrike Event occurring with respect to the Individual Commodity Index applicable to that class during Exchange Hours in respect of a Full Trading Day in respect of such class, the 30 minute period commencing immediately following a Restrike Event first having occurred with respect to that Individual Commodity Index, *provided that* (i) if the Calculation Agent reasonably determines for the purposes of one or more Facility Agreements that a Market Disruption Event or Hedging Disruption Event has subsequently occurred with respect to any applicable futures contract during such 30 minute period then the Calculation Agent may lengthen the Restrike Index Value Determination Window for such purposes by extending it by successive 30 minute periods (without affecting its commencement time, and with each such successive 30 minute period commencing from the end of the previous 30 minute period (and not from the end of the occurrence of the applicable Market Disruption Event or Hedging Disruption Event)) until the earlier of (A) the first successive continuous 30 minute period having elapsed during Exchange Hours during which no Market Disruption Event or Hedging Disruption Event subsisted; and (B) the end of Exchange Hours on the third Full Trading Day after that on which the Restrike Event first occurred, (ii) if but for this proviso (ii) the Restrike Index Value Determination Window would end 30 minutes or less prior to the end of Exchange Hours in respect of such Full Trading Day then the Restrike Index Value Determination Window will instead end (without affecting its commencement time) at the end of Exchange Hours in respect of such Full Trading Day; (iii) if but for this proviso (iii) the Restrike Index Value Determination Window would end less than 30 minutes after the end of Exchange Hours in respect of such Full Trading Day then the Restrike Index Value Determination Window will instead end (without affecting its commencement time) at the end of Exchange Hours in respect of such Full Trading Day; and (iv) if but for this proviso (iv) the Restrike Index Value Determination Window would end at a time which is 30 minutes or more after the end of Exchange Hours in respect of such Full Trading Day and during Out-of-Hours, or that Full Trading Day is a Market Disruption Day, then the Restrike Index Value Determination Window will be determined in accordance with sub-clause (d) below as if the Restrike Event occurred during Out-of-Hours;
- (d) in respect of a Restrike Event occurring with respect to the Individual Commodity Index applicable to that class during Out-of-Hours in respect of a Full Trading Day in respect of such class, the period commencing immediately following the Restrike Event and ending 15 minutes after the commencement of Exchange Hours on such Full Trading Day, *provided that* if the Calculation Agent reasonably determines for the purposes of one or more Facility Agreements that a Market Disruption Event or Hedging Disruption Event has occurred with respect to such 15 minute period then the Calculation Agent may lengthen the Restrike Index Value Determination Window for such purposes by

extending it by successive 15 minute periods (without affecting its commencement time, and with each such successive 15 minute period commencing from the end of the previous 15 minute period (and not from the end of the occurrence of the applicable Market Disruption Event or Hedging Disruption Event)) until the earlier of (i) the first successive continuous 15 minute period having elapsed during a General Trading Session during which no Market Disruption Event or Hedging Disruption Event subsisted; and (ii) the end of Exchange Hours on the third Full Trading Day after that on which the Restrike Event first occurred,

provided further that in the event that the Restrike Index Value Determination Window has been so extended for the purposes of one or more Facility Agreements by successive 15 or 30 minute periods (as the case may be) such that no Restrike Value has been determined by the end of Exchange Hours on the third Full Trading Day after that on which the Restrike Event first occurred with respect to the Individual Commodity Index applicable to that class, then the Calculation Agent is required instead for such purposes to use a substitute value of the relevant Individual Commodity Index calculated by the Calculation Agent using the most recently reported prices for the relevant futures contracts, if any, that are not subject to a Market Disruption Event or Hedging Disruption Event and using a fair market value determined in accordance with the principles set out in Condition 14.3 for the relevant commodity futures that are subject to a Market Disruption Event or Hedging Disruption Event.

For the purposes of these Conditions, the Restrike Index Value Determination Window in respect of any class of Three Times Commodity Security or Second Month Security shall be as the same as is determined for the purposes of one or more Facility Agreements”;

- Condition 5.1(e) will be amended by adding the words “or a Second Month Security” after “Three Times Commodity Security”;
- Condition 5.2 will be amended:
 - by adding the words “or a Second Month Security” after “Three Times Commodity Security” in the definitions of “ $I_{i,t}$ ” and “ $I_{i,t-1}$ ”; and
 - by adding the following at the end of the definition of “ $I_{i,t-1}$ ”:

“*provided* that in relation to any class of Second Month Security each reference to “15 minutes” in this definition shall be read as reference to “30 minutes”.
- Condition 5.2A will be amended:
 - by adding the words “or a Second Month Security” after “Three Times Commodity Security” in each place where it occurs;
 - by substituting “expressed as a number. For One Times Short Commodity Contracts, $LF_i = -1$, for Two Times Long Commodity Contracts, $LF_i = +2$ and for Three” for “expressed as a number. For Three” in the definition of “ LF_i ”;
 - by adding the following at the end of the definition of “ $I_{i,t}$ ”:

“*provided* that in relation to any class of Second Month Security each reference to “15 minutes” in this definition shall be read as reference to “30 minutes” and
 - by adding the following at the end of the definition of “ $I_{i,t-1}$ ”:

“*provided* that in relation to any class of Second Month Security each reference to “15 minutes” in this definition shall be read as reference to “30 minutes”.

- Condition 5.3 will be amended by adding the words “or a Second Month Security” after “Three Times Commodity Security”;
- Condition 8.8 will be amended by adding “and, in the case of any Second Month Securities, on the basis that the Price of such Second Month Securities shall be zero” after “as if a Compulsory Redemption Date had been notified in respect of such Short or Leveraged Commodity Securities”;
- Condition 14.5 will be amended by substituting the words “any Three Times Commodity Contract or Second Month Contract” for the words “Three Times Commodity Commodity Contract”; and
- Condition 28.2 will be amended by substituting “in respect of paragraphs (a), (d), (da), (e) and (f)” for “in respect of Conditions (a), (d), (e) and (f)” and by inserting the following new paragraph after Condition 28.2(d):
 - “(da) the Issuer certifies in writing to the Trustee (upon which certificate the Trustee may rely without any obligation to investigate or verify the position) (I) that the sole purpose and effect of the amendment and the adjustments referred to below is to substitute a different commodity index for the Individual Commodity Index for any class of Second Month Security and consequential changes which are necessary to give effect to such substitution; (II) that the proposed substituted commodity index relates to the same individual commodity as such Individual Commodity Index and is calculated based on a similar methodology as that used in the calculation of such Individual Commodity Index but the futures contracts constituting the Lead Future and the Next Future for the purposes of the calculation of such proposed substituted commodity index have different expiry dates to those used for the purposes of the calculation of such Individual Commodity Index; and (III) that the following conditions have been or will be satisfied:
 - (i) corresponding adjustments have been agreed with each of the Commodity Contract Counterparties that have Commodity Contracts outstanding that refer to the relevant Individual Commodity Index;
 - (ii) the adjustments so agreed have the consequence that at the time of the substitution of the index there is no change to the aggregate Price of the Second Month Securities of the relevant class; and
 - (iii) the adjustments do not take effect until at least the fifth Business Day following the day on which they are announced to Security Holders in an RIS announcement;”.

A further announcement will be made when the Issuer has agreed upon a date with the Commodity Contract Counterparties to be the Index Substitution Effective Date.

Terms used in this announcement and not otherwise defined bear the meanings given in the base prospectus (the “**Prospectus**”) of the Issuer relating to WisdomTree Short Commodity Securities and WisdomTree Leveraged Commodity Securities dated 21 May 2020.

For further information, please contact:

WisdomTree
infoeu@wisdomtree.com