

TUCSON ELECTRIC POWER CO

Form 10-Q

May 02, 2011

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended March 31, 2011  
OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_.**

Commission File Number	Registrant; State of Incorporation; Address; and Telephone Number	IRS Employer Identification Number
1-13739	<b>UNISOURCE ENERGY CORPORATION</b> (An Arizona Corporation) One South Church Avenue, Suite 100 Tucson, AZ 85701 (520) 571-4000	86-0786732
1-5924	<b>TUCSON ELECTRIC POWER COMPANY</b> (An Arizona Corporation) One South Church Avenue, Suite 100 Tucson, AZ 85701 (520) 571-4000	86-0062700

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

UniSource Energy Corporation	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Tucson Electric Power Company (1)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(1) Tucson Electric Power Company is not required to file reports under the Exchange Act. However, Tucson Electric Power Company has filed all Exchange Act reports for the preceding 12 months.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

UniSource Energy Corporation	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Tucson Electric Power Company	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer, large accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):



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EX-101 INSTANCE DOCUMENT

EX-101 SCHEMA DOCUMENT

EX-101 CALCULATION LINKBASE DOCUMENT

EX-101 LABELS LINKBASE DOCUMENT

EX-101 PRESENTATION LINKBASE DOCUMENT

EX-101 DEFINITION LINKBASE DOCUMENT

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The abbreviations and acronyms used in the 2011 first quarter report on Form 10-Q are defined below:

2008 TEP Rate Order	A rate order issued by the ACC resulting in a new retail rate structure for TEP, effective December 1, 2008
ACC	Arizona Corporation Commission
AFUDC	Allowance for Funds Used During Construction
AMT	Alternative Minimum Tax
AOCI	Accumulated Other Comprehensive Income
APS	Arizona Public Service Company
Augusta	Augusta Resources Corporation
BART	Best Available Retrofit Technology
BMGS	Black Mountain Generating Station owned by UED
Btu	British thermal unit(s)
Capacity	The ability to produce power; the most power a unit can produce or the maximum that can be taken under a contract, measured in MWs.
CCRs	Coal combustion residuals
CO <sub>2</sub>	Carbon dioxide
Common Stock	UniSource Energy's common stock, without par value
Company	UniSource Energy Corporation
Cooling Degree Days	An index used to measure the impact of weather on energy usage calculated by subtracting 75 from the average of the high and low daily temperatures
DSM	Demand side management
EE Standards	Electric Energy Efficiency Standards
Emission Allowance(s)	An allowance issued by the Environmental Protection Agency which permits emission of one ton of sulfur dioxide or one ton of nitrogen oxide. These allowances can be bought and sold.
Energy	The amount of power produced over a given period of time measured in MWh
EPA	Environmental Protection Agency
FERC	Federal Energy Regulatory Commission
Four Corners	Four Corners Generating Station.
GAAP	Generally Accepted Accounting Principles
Gas EE Standards	Gas Energy Efficiency Standards
GBtu	Billion British Thermal Units
Heating Degree Days	An index used to measure the impact of weather on energy usage calculated by subtracting the average of the high and low daily temperatures from 65
IDBs	Industrial Development Bonds
IRS	Internal Revenue Service
kWh	Kilowatt-hour(s)
LIBOR	London Interbank Offered Rate
Luna	Luna Energy Facility
Millennium	Millennium Energy Holdings, Inc., a wholly-owned subsidiary of UniSource Energy
MMBtu	Million British Thermal Units
Mortgage Bonds	Mortgage Bonds issued under the 1992 Mortgage
MW	Megawatt(s)
MWh	Megawatt-hour(s)
Navajo	Navajo Generating Station
O&M	Operations and Maintenance Expense
NMED	New Mexico Environmental Department



NTUA	Navajo Tribal Utility Authority
NOL	Net Operating Loss
PGA	Purchased Gas Adjuster, a retail rate mechanism designed to recover the cost of gas purchased for retail gas customers
PNM	Public Service Company of New Mexico
PPA	Power Purchase Agreement
PPFAC	Purchased Power and Fuel Adjustment Clause
RES	Renewable Energy Standard

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Salt River Project	A public power utility serving more than 900,000 customers in Phoenix, Arizona
San Juan	San Juan Generating Station
SCR	Selective Catalytic Reduction
SNCR	Selective Non-Catalytic Reduction
SES	Southwest Energy Solutions
Springerville	Springerville Generating Station
Springerville Common Facilities	Facilities at Springerville used in common with Springerville Unit 1 and Springerville Unit 2
Springerville Common Facilities Leases	Leveraged lease arrangements relating to an undivided one-half interest in certain Springerville Common Facilities
Springerville Unit 1	Unit 1 of the Springerville Generating Station
Springerville Unit 1 Leases	Leveraged lease arrangement relating to Springerville Unit 1 and an undivided one-half interest in certain Springerville Common Facilities.
Springerville Unit 2	Unit 2 of the Springerville Generating Station
Springerville Unit 3	Unit 3 of the Springerville Generating Station
Springerville Unit 4	Unit 4 of the Springerville Generating Station
SRP	Salt River Project Agricultural Improvement and Power District
Sundt	H. Wilson Sundt Generating Station
Sundt Unit 4	Unit 4 of the H. Wilson Sundt Generating Station
TEP	Tucson Electric Power Company, the principal subsidiary of UniSource Energy
TEP Credit Agreement	Second Amended and Restated Credit Agreement between TEP and a syndicate of banks, dated as of November 9, 2010
TEP Letter of Credit Facility	Letter of credit facility under the TEP Credit Agreement
TEP Revolving Credit Facility	Revolving credit facility under the TEP Credit Agreement
Therm	A unit of heating value equivalent to 100,000 British thermal units (Btu).
Tri-State	Tri-State Generation and Transmission Association
UED	UniSource Energy Development Company, a wholly-owned subsidiary of UniSource Energy, which engages in developing generation resources and other project development services and related activities
UED Credit Agreement	Credit agreement between UED and a syndicate of banks, dated as of March 26, 2009, as amended, and guaranteed by UniSource Energy. Expires on March 24, 2012.
UES	UniSource Energy Services, Inc., an intermediate holding company established to own the operating companies (UNS Gas and UNS Electric)
UniSource Credit Agreement	Second Amended and Restated Credit Agreement between UniSource Energy and a syndicate of banks, dated as of November 9, 2010
UniSource Energy	UniSource Energy Corporation
UNS Electric	UNS Electric, Inc., a wholly-owned subsidiary of UES
UNS Gas	UNS Gas, Inc., a wholly-owned subsidiary of UES
UNS Gas/UNS Electric Revolver	Revolving credit facility under the Second Amended and Restated Credit Agreement among UNS Gas and UNS Electric as borrowers, UES as guarantor, and a syndicate of banks, dated as of November 9, 2010
USFS	United States Forest Service

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**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholders of  
UniSource Energy Corporation:

We have reviewed the accompanying condensed consolidated balance sheet of UniSource Energy Corporation and its subsidiaries (the Company) as of March 31, 2011, and the related condensed consolidated statements of income for the three-month periods ended March 31, 2011 and 2010, the condensed consolidated statement of changes in stockholders' equity and comprehensive income for the three-month period ended March 31, 2011 and the condensed consolidated statements of cash flows for the three-month periods ended March 31, 2011 and 2010. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole.

Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet as of December 31, 2010, and the related consolidated statements of income, of cash flows, of capitalization, and of changes in stockholders' equity and comprehensive income for the year then ended (not presented herein), and in our report dated March 1, 2011, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2010, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP  
Phoenix, Arizona  
May 2, 2011

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**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholder of  
Tucson Electric Power Company:

We have reviewed the accompanying condensed consolidated balance sheet of Tucson Electric Power Company and its subsidiaries (the Company) as of March 31, 2011, and the related condensed consolidated statements of income for the three-month periods ended March 31, 2011 and 2010, the condensed consolidated statement of changes in stockholder's equity and comprehensive income for the three-month period ended March 31, 2011, and the condensed consolidated statements of cash flows for the three-month periods ended March 31, 2011 and 2010. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole.

Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We previously audited in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet as of December 31, 2010, and the related consolidated statements of income, of cash flows, of capitalization, and of changes in stockholder's equity and comprehensive income for the year then ended (not present herein), and in our report dated March 1, 2011, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2010, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP  
Phoenix, Arizona  
May 2, 2011

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## PART I FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## UNISOURCE ENERGY CORPORATION

## COMPARATIVE CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended March 31,	
	2011	2010
	(Unaudited)	
	Thousands of Dollars (Except Per Share Amounts)	
<b>Operating Revenues</b>		
Electric Retail Sales	\$ 217,215	\$ 204,746
Electric Wholesale Sales	40,781	37,064
California Power Exchange (CPX) Provision for Wholesale Refunds		(2,970)
Gas Revenue	57,189	55,781
Other Revenues	29,448	24,200
<b>Total Operating Revenues</b>	<b>344,633</b>	318,821
<b>Operating Expenses</b>		
Fuel	72,137	60,448
Purchased Energy	77,640	82,805
Transmission	2,502	2,430
Decrease to Reflect PPFAC/PGA Recovery Treatment	(5,793)	(12,631)
<b>Total Fuel and Purchased Energy</b>	<b>146,486</b>	133,052
Other Operations and Maintenance	101,022	82,908
Depreciation	32,790	31,099
Amortization	7,377	6,572
Taxes Other Than Income Taxes	12,144	12,273
<b>Total Operating Expenses</b>	<b>299,819</b>	265,904
<b>Operating Income</b>	<b>44,814</b>	52,917
<b>Other Income (Deductions)</b>		
Interest Income	994	1,927
Other Income	2,856	6,059
Other Expense	(663)	(844)
<b>Total Other Income (Deductions)</b>	<b>3,187</b>	7,142
<b>Interest Expense</b>		
Long-Term Debt	18,092	15,240
Capital Leases	9,929	12,083

Other Interest Expense, Net of Interest Capitalized	(921)	329
<b>Total Interest Expense</b>	<b>27,100</b>	27,652
<b>Income Before Income Taxes</b>	<b>20,901</b>	32,407
Income Tax Expense	<b>3,909</b>	12,435
<b>Net Income</b>	<b>\$ 16,992</b>	<b>\$ 19,972</b>
<b>Weighted-Average Shares of Common Stock Outstanding (000)</b>	<b>36,789</b>	36,052
<b>Basic Earnings per Share</b>	<b>\$ 0.46</b>	<b>\$ 0.55</b>
<b>Diluted Earnings per Share</b>	<b>\$ 0.44</b>	<b>\$ 0.52</b>
<b>Dividends Declared per Share</b>	<b>\$ 0.42</b>	<b>\$ 0.39</b>

See Notes to Condensed Consolidated Financial Statements.

**Table of Contents****UNISOURCE ENERGY CORPORATION  
COMPARATIVE CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Three Months Ended March 31,	
	2011	2010
	(Unaudited)	
	Thousands of Dollars	
<b>Cash Flows from Operating Activities</b>		
Cash Receipts from Electric Retail Sales	\$ 252,545	\$ 233,734
Cash Receipts from Electric Wholesale Sales	45,973	44,459
Cash Receipts from Gas Sales	67,801	66,511
Cash Receipts from Operating Springerville Units 3 & 4	26,345	24,906
Interest Received	3,653	5,090
Performance Deposits Received	4,700	2,700
Other Cash Receipts	5,843	6,411
Purchased Energy Costs Paid	(80,209)	(90,678)
Fuel Costs Paid	(54,320)	(58,818)
Payment of Other Operations and Maintenance Costs	(78,567)	(52,108)
Taxes Other Than Income Taxes Paid, Net of Amounts Capitalized	(31,593)	(28,046)
Wages Paid, Net of Amounts Capitalized	(36,042)	(36,941)
Interest Paid, Net of Amounts Capitalized	(21,829)	(20,369)
Capital Lease Interest Paid	(22,721)	(23,943)
Performance Deposits Paid	(3,340)	(6,500)
Income Taxes Paid	(700)	(234)
Other Cash Payments	(1,138)	(1,573)
<b>Net Cash Flows Operating Activities</b>	<b>76,401</b>	<b>64,601</b>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(88,611)	(62,281)
Purchase of Sundt Unit 4 Lease Asset		(51,389)
Purchase of Intangibles Renewable Energy Credits	(1,140)	(2,851)
Other Cash Payments	(558)	(215)
Return of Investment in Springerville Lease Debt	38,353	21,667
Return of Investment from Millennium Energy Businesses		423
Other Cash Receipts	2,468	1,928
<b>Net Cash Flows Investing Activities</b>	<b>(49,488)</b>	<b>(92,718)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings Under Revolving Credit Facilities	101,000	125,000
Proceeds from Issuance of Long-Term Debt	11,080	39,570
Proceeds from Stock Options Exercised	1,057	2,621
Other Cash Receipts	1,378	2,947
Repayments of Borrowings Under Revolving Credit Facilities	(54,000)	(91,000)
Payments of Capital Lease Obligations	(62,463)	(39,541)

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Common Stock Dividends Paid	<b>(15,406)</b>	(14,021)
Repayments of Long-Term Debt	<b>(1,064)</b>	(2,445)
Payments of Debt Issue/Retirement Costs	<b>(137)</b>	(1,631)
Other Cash Payments	<b>(310)</b>	(340)
<b>Net Cash Flows Financing Activities</b>	<b>(18,865)</b>	21,160
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>8,048</b>	(6,957)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>67,599</b>	76,922
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 75,647</b>	<b>\$ 69,965</b>

See Note 12 for supplemental cash flow information.  
See Notes to Condensed Consolidated Financial Statements.



**Table of Contents****UNISOURCE ENERGY CORPORATION  
COMPARATIVE CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, <b>2011</b>	December 31, <b>2010</b>
	<b>(Unaudited)</b>	
	Thousands of Dollars	
<b>ASSETS</b>		
<b>Utility Plant</b>		
Plant in Service	\$ <b>4,500,071</b>	\$ 4,452,928
Utility Plant under Capital Leases	<b>583,374</b>	583,374
Construction Work in Progress	<b>233,421</b>	210,971
<b>Total Utility Plant</b>	<b>5,316,866</b>	5,247,273
Less Accumulated Depreciation and Amortization	<b>(1,845,090)</b>	(1,824,843)
Less Accumulated Amortization of Capital Lease Assets	<b>(465,028)</b>	(460,932)
<b>Total Utility Plant Net</b>	<b>3,006,748</b>	2,961,498
<b>Investments and Other Property</b>		
Investments in Lease Debt and Equity	<b>66,650</b>	103,844
Other	<b>52,010</b>	61,676
<b>Total Investments and Other Property</b>	<b>118,660</b>	165,520
<b>Current Assets</b>		
Cash and Cash Equivalents	<b>75,647</b>	67,599
Accounts Receivable Customer	<b>73,350</b>	84,048
Unbilled Accounts Receivable	<b>39,410</b>	53,084
Allowance for Doubtful Accounts	<b>(6,346)</b>	(6,125)
Fuel Inventory	<b>24,190</b>	29,216
Materials and Supplies	<b>64,945</b>	65,832
Derivative Instruments	<b>6,445</b>	5,214
Regulatory Assets Current	<b>50,573</b>	56,962
Deferred Income Taxes Current	<b>35,210</b>	35,028
Investments in Lease Debt		1,433
Other	<b>25,998</b>	28,659
<b>Total Current Assets</b>	<b>389,422</b>	420,950
<b>Regulatory and Other Assets</b>		
Regulatory Assets Noncurrent	<b>191,238</b>	191,124
Derivative Instruments	<b>9,854</b>	9,806
Other Assets	<b>28,577</b>	30,425
<b>Total Regulatory and Other Assets</b>	<b>229,669</b>	231,355

**Total Assets** **\$ 3,744,499**    \$ 3,779,323

See Notes to Condensed Consolidated Financial Statements.

**(Continued)**

**Table of Contents****UNISOURCE ENERGY CORPORATION  
COMPARATIVE CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, 2011	December 31, 2010
	(Unaudited)	
	Thousands of Dollars	
<b>CAPITALIZATION AND OTHER LIABILITIES</b>		
<b>Capitalization</b>		
Common Stock Equity	\$ 824,127	\$ 820,786
Capital Lease Obligations	360,812	429,074
Long-Term Debt	1,352,615	1,352,977
<b>Total Capitalization</b>	<b>2,537,554</b>	<b>2,602,837</b>
<b>Current Liabilities</b>		
Current Obligations Under Capital Leases	72,056	60,347
Borrowing Under Revolving Credit Facility	25,000	
Current Maturities of Long-Term Debt	78,359	57,000
Accounts Payable Trade	97,260	109,318
Interest Accrued	16,368	39,120
Accrued Taxes Other than Income Taxes	49,310	39,140
Accrued Employee Expenses	21,893	26,969
Customer Deposits	31,036	29,795
Regulatory Liabilities Current	65,525	69,483
Derivative Instruments	27,158	30,574
Other	6,266	1,678
<b>Total Current Liabilities</b>	<b>490,231</b>	<b>463,424</b>
<b>Deferred Credits and Other Liabilities</b>		
Deferred Income Taxes Noncurrent	248,060	244,148
Regulatory Liabilities Noncurrent	210,805	201,329
Derivative Instruments	20,616	22,969
Pension and Other Postretirement Benefits	129,393	127,343
Other	107,840	117,273
<b>Total Deferred Credits and Other Liabilities</b>	<b>716,714</b>	<b>713,062</b>
<b>Commitments, Contingencies and Proposed Environmental Matters (Note 6)</b>		
<b>Total Capitalization and Other Liabilities</b>	<b>\$ 3,744,499</b>	<b>\$ 3,779,323</b>

See Notes to Condensed Consolidated Financial Statements.

(Concluded)



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**UNISOURCE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY AND**  
**COMPREHENSIVE INCOME**

	Common Shares Outstanding*	Common Stock	Accumulated Earnings (Unaudited) Thousands of Dollars	Accumulated Other Comprehensive Loss	Total Stockholders Equity
<b>Balances at December 31, 2010</b>	36,542	\$ 715,688	\$ 114,867	\$ (9,769)	\$ 820,786
Comprehensive Income:					
2011 Year-to-Date Net Income			16,992		16,992
Unrealized Gain on Cash Flow Hedges (net of \$232 income taxes)				179	179
Reclassification of Realized Losses on Cash Flow Hedges to Net Income (net of \$105 income taxes)				161	161
Employee Benefit Obligations Amortization of SERP Net Prior Service Cost Included in Net Periodic Benefit Cost (net of \$0 income taxes)				126	126
Total Comprehensive Income					17,458
Dividends			(15,493)		(15,493)
Shares Issued for Stock Options	42	1,118			1,118
Shares Issued under Share-Based Compensation Plans	57				
Other		258			258
<b>Balances at March 31, 2011</b>	<b>36,641</b>	<b>\$ 717,064</b>	<b>\$ 116,366</b>	<b>\$ (9,303)</b>	<b>\$ 824,127</b>

\* UniSource Energy has 75 million authorized shares of Common Stock.

See Notes to Condensed Consolidated Financial Statements.

**Table of Contents****TUCSON ELECTRIC POWER COMPANY  
COMPARATIVE CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

	Three Months Ended March 31,	
	<b>2011</b>	<b>2010</b>
	<b>(Unaudited)</b>	
	Thousands of Dollars	
<b>Operating Revenues</b>		
Electric Retail Sales	\$ 173,702	\$ 167,419
Electric Wholesale Sales	35,122	40,962
California Power Exchange (CPX) Provision for Wholesale Refunds		(2,970)
Other Revenues	30,630	25,643
<b>Total Operating Revenues</b>	<b>239,454</b>	<b>231,054</b>
<b>Operating Expenses</b>		
Fuel	71,315	58,351
Purchased Power	16,601	24,654
Transmission	695	796
Decrease to Reflect PPFAC Recovery Treatment	(9,342)	(3,118)
<b>Total Fuel and Purchased Energy</b>	<b>79,269</b>	<b>80,683</b>
Other Operations and Maintenance	88,492	70,365
Depreciation	25,733	24,060
Amortization	8,304	7,786
Taxes Other Than Income Taxes	9,904	9,951
<b>Total Operating Expenses</b>	<b>211,702</b>	<b>192,845</b>
<b>Operating Income</b>	<b>27,752</b>	<b>38,209</b>
<b>Other Income (Deductions)</b>		
Interest Income	734	1,690
Other Income	1,372	948
Other Expense	(1,230)	(2,216)
<b>Total Other Income (Deductions)</b>	<b>876</b>	<b>422</b>
<b>Interest Expense</b>		
Long-Term Debt	12,255	9,878
Capital Leases	9,929	12,081
Other Interest Expense, Net of Interest Capitalized	(747)	(25)
<b>Total Interest Expense</b>	<b>21,437</b>	<b>21,934</b>

<b>Income Before Income Taxes</b>	<b>7,191</b>	16,697
Income Tax Expense	<b>208</b>	6,348
<b>Net Income</b>	<b>\$ 6,983</b>	\$ 10,349

See Notes to Condensed Consolidated Financial Statements.



**Table of Contents****TUCSON ELECTRIC POWER COMPANY  
COMPARATIVE CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Three Months Ended March 31,	
	<b>2011</b>	<b>2010</b>
	<b>(Unaudited)</b>	
	Thousands of Dollars	
<b>Cash Flows from Operating Activities</b>		
Cash Receipts from Electric Retail Sales	\$ 202,718	\$ 190,753
Cash Receipts from Electric Wholesale Sales	40,583	49,531
Cash Receipts from Operating Springerville Units 3 & 4	26,345	24,906
Interest Received	3,629	5,086
Income Tax Refunds Received	1,724	
Reimbursement of Affiliate Charges	5,608	4,202
Other Cash Receipts	3,951	3,921
Performance Deposits Paid	(1,140)	(1,540)
Fuel Costs Paid	(54,475)	(57,288)
Purchased Power Costs Paid	(13,607)	(26,363)
Payment of Other Operations and Maintenance Costs	(74,687)	(48,844)
Capital Lease Interest Paid	(22,721)	(23,941)
Wages Paid, Net of Amounts Capitalized	(30,215)	(30,903)
Taxes Other Than Income Taxes Paid, Net of Amounts Capitalized	(21,387)	(19,524)
Interest Paid, Net of Amounts Capitalized	(11,515)	(10,399)
Income Taxes Paid	(901)	(234)
Other Cash Payments	(747)	(767)
<b>Net Cash Flows Operating Activities</b>	<b>53,163</b>	<b>58,596</b>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(65,747)	(53,336)
Purchase of Sundt Unit 4 Lease Asset		(51,389)
Purchase of Intangibles Renewable Energy Credits	(1,032)	(2,851)
Other Cash Payments	(558)	(1)
Return of Investment in Springerville Lease Debt	38,353	21,667
Other Cash Receipts	1,958	896
<b>Net Cash Flows Investing Activities</b>	<b>(27,026)</b>	<b>(85,014)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings Under Revolving Credit Facility	75,000	95,000
Proceeds from Issuance of Long-Term Debt	11,080	30,000
Equity Investment from UniSource Energy		15,000
Other Cash Receipts	706	61
Repayments of Borrowings Under Revolving Credit Facility	(50,000)	(75,000)
Payments of Capital Lease Obligations	(62,435)	(39,523)
Payments of Debt Issue/Retirement Costs	(126)	(989)

Other Cash Payments	(166)	(54)
<b>Net Cash Flows – Financing Activities</b>	<b>(25,941)</b>	24,495
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>196</b>	(1,923)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>19,983</b>	22,418
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 20,179</b>	<b>\$ 20,495</b>

See Note 12 for supplemental cash flow information.  
See Notes to Condensed Consolidated Financial Statements.

**Table of Contents****TUCSON ELECTRIC POWER COMPANY  
COMPARATIVE CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, <b>2011</b>	December 31, <b>2010</b>
	<b>(Unaudited)</b>	
	Thousands of Dollars	
<b>ASSETS</b>		
<b>Utility Plant</b>		
Plant in Service	\$ <b>3,901,670</b>	\$ 3,863,431
Utility Plant Under Capital Leases	<b>582,669</b>	582,669
Construction Work in Progress	<b>168,675</b>	153,981
<b>Total Utility Plant</b>	<b>4,653,014</b>	4,600,081
Less Accumulated Depreciation and Amortization	<b>(1,744,775)</b>	(1,729,747)
Less Accumulated Amortization of Capital Lease Assets	<b>(464,330)</b>	(460,257)
<b>Total Utility Plant Net</b>	<b>2,443,909</b>	2,410,077
<b>Investments and Other Property</b>		
Investments in Lease Debt and Equity	<b>66,650</b>	103,844
Other	<b>33,952</b>	43,588
<b>Total Investments and Other Property</b>	<b>100,602</b>	147,432
<b>Current Assets</b>		
Cash and Cash Equivalents	<b>20,179</b>	19,983
Accounts Receivable Customer	<b>53,560</b>	63,916
Unbilled Accounts Receivable	<b>24,182</b>	32,217
Allowance for Doubtful Accounts	<b>(4,200)</b>	(4,106)
Accounts Receivable Due from Affiliates	<b>3,490</b>	5,442
Fuel Inventory	<b>24,125</b>	29,209
Materials and Supplies	<b>53,515</b>	54,732
Derivative Instruments	<b>1,567</b>	1,318
Regulatory Assets Current	<b>34,469</b>	34,023
Deferred Income Taxes Current	<b>36,205</b>	36,283
Investments in Lease Debt		1,433
Other	<b>24,336</b>	25,034
<b>Total Current Assets</b>	<b>271,428</b>	299,484
<b>Regulatory and Other Assets</b>		
Regulatory Assets Noncurrent	<b>180,723</b>	182,514
Derivative Instruments	<b>3,284</b>	1,834
Other Assets	<b>23,135</b>	24,767

<b>Total Regulatory and Other Assets</b>	<b>207,142</b>	209,115
<b>Total Assets</b>	<b>\$ 3,023,081</b>	\$ 3,066,108

See Notes to Condensed Consolidated Financial Statements.

**(Continued)**

**Table of Contents****TUCSON ELECTRIC POWER COMPANY  
COMPARATIVE CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, 2011	December 31, 2010
	(Unaudited)	
	Thousands of Dollars	
<b>CAPITALIZATION AND OTHER LIABILITIES</b>		
<b>Capitalization</b>		
Common Stock Equity	\$ 708,604	\$ 701,155
Capital Lease Obligations	360,812	429,074
Long-Term Debt	1,003,615	1,003,615
<b>Total Capitalization</b>	<b>2,073,031</b>	<b>2,133,844</b>
<b>Current Liabilities</b>		
Current Obligations Under Capital Leases	72,046	60,309
Borrowing Under Revolving Credit Facility	25,000	
Accounts Payable Trade	71,276	77,389
Accounts Payable Due to Affiliates	7,566	3,989
Interest Accrued	13,896	31,771
Accrued Taxes Other Than Income Taxes	38,200	29,873
Accrued Employee Expenses	18,840	23,710
Customer Deposits	22,244	21,191
Derivative Instruments	7,237	7,288
Regulatory Liabilities Current	53,046	58,936
Other	5,552	3,379
<b>Total Current Liabilities</b>	<b>334,903</b>	<b>317,835</b>
<b>Deferred Credits and Other Liabilities</b>		
Deferred Income Taxes Noncurrent	224,564	226,107
Regulatory Liabilities Noncurrent	178,549	170,223
Derivative Instruments	10,835	11,650
Pension and Other Postretirement Benefits	122,611	120,590
Other	78,588	85,859
<b>Total Deferred Credits and Other Liabilities</b>	<b>615,147</b>	<b>614,429</b>
<b>Commitments, Contingencies and Proposed Environmental Matters (Note 6)</b>		
<b>Total Capitalization and Other Liabilities</b>	<b>\$ 3,023,081</b>	<b>\$ 3,066,108</b>

See Notes to Condensed Consolidated Financial Statements.

(Concluded)



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**TUCSON ELECTRIC POWER COMPANY**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY AND**  
**COMPREHENSIVE INCOME**

	Common Stock	Capital Stock Expense	Accumulated Deficit (Unaudited) Thousands of Dollars	Accumulated Other Comprehensive Loss	Total Stockholders Equity
<b>Balances at December 31, 2010</b>	<b>\$ 858,971</b>	<b>\$ (6,357)</b>	<b>\$ (141,690)</b>	<b>\$ (9,769)</b>	<b>\$ 701,155</b>
Comprehensive Income:					
2011 Year-to-Date Net Income			6,983		6,983
Unrealized Gain on Cash Flow Hedges (net of \$232 income taxes)				179	179
Reclassification of Realized Losses on Cash Flow Hedges to Net Income (net of \$105 income taxes)				161	161
Employee Benefit Obligations Amortization of SERP Net Prior Service Cost Included in Net Periodic Benefit Cost (net of \$0 income taxes)				126	126
Total Comprehensive Income					7,449
<b>Balances at March 31, 2011</b>	<b>\$ 858,971</b>	<b>\$</b>			

The Fund will not generally invest in any unlisted Depository Receipts or any Depository Receipt that WisdomTree Asset Management or the Sub-Adviser deems to be illiquid or for which pricing information is not readily available. In addition, all Depository Receipts generally must be sponsored; however, the Fund may invest in unsponsored Depository Receipts under certain limited circumstances. The issuers of unsponsored Depository Receipts are not obligated to disclose material information in the United States, and, therefore, there may be less information available regarding such issuers and there may not be a correlation between such information and the market value of the Depository Receipts. The use of Depository Receipts may increase tracking error relative to an underlying Index.

**DERIVATIVES.** The Fund may use derivative instruments as part of its investment strategies. The Fund will not use derivatives to increase leverage and the Fund will provide margin or collateral, as applicable, with respect to investments in derivatives in such amounts as determined under applicable law, regulatory guidance, or related interpretations.





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Generally, derivatives are financial contracts whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index, and may relate to bonds, interest rates, currencies, commodities, and related indexes. Examples of derivative instruments include forward currency contracts, currency and interest rate swaps, currency options, futures contracts, options on futures contracts and swap agreements.

With respect to certain kinds of derivative transactions that involve obligations to make future payments to third parties, including, but not limited to, futures contracts, forward contracts, swap contracts, the purchase of securities on a when-issued or delayed delivery basis, or reverse repurchase agreements, under applicable federal securities laws, rules, and interpretations thereof, the Fund must set aside (referred to sometimes as asset segregation) liquid assets, or engage in other measures to cover open positions with respect to such transactions in a manner consistent with the 1940 Act, specifically sections 8 and 18 thereunder. In complying with such requirements, the Fund will include assets of any wholly-owned subsidiary in which that Fund invests on an aggregate basis.

For example, with respect to forward contracts and futures contracts that are not contractually required to cash-settle, the Fund must cover its open positions by having available liquid assets equal to the contracts' full notional value. The Fund treats deliverable forward contracts for currencies that are liquid as the equivalent of cash settled contracts. As such, the Fund may have available liquid assets in an amount equal to the Fund's daily marked-to-market (net) obligation (*i.e.*, the Fund's daily net liability if any) rather than the full notional amount under such deliverable forward contracts. Similarly, with respect to futures contracts that are contractually required to cash-settle the Fund may have available liquid assets in an amount equal to the Fund's daily marked-to-market (net) obligation rather than the notional value. The Fund reserves the right to modify these policies in the future.

Effective April 24, 2012, the U.S. Commodity Futures Trading Commission (CFTC) revised, among other things, CFTC Rule 4.5 and rescinded CFTC Rule 4.13(a)(4). The CFTC has adopted amendments to its regulations of commodity pool operators (CPOs) managing funds registered under the 1940 Act that harmonize the SEC's and the CFTC's regulatory schemes. The adopted amendments to the CFTC regulations allow CPOs to registered investment companies to satisfy certain recordkeeping, reporting and disclosure requirements that would otherwise apply to them under Part 4 of the CFTC's regulations by continuing to comply with comparable SEC requirements. To the extent that the CFTC recordkeeping, disclosure and reporting requirements deviate from the comparable SEC requirements, such deviations are not expected to materially adversely affect the ability of the Fund to continue to operate and achieve its investment objectives. If, however, these requirements or future regulatory changes result in the Fund having difficulty in achieving its investment objectives, the Trust may determine to reorganize or close the Fund, materially change the Fund's investment objectives and strategies, or operate the Fund as a regulated commodity pool pursuant to WisdomTree Asset Management's CPO registration.

With regard to the Fund, WisdomTree Asset Management will continue to claim relief from the definition of CPO under revised CFTC Rule 4.5. Specifically, pursuant to CFTC Rule 4.5, WisdomTree Asset Management may claim exclusion from the definition of CPO, and thus from having to register as a CPO, with regard to a Fund that enters into commodity futures, commodity options or swaps solely for bona fide hedging purposes, or that limits its investment in commodities to a de minimis amount, as defined in CFTC rules, so long as the shares of such Fund are not marketed as interests in a commodity pool or other vehicle for trading in commodity futures, commodity options or swaps.

**Swap Agreements.** The Fund may enter into swap agreements, including currency swaps, interest rate swaps, credit default swaps, and total return swaps. A typical foreign currency swap involves the exchange of cash flows based on the notional differences among two or more currencies (*e.g.*, the U.S. dollar and the euro). A typical interest rate swap involves the exchange of a floating interest rate payment for a fixed interest payment. A typical credit default swap (CDS) involves an agreement to make a series of payments by the buyer in exchange for receipt of payment by the seller if the loan defaults. In the event of default the buyer of the CDS receives compensation (usually the face value of the loan), and the seller of the CDS takes possession of the defaulted loan. In the event that the Fund acts as a protection seller of a CDS, the Fund will segregate assets equivalent to the full notional value of the CDS. In the event that the Fund acts as a protection buyer of a CDS, the Fund will cover the total amount of required premium payments plus the pre-payment penalty. Total return swaps involve the exchange of payments based on the total return on an underlying reference asset. The total return includes appreciation or depreciation on the reference asset, plus any interest or dividend payments. Swap agreements can be structured to provide for periodic payments over the term of the swap contract or a single payment at maturity (also known as a bullet swap). Swap agreements may be used to hedge or achieve exposure to, for example, currencies, interest rates, and money market securities without actually purchasing such currencies or securities. The Fund may use swap agreements to invest in a market without owning or taking physical custody of the underlying securities in circumstances in which direct investment is restricted for legal reasons or is otherwise impracticable. Swap agreements will tend to shift the Fund's investment exposure from one type of investment to another or from one payment stream to another.

Depending on their structure, swap agreements may increase or decrease a Fund's exposure to long- or short-term interest rates (in the United States or abroad), foreign currencies, corporate borrowing rates, or other factors, and may increase or decrease the overall volatility of a Fund's investments and its share price. When a Fund purchases or sells a swap contract, the Fund is required to cover its position in order to limit the risk associated with the use of leverage and other related risks. To cover its position, the Fund will maintain with its custodian bank (and mark-to-market on a daily basis) a segregated account consisting



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of cash or liquid securities that, when added to any amounts deposited as margin, are equal to the market value of the swap contract or otherwise cover its position in a manner consistent with the 1940 Act or the rules and SEC interpretations thereunder. If the Fund continues to engage in the described securities trading practices and properly segregates assets, the segregated account will function as a practical limit on the amount of leverage which the Fund may undertake and on the potential increase in the speculative character of the Fund's outstanding portfolio securities. Additionally, such segregated accounts will generally ensure the availability of adequate funds to meet the obligations of the Fund arising from such investment activities.

**Futures, Options and Options on Futures Contracts.** The Fund may enter into U.S. or foreign futures contracts, options and options on futures contracts. When the Fund purchases a futures contract, it agrees to purchase a specified underlying instrument at a specified future date. When the Fund sells a futures contract, it agrees to sell the underlying instrument at a specified future date. The price at which the purchase and sale will take place is fixed when the Fund enters into the contract. Futures can be held until their delivery dates, or can be closed out before then if a liquid secondary market is available.

The risk of loss in trading futures contracts or uncovered call options in some strategies (*e.g.*, selling uncovered stock index futures contracts) is potentially unlimited. The Fund does not plan to use futures and options contracts in this way. The risk of a futures position may still be large as traditionally measured due to the low margin deposits required. In many cases, a relatively small price movement in a futures contract may result in immediate and substantial loss or gain to the investor relative to the size of a required margin deposit. The Fund, however, intends to utilize futures and options contracts in a manner designed to limit its risk exposure to levels comparable to direct investment in stocks.

Utilization of futures and options on futures by the Fund involves the risk of imperfect or even negative correlation to the underlying Index if the index underlying the futures contract differs from the Fund's underlying Index. There is also the risk of loss by the Fund of margin deposits in the event of bankruptcy of a broker with whom the Fund has an open position in the futures contract or option. The purchase of put or call options will be based upon predictions by the Fund as to anticipated trends, which predictions could prove to be incorrect.

The potential for loss related to the purchase of an option on a futures contract is limited to the premium paid for the option plus transaction costs. Because the value of the option is fixed at the point of sale, there are no daily cash payments by the purchaser to reflect changes in the value of the underlying contract; however, the value of the option changes daily and that change would be reflected in the NAV of the Fund. The potential for loss related to writing options is unlimited.

Although the Fund intends to enter into futures contracts only if there is an active market for such contracts, there is no assurance that an active market will exist for the contracts at any particular time.

**EQUITY SECURITIES.** Equity securities, such as the common stocks of an issuer, are subject to stock market fluctuations and, therefore, may experience volatile changes in value as market conditions, consumer sentiment or the financial condition of the issuers change. A decrease in value of the equity securities in the Fund's portfolio may also cause the value of the Fund's shares to decline.

**EXCHANGE TRADED PRODUCTS.** The Fund may invest in exchange traded products (ETPs), which include exchange traded funds registered under the 1940 Act, exchange traded commodity trusts and exchange traded notes. The Adviser may receive management or other fees from the ETPs in which the Fund may invest (Affiliated ETPs), as well as a management fee for managing the Fund. It is possible that a conflict of interest among the Fund and Affiliated ETPs could affect how the Adviser fulfills its fiduciary duties to the Fund and the Affiliated ETPs. Although the Adviser takes steps to address the conflicts of interest, it is possible that the conflicts could impact the Fund. The Fund may invest in new ETPs or ETPs that have not yet established a deep trading market at the time of investment. Shares of such ETPs may experience limited trading volume and less liquidity, in which case the spread (the difference between bid price and ask price) may be higher.

**Exchange Traded Funds.** The Fund may invest in ETFs. ETFs are investment companies that trade like stocks on a securities exchange at market prices rather than NAV. As a result, ETF shares may trade at a price greater than NAV (premium) or less than NAV (discount). The Fund that invests in an ETF indirectly bears fees and expenses charged by the ETF in addition to the Fund's direct fees and expenses. Investments in ETFs are also subject to brokerage and other trading costs that could result in greater expenses for the Fund.

**Exchange-Traded Notes.** The Fund may invest in exchange traded notes (ETNs). ETNs generally are senior, unsecured, unsubordinated debt securities issued by a sponsor, such as an investment bank. ETNs are traded on exchanges and the returns are linked to the performance of market indexes. In addition to trading ETNs on exchanges, investors may redeem ETNs directly with the issuer on a periodic basis, typically in a minimum amount of 50,000 units, or hold the ETNs until maturity. The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in the underlying market, changes in the applicable interest rates, and economic, legal, political or geographic events that affect the referenced market. Because ETNs are debt securities, they are subject to credit risk. If the issuer has financial difficulties or goes bankrupt, the Fund may not receive the return it was promised. If a rating agency lowers an issuer's credit rating, the

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value of the ETN may decline and a lower credit rating reflects a greater risk that the issuer will default on its obligation. There may be restrictions on the Fund's right to redeem its investment in an ETN. There are no periodic interest payments for ETNs, and principal is not protected. The Fund's decision to sell its ETN holdings may be limited by the availability of a secondary market.

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**FINANCIAL SECTOR INVESTMENTS.** The Fund may engage in transactions with or invest in companies that are considered to be in the financial sector, including commercial banks, brokerage firms, diversified financial services, a variety of firms in all segments of the insurance industry (such as multi-line, property and casualty, and life insurance) and real estate-related companies. There can be no guarantee that these strategies may be successful. The Fund may lose money as a result of defaults or downgrades within the financial sector.

Events in the financial sector have resulted in increased concerns about credit risk and exposure. Well-known financial institutions have experienced significant liquidity and other problems and have defaulted on their debt obligations. Issuers that have exposure to real estate, mortgage and credit markets have been particularly affected. It is uncertain whether or how long these conditions will continue. These events and possible continuing market turbulence may have an adverse effect on Fund performance.

Rule 12d3-1 under the 1940 Act limits the extent to which a fund may invest in the securities of any one company that derives more than 15% of its revenues from brokerage, underwriting or investment management activities. A fund may purchase securities of an issuer that derived more than 15% of its gross revenues in its most recent fiscal year from securities-related activities, subject to the following conditions: (1) the purchase cannot cause more than 5% of the fund's total assets to be invested in securities of that issuer; (2) for any equity security, the purchase cannot result in the fund owning more than 5% of the issuer's outstanding securities in that class; and (3) for a debt security, the purchase cannot result in the fund owning more than 10% of the outstanding principal amount of the issuer's debt securities. The Fund, in seeking to comply with this rule, may experience greater index tracking error because an Index is not subject to the rule.

In applying the gross revenue test, an issuer's own securities-related activities must be combined with its ratable share of securities-related revenues from enterprises in which it owns a 20% or greater voting or equity interest. All of the above percentage limitations, as well as the issuer's gross revenue test, are applicable at the time of purchase. With respect to warrants, rights, and convertible securities, a determination of compliance with the above limitations shall be made as though such warrant, right, or conversion privilege had been exercised. The Fund will not be required to divest their holdings of a particular issuer when circumstances subsequent to the purchase cause one of the above conditions to not be met. The purchase of a general partnership interest in a securities-related business is prohibited.

**FIXED INCOME SECURITIES.** Fixed income securities, such as corporate debt, bonds and notes, change in value in response to interest rate changes and other factors, such as the perception of the issuer's creditworthiness. For example, the value of fixed income securities will generally decrease when interest rates rise, which may cause the value of the Fund to decrease. In addition, investments in fixed income securities with longer maturities will generally fluctuate more in response to interest rate changes.

**FUTURE DEVELOPMENTS.** The Trust's Board of Trustees (the Board) may, in the future, authorize the Fund to invest in securities contracts and investments other than those listed in this SAI and in the Fund's Prospectus, provided they are consistent with the Fund's investment objective and do not violate any investment restrictions or policies.

**ILLIQUID SECURITIES.** The Fund may invest up to an aggregate amount of 15% of its net assets in illiquid securities. Illiquid securities include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets to the extent the Adviser or Sub-Adviser has not deemed such securities to be liquid. The inability of the Fund to dispose of illiquid or not readily marketable investments readily or at a reasonable price could impair the Fund's ability to raise cash for redemptions or other purposes. The liquidity of securities purchased by the Fund which are eligible for resale pursuant to Rule 144A, except for certain 144A bonds, will be monitored by the Fund on an ongoing basis. In the event that such a security is deemed to be no longer liquid, the Fund's holdings will be reviewed to determine what action, if any, is required to ensure that the retention of such security does not result in the Fund having more than 15% of its net assets invested in illiquid securities.

**INVESTMENT COMPANY SECURITIES.** The Fund may invest in the securities of other investment companies (including money market funds and certain ETPs). The 1940 Act generally prohibits a fund from acquiring more than 3% of the outstanding voting shares of an investment company and limits such investments to no more than 5% of the fund's total assets in any single investment company and no more than 10% in any combination of two or more investment companies although the Fund may invest in excess of these limits in affiliated ETPs and to the extent it enters into agreements and abides by certain conditions of the exemptive relief issued to non-affiliated ETPs. The Fund may purchase or otherwise invest in shares of affiliated ETFs and affiliated money market funds.

**MONEY MARKET INSTRUMENTS.** The Fund may invest a portion of its assets in high-quality money market instruments on an ongoing basis to provide liquidity or for other reasons. The instruments in which the Fund may invest include: (i) short-term obligations issued by the U.S. government; (ii) negotiable certificates of deposit (CDs), fixed time deposits and bankers' acceptances of U.S. and foreign banks and similar institutions; (iii) commercial paper rated at the date of purchase Prime-1 by Moody's or A-1+ or A-1 by Standard & Poor's (S&P) or, if unrated, of comparable quality as determined by the Fund; and (iv) repurchase agreements. CDs are short-term negotiable obligations of commercial banks. Time deposits are non-negotiable deposits maintained in banking institutions for specified periods of time at stated interest rates. Bankers' acceptances are time drafts drawn on commercial banks by borrowers, usually in connection with international transactions.



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**NON-U.S. SECURITIES.** The Fund invests primarily in non-U.S. equity securities. Investments in non-U.S. equity securities involve certain risks that may not be present in investments in U.S. securities. For example, non-U.S. securities may be subject to currency risks or to foreign government taxes. There may be less information publicly available about a non-U.S. issuer than about a U.S. issuer, and a foreign issuer may or may not be subject to uniform accounting, auditing and financial reporting standards and practices comparable to those in the U.S. Other risks of investing in such securities include political or economic instability in the country involved, the difficulty of predicting international trade patterns and the possibility of imposition of exchange controls. The prices of such securities may be more volatile than those of domestic securities. With respect to certain foreign countries, there is a possibility of expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, difficulty in obtaining and enforcing judgments against foreign entities or diplomatic developments which could affect investment in these countries. Losses and other expenses may be incurred in converting between various currencies in connection with purchases and sales of foreign securities.

Non-U.S. stock markets may not be as developed or efficient as, and may be more volatile than, those in the U.S. While the volume of shares traded on non-U.S. stock markets generally has been growing, such markets usually have substantially less volume than U.S. markets. Therefore, the Fund's investment in non-U.S. equity securities may be less liquid and subject to more rapid and erratic price movements than comparable securities listed for trading on U.S. exchanges. Non-U.S. equity securities may trade at price/earnings multiples higher than comparable U.S. securities and such levels may not be sustainable. There may be less government supervision and regulation of foreign stock exchanges, brokers, banks and listed companies abroad than in the U.S. Moreover, settlement practices for transactions in foreign markets may differ from those in U.S. markets. Such differences may include delays beyond periods customary in the U.S. and practices, such as delivery of securities prior to receipt of payment, that increase the likelihood of a failed settlement, which can result in losses to the Fund. The value of non-U.S. investments and the investment income derived from them may also be affected unfavorably by changes in currency exchange control regulations. Foreign brokerage commissions, custodial expenses and other fees are also generally higher than for securities traded in the U.S. This may cause the Fund to incur higher portfolio transaction costs than domestic equity funds. Fluctuations in exchange rates may also affect the earning power and asset value of the foreign entity issuing a security, even one denominated in U.S. dollars. Dividend and interest payments may be repatriated based on the exchange rate at the time of disbursement, and restrictions on capital flows may be imposed.

Set forth below for certain markets in which the Fund may invest, consistent with their principal investment strategies, are brief descriptions of some of the conditions and risks in each such market.

**Investments in Europe.** Most developed countries in Western Europe are members of the European Union ( EU ), and many are also members of the European Economic and Monetary Union ( EMU ), which requires compliance with restrictions on inflation rates, deficits, and debt levels. Unemployment in certain European nations is historically high and several countries face significant debt problems. These conditions can significantly affect every country in Europe. The euro is the official currency of the EU. Funds that invest in Europe may have significant exposure to the euro and events affecting the euro. Recent market events affecting several of the EU member countries have adversely affected the sovereign debt issued by those countries, and ultimately may lead to a decline in the value of the euro. A significant decline in the value of the euro may produce unpredictable effects on trade and commerce generally and could lead to increased volatility in financial markets worldwide. In particular, due to recent political and economic events in Greece, a member of the EMU, it is possible that Greece may be unable to repay its sovereign debt, forcing Greece into default. Greece may also exit the EMU as a result of these events. A default or exit from the EMU by Greece, or any other EMU member, may adversely affect the value of the euro as well as the performance of other European economies and issuers.

In June 2016, the United Kingdom voted in a referendum to leave the EU. As a result of the referendum, S&P downgraded the United Kingdom's credit rating from AAA to AA and the EU's credit rating from AA+ to AA in the days that followed the vote. Other credit ratings agencies have taken similar actions. Although the precise timeframe for Brexit is uncertain, it is currently expected that the United Kingdom will seek to withdraw from the EU by invoking article 50 of the Lisbon Treaty with an anticipated completion date within two years from notifying the European Council of the United Kingdom's intention to withdraw. It is unclear how withdrawal negotiations will be conducted and what the potential consequences may be. In addition, it is possible that measures could be taken to revoke on the issue of Brexit, or that portions of the United Kingdom could seek to separate and remain a part of the EU. As a result of the political divisions within the United Kingdom and between the United Kingdom and the EU that the referendum vote has highlighted and the uncertain consequences of a Brexit, the economies of the United Kingdom and Europe as well as the broader global economy could be significantly impacted, which may result in increased volatility and illiquidity, and potentially lower economic growth on markets in the United Kingdom, Europe and globally that could potentially have an adverse effect on the value of the Fund's investments.

**Investments in the United Kingdom.** The United Kingdom has one of the largest economies in Europe and trades heavily with other European countries. The economy of the United Kingdom may be impacted by changes to the economic health of





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other European countries. In June 2016, the United Kingdom voted in a referendum to leave the EU. For more information about Brexit and the associated risks, see the above description of Investments in Europe. These and other factors could have a negative impact on the Fund's performance.

**REAL ESTATE INVESTMENT TRUSTS.** The Fund may invest in the securities of real estate investment trusts ( REITs ) to the extent allowed by law. Risks associated with investments in securities of REITs include decline in the value of real estate, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, variations in rental income, changes in neighborhood values, the appeal of properties to tenants, and increases in interest rates. In addition, equity REITs may be affected by changes in the values of the underlying property owned by the trusts, while mortgage REITs may be affected by the quality of credit extended. REITs are dependent upon management skills, may not be diversified and are subject to the risks of financing projects. REITs are also subject to heavy cash-flow dependency, defaults by borrowers, self-liquidation and the possibility of failing to maintain exemption from the 1940 Act, and, for U.S. REITs, the possibility of failing to qualify for the favorable U.S. federal income tax treatment available to U.S. REITs under the Code. If an issuer of debt securities collateralized by real estate defaults, it is conceivable that the REITs could end up holding the underlying real estate.

**REPURCHASE AGREEMENTS.** The Fund may enter into repurchase agreements with counterparties that are deemed to present acceptable credit risks. A repurchase agreement is a transaction in which the Fund purchases securities or other obligations from a bank or securities dealer (or its affiliate) and simultaneously commits to resell them to a counterparty at an agreed-upon date or upon demand and at a price reflecting a market rate of interest unrelated to the coupon rate or maturity of the purchased obligations. The Fund maintains custody of the underlying obligations prior to their repurchase, either through its regular custodian or through a special tri-party custodian or sub-custodian that maintains separate accounts for both the Fund and its counterparty. Thus, the obligation of the counterparty to pay the repurchase price on the date agreed to or upon demand is, in effect, secured by such obligations.

Repurchase agreements carry certain risks not associated with direct investments in securities, including a possible decline in the market value of the underlying obligations. If their value becomes less than the repurchase price, plus any agreed-upon additional amount, the counterparty must provide additional collateral so that at all times the collateral is at least equal to the repurchase price plus any agreed-upon additional amount. The difference between the total amount to be received upon repurchase of the obligations and the price that was paid by the Fund upon acquisition is accrued as interest and included in its net investment income. Repurchase agreements involving obligations other than U.S. government securities (such as commercial paper and corporate bonds) may be subject to special risks and may not have the benefit of certain protections in the event of the counterparty's insolvency. If the seller or guarantor becomes insolvent, the Fund may suffer delays, costs and possible losses in connection with the disposition of collateral.

**REVERSE REPURCHASE AGREEMENTS.** The Fund may enter into reverse repurchase agreements, which involve the sale of securities held by the Fund subject to its agreement to repurchase the securities at an agreed-upon date or upon demand and at a price reflecting a market rate of interest. Reverse repurchase agreements are subject to the Fund's limitation on borrowings and may be entered into only with banks or securities dealers or their affiliates. While a reverse repurchase agreement is outstanding, the Fund will maintain the segregation, either on its records or with the Trust's custodian, of cash or other liquid securities, marked to market daily, in an amount at least equal to its obligations under the reverse repurchase agreement. Reverse repurchase agreements involve the risk that the buyer of the securities sold by the Fund might be unable to deliver them when the Fund seeks to repurchase. If the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the buyer or trustee or receiver may receive an extension of time to determine whether to enforce the Fund's obligation to repurchase the securities, and the Fund's use of the proceeds of the reverse repurchase agreement may effectively be restricted pending such decision.

**SECURITIES LENDING.** The Fund may lend portfolio securities to certain creditworthy borrowers, including the Fund's securities lending agent. Loans of portfolio securities provide the Fund with the opportunity to earn additional income on the Fund's portfolio securities. All securities loans will be made pursuant to agreements requiring the loans to be continuously secured by collateral in cash, or money market instruments, money market funds, or U.S. government securities at least equal at all times to the market value of the loaned securities. The borrower pays to the Fund an amount equal to any dividends or interest received on loaned securities. The Fund retains all or a portion of the interest received on investment of cash collateral or receives a fee from the borrower. Lending portfolio securities involves risks of delay in recovery of the loaned securities or in some cases loss of rights in the collateral should the borrower fail financially. Furthermore, because of the risks of delay in recovery, the Fund may lose the opportunity to sell the securities at a desirable price. The Fund will generally not have the right to vote securities while they are being loaned.

**TRACKING STOCKS.** The Fund may invest in tracking stocks. A tracking stock is a separate class of common stock whose value is linked to a specific business unit or operating division within a larger company and which is designed to track the performance of such business unit or division. The tracking stock may pay dividends to shareholders independent of the parent company. The parent company, rather than the business unit or division, generally is the issuer of tracking stock. However, holders of the tracking stock may not have the same rights as

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holders of the company's common stock.

**U.S. GOVERNMENT SECURITIES.** The Fund may invest in obligations issued or guaranteed by the U.S. Treasury or the agencies or instrumentalities of the U.S. government. Such obligations may be short-, intermediate- or long-term. U.S. government securities

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are obligations of, or guaranteed by, the U.S. government, its agencies or government-sponsored enterprises. U.S. government securities are subject to market and interest rate risk, and may be subject to varying degrees of credit risk. U.S. government securities include inflation-indexed fixed income securities, such as U.S. Treasury Inflation Protected Securities (TIPS). U.S. government securities include zero coupon securities, which tend to be subject to greater market risk than interest-paying securities of similar maturities.

### **PROXY VOTING POLICY**

The Trust has adopted as its proxy voting policies for the Fund the proxy voting guidelines of the Sub-Adviser. The Trust has delegated to the Sub-Adviser the authority and responsibility for voting proxies on the portfolio securities held by the Fund. The remainder of this section discusses the Fund's proxy voting guidelines and the Sub-Adviser's role in implementing such guidelines.

The Sub-Adviser participates in BNY Mellon's Proxy Voting and Governance Committee (the Committee), and exercises the voting rights delegated to us by clients with the guidance and assistance of the Committee. The Committee consists of representatives from our firm and that of certain other fiduciary business units (each, a Member Firm) affiliated with BNY Mellon. The Committee has established detailed, pre-determined, written proxy voting guidelines for specific types of proposals and matters commonly submitted to shareholders by U.S. and non-U.S. companies (collectively, the Voting Guidelines). These Voting Guidelines are designed to assist with voting decisions which over time seek to maximize the economic value of the securities of companies held in client accounts as determined in the discretion of the Committee. Mellon Capital has adopted the Committee's Voting Guidelines, Proxy Voting Policy, and related procedures (the Proxy Policies). The Proxy Policies are reasonably designed: (1) to vote proxies, consistent with our fiduciary obligations, in the best interests of clients; and (2) to prevent conflicts of interest from influencing proxy voting decisions made on behalf of clients.

Mellon Capital recognizes that the responsibility for the daily management of a company's operations and strategic planning is entrusted to the company's management team, subject to oversight by the company's board of directors. As a general matter, Mellon Capital invests in companies believed to be led by competent management and, as set forth in the Voting Guidelines, it customarily votes in support of management proposals and consistent with management's recommendations. However, in Mellon Capital's role as a fiduciary, Mellon Capital believes that it must express its view on the performance of the directors and officers of the companies in which clients are invested and how these clients' interests as shareholders are being represented. Accordingly, as set forth in the Voting Guidelines, Mellon Capital will vote against those proposals that it believes would negatively impact the economic value of clients' investments even if those proposals are supported or recommended by company management.

The Committee has retained the services of two independent proxy advisors (Proxy Advisors) to provide comprehensive research, analysis, and voting recommendations. These services are used most frequently in connection with proposals or matters that may be controversial or require a case-by-case analysis by the Committee in accordance with its Voting Guidelines. The Committee has engaged one of its Proxy Advisors as its proxy voting agent (the Proxy Agent) to administer the mechanical, non-discretionary elements of proxy voting and reporting for clients. The Committee has directed the Proxy Agent, in that administrative role, to follow the specified Voting Guideline and apply it to each applicable proxy proposal or matter where a shareholder vote is sought. Accordingly, proxy items that can be appropriately categorized and matched either will be voted in accordance with the applicable Voting Guideline or will be referred to the Committee if the Voting Guideline so requires. The Voting Guidelines require referral to the Committee for discussion and vote of all proxy proposals or shareholder voting matters for which the Committee has not yet established a specific Voting Guideline, and generally for those proxy proposals or shareholder voting matters that are contested or similarly controversial (as determined by the Committee in its discretion).

In addition, the Committee has directed the Proxy Agent to refer to it for discussion and vote all proxy proposals of those issuers: (1) where the percentage of their outstanding voting securities held in the aggregate in accounts actively managed by the Member Firms is deemed significant or (2) that are at or above a certain specified market capitalization size (each, as determined by the Committee in its discretion). For items referred to it, the Committee may determine to accept or reject any recommendation based on the Voting Guidelines, research and analysis provided by its Proxy Advisors, or on any independent research and analysis obtained or generated by Member Firm portfolio managers and analysts or the Committee's Research Group.

It is the policy of the Committee to make proxy voting decisions that are solely in the best long-term economic interests of clients. The Committee is aware that, from time to time, voting on a particular proposal or with regard to a particular issuer may present a potential for conflict of interest for its Member Firms. For example, potential conflicts of interest may arise when: (1) a public company or a proponent of a proxy proposal has a business relationship with a BNY Mellon affiliated company; and/or (2) an employee, officer or director of BNY Mellon or one of its affiliated companies has a personal interest in the outcome of a particular proxy proposal.

Aware of the potential for conflicts to influence the voting process, the Committee consciously developed the Voting Guidelines and structured the Committee and its practices with several layers of controls that are designed to ensure that the Committee's voting decisions are not influenced by interests other than those of its Member Firms' fiduciary clients. For example, the Committee developed its Voting Guidelines with

the assistance of internal and external research and recommendations provided by third party

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vendors but without consideration of any BNY Mellon client relationship factors. The Committee has directed the Proxy Agent to apply the Voting Guidelines to individual proxy items in an objective and consistent manner across client accounts and similarly has directed the Proxy Agent to administer proxy voting for Member Firm clients. When proxies are voted in accordance with these pre-determined Voting Guidelines, it is the Committee's view that these votes do not present the potential for a material conflict of interest and no additional safeguards are needed.

For those proposals that are referred to the Committee in accordance with the Voting Guidelines or Committee direction, the Committee votes based upon its principle of seeking to maximize the economic value of the securities held in client accounts. In this context the Committee seeks to address the potential for conflicts presented by such referred items through deliberately structuring its membership. The representatives of the Member Firms on the Committee do not include individuals whose primary duties relate to sales, marketing or client services. Rather the Committee consists of senior officers and investment professionals from its Member Firms, and is supported by members of BNY Mellon's Compliance, Legal and Risk Management Departments, as necessary.

With respect to the potential for personal conflicts of interest, BNY Mellon's Code of Conduct requires that all employees make business decisions free from conflicting outside influences. Under this Code, BNY Mellon employees' business decisions are to be based on their duty to BNY Mellon and to their clients, and not driven by any personal interest or gain. All employees are to be alert to any potential for conflict and to identify and mitigate or eliminate any such conflict. Accordingly, members of the Committee with a personal conflict of interest regarding a particular public company or proposal that is being voted upon must recuse themselves from participation in the discussion and decision-making process with respect to that matter.

Additionally, there are certain instances where an independent fiduciary will be engaged to vote proxies as a further safeguard to avoid potential conflicts of interest or as otherwise required by applicable law. These instances are considered to be Primary Conflicted Proxies and they typically arise due to relationships between proxy issuers or companies and BNY Mellon, a BNY Mellon affiliate, a BNY Mellon executive, or a member of BNY Mellon's Board of Directors. The Sub-Adviser is also subject to the policies and decisions of BNY Mellon's Proxy Conflicts Committee (the PCC). If a situation arises that is not identified as a Primary Conflicted Proxy, but may present an actual, potential or perceived material conflict of interest, or if there is ambiguity as to whether a Primary Conflicted Proxy exists, the PCC shall review the matter, and (in the case of identified conflicts) determine how best to resolve the conflict. If the PCC determines that a conflict exists, possible resolutions may include: (1) voting in accordance with the guidance of an independent fiduciary; (2) voting in proportion to other shareholders (mirror voting); (3) erecting informational barriers around, or recusal from the vote decision making process by, the person or persons making voting decisions; and (4) voting in other ways that are consistent with our obligation to vote in our clients' best interest.

When an independent fiduciary is engaged, the fiduciary either will vote the involved proxy, or provide Mellon Capital with instructions as to how to vote such proxy. In the latter case, Mellon Capital will vote the proxy in accordance with the independent fiduciary's determination.

A complete copy of the Sub-Adviser's proxy voting policy may be obtained by calling 1-866-909-9473 or by writing to: WisdomTree Trust, c/o Foreside Fund Services, LLC, Three Canal Plaza, Suite 100, Portland, Maine 04101.

The Trust is required to disclose annually the Fund's complete proxy voting record on Form N-PX covering the period from July 1 of one year through June 30 of the next year and to file Form N-PX with the SEC no later than August 31 of each year. The current Form N-PX for the Fund, when filed, may be obtained at no charge upon request by calling 1-866-909-9473 or by visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

## **PORTFOLIO HOLDINGS DISCLOSURE POLICIES AND PROCEDURES**

The Trust has adopted a Portfolio Holdings Policy (the Policy) designed to govern the disclosure of Fund portfolio holdings and the use of material non-public information about Fund holdings. The Policy applies to all officers, employees, and agents of the Fund, including the Advisers. The Policy is designed to ensure that the disclosure of information about the Fund's portfolio holdings is consistent with applicable legal requirements and otherwise in the best interest of the Fund.

As an ETF, information about the Fund's portfolio holdings is made available on a daily basis in accordance with the provisions of any Order of the SEC applicable to the Fund, regulations of the Fund's Listing Exchange and other applicable SEC regulations, orders and no-action relief. Such information typically reflects all or a portion of the Fund's anticipated portfolio holdings as of the next Business Day. A Business Day with respect to the Fund is any day on which the Listing Exchange is open for business. As of the date of this SAI, the Listing Exchange observes the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. This information is used in connection with the creation and redemption process and is disseminated on a daily basis through the facilities of the Listing Exchange, the National Securities Clearing Corporation (NSCC) and/or third-party service providers.

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Daily access to the Fund's portfolio holdings with no lag time is permitted to personnel of the Advisers, the Distributor and the Fund's administrator (the Administrator), custodian and accountant and other agents or service providers of the Trust who have need of such information in connection with the ordinary course of their respective duties to the Fund. The Fund's Chief Compliance Officer (CCO) may authorize disclosure of portfolio holdings.

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The Fund may disclose its complete portfolio holdings or a portion of its portfolio holdings online at [www.wisdomtree.com](http://www.wisdomtree.com). Online disclosure of such holdings is publicly available at no charge.

The Fund will disclose its complete portfolio holdings schedule in public filings with the SEC on a quarterly basis, based on the Fund's fiscal year, within sixty (60) days of the end of the quarter, and will provide that information to shareholders, as required by federal securities laws and regulations thereunder.

No person is authorized to disclose the Fund's portfolio holdings or other investment positions except in accordance with the Policy. The Board reviews the implementation of the Policy on a periodic basis.

### **WISDOMTREE INDEX DESCRIPTION**

A description of the Index on which the Fund's investment strategy is based is provided in the Fund's Prospectus under "Principal Investment Strategies of the Fund" with certain additional details provided below. Additional information about the Index, including the components and weightings of the Index, as well as the Index methodology, which contains the rules that govern inclusion and weighting in the Index, is available at [www.wisdomtree.com](http://www.wisdomtree.com) under "WisdomTree Solutions" in the Resource Library.

#### **WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Index**

*Number of Components:* approximately 299

*Annual Index Screening/Rebalance Dates.* The Index is rebalanced or reconstituted on an annual basis. New securities are added to the Index only during the annual rebalance. The annual screening date of the Index takes place after the close of trading on the last trading day in May of each year. The Index is rebalanced in June of each year.

During the annual screening date, securities are screened to determine whether they comply with WisdomTree's proprietary Index methodology and are eligible to be included in the Index. This date is sometimes referred to as the Index measurement date or the Screening Point. Based on this screening, securities that meet Index requirements are added to the Index, and securities that do not meet such requirements are dropped from the Index.

*Dynamic Currency Hedging Quantitative Signals.* WisdomTree Investments has entered into a licensing agreement with Record Currency Management Limited ("Record") to provide rules-based signals used to determine the rules-based Index's dynamic currency hedge ratio on a monthly basis. The Fund is not sponsored, endorsed, sold or promoted by Record. Record has licensed certain rights to WisdomTree Investments, as the index provider to the Fund, and Record is providing no investment advice to the Fund or its Advisers. Record makes no representation or warranty, expressed or implied, to the owners of the Fund regarding any associated risks or the advisability of investing in the Fund.

*Applying the Calculated Volume Factor Adjustment.* After applying the initial Index eligibility criteria screens and weighting scheme, each Index component's calculated volume factor is determined. The calculated volume factor is the security's average daily dollar trading volume for the three months preceding the Index screening date divided by the security's weight in the Index. If a component security's calculated volume factor is:

- (i) at least \$400 million, the security is included in the Index and its weight in the Index is not reduced.
- (ii) less than \$200 million and the security was not in the Index immediately prior to the Index screening date, the security is deleted from the Index and its weight is allocated pro rata among the remaining component securities. For example, if a security's weight in the Index is 2%, but its calculated volume factor is only \$100 million, the security is deleted from the Index. Accordingly, 2% of the Index's weight would be reallocated among the other Index components on a pro rata basis.
- (iii) less than \$200 million and the security was in the Index immediately prior to the Index screening date, the security's weight in the Index will be reduced in the manner described in (iv) below.

- (iv) \$200 million or more, but less than \$400 million, the security's weight in the Index will be reduced. The component security's reduced weight is calculated by *dividing* its calculated volume factor by \$400 million and *multiplying* this fraction by the company's weight. For example, if a security's weight in the Index is 2%, but its calculated volume factor is only \$300 million, the security's weight in the Index is reduced to 1.5% (*i.e.*, the outcome of *dividing* \$300 million by \$400 million and *multiplying* by 2%). The reduction in weight is reallocated pro rata among the other component securities in the Index. Accordingly, 0.5% of the Index's weight would be reallocated among the other Index components on a pro rata basis.

In response to market conditions and volume factor adjustments, security, country, and sector weights may fluctuate above or below a specified cap between annual Index screening dates.

*Index Maintenance.* Index maintenance occurs throughout the year and includes monitoring and implementing the adjustments for company additions and deletions, stock splits, stock dividends, spin-offs, corporate restructurings and other corporate actions. Corporate actions are generally implemented after the close of trading on the day prior to the ex-date of such corporate actions. To the extent reasonably practicable, such changes will be announced at least two days prior to their implementation.



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Should any company achieve a weighting equal to or greater than 24% of the Index, its weighting will be reduced to 20% at the close of the current calendar quarter, and all other components in the Index will be rebalanced. Moreover, should the collective weight of Index component securities whose individual current weights equal or exceed 5% of the Index, when added together, equal or exceed 50% of the Index, the weightings in those component securities will be reduced so that their collective weight equals 40% of the Index as of the close of the current calendar quarter, and other components in the Index will be rebalanced in proportion to their Index weightings before the adjustment.

*Index Availability:* The Index is calculated only on an end-of-day basis due to differences in time zone and the fact that these markets are not open during the Listing Exchange's market hours.

*Changes to the Index Methodology.* The Index is governed by a published, rules-based methodology. Changes to the methodology will be publicly disclosed at [www.wisdomtree.com/etfs/index-notices.aspx](http://www.wisdomtree.com/etfs/index-notices.aspx) prior to implementation. Sixty days' notice will be given prior to the implementation of any such change.

*Index Calculation Agent.* In order to minimize any potential for conflicts caused by the fact that WisdomTree Investments and its affiliates act as Index provider and investment adviser to the Fund, WisdomTree Investments has retained an unaffiliated third party to calculate the Index (the Calculation Agent). The Calculation Agent, using the rules-based methodology, will calculate and disseminate the Index on a daily basis. WisdomTree Investments will monitor the results produced by the Calculation Agent to help ensure that the Index is being calculated in accordance with the rules-based methodology. In addition, WisdomTree Investments and WisdomTree Asset Management have established policies and procedures designed to prevent non-public information about pending changes to the Index from being used or disseminated in an improper manner. Furthermore, WisdomTree Investments and WisdomTree Asset Management have established policies and procedures designed to prevent improper use and dissemination of non-public information about the Fund's portfolio strategies.

## **INVESTMENT LIMITATIONS**

The following fundamental investment policies and limitations supplement those set forth in the Fund's Prospectus. Unless otherwise noted, whenever a fundamental investment policy or limitation states a maximum percentage of the Fund's assets that may be invested in any security or other asset, or sets forth a policy regarding quality standards, such standard or percentage limitation will be determined immediately after and as a result of the Fund's acquisition of such security or other asset. Accordingly, other than with respect to the Fund's limitations on borrowings, any subsequent change in values, net assets, or other circumstances will not be considered when determining whether the investment complies with the Fund's investment policies and limitations.

The Fund's fundamental investment policies cannot be changed without the approval of the holders of a majority of the Fund's outstanding voting securities as defined under the 1940 Act. The Fund, however, may change the non-fundamental investment policies described below, its investment objective, and its underlying Index without a shareholder vote, provided that it obtains Board approval and notifies its shareholders with at least sixty (60) days' prior written notice of any such change.

**Fundamental Policies.** The following investment policies and limitations are fundamental and may NOT be changed without shareholder approval.

The Fund, as a fundamental investment policy, may not:

### ***Senior Securities***

Issue senior securities, except as permitted under the 1940 Act.

### ***Borrowing***

Borrow money, except as permitted under the 1940 Act.

### ***Underwriting***

Act as an underwriter of another issuer's securities, except to the extent that the Fund may be considered an underwriter within the meaning of the Securities Act in the disposition of portfolio securities.

### ***Concentration***

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Purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities) if, as a result, more than 25% of the Fund's total assets would be invested in the securities of companies whose principal business activities are in the same industry, except that the Fund will invest more than 25% of its total assets in securities of the same industry to approximately the same extent that the Fund's underlying Index concentrates in the securities of a particular industry or group of industries.

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### ***Real Estate***

Purchase or sell real estate unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the Fund from investing in securities or other instruments backed by real estate, real estate investment trusts or securities of companies engaged in the real estate business).

### ***Commodities***

Purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the Fund from purchasing or selling options and futures contracts or from investing in securities or other instruments backed by physical commodities).

### ***Loans***

Lend any security or make any other loan except as permitted under the 1940 Act. This means that no more than 33 1/3% of the Fund's total assets would be lent to other parties. This limitation does not apply to purchases of debt securities or to repurchase agreements, or to acquisitions of loans, loan participations or other forms of debt instruments, permissible under the Fund's investment policies.

**Non-Fundamental Policies.** The following investment policy is not fundamental and may be changed without shareholder approval.

The Fund has adopted a non-fundamental investment policy in accordance with Rule 35d-1 under the 1940 Act to invest, under normal circumstances, at least 80% of the value of its net assets, plus the amount of any borrowings for investment purposes, in the types of securities suggested by the Fund's name, including investments that are tied economically to the particular country or geographic region suggested by the Fund's name. If, subsequent to an investment, the 80% requirement is no longer met, the Fund's future investments will be made in a manner that will bring the Fund into compliance with this policy.

## **CONTINUOUS OFFERING**

The method by which Creation Unit Aggregations of shares are created and traded may raise certain issues under applicable securities laws. Because new Creation Unit Aggregations of shares are issued and sold by the Fund on an ongoing basis, at any point a distribution, as such term is used in the Securities Act, may occur. Broker-dealers and other persons are cautioned that some activities on their part may, depending on the circumstances, result in their being deemed participants in a distribution in a manner which could render them statutory underwriters and subject them to the prospectus delivery requirement and liability provisions of the Securities Act.

For example, a broker-dealer firm or its client may be deemed a statutory underwriter if it takes Creation Unit Aggregations after placing an order with the Distributor, breaks them down into constituent shares, and sells such shares directly to customers, or if it chooses to couple the creation of a supply of new shares with an active selling effort involving solicitation of secondary market demand for shares. A determination of whether one is an underwriter for purposes of the Securities Act must take into account all the facts and circumstances pertaining to the activities of the broker-dealer or its client in the particular case, and the examples mentioned above should not be considered a complete description of all the activities that could lead to a categorization as an underwriter.

Broker-dealer firms should also note that dealers who are not underwriters but are effecting transactions in shares, whether or not participating in the distribution of shares, generally are required to deliver a prospectus. This is because the prospectus delivery exemption in Section 4(3) of the Securities Act is not available in respect of such transactions as a result of Section 24(d) of the 1940 Act. Firms that incur a prospectus delivery obligation with respect to shares of the Fund are reminded that, pursuant to Rule 153 under the Securities Act, a prospectus delivery obligation under Section 5(b)(2) of the Securities Act owed to an exchange member in connection with the sale on the Listing Exchange is satisfied by the fact that the prospectus is available at the Listing Exchange upon request. The prospectus delivery mechanism provided in Rule 153 is only available with respect to transactions on an exchange.

WisdomTree Investments (the Selling Shareholder), the parent company of WisdomTree Asset Management, may purchase Creation Unit Aggregations through a broker-dealer to seed Funds as they are launched (which is anticipated to be an aggregate of 100,000 shares), or may purchase shares from other broker-dealers that have previously provided seed for Funds when they were launched, and because the Selling Shareholder may be deemed an affiliate of such Funds, the shares are being registered to permit the resale of these shares from time to time after purchase. The Fund will not receive any of the proceeds from the resale by the Selling Shareholders of these shares.

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The Selling Shareholder intends sell all or a portion of the shares owned by it and offered hereby from time to time directly or through one or more broker-dealers. The shares may be sold on any national securities exchange on which the shares may be listed or quoted at the time of sale, in the over-the-counter market or in transactions otherwise than on these exchanges or systems or in the over-the-counter market and in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions. The Selling Shareholder may use any one or more of the following methods when selling shares:

- n ordinary brokerage transactions through brokers or dealers (who may act as agents or principals) or directly to one or more purchasers;

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- n privately negotiated transactions;
- n through the writing or settlement of options or other hedging transactions, whether such options are listed on an options exchange or otherwise; and
- n any other method permitted pursuant to applicable law.

The Selling Shareholder may also loan or pledge shares to broker-dealers that in turn may sell such shares, to the extent permitted by applicable law. The Selling Shareholder may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares, which shares such broker-dealer or other financial institution may resell.

The Selling Shareholder and any broker-dealer or agents participating in the distribution of shares may be deemed to be underwriters within the meaning of Section 2(11) of the Securities Act in connection with such sales. In such event, any commissions paid to any such broker-dealer or agent and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. The Selling Shareholder who may be deemed an underwriter within the meaning of Section 2(11) of the Securities Act will be subject to the applicable prospectus delivery requirements of the Securities Act.

The Selling Shareholder has informed the Fund that it is not a registered broker-dealer and does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the shares. Upon the Fund being notified in writing by the Selling Shareholder that any material arrangement has been entered into with a broker-dealer for the sale of shares through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, a supplement to this SAI will be filed, if required, pursuant to Rule 497 under the Securities Act, disclosing (i) the name of each the Selling Shareholder and of the participating broker-dealer(s), (ii) the number of shares involved, (iii) the price at which such the shares of shares were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in the Fund's Prospectus and SAI, and (vi) other facts material to the transaction.

The Selling Shareholder and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, to the extent applicable, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares by the Selling Shareholder and any other participating person. To the extent applicable, Regulation M may also restrict the ability of any person engaged in the distribution of the shares to engage in market-making activities with respect to the shares of Common Stock. All of the foregoing may affect the marketability of the shares and the ability of any person or entity to engage in market-making activities with respect to the shares. There is a risk that the Selling Shareholder may redeem its investments in the Fund. As with redemptions by other large shareholders, such redemptions could have a significant negative impact on the Fund.

**MANAGEMENT OF THE TRUST**

**Board Responsibilities.** The Board is responsible for overseeing the management and affairs of the Fund and the Trust. The Board has considered and approved contracts, as described herein, under which certain companies provide essential management and administrative services to the Trust. Like most ETFs, the day-to-day business of the Trust, including the day-to-day management of risk, is performed by third-party service providers, such as the Advisers, Distributor and Administrator. The Board is responsible for overseeing the Trust's service providers and, thus, has oversight responsibility with respect to the risk management performed by those service providers. Risk management seeks to identify and eliminate or mitigate the potential effects of risks, *i.e.*, events or circumstances that could have material adverse effects on the business, operations, shareholder services, investment performance or reputation of the Trust or the Fund. Under the overall supervision of the Board and the Audit Committee (discussed in more detail below), the service providers to the Fund employ a variety of processes, procedures and controls to identify risks relevant to the operations of the Trust and the Fund to lessen the probability of their occurrence and/or to mitigate the effects of such events or circumstances if they do occur. Each service provider is responsible for one or more discrete aspects of the Trust's business (*e.g.*, the Advisers are responsible for the day-to-day management of the Fund's portfolio investments) and, consequently, for managing the risks associated with that activity.

The Board's role in risk management oversight begins before the inception of the Fund, at which time the Fund's Adviser presents the Board with information concerning the investment objectives, strategies and risks of the Fund. Additionally, the Fund's Adviser and Sub-Adviser provide the Board periodically with an overview of, among other things, its investment philosophy, brokerage practices and compliance infrastructure. Thereafter, the Board oversees the risk management of the Fund's operations, in part, by requesting periodic reports from and otherwise communicating with various personnel of the Fund and its service providers, including the Trust's CCO and the Fund's independent accountants.

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The Board and, with respect to identified risks that relate to its scope of expertise, the Audit Committee, oversee efforts by management and service providers to manage risks to which the Fund may be exposed.

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The Board is responsible for overseeing the nature, extent and quality of the services provided to the Fund by the Adviser and receives information about those services at its regular meetings. In addition, on at least an annual basis, in connection with its consideration of whether to renew any Advisory Agreements and Sub-Advisory Agreements with the Adviser and Sub-Adviser, respectively, the Board meets with the Adviser and Sub-Adviser to review such services. Among other things, the Board regularly considers the Adviser's and Sub-Adviser's adherence to the Fund's investment restrictions and compliance with various Fund policies and procedures and with applicable securities regulations. The Board also reviews information about the Fund's performance and investments.

The Trust's CCO meets regularly with the Board to review and discuss compliance and other issues. At least annually, the Trust's CCO provides the Board with a report reviewing the adequacy and effectiveness of the Trust's policies and procedures and those of its service providers, including the Adviser and Sub-Adviser. The report addresses the operation of the policies and procedures of the Trust and each service provider since the date of the last report; material changes to the policies and procedures since the date of the last report; any recommendations for material changes to the policies and procedures; and material compliance matters since the date of the last report.

The Board receives reports from the Trust's service providers regarding operational risks, portfolio valuation and other matters. Annually, an independent registered public accounting firm reviews with the Audit Committee its audit of the Trust's financial statements, focusing on major areas of risk encountered by the Fund and noting any significant deficiencies or material weaknesses in the Fund's internal controls.

The Board recognizes that not all risks that may affect the Fund can be identified, that it may not be practical or cost-effective to eliminate or mitigate certain risks, that it may be necessary to bear certain risks (such as investment-related risks) to achieve the Fund's goals, and that the processes, procedures and controls employed to address certain risks may be limited in their effectiveness. Moreover, despite the periodic reports the Board receives and the Board's discussions with the service providers to the Fund, it may not be made aware of all of the relevant information related to a particular risk. Most of the Trust's investment management and business affairs are carried out by or through the Fund's Adviser, Sub-Adviser and other service providers, each of which has an independent interest in risk management but whose policies and methods by which one or more risk management functions are carried out may differ from the Trust's and each other's in the setting of priorities, the resources available or the effectiveness of relevant controls. As a result of the foregoing and other factors, the Board's risk management oversight is subject to substantial limitations.

**Members of the Board and Officers of the Trust.** Set forth below are the names, birth years, positions with the Trust, term of office, number of portfolios overseen, and the principal occupations and other directorships held during the last five years of each of the persons currently serving as members of the Board and as Executive Officers of the Trust. Also included below is the term of office for each of the Executive Officers of the Trust. The members of the Board serve as Trustees for the life of the Trust or until retirement, removal, or their office is terminated pursuant to the Trust's Declaration of Trust. The address of each Trustee and Officer is c/o WisdomTree Asset Management, Inc., 245 Park Avenue, 35th Floor, New York, New York 10167.

The Chairman of the Board, Victor Ugolyn, is not an interested person of the Fund as that term is defined in the 1940 Act. The Board is composed of a super-majority (83.3%) of Trustees who are not interested persons of the Fund (*i.e.*, Independent Trustees). There is an Audit Committee, Governance and Nominating Committee, Contracts Review Committee, and Investment Committee of the Board, each of which is chaired by an Independent Trustee and comprised solely of Independent Trustees. The Committee chair for each is responsible for running the Committee meetings, formulating agendas for those meetings, and coordinating with management to serve as a liaison between the Committee members and management on matters within the scope of the responsibilities of the Committee as set forth in its Board-approved charter. The Fund has determined that this leadership structure is appropriate given the specific characteristics and circumstances of the Fund. The Fund made this determination in consideration of, among other things, the fact that the Independent Trustees of the Fund constitute a super-majority of the Board, the assets under management of the Fund, the number of Funds overseen by the Board, the total number of Trustees on the Board, and the fact that an Independent Trustee serves as Chairman of the Board.

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Name and Year of Birth of Trustee/Officer	Position(s) Held with the Trust, Term of Office and Length of	Principal Occupation(s)	Number of Portfolios in Fund Complex Overseen by Trustee/Officer+	Other Directorships Held by Trustee During Past 5 Years
	Time Served	During Past 5 Years		
<b>Trustees Who Are Interested Persons of the Trust</b>				
Jonathan Steinberg (1964)	Trustee, 2005 present; President, 2005 present	President, WisdomTree Investments, Inc. and WisdomTree Asset Management, Inc. since 2012; Chief Executive Officer, WisdomTree Investments, Inc. and WisdomTree Asset Management, Inc. since 2005.	95	Director, WisdomTree Investments, Inc. and WisdomTree Asset Management.
<b>Trustees Who Are Not Interested Persons of the Trust</b>				
David G. Chrencik* (1948)	Trustee, 2014 present	Chief Financial Officer of Sarus Indochina Select LP (hedge fund) since 2012; Chief Financial Officer of GeoGreen BioFuels, Inc. (biodiesel fuel producer) from 2010 to 2014; Audit Partner at PricewaterhouseCoopers LLP (public accounting firm) from 1972 to 2009 (includes positions prior to becoming Audit Partner and predecessor firms).	95	Trustee, Vericimetry Funds (2011 to 2014); Director, Bennett Group of Funds (2011 to 2013); Trustee, del Rey Global Investors Funds (2011 to 2012).
Joel Goldberg** (1945)	Trustee, 2012 present	Attorney, Of Counsel since 2014 at Stroock & Stroock & Lavan LLP ( Stroock ); Attorney, Partner at Stroock from 2010 to 2013; Attorney, Partner at Willkie Farr & Gallagher LLP from 2006 to 2010.	95	Director, Better Business Bureau (Metropolitan New York, Long Island and the Mid-Hudson Region).
Toni Massaro*** (1955)	Trustee, 2006 present	Dean Emerita at the University of Arizona James E. Rogers College of Law ( Rogers College of Law ) since 2009 (distinguished Emerita in July 2009); Dean of the Rogers College of Law from 1999 to 2009; Regents Professor since 2006; Milton O. Riepe Chair in Constitutional Law since 1997; Professor at the Rogers College of Law since 1990.	95	None
Melinda A. Raso Kirstein**** (1955)	Trustee, 2014 present	Retired since 2004, Merrill Lynch Investment Management, Vice President; Senior Portfolio Manager, Fixed Income Management; Director, Tax Exempt Fund Management.	95	Associate Alumnae of Douglass College, Member of Investment Committee.
Victor Ugolyn (1947)	Trustee, 2006 present; Chairman of the Board, 2006 present	Private Investor from 2005 to present; President and Chief Executive Officer of William D. Witter, Inc. from 2005 to 2006; Consultant to AXA Enterprise in 2004; Chairman, President and Chief Executive Officer of Enterprise Capital Management (subsidiary of The MONY Group, Inc.) and Enterprise Group of Funds, Chairman of MONY Securities Corporation, and Chairman of the Fund	95	Member of the Board of Governors of Naismith Memorial Basketball Hall of Fame.



Board of Enterprise Group of Funds  
from 1991 to 2004.

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<b>Name and Year of Birth of Trustee/Officer</b>	<b>Position(s) Held with the Trust, Term of Office and Length of Time Served</b>	<b>Principal Occupation(s) During Past 5 Years Officers of the Trust</b>	<b>Number of Portfolios in Fund Complex Overseen by Trustee/Officer+</b>	<b>Other Directorships Held by Trustee During Past 5 Years</b>
Jonathan Steinberg***** (1964)	President, 2005  present; Trustee, 2005 present	President, WisdomTree Investments, Inc. and WisdomTree Asset Management, Inc. since 2012; Chief Executive Officer, WisdomTree Investments, Inc. and WisdomTree Asset Management, Inc. since 2005.	95	
David Castano***** (1971)	Treasurer, 2013 present	Director of Fund Accounting & Administration, WisdomTree Asset Management, Inc., since 2011; Vice President of Legg Mason & Co. and served as Treasurer from 2010 to 2011 and Controller from 2006 to 2010 of certain mutual funds associated with Legg Mason & Co.; Assistant Treasurer of Lord Abbett mutual funds from 2004 to 2006.	95	
Ryan Louvar***** (1972)	Secretary and Chief Legal Officer, 2013 present	General Counsel, WisdomTree Asset Management, Inc. since 2013; Vice President and Senior Managing Counsel, State Street, 2005 to 2013.	95	
Sarah English***** (1977)	Assistant Secretary, 2013 present	Counsel, WisdomTree Asset Management, Inc. since 2010; Attorney, NYFIX, Inc. 2006 to 2009.	95	
Terry Jane Feld***** (1960)	Chief Compliance Officer, 2012 present	Chief Compliance Officer, WisdomTree Asset Management, Inc. since 2012; Senior Compliance Officer, WisdomTree Asset Management, Inc. since 2011; Senior Compliance Officer, TIAA-CREF, 2007 to 2010; Vice President/NASD-SEC Compliance, Mutual of America Life Insurance Co., 2004 to 2007.	95	
Clint Martin***** (1977)	Assistant Treasurer, 2015 present	Fund Manager, Fund Accounting & Administration, WisdomTree Asset Management, Inc., since 2012; Vice President of Legg Mason & Co. and served as Assistant Treasurer from 2010 to 2012 and Assistant Controller from 2006 to 2010 of certain mutual funds associated with Legg Mason & Co.	95	

\* Chair of the Audit Committee.

\*\* Chair of the Contracts Review Committee.

\*\*\* Chair of the Governance and Nominating Committee.

\*\*\*\* Chair of the Investment Committee.

\*\*\*\*\*Elected by and serves at the pleasure of the Board.  
+ As of October 28, 2016.

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**Audit Committee.** Ms. Raso Kirstein and Messrs. Chrencik and Ugolyn, each an Independent Trustee, are members of the Board's Audit Committee. The principal responsibilities of the Audit Committee are the appointment, compensation and oversight of the Trust's independent registered public accounting firm, including the resolution of disagreements regarding financial reporting between Trust management and such independent registered public accounting firm. The Audit Committee's responsibilities include, without limitation, to (i) oversee the accounting and financial reporting processes of the Trust and to receive reports regarding the Trust's internal control over financial reporting; (ii) oversee the quality and integrity of the Fund's financial statements and the independent audits thereof; (iii) oversee, or, as appropriate, assist Board oversight of, the Trust's compliance with legal and regulatory requirements that relate to the Trust's accounting and financial reporting and independent audits; (iv) approve prior to appointment the engagement of the Trust's independent registered public accounting firm and, in connection therewith, to review and evaluate the qualifications, independence and performance of the Trust's independent registered public accounting firm; and (v) act as a liaison between the Trust's independent auditors and the full Board. The Independent Trustees' independent legal counsel assists the Audit Committee in connection with these duties. The Board has adopted a written charter for the Audit Committee. During the fiscal year ended June 30, 2016, the Audit Committee held six meetings.

**Governance and Nominating Committee.** Ms. Massaro and Messrs. Goldberg and Ugolyn, each an Independent Trustee, are members of the Board's Governance and Nominating Committee. The principal responsibilities of the Governance and Nominating Committee are to (i) provide assistance to the Board in fulfilling its responsibility with respect to the oversight of appropriate and effective governance of the Trust and (ii) identify individuals qualified to serve as Independent Trustees of the Trust and to recommend its nominees for consideration by the full Board. While the Governance and Nominating Committee is solely responsible for the selection and nomination of the Trust's Independent Trustees, the Governance and Nominating Committee may consider nominations for the office of Trustee made by Trust shareholders as it deems appropriate. The Governance and Nominating Committee considers nominees recommended by shareholders if such nominees are submitted in accordance with Rule 14a-8 of the Securities Exchange Act of 1934 (the "1934 Act"), in conjunction with a shareholder meeting to consider the election of Trustees. Trust shareholders who wish to recommend a nominee should send nominations to the Secretary of the Trust that include biographical information and set forth the qualifications of the proposed nominee. The Board has adopted a written charter for the Governance and Nominating Committee. During the fiscal year ended June 30, 2016, the Governance and Nominating Committee held two meetings.

**Contracts Review Committee.** Ms. Massaro and Messrs. Goldberg and Ugolyn, each an Independent Trustee, are members of the Board's Contracts Review Committee. The principal responsibilities of the Contracts Review Committee are to provide assistance to the Board in fulfilling its responsibilities under Section 15 of the 1940 Act, and other applicable sections, rules and interpretative guidance related thereto, with respect to reviewing the performance of, and reasonableness of fees paid to, the Adviser, Sub-Adviser, and core service providers for each series of the Trust, and to make recommendations to the Board regarding the contractual arrangements for such services. On March 12, 2014, the Board created the Contracts Review Committee. The Board has adopted a written charter for the Contracts Review Committee. During the fiscal year ended June 30, 2016, the Contracts Review Committee held four meetings.

**Investment Committee.** Ms. Raso Kirstein and Messrs. Goldberg and Ugolyn, each an Independent Trustee, are members of the Board's Investment Committee. The principal responsibilities of the Investment Committee are to support, oversee and organize on behalf of the Board the process for overseeing Fund performance and related matters (it being the intention of the Board that the ultimate oversight of Fund performance shall remain with the full Board), address such other matters that the Board shall determine and provide recommendations to the Board as needed in respect of the foregoing matters. On December 11, 2015, the Board created the Investment Committee. The Board has adopted a written charter for the Investment Committee. During the fiscal year ended June 30, 2016, the Investment Committee held two meetings.

**Individual Trustee Qualifications.** The Board has concluded that each of the Trustees is qualified to serve on the Board because of his or her ability to review and understand information about the Trust and the Fund provided by management, to identify and request other information he or she may deem relevant to the performance of the Trustees' duties, to question management and other service providers regarding material factors bearing on the management and administration of the Fund, and to exercise his or her business judgment in a manner that serves the best interests of the Fund's shareholders. The Trust has concluded that each of the Trustees is qualified to serve as a Trustee based on his or her own experience, qualifications, attributes and skills as described below.

The Board has concluded that Mr. Steinberg is qualified to serve as Trustee of the Fund because of the experience he has gained as President, Chief Executive Officer and director of WisdomTree Investments and the Adviser, his knowledge of and experience in the financial services industry, and the experience he has gained serving as President and Trustee of the Trust since 2005.

The Board has concluded that Mr. Chrencik is qualified to serve as Trustee of the Fund because of the experience he gained as an audit partner of a public accounting firm as well as his experience in and knowledge of the financial services industry, including his service as the chief financial officer of a hedge fund and his prior service as a board member of several other investment funds, and the experience he has gained serving as an Independent Trustee of the Trust since 2014.

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The Board has concluded that Mr. Goldberg is qualified to serve as Trustee of the Fund because of the experience he has gained as a member of the staff of the SEC, including his service as Director of the SEC's Division of Investment Management, his experience as

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legal counsel for many mutual funds, investment advisers, and independent directors, as well as the experience he has gained serving as an Independent Trustee of the Trust since 2012.

The Board has concluded that Ms. Massaro is qualified to serve as Trustee of the Fund because of the experience she has gained as a law professor, dean and advisor at various universities, and the experience she has gained serving as an Independent Trustee of the Trust since 2006.

The Board has concluded that Ms. Raso Kirstein is qualified to serve as Trustee of the Fund because of her experience in and knowledge of the financial services industry, including her service as a vice president, senior portfolio manager of fixed income management and director of tax exempt fund research of an investment advisory firm, as well as the experience she has gained serving as an Independent Trustee of the Trust since 2014.

The Board has concluded that Mr. Ugolyn is qualified to serve as Trustee of the Fund because of the experience he gained as chief executive officer of a firm specializing in financial services, his experience in and knowledge of the financial services industry, his experience as a member of the Board of Directors of The New York Society of Security Analysts, Inc., his service as chairman for another mutual fund family, and the experience he has gained serving as an Independent Trustee and Chairman of the Board of the Trust since 2006.

**Fund Shares Owned by Board Members.** The following table shows the dollar amount range of each Trustee's beneficial ownership of shares of the Fund and each other series of the Trust as of the end of the most recently completed calendar year. Dollar amount ranges disclosed are established by the SEC. Beneficial ownership is determined in accordance with Rule 16a-1(a)(2) under the 1934 Act. The Trustees and officers of the Trust collectively own less than 1% of the outstanding shares of the Trust.

Name of Trustee	Dollar Range of Equity Securities in the Fund*	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Trustee in Family of Investment Companies**
<b>Interested Trustee</b>		
Jonathan L. Steinberg	None	Over \$100,000
<b>Independent Trustees</b>		
David G. Chrencik	None	Over \$100,000
Joel H. Goldberg	None	Over \$100,000
Toni M. Massaro	None	Over \$100,000
Melinda A. Raso Kirstein	None	Over \$100,000
Victor Ugolyn	None	\$50,001 - \$100,000

\* Values based on Trustees' ownership as of the date of this SAI.

\*\* These values are based on the Trustees' ownership as of December 31, 2015.

**Board Compensation.** The following table sets forth the compensation paid by the Trust to each Trustee for the fiscal year ended June 30, 2016.

Name of Interested Trustee	Aggregate Compensation from the Trust	Pension or Retirement Benefits Accrued as Part of Company Expenses	Estimated Annual Benefits upon Retirement	Total Compensation from the Fund and Fund Complex*
Jonathan Steinberg	\$ 0	None	None	\$ 0

  

Name of Independent Trustee	Aggregate Compensation	Pension or Retirement Benefits	Estimated Annual Benefits upon Retirement	Total Compensation from the Fund and Fund Complex*

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<b>Trustee</b>	<b>from the Trust</b>	<b>Benefits Accrued as Part of Company Expenses</b>	<b>Retirement</b>	<b>the Fund and Fund Complex*</b>
David Chrencik	\$ 284,900	None	None	\$ 284,900
Joel Goldberg	\$ 284,900	None	None	\$ 284,900
Toni Massaro	\$ 284,900	None	None	\$ 284,900
Melinda Raso Kirstein	\$ 272,500	None	None	\$ 272,500
Victor Ugolyn	\$ 388,500	None	None	\$ 388,500

\*The Trust is the only trust in the Fund Complex.

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**Control Persons and Principal Holders of Securities.** Because the Fund is new there were no beneficial owners as of the date of this SAI.

**Investment Adviser.** WisdomTree Asset Management serves as investment adviser to the Fund pursuant to an investment advisory agreement between the Trust and WisdomTree Asset Management (the Investment Advisory Agreement). WisdomTree Asset Management is a Delaware corporation registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the Advisers Act), and has offices located at 245 Park Avenue, 35th Floor, New York, New York 10167.

Under the Investment Advisory Agreement, WisdomTree Asset Management is responsible for the overall management and administration of the Trust. WisdomTree Asset Management provides an investment program for the Fund. The Adviser also provides proactive oversight of the Sub-Adviser daily monitoring of the Sub-Adviser's buying and selling of securities for the Fund and regular review of the Sub-Adviser's performance. In addition, the Adviser also arranges for sub-advisory, transfer agency, custody, fund administration, securities lending, and all other non-distribution-related services necessary for the Fund to operate. The Adviser furnishes to the Trust all office facilities, equipment, services and executive and administrative personnel necessary for managing the investment program of the Trust for the Fund, including:

- n Overseeing the Trust's insurance program;
  
- n Overseeing and coordinating all governance matters for the Trust;
  
- n Coordinating meetings of the Board of Trustees;
  
- n Devoting time and resources to maintaining an efficient market for the Fund's shares;
  
- n Coordinating with outside counsel on all Trust related legal matters;
  
- n Coordinating the preparation of the Trust's financial statements;
  
- n Coordinating all regulatory filings and shareholder reporting;
  
- n Overseeing the Fund's tax status and tax filings;
  
- n Maintaining and updating a website for certain required disclosures; and
  
- n Providing shareholders with additional information about the Fund.

The Fund pays WisdomTree Asset Management a fee equal to 0.58% of the Fund's average daily net assets. WisdomTree Asset Management has contractually agreed to waive a portion of its Management Fee in an amount equal to the Acquired Fund Fees and Expenses attributable to the Fund's investments in the Underlying Fund, as well as an additional 0.10%, through October 31, 2017, unless earlier terminated by the Board of Trustees of the Trust for any reason at any time.

Pursuant to the Investment Advisory Agreement, WisdomTree Asset Management has agreed to pay all expenses of the Trust, except for: (i) brokerage expenses and other fees, charges, taxes, levies or expenses (such as stamp taxes) incurred in connection with the execution of portfolio transactions or in connection with creation and redemption transactions (including without limitation any fees, charges, taxes, levies or expenses related to the purchase or sale of an amount of any currency, or the patriation or repatriation of any security or other asset, related to



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the execution of portfolio transactions or any creation or redemption transactions); (ii) legal fees or expenses in connection with any arbitration, litigation or pending or threatened arbitration or litigation, including any settlements in connection therewith; (iii) compensation and expenses of each Independent Trustee; (iv) compensation and expenses of counsel to the Independent Trustees; (v) compensation and expenses of the Trust's CCO; (vi) extraordinary expenses (in each case as determined by a majority of the Independent Trustees); (vii) distribution fees and expenses paid by the Trust under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act; (viii) interest and taxes of any kind or nature (including, but not limited to, income, excise, transfer and withholding taxes); (ix) fees and expenses related to the provision of securities lending services; and (x) the advisory fee payable to WisdomTree Asset Management. The internal expenses of pooled investment vehicles in which the Fund may invest (acquired fund fees and expenses) are not expenses of the Fund and are not paid by WisdomTree Asset Management.

Pursuant to a separate contractual arrangement, WisdomTree Asset Management arranges for the provision of CCO services with respect to the Fund and is liable and responsible for, and administers, payments to the CCO, the Independent Trustees and counsel to the Independent Trustees. WisdomTree Asset Management receives a fee of up to 0.0044% of the Fund's average daily net assets for providing such services and paying such expenses. WisdomTree Asset Management provides CCO services to the Trust.

The Adviser, from its own resources, including profits from advisory fees received from the Fund, provided such fees are legitimate and not excessive, may make payments to broker-dealers and other financial institutions for their expenses in connection with the distribution of Fund shares, and otherwise currently pays all distribution costs for Fund shares.

The Investment Advisory Agreement with respect to the Fund continues in effect for two years from its effective date, and thereafter is subject to annual approval by (i) the Board or (ii) the vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund, provided that in either event such continuance also is approved by a vote of a majority of the Trustees of the Trust who are not interested persons (as defined in the 1940 Act) of the Fund, by a vote cast in person at a meeting called for the purpose of voting on such approval. If the shareholders of the Fund fail to approve the Investment Advisory Agreement, WisdomTree Asset Management may continue to serve in the manner and to the extent permitted by the 1940 Act and rules and regulations thereunder.

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The Investment Advisory Agreement with respect to the Fund is terminable without any penalty, by vote of the Board or by vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund, or by WisdomTree Asset Management, in each case on not less than thirty (30) days nor more than sixty (60) days prior written notice to the other party; provided, that a shorter notice period shall be permitted for the Fund in the event its shares are no longer listed on a national securities exchange. The Investment Advisory Agreement will terminate automatically and immediately in the event of its assignment (as defined in the 1940 Act).

**Sub-Adviser.** Mellon Capital serves as sub-adviser to, and is responsible for the day-to-day management of the Fund. Mellon Capital, a registered investment adviser, manages global quantitative-based investment strategies for institutional and private investors. Its principal office is located at 50 Fremont Street, Suite 3900, San Francisco, California 94105. Mellon Capital is a wholly-owned indirect subsidiary of The Bank of New York Mellon, a publicly traded financial holding company. Mellon Capital chooses the portfolio investments of the Fund and places orders to buy and sell the portfolio investments. WisdomTree Asset Management pays Mellon Capital for providing sub-advisory services to the Fund.

The Sub-Adviser believes that it may perform sub-advisory and related services for the Trust without violating applicable banking laws or regulations. However, the legal requirements and interpretations about the permissible activities of banks and their affiliates may change in the future. These changes could prevent the Sub-Adviser from continuing to perform services for the Trust. If this happens, the Board would consider selecting other qualified firms.

The Sub-Advisory Agreement with respect to the Fund continues in effect for two years from its effective date, and thereafter is subject to annual approval by (i) the Board or (ii) the vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund, provided that in either event such continuance is also approved by a vote of a majority of the Trustees of the Trust who are not interested persons (as defined in the 1940 Act) of the Fund, by a vote cast in person at a meeting called for the purpose of voting on such approval. If the shareholders of the Fund fail to approve the Fund's Sub-Advisory Agreement, WisdomTree Asset Management may continue to serve in the manner and to the extent permitted by the 1940 Act and rules and regulations thereunder. The Sub-Advisory Agreement is terminable without any penalty, by vote of the Board or by vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund, or by WisdomTree Asset Management, in each case on not less than thirty (30) days nor more than sixty (60) days prior written notice to the other party; provided that a shorter notice period shall be permitted for the Fund in the event its shares are no longer listed on a national securities exchange. The Sub-Advisory Agreement will terminate automatically and immediately in the event of its assignment (as defined in the 1940 Act).

**Portfolio Managers.** The Fund is managed by the Sub-Adviser's Equity Index Strategies portfolio management team. The individual members of the team responsible for the day-to-day management of the Fund's portfolio are Karen Q. Wong, Richard A. Brown, and Thomas J. Durante.

Including the WisdomTree ETFs, as of September 30, the Sub-Adviser's Index Fund Management team managed 122 registered investment companies with approximately \$96 billion in assets; 99 pooled investment vehicles with approximately \$82 billion in assets; and 95 other accounts with approximately \$85 billion in assets.

**Portfolio Manager Fund Ownership.** As of the date of this SAI, none of the portfolio managers owned shares of the Fund.

**Portfolio Manager Compensation.** The primary objectives of the Sub-Adviser's compensation plans are to:

- n Motivate and reward superior investment and business performance
- n Motivate and reward continued growth and profitability
- n Attract and retain high-performing individuals critical to the on-going success of the Sub-Adviser
- n Create an ownership mentality for all plan participants

Cash compensation is comprised primarily of a market-based base salary and variable incentives (cash and deferred). Base salary is determined by the employees' experience and performance in the role, taking into account ongoing compensation benchmark analyses. Base salary is

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generally a fixed amount that may change as a result of an annual review, upon assumption of new duties, or when a market adjustment of the position occurs. Funding for the Mellon Capital Annual and Long Term Incentive Plan is through a pre-determined fixed percentage of overall Mellon Capital profitability. Therefore, all bonus awards are based initially on Mellon Capital's financial performance. The performance period under which annual incentive opportunities are earned covers the January 1 through December 31<sup>st</sup> calendar year. The compensation for each individual is evaluated on a total compensation basis, in which combined salaries and incentives are reviewed against competitive market data (benchmarks) for each position annually. Awards are 100% discretionary. Factors considered in awards include individual performance, team performance, investment performance of the associated portfolio(s) (including both short and long term returns) and qualitative behavioral factors. Other factors considered in determining the award are the asset size and revenue growth/retention of the products managed (if applicable). Awards are paid partially in cash with the balance deferred through the Long Term Incentive Plan.

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Participants in the Long Term Incentive Plan have a high level of accountability and a large impact on the success of the business due to the position's scope and overall responsibility. This plan provides for an annual award, payable in cash after a three-year cliff vesting period as well as a grant of BNY Mellon Restricted Stock for senior level roles.

Mellon Capital's Portfolio Managers responsible for managing mutual funds are paid by Mellon Capital and not by the mutual funds. The same methodology described above is used to determine Portfolio Manager compensation with respect to the management of mutual funds and other accounts. Mutual fund Portfolio Managers are also eligible for the standard retirement benefits and health and welfare benefits available to all Mellon Capital employees. Certain Portfolio Managers may be eligible for additional retirement benefits under several supplemental retirement plans that Mellon Capital provides to restore dollar-for-dollar the benefits of management employees that had been cut back solely as a result of certain limits due to the tax laws. These plans are structured to provide the same retirement benefits as the standard retirement benefits. In addition, mutual fund Portfolio Managers whose compensation exceeds certain limits may elect to defer a portion of their salary and/or bonus under The Bank of New York Mellon Corporation Deferred Compensation Plan for Employees.

*Description of Material Conflicts of Interest.* Mellon Capital manages numerous accounts with a variety of interests. This necessarily creates potential conflicts of interest for us. For example, Mellon Capital or an affiliate may cause multiple accounts to invest in the same investment. Such accounts may have conflicting interests and objectives in connection with such investment, including differing views on the operations or activities of the portfolio company, the targeted returns for the transaction, and the timeframe for and method of exiting the investment. Conflicts may also arise in cases where multiple Firm and/or affiliate client accounts are invested in different parts of an issuer's capital structure. For example, one of Mellon Capital's client accounts could acquire debt obligations of a company while an affiliate's client account acquires an equity investment. In negotiating the terms and conditions of any such investments, Mellon Capital may find that the interests of the debt-holding client accounts and the equity-holding client accounts may conflict. If that issuer encounters financial problems, decisions over the terms of the workout could raise conflicts of interest (including, for example, conflicts over proposed waivers and amendments to debt covenants). For example, debt holding accounts may be better served by a liquidation of an issuer in which it could be paid in full, while equity holding accounts might prefer a reorganization of the issuer that would have the potential to retain value for the equity holders. As another example, holders of an issuer's senior securities may be able to act to direct cash flows away from junior security holders, and both the junior and senior security holders may be Firm client accounts. Any of the foregoing conflicts of interest will be discussed and resolved on a case-by-case basis. Any such discussions will factor in the interests of the relevant parties and applicable laws.

Mellon Capital has a fiduciary duty to manage all client accounts in a fair and equitable manner. To accomplish this, the Firm has adopted various policies and procedures including, but not limited to, policies relating to trading operations, best execution, trade order aggregation and allocation, short sales, cross-trading, code of conduct, personal securities trading, and purchases of securities from affiliated underwriters. These procedures are intended to help employees identify and mitigate potential side-by-side conflicts of interest such as those described above. Mellon Capital has also developed a conflicts matrix listing potential side-by-side conflicts, the compliance policies and procedures reasonably designed to mitigate such potential conflicts of interest, and the corresponding compliance testing program established with the goal of confirming the Firm's adherence to such policies and procedures.

*Performance Fees.* The Portfolio Managers have entered into performance-based fee arrangements for certain client accounts and funds. Most of these arrangements provide for an asset-based management fee, based on the market value of the account at month end, quarter end or based on average market value, plus a performance fee based on the portfolio's net return in excess of a specified benchmark and/or hurdle rate during a designated period of time. The performance is based on both realized and unrealized gains and losses. Some performance fee calculations include a high water mark, which keeps track of the highest level of performance on which a performance fee has been paid and which must be exceeded in order for an additional performance fee to be assessed. For more detailed information on how performance fees are calculated, please see the applicable private placement memorandum or your investment management agreement.

*Side-by-Side Management.* Side-by-side management refers to a Portfolio Manager's simultaneous management of multiple types of client accounts/investment products. For example, the Portfolio Managers manage separate accounts, managed accounts/wrap-fee programs, and pooled investment vehicles for clients at the same time. The Portfolio Managers' clients have a variety of investment objectives, policies, strategies, limitations, and restrictions. Side-by-side management gives rise to a variety of potential and actual conflicts of interest for the Portfolio Managers. Below is a discussion of the conflicts that the Portfolio Managers face when engaging in side-by-side management and how they deal with them. Note that certain of the Sub-Adviser's employees are also officers or employees of one or more the Sub-Adviser's affiliates (dual officers). These dual officers undertake investment management duties for the affiliates of which they are officers. When the Portfolio Managers concurrently manage client accounts/investment products, and in particular when dual officers or dual employees are involved, this presents the same conflicts as described below. Note that Portfolio Managers manage their accounts consistent with applicable laws, and they follow procedures that are reasonably designed to treat clients fairly and to prevent any client or group of clients from being systematically favored or disadvantaged.



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*Conflicts of Interest Relating to Side-by-Side Management of Discretionary and Non-Discretionary Accounts.* In limited circumstances, Portfolio Managers may provide to a third party for which they provide non-discretionary advisory services the same model portfolio used to manage certain of the Portfolio Managers' clients' accounts. In those cases where Portfolio Managers are implementing the model results for only a portion of the assets affected (for example, only the assets over which Portfolio Managers have discretionary management authority) and therefore, they cannot apply their internal trade allocation procedures, Portfolio Managers will (i) use reasonable efforts to agree on procedures with such non-discretionary clients designed to prevent one group of clients from receiving preferential trading treatment over another group, or (ii) determine that, due to the nature of the assets to be traded or the market on which they are traded, no client would likely be adversely affected if such procedures are not established.

*Conflicts of Interest Relating to Performance-Based Fees When Engaging in Side-by-Side Management.* Portfolio Managers manage accounts that are charged a performance-based fee and other accounts that are charged a different type of fee, such as a flat asset-based fee. Portfolio Managers have a financial incentive to favor accounts with performance-based fees because they (and the Sub-Adviser's employees and supervised persons) may have an opportunity to earn greater fees on such accounts as compared to client accounts without performance-based fees. Thus, Portfolio Managers have an incentive to direct their best investment ideas to client accounts that pay performance-based fees, and to allocate, aggregate, or sequence trades in favor of such accounts. Portfolio Managers also have an incentive to give accounts with performance-based fees better execution and better brokerage commissions.

*Conflicts of Interest Relating to Accounts with Different Strategies.* Portfolio Managers manage numerous accounts with a variety of strategies, which may present conflicts of interest. For example, a long/short position in two client accounts simultaneously can result in a loss to one client based on a decision to take a gain in the other. Taking concurrent conflicting positions in certain derivative instruments can likewise cause a loss to one client and a gain to another. Portfolio Managers also may face conflicts of interest when they have uncovered option strategies and significant positions in illiquid securities in side-by-side accounts.

*Conflicts of Interest Relating to the Management of Multiple Client Accounts.* Portfolio Managers perform investment advisory services for various clients. Portfolio Managers may give advice and take action in the performance of their duties with respect to any of their other clients which may differ from the advice given, or the timing or nature of action taken, with respect to another client. Portfolio Managers have no obligation to purchase or sell for a client any security or other property which they purchase or sell for their own account or for the account of any other client, if they believe it is undesirable or impractical to take such action. Portfolio Managers may give advice or take action in the performance of their duties with respect to any of their clients which may differ from the advice given, or the timing or nature of action taken, by their affiliates on behalf of their clients.

*Conflicts of Interest Relating to Investment in Affiliated Accounts.* To the extent permissible under applicable law, the Portfolio Managers may decide to invest some or all of their temporary investments in money market or similar accounts advised or managed by a BNY Mellon affiliate. In addition, the Portfolio Managers may invest client accounts in affiliated pooled vehicles. The Portfolio Managers have an incentive to allocate investments to these types of affiliated accounts in order to generate additional fees for themselves or their affiliates. In certain instances, Portfolio Managers may enter into revenue sharing arrangements with affiliates where they may receive a portion of the fee, or bill the full fee to the client and reimburse the affiliate. Portfolio Managers may also enter into wholesale arrangements with affiliates where they receive only a portion of the client fee. For certain accounts with affiliates, some of the fees, such as custody fees, may be waived or rebated.

*Conflicts of Interest Relating to the Discretion to Redeem from and Invest in Pooled Investment Vehicles.* The Portfolio Manager's clients may give them discretion to allocate client assets to, and/or redeem client assets from, certain pooled investment vehicles they manage or sub-advise. Sometimes, such discretionary authority is restricted by asset allocation parameters which may limit the Portfolio Manager's discretion to allocate to a percentage range of the value of a client's account. When a client grants Portfolio Managers that discretion, a conflict could arise with respect to such client, and also with respect to other investors in such pooled investment vehicle. The Portfolio Managers may, for example, have an incentive to maintain a larger percentage of a client's assets in a fund in order for such assets to act as seed capital, to increase the fund's assets under management and thus, to make investment by other investors more attractive, or to maintain the continuity of a performance record if the client is the sole remaining investor. Likewise, as the manager or sub-adviser, they will have information that investors will not have about the investments held by a fund and about other investors' intentions to invest or redeem. Such information could potentially be used to favor one investor over another.

*Conflicts of Interest Relating to Proprietary Accounts.* The Portfolio Managers, and the Sub-Adviser's existing and future employees may from time to time invest in products managed by the Sub-Adviser and they or related persons may establish seeded funds or accounts for the purpose of developing new investment strategies and products (collectively, Proprietary Accounts). Investment by the Sub-Adviser, or its employees in Proprietary Accounts that invest in the same securities as other client accounts may create conflicts of interest. Portfolio Managers have an incentive to favor these Proprietary Accounts by directing their best investment ideas to these accounts or allocating, aggregating, or sequencing trades in favor of such accounts, to the disadvantage of other accounts. Portfolio Managers also have an incentive to dedicate more time and attention to their Proprietary Accounts and to give them better execution and brokerage commissions than their other client accounts.

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The Portfolio Managers also may waive fees for Proprietary Accounts or for certain affiliated persons who invest in such Proprietary Accounts.

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**Valuations.** A majority of the Sub-Adviser's fees are based on the valuations provided by clients' custodians or pooled accounts' administrators. However, a conflict of interest may arise in overseeing the valuation of investments in the limited situations where the Sub-Adviser is involved in the determination of the valuation of an investment. In such circumstances, the Sub-Adviser requires, to the extent possible, pricing from an independent third party pricing vendor. If vendor pricing is unavailable, the Sub-Adviser then looks to other observable inputs for the valuations. In the event that a vendor price or other observable inputs are unavailable or deemed unreliable, the Sub-Adviser has established a Securities Pricing Committee to make a reasonable determination of a security's fair value.

**Other Conflicts of Interest.** As noted previously, Portfolio Managers manage numerous accounts with a variety of interests. This necessarily creates potential conflicts of interest for the Portfolio Managers. For example, Portfolio Managers may cause multiple accounts to invest in the same investment. Such accounts may have conflicting interests and objectives in connection with such investment, including differing views on the operations or activities of the portfolio company, the targeted returns for the transaction, and the timeframe for and method of exiting the investment. Conflicts may also arise in cases where multiple Sub-Adviser and/or affiliate client accounts are invested in different parts of an issuer's capital structure. For example, one of the Portfolio Manager's client accounts could acquire debt obligations of a company while an affiliate's client account acquires an equity investment. In negotiating the terms and conditions of any such investments, Portfolio Managers may find that the interests of the debt-holding client accounts and the equity-holding client accounts may conflict. If that issuer encounters financial problems, decisions over the terms of the workout could raise conflicts of interest (including, for example, conflicts over proposed waivers and amendments to debt covenants). For example, debt holding accounts may be better served by a liquidation of an issuer in which it could be paid in full, while equity holding accounts might prefer a reorganization of the issuer that would have the potential to retain value for the equity holders. As another example, holders of an issuer's senior securities may be able to act to direct cash flows away from junior security holders, and both the junior and senior security holders may be the Sub-Adviser client accounts. Any of the foregoing conflicts of interest will be discussed and resolved on a case-by-case basis. Any such discussions will factor in the interests of the relevant parties and applicable laws.

**Addressing Conflicts of Interest.** Portfolio Managers have a fiduciary duty to manage all client accounts in a fair and equitable manner. To accomplish this, the Sub-Adviser has adopted various policies and procedures (including, but not limited to, policies relating to trading operations, best execution, trade order aggregation and allocation, short sales, cross-trading, code of conduct, personal securities trading, and purchases of securities from affiliated underwriters). These procedures are intended to help employees identify and mitigate potential side-by-side conflicts of interest such as those described above. The Sub-Adviser has also developed a conflicts matrix listing potential side-by-side conflicts, the compliance policies and procedures reasonably designed to mitigate such potential conflicts of interest and the corresponding compliance testing program established with the goal of confirming the Sub-Adviser's adherence to such policies and procedures.

**Codes of Ethics.** The Trust and the Advisers have each adopted a Code of Ethics pursuant to Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Advisers Act, where applicable. Each Code of Ethics permits personnel subject to that Code of Ethics to invest in securities for their personal investment accounts, subject to certain limitations, including securities that may be purchased or held by the Fund. Each Code of Ethics is on public file with, and is available from, the SEC.

**Administrator, Custodian, Transfer Agent and Securities Lending Agent.** State Street Bank and Trust Company (State Street) serves as administrator, custodian, transfer agent and securities lending agent for the Fund. State Street's principal address is One Lincoln Street, Boston, Massachusetts 02110. Under the Fund Administration Agreement with the Trust, State Street provides certain administrative, legal, tax and financial reporting services for the maintenance and operations of the Trust and the Fund. Under the Master Custodian Agreement with the Trust, State Street acts as custodian of assets of the Trust, including securities which the Trust, on behalf of the Fund, desires to be held in places within the United States and securities it desires to be held outside the United States, and provides accounting and other services. State Street is required, upon the order of the Trust, to deliver securities held by State Street and to make payments for securities purchased by the Trust and for the Fund. Also, under the Master Custodian Agreement, State Street is authorized to appoint certain foreign custodians or foreign custody managers for Fund investments outside the United States. Pursuant to a Transfer Agency and Service Agreement with the Trust, State Street acts as transfer agent for the authorized and issued shares of beneficial interest for the Fund, and as dividend disbursing agent of the Trust. State Street also provides services, as applicable, for any wholly-owned subsidiary of a WisdomTree Fund. As compensation for the foregoing services, State Street receives certain out-of-pocket costs, transaction fees and asset-based fees which are accrued daily and paid monthly. State Street also serves as the Fund's securities lending agent. As compensation for providing such services, State Street receives a portion of the income earned by the Fund in connection with the lending program. With respect to the foregoing agreements, the Trust has agreed to a limitation of liability for State Street and/or to indemnify State Street for certain liabilities.

**Distributor.** Foreside Fund Services, LLC serves as Distributor for the Trust and its principal address is Three Canal Plaza, Suite 100, Portland, Maine 04101. The Distributor has entered into a Distribution Agreement with the Trust pursuant to which it distributes shares of the Fund. The Distribution Agreement will continue for two years from its effective date and is renewable annually. Shares are continuously offered for sale by the Fund through the Distributor only in Creation Unit Aggregations, as described in the applicable Prospectus and below in the Creation and Redemption of Creation Unit Aggregations section. Shares in less than Creation Unit Aggregations are not distributed by the Distributor. The Distributor will deliver the applicable Prospectus and, upon





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request, this SAI to persons purchasing Creation Unit Aggregations and will maintain records of both orders placed with it and confirmations of acceptance furnished by it. The Distributor is a broker-dealer registered under the 1934 Act and a member of the Financial Industry Regulatory Authority ( FINRA ). The Distributor is not affiliated with WisdomTree Investments, WisdomTree Asset Management, or any stock exchange.

The Distribution Agreement for the Fund will provide that it may be terminated at any time, without the payment of any penalty, on at least sixty (60) days prior written notice to the other party (i) by vote of a majority of the Independent Trustees or (ii) by vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund. The Distribution Agreement will terminate automatically in the event of its assignment (as defined in the 1940 Act).

The Distributor may also enter into agreements with securities dealers ( Soliciting Dealers ) who will solicit purchases of Creation Unit Aggregations of shares. Such Soliciting Dealers may also be Authorized Participants (as defined below) or DTC Participants (as defined below).

**Intermediary Compensation.** WisdomTree Asset Management or its affiliates, out of their own resources and not out of Fund assets (*i.e.*, without additional cost to the Fund or its shareholders), may pay certain broker-dealers, banks and other financial intermediaries ( Intermediaries ) for certain activities related to the Fund, including participation in activities that are designed to make Intermediaries more knowledgeable about exchange traded products, including the Fund, for other activities, such as marketing and educational training or support, or for data or platform access. In addition, WisdomTree Asset Management and E\*Trade Securities LLC ( ETS ) have entered into an agreement whereby ETS has agreed not to charge its customers any transaction fee or brokerage commission for the purchase of shares of the Fund made through ETS 's distribution system (the ETS fee waiver ) and to disclose that the Fund is sold with the ETS fee waiver, and WisdomTree Asset Management has agreed to pay ETS during the term of the agreement an amount based on net purchases and sales of the Fund in the ETS distribution system. WisdomTree Asset Management has also agreed to make payments to Charles Schwab & Co., Inc. ( Schwab ) for the services described above including education costs and administrative costs with respect to applicable Funds made available and/or sold through the Schwab ETF OneSource platform. These arrangements are not financed by the Fund and, thus, do not result in increased Fund expenses. They are not reflected in the fees and expenses listed in the fees and expenses sections of the Fund 's Prospectus, and they do not change the price paid by investors for the purchase of the Fund 's shares or the amount received by a shareholder as proceeds from the redemption of Fund shares.

Such compensation may be paid to Intermediaries that provide services to the Fund, including marketing and education support (such as through conferences, webinars and printed communications). WisdomTree Asset Management periodically assesses the advisability of continuing to make these payments.

Payments to an Intermediary may be significant to the Intermediary, and amounts that Intermediaries pay to your adviser, broker or other investment professional, if any, may also be significant to such adviser, broker or investment professional. Because an Intermediary may make decisions about what investment options it will make available or recommend, and what services to provide in connection with various products, based on payments it receives or is eligible to receive, such payments create conflicts of interest between the Intermediary and its clients. For example, these financial incentives may cause the Intermediary to recommend the Fund over other investments. The same conflict of interest exists with respect to your financial adviser, broker or investment professionals if he or she receives similar payments from his or her Intermediary firm.

Intermediary information is current only as of the date of this SAI. Please contact your adviser, broker or other investment professional for more information regarding any payments his or her Intermediary firm may receive. Any payments made by WisdomTree Asset Management or its affiliates to an Intermediary may create the incentive for an Intermediary to encourage customers to buy shares of WisdomTree Funds.

If you have any additional questions, please call 1-866-909-9473.

**BROKERAGE TRANSACTIONS**

The Sub-Adviser assumes general supervision over placing orders on behalf of the Fund for the purchase and sale of portfolio securities. In selecting the brokers or dealers for any transaction in portfolio securities, the Sub-Adviser 's policy is to make such selection based on factors deemed relevant, including, but not limited to, the breadth of the market in the security; the price of the security; the reasonableness of the commission or mark-up or mark-down, if any; execution capability; settlement capability; back office efficiency; and the financial condition of the broker or dealer, both for the specific transaction and on a continuing basis. The overall reasonableness of brokerage commissions paid is evaluated by the Sub-Adviser based upon its knowledge of available information as to the general level of commissions paid by other institutional investors for comparable services. Brokers may also be selected because of their ability to handle special or difficult executions, such as may be involved in large block trades, less liquid or foreign securities, broad distributions, or other circumstances. The Sub-Adviser does not consider the provision or value of research, products or services a broker or dealer may provide, if any, as a factor in the selection of a broker or dealer or the determination of the reasonableness of commissions paid in connection with portfolio transactions. The Trust has adopted

policies and procedures that prohibit the consideration of sales of the Fund's shares as a factor in the selection of a broker or a dealer to execute its portfolio

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transactions. To the extent creation or redemption transactions are conducted on a cash or cash in lieu basis, the Fund may contemporaneously transact with broker-dealers for the purchase or sale of portfolio securities in connection with such transactions (see *Creation and Redemption of Creation Unit Aggregations* herein). Such orders may be placed with an Authorized Participant in its capacity as broker-dealer or with an affiliated broker-dealer of such Authorized Participant.

**Brokerage Commissions.** The Fund is new and had not paid any brokerage commissions as of the fiscal year ended June 30, 2016.

**Affiliated Brokers.** The Fund is new and had not paid any commissions to any affiliated brokers as of the fiscal year ended June 30, 2016.

**Regular Broker-Dealers.** The Fund is new and did not acquire securities of its regular brokers or dealers (as defined in the 1940 Act) or of their parents during the fiscal year ended June 30, 2016.

**Portfolio Turnover.** Portfolio turnover may vary from year to year, as well as within a year. High turnover rates are likely to result in comparatively greater brokerage expenses. The overall reasonableness of brokerage commissions is evaluated by the Sub-Adviser based upon its knowledge of available information as to the general level of commissions paid by the other institutional investors for comparable services.

The Fund is new and therefore did not have a portfolio turnover rate for the fiscal year ended June 30, 2016.

## **ADDITIONAL INFORMATION CONCERNING THE TRUST**

**Shares.** The Trust was established as a Delaware statutory trust on December 15, 2005, and consists of multiple series or funds. The Fund issues shares of beneficial interest, with \$0.001 par value. The Board may establish additional funds. The Trust is registered with the SEC as an open-end management investment company.

Each share issued by the Fund has a pro rata interest in the assets of the Fund. Shares have no preemptive, exchange, subscription or conversion rights and are freely transferable. Each share is entitled to participate equally in dividends and distributions declared by the Board with respect to the Fund, and in the net distributable assets of the Fund on liquidation.

Each share has one vote with respect to matters upon which a shareholder vote is required consistent with the requirements of the 1940 Act and the rules promulgated thereunder. Shares of all Funds within the Trust vote together as a single class except that if the matter being voted on affects only a particular fund or if a matter affects a particular fund differently from other funds, that fund will vote separately on such matter.

Under Delaware law, the Trust is not required to hold an annual meeting of shareholders unless required to do so under the 1940 Act. The policy of the Trust is not to hold an annual meeting of shareholders unless required to do so under the 1940 Act. All shares have non-cumulative voting rights for the Board. Under Delaware law, Trustees of the Trust may be removed by vote of the shareholders.

Following the creation of the initial Creation Unit Aggregation(s) of shares of the Fund and immediately prior to the commencement of trading in the Fund's shares, a holder of shares may be a control person of the Fund, as defined in the 1940 Act. The Fund cannot accurately predict the length of time for which one or more shareholders may remain a control person or persons of the Fund.

Shareholders may make inquiries by writing to the Trust, c/o Foreside Fund Services, LLC, Three Canal Plaza, Suite 100, Portland, Maine 04101.

Absent an applicable exemption or other relief from the SEC or its staff, beneficial owners of more than 5% of the shares of the Fund may be subject to the reporting provisions of Section 13 of the 1934 Act and the SEC's rules promulgated thereunder. In addition, absent an applicable exemption or other relief from the SEC staff, officers and Trustees of the Fund and beneficial owners of 10% of the shares of the Fund (Insiders) may be subject to the insider reporting, short-swing profit and short sale provisions of Section 16 of the 1934 Act and the SEC's rules promulgated thereunder. Beneficial owners and Insiders should consult with their own legal counsel concerning their obligations under Sections 13 and 16 of the 1934 Act.

**Termination of the Trust or the Fund.** The Trust or the Fund may be terminated by a majority vote of the Board of Trustees or the affirmative vote of a super majority of the holders of the Trust or the Fund entitled to vote on termination. Although the shares are not automatically redeemable upon the occurrence of any specific event, the Trust's organizational documents provide that the Board will have the unrestricted power to alter the number of shares in a Creation Unit Aggregation. In the event of a termination of the Trust or the Fund, the Board, in its sole discretion, could determine to permit the shares to be redeemable in aggregations smaller than Creation Unit Aggregations or to be individually

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redeemable. In such circumstances, the Trust may make redemptions in kind, for cash, or for a combination of cash and securities.

***Role of the Depositary Trust Company ( DTC )***. DTC acts as Securities Depository for the shares of the Trust. Shares of the Fund are represented by securities registered in the name of DTC or its nominee and deposited with, or on behalf of, DTC.

DTC, a limited-purpose trust company, was created to hold securities of its participants ( DTC Participants ) and to facilitate the clearance and settlement of securities transactions among the DTC Participants in such securities through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of securities certificates. DTC

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Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of which (and/or their representatives) own DTC. More specifically, DTC is owned by a number of DTC Participants and by the NYSE and FINRA. Access to the DTC system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ( Indirect Participants ).

Beneficial ownership of shares is limited to DTC Participants, Indirect Participants and persons holding interests through DTC Participants and Indirect Participants. Ownership of beneficial interests in shares (owners of such beneficial interests are referred to herein as Beneficial Owners ) is shown on, and the transfer of ownership is effected only through, records maintained by DTC (with respect to DTC Participants) and on the records of DTC Participants (with respect to Indirect Participants and Beneficial Owners that are not DTC Participants). Beneficial Owners will receive from or through the DTC Participant a written confirmation relating to their purchase of shares. No Beneficial Owner shall have the right to receive a certificate representing such shares.

Conveyance of all notices, statements and other communications to Beneficial Owners is effected as follows. Pursuant to the Depositary Agreement between the Trust and DTC, DTC is required to make available to the Trust upon request and for a fee to be charged to the Trust a listing of the shares of the Fund held by each DTC Participant. The Trust shall inquire of each such DTC Participant as to the number of Beneficial Owners holding shares, directly or indirectly, through such DTC Participant. The Trust shall provide each such DTC Participant with copies of such notice, statement or other communication, in such form and number and at such place as such DTC Participant may reasonably request, in order that such notice, statement or communication may be transmitted by such DTC Participant, directly or indirectly, to such Beneficial Owners. In addition, the Trust shall pay to each such DTC Participant a fair and reasonable amount as reimbursement for the expenses attendant to such transmittal, all subject to applicable statutory and regulatory requirements. The foregoing processes may be conducted by the Trust via a third party.

Share distributions shall be made to DTC or its nominee, Cede & Co., as the registered holder of all shares of the Trust. DTC or its nominee, upon receipt of any such distributions, shall immediately credit DTC Participants' accounts with payments in amounts proportionate to their respective beneficial interests in shares of the Fund as shown on the records of DTC or its nominee. Payments by DTC Participants to Indirect Participants and Beneficial Owners of shares held through such DTC Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in a street name, and will be the responsibility of such DTC Participants.

The Trust has no responsibility or liability for any aspect of the records relating to or notices to Beneficial Owners, or payments made on account of beneficial ownership interests in such shares, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests, or for any other aspect of the relationship between DTC and the DTC Participants or the relationship between such DTC Participants and the Indirect Participants and Beneficial Owners owning through such DTC Participants. DTC may decide to discontinue its service with respect to shares of the Trust at any time by giving reasonable notice to the Trust and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, the Trust shall take action to find a replacement for DTC to perform its functions at a comparable cost.

### **CREATION AND REDEMPTION OF CREATION UNIT AGGREGATIONS**

**Creation.** The Trust issues and sells shares of the Fund only in Creation Unit Aggregations on a continuous basis through the Distributor, without a sales load, at the NAV next determined after receipt, on any Business Day, of an order in proper form.

**Fund Deposit.** The consideration for purchase of Creation Unit Aggregations of the Fund generally consists of the in-kind deposit of a portfolio of equity securities (the Deposit Securities ) and an amount of cash denominated in U.S. dollars (the Cash Component ) computed as described below. Together, the Deposit Securities and the Cash Component constitute the Fund Deposit, which represents the minimum initial and subsequent investment amount for a Creation Unit Aggregation of the Fund.

The Fund or Advisers may permit or require the submission of a basket of equity securities, non-U.S. currency or cash denominated in U.S. dollars that differs from the composition of the published basket(s). The Fund or Advisers may permit or require the consideration for Creation Unit Aggregations to consist solely of cash. The Fund or Advisers reserve the right to permit or require the substitution of an amount of cash denominated in U.S. dollars or non-U.S. currency (i.e., a cash in lieu amount) to be added, at its discretion, to the Cash Component to replace any Deposit Security. For example, cash may be substituted to replace any Deposit Security that may not be available in sufficient quantity for delivery or that may not be eligible for transfer through the systems of DTC or the Clearing Process (discussed below). The Trust or Advisers reserve the right to permit or require a cash in lieu amount where the delivery of the Deposit Security by the Authorized Participant (as described below) would be prohibited or restricted under applicable securities laws, or in certain other situations at the sole discretion of the Trust.

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The portion of the Cash Component that does not serve to replace a Deposit Security is sometimes also referred to as the Balancing Amount. The Balancing Amount is an amount equal to the difference between the NAV of the shares (per Creation Unit Aggregation) and the value of Deposit Securities. If the Balancing Amount is a positive number, the Authorized Participant will deliver the Balancing Amount. If the Balancing Amount is a negative number, the Authorized Participant will receive the Balancing Amount. The Balancing Amount does not include any stamp duty tax or other similar fees and expenses payable upon transfer of beneficial ownership of the Deposit Securities. These are the sole responsibility of the Authorized Participant.

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The Fund, through the National Securities Clearing Corporation ( NSCC ), makes available on each Business Day, immediately prior to the opening of business on the Listing Exchange (currently 9:30 a.m., Eastern time), the list of the names and the required number of shares of each Deposit Security and/or applicable Cash Component to be included in the current Fund Deposit (based on information at the end of the previous Business Day) for the Fund.

Such Deposit Securities are applicable, subject to any adjustments, as described herein, in order to effect creations of Creation Unit Aggregations of the Fund until such time as the next-announced composition of the Deposit Securities is made available.

The identity and number of shares of the Deposit Securities required for a Fund Deposit for the Fund changes from time to time based on changes to the Fund's Underlying Index and other factors.

***Procedures for Creation of Creation Unit Aggregations.*** To be eligible to place orders with the Distributor and to create a Creation Unit Aggregation of the Fund, an entity must be: (i) a Participating Party, *i.e.*, a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the NSCC (the Clearing Process ), a clearing agency that is registered with the SEC; or (ii) a DTC Participant. In each case, such entity must have executed an agreement with the Distributor with respect to creations and redemptions of Creation Unit Aggregations (a Participant Agreement ). A Participating Party or DTC Participant that has entered a Participant Agreement is referred to as an Authorized Participant. Investors should contact the Distributor for the names of Authorized Participants that have signed a Participant Agreement. All shares of the Fund, however created, will be entered on the records of DTC in the name of Cede & Co. for the account of a DTC Participant.

All orders to create shares must be placed for one or more Creation Unit Aggregations. All orders to create Creation Unit Aggregations must be received by the Distributor by the designated closing time, which is no later than the closing time of the regular trading session on the Listing Exchange ( Closing Time ) (ordinarily 4:00 p.m., Eastern time) on the date such orders are placed in order to receive that day's NAV. All orders must be received in proper form. The date on which an order to create Creation Unit Aggregations is placed is referred to as the Transmittal Date. Orders must be transmitted by an Authorized Participant by telephone, online portal or other transmission method acceptable to State Street and the Distributor pursuant to procedures set forth in the Participant Agreement, as described below, which procedures may change from time to time without notice at the discretion of the Trust. Economic or market disruptions or changes, or telephone or other communication failure, may impede the ability to reach State Street and the Distributor or an Authorized Participant. On days when the Listing Exchange or U.S. or non-U.S. markets close earlier than normal, the Fund may require purchase orders to be placed earlier in the day. All questions as to the number of Deposit Securities and/or Cash Component to be delivered, and the validity, form and eligibility (including time of receipt) for the deposit of any tendered securities, will be determined by the Trust or Advisers, whose determination shall be final and binding.

All orders to create Creation Unit Aggregations through an Authorized Participant shall be placed with an Authorized Participant, in the form required by such Authorized Participant. In addition, the Authorized Participant may require an investor to make certain representations or enter into agreements with respect to the order, *e.g.*, to provide for payments of cash, when required. Investors should be aware that their particular broker may not have executed a Participant Agreement and, in that case, orders to create Creation Unit Aggregations of the Fund have to be placed by each investor's broker through an Authorized Participant that has executed a Participant Agreement. In such cases, there may be additional charges to such investor. At any given time, there may be only a limited number of broker-dealers that have executed a Participant Agreement and only a small number of such Authorized Participants may have international capabilities.

Those placing orders for Creation Unit Aggregations through the Clearing Process should afford sufficient time to permit proper submission of the order to the Distributor prior to the Closing Time on the Transmittal Date. Orders for Creation Unit Aggregations that are effected outside the Clearing Process are likely to require transmittal by the DTC Participant earlier on the Transmittal Date than orders effected using the Clearing Process. Those persons placing orders outside the Clearing Process should ascertain the deadlines applicable to DTC and the Federal Reserve Bank wire system by contacting the operations department of the broker or depository institution effectuating such transfer of Deposit Securities and the Cash Component.

***Placement of Creation Orders Using the Clearing Process.*** Fund Deposits made through the Clearing Process must be delivered through a Participating Party that has executed a Participant Agreement. The Participant Agreement authorizes the Distributor or State Street to transmit through State Street to NSCC, on behalf of the Participating Party, such trade instructions as are necessary to effect the Participating Party's creation order. Pursuant to such trade instructions to NSCC, the Participating Party agrees to deliver the requisite Deposit Securities and the Cash Component to the Trust, together with such additional information as may be required by the Distributor. An order to create Creation Unit Aggregations through the Clearing Process is deemed received by the Distributor on the Transmittal Date if: (i) such order is received by the Distributor not later than the Closing Time on such Transmittal Date; and (ii) all other procedures set forth in the Participant Agreement are properly followed.



***Placement of Creation Orders Outside the Clearing Process.*** Fund Deposits made outside the Clearing Process must be delivered through a DTC Participant that has executed a Participant Agreement. A DTC Participant who wishes to place an order creating Creation Unit Aggregations to be effected outside the Clearing Process does not need to be a Participating Party, but such orders must state that the DTC Participant is not using the Clearing Process and that the creation of Creation Unit Aggregations will instead be effected through a transfer of securities and cash directly through DTC. The Fund Deposit transfer must be ordered by the DTC

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Participant on the Transmittal Date in a timely fashion so as to ensure the delivery of the requisite number of Deposit Securities through DTC to the account of the Fund by no later than 2:00 p.m., Eastern time, on the Settlement Date. The Settlement Date is typically the third Business Day following the Transmittal Date. The Fund reserves the right to settle transactions on a basis other than T plus three Business Days (*i.e.*, days on which the NYSE is open) ( T+3 ). In certain cases Authorized Participants will create and redeem Creation Unit Aggregations of the same Fund on the same trade date. In these instances, the Trust reserves the right to settle these transactions on a net basis.

On days when the Listing Exchange or U.S. markets close earlier than normal, the Fund may require purchase orders to be placed earlier in the day. All questions as to the number of Deposit Securities and/or Cash Component to be delivered, and the validity, form and eligibility (including time of receipt) for the deposit of any tendered securities, will be determined by the Trust or Advisers, whose determination shall be final and binding. The amount of cash equal to the Cash Component must be transferred directly to State Street through the Federal Reserve Bank wire transfer system in a timely manner so as to be received by State Street no later than 2:00 p.m., Eastern time, on the Settlement Date. An order to create Creation Unit Aggregations outside the Clearing Process is deemed received by the Distributor on the Transmittal Date if: (i) such order is received by the Distributor not later than the Closing Time on such Transmittal Date; and (ii) all other procedures set forth in the Participant Agreement are properly followed. However, if State Street does not receive both the required Deposit Securities and the Cash Component by the specified time on the Settlement Date, the Trust may cancel or revoke acceptance of such order. Upon written notice to the Distributor, such canceled or revoked order may be resubmitted the following Business Day using a Fund Deposit as newly constituted to reflect the then current NAV of the Fund. The delivery of Creation Unit Aggregations so created generally will occur no later than the Settlement Date.

Creation Unit Aggregations may be created in advance of receipt by the Trust of all or a portion of the applicable Deposit Securities as described below. In these circumstances, the initial deposit will have a value greater than the NAV of the shares on the date the order is placed in proper form since, in addition to available Deposit Securities, U.S. cash must be deposited in an amount equal to the sum of (i) the Cash Component, plus (ii) generally between 102%-110%, as directed by the Trust or Advisers., which the Trust or Advisers may change from time to time, of the market value of the undelivered Deposit Securities (the Additional Cash Deposit ) with the Fund pending delivery of any missing Deposit Securities.

If an Authorized Participant determines to post an Additional Cash Deposit as collateral for any undelivered Deposit Securities, such Authorized Participant must deposit with State Street the appropriate amount of federal funds by 2:00 p.m., Eastern time (or such other time as specified by the Trust), on the Settlement Date. If the Authorized Participant does not place its purchase order by the closing time or State Street does not receive federal funds in the appropriate amount by such time, then the order may be deemed to be rejected and the Authorized Participant shall be liable to the Fund for losses, if any, resulting therefrom. An additional amount of cash shall be required to be deposited with State Street, pending delivery of the missing Deposit Securities to the extent necessary to maintain the Additional Cash Deposit with the Trust in an amount generally between 102%-110%, as directed by the Trust or Advisers., which the Trust or Advisers may change from time to time, of the daily marked-to-market value of the missing Deposit Securities. To the extent that missing Deposit Securities are not received by the specified time on the Settlement Date, or in the event a marked-to-market payment is not made within one Business Day following notification by the Distributor that such a payment is required, the Trust may use the Additional Cash Deposit to purchase the missing Deposit Securities. The Trust may also require delivery of Deposit Securities and/or an Additional Cash Deposit prior to settlement date by the Authorized Participant in relation to certain international markets.

The Authorized Participant will be liable to the Trust for the costs incurred by the Trust in connection with any such purchases. These costs will be deemed to include the amount by which the actual purchase price of the Deposit Securities exceeds the market value of such Deposit Securities on the Transmittal Date plus the brokerage and related transaction costs associated with such purchases. The Trust will return any unused portion of the Additional Cash Deposit once all of the missing Deposit Securities have been properly received by State Street or purchased by the Trust and deposited into the Trust. In addition, a Transaction Fee, as listed below, will be charged in all cases. The delivery of Creation Unit Aggregations so created generally will occur no later than the Settlement Date. In no event will an Authorized Participant receive or be entitled to interest or other consideration associated with or in relation to the Additional Cash Deposit.

**Cash Purchases.** When, in the sole discretion of the Trust or Advisers, cash purchases of Creation Unit Aggregations of shares are available or specified for the Fund, such purchases shall be effected in essentially the same manner as in-kind purchases thereof. In the case of a cash purchase, the Authorized Participant must pay the cash equivalent of the Deposit Securities it would otherwise be required to provide through an in-kind purchase, plus the same Cash Component required to be paid by an in-kind purchaser. In addition, to offset brokerage and other costs associated with using cash to purchase the requisite Deposit Securities, the Authorized Participant must pay the Transaction Fees required by the Fund. If the Authorized Participant acts as a broker for the Fund in connection with the purchase of Deposit Securities, the Authorized Participant will also be required to pay certain brokerage commissions, taxes, and transaction and market impact costs as discussed under the heading Brokerage Transactions herein.

**Acceptance of Orders for Creation Unit Aggregations.** The Trust reserves the absolute right to reject or revoke acceptance of a creation order transmitted to it by the Distributor with respect to the Fund. Orders may be rejected and acceptance may be revoked if, for example: (i) the order

is not in proper form; (ii) the investor(s), upon obtaining the shares ordered, would own 80% or more of the

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currently outstanding shares of the Fund; (iii) the Deposit Securities delivered are not the same as those disseminated through the facilities of the NSCC for that date by the Fund as described above; (iv) acceptance of the Deposit Securities would have certain adverse tax consequences to the Fund; (v) acceptance of the Fund Deposit would, in the opinion of counsel, be unlawful; (vi) acceptance of the Fund Deposit would otherwise, in the discretion of the Trust or WisdomTree Asset Management, have an adverse effect on the Trust or the rights of beneficial owners; or (vii) in the event that circumstances outside the control of the Trust, State Street, the Distributor or WisdomTree Asset Management make it for all practical purposes impossible to process creation orders. Examples of such circumstances include acts of God; public service or utility problems such as fires, floods, extreme weather conditions and power outages resulting in telephone, telecopy and computer failures; market conditions or activities causing trading halts; systems failures involving computer or other information systems affecting the Trust, WisdomTree Asset Management, the Distributor, DTC, NSCC, State Street or a sub-custodian or any other participant in the creation process; and similar extraordinary events. The Distributor shall notify a prospective creator of a Creation Unit and/or the Authorized Participant acting on behalf of the creator of a Creation Unit Aggregation of its rejection of the order of such person. The Trust, State Street, a sub-custodian and the Distributor are under no duty, however, to give notification of any defects or irregularities in the delivery of Fund Deposits, nor shall any of them incur any liability for the failure to give any such notification.

All questions as to the number of shares of each security in the Deposit Securities and the validity, form, eligibility and acceptance for deposit of any securities to be delivered shall be determined by the Trust, and the Trust's determination shall be final and binding.

**Creation/Redemption Transaction Fee.** The Fund imposes a Transaction Fee or CU Fee on investors purchasing or redeeming Creation Units. The purpose of the Transaction Fee is to protect the existing shareholders of the Fund from the dilutive costs associated with the purchase and redemption of Creation Units. Where the Fund permits cash creations (or redemptions) or cash in lieu of depositing one or more Deposit Securities, the purchaser (or redeemer) may be assessed a higher Transaction Fee to offset the transaction cost to the Fund of buying (or selling) those particular Deposit Securities. Transaction Fees for the Fund will differ from Transaction Fees for other WisdomTree Funds, depending on the transaction expenses related to the Fund's portfolio securities, and will be limited to amounts that have been determined by WisdomTree Asset Management to be appropriate. The maximum Transaction Fee, as set forth in the table below for the Fund, may be charged in cases where the Fund permits cash or cash in lieu of Deposit Securities. Investors purchasing or redeeming through the DTC process generally will pay a higher Transaction Fee than will investors doing so through the NSCC process. Also, investors who use the services of a broker or other such intermediary may be charged a fee for such services, in addition to the Transaction Fee imposed by the Fund.

The following table sets forth the standard and maximum creation and redemption Transaction Fees for the Fund. These fees may be changed by the Trust.

Fund	CU Fee*	Maximum CU Fee*
WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund	\$ 100	\$ 7,200

\*The Fund may charge, either in lieu of or in addition to the Transaction Fees, in the sole discretion of the Trust or as determined by the Adviser, a variable fee for creations and redemptions in order to cover certain brokerage, tax, foreign exchange, execution, market impact and other costs and expenses related to the execution of trades resulting from such transaction, up to any applicable legal limits.

**Placement of Redemption Orders for Using the Clearing Process.** Orders to redeem Creation Unit Aggregations through the Clearing Process must be delivered through a Participating Party that has executed the Participant Agreement. Except as described herein, an order to redeem Creation Unit Aggregations using the Clearing Process is deemed received by the Trust on the Transmittal Date if: (i) such order is received by State Street (in its capacity as Transfer Agent) not later than the Closing Time on such Transmittal Date, and (ii) all other procedures set forth in the Participant Agreement are properly followed. Such order will be effected based on the NAV of the Fund as next determined. The consideration for redemption of Creation Unit Aggregations of the Fund generally consists of (i) a portfolio of equity securities (the Fund Securities) and (ii) an amount of cash denominated in U.S. dollars (the Cash Redemption Amount) as described below. The requisite Fund Securities and the Cash Redemption Amount generally will be transferred by the third NSCC Business Day following the date on which such request for redemption is deemed received.

**Placement of Redemption Orders Outside the Clearing Process.** Orders to redeem Creation Unit Aggregations outside the Clearing Process must be delivered through a DTC Participant that has executed the Participant Agreement. An order to redeem Creation Unit Aggregations outside the Clearing Process is deemed received by the Trust on the Transmittal Date if: (i) such order is received by State Street (in its capacity as Transfer Agent) not later than the Closing Time on such Transmittal Date; (ii) such order is accompanied or followed by the requisite number of shares of the Fund specified in such order, which delivery must be made through DTC to State Street no later than instructed, which is typically one day after Transmittal Date (presuming T+3 settlement); and (iii) all other procedures set forth in the Participant Agreement are

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properly followed. After the Trust has deemed an order for redemption outside the Clearing Process received, the Trust will initiate procedures to transfer the requisite Fund Securities which are expected to be delivered within three Business Days and the Cash Redemption Amount to the Authorized Participant on behalf of the redeeming Beneficial Owner by the Settlement Date. In certain cases Authorized Participants will redeem and create Creation Unit Aggregations of the same Fund on the same trade date. In these instances, the Trust reserves the right to settle these transactions on a net basis.

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If the requisite number of shares of the Fund is not delivered as described above or an Additional Cash Deposit is not made, as applicable, in the sole discretion of the Trust or Advisers, in no event will an Authorized Participant receive or be entitled to interest or other consideration associated with or in relation to the Additional Cash Deposit, the Fund may reject or revoke acceptance of the redemption request because the Authorized Participant has not satisfied all of the settlement requirements.

The current procedures for collateralization of missing shares require, among other things, that any Additional Cash Deposit shall be in the form of U.S. dollars in immediately available funds and shall be held by State Street and marked-to-market daily, and that the fees of State Street and any sub-custodians in respect of the delivery, maintenance and redelivery of the Additional Cash Deposit shall be payable by the Authorized Participant. The Authorized Participant's agreement will permit the Trust, on behalf of the affected Fund, to purchase the missing shares or acquire the Deposit Securities and the Cash Component underlying such shares at any time and will subject the Authorized Participant to liability for any shortfall between the cost to the Trust of purchasing such shares, Deposit Securities or Cash Component and the value of the collateral.

The calculation of the value of the Fund Securities and the Cash Redemption Amount to be delivered upon redemption will be made by State Street according to the procedures set forth under "Determination of NAV" computed on the Business Day on which a redemption order is deemed received by the Trust.

The Fund or the Advisers may also, in its sole discretion, upon request of an Authorized Participant, provide such redeemer a portfolio of securities that differs from the exact composition of the Fund Securities but does not differ in NAV.

Redemptions of shares for Fund Securities will be subject to compliance with applicable federal and state securities laws and the Fund (whether or not it otherwise permits cash redemptions) reserves the right to redeem Creation Unit Aggregations for cash to the extent that the Trust could not lawfully deliver specific Fund Securities upon redemptions or could not do so without first registering the Fund Securities under such laws. An Authorized Participant or an investor for which it is acting subject to a legal restriction with respect to a particular security included in the Fund Securities applicable to the redemption of a Creation Unit Aggregation may be paid an equivalent amount of cash. The Authorized Participant may request the redeeming Beneficial Owner of the shares to complete an order form or to enter into agreements with respect to such matters as compensating cash payment.

Because the portfolio securities of the Fund may trade on the relevant exchange(s) on days that the Listing Exchange is closed or that are otherwise not Business Days for the Fund, stockholders may not be able to redeem their Fund shares, or to purchase and sell Fund shares on the Listing Exchange on days when the NAV of the Fund could be significantly affected by events in the relevant foreign markets.

**Cash Redemptions.** The Fund may pay out the proceeds of redemptions of Creation Unit Aggregations solely in cash or through any combination of cash or securities. In addition, an investor may request a redemption in cash that the Fund may, in its sole discretion, permit. In either case, the investor will receive a cash payment equal to the NAV of its shares based on the NAV of shares of the Fund next determined after the redemption request is received in proper form (minus a redemption transaction fee and additional charge for requested cash redemptions specified above, to offset the Trust's brokerage and other transaction costs associated with the disposition of Fund Securities). Proceeds will be paid to the Authorized Participant redeeming shares on behalf of the redeeming investor as soon as practicable after the date of redemption. If the Authorized Participant acts as a broker for the Fund in connection with the sale of Fund Securities, the Authorized Participant will also be required to pay certain brokerage commissions, taxes, and transaction and market impact costs as discussed under the heading "Brokerage Transactions" herein.

Redemptions of shares for Fund Securities will be subject to compliance with applicable federal and state securities laws and the Fund (whether or not it otherwise permits cash redemptions) reserves the right to redeem Creation Unit Aggregations for cash to the extent that the Trust could not lawfully deliver specific Fund Securities upon redemptions or could not do so without first registering the Fund Securities under such laws.

**In-Kind Redemptions.** The ability of the Trust to effect in-kind creations and redemptions is subject, among other things, to the condition that, within the time period from the date of the order to the date of delivery of the securities, there are no days that are holidays in the applicable foreign market. For every occurrence of one or more intervening holidays in the applicable foreign market that are not holidays observed in the U.S. equity market, the redemption settlement cycle may be extended by the number of such intervening holidays. In addition to holidays, other unforeseeable closings in a foreign market due to emergencies may also prevent the Trust from delivering securities within the normal settlement period. The Fund will not suspend or postpone redemption beyond seven days, except as permitted under Section 22(e) of the 1940 Act. Section 22(e) provides that the right of redemption may be suspended or the date of payment postponed with respect to the Fund (1) for any period during which the New York Stock Exchange ( NYSE ) is closed (other than customary weekend and holiday closings); (2) for any period during which trading on the NYSE is suspended or restricted; (3) for any period during which an emergency exists as a result of which disposal of the shares of the Fund's portfolio securities or determination of its NAV is not reasonably practicable; or (4) in such other circumstance as is permitted by the SEC.



**Table of Contents****REGULAR HOLIDAYS**

The Fund generally intends to effect deliveries of Creation Unit Aggregations and portfolio securities on a basis of T+3. The Fund may effect deliveries of Creation Unit Aggregations and portfolio securities on a basis other than T+3 in order to accommodate local holiday schedules, to account for different treatment among foreign and U.S. markets of dividend record dates and ex-dividend dates, or under certain other circumstances. The ability of the Trust to effect in-kind creations and redemptions within three Business Days of receipt of an order in good form is subject, among other things, to the condition that, within the time period from the date of the order to the date of delivery of the securities, there are no days that are holidays in the applicable foreign market. For every occurrence of one or more intervening holidays in the applicable foreign market that are not holidays observed in the U.S. equity market, the redemption settlement cycle will be extended by the number of such intervening holidays. In addition to holidays, other unforeseeable closings in a foreign market due to emergencies may also prevent the Trust from delivering securities within the normal settlement period.

The securities delivery cycles currently practicable for transferring portfolio securities to redeeming investors, coupled with foreign market holiday schedules, will require a delivery process that may be longer than seven calendar days for the Fund, in certain circumstances. The holidays applicable to the Fund during such periods are listed below, as are instances where more than seven days will be needed to deliver redemption proceeds. Although certain holidays may occur on different dates in subsequent years, the number of days required to deliver redemption proceeds in any given year is not expected to exceed the maximum number of days listed below for the Fund. The proclamation of new holidays, the treatment by market participants of certain days as informal holidays (e.g., days on which no or limited securities transactions occur, as a result of substantially shortened trading hours), the elimination of existing holidays, or changes in local securities delivery practices could affect the accuracy of information set forth herein.

**Redemptions.** The longest redemption cycle for the Fund is a function of the longest redemption cycle among the countries whose securities comprise the Fund. In calendar year 2016 (the only year for which holidays are known at the time of this SAI filing), the dates of regular holidays affecting the following securities markets present the worst-case redemption cycles\* for the Fund as follows:

**2016**

	Trade	Settlement	Number of
Country	Date	Date	Days to Settle
Australia	12/20/16	12/29/16	9
	12/21/16	1/02/17	12
	12/22/16	01/03/17	12
Ireland	12/21/16	12/29/16	8
	12/22/16	01/02/17	11
New Zealand	12/20/16	12/28/16	8
	12/21/16	12/29/16	8
	12/22/16	1/02/17	11

\*These worst-case redemption cycles are based on information regarding regular holidays, which may be out of date. Based on changes in holidays, longer (worse) redemption cycles are possible.



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The following discussion of certain U.S. federal income tax consequences of investing in the Fund is based on the Code, U.S. Treasury regulations, and other applicable authority, all as in effect as of the date of the filing of this SAI. These authorities are subject to change by legislative or administrative action, possibly with retroactive effect. The following discussion is only a summary of some of the important U.S. federal income tax considerations generally applicable to investments in the Fund. There may be other tax considerations applicable to particular shareholders. Shareholders should consult their own tax advisors regarding their particular situation and the possible application of foreign, state, and local tax laws.

**Qualification as a Regulated Investment Company.** The Fund has elected or intends to elect to be treated, and intends to qualify each year, as a RIC under Subchapter M of the Code. In order to qualify for the special tax treatment accorded RICs and their shareholders, the Fund must, among other things:

- (a) derive at least 90% of its gross income each year from (i) dividends, interest, payments with respect to certain securities loans, gains from the sale or other disposition of stock or securities or foreign currencies, or other income (including but not limited to gains from options, futures or forward contracts) derived with respect to its business of investing in such stock, securities or currencies, and (ii) net income derived from interests in qualified publicly traded partnerships (as defined below);
- (b) diversify its holdings so that, at the end of each quarter of its taxable year, (i) at least 50% of the market value of the Fund's total assets consists of cash and cash items, U.S. government securities, securities of other RICs and other securities, with investments in such other securities limited with respect to any one issuer to an amount not greater than 5% of the value of the Fund's total assets and not greater than 10% of the outstanding voting securities of such issuer, and (ii) not more than 25% of the value of the Fund's total assets is invested in (1) the securities (other than those of the U.S. government or other RICs) of any one issuer or two or more issuers that are controlled by the Fund and that are engaged in the same, similar or related trades or businesses or (2) the securities of one or more qualified publicly traded partnerships; and
- (c) distribute with respect to each taxable year an amount equal to or greater than the sum of 90% of its investment company taxable income (as that term is defined in the Code without regard to the deduction for dividends paid—generally taxable ordinary income and the excess, if any, of net short-term capital gains over net long-term capital losses) and 90% of its net tax-exempt interest income.

In general, for purposes of the 90% qualifying income test described in (a) above, income derived from a partnership will be treated as qualifying income only to the extent such income is attributable to items of income of the partnership that would be qualifying income if realized directly by the Fund. However, 100% of the net income derived from an interest in a qualified publicly traded partnership (generally, a partnership (i) interests in which are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof, and (ii) that derives less than 90% of its income from the qualifying income described in clause (a)(i) of the description of the 90% qualifying income test applicable to RICs, above) will be treated as qualifying income.

**Taxation of the Fund.** If the Fund qualifies for treatment as a RIC, the Fund will not be subject to federal income tax on income and gains that are distributed in a timely manner to its shareholders in the form of dividends.

If, for any taxable year, the Fund were to fail to qualify as a RIC or were to fail to meet the distribution requirement described above, it would be taxed in the same manner as an ordinary corporation and distributions to its shareholders would not be deductible by the Fund in computing its taxable income. In addition, the Fund's distributions, to the extent derived from the Fund's current and accumulated earnings and profits, including any distributions of net long-term capital gains, would be taxable to shareholders as ordinary dividend income for federal income tax purposes. However, such dividends would be eligible, subject to any generally applicable limitations, (i) to be treated as qualified dividend income in the case of shareholders taxed as individuals and (ii) for the dividends-received deduction in the case of corporate shareholders. Moreover, the Fund would be required to pay out its earnings and profits accumulated in that year in order to qualify for treatment as a RIC in a subsequent year. Under certain circumstances, the Fund may be able to cure a failure to qualify as a RIC, but in order to do so the Fund may incur significant Fund-level taxes and may be forced to dispose of certain assets. If the Fund failed to qualify as a RIC for a period greater than two taxable years, the Fund would generally be required to recognize any net built-in gains with respect to certain of its assets upon a disposition of such assets within ten years of qualifying as a RIC in a subsequent year.

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The Fund intends to distribute at least annually to its shareholders substantially all of its investment company taxable income (computed without regard to the dividends-paid deduction) and its net capital gain (the excess of the Fund's net long-term capital gain over its net short-term capital loss). Investment income that is retained by the Fund will generally be subject to tax at regular corporate rates. If the Fund retains any net capital gain, that gain will be subject to tax at corporate rates, but the Fund may designate the retained amount as undistributed capital gains in a notice to its shareholders who (i) will be required to include in income for federal income tax purposes, as long-term capital gain, their shares of such undistributed amount, (ii) will be deemed to have paid their proportionate shares of the tax paid by the Fund on such undistributed amount against their federal income tax liabilities, if any, and (iii) will be entitled to claim refunds on a properly filed U.S. tax return to the extent the credit exceeds such liabilities. For federal income tax purposes, the tax basis of shares owned by a shareholder of the Fund will be increased by an amount equal to the difference between the amount of undistributed capital gains included in the shareholder's gross income and the tax deemed paid by the shareholder.

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If the Fund fails to distribute in a calendar year an amount at least equal to the sum of 98% of its ordinary income for such year and 98.2% of its capital gain net income for the one-year period ending October 31 of such year, plus any retained amount from the prior year, the Fund will be subject to a non-deductible 4% excise tax on the undistributed amount. For these purposes, the Fund will be treated as having distributed any amount on which it has been subject to corporate income tax for the taxable year ending within the calendar year. The Fund intends to declare and pay dividends and distributions in the amounts and at the times necessary to avoid the application of the 4% excise tax, although there can be no assurance that it will be able to do so.

The Fund may elect to treat part or all of any qualified late year loss as if it had been incurred in the succeeding taxable year in determining the Fund's taxable income, net capital gain, net short-term capital gain, and earnings and profits. A qualified late year loss generally includes net capital loss, net long-term capital loss, or net short-term capital loss incurred after October 31 of the current taxable year, and certain other late-year losses.

The treatment of capital loss carryovers for the Fund is similar to the rules that apply to capital loss carryovers of individuals, which provide that such losses are carried over indefinitely. If the Fund has a net capital loss (that is, capital losses in excess of capital gains), the excess of the Fund's net short-term capital losses over its net long-term capital gains is treated as a short-term capital loss arising on the first day of the Fund's next taxable year, and the excess (if any) of the Fund's net long-term capital losses over its net short-term capital gains is treated as a long-term capital loss arising on the first day of the Fund's next taxable year. The carryover of capital losses may be limited under the general loss limitation rules if the Fund experiences an ownership change as defined in the Code.

**Fund Distributions.** Distributions are generally taxable whether shareholders receive them in cash or reinvest them in additional shares. Moreover, distributions on the Fund's shares are generally subject to federal income tax as described herein to the extent they do not exceed the Fund's realized income and gains, even though such distributions may economically represent a return of a particular shareholder's investment. Investors may therefore wish to avoid purchasing shares at a time when the Fund's NAV reflects gains that are either unrealized, or realized but not distributed. Realized income and gains must generally be distributed even when the Fund's NAV also reflects unrealized losses.

Dividends and other distributions by the Fund are generally treated under the Code as received by the shareholders at the time the dividend or distribution is made. However, if any dividend or distribution is declared by the Fund in October, November or December of any calendar year and payable to its shareholders of record on a specified date in such a month but is actually paid during the following January, such dividend or distribution will be deemed to have been received by each shareholder on December 31 of the year in which the dividend was declared.

Distributions by the Fund of investment income are generally taxable as ordinary income. Taxes on distributions of capital gains are determined by how long the Fund owned the assets that generated those gains, rather than how long a shareholder has owned his or her Fund shares. Sales of assets held by the Fund for more than one year generally result in long-term capital gains and losses, and sales of assets held by the Fund for one year or less generally result in short-term capital gains and losses. Distributions from the Fund's net capital gain that are properly reported by the Fund as capital gain dividends ( Capital Gain Dividends ) will be taxable as long-term capital gains. For individuals, long-term capital gains are subject to tax at reduced maximum tax rates. Distributions of gains from the sale of investments that the Fund owned for one year or less will be taxable as ordinary income.

For noncorporate shareholders, distributions of investment income reported by the Fund as derived from qualified dividend income will be taxed at the rates applicable to long-term capital gain, provided holding period and other requirements are met at both the shareholder and Fund level. In order for some portion of the dividends received by a Fund shareholder to be qualified dividend income, the Fund making the distribution must meet holding period and other requirements with respect to some portion of the dividend-paying stocks in its portfolio and the shareholder must meet holding period and other requirements with respect to the Fund's shares. A dividend will not be treated as qualified dividend income (at either the Fund or shareholder level) (1) if the dividend is received with respect to any share of stock held for fewer than 61 days during the 121-day period beginning on the date that is 60 days before the date on which such share becomes ex-dividend with respect to such dividend (or, in the case of certain preferred stock, 91 days during the 181-day period beginning 90 days before the ex-dividend date), (2) to the extent that the recipient is under an obligation (whether pursuant to a short sale or otherwise) to make related payments with respect to positions in substantially similar or related property, (3) if the recipient elects to have the dividend income treated as investment income for purposes of the limitation on deductibility of investment interest, or (4) if the dividend is received from a foreign corporation that is (a) not eligible for the benefits of a comprehensive income tax treaty with the United States (with the exception of dividends paid on stock of such a foreign corporation that is readily tradable on an established securities market in the United States) or (b) treated as a passive foreign investment company.

In general, distributions of investment income reported by the Fund as derived from qualified dividend income will be treated as qualified dividend income by a shareholder taxed as an individual, provided the shareholder meets the holding period and other requirements described above with respect to the Fund's shares. If the aggregate qualified dividend income received by the Fund during any taxable year represents 95% or more of its gross income (excluding net long-term capital gain over net short-term capital loss), then 100% of the Fund's dividends (other than Capital Gain Dividends) will be eligible to be reported as qualified dividend income. To the extent that the Fund makes a distribution of income

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received by the Fund in lieu of dividends (a substitute payment ) with respect to securities on loan pursuant to a securities lending transaction, such income will not constitute qualified dividend income to individual shareholders and will not be eligible for the dividends received deduction for corporate shareholders.

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Since the Fund will invest primarily in investments other than the stock of U.S. corporations, the Fund does not expect a substantial portion of its dividends will qualify for the dividends-received deduction available to corporate shareholders.

Dividends and distributions from the Fund and capital gain on the sale of Fund shares are generally taken into account in determining a shareholder's net investment income for purposes of the Medicare contribution tax applicable to certain individuals, estates and trusts.

If the Fund makes distributions in excess of the Fund's current and accumulated earnings and profits in any taxable year, the excess distribution to each shareholder will be treated as a return of capital to the extent of the shareholder's tax basis in its shares, and will reduce the shareholder's tax basis in its shares. After the shareholder's basis has been reduced to zero, any such distributions will result in a capital gain, assuming the shareholder holds his or her shares as capital assets. A reduction in a shareholder's tax basis in its shares will reduce any loss or increase any gain on a subsequent taxable disposition by the shareholder of its shares.

***Sale or Exchange of Shares.*** A sale or exchange of shares in the Fund may give rise to a gain or loss. In general, any gain or loss realized upon a taxable disposition of shares will be treated as long-term capital gain or loss if the shares have been held for more than 12 months. Otherwise, the gain or loss on the taxable disposition of shares will be treated as short-term capital gain or loss. However, any loss realized upon a taxable disposition of shares held for six months or less will be treated as long-term, rather than short-term, to the extent of any long-term capital gain distributions received (or deemed received) by the shareholder with respect to the shares. All or a portion of any loss realized upon a taxable disposition of shares will be disallowed if substantially identical shares of the Fund are purchased within 30 days before or after the disposition. In such a case, the basis of the newly purchased shares will be adjusted to reflect the disallowed loss.

***Backup Withholding.*** The Fund (or financial intermediaries, such as brokers, through which a shareholder holds Fund shares) generally is required to withhold and to remit to the U.S. Treasury a percentage of the taxable distributions and sale or redemption proceeds paid to any shareholder who fails to properly furnish a correct taxpayer identification number, who has under-reported dividend or interest income, or who fails to certify that he, she or it is not subject to such withholding. The backup withholding tax rate is 28%. Backup withholding is not an additional tax. Any amounts withheld may be credited against the shareholder's U.S. federal income tax liability, provided the appropriate information is furnished to the Internal Revenue Service (the "IRS").

***Federal Tax Treatment of Certain Fund Investments.*** Transactions of the Fund in options, futures contracts, hedging transactions, forward contracts, swap agreements, straddles and foreign currencies may be subject to various special and complex tax rules, including mark-to-market, constructive sale, straddle, wash sale and short sale rules. These rules could affect a Fund's ability to qualify as a RIC, affect whether gains and losses recognized by the Fund are treated as ordinary income or capital gain, accelerate the recognition of income to the Fund, and/or defer the Fund's ability to recognize losses. These rules may in turn affect the amount, timing or character of the income distributed to shareholders by the Fund.

The Fund is required, for federal income tax purposes, to mark to market and recognize as income for each taxable year its net unrealized gains and losses as of the end of such year on certain regulated futures contracts, foreign currency contracts and options that qualify as Section 1256 contracts in addition to the gains and losses actually realized with respect to such contracts during the year. Except as described below under ***Certain Foreign Currency Tax Issues***, gain or loss from Section 1256 contracts that are required to be marked to market annually will generally be 60% long-term and 40% short-term capital gain or loss. Application of this rule may alter the timing and character of distributions to shareholders.

***Certain Foreign Currency Tax Issues.*** The U.S. Treasury Department has authority to issue regulations that would exclude foreign currency gains from the 90% test described above if such gains are not directly related to a fund's business of investing in stock or securities. Accordingly, regulations may be issued in the future that could treat some or all of the Fund's non-U.S. currency gains as non-qualifying income, thereby potentially jeopardizing the Fund's status as a RIC for all years to which the regulations are applicable.

Under the Code, gains or losses attributable to fluctuations in exchange rates which occur between the time the Fund accrues income or other receivables or accrues expenses or other liabilities denominated in a foreign currency and the time the Fund actually collects such income or receivables or pays such expenses or liabilities generally are treated as ordinary income or loss. Similarly, on disposition of debt securities denominated in a foreign currency and on disposition of certain other instruments, gains or losses attributable to fluctuations in the value of the foreign currency between the date of acquisition of the security or contract and the date of disposition are also treated as ordinary gain or loss. The gains and losses may increase or decrease the amount of the Fund's income to be distributed to its shareholders as ordinary income.

The Fund's gain or loss on foreign currency denominated debt securities and on certain other financial instruments, such as forward currency contracts and currency swaps, that is attributable to fluctuations in exchange rates occurring between the date of acquisition and the date of settlement or disposition of such securities or instruments generally will be treated under Section 988 of the Code as ordinary income or loss.

The Fund may elect out of the application of Section 988 of the Code with respect to the tax treatment of each

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of its foreign currency forward contracts to the extent that (i) such contract is a capital asset in the hands of the Fund and is not part of a straddle transaction and (ii) the Fund makes an election by the close of the day the contract is entered into to treat the gain or loss attributable to such contract as capital gain or loss.

The Fund's forward contracts may qualify as so-called Section 1256 contracts if the underlying currencies are currencies for which there are futures contracts that are traded on and subject to the rules of a qualified board or exchange. However, a forward currency contract that is a Section 1256 contract would, absent an election out of Section 988 of the Code as described in the preceding paragraph, be subject to Section 988. Accordingly, although such a forward currency contract would be marked to market annually like other Section 1256 contracts, the resulting gain or loss would be ordinary. If the Fund were to elect out of Section 988 with respect to forward currency contracts that qualify as Section 1256 contracts, the tax treatment generally applicable to Section 1256 contracts would apply to those forward currency contracts: that is, the contracts would be marked to market annually and gains and losses with respect to the contracts would be treated as long-term capital gains or losses to the extent of 60% thereof and short-term capital gains or losses to the extent of 40% thereof. If the Fund were to elect out of Section 988 with respect to any of its forward currency contracts that do not qualify as Section 1256 contracts, such contracts would not be marked to market annually and the Fund would recognize short-term or long-term capital gain or loss depending on the Fund's holding period therein. The Fund may elect out of Section 988 with respect to some, all or none of its forward currency contracts.

Finally, regulated futures contracts and non-equity options that qualify as Section 1256 contracts and are entered into by the Fund with respect to foreign currencies or foreign currency denominated debt instruments will be subject to the tax treatment generally applicable to Section 1256 contracts unless the Fund elects to have Section 988 apply to determine the character of gains and losses from all such regulated futures contracts and non-equity options held or later acquired by the Fund.

**Foreign Investments.** Income received by the Fund from sources within foreign countries (including, for example, dividends or interest on stock or securities of non-U.S. issuers) may be subject to withholding and other taxes imposed by such countries. Tax treaties between such countries and the U.S. may reduce or eliminate such taxes. If more than 50% of the value of the Fund's assets at the close of any taxable year consists of stock or securities of foreign corporations, which for this purpose may include obligations of foreign governmental issuers, the Fund may elect, for U.S. federal income tax purposes, to treat any foreign income or withholding taxes paid by the Fund as paid by its shareholders. For any year that the Fund is eligible for and makes such an election, each shareholder of the Fund will be required to include in income an amount equal to his or her allocable share of qualified foreign income taxes paid by the Fund, and shareholders will be entitled, subject to certain holding period requirements and other limitations, to credit their portions of these amounts against their U.S. federal income tax due, if any, or to deduct their portions from their U.S. taxable income, if any. No deductions for foreign taxes paid by the Fund may be claimed, however, by non-corporate shareholders who do not itemize deductions. No deduction for such taxes will be permitted to individuals in computing their alternative minimum tax liability. Foreign taxes paid by the Fund will reduce the return from the Fund's investments.

If the Fund holds shares in a passive foreign investment company (PFIC), it may be subject to U.S. federal income tax on a portion of any excess distribution or gain from the disposition of such shares even if such income is distributed as a taxable dividend by the Fund to its shareholders. Additional charges in the nature of interest may be imposed on the Fund in respect of deferred taxes arising from such distributions or gains.

The Fund may be eligible to treat a PFIC as a qualified electing fund under the Code in which case, in lieu of the foregoing requirements, the Fund will be required to include in income each year a portion of the ordinary earnings and net capital gains of the qualified electing fund, even if not distributed to the Fund, and such amounts will be subject to the 90% and excise tax distribution requirements described above. In order to make this election, the Fund would be required to obtain certain annual information from the PFICs in which it invests, which may be difficult or impossible to obtain. Alternatively, the Fund may make a mark-to-market election that will result in such Fund being treated as if it had sold and repurchased its PFIC stock at the end of each year. In such case, the Fund would report any gains resulting from such deemed sales as ordinary income and would deduct any losses resulting from such deemed sales as ordinary losses to the extent of previously recognized gains. The election must be made separately for each PFIC owned by the Fund and, once made, is effective for all subsequent taxable years, unless revoked with the consent of the IRS. By making the election, the Fund could potentially ameliorate the adverse tax consequences with respect to its ownership of shares in a PFIC, but in any particular year may be required to recognize income in excess of the distributions it receives from PFICs and its proceeds from dispositions of PFIC stock. The Fund may have to distribute this excess income to satisfy the 90% distribution requirement and to avoid imposition of the 4% excise tax. In order to distribute this income and avoid a tax at the Fund level, the Fund might be required to liquidate portfolio securities that it might otherwise have continued to hold, potentially resulting in additional taxable gain or loss.

**Tax-Exempt Shareholders.** Under current law, income of a RIC that would be treated as unrelated business taxable income (UBTI) if earned directly by a tax-exempt entity generally will not be attributed as UBTI to a tax-exempt entity that is a shareholder in the RIC. Notwithstanding this blocking effect, a tax-exempt shareholder could realize UBTI by virtue of its investment in the Fund if shares in the Fund constitute debt-financed property in the hands of the tax-exempt shareholder within the meaning of Code Section 514(b) or if the Fund invests in REITs that hold residual interests in REMICs.





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**Non-U.S. Shareholders.** In general, dividends, other than Capital Gain Dividends paid by the Fund to a shareholder that is not a U.S. person within the meaning of the Code are subject to withholding of U.S. federal income tax at a rate of 30% (or lower applicable treaty rate) on distributions derived from taxable ordinary income. The Fund may, under certain circumstances, report all or a portion of a dividend as an interest-related dividend or a short-term capital gain dividend, which would generally be exempt from this 30% U.S. withholding tax, provided certain other requirements are met. Short-term capital gain dividends received by a nonresident alien individual who is present in the U.S. for a period or periods aggregating 183 days or more during the taxable year are not exempt from this 30% withholding tax.

A beneficial holder of shares who is a non-U.S. person is not, in general, subject to U.S. federal income tax on gains (and is not allowed a U.S. income tax deduction for losses) realized on a sale of shares of the Fund or on Capital Gain Dividends unless (i) such gain or dividend is effectively connected with the conduct of a trade or business carried on by such holder within the United States or (ii) in the case of an individual holder, the holder is present in the United States for a period or periods aggregating 183 days or more during the year of the sale or the receipt of the Capital Gain Dividend and certain other conditions are met.

A non-U.S. shareholder that fails to meet certain requirements or make certain required certifications is generally subject to withholding tax at a 30% rate on ordinary dividends paid to such shareholder and after December 31, 2018, subject to withholding tax at a 30% rate on the gross proceeds of share redemptions and certain Capital Gain Dividends. A non-U.S. shareholder may be exempt from the withholding described in this paragraph under an intergovernmental agreement between the U.S. and a foreign government, provided that the shareholder and the applicable foreign government comply with the terms of such agreement.

In order for a non-U.S. investor to qualify for an exemption from backup withholding, described above, the non-U.S. investor must comply with special certification and filing requirements. Non-U.S. investors in the Fund should consult their tax advisors in this regard.

A beneficial holder of shares who is a non-U.S. person may be subject to state and local tax and to the U.S. federal estate tax in addition to the federal income tax consequences referred to above. If a shareholder is eligible for the benefits of a tax treaty, any income or gain effectively connected with a U.S. trade or business will generally be subject to U.S. federal income tax on a net basis only if it is also attributable to a permanent establishment maintained by the shareholder in the United States.

**Creation and Redemption of Creation Units.** An Authorized Participant having the U.S. dollar as its functional currency for U.S. federal income tax purposes that exchanges securities for Creation Units generally will recognize a gain or loss equal to the difference between (i) the sum of the market value of the Creation Units at the time of the exchange and any cash received by the Authorized Participant in the exchange, and (ii) the sum of the exchanger's aggregate basis in the securities or non-U.S. currency surrendered and any cash paid for such Creation Units. All or a portion of any gain or loss recognized by an Authorized Participant exchanging a currency other than its functional currency for Creation Units may be treated as ordinary income or loss. A person who redeems Creation Units will generally recognize a gain or loss equal to the difference between the exchanger's basis in the Creation Units and the sum of the aggregate U.S. dollar market value of any securities or non-U.S. currency received plus the amount of any cash received for such Creation Units. The IRS, however, may assert that an Authorized Participant which does not mark-to-market its holdings may not be permitted to currently deduct losses realized upon an exchange of securities or non-U.S. currency for Creation Units under the rules governing wash sales, or on the basis that there has been no significant change in economic position. All or some portion of any capital gain or loss realized upon the creation of Creation Units in exchange for securities will generally be treated as long-term capital gain or loss if securities exchanged for such Creation Units have been held for more than one year.

Any capital gain or loss realized upon the redemption of Creation Units will generally be treated as long-term capital gain or loss if the Creation Units have been held for more than one year. Otherwise, such capital gains or losses will be treated as short-term capital gains or losses.

A person subject to U.S. federal income tax with the U.S. dollar as its functional currency for U.S. federal income tax purposes who receives non-U.S. currency upon a redemption of Creation Units and does not immediately convert the non-U.S. currency into U.S. dollars may, upon a later conversion of the non-U.S. currency into U.S. dollars, or upon the use of the non-U.S. currency to pay expenses or acquire assets, recognize as ordinary gains or losses any gains or losses resulting from fluctuations in the value of the non-U.S. currency relative to the U.S. dollar since the date of the redemption.

Persons exchanging securities or non-U.S. currency for Creation Units should consult their own tax advisors with respect to the tax treatment of any creation or redemption transaction and whether the wash sales rules apply and when a loss might be deductible.

**Section 351.** The Trust on behalf of the Fund has the right to reject an order for a purchase of shares of the Fund if the purchaser (or any group of purchasers) would, upon obtaining the shares so ordered, own 80% or more of the outstanding shares of the Fund and if, pursuant to Section 351 of the Code, the Fund would have a basis in the securities different from the market value of such securities on the date of deposit. The Trust also has the right to require information necessary to determine beneficial share ownership for purposes of the 80% determination.

***Certain Reporting Regulations.*** Under U.S. Treasury regulations, generally, if a shareholder recognizes a loss of \$2 million or more for an individual shareholder or \$10 million or more for a corporate shareholder (or certain greater amounts over a combination of

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years), the shareholder must file with the IRS a disclosure statement on IRS Form 8886. Direct shareholders of portfolio securities are in many cases excepted from this reporting requirement, but under current guidance, shareholders of a RIC are not excepted. Significant penalties may be imposed for the failure to comply with the reporting regulations. The fact that a loss is reportable under these regulations does not affect the legal determination of whether the taxpayer's treatment of the loss is proper. Shareholders should consult their tax advisors to determine the applicability of these regulations in light of their individual circumstances.

**Cost Basis Reporting.** The cost basis of shares acquired by purchase will generally be based on the amount paid for the shares and then may be subsequently adjusted for other applicable transactions as required by the Code. The difference between the selling price and the cost basis of shares generally determines the amount of the capital gain or loss realized on the sale or exchange of shares. Contact the broker through whom you purchased your shares to obtain information with respect to the available cost basis reporting methods and elections for your account.

**General Considerations.** The federal income tax discussion set forth above is for general information only. Prospective investors should consult their tax advisors regarding the specific federal income tax consequences of purchasing, holding and disposing of shares of the Fund, as well as the effect of state, local and foreign tax law and any proposed tax law changes.

**DETERMINATION OF NAV**

The NAV of the Fund's shares is calculated each day the Fund is open for business as of the regularly scheduled close of regular trading on the New York Stock Exchange, normally 4:00 p.m. Eastern Time (the NAV Calculation Time). NAV per share is calculated by dividing the Fund's net assets by the number of Fund shares outstanding.

In calculating the Fund's NAV, the Fund generally values: (i) equity securities (including preferred stock) traded on any recognized U.S. or non-U.S. exchange at the last sale price or official closing price on the exchange or system on which they are principally traded; (ii) unlisted equity securities (including preferred stock) at the last quoted sale price or, if no sale price is available, at the mean between the highest bid and lowest ask price; and (iii) short-term debt securities with remaining maturities of 60 days or less at current market quotations or mean prices obtained from broker-dealers or independent pricing service providers. In addition, each Fund may invest in money market funds which are valued at their NAV per share and affiliated ETFs which are valued at their last sale or official closing price on the exchange on which they are principally traded.

In certain instances, such as when reliable market valuations are not readily available or are not deemed to reflect current market values, the Fund's investments will be valued in accordance with the Fund's pricing policy and procedures. Securities that may be valued using fair value pricing may include, but are not limited to, securities for which there are no current market quotations or whose issuer is in default or bankruptcy, securities subject to corporate actions (such as mergers or reorganizations), securities subject to non-U.S. investment limits or currency controls, and securities affected by significant events. An example of a significant event is an event occurring after the close of the market in which a security trades but before the Fund's next NAV Calculation Time that may materially affect the value of the Fund's investment (e.g., government action, natural disaster, or significant market fluctuation). Price movements in U.S. markets that are deemed to affect the value of foreign securities, or reflect changes to the value of such securities, also may cause securities to be fair valued. When fair-value pricing is employed, the prices of securities used by the Fund to calculate its NAV may differ from quoted or published prices for the same securities.

Fund shares are purchased or sold on a national securities exchange at market prices, which may be higher or lower than NAV. No secondary sales will be made to brokers or dealers at a concession by the Distributor or by the Fund. Purchases and sales of shares in the secondary market, which will not involve the Fund, will be subject to customary brokerage commissions and charges. Transactions in Fund shares will be priced at NAV only if you purchase or redeem shares directly from the Fund in Creation Units.

**DIVIDENDS AND DISTRIBUTIONS**

The Fund intends to pay out dividends, if any, on a quarterly basis but in any event no less frequently than annually. Nonetheless, the Fund might not make a dividend payment every quarter. The Fund intends to distribute its net realized capital gains, if any, to investors annually. The Fund may occasionally be required to make supplemental distributions at some other time during the year. Distributions in cash may be reinvested automatically in additional whole shares only if the broker through whom you purchased shares makes such option available. Your broker is responsible for distributing the income and capital gain distributions to you.

The Trust reserves the right to declare special distributions if, in its reasonable discretion, such action is necessary or advisable to preserve the status of the Fund as a RIC or to avoid imposition of income or excise taxes on undistributed income.

**FINANCIAL STATEMENTS**

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Financial Statements and Annual Reports will be available after the Fund has completed a fiscal year of operations. When available, you may request a copy of the Trust's Annual Report at no charge by calling 866-909-9473 or through the Trust's website at [www.wisdomtree.com](http://www.wisdomtree.com).

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**MISCELLANEOUS INFORMATION**

***Counsel.*** Morgan, Lewis & Bockius LLP, with offices located at 1111 Pennsylvania Avenue, NW, Washington, DC 20004, serves as legal counsel to the Trust.

***Independent Registered Public Accounting Firm.*** Ernst & Young LLP, with offices located at 5 Times Square, New York, New York 10036 serves as the independent registered public accounting firm to the Trust.

**WIS-SAI-089-1016**

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**PART C. Other Information**

**Item 28. Exhibits**

- (a)(1) Trust Instrument of WisdomTree Trust (the Trust or the Registrant ) dated December 15, 2005 is incorporated herein by reference to Exhibit (a) of the Registrant's Initial Registration Statement on Form N-1A, as filed with the U.S. Securities Exchange Commission (the SEC ) on March 13, 2006.
- (2) Schedule A, as last revised October 28, 2016, to the Trust Instrument dated December 15, 2005 is filed herewith.
- (3) Revised Schedule A, reflecting the addition of WisdomTree Brazil Bond Fund and WisdomTree ICBCCS S&P China 500 Fund, to the Trust Instrument dated December 15, 2005, to be filed by amendment.
- (4) Certificate of Trust, as filed with the State of Delaware on December 15, 2005, is incorporated herein by reference to Exhibit (a)(2) of the Registrant's Initial Registration Statement on Form N-1A, as filed with the SEC on March 13, 2006.
- (b) Registrant's By-Laws, as amended June 16, 2016, are incorporated herein by reference to Exhibit (b) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (c) Portions of the Registrant's Trust Instrument and By-Laws defining the rights of holders of shares of the Registrant are incorporated herein by reference to Article II, Sections 2, 3 and 8, and Articles III, IV, V, VI, VII, VIII, IX and X of the Registrant's Trust Instrument dated December 15, 2005, filed as Exhibit (a)(1) to the Registrant's Initial Registration Statement on Form N-1A, as filed with the SEC on March 13, 2006; and to Articles I, V, and VI of the Registrant's By-Laws, filed as Exhibit (b) to the Registrant's Initial Registration Statement on Form N-1A, as filed with SEC on March 13, 2006.
- (d)(1) Investment Advisory Agreement dated November 20, 2012 between the Registrant and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(1) of the Registrant's Post-Effective Amendment No. 142 filing, as filed with the SEC on December 28, 2012.
- (2) Schedule A, as revised January 31, 2013 (updated September 2014), to the Investment Advisory Agreement dated November 20, 2012 between the Registrant and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(2) of the Registrant's Post-Effective Amendment No. 382 filing, as filed with the SEC on December 16, 2014.
- (3) Investment Advisory Agreement dated March 26, 2013 between the Registrant and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(3) of the Registrant's Post-Effective Amendment No. 198 filing, as filed with the SEC on July 29, 2013.

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- (4) Schedule A, as last revised October 28, 2016, to the Investment Advisory Agreement dated March 26, 2013 between the Registrant and WisdomTree Asset Management, Inc. is filed herewith.
- (5) Revised Schedule A to the Investment Advisory Agreement dated March 26, 2013 between the Registrant and WisdomTree Asset Management, Inc., reflecting the addition of WisdomTree Brazil Bond Fund and WisdomTree ICBCCS S&P China 500 Fund, to be filed by amendment.
- (6) Amended and Restated Sub-Advisory Agreement dated January 1, 2013 between WisdomTree Asset Management, Inc. and Mellon Capital Management Corporation is incorporated herein by reference to Exhibit (d)(6) of the Registrant's Post-Effective Amendment No. 144 filing, as filed with the SEC on January 11, 2013.
- (7) Appendix A, as last amended March 28, 2016, to the Amended and Restated Sub-Advisory Agreement dated January 1, 2013 between WisdomTree Asset Management, Inc. and Mellon Capital Management Corporation is incorporated herein by reference to Exhibit (d)(8) of the Registrant's Post-Effective Amendment No. 539 filing, as filed with the SEC on April 4, 2016.
- (8) Amended and Restated Investment Sub-Advisory Agreement dated December 5, 2012 between WisdomTree Asset Management, Inc. and Western Asset Management Company, Western Asset Management Company Ltd., and Western Asset Management Company Pte., Ltd. is incorporated herein by reference to Exhibit (d)(8) of the Registrant's Post-Effective Amendment No. 144 filing, as filed with the SEC on January 11, 2013.
- (9) Sub-Advisory Agreement dated April 4, 2016 between WisdomTree Asset Management, Inc. and Voya Investment Management Co., LLC is incorporated herein by reference to Exhibit (d)(10) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (10) Sub-Advisory Agreement between WisdomTree Asset Management, Inc., on behalf of the WisdomTree Brazil Bond Fund, and [SUB-ADVISER], to be filed by amendment.
- (11) Sub-Advisory Agreement between WisdomTree Asset Management, Inc., on behalf of the WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund, and Mellon Capital Management Corporation, to be filed by amendment.
- (12) Sub-Advisory Agreement between WisdomTree Asset Management, Inc., on behalf of the WisdomTree ICBCCS S&P China 500 Fund, and [SUB-ADVISER], to be filed by amendment.
- (13) Investment Advisory Agreement dated February 14, 2008 between WisdomTree Asset Management, Inc. and WisdomTree India Investment Portfolio, Inc. is incorporated herein by reference to Exhibit (d)(7) of the Registrant's Post-Effective Amendment No. 14 filing, as filed with the SEC on April 4, 2008.
- (14) Form of Sub-Advisory Agreement dated November 20, 2012 between WisdomTree Asset Management, Inc., on behalf of the WisdomTree India

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- Investment Portfolio Inc., and Mellon Capital Management Corporation is incorporated herein by reference to Exhibit (d)(10) of the Registrant's Post-Effective Amendment No. 142 filing, as filed with the SEC on December 28, 2012.
- (15) Fee Waiver Agreement dated June 1, 2015 between the Registrant, on behalf of the WisdomTree International Hedged SmallCap Dividend Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(19) of the Registrant's Post-Effective Amendment No. 415 filing, as filed with the SEC on June 1, 2015.
- (16) Fee Waiver Agreement dated October 21, 2015 between the Registrant, on behalf of the WisdomTree Global ex-U.S. Hedged Real Estate Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(29) of the Registrant's Post-Effective Amendment No. 473 filing, as filed with the SEC on October 23, 2015.
- (17) Fee Waiver Agreement dated October 21, 2015 between the Registrant, on behalf of the WisdomTree Europe Local Recovery Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(29) of the Registrant's Post-Effective Amendment No. 474 filing, as filed with the SEC on October 23, 2015.
- (18) Fee Waiver Agreement dated December 10, 2015 between the Registrant, on behalf of the WisdomTree Dynamic Long/Short U.S. Equity Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(27) of the Registrant's Post-Effective Amendment No. 490 filing, as filed with the SEC on December 10, 2015.
- (19) Fee Waiver Agreement dated December 10, 2015 between the Registrant, on behalf of the WisdomTree Dynamic Bearish U.S. Equity Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(28) of the Registrant's Post-Effective Amendment No. 491 filing, as filed with the SEC on December 10, 2015.
- (20) Fee Waiver Agreement dated May 1, 2015 between the Registrant, on behalf of the WisdomTree Western Asset Unconstrained Bond Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(29) of the Registrant's Post-Effective Amendment No. 501 filing, as filed with the SEC on January 5, 2016.
- (21) Fee Waiver Agreement dated June 24, 2015 between the Registrant, on behalf of the WisdomTree Barclays U.S. Aggregate Bond Enhanced Yield Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(30) of the Registrant's Post-Effective Amendment No. 501 filing, as filed with the SEC on January 5, 2016.
- (22) Fee Waiver Agreement dated December 10, 2015 between the Registrant, on behalf of the WisdomTree Bloomberg U.S. Floating Rate Treasury Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(31) of the Registrant's Post-Effective Amendment No. 501 filing, as filed with the SEC on January 5, 2016.



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- (23) Fee Waiver Agreement dated December 10, 2015 between the Registrant, on behalf of the WisdomTree Strategic Corporate Bond Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(32) of the Registrant's Post-Effective Amendment No. 501 filing, as filed with the SEC on January 5, 2016.
- (24) Fee Waiver Agreement dated January 5, 2016 between the Registrant, on behalf of the WisdomTree Dynamic Currency Hedged International SmallCap Equity Fund, WisdomTree Dynamic Currency Hedged International Equity Fund, WisdomTree Dynamic Currency Hedged Japan Equity Fund, and WisdomTree Dynamic Currency Hedged Europe Equity Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(33) of the Registrant's Post-Effective Amendment No. 501 filing, as filed with the SEC on January 5, 2016.
- (25) Fee Waiver Agreement dated April 4, 2016 between the Registrant, on behalf of the WisdomTree International Quality Dividend Growth Fund, and WisdomTree Asset Management, Inc., is incorporated herein by reference to Exhibit (d)(34) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (26) Fee Waiver Agreement dated April 14, 2016 between the Registrant, on behalf of the WisdomTree Fundamental U.S. Corporate Bond Fund, WisdomTree Fundamental U.S. Short-Term Corporate Bond Fund, WisdomTree Fundamental U.S. High Yield Corporate Bond Fund, WisdomTree Fundamental U.S. Short-Term High Yield Corporate Bond Fund, WisdomTree Fundamental U.S. BBB Corporate Bond Fund, and WisdomTree Fundamental U.S. Short-Term BBB Corporate Bond Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(35) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (27) Fee Waiver Agreement dated July 31, 2016 between the Registrant, on behalf of the WisdomTree China ex-State Owned Enterprises Fund, WisdomTree Japan Hedged Quality Dividend Growth Fund, and WisdomTree Japan Quality Dividend Growth Fund, and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (d)(38) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (28) Fee Waiver Agreement dated October 28, 2016 between the Registrant, on behalf of the WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund, and WisdomTree Asset Management, Inc. is filed herewith.
- (e)(1) Form of Distribution Agreement dated December 12, 2014 (effective January 1, 2015) between the Registrant and Foreside Fund Services, LLC is incorporated herein by reference to Exhibit (e)(1) of the Registrant's Post-Effective Amendment No. 382 filing, as filed with the SEC on December 16, 2014.

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- (2) Twelfth Amendment and Exhibit, dated April 7, 2016, to the Distribution Agreement dated December 12, 2014 between the Registrant and Foreside Fund Services, LLC is incorporated herein by reference to Exhibit (e)(2) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (3) Form of Authorized Participant Agreement is incorporated herein by reference to Exhibit (e)(2) of the Registrant's Initial Registration Statement on Form N-1A, as filed with the SEC on March 13, 2006.
- (f) Not applicable.
- (g)(1) Master Custodian Agreement dated September 27, 2013 between the Registrant and State Street Bank and Trust Company is incorporated herein by reference to Exhibit (g)(1) of the Registrant's Post-Effective Amendment No. 346 filing, as filed with the SEC on March 31, 2014.
  - (2) Appendix A, as last revised March 28, 2016, to the Master Custodian Agreement, Administration Agreement and Transfer Agency Service Agreement, each dated September 27, 2013, between the Registrant and State Street Bank and Trust Company is incorporated herein by reference to Exhibit (g)(2) of the Registrant's Post-Effective Amendment No. 539 filing, as filed with the SEC on April 4, 2016.
  - (3) Revised Appendix A, reflecting the addition of the WisdomTree Brazil Bond Fund, WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund and WisdomTree ICBCCS S&P China 500 Fund, to the Master Custodian Agreement dated September 27, 2013, between the Registrant and State Street Bank and Trust Company, to be filed by amendment.
- (h)(1) Administration Agreement dated September 27, 2013 between the Registrant and State Street Bank and Trust Company is incorporated herein by reference to Exhibit (h)(1) of the Registrant's Post-Effective Amendment No. 346 filing, as filed with the SEC on March 31, 2014.
  - (2) Transfer Agency and Service Agreement dated September 27, 2013 between the Registrant and State Street Bank and Trust Company is incorporated herein by reference to Exhibit (h)(5) of the Registrant's Post-Effective Amendment No. 346 filing, as filed with the SEC on March 31, 2014.
  - (3) Schedule A, as last revised March 28, 2016, to the Administration Agreement and Transfer Agency and Service Agreement, each dated September 27, 2013, between the Registrant and State Street Bank and Trust Company is incorporated herein by reference to Exhibit (h)(3) of the Registrant's Post-Effective Amendment No. 539 filing, as filed with the SEC on April 4, 2016.
  - (4) Revised Schedule A, reflecting the addition of the WisdomTree Brazil Bond Fund, WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund and WisdomTree ICBCCS S&P China 500 Fund, to the Administration Agreement and Transfer Agency and Service Agreement each dated September 27, 2013, between the Registrant and State Street Bank and Trust Company, to be filed by amendment.

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- (5) License Agreement dated March 21, 2006 between the Registrant and WisdomTree Investments, Inc. is incorporated herein by reference to Exhibit (h)(3) of the Registrant's Post-Effective Amendment No. 2 filing, as filed with the SEC on September 29, 2006.
- (6) Exhibit A, as last revised October 28, 2016, to the License Agreement dated March 21, 2006 between the Registrant and WisdomTree Investments, Inc. is filed herewith.
- (7) Securities Lending Authorization Agreement dated September 27, 2013 between the Registrant and State Street Bank and Trust Company is incorporated herein by reference to Exhibit (h)(8) of the Registrant's Post-Effective Amendment No. 346 filing, as filed with the SEC on March 31, 2014.
- (8) Ninth Amendment dated April 7, 2016 to the Securities Lending Authorization Agreement dated September 27, 2013 between the Registrant and State Street Bank and Trust Company is incorporated herein by reference to Exhibit (h)(9) of the Registrant's Post-Effective Amendment No. 561 filing, as filed with the SEC on June 24, 2016.
- (9) Amendment and revised Schedule B to the Securities Lending Authorization Agreement dated September 27, 2013 between the Registrant and State Street Bank and Trust Company, reflecting the addition of the WisdomTree Brazil Bond Fund, WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund and WisdomTree ICBCCS S&P China 500 Fund, to be filed by amendment.
- (10) Chief Compliance Officer Services Agreement dated October 1, 2009 between the Registrant and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (h)(10) of the Registrant's Post-Effective Amendment No. 27 filing, as filed with the SEC on October 15, 2009.
- (11) Exhibit C, as last revised October 28, 2016, to the Chief Compliance Officer Services Agreement dated October 1, 2009 between the Registrant and WisdomTree Asset Management, Inc. is filed herewith.
- (12) Revised Exhibit C, reflecting the addition of WisdomTree Brazil Bond Fund and WisdomTree ICBCCS S&P China 500 Fund, to the Chief Compliance Officer Services Agreement dated October 1, 2009 between the Registrant and WisdomTree Asset Management, Inc., to be filed by amendment.
- (13) Fund Services Agreement dated June 15, 2009 between the Registrant and WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (h)(11) of the Registrant's Post-Effective Amendment No. 131 filing, as filed with the SEC on September 10, 2012.

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- (14) Exhibit A, as last revised October 28, 2016, to the Fund Services Agreement dated June 15, 2009 between the Registrant and WisdomTree Asset Management, Inc. is filed herewith.
- (15) Revised Exhibit A, reflecting the addition of WisdomTree Brazil Bond Fund and WisdomTree ICBCCS S&P China 500 Fund, to the Fund Services Agreement dated June 15, 2009 between the Registrant and WisdomTree Asset Management, Inc., to be filed by amendment.
- (16) WisdomTree Rules-Based Earnings-Weighted Methodology, dated June 2016, is incorporated herein by reference to Exhibit (h)(16) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (17) WisdomTree Rules-Based Methodology (Domestic and International Dividend Indexes), dated June 2016, is incorporated herein by reference to Exhibit (h)(17) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (18) WisdomTree Rules-Based Methodology (Global and Global ex-US Dividend Indexes), dated October 2015, is incorporated herein by reference to Exhibit (h)(18) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (19) WisdomTree Rules-Based Methodology (India Earnings Indexes), dated June 2016, is incorporated herein by reference to Exhibit (h)(19) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (20) WisdomTree Rules-Based Methodology (Global ex-US Quality Dividend Growth Index), dated August 2015, is incorporated herein by reference to Exhibit (h)(20) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (21) WisdomTree Rules-Based Earnings-Weighted Value Index Methodology, dated June 2014, is incorporated herein by reference to Exhibit (h)(23) of the Registrant's Post-Effective Amendment No. 372 filing, as filed with the SEC on July 29, 2014.
- (22) WisdomTree Rules-Based Methodology (Middle East Dividend Index), dated October 2015, is incorporated herein by reference to Exhibit (h)(22) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (23) WisdomTree Rules-Based Methodology (Emerging Market Consumer Growth Index), dated June 2014, is incorporated herein by reference to Exhibit (h)(25) of the Registrant's Post-Effective Amendment No. 372 filing, as filed with the SEC on July 29, 2014.
- (24) WisdomTree Rules-Based Methodology (WisdomTree China Dividend ex-Financials Index), dated June 2014, is incorporated herein by reference to Exhibit (h)(27) of the Registrant's Post-Effective Amendment No. 372 filing, as filed with the SEC on July 29, 2014.

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- (25) WisdomTree Rules-Based Methodology (Hedged Equity Indexes), dated May 2015, is incorporated herein by reference to Exhibit (h)(28) of the Registrant's Post-Effective Amendment No. 415 filing, as filed with the SEC on June 1, 2015.
- (26) WisdomTree Rules-Based Methodology (WisdomTree Europe Local Recovery), is incorporated herein by reference to Exhibit (h)(27) of the Registrant's Post-Effective Amendment No. 474 filing, as filed with the SEC on October 23, 2015.
- (27) WisdomTree Rules-Based Methodology (WisdomTree Hedged and Unhedged Equity Indexes: Global SmallCap Dividend Index and Global Hedged SmallCap Dividend Index), dated June 2016, is incorporated herein by reference to Exhibit (h)(27) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (28) WisdomTree Rules-Based Methodology (WisdomTree Emerging Market Dividend Indexes), dated June 2016, is incorporated herein by reference to Exhibit (h)(28) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (29) WisdomTree Index Methodology (WisdomTree Japan Hedged Sector Indexes: Health Care; Capital Goods; Tech, Media and Telecom; Financials; and Real Estate), dated October 2015, is incorporated herein by reference to Exhibit (h)(30) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (30) WisdomTree Index Methodology (WisdomTree Emerging Markets ex-State-Owned Enterprises Index and WisdomTree China ex-State-Owned Enterprises Index), dated October 2015, is incorporated herein by reference to Exhibit (h)(31) of the Registrant's Post-Effective Amendment No. 563 filing, as filed with the SEC on July 28, 2016.
- (31) WisdomTree Index Methodology (Dollar Equity Funds: WisdomTree Strong Dollar U.S. Equity Fund, WisdomTree Strong Dollar Emerging Markets Equity Fund, and WisdomTree Weak Dollar U.S. Equity Fund), dated June 2015, is incorporated herein by reference to Exhibit (h)(33) of the Registrant's Post-Effective Amendment No. 445 filing, as filed with the SEC on July 29, 2015.
- (32) WisdomTree Index Methodology (WisdomTree Dynamic Long/Short U.S. Equity Index and WisdomTree Dynamic Bearish U.S. Equity Index), dated September 2015, is incorporated herein by reference to Exhibit (h)(34) of the Registrant's Post-Effective Amendment No. 490 filing, as filed with the SEC on December 10, 2015.

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- (33) WisdomTree Index Methodology (WisdomTree Dynamic Hedged/Unhedged Equity Indexes: WisdomTree Dynamic Currency Hedged International SmallCap Equity Fund, WisdomTree Dynamic Currency Hedged International Equity Fund, WisdomTree Dynamic Currency Hedged Japan Equity Fund, WisdomTree Dynamic Currency Hedged Europe Equity Fund, and WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund) is filed herewith.
- (34) WisdomTree Rules-Based Methodology (WisdomTree Hedged and Unhedged Indexes), is incorporated herein by reference to Exhibit (h)(35) of the Registrant's Post-Effective Amendment No. 539 filing, as filed with the SEC on April 4, 2016.
- (35) WisdomTree Index Methodology (WisdomTree Fundamental U.S. High Yield Corporate Bond Index Family: WisdomTree Fundamental U.S. High Yield Corporate Bond Index and WisdomTree Fundamental U.S. Short-term High Yield Corporate Bond Index), is incorporated herein by reference to Exhibit (h)(36) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (36) WisdomTree Index Methodology (WisdomTree Fundamental U.S. Corporate Bond Index Family: WisdomTree Fundamental U.S. Corporate Bond Index, WisdomTree Fundamental U.S. Short-term Corporate Bond Index, WisdomTree Fundamental U.S. BBB Corporate Bond Index, and WisdomTree Fundamental U.S. Short-term BBB Corporate Bond Index), is incorporated herein by reference to Exhibit (h)(37) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (37) WisdomTree Rules-Based Methodology (WisdomTree Global ex-Mexico Equity Index) is incorporated herein by reference to Exhibit (h)(38) of the Registrant's Post-Effective Amendment No. 561 filing, as filed with the SEC on June 24, 2016.
- (38) WisdomTree Index Methodology (WisdomTree Brazil Bond Fund), to be filed by amendment.
- (i)(1) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree International Hedged SmallCap Dividend Fund, is incorporated herein by reference to Exhibit (i)(18) of the Registrant's Post-Effective Amendment No. 415 filing, as filed with the SEC on June 1, 2015.
- (2) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Global ex-U.S. Hedged Dividend Fund, is incorporated herein by reference to Exhibit (i)(19) of the Registrant's Post-Effective Amendment No. 416 filing, as filed with the SEC on June 1, 2015.
- (3) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree CBOE S&P 500 Put Write Strategy Fund, is incorporated herein by reference to Exhibit (i)(21) of the Registrant's Post-Effective Amendment No. 433 filing, as filed with the SEC on June 24, 2015.

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- (4) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree International Hedged Equity Fund, is incorporated herein by reference to Exhibit (i)(22) of the Registrant's Post-Effective Amendment No. 434 filing, as filed with the SEC on June 24, 2015.
- (5) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Strong Dollar U.S. Equity Fund, is incorporated herein by reference to Exhibit (i)(23) of the Registrant's Post-Effective Amendment No. 440 filing, as filed with the SEC on July 16, 2015.
- (6) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Weak Dollar U.S. Equity Fund, is incorporated herein by reference to Exhibit (i)(24) of the Registrant's Post-Effective Amendment No. 441 filing, as filed with the SEC on July 16, 2015.
- (7) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree U.S. Equity Funds and WisdomTree International Equity Funds, is incorporated herein by reference to Exhibit (i)(10) of the Registrant's Post-Effective Amendment No. 445 filing, as filed with the SEC on July 29, 2015.
- (8) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Strong Dollar Emerging Markets Equity Fund, is incorporated herein by reference to Exhibit (i)(11) of the Registrant's Post-Effective Amendment No. 472 filing, as filed with the SEC on October 23, 2015.
- (9) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Global ex-U.S. Hedged Real Estate Fund, is incorporated herein by reference to Exhibit (i)(12) of the Registrant's Post-Effective Amendment No. 473 filing, as filed with the SEC on October 23, 2015.
- (10) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Europe Local Recovery Fund, is incorporated herein by reference to Exhibit (i)(13) of the Registrant's Post-Effective Amendment No. 474 filing, as filed with the SEC on October 23, 2015.
- (11) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Global SmallCap Dividend Fund, is incorporated herein by reference to Exhibit (i)(14) of the Registrant's Post-Effective Amendment No. 475 filing, as filed with the SEC on October 30, 2015.
- (12) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Global Hedged SmallCap Dividend Fund, is incorporated herein by reference to Exhibit (i)(15) of the Registrant's Post-Effective Amendment No. 476 filing, as filed with the SEC on November 2, 2015.
- (13) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Long/Short U.S. Equity Fund, is incorporated herein by reference to Exhibit (i)(16) of the Registrant's Post-Effective Amendment No. 490 filing, as filed with the SEC on December 10, 2015.

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- (14) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Bearish U.S. Equity Fund, is incorporated herein by reference to Exhibit (i)(17) of the Registrant's Post-Effective Amendment No. 491 filing, as filed with the SEC on December 10, 2015.
- (15) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Currency Income Funds, WisdomTree Fixed Income Funds, and WisdomTree Alternative Funds, is incorporated herein by reference to Exhibit (i)(15) of the Registrant's Post-Effective Amendment No. 497 filing, as filed with the SEC on December 16, 2015.
- (16) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Currency Hedged International SmallCap Equity Fund, is incorporated herein by reference to Exhibit (i)(16) of the Registrant's Post-Effective Amendment No. 501 filing, as filed with the SEC on January 5, 2016.
- (17) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Currency Hedged International Equity Fund, is incorporated herein by reference to Exhibit (i)(17) of the Registrant's Post-Effective Amendment No. 502 filing, as filed with the SEC on January 5, 2016.
- (18) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Currency Hedged Japan Equity Fund, is incorporated herein by reference to Exhibit (i)(18) of the Registrant's Post-Effective Amendment No. 503 filing, as filed with the SEC on January 5, 2016.
- (19) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Currency Hedged Europe Equity Fund, is incorporated herein by reference to Exhibit (i)(19) of the Registrant's Post-Effective Amendment No. 504 filing, as filed with the SEC on January 5, 2016.
- (20) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree International Quality Dividend Growth Fund, is incorporated herein by reference to Exhibit (i)(20) of the Registrant's Post-Effective Amendment No. 539 filing, as filed with the SEC on April 4, 2016.
- (21) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Emerging Markets Dividend Fund, is incorporated herein by reference to Exhibit (i)(21) of the Registrant's Post-Effective Amendment No. 540 filing, as filed with the SEC on April 4, 2016.
- (22) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Fundamental U.S. Corporate Bond Fund, is incorporated herein by reference to Exhibit (i)(22) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (23) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Fundamental U.S. Short-Term Corporate Bond Fund, is incorporated herein by reference to Exhibit (i)(23) of the Registrant's Post-Effective Amendment No. 542 filing, as filed with the SEC on April 14, 2016.



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- (24) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Fundamental U.S. High Yield Corporate Bond Fund, is incorporated herein by reference to Exhibit (i)(24) of the Registrant's Post-Effective Amendment No. 543 filing, as filed with the SEC on April 14, 2016.
- (25) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Fundamental U.S. Short-Term High Yield Corporate Bond Fund, is incorporated herein by reference to Exhibit (i)(25) of the Registrant's Post-Effective Amendment No. 544 filing, as filed with the SEC on April 14, 2016.
- (26) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Fundamental U.S. BBB Corporate Bond Fund, is incorporated herein by reference to Exhibit (i)(26) of the Registrant's Post-Effective Amendment No. 545 filing, as filed with the SEC on April 14, 2016.
- (27) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Fundamental U.S. Short-Term BBB Corporate Bond Fund, is incorporated herein by reference to Exhibit (i)(27) of the Registrant's Post-Effective Amendment No. 546 filing, as filed with the SEC on April 14, 2016.
- (28) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Global ex-Mexico Equity Fund, is incorporated herein by reference to Exhibit (i)(28) of the Registrant's Post-Effective Amendment No. 561 filing, as filed with the SEC on June 24, 2016.
- (29) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Brazil Bond Fund, to be filed by amendment.
- (30) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund is filed herewith.
- (31) Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree ICBCCS S&P China 500 Fund, to be filed by amendment.
- (j) Not applicable.
- (k) Not applicable.
- (l) Form of Letter of Representations between the Registrant and The Depository Trust Company is incorporated herein by reference to Exhibit (l) of the Registrant's Pre-Effective Amendment No. 2 filing, as filed with the SEC on June 9, 2006.
- (m) Not applicable.
- (n) Not applicable.

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- (o) Not applicable.
- (p)(1) Code of Ethics of the Registrant is incorporated herein by reference to Exhibit (p)(1) of the Registrant's Post-Effective Amendment No. 27 filing, as filed with the SEC on October 15, 2009.
- (2) Code of Ethics of WisdomTree Asset Management, Inc. is incorporated herein by reference to Exhibit (p)(2) of the Registrant's Post-Effective Amendment No. 124 filing, as filed with the SEC on July 27, 2012.
- (3) Code of Ethics of BNY Mellon is incorporated herein by reference to Exhibit (p)(3) of the Registrant's Post-Effective Amendment No. 124 filing, as filed with the SEC on July 27, 2012.
- (4) Code of Ethics of Western Asset Management Company is incorporated herein by reference to Exhibit (p)(5) of the Registrant's Post-Effective Amendment No. 97 filing, as filed with the SEC on February 9, 2012.
- (5) Code of Ethics of Voya Investment Management Co., LLC is incorporated herein by reference to Exhibit (p)(5) of the Registrant's Post-Effective Amendment No. 541 filing, as filed with the SEC on April 14, 2016.
- (6) Reserved.
- (7) Code of Ethics of [SUB-ADVISER], sub-adviser to the WisdomTree Brazil Bond Fund, to be filed by amendment.
- (8) Code of Ethics of [SUB-ADVISER], sub-adviser to the WisdomTree ICBCCS S&P China 500 Fund, to be filed by amendment.
- (q)(1) Powers of Attorney for David Castano, Joel Goldberg, Toni Massaro, Jonathan Steinberg and Victor Ugolyn are incorporated herein by reference to Exhibit (q) of the Registrant's Post-Effective Amendment No. 222 filing, as filed with the SEC on September 24, 2013.
- (2) Powers of Attorney for David Chrencik and Melinda Raso Kirstein are incorporated herein by reference to Exhibit (q)(1) of the Registrant's Post-Effective Amendment No. 346 filing, as filed with the SEC on March 31, 2014.
- (3) Secretary's Certificate related to certain signatory authority is incorporated herein by reference to Exhibit (r) of the Registrant's Post-Effective Amendment No. 222 filing, as filed with the SEC on September 24, 2013.

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### **Item 29. Persons Controlled by or Under Common Control with the Registrant**

As of the date of this Registration Statement, the Registrant, through the Managed Futures Strategy Fund, Global Real Return Fund, and Japan Interest Rate Strategy Fund, owns 100% of the WisdomTree Managed Futures Portfolio I, WisdomTree Real Return Investment Portfolio, Inc., and WisdomTree Japan Interest Rate Portfolio Limited, respectively. Each of the WisdomTree Managed Futures Portfolio I, WisdomTree Real Return Investment Portfolio, Inc., and WisdomTree Japan Interest Rate Portfolio Limited is an exempted company organized under Cayman Islands law.

As of the date of this Registration Statement, the Registrant, through the WisdomTree India Earnings Fund, owns 100% of the WisdomTree India Investment Portfolio, Inc., an exempted company organized under the laws of the Republic of Mauritius.

### **Item 30. Indemnification**

Reference is made to Article IX of the Registrant's Trust Instrument included as Exhibit (a)(1) to this Registration Statement with respect to the indemnification of the Registrant's trustees and officers, which is set forth below:

#### **Section 1. Limitation of Liability.**

All Persons contracting with or having any claim against the Trust or a particular Series shall look only to the assets of the Trust or Assets belonging to such Series, respectively, for payment under such contract or claim; and neither the Trustees nor any of the Trust's officers, employees, or agents, whether past, present, or future, shall be personally liable therefor. Every written instrument or obligation on behalf of the Trust or any Series shall contain a statement to the foregoing effect, but the absence of such statement shall not operate to make any Trustee or officer of the Trust liable thereunder. Provided they have exercised reasonable care and have acted under the reasonable belief that their actions are in the best interest of the Trust, the Trustees and officers of the Trust shall not be responsible or liable for any act or omission or for neglect or wrongdoing of them or any officer, agent, employee, Investment Adviser, or independent contractor of the Trust, but nothing contained in this Trust Instrument or in the Delaware Act shall protect any Trustee or officer of the Trust against liability to the Trust or to Shareholders to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his office.

#### **Section 2. Indemnification.**

(a) Subject to the exceptions and limitations contained in subsection (b) below:

(i) every Person who is, or has been, a Trustee or an officer, employee, or agent of the Trust ( Covered Person ) shall be indemnified by the Trust or the appropriate Series (out of Assets belonging to that Series) to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit, or proceeding in which he becomes involved as a party or otherwise by virtue of his being or having been a Covered Person and against amounts paid or incurred by him in the settlement thereof; provided that the transfer agent of the Trust or any Series shall not be considered an agent for these purposes unless expressly deemed to be such by the Trustees in a resolution referring to this Article.

(ii) as used herein, the words claim, action, suit, or proceeding shall apply to all claims, actions, suits, or proceedings (civil, criminal, or other, including appeals), actual or threatened, and the words liability and expenses shall include attorney's fees, costs, judgments, amounts paid in settlement, fines, penalties, and other liabilities.

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(b) No indemnification shall be provided hereunder to a Covered Person:

(i) who has been adjudicated by a court or body before which the proceeding was brought:

(A) to be liable to the Trust or its Shareholders by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his office or

(B) not to have acted in good faith in the reasonable belief that his action was in the best interest of the Trust; or

(ii) in the event of a settlement, unless there has been a determination that such Covered Person did not engage in willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his office (A) by the court or other body approving the settlement, (B) by at least a majority of those Trustees who are neither Interested Persons of the Trust nor are parties to the matter based on a review of readily available facts (as opposed to a full trial-type inquiry), or (C) by written opinion of independent legal counsel based on a review of readily available facts (as opposed to a full trial-type inquiry).

(c) The rights of indemnification herein provided may be insured against by policies maintained by the Trust, shall be severable, shall not be exclusive of or affect any other rights to which any Covered Person may now or hereafter be entitled, and shall inure to the benefit of the heirs, executors, and administrators of a Covered Person.

(d) To the maximum extent permitted by applicable law, expenses in connection with the preparation and presentation of a defense to any claim, action, suit, or proceeding of the character described in subsection (a) of this Section shall be paid by the Trust or applicable Series from time to time prior to final disposition thereof on receipt of an undertaking by or on behalf of such Covered Person that such amount will be paid over by him to the Trust or applicable Series if it is ultimately determined that he is not entitled to indemnification under this Section, provided that either (i) such Covered Person has provided appropriate security for such undertaking, (ii) the Trust is insured against losses arising out of any such advance payments, or (iii) either a majority of the Trustees who are neither Interested Persons of the Trust nor parties to the matter, or independent legal counsel in a written opinion, has determined, based on a review of readily available facts (as opposed to a full trial-type inquiry) that there is reason to believe that such Covered Person will not be disqualified from indemnification under this Section.

(e) Any repeal or modification of this Article IX by the Shareholders, or adoption or modification of any other provision of this Trust Instrument or the By-laws inconsistent with this Article, shall be prospective only, to the extent that such repeal, modification, or adoption would, if applied retrospectively, adversely affect any limitation on the liability of any Covered Person or indemnification available to any Covered Person with respect to any act or omission that occurred prior to such repeal, modification, or adoption.

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Reference is made to Article VI of the Registrant's By-Laws included as Exhibit (b) to this Registration Statement with respect to the indemnification of the Registrant's trustees and officers, which is set forth below:

### **Section 6.2. Limitation of Liability.**

The Declaration refers to the Trustees as Trustees, but not as individuals or personally; and no Trustee, officer, employee or agent of the Trust shall be held to any personal liability, nor shall resort be had to their private property for the satisfaction of any obligation or claim or otherwise in connection with the affairs of the Trust; provided, that nothing contained in the Declaration or the By-Laws shall protect any Trustee or officer of the Trust from any liability to the Trust or its Shareholders to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be provided to trustees, officers and controlling persons of the Trust, pursuant to the foregoing provisions or otherwise, the Trust has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Trust of expenses incurred or paid by a trustee, officer or controlling person of the Trust in connection with the successful defense of any action, suit or proceeding or payment pursuant to any insurance policy) is asserted against the Trust by such trustee, officer or controlling person in connection with the securities being registered, the Trust will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

### **Item 31. Business and Other Connections of the Investment Adviser**

WisdomTree Asset Management, Inc. ( WTAM ), 245 Park Avenue, 35th Floor, New York, NY 10167, a wholly-owned subsidiary of WisdomTree Investments, Inc., is a registered investment adviser and serves as investment adviser for each series of the Trust. The description of WTAM under the caption of Management-Investment Adviser in the Prospectus and under the caption Management of the Trust in the Statement of Additional Information constituting Parts A and B, respectively, of this Registration Statement are incorporated herein by reference.

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Each of the directors and officers of WTAM will also generally have substantial responsibilities (as noted below) as directors and/or officers of WisdomTree Investments, Inc., 245 Park Avenue, 35th Floor, New York, NY 10167. To the knowledge of the Registrant, except as set forth below or otherwise disclosed in the Prospectus or Statement of Additional Information as noted above, none of the directors or executive officers of WTAM is or has been at any time during the past two fiscal years engaged in any other business, profession, vocation or employment of a substantial nature.

Name	Position with WTAM	Principal Business(es)
		During Last Two Fiscal Years
Jonathan Steinberg	Chief Executive Officer, President, and Director	Dual officer/director of WisdomTree Investments, Inc.
Peter Ziemba	Chief Legal Officer, EVP of Business and Legal Affairs, and Director	Dual officer of WisdomTree Investments, Inc.
Amit Muni	Chief Financial Officer, EVP of Finance, and Director	Dual officer of WisdomTree Investments, Inc.
Luciano Siracusano	Chief Investment Strategist and EVP of Sales	Dual officer of WisdomTree Investments, Inc.
Gregory Barton	Chief Operating Officer and EVP of Operations, and Director	Dual officer of WisdomTree Investments, Inc.
Terry Feld	Chief Compliance Officer	None
Ryan Louvar	General Counsel	None

WTAM, with the approval of the Trust's Board of Trustees, selects the sub-adviser for each of the Trust's series, as applicable. Western Asset Management Company (Western Asset Management), Western Asset Management Company Limited (Western Asset London), Western Asset Management Company Pte. Ltd. (Western Asset Singapore) and Western Asset Management Company Ltd. (Western Asset Japan) serve as sub-advisers for the Trust's WisdomTree Emerging Markets Corporate Bond Fund, WisdomTree Strategic Corporate Bond Fund, WisdomTree Brazil Real Strategy Fund, WisdomTree Global Real Return Fund, and WisdomTree Japan Interest Rate Strategy Fund. Voya Investment Management Co., LLC serves as sub-adviser for the WisdomTree Fundamental U.S. Corporate Bond Fund, WisdomTree Fundamental U.S. Short-Term Corporate Bond Fund, WisdomTree Fundamental U.S. High Yield Corporate Bond Fund, WisdomTree Fundamental U.S. Short-Term High Yield Corporate Bond Fund, WisdomTree Fundamental U.S. BBB Corporate Bond Fund, and WisdomTree Fundamental U.S. Short-Term BBB Corporate Bond Fund. Mellon Capital Management Corporation serves as sub-adviser for each other series of the Trust. To the knowledge of the Registrant, except as set forth below, none of the directors or executive officers of the sub-advisers is or has been at any time during the past two fiscal years engaged in any other business, profession, vocation or employment of a substantial nature.

**Table of Contents****Mellon Capital Management Corporation**

<b>Name</b>	<b>Position Held with Mellon</b>	<b>Principal Business(es)</b>
	<b>Capital Management Corporation</b>	<b>During the Last Two Fiscal Years</b>
William Fouse	Board of Directors, Chairman Emeritus	None
David Kwan	Managing Director, Head of Fixed Income Management	Dual officer of The Bank of New York
Thomas Loeb	Board of Directors, Chairman Emeritus	Dual officer of The Bank of New York
Gabriella Parcella	Chairman, President, Chief Executive Officer	Dual officer of The Bank of New York, employee of The Dreyfus Corporation
Linda Lillard	Executive Vice President, Chief Operating Officer	Dual officer of The Bank of New York
Chris Appler	Managing Director, Chief Compliance Officer	Dual officer of The Bank of New York
Sinead Colton	Managing Director, Head of Investment Strategy	None
William S. Cazalet	Managing Director, Head of Active Equity Strategies	Employee of The Dreyfus Corporation
Ronald P. Gala	Managing Director, Senior Portfolio Manager	Dual officer of The Bank of New York, employee of The Dreyfus Corporation
Keiko Kai	Managing Director, Head of International Consumer, Institutional and Sovereign Wealth	Dual officer of The Bank of New York
Karen Wong	Managing Director, Head of Equity Portfolio Management	Dual officer of The Bank of New York, employee of The Dreyfus Corporation
Jeffrey Zhang	Executive Vice President, Chief Investment Officer	Dual officer of The Bank of New York, employee of The Dreyfus Corporation
David Manuel	Director, Chief Financial Officer	None
Rose Huening-Clark	Managing Director, Head of Global Client Experience and Solutions Delivery	Dual officer of The Bank of New York

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Name	Position Held with Mellon	Principal Business(es)
	Capital Management Corporation	During the Last Two Fiscal Years
Vassilis Dagioglu	Managing Director, Head of Asset Allocation Portfolio Management	Dual officer of The Bank of New York
Anjun Zhou	Managing Director, Head of Multi-Asset Research	None
Nicholas Fohl	Managing Director, Chief Administrative Officer, IT Infrastructure and Office Management	Dual officer of The Bank of New York
Richard Watson	Executive Vice President, Head of Global Distribution	Dual officer of The Bank of New York
Sheryl Linck	Managing Director, Head of North American Consumer Solutions/Sub-advisory markets	Dual officer of The Bank of New York
Brett Thunstrom	Managing Director, Head of Global Trading	Dual officer of The Bank of New York
Paul Benson	Managing Director, Head of Fixed Income Portfolio Management	Dual officer of The Bank of New York, employee of The Dreyfus Corporation
Laura Nemeth	Managing Director, Head of Marketing	None
Marie Mullen	Managing Director, Portfolio Administration Group	Dual officer of The Bank of New York
Charles Dolan	Board of Directors	BNY Mellon Asset Management Chief Strategist of Fixed Income, Cash, & Currency
Joseph Gennaco	Board of Directors	BNY Mellon Investment Management Chief Operating Officer  BNY Mellon Investment Management Head of North American Institutional Distribution (ended 7/1/16)



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Name	Position Held with Mellon Capital Management Corporation	Principal Business(es) During the Last Two Fiscal Years
Gregory Brisk	Board of Directors	BNY Mellon Investment Management Head of Boutique Relations (ended 2/1/16) Alcentra US, Inc. BNY Alcentra Group Holdings, Inc. Standish Mellon Asset Management Company, LLC Alcentra NY, LLC BNY Investment Strategy Solutions Group, LLC The Boston Company Asset Management, LLC MBSC Securities Corporation Alcentra Limited Alcentra NY LLC Alcentra US, Inc Alternative Holdings I, LLC Alternative Holdings II, LLC BNY Mellon Advantage Series BNY Mellon ARX Brazil Fund PLC BNY Mellon Fund Managers Limited BNY Mellon Fund Management (Luxembourg) S.A. BNY Mellon Global Funds PLC BNY Mellon Global Management Limited BNY Mellon International Asset Management (Holdings) Limited BNY Mellon International Asset Management (Holdings) No. 1 Limited BNY Mellon International Asset Management Group Limited BNY Mellon Investment Management (APAC) Holdings Ltd

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BNY Mellon Investment Management EMEA Limited

BNY Mellon Investment Management (Europe) Limited

BNY Mellon Investment Management (Jersey) Limited.

BNY Mellon Investment Management Europe Holdings

BNY Mellon Investment Management Holdings (Germany)  
Limited

BNY Mellon Investment Management Seed Capital Limited

BNY Mellon Liquidity Funds PLC

BNY Mellon Term Investment Portfolios plc

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Name	Position Held with Mellon Capital Management Corporation	Principal Business(es) During the Last Two Fiscal Years
		BNY MFM Nominees Limited
		CenterSquare Investment Management Holdings, Inc.
		CenterSquare Investment Management, Inc.
		Cutwater Asset Management Corp
		Cutwater Holdings LLC
		Cutwater Investor Services Corp
		EACM Advisors LLC
		Insight Investment Management Limited
		Insight Investment Management (Global) Limited
		Insight Investment Funds Management Limited
		MAM (MA) Holding Trust
		Mellon Europe Pension (Nominees) Limited
		Mellon Global Alternative Investment Fund PLC
		Mellon Global Investing Corp
		Mellon JV Limited
		Mellon Overseas Investment Corporation
		Newton Investment Management Limited
		Newton Investment Management (North America) Limited
		Newton Management Limited
		NWK Multi-Strategy Funds plc
		Pareto Investment Management Limited
		Standish Mellon Asset Management Company LLC
		The Boston Company Asset Management, LLC
		The Fordham Trust



**Table of Contents****Western Asset Management (WAM)**

<b>Name</b>	<b>Position Held with Western</b>		<b>Principal Business(es)</b>
	<b>Asset Management</b>		<b>During the Last Two Fiscal Years</b>
James W. Hirschmann III	Chief Executive Officer and President		Officer, Western Asset Management Company (WAM)
Jeffery A. Nattans	Non-Western Asset Employee		Executive Vice President, Legg Mason, Inc.  Director, Barrett Associates, Inc.  Director, Legg Mason Fund Asset Management, Inc. (fka ClearBridge Asset Management Inc.)  Director, LMOBC, INC.  Director, PERMAL Group Limited  Director, QS Batterymarch Financial Management, Inc.  Manager, Clearbridge Investments, LLC  Manager, Clearbridge, LLC(fka Legg Mason Capital Management, LLC)  Manager, Legg Mason Private Portfolio Group, LLC  Manager, Pelican Holdings I, LLC (fka PCM Holdings I, LLC)  Manager, Pelican Holdings II, LLC (fka PCM Holdings II, LLC)  Manager, QS Investors Holdings, LLC  Manager, QS Legg Mason Global Asset Allocation, LLC  Manager, Royce & Associates, LLC
F. Barry Bilson	Non-Western Asset Employee		Senior Vice President, Legg Mason, Inc.  Director, Permal Group Limited  Manager, Royce & Associates, LLC  Manager, Legg Mason Clearbridge Holdings, LLC
Bruce D. Alberts	Chief Financial Officer		None
Brett B. Canon	Director of Risk Management and Operations		None
Daniel E. Giddings	Assistant Secretary		None
James W. Hirschmann III	Chief Executive Officer and President		Director, Western Asset Management Company (WAM)

James J. Flick

Director of Global Client Service and Marketing None

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Name	Position Held with Western		Principal Business(es)
	Asset Management		During the Last Two Fiscal Years
Gavin L. James	Director of Portfolio Operations		None
Charles A. Ruys de Perez	Secretary, General Counsel and Head of Legal and Compliance		Director, Western Asset Holdings (Australia) Pty Ltd (WAMCO Hldgs Australia)
			Director, Western Asset Management Company Pty Ltd (Australia)
			Director, Western Asset Management Company Limited (WAMCL)
			Director, Western Asset Management Company Ltd (Japan)
			Director, Western Asset Management Company Pte Ltd (Singapore)
<b>Western Asset Management Company Limited (WAMCL)</b>			

Name	Position Held with Western		Principal Business(es)
	Asset London		During the Last Two Fiscal Years
Charles A. Ruys de Perez	General Counsel and Head of Legal and Compliance		Director, Western Asset Holdings (Australia) Pty Ltd. (WAMCO Hldgs Australia)
			Director, Western Asset Management Company Pty Ltd. (Australia)
			Director, Western Asset Management Company Ltd. (Japan)
			Director, Western Asset Management Company Pte Ltd. (Singapore)
Michael B. Zelouf	Director of London Operations		Officer, Western Asset Management Company (WAM)
			Director, Western Asset Management (UK) Holdings Limited (WAMCO Hldgs Ltd)
Thomas Merchant	Non-Western Asset Employee		General Counsel Legg Mason
			Member, Legg Mason Political Action Committee ( PAC )
Kate Blackledge	Secretary		Secretary, Western Asset Management (UK) Holdings Limited (WAMCO Hldgs Ltd)

**Table of Contents****Western Asset Management Company Pte. Ltd. (Singapore)**

<b>Name</b>	<b>Position Held with Western</b>		<b>Principal Business(es) During the Last Two Fiscal Years</b>
		<b>Asset Singapore</b>	
Charles A. Ruys de Perez	General Counsel and Head of Legal and Compliance (WAM)		<p>Director, Western Asset Holdings (Australia) Pty Ltd (WAMCO Hldgs Australia)</p> <p>Director, Western Asset Management Company Pty Ltd (Australia)</p> <p>Director, Western Asset Management Company Limited (WAMCL)</p> <p>Director, Western Asset Management Company Ltd (Japan)</p> <p>Officer, Western Asset Management Company (WAM)</p>
Alvin Lee Lip Sin	Head of Legal and Compliance, Singapore		Officer, Western Asset Management Company Pte Ltd (Singapore)
Joseph P. LaRocque	Non-Western Asset Employee		<p>Managing Director-Legg Mason &amp; Company</p> <p>Director, Brandywine Global Investment Management (Asia) Pte. Ltd.</p> <p>Director, Brandywine Global Investment Management (Canada), ULC</p> <p>Director, Brandywine Global Investment Management (Europe) Limited</p> <p>Director, Brandywine (UK) Holdings Limited</p> <p>Director, Legg Mason Asset Management Hong Kong Limited</p> <p>Director, Legg Mason Asset Management Australia Limited</p> <p>Director, Legg Mason Asset Management Singapore Pte. Limited</p> <p>Director, Legg Mason Canada Holdings, Ltd.</p> <p>Director, Legg Mason International Equities (Hong Kong) Limited</p> <p>Director, Legg Mason Investment Funds Limited</p> <p>Director, Legg Mason Investments (Europe) Limited</p>



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Director, Legg Mason Investments (Ireland) Limited

Director, Legg Mason Towarzystwo Funduszy  
Inwestycyjnych Spolka Akcyjna

Director, Martin Currie Limited

Director, Martin Currie (Holdings) Limited

Director, QS Batterymarch Financial Management, Inc.

Director, Western Asset Management Company Ltd  
(Japan)

Director, Western Asset Management Company Pty Ltd  
(Australia)

Manager, QS Investors Holdings, LLC

Manager, QS Legg Mason Global Asset Allocation, LLC

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Name	Position Held with Western	Principal Business(es)
	Asset Singapore	During the Last Two Fiscal Years
Hui Kwoon Thor	Finance Manager	None
Henry H. Hamrock	Head of Singapore Operations	None
Alvin Lee Lip Sin	Secretary	Director, Western Asset Management Company Pte Ltd (Singapore)

**Western Asset Management Company Ltd. (Japan)**

Name	Position Held with Western	Principal Business(es)
	Asset Japan	During the Last Two Fiscal Years
Takashi Komatsu	Head of Legal and Compliance, Japan	None
Naoya Orime	Head of Tokyo Operations	Officer, Western Asset Management Company Ltd (Japan)
Charles A. Ruys de Perez	General Counsel and Head of Legal and Compliance (WAM)	Director, Western Asset Holdings (Australia) Pty Ltd (WAMCO Hldgs Australia)
		Director, Western Asset Management Company Pty Ltd (Australia)
		Director, Western Asset Management Company Limited (WAMCL)
		Director, Western Asset Management Company Pte Ltd (Singapore)
		Officer, Western Asset Management Company (WAM)
Joseph P. LaRocque	Non-Western Asset Employee	Managing Director Legg Mason & Company
		Director, Brandywine Global Investment Management (Asia) Pte. Ltd.
		Director, Brandywine Global Investment Management (Canada), ULC
		Director, Brandywine Global Investment Management (Europe) Limited
		Director, Brandywine (UK) Holdings Limited
		Director, Legg Mason Asset Management Hong Kong Limited
		Director, Legg Mason Asset Management Australia Limited

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Name	Position Held with Western	Principal Business(es)
	Asset Japan	During the Last Two Fiscal Years
		Director, Legg Mason Asset Management Singapore Pte. Limited
		Director, Legg Mason Canada Holdings Ltd.
		Director, Legg Mason International Equities (Hong Kong) Limited
		Director, Legg Mason Investment Funds Limited
		Director, Legg Mason Investments (Europe) Limited
		Director, Legg Mason Investments (Ireland) Limited
		Director, Legg Mason Towarzystwo Funduszy Inwestycyjnych Spolka Akcyjna
		Director, Martin Currie Limited Director, Martin Currie (Holdings) Limited
		Director, QS Batterymarch Financial Management, Inc.
		Director, Western Asset Management Company Pte Ltd (Singapore)
		Director, Western Asset Management Company Pty Ltd (Australia) Manager, QS Investors Holdings, LLC
		Manager, QS Legg Mason Global Asset Allocation, LLC
Yasuaki Sudo	Finance Manager	None
Naoya Orime	Head of Tokyo Operations	Director, Western Asset Management Company Ltd (Japan)
<b>Voya Investment Management Co., LLC</b>		

Name	Position Held with Voya	Principal Business(es)
	Investment Management Co., LLC	During the Last Two Fiscal Years*
Gerald Thomas Lins	Managing Director and General Counsel	Managing Director and General Counsel of VIM and VAAM.
Mark Donald Weber	Senior Managing Director	Director and Senior Managing Director of VIM; Senior Managing Director of VAAM.
Shaun Patrick Mathews	Senior Managing Director	Director and Senior Managing Director of VIM.

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<b>Name</b>	<b>Position Held with Voya</b>	<b>Principal Business(es)</b>
	<b>Investment Management Co., LLC</b>	<b>During the Last Two Fiscal Years*</b>
Christopher Francis Corapi	Chief Investment Officer of Equities and Senior Managing Director	Chief Investment Officer of Equities and Senior Managing Director of VAAM.
Christine Lynn Hartsellers	Chief Executive Officer	Chief Investment Officer of Fixed Income & Proprietary Investments and Senior Managing Director of VIM; Chief Investment Officer of Fixed Income & Proprietary Investments and Senior Managing Director of VAAM.
Michael Bruce Pytosh	Co-Head of U.S. Equity Platform and Senior Managing Director	Co-Head of U.S. Equity Platform and Senior Managing Director of VIM; Co-Head of U.S. Equity Platform and Senior Managing Director of VAAM.
Paul Zemsky	Senior Managing Director	Senior Managing Director of VIM and VAAM.
Deborah Ann Hammalian	Senior Vice President and Chief Compliance Officer	Senior Vice President and Chief Compliance Officer of VIM and VAAM.
Amir Sahibzada	Chief Risk Officer and Managing Director	Chief Risk Officer of VIM and VAAM.
Michael Allyn Bell	Chief Financial Officer and Managing Director	Chief Financial Officer and Managing Director of VIM and VAAM.
Matthew Toms	Chief Investment Officer of Fixed Income & Proprietary Investments and Senior Managing Director	Managing Director and Head of U.S. Public Investments

\* Voya Investment Management LLC ( VIM ), Voya Alternative Asset Management LLC ( VAAM ).

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*[Item 31 information for sub-advisers of WisdomTree Brazil Bond Fund and WisdomTree ICBCCS S&P China 500 Fund to be filed by amendment].*

**Item 32. Foreside Fund Services, LLC**

(a) Foreside Fund Services, LLC (the Distributor ) serves as principal underwriter for the following investment companies registered under the Investment Company Act of 1940, as amended:

1. ABS Long/Short Strategies Fund
2. Absolute Shares Trust
3. AdvisorShares Trust
4. American Beacon Funds
5. American Beacon Select Funds
6. Archstone Alternative Solutions Fund
7. Ark ETF Trust
8. Avenue Mutual Funds Trust
9. BP Capital TwinLine Energy Fund, Series of Professionally Managed Portfolios
10. BP Capital TwinLine MLP Fund, Series of Professionally Managed Portfolios
11. Braddock Multi-Strategy Income Fund, Series of Investment Managers Series Trust
12. Bridgeway Funds, Inc.
13. Burnham Investors Trust
14. Calamos ETF Trust
15. Capital Innovations Global Agri, Timber, Infrastructure Fund, Series of Investment Managers Series Trust
16. Center Coast MLP Focus Fund, Series of Investment Managers Series Trust
17. Context Capital Funds
18. CornerCap Group of Funds
19. Corsair Opportunity Fund
20. Direxion Shares ETF Trust
21. Eaton Vance NextShares Trust
22. Evanston Alternative Opportunities Fund

23. Exchange Listed Funds Trust
24. FEG Absolute Access Fund I LLC
25. FlexShares Trust
26. Forum Funds
27. Forum Funds II
28. FQF Trust
29. FSI Low Beta Absolute Return Fund
30. Gottex Trust
31. Henderson Global Funds
32. Horizon Spin-off and Corporate Restructuring Fund, Series of Investment Managers Series Trust (*f/k/a Liberty Street Horizon Fund*)
33. Horizons ETF Trust
34. Infinity Core Alternative Fund
35. Ironwood Institutional Multi-Strategy Fund LLC
36. Ironwood Multi-Strategy Fund LLC

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- 37. John Hancock Exchange-Traded Fund Trust
- 38. Little Harbor Multistrategy Composite Fund
- 39. Lyons Funds
- 40. Manor Investment Funds
- 41. Miller/Howard Funds Trust
- 42. Montage Managers Trust
- 43. Palmer Square Opportunistic Income Fund
- 44. PENN Capital Funds Trust
- 45. Performance Trust Mutual Funds, Series of Trust for Professional Managers
- 46. Pine Grove Alternative Fund
- 47. Pine Grove Alternative Institutional Fund
- 48. Plan Investment Fund, Inc.
- 49. PMC Funds, Series of Trust for Professional Managers
- 50. Precidian ETFs Trust
- 51. Quaker Investment Trust
- 52. Ramius Archview Credit and Distressed Feeder Fund
- 53. Ramius Archview Credit and Distressed Fund
- 54. Recon Capital Series Trust
- 55. Renaissance Capital Greenwich Funds
- 56. Robinson Opportunistic Income Fund, Series of Investment Managers Series Trust
- 57. Robinson Tax Advantaged Income Fund, Series of Investment Managers Series Trust
- 58. Salient MF Trust
- 59. SharesPost 100 Fund
- 60. Sound Shore Fund, Inc.
- 61. Steben Alternative Investment Funds
- 62. Steben Select Multi-Strategy Fund
- 63. The 504 Fund

64. The Community Development Fund

65. The Roxbury Funds

66. TIFF Investment Program

67. Toroso Newfound Tactical Allocation Fund, Series of Investment Managers Series Trust

68. TrimTabs ETF Trust

69. Turner Funds

70. U.S. Global Investors Funds

71. West Loop Realty Fund, Series of Investment Managers Series Trust (*f/k/a Chilton Realty Income & Growth Fund*)

72. Wintergreen Fund, Inc.

73. WisdomTree Trust



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- (b) The following are the Officers and Manager of the Distributor, the Registrant's underwriter. The Distributor's main business address is Three Canal Plaza, Suite 100, Portland, Maine 04101.

<b>Name</b>	<b>Address</b>	<b>Position with Underwriter</b>	<b>Position with Registrant</b>
Richard J. Berthy	Three Canal Plaza, Suite 100, Portland, ME 04101	President, Treasurer and Manager	None
Mark A. Fairbanks	Three Canal Plaza, Suite 100, Portland, ME 04101	Vice President	None
Jennifer K. DiValerio	Three Canal Plaza, Suite 100, Portland, ME 04101	Vice President	None
Nanette K. Chern	Three Canal Plaza, Suite 100, Portland, ME 04101	Vice President and Chief Compliance Officer	None
Jennifer E. Hoopes	Three Canal Plaza, Suite 100, Portland, ME 04101	Secretary	None

- (c) Not applicable.

**Item 33. Location of Accounts and Records**

- (a) The Registrant maintains accounts, books and other documents required by Section 31(a) of the Investment Company Act of 1940 and the rules thereunder (collectively, "Records") at its offices at 245 Park Avenue, 35th Floor, New York, NY 10167.
- (b) WTAM maintains all Records relating to its services as investment adviser to the Registrant at 245 Park Avenue, 35th Floor, New York, New York 10167.
- (c) Mellon Capital Management Corporation maintains all Records relating to its services as sub-adviser at 50 Fremont Street, Suite 3900, San Francisco, California 94105.

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- (d) Western Asset Management Company maintains all Records relating to its services as sub-adviser at 385 E. Colorado Boulevard, Pasadena, California 91101 and at local offices, as applicable, identified in Item 31.
  - (e) Voya Investment Management Co., LLC maintains all Records relating to its services as sub-adviser at 230 Park Avenue New York, New York 10169.
  - (f) Foreside Fund Services, LLC maintains all Records relating to its services as Distributor of the Registrant at Three Canal Plaza, Suite 100, Portland, Maine 04101.
  - (g) State Street Bank and Trust Company maintains all Records relating to its services as administrator, transfer agent and custodian of the Registrant at 1200 Crown Colony Drive, Quincy, Massachusetts 02189.
- [Location of Accounts and Records for WisdomTree Brazil Bond Fund and WisdomTree ICBCCS S&P China 500 Fund Sub-Advisers to be included by amendment].***

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**Item 34. Management Services**

Not applicable.

**Item 35. Undertakings**

Not applicable.

Table of Contents**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933 (the Securities Act ) and the Investment Company Act of 1940, the Registrant certifies that it meets all of the requirements for effectiveness of this Registration Statement under Rule 485(b) under the Securities Act has duly caused this Post-Effective Amendment No. 571 to Registration Statement No. 333-132380 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on the 28th day of October, 2016.

**WISDOMTREE TRUST**  
(Registrant)

By: /s/ Jonathan Steinberg  
Jonathan Steinberg  
President (Principal Executive Officer)

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 571 to the Registration Statement has been signed below by the following persons in the capacity and on the dates indicated.

<b>Signatures</b>	<b>Title</b>	<b>Date</b>
/s/ Jonathan Steinberg Jonathan Steinberg	President (Principal Executive Officer) and Trustee	October 28, 2016
/s/ David Castano* David Castano	Treasurer (Principal Financial and Accounting Officer)	October 28, 2016
/s/ David Chrencik* David Chrencik	Trustee	October 28, 2016
/s/ Joel Goldberg* Joel Goldberg	Trustee	October 28, 2016
/s/ Toni Massaro* Toni Massaro	Trustee	October 28, 2016
/s/ Melinda Raso Kirstein* Melinda Raso Kirstein	Trustee	October 28, 2016
/s/ Victor Ugolyn* Victor Ugolyn	Trustee	October 28, 2016

Victor Ugolyn

\*By: /s/ Ryan Louvar  
Ryan Louvar  
(Attorney-in-Fact)

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**Table of Contents****Exhibit Index**

<b>Exhibit Number</b>	<b>Exhibit</b>
(a)(2)	Schedule A, as last revised October 28, 2016, to the Trust Instrument dated December 15, 2005
(d)(4)	Schedule A, as last revised October 28, 2016, to the Investment Advisory Agreement dated March 26, 2013
(d)(28)	Fee Waiver Agreement dated October 28, 2016 between the Registrant, on behalf of the WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund, and WisdomTree Asset Management, Inc.
(h)(6)	Exhibit A, as last revised October 28, 2016, to the License Agreement dated March 21, 2006 between the Registrant and WisdomTree Investments, Inc.
(h)(11)	Exhibit C, as last revised October 28, 2016, to the Chief Compliance Officer Services Agreement dated October 1, 2009 between the Registrant and WisdomTree Asset Management, Inc.
(h)(14)	Exhibit A, as last revised October 28, 2016, to the Fund Services Agreement dated June 15, 2009 between the Registrant and WisdomTree Asset Management, Inc.
(h)(33)	WisdomTree Index Methodology (WisdomTree Dynamic Hedged/Unhedged Equity Indexes: WisdomTree Dynamic Currency Hedged International SmallCap Equity Fund, WisdomTree Dynamic Currency Hedged International Equity Fund, WisdomTree Dynamic Currency Hedged Japan Equity Fund, WisdomTree Dynamic Currency Hedged Europe Equity Fund, and WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund)
(i)(30)	Opinion of counsel, Morgan, Lewis & Bockius LLP, relating to the WisdomTree Dynamic Currency Hedged International Quality Dividend Growth Fund