
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 10, 2020

WisdomTree Investments, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-10932
Commission
File Number:

13-3487784
(IRS Employer
Identification No.)

245 Park Avenue
35th Floor
New York, NY 10167
(Address of principal executive offices, including zip code)

(212) 801-2080
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	WETF	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On August 13, 2020, WisdomTree Investments, Inc. (the “Company”) issued and sold \$25.0 million in aggregate principal amount of 4.25% Convertible Senior Notes due 2023 (the “Additional Notes”) pursuant to an Indenture (the “Indenture”), dated June 16, 2020, between the Company and U.S. Bank National Association, as trustee (the “Trustee”), in a private offering to qualified institutional buyers (the “Note Offering”) pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”). The sale of the Additional Notes to an investment bank (the “Initial Purchaser”) pursuant to the Purchase Agreement (the “Purchase Agreement”), dated August 10, 2020, by and between the Company and the Initial Purchaser, resulted in approximately \$24.2 million in net proceeds to the Company. The Company used approximately \$4.4 million of the net proceeds from the Note Offering to repurchase approximately 1.0 million shares of the Company’s common stock at a price of \$4.27 per share. The Additional Notes were issued at a price equal to 101% of the principal amount thereof, plus interest deemed to have accrued thereon since June 16, 2020, and constitute a further issuance of, and form a single series with, the Company’s outstanding 4.25% Convertible Senior Notes due 2023 issued on June 16, 2020 in the aggregate principal amount of \$150.0 million (the “Existing Notes” and together with the Additional Notes, the “Notes”). Immediately after giving effect to the issuance of the Additional Notes, the Company has \$175.0 million aggregate principal amount of Notes outstanding.

The Notes are the Company’s senior unsecured obligations, but are subordinated in right of payment to the Company’s obligations to make certain redemption payments (if and when due) in respect of its Series A preferred stock. The Notes bear interest at a rate of 4.25% per year, payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2020. The Notes will mature on June 15, 2023, unless earlier converted, repurchased or redeemed. Upon conversion, the Company will pay cash up to the aggregate principal amount of the Notes to be converted. At its election, the Company will also settle its conversion obligation in excess of the aggregate principal amount of the Notes being converted in either cash, shares of its common stock or a combination of cash and shares of its common stock.

Holders may convert their Notes at their option at any time prior to the close of business on the business day immediately preceding March 15, 2023 only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on September 30, 2020 (and only during such calendar quarter), if the last reported sale price of the Company’s common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any ten consecutive trading day period (the “measurement period”) in which the trading price per \$1,000 principal amount of Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company’s common stock and the conversion rate on each such trading day; (3) upon the occurrence of a notice of redemption delivered by the Company in accordance with the terms of the Indenture but only with respect to the Notes called (or deemed called) for redemption; or (4) upon the occurrence of specified corporate events. On or after March 15, 2023 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their Notes at any time, regardless of the foregoing circumstances.

The Notes will be convertible at an initial conversion rate of 168.9189 shares of the Company’s common stock, per \$1,000 principal amount of Notes (equivalent to an initial conversion price of approximately \$5.92 per share), subject to adjustment. In certain circumstances, conversions in connection with a “make-whole fundamental change” (as defined in the Indenture) or conversions of Notes called (or deemed called) for redemption may result in an increase to the conversion rate, provided that the conversion rate will not exceed 270.2702 shares of the Company’s common stock per \$1,000 principal amount of Notes, subject to adjustment.

The Company may not redeem the Notes prior to June 20, 2021. The Company may redeem for cash all or any portion of the Notes, at its option, on or after June 20, 2021 and on or prior to the 55th scheduled trading day immediately preceding the maturity date, if the last reported sale price of the Company’s common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive), including the trading day immediately preceding the date on which the Company provides notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to, but excluding the redemption date. No sinking fund is provided for the Notes.

If the Company undergoes a “fundamental change” (as defined in the Indenture), subject to certain conditions, holders may require the Company to repurchase for cash all or any portion of their Notes at a fundamental change repurchase price equal to 100% of the principal amount of the Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. The Indenture contains customary terms and covenants, including that upon certain events of default occurring and continuing, either the Trustee or the holders of not less than 25% in aggregate principal amount of the Notes then outstanding may declare the entire principal amount of all the Notes plus accrued special interest, if any, to be immediately due and payable.

A copy of the Indenture and form of Note are filed as Exhibit 4.1 and Exhibit 4.2, respectively, to the Company's Current Report on Form 8-K filed on June 17, 2020 and are incorporated by reference herein. The foregoing description of the Indenture and Notes does not purport to be complete and is qualified in its entirety by reference to such exhibits.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information provided in Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

The Company offered and sold the Additional Notes to the Initial Purchaser in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act, and for resale by the Initial Purchaser to qualified institutional buyers pursuant to the exemption from registration provided by Rule 144A under the Securities Act. The Company relied on these exemptions from registration based in part on representations made by the Initial Purchaser in the Purchase Agreement, pursuant to which the Company sold the Additional Notes to the Initial Purchaser. The shares of the common stock issuable upon conversion of the Additional Notes, if any, have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

To the extent that any shares of common stock are issued upon conversion of the Additional Notes, they will be issued in transactions anticipated to be exempt from registration under the Securities Act by virtue of Section 3(a)(9) thereof, because no commission or other remuneration is expected to be paid in connection with conversion of the Additional Notes, and any resulting issuance of shares of the common stock.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	Indenture, dated as of June 16, 2020, by and between the Company and the Trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on June 17, 2020).
4.2	Form of Global Note, representing the Company's 4.25% Convertible Senior Notes due 2023 (included as Exhibit A to the Indenture filed as Exhibit 4.1 to the Current Report on Form 8-K filed on June 17, 2020).
99.1	Press release, dated August 11, 2020
104	Cover Page Interactive Data File (formatted as Inline XBRL).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WisdomTree Investments, Inc.

Date: August 13, 2020

By: /s/ Amit Muni

Amit Muni
Chief Financial Officer



WisdomTree Prices Offering of \$25.0 Million of 4.25% Convertible Senior Notes

NEW YORK, NY – August 11, 2020 (GLOBE NEWSWIRE) – WisdomTree Investments, Inc. (NASDAQ: WETF) (“WisdomTree”) today announced the pricing of an offering of \$25.0 million aggregate principal amount of its convertible senior notes due 2023 (the “notes”) in a private offering (the “offering”) to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), at an issue price of 101% of par value plus accrued interest from June 16, 2020. The sale of the notes to the initial purchaser is expected to settle on August 13, 2020, subject to customary closing conditions, and is expected to result in approximately \$24.2 million in net proceeds to WisdomTree after deducting the initial purchaser’s discount and estimated offering expenses payable by WisdomTree. WisdomTree intends to use approximately \$4.4 million of the net proceeds from the offering to repurchase shares of its common stock from certain purchasers of the notes in privately negotiated transactions effected through the initial purchaser, as its agent, concurrently with the settlement of the offering. The purchase price per share of WisdomTree’s common stock in such repurchases is equal to the last reported sale price of WisdomTree’s common stock of \$4.27 per share on August 10, 2020. The share repurchases could have the effect of increasing, or limiting a decline in, the market price of WisdomTree’s common stock concurrently with or following the pricing of the notes. WisdomTree intends to use the balance of the net proceeds from this offering for working capital and other general corporate purposes.

The notes issuance will constitute a reopening of the indenture (the “indenture”) that governs WisdomTree’s \$150.0 million aggregate principal amount of 4.25% convertible senior notes due 2023 (the “existing notes”) issued on June 16, 2020. The notes will be issued as additional notes under the indenture and will have the same terms and CUSIP number as, and form a single series and be fungible for U.S. federal income tax purposes with, the existing notes. Holders of the notes and the existing notes will vote as one class under the indenture.

Key terms of the notes are as follows:

- *Maturity in approximately 3 years* – June 15, 2023, unless earlier converted, repurchased or redeemed.
- *Interest rate of 4.25%* – The notes will bear interest at a rate of 4.25% per year, payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2020.
- *Conversion price of \$5.92* – The notes will be convertible at an initial conversion rate of 168.9189 shares of WisdomTree’s common stock, per \$1,000 principal amount of notes.
- *Conversion* – Prior to March 15, 2023, the notes will be convertible at the option of the holders of the notes only upon the satisfaction of certain conditions and during certain periods, and thereafter, at any time until the close of business on the second scheduled trading day immediately preceding the maturity date.
- *Cash settlement of principal amount* – Upon conversion, WisdomTree will pay cash up to the aggregate principal amount of the notes to be converted. At its election, WisdomTree will also settle its conversion obligation in excess of the aggregate principal amount of the notes being converted in either cash, shares of its common stock or a combination of cash and shares of its common stock.

- *Redemption price of \$7.70* – WisdomTree may redeem for cash all or any portion of the notes, at its option, on or after June 20, 2021 and on or prior to the 55th scheduled trading day immediately preceding the maturity date, if the last reported sale price of WisdomTree’s common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive), including the trading day immediately preceding the date on which WisdomTree provides notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which WisdomTree provides notice of redemption, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding the redemption date.
- *Limited investor put rights* – Holders of the notes will have the right to require WisdomTree to repurchase for cash all or a portion of their notes at 100% of their principal amount, plus any accrued and unpaid interest, upon the occurrence of certain change of control transactions or liquidation, dissolution or common stock delisting events (collectively “fundamental transactions”).
- *Conversion rate increase in certain customary circumstances* – WisdomTree will also be required to increase the conversion rate for holders who convert their notes in connection with fundamental changes and certain other corporate events or convert their notes called for redemption (or deemed called for redemption) following delivery by WisdomTree of a notice of redemption, in either case, in certain circumstances.

When issued, the notes will be WisdomTree’s senior unsecured obligations, but will be subordinated in right of payment to WisdomTree’s obligations to make certain redemption payments (if and when due) in respect of its Series A preferred stock.

The notes were only offered to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The notes and the common stock issuable upon conversion of the notes, if any, have not been and will not be registered under the Securities Act, or any state securities laws, and unless so registered, may not be offered or sold in the United States except pursuant to an applicable exemption from such registration requirements.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

About WisdomTree

WisdomTree Investments, Inc., through its subsidiaries in the U.S. and Europe, is an ETF and ETP sponsor and asset manager headquartered in New York. WisdomTree offers products covering equity, commodity, fixed income, leveraged and inverse, currency and alternative strategies. WisdomTree currently has approximately \$63.6 billion in assets under management globally.

WisdomTree® is the marketing name for WisdomTree Investments, Inc. and its subsidiaries worldwide.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements that are based on WisdomTree’s management’s beliefs and assumptions and on information currently available to management. Although WisdomTree believes that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or WisdomTree’s future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance or

achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “continue” or the negative of these terms or other comparable terminology. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond WisdomTree’s control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, the risks described below. If one or more of these or other risks or uncertainties occur, or if WisdomTree’s underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. You should read this press release completely and with the understanding that WisdomTree’s actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

In particular, forward-looking statements in this press release may include statements about the timing of the closing of the offering of notes, the expected use of the proceeds from the sale of the notes and the potential effects of the repurchase transactions on WisdomTree’s common stock and the conversion price for the notes, and other statements contained in this press release that are not historical facts. Forward-looking statements are subject to many risks and uncertainties, including without limitation, risks related to or associated with whether WisdomTree will consummate the offering of notes, and the other risks set forth under the caption “Risk Factors” in WisdomTree’s Annual Report on Form 10-K for the year ended December 31, 2019 and the Quarterly Reports on Form 10-Q for the three month period ended March 31, 2020 and the three month period ended June 30, 2020.

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