

**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, 2023

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 001-10932

**WisdomTree, Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

13-3487784  
(IRS Employer  
Identification No.)

250 West 34<sup>th</sup> Street  
3<sup>rd</sup> Floor  
New York, New York  
(Address of principal executive offices)

10119  
(Zip Code)

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

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	WT	The New York Stock Exchange
Preferred Stock Purchase Rights		The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (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.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of May 4, 2023, there were 149,263,168 shares of the registrant's Common Stock, \$0.01 par value per share, outstanding.

WISDOMTREE, INC.

Form 10-Q  
For the Quarterly Period Ended March 31, 2023

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*Unless otherwise indicated, references to “the Company,” “we,” “us,” “our” and “WisdomTree” mean WisdomTree, Inc. and its subsidiaries.*

*WisdomTree®, WisdomTree Prime™ and Modern Alpha® are trademarks of WisdomTree, Inc. in the United States and in other countries. All other trademarks are the property of their respective owners.*

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, or Report, contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our 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 our control and which could materially affect our results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed in the section entitled "Risk Factors" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. If one or more of these or other risks or uncertainties occur, or if our 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 Report and the documents that we reference in this Report and have filed with the Securities and Exchange Commission, or the SEC, as exhibits to this Report, completely and with the understanding that our 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 Report may include statements about:

- anticipated trends, conditions and investor sentiment in the global markets and exchange-traded products, or ETPs;
- anticipated levels of inflows into and outflows out of our ETPs;
- our ability to deliver favorable rates of return to investors;
- competition in our business;
- whether we will experience future growth;
- our ability to develop new products and services;
- our ability to maintain current vendors or find new vendors to provide services to us at favorable costs;
- our ability to successfully implement our strategy related to digital assets and blockchain-enabled financial services, including WisdomTree Prime™, and achieve its objectives;
- our ability to successfully operate and expand our business in non-U.S. markets;
- the effect of laws and regulations that apply to our business; and
- actions of activist stockholders.

The forward-looking statements in this Report represent our views as of the date of this Report. We anticipate that subsequent events and developments may cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. Therefore, these forward-looking statements do not represent our views as of any date other than the date of this Report.

**PART I: FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

**WisdomTree, Inc. and Subsidiaries**

Consolidated Balance Sheets  
(In Thousands, Except Per Share Amounts)

	March 31, 2023	December 31, 2022
	(unaudited)	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 119,099	\$ 132,101
Financial instruments owned, at fair value (including \$45,214 and \$25,283 invested in WisdomTree products at March 31, 2023 and December 31, 2022, respectively) (Note 5)	130,180	126,239
Accounts receivable (including \$32,446 and \$24,139 due from related parties at March 31, 2023 and December 31, 2022, respectively)	35,496	30,549
Prepaid expenses	5,877	4,684
Income taxes receivable	1,799	—
Other current assets	291	390
Total current assets	292,742	293,963
Fixed assets, net		
Indemnification receivable (Note 20)	—	1,353
Securities held-to-maturity	253	259
Deferred tax assets, net (Note 20)	5,871	10,536
Investments (Note 7)	26,902	35,721
Right of use assets—operating leases (Note 12)	1,153	1,449
Goodwill (Note 22)	85,856	85,856
Intangible assets, net (Note 22)	603,968	603,567
Other noncurrent assets	507	571
Total assets	<u>\$ 1,017,767</u>	<u>\$ 1,033,819</u>
<b>Liabilities and stockholders' equity</b>		
<b>Liabilities</b>		
Current liabilities:		
Convertible notes—current (Note 10)	\$ 59,884	\$ 59,197
Fund management and administration payable	27,830	36,521
Deferred consideration—gold payments (Note 9)	17,984	16,796
Compensation and benefits payable	9,341	24,121
Income taxes payable	—	1,599
Operating lease liabilities (Note 12)	1,041	1,125
Accounts payable and other liabilities	14,846	9,075
Total current liabilities	130,926	148,434
Convertible notes (Note 10)	273,767	262,019
Deferred consideration—gold payments (Note 9)	161,847	183,494
Operating lease liabilities (Note 12)	120	339
Other noncurrent liabilities (Note 20)	—	1,353
Total liabilities	566,660	595,639
Preferred stock—Series A Non-Voting Convertible, par value \$0.01; 14,750 shares authorized, issued and outstanding; redemption value of \$86,638 and \$77,969 at March 31, 2023 and December 31, 2022, respectively) (Note 11)	132,569	132,569
<i>Contingencies (Note 13)</i>		
<b>Stockholders' equity</b>		
Preferred stock, par value \$0.01; 2,000 shares authorized:	—	—
Common stock, par value \$0.01; 400,000 shares authorized; issued and outstanding: 149,291 and 146,517 at March 31, 2023 and December 31, 2022, respectively	1,493	1,465
Additional paid-in capital	292,971	291,847
Accumulated other comprehensive loss	(954)	(1,420)
Retained earnings	25,028	13,719
Total stockholders' equity	318,538	305,611
Total liabilities and stockholders' equity	<u>\$ 1,017,767</u>	<u>\$ 1,033,819</u>

The accompanying notes are an integral part of these consolidated financial statements

**WisdomTree, Inc. and Subsidiaries**

Consolidated Statements of Operations  
(In Thousands, Except Per Share Amounts)  
(Unaudited)

	Three Months Ended March 31,	
	2023	2022
<b>Operating Revenues:</b>		
Advisory fees	\$ 77,637	\$ 76,517
Other income	4,407	1,851
Total revenues	<u>82,044</u>	<u>78,368</u>
<b>Operating Expenses:</b>		
Compensation and benefits	27,398	24,787
Fund management and administration	17,153	15,494
Marketing and advertising	4,007	4,023
Sales and business development	2,994	2,609
Contractual gold payments (Note 9)	4,486	4,450
Professional fees	3,715	4,459
Occupancy, communications and equipment	1,101	753
Depreciation and amortization	109	47
Third-party distribution fees	2,253	2,212
Other	2,257	1,845
Total operating expenses	<u>65,473</u>	<u>60,679</u>
Operating income	16,571	17,689
<b>Other Income/(Expenses):</b>		
Interest expense	(4,002)	(3,732)
Gain/(loss) on revaluation of deferred consideration—gold payments (Note 9)	20,592	(17,018)
Interest income	1,083	794
Impairments (Note 7)	(4,900)	—
Loss on extinguishment of convertible notes (Note 10)	(9,721)	—
Other losses, net	(2,007)	(24,707)
Income/(loss) before income taxes	17,616	(26,974)
Income tax expense/(benefit)	1,383	(16,713)
<b>Net income/(loss)</b>	<u>\$ 16,233</u>	<u>\$ (10,261)</u>
Earnings/(loss) per share—basic	<u>\$ 0.10</u>	<u>\$ (0.08)</u>
Earnings/(loss) per share—diluted	<u>\$ 0.10</u>	<u>\$ (0.08)</u>
Weighted-average common shares—basic	<u>143,862</u>	<u>142,782</u>
Weighted-average common shares—diluted	<u>159,887</u>	<u>142,782</u>
Cash dividends declared per common share	<u>\$ 0.03</u>	<u>\$ 0.03</u>

*The accompanying notes are an integral part of these consolidated financial statements*

**WisdomTree, Inc. and Subsidiaries**

Consolidated Statements of Comprehensive Income/(Loss)  
(In Thousands)  
(Unaudited)

	Three Months Ended	
	March 31,	
	2023	2022
<b>Net income/(loss)</b>	<u>\$ 16,233</u>	<u>\$ (10,261)</u>
<b>Other comprehensive income/(loss)</b>		
Foreign currency translation adjustment, net of income taxes	466	(486)
Other comprehensive income/(loss)	466	(486)
<b>Comprehensive income/(loss)</b>	<u>\$ 16,699</u>	<u>\$ (10,747)</u>

*The accompanying notes are an integral part of these consolidated financial statements*

**WisdomTree, Inc. and Subsidiaries**

Consolidated Statements of Changes in Stockholders' Equity  
(In Thousands)  
(Unaudited)

	For the Three Months Ended March 31, 2023					
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings/ (Accumulated Deficit)	Total
	Shares Issued	Par Value				
Balance—January 1, 2023	146,517	\$ 1,465	\$ 291,847	\$ (1,420)	\$ 13,719	\$ 305,611
Restricted stock issued and vesting of restricted stock units, net	3,379	34	(34)	—	—	—
Shares repurchased	(605)	(6)	(3,378)	—	—	(3,384)
Stock-based compensation	—	—	4,536	—	—	4,536
Other comprehensive income	—	—	—	466	—	466
Dividends	—	—	—	—	(4,924)	(4,924)
Net income	—	—	—	—	16,233	16,233
Balance—March 31, 2023	149,291	\$ 1,493	\$ 292,971	\$ (954)	\$ 25,028	\$ 318,538

	For the Three Months Ended March 31, 2022					
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
	Shares Issued	Par Value				
Balance—January 1, 2022	145,107	\$ 1,451	\$ 289,736	\$ 682	\$ (22,445)	\$ 269,424
Restricted stock issued and vesting of restricted stock units, net	2,042	21	(21)	—	—	—
Shares repurchased	(589)	(6)	(3,388)	—	—	(3,394)
Stock-based compensation	—	—	2,936	—	—	2,936
Other comprehensive loss	—	—	—	(486)	—	(486)
Dividends	—	—	(4,842)	—	—	(4,842)
Net loss	—	—	—	—	(10,261)	(10,261)
Balance—March 31, 2022	146,560	\$ 1,466	\$ 284,421	\$ 196	\$ (32,706)	\$ 253,377

*The accompanying notes are an integral part of these consolidated financial statements*

**WisdomTree, Inc. and Subsidiaries**  
 Consolidated Statements of Cash Flows  
*(In Thousands)*  
*(Unaudited)*

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Net income/(loss)	\$ 16,233	\$ (10,261)
Adjustments to reconcile net income/(loss) to net cash used in operating activities:		
(Gain)/loss on revaluation of deferred consideration—gold payments	(20,592)	17,018
Advisory and license fees paid in gold, other precious metals and cryptocurrency	(12,760)	(16,052)
Loss on extinguishment of convertible notes	9,721	—
Impairments	4,900	—
Deferred income taxes	4,783	5,273
Stock-based compensation	4,536	2,936
Contractual gold payments	4,486	4,450
Losses on investments	3,919	163
(Gains)/losses on financial instruments owned, at fair value	(1,954)	5,142
Amortization of issuance costs—convertible notes	579	645
Amortization of right of use asset	319	89
Depreciation and amortization	109	47
Changes in operating assets and liabilities:		
Accounts receivable	(4,791)	(3,710)
Prepaid expenses	(1,161)	(2,264)
Gold and other precious metals	8,332	11,959
Other assets	167	(52)
Intangibles—software development	(452)	—
Fund management and administration payable	3,638	3,199
Compensation and benefits payable	(27,271)	(23,690)
Income taxes payable	(3,418)	(4,228)
Operating lease liabilities	(326)	(97)
Accounts payable and other liabilities	5,606	6,741
Net cash used in operating activities	<u>(5,397)</u>	<u>(2,692)</u>
<b>Cash flows from investing activities:</b>		
Purchase of financial instruments owned, at fair value	(20,278)	(25,461)
Purchase of investments	—	(6,863)
Purchase of fixed assets	(26)	(54)
Proceeds from the sale of financial instruments owned, at fair value	18,290	13,639
Proceeds from held-to-maturity securities maturing or called prior to maturity	6	18
Net cash used in investing activities	<u>(2,008)</u>	<u>(18,721)</u>
<b>Cash flows from financing activities:</b>		
Repurchase of convertible notes (See Note 10)	(124,317)	—
Dividends paid	(4,821)	(4,842)
Shares repurchased	(3,384)	(3,394)
Convertible notes issuance costs	(3,548)	—
Proceeds from the issuance of convertible notes (Note 10)	130,000	—
Net cash used in financing activities	<u>(6,070)</u>	<u>(8,236)</u>
Increase/(decrease) in cash flow due to changes in foreign exchange rate	473	(665)
Net decrease in cash and cash equivalents	(13,002)	(30,314)
Cash and cash equivalents—beginning of year	132,101	140,709
Cash and cash equivalents—end of period	<u>\$ 119,099</u>	<u>\$ 110,395</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid for income taxes	<u>\$ 1,422</u>	<u>\$ 2,123</u>
Cash paid for interest	<u>\$ 801</u>	<u>\$ —</u>

*The accompanying notes are an integral part of these consolidated financial statements*



**WisdomTree, Inc. and Subsidiaries**

Notes to Consolidated Financial Statements  
(In Thousands, Except Share and Per Share Amounts)

**1. Organization and Description of Business**

WisdomTree, Inc., through its global subsidiaries (collectively, “WisdomTree” or the “Company”), is a global financial innovator, offering a well-diversified suite of exchange-traded products (“ETPs”), models and solutions. Building on its heritage of innovation, the Company is also developing next-generation digital products and structures, including digital or blockchain-enabled mutual funds (“Digital Funds”) and tokenized assets, as well as its blockchain-native digital wallet, WisdomTree Prime™. The Company has the following wholly-owned operating subsidiaries:

- *WisdomTree Asset Management, Inc.* is a New York based investment adviser registered with the SEC, providing investment advisory and other management services to the WisdomTree Trust (“WTT”) and WisdomTree exchange-traded funds (“ETFs”). The WisdomTree ETFs are issued in the U.S. by WTT. WTT is a non-consolidated Delaware statutory trust registered with the SEC as an open-end management investment company. The Company has licensed to WTT the use of certain of its own indexes on an exclusive basis for the WisdomTree ETFs in the U.S.
- *WisdomTree Management Jersey Limited* (“ManJer”) is a Jersey based management company providing management services to seven issuers (the “ManJer Issuers”) in respect of the ETPs issued and listed by the ManJer Issuers covering commodity, currency, cryptocurrency and leveraged-and-inverse strategies.
- *WisdomTree Multi Asset Management Limited* (“WTMAML”) is a Jersey based management company providing management services to WisdomTree Multi Asset Issuer PLC (“WMAI”) in respect of the ETPs issued by WMAI. WMAI is a non-consolidated public limited company domiciled in Ireland.
- *WisdomTree Management Limited* (“WML”) is an Ireland based management company providing management services to WisdomTree Issuer ICAV (“WTICAV”) in respect of the WisdomTree UCITS ETFs issued by WTICAV. WTICAV is a non-consolidated public limited company domiciled in Ireland.
- *WisdomTree UK Limited* (“WTUK”) is a U.K. based company registered with the Financial Conduct Authority currently providing distribution and support services to ManJer, WTMAML and WML.
- *WisdomTree Europe Limited* is a U.K. based company which is the legacy distributor of the WMAI ETPs and WisdomTree UCITS ETFs. These services are now provided directly by WTUK. WisdomTree Europe Limited is no longer regulated and does not provide any regulated services.
- *WisdomTree Ireland Limited* is an Ireland based company authorized by the Central Bank of Ireland providing distribution services to ManJer, WTMAML and WML.
- *WisdomTree Digital Commodity Services, LLC* is a New York based company that has been formed to serve as the sponsor of the WisdomTree Bitcoin Trust and WisdomTree Ethereum Trust, each an ETF currently under review with the SEC.
- *WisdomTree Digital Management, Inc.* (“WT Digital Management”) is a New York based investment adviser registered with the SEC, providing investment advisory and other management services to the WisdomTree Digital Trust (“WTDT”) and WisdomTree Digital Funds. The WisdomTree Digital Funds are issued in the U.S. by WTDT. WTDT is a Delaware statutory trust registered with the SEC as an open-end management investment company. Each Digital Fund will use blockchain technology to maintain a secondary record of its shares on one or more blockchains (e.g., Stellar or Ethereum), but will not directly or indirectly invest in any assets that rely on blockchain technology, such as cryptocurrencies.
- *WisdomTree Digital Movement, Inc.* is a New York based company operating as a money services business registered with the Financial Crimes Enforcement Network (“FinCEN”) and seeking state money transmitter licenses to operate a platform for the purchase, sale and exchange of digital assets, while also providing digital wallet services through WisdomTree Prime™ to facilitate such activity.
- *WisdomTree Securities, Inc.* is a New York based limited purpose broker-dealer (i.e., mutual fund retailer), facilitating transactions in WisdomTree Digital Funds.

## 2. Significant Accounting Policies

### *Basis of Presentation*

These consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (“GAAP”) and in the opinion of management reflect all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of financial condition, results of operations, and cash flows for the periods presented. The consolidated financial statements include the accounts of the Company’s wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

### *Consolidation*

The Company consolidates entities in which it has a controlling financial interest. The Company determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity (“VOE”) or a variable interest entity (“VIE”). The usual condition for a controlling financial interest in a VOE is ownership of a majority voting interest. If the Company has a majority voting interest in a VOE, the entity is consolidated. The Company has a controlling financial interest in a VIE when the Company has a variable interest that provides it with (i) the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company reassesses its evaluation of whether an entity is a VOE or VIE when certain reconsideration events occur.

### *Segment and Geographic Information*

The Company, through its subsidiaries in the U.S. and Europe, conducts business as a single operating segment as an ETP sponsor and asset manager which is based upon the Company’s current organizational and management structure, as well as information used by the chief operating decision maker to allocate resources and other factors.

### *Foreign Currency Translation*

Assets and liabilities of subsidiaries whose functional currency is not the U.S. dollar are translated based on the end of period exchange rates from local currency to U.S. dollars. Results of operations are translated at the average exchange rates in effect during the period. The impact of the foreign currency translation adjustment is included in the Consolidated Statements of Comprehensive Income/(Loss) as a component of other comprehensive (loss)/income.

### *Use of Estimates*

The preparation of the Company’s consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the balance sheet dates and the reported amounts of revenues and expenses for the periods presented. Actual results could differ materially from those estimates.

### *Revenue Recognition*

The Company earns substantially all of its revenue in the form of advisory fees from its ETPs and recognizes this revenue over time, as the performance obligation is satisfied. Advisory fees are based on a percentage of the ETPs’ average daily net assets. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which the Company has a right to invoice.

### *Contractual Gold Payments*

Contractual gold payments are measured and paid monthly based upon the average daily spot price of gold (Note 9).

### *Marketing and Advertising*

Marketing and advertising costs, including media advertising and production costs, are expensed when incurred.

### *Depreciation and Amortization*

Depreciation and amortization is provided for using the straight-line method over the estimated useful lives of the related assets as follows:

Equipment	3 to 5 years
Internally-developed software	3 years

The assets listed above are recorded at cost less accumulated depreciation and amortization.

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### ***Stock-Based Awards***

Accounting for stock-based compensation requires the measurement and recognition of compensation expense for all equity awards based on estimated fair values. Stock-based compensation is measured based on the grant-date fair value of the award and is amortized over the relevant service period. Forfeitures are recognized when they occur.

### ***Third-Party Distribution Fees***

The Company pays a percentage of its advisory fee revenues based on incremental growth in assets under management (“AUM”), subject to caps or minimums, to marketing agents to sell WisdomTree ETFs and for including WisdomTree ETFs on third-party customer platforms and recognizes these expenses as incurred.

### ***Cash and Cash Equivalents***

The Company considers all highly liquid investments with an original maturity of 90 days or less at the time of purchase to be classified as cash equivalents. The Company maintains deposits with financial institutions in an amount that is in excess of federally insured limits.

### ***Accounts Receivable***

Accounts receivable are customer and other obligations due under normal trade terms. The Company measures credit losses, if any, by applying historical loss rates, adjusted for current conditions and reasonable and supportable forecasts to amounts outstanding using the aging method.

### ***Impairment of Long-Lived Assets***

The Company performs a review for the impairment of long-lived assets when events or changes in circumstances indicate that the estimated undiscounted future cash flows expected to be generated by the assets are less than their carrying amounts or when other events occur which may indicate that the carrying amount of an asset may not be recoverable.

### ***Financial Instruments Owned and Financial Instruments Sold, but Not yet Purchased (at Fair Value)***

Financial instruments owned and financial instruments sold, but not yet purchased are financial instruments classified as either trading or available-for-sale (“AFS”). These financial instruments are recorded on their trade date and are measured at fair value. All equity instruments that have readily determinable fair values are classified by the Company as trading. Debt instruments are classified based primarily on the Company’s intent to hold or sell the instrument. Changes in the fair value of debt instruments classified as trading and AFS are reported in other income/(expenses) and other comprehensive income, respectively, in the period the change occurs. Debt instruments classified as AFS are assessed for impairment on a quarterly basis and an estimate for credit loss is provided when the fair value of the AFS debt instrument is below its amortized cost basis. Credit-related impairments are recognized in earnings with a corresponding adjustment to the instrument’s amortized cost basis if the Company intends to sell the impaired AFS debt instrument or it is more likely than not the Company will be required to sell the instrument before recovering its amortized cost basis. Other credit-related impairments are recognized as an allowance with a corresponding adjustment to earnings. Impairments resulting from noncredit-related factors are recognized in other comprehensive income. Amounts recorded in other comprehensive income are reclassified into earnings upon sale of the AFS debt instrument using the specific identification method.

### ***Securities Held-to-Maturity***

The Company accounts for certain of its securities as held-to-maturity on a trade date basis, which are recorded at amortized cost. For held-to-maturity securities, the Company has the intent and ability to hold these securities to maturity and it is not more-likely-than-not that the Company will be required to sell these securities before recovery of their amortized cost bases, which may be maturity. Held-to-maturity securities are placed on non-accrual status when the Company is in receipt of information indicating collection of interest is doubtful. Cash received on held-to-maturity securities placed on non-accrual status is recognized on a cash basis as interest income if and when received.

The Company reviews its portfolio of held-to-maturity securities for impairment on a quarterly basis, recognizing an allowance, if any, by applying an estimated loss rate after consideration for the nature of collateral securing the financial asset as well as potential future changes in collateral values and historical loss information for financial assets secured with similar collateral.

Investments in pass-through government-sponsored enterprises (“GSEs”) are determined to have an estimated loss rate of zero due to an implicit U.S. government guarantee.

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### ***Investments***

The Company accounts for equity investments that do not have a readily determinable fair value under the measurement alternative prescribed in Accounting Standards Codification (“ASC”) Topic 321, *Investments – Equity Securities* (“ASC 321”), to the extent such investments are not subject to consolidation or the equity method. Under the measurement alternative, these financial instruments are carried at cost, less any impairment (assessed quarterly), plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. In addition, income is recognized when dividends are received only to the extent they are distributed from net accumulated earnings of the investee. Otherwise, such distributions are considered returns of investment and are recorded as a reduction of the cost of the investment.

Investments in debt instruments are accounted for at fair value, with changes in fair value reported in other income/(expenses).

### ***Goodwill***

Goodwill is the excess of the purchase price over the fair values of the identifiable net assets at the acquisition date. The Company tests goodwill for impairment at least annually and at the time of a triggering event requiring re-evaluation, if one were to occur. Goodwill is considered impaired when the estimated fair value of the reporting unit that was allocated the goodwill is less than its carrying value. If the estimated fair value of such reporting unit is less than its carrying value, goodwill impairment is recognized based on that difference, not to exceed the carrying amount of goodwill. A reporting unit is an operating segment or a component of an operating segment provided that the component constitutes a business for which discrete financial information is available and management regularly reviews the operating results of that component.

Goodwill is allocated to the Company’s U.S. business and European business components. For impairment testing purposes, these components are aggregated as a single reporting unit as they fall under the same operating segment and have similar economic characteristics.

Goodwill is assessed for impairment annually on November 30<sup>th</sup>. When performing its goodwill impairment test, the Company considers a qualitative assessment, when appropriate, and a quantitative assessment using the market approach and its market capitalization when determining the fair value of the reporting unit.

### ***Intangible Assets***

Indefinite-lived intangible assets are tested for impairment at least annually and are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Indefinite-lived intangible assets are impaired if their estimated fair values are less than their carrying values.

Finite-lived intangible assets, if any, are amortized over their estimated useful life, which is the period over which the assets are expected to contribute directly or indirectly to the future cash flows of the Company. These intangible assets are tested for impairment at the time of a triggering event, if one were to occur. Finite-lived intangible assets may be impaired when the estimated undiscounted future cash flows generated from the assets are less than their carrying amounts.

The Company may rely on a qualitative assessment when performing its intangible asset impairment test. Otherwise, the impairment evaluation is performed at the lowest level of reasonably identifiable cash flows independent of other assets. The annual impairment testing date for all of the Company’s intangible assets is November 30<sup>th</sup>.

### ***Software Development Costs***

Software development costs incurred after the preliminary project stage is complete are capitalized if it is probable that the project will be completed and the software will be used as intended. Capitalized costs consist of employee compensation costs and fees paid to third parties who are directly involved in the application development efforts and are included in intangible assets, net in the Consolidated Balance Sheets. Such costs are amortized over the estimated useful life of the software on a straight-line basis and are included in depreciation and amortization in the Consolidated Statements of Operations. Once the application development stage is complete, additional costs are expensed as incurred.

### ***Leases***

The Company accounts for its lease obligations in accordance with ASC Topic 842, *Leases* (“ASC 842”), which requires the recognition of both (i) a lease liability equal to the present value of the remaining lease payments and (ii) an offsetting right-of-use asset. The remaining lease payments are discounted using the rate implicit in the lease, if known, or otherwise the Company’s incremental borrowing rate. After lease commencement, right-of-use assets are assessed for impairment and otherwise are amortized over the remaining lease term on a straight-line basis. These recognition requirements are not applied to short-term leases which are those with a lease term of 12 months or less. Instead, lease payments associated with short-term leases are recognized as an expense on a straight-line basis over the lease term.

ASC 842 also provides a practical expedient which allows for consideration in a contract to be accounted for as a single lease component rather than allocated between lease and non-lease components. The Company has elected to apply this practical expedient to all lease contracts, where applicable.

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### ***Deferred Consideration—Gold Payments***

Deferred consideration represents the present value of an obligation to pay gold to a third party into perpetuity and is measured using forward-looking gold prices observed on the CMX exchange, a selected discount rate and perpetual growth rate (Note 9). Changes in the fair value of this obligation are reported as gain/(loss) on revaluation of deferred consideration—gold payments in the Consolidated Statements of Operations.

### ***Convertible Notes***

Convertible notes are carried at amortized cost, net of issuance costs. In accordance with Accounting Standards Update (“ASU”)2020-06, *Debt – Debt with Conversion and Other Options*, the Company accounts for convertible instruments as a single liability (applicable to the convertible notes) or equity with no separate accounting for embedded conversion features unless the conversion feature meets the criteria for accounting under the substantial premium model or does not qualify for a derivative scope exception. Interest expense is recognized using the effective interest method and includes amortization of issuance costs over the life of the debt.

### ***Contingencies***

The Company may be subject to reviews, inspections and investigations by regulatory authorities as well as legal proceedings arising in the ordinary course of business. The Company evaluates the likelihood of an unfavorable outcome of all legal or regulatory proceedings to which it is a party and accrues a loss contingency when the loss is probable and reasonably estimable.

### ***Contingent Payments***

The Company recognizes a gain on contingent payments when the contingency is resolved and the gain is realized.

### ***Earnings per Share***

Basic earnings per share (“EPS”) is computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding for the period. Net income available to common stockholders represents net income of the Company reduced by an allocation of earnings to participating securities. The Series A non-voting convertible preferred stock (Note 11) and unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and are included in the computation of EPS pursuant to the two-class method. Share-based payment awards that do not contain such rights are not deemed participating securities and are included in diluted shares outstanding (if dilutive).

Diluted EPS is calculated under the treasury stock method and the two-class method. The calculation that results in the lowest diluted EPS amount for the common stock is reported in the Company’s consolidated financial statements. The treasury stock method includes the dilutive effect of potential common shares including unvested stock-based awards, the Series A non-voting convertible preferred stock and the convertible notes, if any. Potential common shares associated with the Series A non-voting convertible preferred stock and the convertible notes are computed under the if-converted method. Potential common shares associated with the conversion option embedded in the convertible notes are dilutive when the Company’s average stock price exceeds the conversion price.

### ***Income Taxes***

The Company accounts for income taxes using the liability method, which requires the determination of deferred tax assets and liabilities based on the differences between the financial and tax bases of assets and liabilities using the enacted tax rates in effect for the year in which differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more-likely-than-not that some portion or all the deferred tax assets will not be realized.

Tax positions are evaluated utilizing a two-step process. The Company first determines whether any of its tax positions are more-likely-than-not to be sustained upon examination, based solely on the technical merits of the position. Once it is determined that a position meets this recognition threshold, the position is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. The Company records interest expense and penalties related to tax expenses as income tax expense.

The Global Intangible Low-Taxed Income (“GILTI”) provisions of the Tax Reform Act requires the Company to include in its U.S. income tax return foreign subsidiary earnings in excess of an allowable return on the foreign subsidiary’s tangible assets. An accounting policy election is available to either account for the tax effects of GILTI in the period that is subject to such taxes or to provide deferred taxes for book and tax basis differences that upon reversal may be subject to such taxes. The Company accounts for the tax effects of these provisions in the period that is subject to such tax.

Non-income based taxes are recorded as part of other liabilities and other expenses.

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### 3. Cash and Cash Equivalents

Of the total cash and cash equivalents of \$119,099 and \$132,101 at March 31, 2023 and December 31, 2022, \$118,306 and \$131,104, respectively, were held at two financial institutions. At March 31, 2023 and December 31, 2022, cash equivalents were approximately \$336 and \$930, respectively.

Certain of the Company's subsidiaries are required to maintain a minimum level of regulatory capital, which was \$28,726 and \$25,988 at March 31, 2023 and December 31, 2022, respectively. These requirements are generally satisfied by cash on hand.

### 4. Fair Value Measurements

The fair value of financial instruments is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., "the exit price") in an orderly transaction between market participants at the measurement date. ASC 820, *Fair Value Measurement*, establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3 – Instruments whose significant drivers are unobservable.

The availability of observable inputs can vary from product to product and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by management in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The tables below summarize the categorization of the Company's assets and liabilities measured at fair value. During the three months ended March 31, 2023 and 2022, there were no transfers between Levels 2 and 3.

	March 31, 2023			
	Total	Level 1	Level 2	Level 3
<b>Assets:</b>				
Recurring fair value measurements:				
Cash equivalents	\$ 336	\$ 336	\$ —	\$ —
Financial instruments owned, at fair value				
ETFs	33,728	33,728	—	—
U.S. treasuries	2,993	2,993	—	—
Pass-through GSEs	81,046	23,352	57,694	—
Other assets—seed capital (WisdomTree blockchain-enabled funds)				
U.S. treasuries	4,901	4,901	—	—
Equities	4,937	4,937	—	—
Fixed income	1,915	—	1,915	—
Other	660	—	660	—
Investments in Convertible Notes				
Securrency, Inc.—convertible note (Note 7)	10,051	—	—	10,051
Fnality International Limited—convertible note (Note 7)	7,451	—	—	7,451
<b>Total</b>	<b>\$ 148,018</b>	<b>\$ 70,247</b>	<b>\$ 60,269</b>	<b>\$ 17,502</b>

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	March 31, 2023			
	Total	Level 1	Level 2	Level 3
<b>Non-recurring fair value measurements:</b>				
Securrency, Inc.—Series A convertible preferred stock <sup>(1)</sup>	\$ 3,588	\$ —	\$ —	\$ 3,588
<b>Liabilities:</b>				
<b>Recurring fair value measurements:</b>				
Deferred consideration (Note 9)	\$ 179,831	\$ —	\$ —	\$ 179,831
	<b>December 31, 2022</b>			
	Total	Level 1	Level 2	Level 3
<b>Assets:</b>				
<b>Recurring fair value measurements:</b>				
Cash equivalents	\$ 930	\$ 930	\$ —	\$ —
Financial instruments owned, at fair value				
ETFs	23,772	23,772	—	—
U.S. treasuries	2,980	2,980	—	—
Pass-through GSEs	96,837	23,290	73,547	—
Corporate bonds	885	—	885	—
Other assets—seed capital (WisdomTree blockchain-enabled funds)	1,765	—	1,765	—
Investments in Convertible Notes				
Securrency, Inc.—convertible note (Note 7)	14,500	—	—	14,500
Fnality International Limited—convertible note (Note 7)	6,921	—	—	6,921
<b>Total</b>	<b>\$ 148,590</b>	<b>\$ 50,972</b>	<b>\$ 76,197</b>	<b>\$ 21,421</b>
<b>Non-recurring fair value measurements:</b>				
Other investments <sup>(2)</sup>	\$ 312	\$ —	\$ —	\$ 312
<b>Liabilities:</b>				
<b>Recurring fair value measurements:</b>				
Deferred consideration (Note 9)	\$ 200,290	\$ —	\$ —	\$ 200,290

<sup>(1)</sup> Fair value determined on March 31, 2023.

<sup>(2)</sup> Fair value determined on May 10, 2022.

**Recurring Fair Value Measurements—Methodology**

**Cash Equivalents (Note 3)**— These financial assets represent cash invested in highly liquid investments with original maturities of less than 90 days. These investments are valued at par, which approximates fair value, and are classified as Level 1 in the fair value hierarchy.

**Financial instruments owned (Note 5)**— Financial instruments owned are investments in ETFs, U.S. treasuries, pass-through GSEs, corporate bonds, equities, fixed income and other assets. ETFs, U.S. treasuries and equities are generally traded in active, quoted and highly liquid markets and are therefore classified as Level 1 in the fair value hierarchy. Pricing of pass-through GSEs, corporate bonds and fixed income include consideration given to collateral characteristics and market assumptions related to yields, credit risk and timing of prepayments and are therefore generally classified as Level 2. Pass-through GSE positions invested in through a fund structure with a quoted market price on an exchange are generally classified as Level 1.

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**Fair Value Measurements classified as Level 3** – The following table presents a reconciliation of beginning and ending balances of recurring fair value measurements classified as Level 3:

	Three Months Ended, March 31,	
	2023	2022
<b>Investments in Convertible Notes (Note 7)</b>		
Beginning balance	\$ 21,421	\$ —
Purchases	—	6,863
Net unrealized losses <sup>(1)</sup>	(3,919)	(163)
Ending balance	<u>\$ 17,502</u>	<u>\$ 6,700</u>
<b>Deferred Consideration (Note 9)</b>		
Beginning balance	\$ 200,290	\$ 228,062
Net realized losses <sup>(2)</sup>	4,486	4,450
Net unrealized (gains)/losses <sup>(3)</sup>	(20,592)	17,018
Settlements	(4,353)	(4,353)
Ending balance	<u>\$ 179,831</u>	<u>\$ 245,177</u>

<sup>(1)</sup> Recorded in other losses, net in the Consolidated Statements of Operations.

<sup>(2)</sup> Recorded as contractual gold payments expense in the Consolidated Statements of Operations.

<sup>(3)</sup> Recorded as gain/(loss) on revaluation of deferred consideration—gold payments in the Consolidated Statements of Operations.

### 5. Financial instruments owned

These instruments consist of the following:

	March 31, 2023	December 31, 2022
<b>Financial instruments owned</b>		
Trading securities	\$ 117,767	\$ 124,474
Other assets—seed capital (WisdomTree blockchain-enabled funds)	12,413	1,765
	<u>\$ 130,180</u>	<u>\$ 126,239</u>

The Company recognized net trading gains/(losses) on financial instruments owned that were still held at the reporting dates of \$4,722 and (\$4,316) during the three months ended March 31, 2023 and 2022, respectively, which were recorded in other losses, net, in the Consolidated Statements of Operations.

### 6. Securities Held-to-Maturity

The following table is a summary of the Company's securities held-to-maturity:

	March 31, 2023	December 31, 2022
Debt instruments: Pass-through GSEs (amortized cost)	<u>\$ 253</u>	<u>\$ 259</u>

During the three months ended March 31, 2023 and 2022, the Company received proceeds of \$6 and \$18, respectively, from held-to-maturity securities maturing or being called prior to maturity.

The following table summarizes unrealized losses, gains and fair value (classified as Level 2 within the fair value hierarchy) of securities held-to-maturity:

	March 31, 2023	December 31, 2022
Cost/amortized cost	\$ 253	\$ 259
Gross unrealized losses	(17)	(20)
Gross unrealized gains	—	—
Fair value	<u>\$ 236</u>	<u>\$ 239</u>

An allowance for credit losses was not provided on the Company's held-to-maturity securities as all securities are investments in pass-through GSEs which are determined to have an estimated loss rate of zero due to an implicit U.S. government guarantee.



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The following table sets forth the maturity profile of the securities held-to-maturity; however, these securities may be called prior to the maturity date:

	March 31, 2023	December 31, 2022
Due within one year	\$ —	\$ —
Due one year through five years	—	—
Due five years through ten years	26	27
Due over ten years	227	232
<b>Total</b>	<b>\$ 253</b>	<b>\$ 259</b>

## 7. Investments

The following table sets forth the Company's investments:

	March 31, 2023		December 31, 2022	
	Carrying Value	Cost	Carrying Value	Cost
Securrency, Inc.—Series A convertible preferred stock	\$ 3,588	\$ 8,112	\$ 8,488	\$ 8,112
Securrency, Inc.—Series B convertible preferred stock	5,500	5,500	5,500	5,500
Securrency, Inc.—convertible note	10,051	15,000	14,500	15,000
Subtotal—Securrency, Inc.	\$ 19,139	\$ 28,612	\$ 28,488	\$ 28,612
Fnality International Limited—convertible note	7,451	6,863	6,921	6,863
Other investments	312	250	312	250
	<b>\$ 26,902</b>	<b>\$ 35,725</b>	<b>\$ 35,721</b>	<b>\$ 35,725</b>

### Securrency, Inc. – Preferred Stock

The Company owns approximately 22% (or 17% on a fully-diluted basis) of the capital stock of Securrency, Inc. (“Securrency”), a developer of institutional-grade blockchain-based financial and regulatory technology, issued as a result of strategic investments totaling \$13,612. In consideration of such investments, the Company received 5,178,488 shares of Series A convertible preferred stock (“Securrency Series A Shares”) in December 2019 and 2,004,665 shares of Series B convertible preferred stock (“Securrency Series B Shares”) in March 2021. The Securrency Series B Shares contain a liquidation preference that is pari passu with shares of Series B-1 convertible preferred stock (which are substantially the same as the Securrency Series B Shares except that they have limited voting rights) and senior to that of the holders of the Securrency Series A Shares, which are senior to the holders of common stock. Otherwise, the Securrency Series A Shares and Securrency Series B Shares have substantially the same terms, are convertible into common stock at the option of the Company and contain various rights and protections including a non-cumulative 6.0% dividend, payable if and when declared by the board of directors of Securrency. In addition, the Securrency Series A Shares and Securrency Series B Shares (together with the Securrency Series B-1 convertible preferred stock) are separately redeemable, with respect to all of the shares outstanding of the applicable series of preferred stock (subject to certain regulatory restrictions of certain investors), for the original issue price thereof, plus all declared and unpaid dividends, upon approval by holders of at least 60% of the Securrency Series A Shares (at any time on or after December 31, 2029) and 90% of the Securrency Series B Shares (at any time on or after March 31, 2031).

These investments are accounted for under the measurement alternative prescribed in ASC 321, as they do not have a readily determinable fair value and are not considered to be in-substance common stock. The investments are assessed for impairment and similar observable transactions on a quarterly basis. During the three months ending March 31, 2023, the Company recognized an impairment of \$4,900 on its Securrency Series A Shares to reduce the carrying value of its investment to fair value. Fair value was determined using the probability-weighted expected return method (“PWERM”), a valuation approach that estimates fair value assuming various outcomes.

The table below presents the probability ascribed to potential outcomes used in the PWERM (classified as Level 3 in the fair value hierarchy):

	March 31, 2023
Conversion of Securrency Series A Shares upon a future equity financing	33.3%
Redemption of Securrency Series A Shares upon a corporate transaction	33.3%
Default	33.4%

There was no impairment recognized during the three months ended March 31, 2022 based upon a qualitative assessment.

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### Securrency – Convertible Note

In April and November 2022, the Company participated in a convertible note financing, making an aggregate investment of \$5,000 in convertible notes of Securrency. In consideration for its investment, the Company was issued a 7% Convertible Promissory Note maturing on October 20, 2023.

The notes are convertible into either common stock or a class of securities convertible into, exchangeable for, or conferring the right to purchase Securrency's common stock that is issued in the event of a future equity financing of Securrency. The notes will convert at a conversion price equal to a discount of 25% (or, if applicable, a greater discount offered to other holders of convertible securities in such future equity financing round) to the lowest price paid per equity share issued in the future equity financing round.

The notes are redeemable upon the occurrence of a corporate transaction for an amount which is the greater of (i) the principal amount and all accrued interest and (ii) the amount that would be received had the note been converted, in accordance with the terms of the notes, to common stock immediately prior to the occurrence of the corporate transaction. At maturity, redemption or conversion may occur upon the election by the holders of a majority-in-interest of the aggregate principal amount of outstanding notes. If no such election is made, Securrency may elect to pay or convert the notes in its sole discretion.

The notes are accounted for at fair value. Fair value is determined by the Company using PWERM. During the three months ended March 31, 2023, the Company recognized an unrealized loss of \$4,449 when re-measuring the notes to fair value.

The table below presents the probability ascribed to potential outcomes used in the PWERM (classified as Level 3 in the fair value hierarchy) and the time to exit:

	March 31, 2023	December 31, 2022
Conversion of note upon a future equity financing	33.3%	60%
Redemption of note upon a corporate transaction	33.3%	25%
Default	33.4%	15%
Time to potential outcome (in years)	0.56	0.33

### Finality International Limited – Convertible Note

In February 2022, the Company participated in a convertible note financing, making an investment of £5,000 (\$6,863) in convertible notes of Finality International Limited ("Finality"), a company incorporated in England and Wales and focused on creating a peer-to-peer digital wholesale settlement ecosystem comprised of a consortium of financial institutions, offering real time cross-border payments from a single pool of liquidity. In consideration for its investment, the Company was issued a 5% Convertible Unsecured Loan Note maturing on December 31, 2023.

The note is convertible into equity shares in the event of a future equity financing of Finality. The note will convert at a conversion price equal to the lower of (i) a discount of 20% to lowest price paid per equity share issued pursuant to such future financing round and (ii) an amount paid per share subject to a pre-money valuation cap. Mandatory conversion may occur on or after the maturity date or, if earlier, in the event a future financing round has not been completed within a specified time from an initial closing of such financing round ("Long Stop Date"), upon the approval of holders of at least 75% of the outstanding notes. The note is also convertible, at the option of the Company, following the earlier of the maturity date or such Long Stop Date.

The note is redeemable upon the occurrence of a change of control for an amount which is the greater of (i) the principal amount and all accrued interest and (ii) the amount that would be received had the note been converted to equity shares immediately prior to the occurrence of the change of control. Redemption may also occur on or after maturity or prior to maturity upon approval by holders of at least 50% and 75%, respectively, of the outstanding notes, or in connection with bankruptcy or other liquidation events.

The note is accounted for at fair value. Fair value is determined by the Company using the PWERM and is also remeasured for changes in the British pound and U.S. dollar exchange rate. During the three months ended March 31, 2023, the Company recognized a gain of \$530 when re-measuring the notes to fair value.

The table below presents the probability ascribed to potential outcomes used in the PWERM (classified as Level 3 in the fair value hierarchy) and the time to exit:

	March 31, 2023	December 31, 2022
Conversion of note upon a future financing round	85%	85%
Redemption of note upon a change of control	10%	10%
Default	5%	5%
Time to potential outcome (in years)	0.08	0.25

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### 8. Fixed Assets, net

The following table summarizes fixed assets:

	March 31, 2023	December 31, 2022
Equipment	\$ 997	\$ 962
Less: accumulated depreciation	(482)	(418)
Total	<u>\$ 515</u>	<u>\$ 544</u>

### 9. Deferred Consideration

Deferred consideration represents an obligation the Company assumed in connection with its acquisition of the European exchange-traded commodity, currency and leveraged-and-inverse business of ETFS Capital Limited (“ETFS Capital”) which occurred on April 11, 2018 (“ETFS Acquisition”). The obligation is for fixed payments to ETFS Capital of physical gold bullion equating to 9,500 ounces of gold per year through March 31, 2058 and then subsequently reduced to 6,333 ounces of gold per year continuing into perpetuity (“Contractual Gold Payments”).

The Contractual Gold Payments are paid from advisory fee income generated by any Company-sponsored financial product backed by physical gold and are subject to adjustment and reduction for declines in advisory fee income generated by such products, with any reduction remaining due and payable until paid in full. ETFS Capital’s recourse is limited to such advisory fee income and it has no recourse back to the Company for any unpaid amounts that exceed advisory fees earned. ETFS Capital ultimately has the right to claw back Gold Bullion Securities Ltd. (a physically backed gold ETP issuer) if the Company fails to remit any amounts due.

The Company determined the present value of the deferred consideration of \$179,831 and \$200,290 at March 31, 2023 and December 31, 2022 using the following assumptions:

	March 31, 2023	December 31, 2022
Forward-looking gold price (low)—per ounce	\$ 1,999	\$ 1,858
Forward-looking gold price (high)—per ounce	\$ 3,567	\$ 3,126
Forward-looking gold price (weighted average)—per ounce	\$ 2,401	\$ 2,237
Discount rate	13.3%	11.0%
Perpetual growth rate	1.5%	1.3%

Fair value as of March 31, 2023 was determined using an equal weighting of a discounted cash flow approach and market approach. The forward-looking gold prices at March 31, 2023 were extrapolated from the last observable CMX exchange price (beyond 2028) and the weighted-average price per ounce was derived from the relative present values of the annual payment obligations. The perpetual growth rate at March 31, 2023 was determined based upon the increase in observable forward-looking gold prices through 2028. This obligation is classified as Level 3 as the discount rate, the extrapolated forward-looking gold prices and perpetual growth rate are significant unobservable inputs. An increase in spot gold prices, forward-looking gold prices and the perpetual growth rate would result in an increase in deferred consideration, whereas an increase in the discount rate would reduce the fair value.

Current amounts payable were \$17,984 and \$16,796 and long-term amounts payable were \$161,847 and \$183,494 at March 31, 2023 and December 31, 2022, respectively.

During the three months ended March 31, 2023 and 2022, the Company recognized the following in respect of deferred consideration:

	Three Months Ended March 31,	
	2023	2022
Contractual Gold Payments	\$ 4,486	\$ 4,450
Contractual Gold Payments—gold ounces paid	2,375	2,375
Gain/(loss) on revaluation of deferred consideration—gold payments <sup>(1)</sup>	\$ 20,592	\$ (17,018)

<sup>(1)</sup> Gains on revaluation of deferred consideration—gold payments result from a decrease in spot gold prices, a decrease in the forward-looking price of gold, a decrease in the perpetual growth rate and an increase in the discount rate used to compute the present value of the annual payment obligations. Losses on revaluation of deferred consideration—gold payments result from an increase in spot gold prices, an increase in the forward-looking price of gold, an increase in the perpetual growth rate and a decrease in the discount rate used to compute the present value of the annual payment obligations.

**10. Convertible Notes**

On February 14, 2023, the Company issued and sold \$130,000 in aggregate principal amount of 5.75% Convertible Senior Notes due 2028 (the “2023 Notes”) pursuant to an indenture dated February 14, 2023, between the Company and U.S. Bank Trust Company, National Association, as trustee (or its successor in interest, the “Trustee”), in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (“Rule 144A”).

On June 14, 2021, the Company issued and sold \$150,000 in aggregate principal amount of 3.25% Convertible Senior Notes due 2026 (the “2021 Notes”) pursuant to an indenture dated June 14, 2021, between the Company and the Trustee, in a private offering to qualified institutional buyers pursuant to Rule 144A.

On June 16, 2020, the Company issued and sold \$150,000 in aggregate principal amount of 4.25% Convertible Senior Notes due 2023 (the “June 2020 Notes”) pursuant to an indenture dated June 16, 2020, between the Company and the Trustee, in a private offering to qualified institutional buyers pursuant to Rule 144A. On August 13, 2020, the Company issued and sold \$25,000 in aggregate principal amount of 4.25% Convertible Senior Notes due 2023 at a price equal to 101% of the principal amount thereof, plus interest deemed to have accrued since June 16, 2020, and constitute a further issuance of, and form a single series with, the Company’s June 2020 Notes (the “August 2020 Notes” and together with the June 2020 Notes, the “2020 Notes”).

In connection with the issuance of the 2023 Notes, the Company repurchased \$115,000 in aggregate principal amount of the 2020 Notes. As a result of this repurchase, the Company recognized a loss on extinguishment of approximately \$9,721 during the three months ended March 31, 2023.

After the issuance of the 2023 Notes (and together with the remaining 2020 Notes and the 2021 Notes, the “Convertible Notes”), the Company had \$340,000 in aggregate principal amount of Convertible Notes outstanding.

Key terms of the Convertible Notes are as follows:

	2023 Notes	2021 Notes	2020 Notes
Principal outstanding	\$130.0	\$150.0	\$60.0
Maturity date (unless earlier converted, repurchased or redeemed)	August 15, 2028	June 15, 2026	June 15, 2023
Interest rate	5.75%	3.25%	4.25%
Conversion price	\$9.54	\$11.04	\$5.92
Conversion rate	104.8658	90.5797	168.9189
Redemption price	\$12.40	\$14.35	\$7.70

- *Interest rate:* Payable semiannually in arrears on February 15 and August 15 of each year for the 2023 Notes (beginning on August 15, 2023) and June 15 and December 15 of each year for the 2020 Notes and the 2021 Notes.
- *Conversion price:* Convertible at an initial conversion rate into shares of the Company’s common stock, per \$,000 principal amount of notes (equivalent to an initial conversion price set forth in the table above), subject to adjustment.
- *Conversion:* Holders may convert at their option at any time prior to the close of business on the business day immediately preceding May 15, 2028, March 15, 2026 and March 15, 2023 for the 2023 Notes, 2021 Notes and 2020 Notes, respectively, only under the following circumstances: (i) if the last reported sale price of the Company’s common stock for at least 20 trading days 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 for the respective Convertible Notes on each applicable trading day; (ii) 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 the Convertible Notes for each trading day of the measurement period was less than 98% of the product of the last reported sales price of the Company’s common stock and the conversion rate on each such trading day; (iii) upon a notice of redemption delivered by the Company in accordance with the terms of the indentures but only with respect to the Convertible Notes called (or deemed called) for redemption; or (iv) upon the occurrence of specified corporate events. On or after May 15, 2028, March 15, 2026 and March 15, 2023 in respect of the 2023 Notes, 2021 Notes and 2020 Notes, respectively, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their Convertible Notes at any time, regardless of the foregoing circumstances.
- *Cash settlement of principal amount:* Upon conversion, the Company will pay cash up to the aggregate principal amount of the Convertible Notes to be converted. At its election, the Company will also settle its conversion obligation in excess of the aggregate principal amount of the Convertible Notes being converted in either cash, shares of its common stock or a combination of cash and shares of its common stock.
- *Redemption price:* The Company may redeem for cash all or any portion of the Convertible Notes, at its option, on or after August 20, 2025, June 20, 2023 and June 20, 2021 in respect of the 2023 Notes, 2021 Notes and 2020 Notes, respectively, 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 for the respective

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Convertible Notes then in effect for at least 20 trading days, 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 Convertible Notes.

- *Limited investor put rights:* Holders of the Convertible Notes have the right to require the Company 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.
- *Conversion rate increase in certain customary circumstances:* In certain circumstances, conversions in connection with a “make-whole fundamental change” (as defined in the indentures) or conversions of Convertible Notes called (or deemed called) for redemption may result in an increase to the conversion rate, provided that the conversion rate will not exceed 167.7853 shares, 144.9275 shares and 270.2702 shares of the Company’s common stock per \$1,000 principal amount of the 2023 Notes, 2021 Notes and 2020 Notes, respectively (the equivalent of 59,767,426 shares of the Company’s common stock), subject to adjustment.
- *Seniority and Security:* The Convertible Notes rank equal in right of payment, and 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 Non-Voting Convertible Preferred Stock (Note 11).

The indentures contain 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 Convertible Notes outstanding may declare the entire principal amount of all the Convertible Notes to be repurchased, plus any accrued special interest, if any, to be immediately due and payable.

The following table provides a summary of the carrying value of the Convertible Notes at March 31, 2023 and December 31, 2022:

	March 31, 2023				December 31, 2022		
	2023 Notes	2021 Notes	2020 Notes	Total	2021 Notes	2020 Notes	Total
Principal amount	\$ 130,000	\$ 150,000	\$ 60,000	\$ 340,000	\$ 150,000	\$ 175,000	\$ 325,000
Plus: Premium	—	—	250	250	—	250	250
Gross proceeds	130,000	150,000	60,250	340,250	150,000	175,250	325,250
Less: Unamortized issuance costs	(3,465)	(2,768)	(366)	(6,599)	(2,981)	(1,053)	(4,034)
Carrying amount	<u>126,535</u>	<u>\$ 147,232</u>	<u>\$ 59,884</u>	<u>\$ 333,651</u>	<u>\$ 147,019</u>	<u>\$ 174,197</u>	<u>\$ 321,216</u>
Effective interest rate <sup>(1)</sup>	<u>6.25%</u>	<u>3.83%</u>	<u>5.18%</u>	<u>5.00%</u>	<u>3.83%</u>	<u>5.26%</u>	<u>4.60%</u>

<sup>(1)</sup> Includes amortization of the issuance costs and premium.

Interest expense on the Convertible Notes during the three months ended March 31, 2023 and 2022 was \$8,002 and \$3,732, respectively. Interest payable of \$3,243 and \$621 at March 31, 2023 and December 31, 2022, respectively, is included in accounts payable and other liabilities on the Consolidated Balance Sheets.

The fair value of the Convertible Notes (classified as Level 2 in the fair value hierarchy) was \$31,766 and \$320,513 at March 31, 2023 and December 31, 2022, respectively. The if-converted value of the Convertible Notes did not exceed the principal amount at March 31, 2023 and December 31, 2022.

### 11. Series A Preferred Stock

On April 10, 2018, the Company filed a Certificate of Designations of Series A Non-Voting Convertible Preferred Stock (the “Series A Certificate of Designations”) with the Delaware Secretary of State establishing the rights, preferences, privileges, qualifications, restrictions, and limitations relating to the Series A Preferred Stock (defined below). The Series A Preferred Stock is intended to provide ETFs Capital with economic rights equivalent to the Company’s common stock on an as-converted basis. The Series A Preferred Stock has no voting rights, is not transferable and has the same priority with regard to dividends, distributions and payments as the common stock.

As described in the Series A Certificate of Designations, the Company will not issue, and ETFs Capital does not have the right to require the Company to issue, any shares of common stock upon conversion of the Series A Preferred Stock, if, as a result of such conversion, ETFs Capital (together with certain attribution parties) would beneficially own more than 9.99% of the Company’s outstanding common stock immediately after giving effect to such conversion.

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In connection with the completion of the ETFS Acquisition, the Company issued 14,750 shares of Series A Non-Voting Convertible Preferred Stock (the "Series A Preferred Stock"), which are convertible into an aggregate of 14,750,000 shares of common stock. The fair value of this consideration was \$132,750, based on the closing price of the Company's common stock on April 10, 2018 of \$9.00 per share, the trading day prior to the closing of the acquisition.

The following is a summary of the Series A Preferred Stock balance:

	March 31, 2023	December 31, 2022
Issuance of Series A Preferred Stock	\$ 132,750	\$ 132,750
Less: Issuance costs	(181)	(181)
Series A Preferred Stock—carrying value	\$ 132,569	\$ 132,569
Cash dividends declared per share (quarterly)	\$ 0.03	\$ 0.03

Temporary equity classification is required for redeemable instruments for which redemption triggers are outside of the issuer's control. ETFS Capital has the right to redeem all the Series A Preferred Stock specified to be converted during the period of time specified in the Series A Certificate of Designations in the event that: (a) the number of shares of the Company's common stock authorized by its certificate of incorporation is insufficient to permit the Company to convert all of the Series A Preferred Stock requested by ETFS Capital to be converted; or (b) ETFS Capital does not, upon completion of a change of control of the Company, receive the same amount per Series A Preferred Stock as it would have received had each outstanding Series A Preferred Stock been converted into common stock immediately prior to the change of control. However, the Company will not be obligated to make any such redemption payments to the extent such payments would be a breach of any covenant or obligation the Company owes to any of its secured creditors or is otherwise prohibited by applicable law.

Any such redemption will be at a price per Series A Preferred Stock equal to the dollar volume-weighted average price for a share of common stock for the 30-trading day period ending on the date of such attempted conversion or change of control, as applicable, multiplied by 1,000. Such redemption payment will be made in one payment no later than 10 business days following the last day of the Company's first fiscal quarter that begins on a date following the date ETFS Capital exercises such redemption right. The redemption value of the Series A Preferred Stock was \$86,638 and \$77,969 at March 31, 2023 and December 31, 2022, respectively.

The carrying amount of the Series A Preferred Stock was not adjusted as it was not probable that the Series A Preferred Stock would become redeemable.

## 12. Leases

The Company has entered into operating leases for its office facilities (including its corporate headquarters) and equipment. The Company has no finance leases.

The following table provides additional information regarding the Company's leases:

	Three Months Ended March 31,	
	2023	2022
<b>Lease cost:</b>		
Operating lease cost	\$ 319	\$ 89
Short-term lease cost	56	276
Total lease cost	\$ 375	\$ 365
<b>Other information:</b>		
Cash paid for amounts included in the measurement of operating liabilities (operating leases)	\$ 326	\$ 97
Right-of-use assets obtained in exchange for new operating lease liabilities	n/a	n/a
Weighted-average remaining lease term (in years)—operating leases	1.0	1.3
Weighted-average discount rate—operating leases	6.5%	4.4%

None of the Company's leases include variable payments, residual value guarantees or any restrictions or covenants relating to the Company's ability to pay dividends or incur additional financing obligations.

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The following table discloses future minimum lease payments at March 31, 2023 with respect to the Company's operating lease liabilities:

Remainder of 2023	\$ 803
2024	397
2025	—
2026	—
2027	—
2028 and thereafter	—
Total future minimum lease payments (undiscounted)	<u>\$ 1,200</u>

The following table reconciles the future minimum lease payments (disclosed above) at March 31, 2023 to the operating lease liabilities recognized in the Company's Consolidated Balance Sheets:

Amounts recognized in the Company's Consolidated Balance Sheets	
Lease liability—short term	\$ 1,041
Lease liability—long term	<u>120</u>
Subtotal	1,161
Difference between undiscounted and discounted cash flows	<u>39</u>
Total future minimum lease payments (undiscounted)	<u>\$ 1,200</u>

### 13. Contingencies

The Company may be subject to reviews, inspections and investigations by regulatory authorities as well as legal proceedings arising in the ordinary course of business.

#### *Closure of the WisdomTree WTI Crude Oil 3x Daily Leveraged ETP*

In December 2020, WMAI, WTMAML, WTUK and WisdomTree Ireland Limited ("WT Ireland") were served with a writ of summons to appear before the Court of Milan, Italy. In January 2021, WTUK was served with a writ of summons to appear before the Court of Udine, Italy. Investors had filed actions seeking damages resulting from the closure of the WisdomTree WTI Crude Oil 3x Daily Leveraged ETP ("3OIL") in March 2020. The product was dependent on the receipt of payments from a swap provider to satisfy payment obligations to the investors. Due to an extreme adverse move in oil futures relative to the oil futures' closing price, the swap contract underlying 3OIL was terminated by the swap provider, which resulted in the compulsory redemption of 3OIL, all in accordance with the prospectus.

In February 2022, the Court of Udine ruled in the Company's favor. Also in February 2022, WMAI, WTMAML, WTUK and WT Ireland were served with another writ of summons to appear before the Court of Milan by additional investors seeking damages resulting from the closure of 3OIL.

In March 2022, WMAI and WTUK were served with writs of summons to appear before the Court of Turin and the Court of Milan by additional investors seeking damages. These writs also were served on the intermediary brokers for the respective claimants, with the claimants alleging joint and several liability of WMAI, WTUK and such intermediary brokers.

Total damages sought by all investors are approximately €15,800 (\$17,186) at March 31, 2023.

The Company is currently assessing these claims with its external counsel. An accrual has not been made with respect to these matters at March 31, 2023 and December 31, 2022.

### 14. Variable Interest Entities

VIEs are entities with any of the following characteristics: (i) the entity does not have enough equity to finance its activities without additional financial support; (ii) the equity holders, as a group, lack the characteristics of a controlling financial interest; or (iii) the entity is structured with non-substantive voting rights.

Consolidation of a VIE is required for the party deemed to be the primary beneficiary, if any. The primary beneficiary is the party who has both (a) the power to direct the activities of a VIE that most significantly impact the entity's economic performance and (b) an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity. The Company is not the primary beneficiary of any entities in which it has a variable interest as it does not have the power to direct the activities that most significantly impact the entities' economic performance. Such power is conveyed through the entities' boards of directors and the Company does not have control over the boards.

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The following table presents information about the Company's variable interests in non-consolidated VIEs:

	March 31, 2023	December 31, 2022
Carrying Amount—Assets (Securrency):		
Preferred stock—Series A Shares	\$ 3,588	\$ 8,488
Preferred stock—Series B Shares	5,500	5,500
Convertible note	10,051	14,500
Subtotal—Securrency	\$ 19,139	\$ 28,488
Carrying Amount—Assets (Fnlity):		
Convertible note	7,451	6,921
Carrying Amount—Assets (Other investments):	312	312
Total (Note 7)	<u>\$ 26,902</u>	<u>\$ 35,721</u>
Maximum exposure to loss	<u>\$ 26,902</u>	<u>\$ 35,721</u>

### 15. Revenues from Contracts with Customers

The following table presents the Company's total revenues from contracts with customers:

	Three Months Ended March 31,	
	2023	2022
Revenues from contracts with customers:		
Advisory fees	\$ 77,637	\$ 76,517
Other	4,407	1,851
Total operating revenues	<u>\$ 82,044</u>	<u>\$ 78,368</u>

The Company recognizes revenues from contracts with customers when the performance obligation is satisfied, which is when the promised services are transferred to the customer. A service is considered to be transferred when the customer obtains control, which is represented by the transfer of rights with regard to the service. Transfer of control happens either over time or at a point in time. When a performance obligation is satisfied over time, an entity is required to select a single method of measuring progress for each performance obligation that depicts the entity's performance in transferring control of services to the customer.

Substantially all the Company's revenues from contracts with customers are derived primarily from investment advisory agreements with related parties (Note 16). These advisory fees are recognized over time, are earned from the Company's ETPs and are calculated based on a percentage of the ETPs' average daily net assets. There is no significant judgment in calculating amounts due which are invoiced monthly in arrears and are not subject to any potential reversal. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which the Company has a right to invoice.

There are no contract assets or liabilities that arise in connection with the recognition of advisory fee revenue. In addition, there are no costs incurred to obtain or fulfill the contracts with customers, all of which are investment advisory agreements with related parties.

Other income includes revenues the Company earns from swap providers associated with certain of the Company's European-listed ETPs, the nature of which are either based on a percentage of the ETPs' average daily net assets or flows associated with certain products. There is no significant judgment in calculating amounts due, which are invoiced monthly or quarterly in arrears and are not subject to any potential reversal. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which the Company has a right to invoice.

### Geographic Distribution of Revenue

The following table presents the Company's total revenues geographically as determined by where the respective management companies reside:

	Three Months Ended March 31,	
	2023	2022
Revenues from contracts with customers:		
United States	\$ 49,681	\$ 46,229
Jersey	29,053	28,598
Ireland	3,310	3,541
Total operating revenues	<u>\$ 82,044</u>	<u>\$ 78,368</u>



## 16. Related Party Transactions

The Company's revenues are derived primarily from investment advisory agreements with related parties. Under these agreements, the Company has licensed to related parties the use of certain of its own indexes for the U.S. WisdomTree ETFs and WisdomTree UCITS ETFs. The Board of Trustees and Board of Directors (including certain officers of the Company) of the related parties are primarily responsible for overseeing the management and affairs of the entities for the benefit of their stakeholders and have contracted with the Company to provide for general management and administration services. The Company is also responsible for certain expenses of the related parties, including the cost of transfer agency, custody, fund administration and accounting, legal, audit, and other non-distribution services, excluding extraordinary expenses, taxes and certain other expenses, which are included in fund management and administration in the Consolidated Statements of Operations. In exchange, the Company receives fees based on a percentage of the ETPs' average daily net assets. A majority of the independent members of the Board of Trustees are required to annually approve the advisory agreements of the U.S. WisdomTree ETFs and these agreements may be terminated by the Board of Trustees upon notice.

The following table summarizes accounts receivable from related parties which are included as a component of accounts receivable in the Consolidated Balance Sheets:

	<u>March 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
Receivable from WTT	\$ 17,124	\$ 16,399
Receivable from ManJer Issuers	12,790	4,485
Receivable from WMAI and WTICAV	2,532	3,255
Total	<u>\$ 32,446</u>	<u>\$ 24,139</u>

The allowance for credit losses on accounts receivable from related parties is insignificant when applying historical loss rates, adjusted for current conditions and supportable forecasts, to the amounts outstanding in the table above. Amounts outstanding are all invoiced in arrears, are less than 30 days aged and are collected shortly after the applicable reporting period.

The following table summarizes revenues from advisory services provided to related parties:

	<u>Three Months Ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Advisory services provided to WTT	\$ 49,487	\$ 46,070
Advisory services provided to ManJer Issuers	24,840	26,905
Advisory services provided to WMAI and WTICAV	3,310	3,542
Total	<u>\$ 77,637</u>	<u>\$ 76,517</u>

The Company also has investments in certain WisdomTree products of approximately \$45,214 and \$25,283 at March 31, 2023 and December 31, 2022, respectively. This includes \$12,413 and \$1,765, respectively, of investments in certain consolidated affiliated blockchain-enabled funds advised by WT Digital Management, referred to herein as "other assets—seed capital." Net unrealized and realized gains/(losses) related to trading WisdomTree products during the three months ended March 31, 2023 and 2022 were \$422 and (\$806), respectively, which are recorded in other losses, net on the Consolidated Statements of Operations.

## 17. Stock-Based Awards

On July 15, 2022, the Company's stockholders approved the 2022 Equity Plan under which the Company may issue up to 16,000,000 shares of common stock (less one share for every share granted under the 2016 Equity Plan since March 31, 2022 and inclusive of shares available under the 2016 Equity Plan as of March 31, 2022) in the form of stock options and other stock-based awards.

The Company grants equity awards to employees and directors which include restricted stock awards ("RSAs"), restricted stock units ("RSUs"), performance-based restricted stock units ("PRSUs") and stock options. Certain awards described below are subject to acceleration under certain conditions.

- Stock options: Generally issued for terms often years and may vest after at least one year of service and have an exercise price equal to the Company's stock price on the grant date. The Company estimates the fair value of stock options (when granted) using the Black-Scholes option pricing model.
- RSAs/RSUs: Awards are valued based on the Company's stock price on grant date and generally vest ratably, on an annual basis, over three years.

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PRSUs: These awards cliff vest three years from the grant date and contain a market condition whereby the number of PRSUs ultimately vesting is tied to how the Company's total shareholder return ("TSR") compares to a peer group of other publicly traded asset managers over the three-year period. A Monte Carlo simulation is used to value these awards.

The number of PRSUs vesting ranges from 0% to 200% of the target number of PRSUs granted, as follows:

- If the relative TSR is below the 25<sup>th</sup> percentile, then 0% of the target number of PRSUs granted will vest;
- If the relative TSR is at the 25<sup>th</sup> percentile, then 50% of the target number of PRSUs granted will vest;
- If the relative TSR is above the 25<sup>th</sup> percentile, then linear scaling is applied such that the percent of the target number of PRSUs vesting is 100% at the 50<sup>th</sup> percentile and capped at 200% of the target number of PRSUs granted for performance at the 85<sup>th</sup> percentile (or 100<sup>th</sup> percentile for grants made in 2020); and
- If the Company's TSR is negative, the target number of PRSUs vesting is capped at 100% regardless of the relative TSR percentile.

Stock-based compensation expense during the three months ended March 31, 2023 and 2022 was \$4,536 and \$2,936, respectively.

A summary of unrecognized stock-based compensation expense and average remaining vesting period is as follows:

	March 31, 2023	
	Unrecognized Stock-Based Compensation	Weighted-Average Remaining Vesting Period (Years)
Employees and directors	\$ 30,415	2.10

A summary of stock-based compensation award activity (shares) during the three months ended March 31, 2023 is as follows:

	RSA	RSU	PRSU
Balance at January 1, 2023	3,391,082	141,963	668,188
Granted	3,273,263	73,855	576,240 <sup>(1)</sup>
Vested	(1,498,171)	(26,837)	(83,158) <sup>(2)</sup>
Forfeited	(11,885)	(233)	(24,955) <sup>(2)</sup>
Balance at March 31, 2023	5,154,289	188,748	1,136,315

<sup>(1)</sup> Represents the target number of PRSUs granted and outstanding. The number of PRSUs that ultimately vest ranges from 0% to 200% of this amount. A Monte-Carlo simulation was used to value these awards using the following assumptions for the Company and the peer group: (i) beginning 90-day average stock prices; (ii) valuation date stock prices; (iii) historical stock price volatilities ranging from 37% to 56% (average 47%); (iv) correlation coefficients based upon the price data used to calculate the historical volatilities; (v) a risk free interest rate of 3.8%; and (vi) an expected dividend yield of 0%.

<sup>(2)</sup> The payout on PRSUs vesting in January 2023 was 77%. The remainder of the awards were forfeited.

## 18. Stockholder Rights Plan

On March 17, 2023, the Board of Directors of the Company adopted a stockholder rights plan, as set forth in the Stockholder Rights Agreement, dated March 17, 2023, between the Company and Continental Stock Transfer & Trust Company, as Rights Agent (the "Stockholder Rights Agreement").

Pursuant to the terms of the Stockholder Rights Agreement, the Board of Directors declared a dividend distribution of (i) one Right (as defined below) for each outstanding share of common stock, par value \$0.01 per share, of the Company's common stock and (ii) 1,000 Rights for each outstanding share of Series A Preferred Stock, to stockholders of record as of the close of business on March 28, 2023 (the "Record Date"). In addition, one Right will automatically attach to each share of common stock and 1,000 Rights will automatically attach to each share of Series A Preferred Stock, in each case, issued between the Record Date and the earlier of the Distribution Date (as defined below) and the expiration date of the Rights. Each "Right" entitles the registered holder thereof to purchase from the Company a unit consisting of one ten-thousandth of a share (a "Unit") of Series B Junior Participating Cumulative Preferred Stock, par value \$0.01 per share, of the Company (the "Series B Preferred Stock") at a cash exercise price of \$32.00 per Unit (the "Exercise Price"), subject to adjustment, under certain conditions specified in the Stockholder Rights Agreement and summarized below.

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Initially, the Rights are not exercisable and are attached to and trade with all shares of common stock and Series A Preferred Stock outstanding as of, and issued subsequent to, the Record Date. The Rights will separate from the common stock and Series A Preferred Stock and will become exercisable upon the earlier of (i) the close of business on the tenth calendar day following the first public announcement that a person or group of affiliated or associated persons (an “Acquiring Person”) has acquired beneficial ownership of 10% (or 20% in the case of a person or group which, together with all affiliates and associates of such person or group, is the beneficial owner of shares of common stock of the Company representing less than 20% of the shares of common stock of the Company then outstanding, and which is entitled to file, and files, a statement on Schedule 13G pursuant to Rule 13d-1(b) or Rule 13d-1(c) of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, as in effect at the time of the first public announcement of the declaration of the Rights dividend with respect to the shares of common stock beneficially owned by such person or group) or more of the outstanding shares of common stock, other than as a result of repurchases of stock by the Company or certain inadvertent actions by a stockholder (the date of such announcement being referred to as the “Stock Acquisition Date”), or (ii) the close of business on the tenth business day (or such later day as the Board of Directors may determine) following the commencement of a tender offer or exchange offer that could result upon its consummation in a person or group becoming an Acquiring Person (the earlier of such dates being herein referred to as the “Distribution Date”). A person or group who beneficially owned 10% or more (or 20% or more in the case of passive stockholders) of the Company’s outstanding common stock prior to the first public announcement by the Company of the adoption of the Stockholder Rights Agreement will not trigger the Stockholder Rights Agreement so long as they do not acquire beneficial ownership of any additional shares of common stock at a time when they still beneficially own 10% or more (or 20% or more in the case of passive stockholders) of such common stock, subject to certain exceptions as set forth in the Stockholder Rights Agreement.

For purposes of the Stockholder Rights Agreement, beneficial ownership is defined to include ownership of securities that are subject to a derivative transaction and acquired derivative securities. Swaps dealers unassociated with any control intent or intent to evade the purposes of the Stockholder Rights Agreement are excepted from such imputed beneficial ownership.

In the event that a Stock Acquisition Date occurs, proper provision will be made so that each holder of a Right (other than an Acquiring Person or its associates or affiliates, whose Rights shall become null and void) will thereafter have the right to receive upon exercise, in lieu of a number of shares of Series B Preferred Stock, that number of shares of common stock of the Company (or, in certain circumstances, including if there are insufficient shares of common stock to permit the exercise in full of the Rights, Units of Series B Preferred Stock, other securities, cash or property, or any combination of the foregoing) having a market value of two times the Exercise Price of the Right (such right being referred to as the “Subscription Right”). In the event that, at any time following the Stock Acquisition Date, (i) the Company consolidates with, or merges with and into, any other person, and the Company is not the continuing or surviving corporation, (ii) any person consolidates with the Company, or merges with and into the Company and the Company is the continuing or surviving corporation of such merger and, in connection with such merger, all or part of the shares of common stock are changed into or exchanged for stock or other securities of any other person or cash or any other property, or (iii) 50% or more of the Company’s assets or earning power is sold, mortgaged or otherwise transferred, each holder of a Right (other than an Acquiring Person or its associates or affiliates, whose Rights shall become null and void) will thereafter have the right to receive, upon exercise, common stock of the acquiring company having a market value equal to two times the Exercise Price of the Right (such right being referred to as the “Merger Right”). The holder of a Right will continue to have the Merger Right whether or not such holder has exercised the Subscription Right. Rights that are or were beneficially owned by an Acquiring Person may (under certain circumstances specified in the Stockholder Rights Agreement) become null and void.

The Rights may be redeemed in whole, but not in part, at a price of \$0.01 per Right (payable in cash, common stock or other consideration deemed appropriate by the Board of Directors) by the Board of Directors only until the earlier of (i) the time at which any person becomes an Acquiring Person or (ii) the expiration date of the Stockholder Rights Agreement. Immediately upon the action of the Board of Directors ordering redemption of the Rights, the Rights will terminate and thereafter the only right of the holders of Rights will be to receive the redemption price.

The Stockholder Rights Agreement may be amended by the Board of Directors in its sole discretion at any time prior to the time at which any person becomes an Acquiring Person. After such time the Board of Directors may, subject to certain limitations set forth in the Stockholder Rights Agreement, amend the Stockholder Rights Agreement only to cure any ambiguity, defect or inconsistency, to shorten or lengthen any time period, or to make changes that do not adversely affect the interests of Rights holders (excluding the interests of an Acquiring Person or its associates or affiliates).

Until a Right is exercised, the holder will have no rights as a stockholder of the Company (beyond those as an existing stockholder), including the right to vote or to receive dividends. While the distribution of the Rights will not be taxable to stockholders or to the Company, stockholders may, depending upon the circumstances, recognize taxable income in the event that the Rights become exercisable for shares of common stock, other securities of the Company, other consideration or for common stock of an acquiring company.

The Rights are not exercisable until the Distribution Date and will expire at the close of business on March 16, 2024; provided that if the Company’s stockholders have not ratified the Stockholder Rights Agreement by the close of business on the first day after the Company’s 2023 annual meeting of stockholders (including any adjournments or postponements thereof), the Rights will expire at such time, in each case, unless previously redeemed or exchanged by the Company.

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The Stockholder Rights Agreement provides the holders of the common stock with the ability to exempt an offer to acquire, or engage in another business combination transaction involving, the Company that is deemed a “Qualifying Offer” (as defined in the Stockholder Rights Agreement) from the terms of the Stockholder Rights Agreement. A Qualifying Offer is, in summary, an offer determined by a majority of the independent members of the Board to have specific characteristics that are generally intended to preclude offers that are coercive, abusive or highly contingent. Among those characteristics are that it be: (i) a fully financed all-cash tender offer or an exchange offer offering shares of common stock of the offeror, or a combination thereof, for any and all of the common stock; and (ii) an offer that is otherwise in the best interests of the Company’s stockholders. The Stockholder Rights Agreement provides additional characteristics necessary for an acquisition offer to be deemed a “Qualifying Offer,” including if the consideration offered in a proposed transaction is stock of the acquiror.

Pursuant to the Stockholder Rights Agreement, if the Company receives a Qualifying Offer and the Board of Directors has not redeemed the outstanding Rights or exempted such Qualifying Offer from the terms of the Stockholder Rights Agreement or called a special meeting of stockholders (the “Special Meeting”) for the purpose of voting on whether to exempt such Qualifying Offer from the terms of the Stockholder Rights Agreement, in each case by the end of the 90 business day period following the commencement of such Qualifying Offer, provided such offer remains a Qualifying Offer during such period, the holders of 10% of the common stock may request that the Board call a Special Meeting to vote on a resolution authorizing the exemption of the Qualifying Offer from the terms of the Stockholder Rights Agreement. If such a Special Meeting is not held by the 90th business day following the receipt of such a request from stockholders to call a Special Meeting, the Qualifying Offer will be deemed exempt from the terms of the Stockholder Rights Agreement on the 10th business day thereafter.

### 19. Earnings/(Loss) Per Share

The following tables set forth reconciliations of the basic and diluted earnings/(loss) per share computations for the periods presented:

	Three Months Ended March 31,	
	2023	2022
<b>Basic Earnings/(Loss) per Share</b>		
Net income/(loss)	\$ 16,233	\$ (10,261)
Less: Income distributed to participating securities	(498)	(549)
Less: Undistributed income allocable to participating securities	(1,206)	—
Net income/(loss) available to common stockholders—Basic EPS	\$ 14,529	\$ (10,810)
Weighted average common shares (in thousands)	143,862	142,782
Basic earnings/(loss) per share	<u>\$ 0.10</u>	<u>\$ (0.08)</u>
<b>Diluted Earnings/(Loss) per Share</b>		
Net earnings/(loss) available to common stockholders	\$ 14,529	\$ (10,810)
Add back: Undistributed income allocable to participating securities	1,206	—
Less: Reallocation of undistributed income allocable to participating securities considered potentially dilutive	(1,202)	—
Net income/(loss) available to common stockholders—Diluted EPS	\$ 14,533	\$ (10,810)
<b>Weighted Average Diluted Shares (in thousands):</b>		
Weighted average common shares	143,862	142,782
Dilutive effect of common stock equivalents, excluding participating securities	569	—
Weighted average diluted shares, excluding participating securities (in thousands)	144,431	142,782
Diluted earnings/(loss) per share	<u>\$ 0.10</u>	<u>\$ (0.08)</u>

Diluted earnings/(loss) per share presented above is calculated using the two-class method as this method results in the lowest diluted earnings per share amount for common stock. During the three months ended March 31, 2022, there were no dilutive common stock equivalents as the Company reported a net loss for the period. Total antidilutive non-participating common stock equivalents were 695 and 509 for the three months ended March 31, 2023 and 2022, respectively.

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There were no potential common shares associated with the conversion options embedded in the Convertible Notes included in weighted average diluted shares for the three months ended March 31, 2023 and 2022 as the Company's average stock price was lower than the conversion price.

The following table reconciles weighted average diluted shares as reported on the Company's Consolidated Statements of Operations for the three months ended March 31, 2023 and 2022, which are determined pursuant to the treasury stock method, to the weighted average diluted shares used to calculate diluted earnings/(loss) per share as disclosed in the table above:

Reconciliation of Weighted Average Diluted Shares (in thousands)	Three Months Ended March 31,	
	2023	2022
Weighted average diluted shares as disclosed on the Consolidated Statements of Operations	159,887	142,782 <sup>(1)</sup>
Less: Participating securities:		
Weighted average shares of common stock issuable upon conversion of the Series A Preferred Stock (Note 11)	(14,750)	—
Potentially dilutive restricted stock awards	(706)	—
Weighted average diluted shares used to calculate diluted earnings/(loss) per share as disclosed in the table above	<u>144,431</u>	<u>142,782</u>

<sup>(1)</sup> Excludes 15,521 participating securities and 31 potentially dilutive non-participating common stock equivalents for the three months ended March 31, 2022, as the Company reported a net loss for the period (shares herein are reported in thousands).

## 20. Income Taxes

### Effective Income Tax Rate – Three Months Ended March 31, 2023 and March 31, 2022

The Company's effective income tax rate during the three months ended March 31, 2023 was 7.9% resulting in income tax expense of \$1,383. The effective income tax rate differs from the federal statutory tax rate of 21% primarily due to a non-taxable gain on revaluation of deferred consideration and a \$1,353 reduction in unrecognized tax benefits (including interest and penalties). These items were partly offset by a non-deductible loss on extinguishment of our convertible notes and an increase in the deferred tax asset valuation allowance on losses recognized on the Company's investments.

The Company's effective income tax rate during the three months ended March 31, 2022 of 62.0% resulted in an income tax benefit of \$16,713. The effective income tax rate differs from the federal statutory tax rate of 21% primarily due to a \$19,897 reduction in unrecognized tax benefits (including interest and penalties), a lower tax rate on foreign earnings and tax windfalls associated with the vesting of stock-based compensation awards. These items were partly offset by a non-taxable loss on revaluation of deferred consideration and an increase in the deferred tax asset valuation allowance on losses recognized on securities owned.

### Deferred Tax Assets

A summary of the components of the Company's deferred tax assets at March 31, 2023 and December 31, 2022 is as follows:

	March 31, 2023	December 31, 2022
Deferred tax assets:		
Capital losses	\$ 17,740	\$ 17,541
Unrealized losses	4,781	3,821
NOLs—Foreign	1,625	1,609
Accrued expenses	1,527	6,030
Goodwill and intangible assets	1,038	1,085
Stock-based compensation	865	1,526
Interest carryforwards	476	—
Operating lease liabilities	260	313
Foreign currency translation adjustment	254	173
NOLs—U.S.	127	255
Outside basis differences	122	122

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	March 31, 2023	December 31, 2022
Other	355	341
Deferred tax assets	29,170	32,816
Deferred tax liabilities:		
Fixed assets and prepaid assets	150	278
Unremitted earnings—European subsidiaries	246	205
Right of use assets—operating leases	260	313
Deferred tax liabilities	656	796
Total deferred tax assets less deferred tax liabilities	28,514	32,020
Less: Valuation allowance	(22,643)	(21,484)
Deferred tax assets, net	<u>\$ 5,871</u>	<u>\$ 10,536</u>

### Net Operating and Capital Losses—U.S.

The Company's tax effected net operating losses ("NOLs") at March 31, 2023 were \$127, which expire in 2024. The net operating loss carryforwards have been reduced by the impact of annual limitations described in the Internal Revenue Code Section 382 that arose as a result of an ownership change.

The Company's tax effected capital losses at March 31, 2023 were \$17,740. These capital losses expire between the years 2023 and 2028.

### Net Operating Losses—Europe

One of the Company's European subsidiaries generated NOLs outside the U.S. These tax effected NOLs, all of which are carried forward indefinitely, were \$1,625 at March 31, 2023.

### Valuation Allowance

The Company's valuation allowance has been established on its net capital losses, unrealized losses and outside basis differences, as it is more-likely-than-not that these deferred tax assets will not be realized.

### Uncertain Tax Positions

Tax positions are evaluated utilizing a two-step process. The Company first determines whether any of its tax positions are more-likely-than-not to be sustained upon examination, based solely on the technical merits of the position. Once it is determined that a position meets this recognition threshold, the position is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement.

In connection with the ETFS Acquisition, the Company accrued a liability for uncertain tax positions and interest and penalties at the acquisition date. The Company also recorded an offsetting indemnification asset provided by ETFS Capital as part of its agreement to indemnify the Company for any potential claims. The table below sets forth the aggregate changes in the balance of these gross unrecognized tax benefits:

	Total	Unrecognized Tax Benefits	Interest and Penalties
Balance at January 1, 2023	\$ 1,353	\$ 957	\$ 396
Decrease—Lapse of statute of limitations	(1,353)	(957)	(396)
Balance at March 31, 2023	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

<sup>(1)</sup> The gross unrecognized tax benefits were accrued in British pounds.

### Income Tax Examinations

The Company is subject to U.S. federal income tax as well as income tax of multiple state, local and certain foreign jurisdictions. As of March 31, 2023, with few exceptions, the Company was no longer subject to income tax examinations by any taxing authority for the years before 2018.

### Undistributed Earnings of Foreign Subsidiaries

ASC 740-30 Income Taxes provides guidance that US companies do not need to recognize tax effects on foreign earnings that are indefinitely reinvested. The Company repatriates earnings of its foreign subsidiaries and therefore has recognized a deferred tax liability of \$246 and \$205 at March 31, 2023 and December 31, 2022, respectively.

## 21. Shares Repurchased

On February 22, 2022, the Company's Board of Directors approved an increase of \$85,709 to the Company's share repurchase program to \$100,000 and extended the term for three years through April 27, 2025. Included under the Company's share repurchase program are purchases to offset future equity grants made under the Company's equity plans and purchases made in open market or privately negotiated transactions. This authority may be exercised from time to time, subject to regulatory considerations. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements, market conditions and other corporate liquidity requirements and priorities. The repurchase program may be suspended or terminated at any time without prior notice. Shares repurchased under this program are returned to the status of authorized and unissued on the Company's books and records.

During the three months ended March 31, 2023 and 2022, the Company repurchased 604,505 and 588,694 shares of its common stock, respectively, under this program for an aggregate cost of \$3,384 and \$3,394, respectively. Shares repurchased under this program were returned to the status of authorized and unissued on the Company's books and records.

As of March 31, 2023, \$96,591,597 remained under this program for future purchases.

## 22. Goodwill and Intangible Assets

### Goodwill

The table below sets forth goodwill which is tested annually for impairment on November 30:

	<b>Total</b>
Balance at January 1, 2023	\$ 85,856
Changes	—
Balance at March 31, 2023	<u>\$ 85,856</u>

Goodwill arising from the ETFS Acquisition of \$84,057 is not deductible for tax purposes as the acquisition was structured as a stock acquisition occurring in the U.K. The remainder of the goodwill is deductible for U.S. tax purposes.

### Intangible Assets

The table below sets forth the Company's intangible assets which are tested annually for impairment on November 30:

<b>Balance at March 31, 2023</b>			
<b>Item</b>	<b>Gross Asset</b>	<b>Accumulated Amortization</b>	<b>Net Asset</b>
ETFS acquisition	\$ 601,247	\$ —	\$ 601,247
Software development	2,822	(101)	2,721
Balance at March 31, 2023	<u>\$ 604,069</u>	<u>\$ (101)</u>	<u>\$ 603,968</u>

<b>Balance at December 31, 2022</b>			
<b>Item</b>	<b>Gross Asset</b>	<b>Accumulated Amortization</b>	<b>Net Asset</b>
ETFS acquisition	\$ 601,247	\$ —	\$ 601,247
Software development	2,370	(50)	2,320
Balance at December 31, 2022	<u>\$ 603,617</u>	<u>\$ (50)</u>	<u>\$ 603,567</u>

### ETFS Acquisition (Indefinite-Lived)

In connection with the ETFS Acquisition, which was completed on April 11, 2018, the Company identified intangible assets valued at \$601,247 related to the right to manage AUM through customary advisory agreements. These intangible assets were determined to have indefinite useful lives and are not deductible for tax purposes.

### Software Development (Finite-Lived)

Internally-developed software is amortized over a useful life of three years. During the three-month period ended March 31, 2023, the Company recognized amortization expense on internally-developed software of \$51.

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As of March 31, 2023, expected amortization expense for the unamortized finite-lived intangible assets for the next five years and thereafter is as follows:

Remained of 2023	\$	656
2024		940
2025		891
2026		234
2027		—
2028 and thereafter		—
Total expected amortization expense	\$	<u>2,721</u>

The weighted-average remaining useful life of the finite-lived intangible assets is 2.9 years.

### **23. Contingent Payments**

#### ***Sale of Canadian ETF Business***

On February 19, 2020, the Company completed the sale of all the outstanding shares of WisdomTree Asset Management Canada, Inc. to CI Financial Corp. The Company received CDN \$3,720 (USD \$2,774) in cash at closing and was paid CDN \$3,000 (USD \$2,360) and CDN \$2,000 (USD \$1,477) of additional cash consideration based upon the achievement of certain AUM growth targets as determined on the 18-month and the 36-month anniversaries of the closing date, respectively.

A gain of \$1,477 was recognized during the three months ended March 31, 2023, from remeasuring the contingent payment to its realizable value. These gains were recorded in other losses, net.

### **24. Subsequent Events**

The Company evaluated subsequent events through the date of issuance of the accompanying consolidated financial statements. There were no events requiring disclosure.



## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations should be read together with our consolidated financial statements and the related notes and the other financial information included elsewhere in this Report. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below. For a more complete description of the risks noted above and other risks that could cause our actual results to materially differ from our current expectations, please see Item 1A "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. We assume no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.*

### Executive Summary

We are a global financial innovator, offering a well-diversified suite of ETPs, models and solutions. We empower investors to shape their future and support financial professionals to better serve their clients and grow their businesses. We leverage the latest financial infrastructure to create products that provide access, transparency and an enhanced user experience. Building on our heritage of innovation, we are also developing next-generation digital products and structures, including Digital Funds and tokenized assets, as well as our blockchain-native digital wallet, WisdomTree Prime™.

We have approximately \$90.7 billion in AUM as of March 31, 2023. Our family of ETPs includes products that provide exposure to equities, commodities, fixed income, leveraged-and-inverse, currency, cryptocurrency and alternative strategies. We have launched many first-to-market products and pioneered alternative weighting we call "Modern Alpha," which combines the outperformance potential of active management with the benefits of passive management to offer investors cost-effective funds that are built to perform. Most of our equity-based funds employ a fundamentally weighted investment methodology, which weights securities based on factors such as dividends, earnings or investment factors, whereas most other industry indexes use a capitalization weighted methodology. These products are distributed through all major channels in the asset management industry, including banks, brokerage firms, registered investment advisers, institutional investors, private wealth managers and online brokers primarily through our sales force. We believe technology is altering the way financial advisors conduct business and through our Advisor Solutions program we offer technology-enabled and research-driven solutions including portfolio construction, asset allocation, practice management services and digital tools to help financial advisors address technology challenges and grow and scale their businesses.

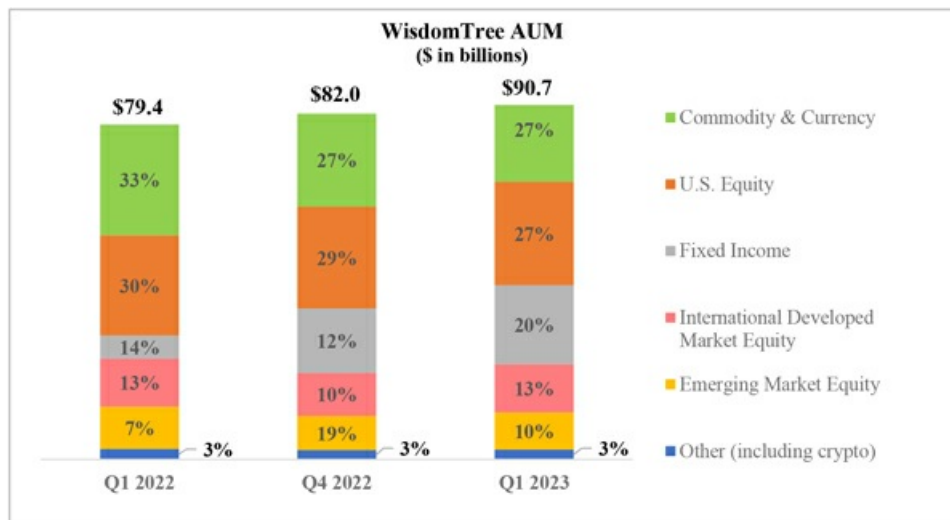
We are at the forefront of innovation and believe that tokenization and leveraging the utility of blockchain technology is the next evolution in financial services. We are building the foundation that will allow us to lead in this coming evolution. WisdomTree Prime™, our blockchain-native digital wallet, is currently in beta testing and positions us to expand our blockchain-enabled financial services product offerings with a new direct-to-consumer channel where spending, saving and investing are united. As we continue to pursue our digital assets strategy, we are embracing a concept we refer to as "responsible DeFi," which we believe upholds the foundational principles of regulation in this innovative and quickly evolving space. We believe that our expansion into digital assets will complement our existing core competencies in a holistic manner, diversify our revenue streams and contribute to our growth.

We were incorporated under the laws of the state of Delaware on September 19, 1985 as Financial Data Systems, Inc., were renamed WisdomTree Investments, Inc. on September 6, 2005, and ultimately renamed WisdomTree, Inc. on November 7, 2022.

**Assets Under Management**

**WisdomTree ETPs**

We offer ETPs covering equity, commodity, fixed income, leveraged-and-inverse, currency, alternatives and cryptocurrency. The chart below sets forth the asset mix of our ETPs at March 31, 2023, December 31, 2022 and March 31, 2022:



**Market Environment**

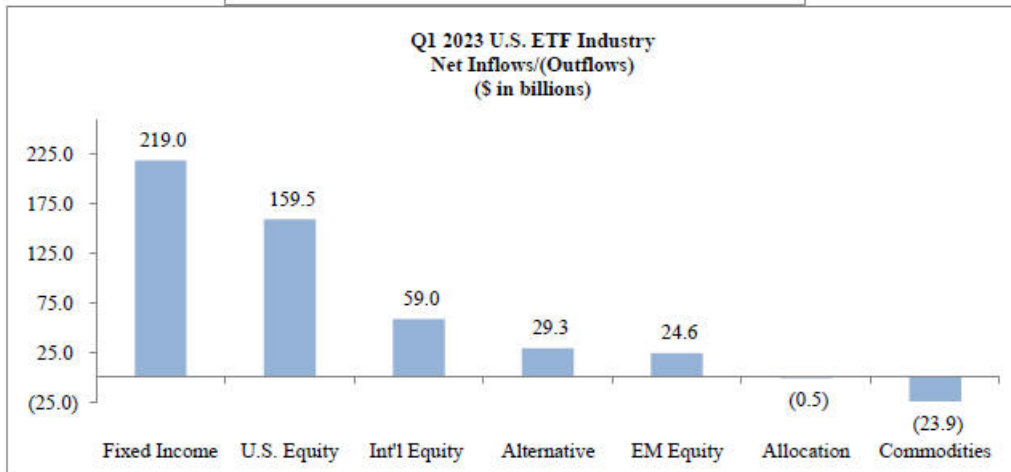
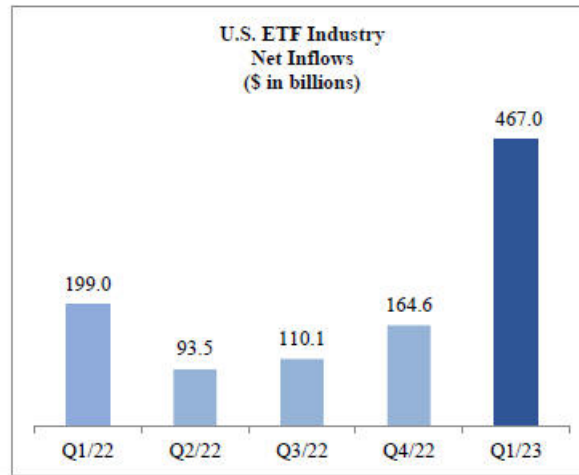
The outlook for the first quarter of 2023 improved as developed markets continued to stave off a recession despite rising interest rates. The outlook for emerging markets has improved since the zero-Covid policy was abandoned in China. In March, gold prices increased to over \$2,000 per ounce for the first time in over a year amid market volatility sparked by the Silicon Valley Bank’s collapse and further turbulence in the banking sector.

The S&P 500, MSCI EAFE (local currency), MSCI Emerging Markets Index (U.S. dollar) and gold prices increased by 7.5%, 7.7%, 4.0% and 9.2%, respectively, during the quarter. In addition, the European and Japanese equities markets both appreciated with the MSCI EMU Index and MSCI Japan Index increasing 12.3% and 7.3%, respectively, in local currency terms for the quarter. Also, the U.S. dollar weakened 1.8%, 2.6% and 1.3% versus the euro, British pound and the Japanese yen, respectively, during the quarter.

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**U.S. Listed ETF Industry Flows**

U.S. listed ETF net flows for the three months ended March 31, 2023 were \$467 billion. Fixed income and U.S. equity gathered the majority of those flows.

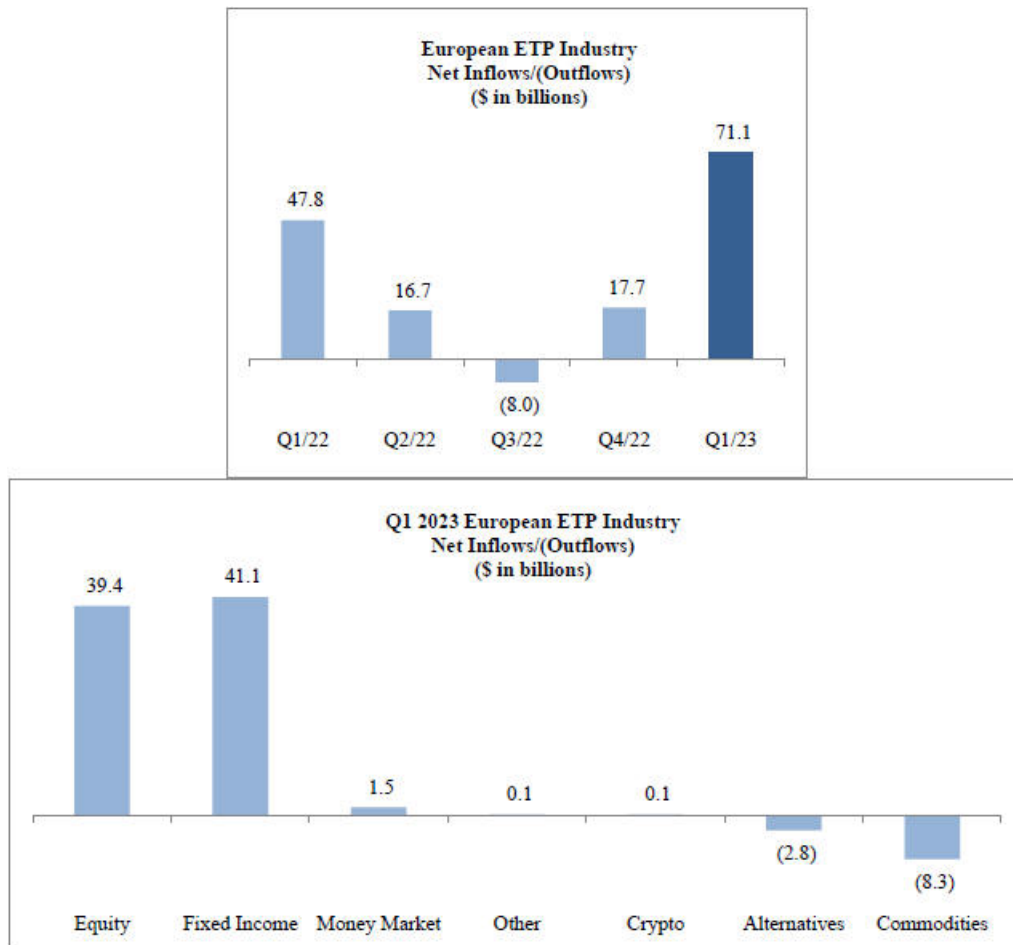


Source: Morningstar

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**European Listed ETP Industry Flows**

European listed ETP net flows were \$71.1 billion for the three months ended March 31, 2023. Equities and fixed income gathered the majority of those flows.



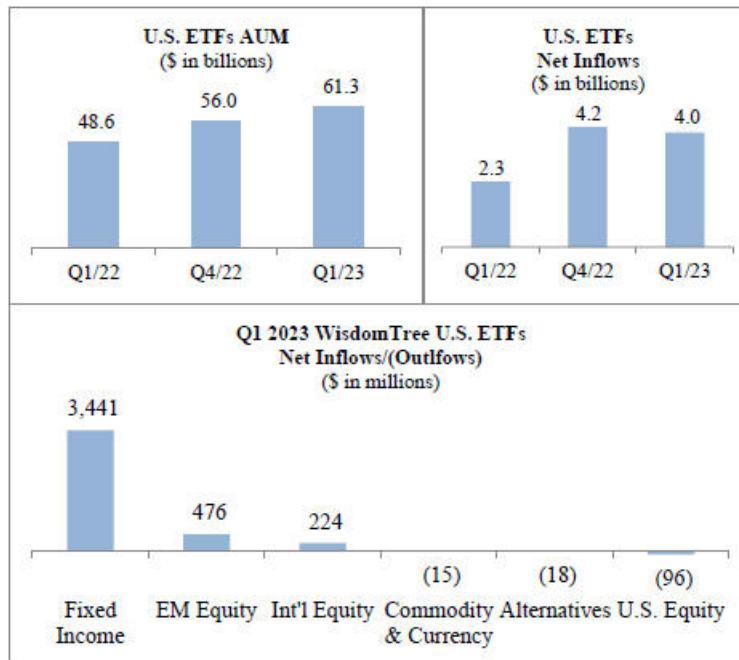
Source: Morningstar

**Our Operating and Financial Results**

We operate as an ETP sponsor and asset manager, providing investment advisory services globally through our subsidiaries in the U.S. and Europe.

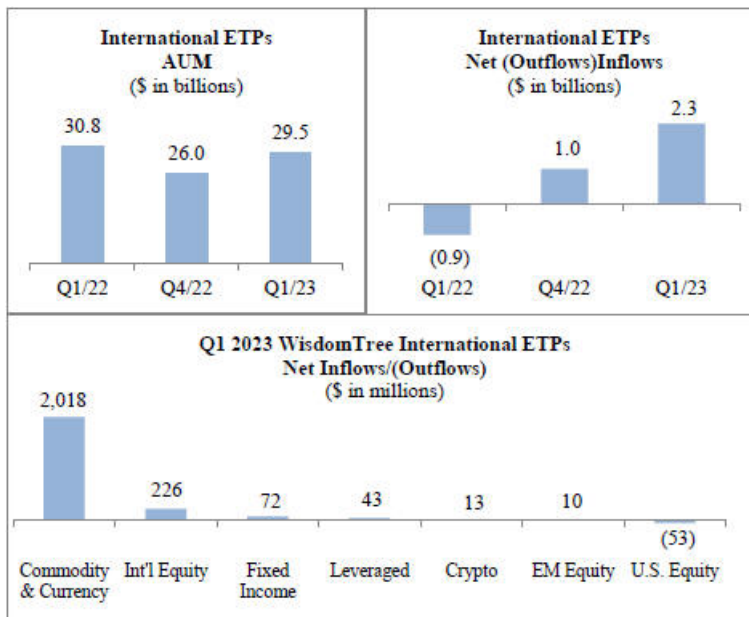
**U.S. Listed ETFs**

The AUM of our U.S. listed exchange traded funds, or U.S. listed ETFs, increased from \$56.0 billion at December 31, 2022 to \$61.3 billion at March 31, 2023 due to net inflows and market appreciation.



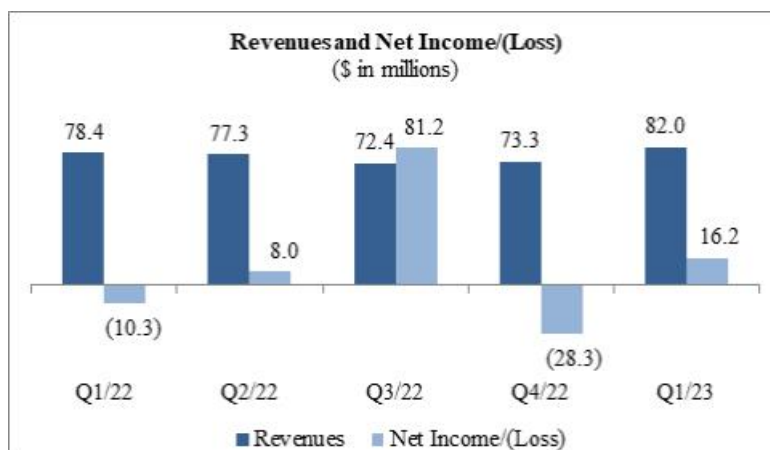
**European Listed ETPs**

The AUM of our European listed (including internationally cross-listed) ETPs, or European listed ETPs, increased from \$26.0 billion at December 31, 2022 to \$29.5 billion at March 31, 2023, due to net inflows and market appreciation.



**Consolidated Operating Results**

The following table sets forth our revenues and net income/(loss) for the most recent five quarters.



- *Revenues* – Total revenues increased 4.7% from the three months ended March 31, 2022 to \$82.0 million due to higher average AUM and higher other income from large flows into some of our European products. These items were partly offset by a lower average advisory fee.
- *Expenses* – Total operating expenses increased 7.9% from the three months ended March 31, 2022 to \$65.5 million primarily due to higher compensation from increased headcount and stock-based compensation expense, fund management and administration costs and other expenses. These increases were partly offset by lower professional fees.
- *Other Income/(Expenses)* – Other income/(expenses) includes interest income and interest expense, gains/(losses) on revaluation of deferred consideration–gold payments, impairments, loss on extinguishment of convertible notes and other losses and gains. Further information is provided herein.
- *Net income/(loss)* – We reported net income of \$16.2 million and a net loss of (\$10.3) million during the three months ended March 31, 2023 and 2022, respectively.

**Expense Guidance Update for the Year Ending December 31, 2023**

**Compensation Expense**

Our compensation expense for the year ending December 31, 2023 is currently estimated to range from \$100.0 million to \$106.0 million. This range considers variability in incentive compensation, with drivers including the magnitude of our flows, our share price performance in relation to our peers as well as revenue, operating income and operating margin performance. Given the strong start to 2023, we anticipate trending toward the high end of this range.

**Discretionary Spending**

Discretionary spending includes, marketing, sales, professional fees, occupancy and equipment, depreciation and amortization and other expenses. During the three months ended March 31, 2023, our discretionary spending was \$13.2 million. We currently estimate our discretionary spending for the year ending December 31, 2023 to range from \$56.0 million to \$59.0 million (unchanged from our guidance provided last quarter), as we anticipate an uptick in marketing spend.

Not included in the guidance above are potential non-recurring expenses in response to an activist campaign, including \$1.0 million incurred during the three months ended March 31, 2023.

**Gross Margin**

We define gross margin as total operating revenues less fund management and administration expenses. Gross margin percentage is calculated as gross margin divided by total operating revenues. Our gross margin was 79.1% during the three months ended March 31, 2023. Our gross margin guidance for the year ending December 31, 2023 is estimated to be 78% given anticipated product launches, changes in other income which may rise or fall depending upon the magnitude of flows of our European-listed products and uncertain market conditions.

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***Contractual Gold Payments***

We currently estimate our contractual gold payments expense for the year ending December 31, 2023 to be approximately \$18.0 million (unchanged from our guidance provided last quarter) taking into consideration current gold prices.

***Third-Party Distribution Fees***

We currently estimate third-party distribution fees to range from \$8.0 million to \$9.0 million (unchanged from our guidance provided last quarter) for the year ending December 31, 2023. Given the AUM on our platforms we anticipate trending toward the high end of this guidance.

***Interest Expense***

Our interest expense for the year ending December 31, 2023 is currently estimated to be \$15.0 million. Our interest cost for the three months ended June 30, 2023 is estimated to be \$4.1 million, which should then reduce to \$3.5 million per quarter going forward upon the settlement of \$60.0 million in aggregate principal amount of our 2020 Notes (defined below) maturing in June 2023.

***Income Tax Expense***

We currently estimate that our consolidated normalized effective tax rate will be 23% (unchanged from our guidance provided last quarter). This estimated rate may change and is dependent upon our actual taxable income earned in relation to our forecasts.

This normalized effective tax rate excludes items that are non-recurring and not core to our operating business including but not limited to the impact of any revaluation on deferred consideration – gold payments, the loss on extinguishment of convertible notes, remeasurement of contingent consideration from the sale of our former Canadian ETF business, gains and losses on financial instruments owned and investments, valuation allowances on capital losses, reductions in unrecognized tax benefits and any stock-based compensation windfalls or shortfalls.

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**Key Operating Statistics**

The following table presents key operating statistics that serve as indicators for the performance of our business:

	<b>Three Months Ended</b>		
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
<b>GLOBAL ETPs (in millions)</b>			
Beginning of period assets	\$ 81,993	\$ 70,878	\$ 77,479
Inflows/(outflows)	6,341	5,264	1,319
Market appreciation/(depreciation)	2,406	5,851	609
End of period assets	<u>\$ 90,740</u>	<u>\$ 81,993</u>	<u>\$ 79,407</u>
Average assets during the period	\$ 87,508	\$ 77,649	\$ 77,809
Average advisory fee during the period	0.36%	0.36%	0.40%
Number of ETPs—end of the period	350	348	341
<b>US LISTED ETFs (in millions)</b>			
Beginning of period assets	\$ 55,973	\$ 48,043	\$ 48,210
Inflows/(outflows)	4,012	4,232	2,250
Market appreciation/(depreciation)	1,298	3,698	(1,838)
End of period assets	<u>\$ 61,283</u>	<u>\$ 55,973</u>	<u>\$ 48,622</u>
Average assets during the period	\$ 59,430	\$ 53,655	\$ 47,499
Number of ETPs—end of the period	80	79	77
<b>EUROPEAN LISTED ETPs (in millions)</b>			
Beginning of period assets	\$ 26,020	\$ 22,835	\$ 29,269
Inflows/(outflows)	2,329	1,032	(931)
Market appreciation/(depreciation)	1,108	2,153	2,447
End of period assets	<u>\$ 29,457</u>	<u>\$ 26,020</u>	<u>\$ 30,785</u>
Average assets during the period	\$ 28,078	\$ 23,994	\$ 30,310
Number of ETPs—end of the period	270	269	264
<b>PRODUCT CATEGORIES (in millions)</b>			
<b>Commodity &amp; Currency</b>			
Beginning of period assets	\$ 22,097	\$ 19,561	\$ 24,598
Inflows/(outflows)	2,003	796	(1,053)
Market appreciation/(depreciation)	824	1,740	2,757
End of period assets	<u>\$ 24,924</u>	<u>\$ 22,097</u>	<u>\$ 26,302</u>
Average assets during the period	\$ 23,806	\$ 20,345	\$ 25,891
<b>U.S. Equity</b>			
Beginning of period assets	\$ 24,112	\$ 20,952	\$ 23,860
(Outflows)/inflows	(149)	1,021	779
Market appreciation/(depreciation)	571	2,139	(901)
End of period assets	<u>\$ 24,534</u>	<u>\$ 24,112</u>	<u>\$ 23,738</u>
Average assets during the period	\$ 24,726	\$ 23,492	\$ 23,134
<b>Fixed Income</b>			
Beginning of period assets	\$ 15,273	\$ 11,695	\$ 4,356
Inflows/(outflows)	3,513	3,393	1,242
Market (depreciation)/appreciation	(78)	185	(180)
End of period assets	<u>\$ 18,708</u>	<u>\$ 15,273</u>	<u>\$ 5,418</u>
Average assets during the period	\$ 17,176	\$ 13,962	\$ 4,691



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	Three Months Ended		
	March 31, 2023	December 31, 2022	March 31, 2022
<b>International Developed Market Equity</b>			
Beginning of period assets	\$ 10,195	\$ 9,183	\$ 11,894
Inflows/(outflows)	450	40	97
Market appreciation/(depreciation)	788	972	(569)
End of period assets	<u>\$ 11,433</u>	<u>\$ 10,195</u>	<u>\$ 11,422</u>
Average assets during the period	\$ 10,879	\$ 10,000	\$ 11,543
<b>Emerging Market Equity</b>			
Beginning of period assets	\$ 8,116	\$ 7,495	\$ 10,375
Inflows/(outflows)	486	(53)	189
Market appreciation/(depreciation)	209	674	(573)
End of period assets	<u>\$ 8,811</u>	<u>\$ 8,116</u>	<u>\$ 9,991</u>
Average assets during the period	\$ 8,666	\$ 7,770	\$ 10,116
<b>Leveraged &amp; Inverse</b>			
Beginning of period assets	\$ 1,754	\$ 1,523	\$ 1,775
Inflows/(outflows)	43	59	(2)
Market (depreciation)/appreciation	(12)	172	83
End of period assets	<u>\$ 1,785</u>	<u>\$ 1,754</u>	<u>\$ 1,856</u>
Average assets during the period	\$ 1,757	\$ 1,623	\$ 1,830
<b>Alternatives</b>			
Beginning of period assets	\$ 310	\$ 306	\$ 261
(Outflows)/inflows	(18)	12	29
Market appreciation/(depreciation)	14	(8)	3
End of period assets	<u>\$ 306</u>	<u>\$ 310</u>	<u>\$ 293</u>
Average assets during the period	\$ 308	\$ 305	\$ 275
<b>Cryptocurrency</b>			
Beginning of period assets	\$ 136	\$ 163	\$ 357
Inflows/(outflows)	13	(4)	37
Market appreciation/(depreciation)	90	(23)	(11)
End of period assets	<u>\$ 239</u>	<u>\$ 136</u>	<u>\$ 383</u>
Average assets during the period	\$ 190	\$ 152	\$ 324
<b>Closed ETPs</b>			
Beginning of period assets	\$ —	\$ —	\$ 3
Inflows/(outflows)	—	—	1
End of period assets	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 4</u>
Average assets during the period	\$ —	\$ —	\$ 5
<b>Headcount</b>	279	273	253

Note: Previously issued statistics may be restated due to fund closures and trade adjustments  
Source: WisdomTree

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**Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022**

**Selected Operating and Financial Information**

	Three Months Ended March 31,		Change	Percent Change
	2023	2022		
<b>AUM (in millions)</b>				
Average AUM	\$ 87,508	\$ 77,809	\$ 9,699	12.5%
<b>Operating Revenues (in thousands)</b>				
Advisory fees	\$ 77,637	\$ 76,517	\$ 1,120	1.5%
Other income	4,407	1,851	2,556	138.1%
Total revenues	\$ 82,044	\$ 78,368	\$ 3,676	4.7%

**Average AUM**

Our average AUM increased 12.5 % from \$77.8 billion at March 31, 2022 to \$87.5 billion at March 31, 2023 due to net inflows partly offset by market depreciation.

**Operating Revenues**

*Advisory fees*

Advisory fee revenues increased 1.5% from \$76.5 million during the three months ended March 31, 2022 to \$77.6 million in the comparable period in 2023 due to higher average AUM, partly offset by a decline in our average advisory fee. Our average advisory fee decreased from 0.40% during the three months ended March 31, 2022 to 0.36% during the comparable period in 2023 due to AUM mix shift.

*Other income*

Other income increased 138.1% from \$1.9 million during the three months ended March 31, 2022 to \$4.4 million in the comparable period in 2023 primarily due to large flows into some of our European products.

**Operating Expenses**

(in thousands)	Three Months Ended March 31,		Change	Percent Change
	2023	2022		
Compensation and benefits	\$ 27,398	\$ 24,787	\$ 2,611	10.5%
Fund management and administration	17,153	15,494	1,659	10.7%
Marketing and advertising	4,007	4,023	(16)	(0.4%)
Sales and business development	2,994	2,609	385	14.8%
Contractual gold payments	4,486	4,450	36	0.8%
Professional fees	3,715	4,459	(744)	(16.7%)
Occupancy, communications and equipment	1,101	753	348	46.2%
Depreciation and amortization	109	47	62	131.9%
Third-party distribution fees	2,253	2,212	41	1.9%
Other	2,257	1,845	412	22.3%
Total operating expenses	\$ 65,473	\$ 60,679	\$ 4,794	7.9%

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<b>As a Percent of Revenues:</b>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2023</b>	<b>2022</b>
Compensation and benefits	33.5%	31.5%
Fund management and administration	20.9%	19.8%
Marketing and advertising	4.9%	5.1%
Sales and business development	3.6%	3.3%
Contractual gold payments	5.5%	5.7%
Professional fees	4.5%	5.7%
Occupancy, communications and equipment	1.3%	1.0%
Depreciation and amortization	0.1%	0.1%
Third-party distribution fees	2.7%	2.8%
Other	2.8%	2.4%
<b>Total operating expenses</b>	<b>79.8%</b>	<b>77.4%</b>

### *Compensation and benefits*

Compensation and benefits expense increased 10.5% from \$24.8 million during the three months ended March 31, 2022 to \$27.4 million in the comparable period in 2023 due to increased headcount and higher stock-based compensation expense. Headcount was 253 and 279 at March 31, 2022 and 2023, respectively.

### *Fund management and administration*

Fund management and administration expense increased 10.7% from \$15.5 million during the three months ended March 31, 2022 to \$17.2 million in the comparable period in 2023 primarily due to higher average AUM, product launches and inflows. We had 77 U.S. listed ETFs and 264 European listed ETPs at March 31, 2022 compared to 80 U.S. listed ETFs and 270 European listed ETPs at March 31, 2023.

### *Marketing and advertising*

Marketing and advertising expense was essentially unchanged from the three months ended March 31, 2022.

### *Sales and business development*

Sales and business development expense increased 14.8% from \$2.6 million during the three months ended March 31, 2022 to \$3.0 million in the comparable period in 2023 primarily resulting from increases in conference and events spending as well as market data costs.

### *Contractual gold payments*

Contractual gold payments expense was essentially unchanged from the three months ended March 31, 2022. This expense was associated with the annual payment of 9,500 ounces of gold and was calculated using the average daily spot price of \$1,874 and \$1,889 per ounce during the three months ended March 31, 2022 and 2023, respectively.

### *Professional fees*

Professional fees decreased 16.7% from \$4.5 million during the three months ended March 31, 2022 to \$3.7 million in the comparable period in 2023 primarily due to lower expenses incurred in response to an activist campaign.

### *Occupancy, communications and equipment*

Occupancy, communications and equipment expense increased 46.2% from \$0.8 million during the three months ended March 31, 2022 to \$1.1 million in the comparable period in 2023 as we signed new office leases in the U.S. and Europe.

### *Depreciation and amortization*

Depreciation and amortization expense increased 131.9% from \$0.05 million during the three months ended March 31, 2022 to \$0.1 million in the comparable period in 2023 due to amortization of software development costs.

### *Third-party distribution fees*

Third-party distribution fees were essentially unchanged from the three months ended March 31, 2022.

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### Other

Other expenses increased 22.3% from \$1.8 million during the three months ended March 31, 2022 to \$2.3 million in the comparable period in 2023 primarily due to higher insurance, public relations, travel and directors expenses.

### Other Income/(Expenses)

(in thousands)	Three Months Ended March 31,		Change	Percent Change
	2023	2022		
Interest expense	\$ (4,002)	\$ (3,732)	\$ (270)	7.2%
Gain/(loss) on revaluation of deferred consideration	20,592	(17,018)	37,610	n/a
Interest income	1,083	794	289	36.4%
Impairments	(4,900)	—	(4,900)	100.0%
Loss on extinguishment of convertible notes	(9,721)	—	(9,721)	100.0%
Other losses, net	(2,007)	(24,707)	22,700	(91.9%)
Total other income/(expenses), net	<u>\$ 1,045</u>	<u>\$ (44,663)</u>	<u>\$ 45,708</u>	<u>n/a</u>

As a Percent of Revenues:	Three Months Ended March 31,	
	2023	2022
Interest expense	(4.9%)	(4.8%)
Gain/(loss) on revaluation of deferred consideration	25.1%	(21.7%)
Interest income	1.3%	1.0%
Impairments	(6.0%)	—
Loss on extinguishment of convertible notes	(11.8%)	—
Other losses, net	(2.4%)	(31.5%)
Total other income/(expenses), net	<u>1.3%</u>	<u>(57.0%)</u>

### Interest expense

Interest expense increased 7.2% from \$3.7 million during the three months ended March 31, 2022 to \$4.0 million in the comparable period in 2023 due to a higher level of debt outstanding and a higher effective interest rate. Our effective interest rate during the three months ended March 31, 2022 and 2023 was 4.6% and 5.0%, respectively.

### Gain/(loss) on revaluation of deferred consideration

We recognized a loss on revaluation of deferred consideration of (\$17.0) million and a gain on revaluation of deferred consideration of \$20.6 million during the three months ended March 31, 2022 and 2023, respectively. The gain recognized during the three months ended March 31, 2023, was primarily due to an increase in the discount rate used to compute the present value of the annual payment obligations, partly offset by higher gold prices. The magnitude of any gain or loss is highly correlated to changes in the discount rate and the magnitude of the change in the forward-looking price of gold.

### Interest income

Interest income increased 36.4% from \$0.8 million during the three months ended March 31, 2022 to \$1.1 million in the comparable period in 2023 due to rising interest rates.

### Impairments

During the three months ended March 31, 2023, we recognized anon-cash impairment charge of \$4.9 million on the Securrency Series A Shares.

### Loss on Extinguishment of Convertible Notes

During the three months ended March 31, 2023, we recognized a loss on extinguishment of convertible notes of \$9.7 million arising from the repurchase of \$115.0 million in aggregate principal amount of our 2020 Notes.

### Other losses, net

Other net losses were \$2.0 million for the first quarter of 2023. This quarter includes anon-cash charge of \$1.4 million arising from the release of a tax-related indemnification asset upon the expiration of the statute of limitations (an equal and offsetting benefit has been recognized in income tax expense). This quarter also includes losses on our investments of \$3.9 million. These items were partly offset by gains on our financial instruments owned of \$2.0 million and a gain of \$1.5 million related to the remeasurement of contingent consideration payable to us from the sale of our former Canadian ETF business. Gains and losses also generally arise from the sale of gold earned from management fees paid by our physically-backed gold exchange-traded products ("ETPs"), foreign exchange fluctuations and other miscellaneous items.

### **Income Taxes**

Our effective income tax rate for the first quarter of 2023 was 7.9%, resulting in income tax expense of \$1.4 million. The effective tax rate differs from the federal statutory rate of 21% primarily due to a non-taxable gain on revaluation of deferred consideration and a reduction in unrecognized tax benefits upon the expiration of the statute of limitations. These items were partly offset by a non-deductible loss on extinguishment of our convertible notes and an increase in the deferred tax asset valuation allowance on losses recognized on our investments.

Our effective income tax rate for the three months ended March 31, 2022 of 62.0% resulted in an income tax benefit of \$16.7 million. Our tax rate differs from the federal statutory rate of 21% primarily due to a \$19.9 million reduction in unrecognized tax benefits (including interest and penalties), a lower tax rate on foreign earnings and tax windfalls associated with the vesting of stock-based compensation awards. These items were partly offset by a non-taxable loss on revaluation of deferred consideration and an increase in the deferred tax asset valuation allowance on losses recognized on securities owned.

### **Non-GAAP Financial Measurements**

In an effort to provide additional information regarding our results as determined by GAAP, we also disclose certain non-GAAP information which we believe provides useful and meaningful information. Our management reviews these non-GAAP financial measurements when evaluating our financial performance and results of operations; therefore, we believe it is useful to provide information with respect to these non-GAAP measurements so as to share this perspective of management. Non-GAAP measurements do not have any standardized meaning, do not replace nor are superior to GAAP financial measurements and are unlikely to be comparable to similar measures presented by other companies. These non-GAAP financial measurements should be considered in the context with our GAAP results. The non-GAAP financial measurements contained in this Report include:

- *Adjusted net income and diluted earnings per share.* We disclose adjusted net income and diluted earnings per share as non-GAAP financial measurements in order to report our results exclusive of items that are non-recurring or not core to our operating business. We believe presenting these non-GAAP financial measures provides investors with a consistent way to analyze our performance. These non-GAAP financial measures exclude the following:
  - *Unrealized gains or losses on the revaluation of deferred consideration:* Deferred consideration is an obligation we assumed in connection with the ETFs Acquisition that is carried at fair value. This item represents the present value of an obligation to pay fixed ounces of gold into perpetuity and is measured using forward-looking gold prices. Changes in the forward-looking price of gold and changes in the discount rate used to compute the present value of the annual payment obligations may have a material impact on the carrying value of the deferred consideration and our reported financial results. We exclude this item when arriving at adjusted net income and diluted earnings per share as it is not core to our operating business. The item is not adjusted for income taxes as the obligation was assumed by a wholly-owned subsidiary of ours that is based in Jersey, a jurisdiction where we are subject to a zero percent tax rate.
  - *Gains or losses on financial instruments owned:* We account for our financial instruments owned as trading securities, which requires these instruments to be measured at fair value with gains and losses reported in net income. We exclude these items when calculating our non-GAAP financial measurements as the gains and losses introduce volatility in earnings and are not core to our operating business.
  - *Tax shortfalls and windfalls upon vesting and exercise of stock-based compensation awards:* GAAP requires the recognition of tax windfalls and shortfalls within income tax expense. These items arise upon the vesting and exercise of stock-based compensation awards and the magnitude is directly correlated to the number of awards vesting/exercised as well as the difference between the price of our stock on the date the award was granted and the date the award vested or was exercised. We exclude these items when determining adjusted net income and diluted earnings per share as they introduce volatility in earnings and are not core to our operating business.
  - *Other items:* Loss on extinguishment of convertible notes, impairments, remeasurement of contingent consideration payable to us from the sale of our former Canadian ETF business, unrealized gains and losses recognized on our investments, changes in deferred tax asset valuation allowance and expenses incurred in response to an activist campaign are excluded when calculating our non-GAAP financial measurements.

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	Three Months Ended	
	March 31, 2023	March 31, 2022
<b>Adjusted Net Income and Diluted Earnings per Share:</b>		
Net income/(loss), as reported	\$ 16,233	\$ (10,261)
(Deduct)/add back: (Gain)/loss on revaluation of deferred consideration	(20,592)	17,018
Add back: Loss on extinguishment of convertible notes, net of income taxes	9,623	—
Add back: Impairments	4,900	—
Deduct: Remeasurement of contingent consideration – sale of former Canadian ETF business	(1,477)	—
(Deduct)/add back: (Gains)/losses on financial instruments owned, net of income taxes	(1,479)	3,893
Add back: Increase in deferred tax asset valuation allowance on financial instruments owned and investments	477	2,010
Add back: Unrealized loss recognized on our investments, net of income taxes	2,966	124
Deduct: Tax windfalls upon vesting and exercise of stock-based compensation awards	(185)	(565)
Add back: Expenses incurred in response to an activist campaign, net of income taxes	732	1,844
Adjusted net income	\$ 11,198	\$ 14,063
Deduct: Income distributed to participating securities	(498)	(549)
Deduct: Undistributed income allocable to participating securities	(672)	(1,041)
Adjusted net income available to common stockholders	10,028	12,473
Weighted average diluted shares, excluding participating securities (See Note 11 to our Consolidated Financial Statements)	144,431	142,814
Adjusted earnings per share—diluted	\$ 0.07	\$ 0.09

**Liquidity and Capital Resources**

The following table summarizes key data regarding our liquidity, capital resources and use of capital to fund our operations:

	March 31, 2023	December 31, 2022
<b>Balance Sheet Data (in thousands):</b>		
Cash and cash equivalents	\$ 119,099	\$ 132,101
Financial instruments owned, at fair value	130,180	126,239
Accounts receivable	35,496	30,549
Securities held-to-maturity	253	259
Total: Liquid assets	285,028	289,148
Less: Total current liabilities	(130,926)	(148,434)
Less: Other assets—seed capital (WisdomTree blockchain-enabled funds)	(12,413)	(1,765)
Less: Regulatory capital requirements	(28,726)	(25,988)
Total: Available liquidity	\$ 112,963	\$ 112,961

	Three Months Ended March 31,	
	2023	2022
<b>Cash Flow Data (in thousands):</b>		
Operating cash flows	\$ (5,397)	\$ (2,692)
Investing cash flows	(2,008)	(18,721)
Financing cash flows	(6,070)	(8,236)
Foreign exchange rate effect	473	(665)
Decrease in cash and cash equivalents	\$ (13,002)	\$ (30,314)

**Liquidity**

We consider our available liquidity to be our liquid assets, less our current liabilities and regulatory capital requirements of certain European subsidiaries. Liquid assets consist of cash and cash equivalents, financial instruments owned, at fair value, accounts receivable and securities held-to-maturity. Our financial instruments owned, at fair value are highly liquid investments. Accounts receivable are current assets and primarily represent receivables from advisory fees we earn from our ETPs. Our current liabilities consist primarily of convertible notes maturing in the next 12 months, payments owed to vendors and third parties in the normal course of business, deferred consideration and accrued incentive compensation for employees.

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Cash and cash equivalents decreased by \$13.0 million during the three months ended March 31, 2023 due to \$130.0 million of proceeds from the issuance of convertible notes, \$18.3 million of proceeds from the sale of financial instruments owned, at fair value and \$0.4 million from other activities. These increases were offset by \$124.3 million used to repurchase convertible notes, \$20.3 million used to purchase financial instruments owned, at fair value, \$5.4 million used in operating activities, \$4.8 million used to pay dividends, \$3.5 million used to cover convertible notes issuance costs and \$3.4 million used to repurchase our common stock.

Cash and cash equivalents decreased by \$30.3 million during the three months ended March 31, 2022 due to \$25.5 million used to purchase securities owned, \$6.9 million used to purchase investments, \$4.8 million used to pay dividends on our common stock, \$3.4 million used to repurchase our common stock, \$2.7 million of net cash used in operating activities and \$0.6 million used in other activities. These decreases were partly offset by \$13.6 million of proceeds from the sale of securities owned.

### Issuance of Convertible Notes

On February 14, 2023, we issued and sold \$130.0 million in aggregate principal amount of 5.75% Convertible Senior Notes due 2028 (the “2023 Notes”) pursuant to an indenture dated February 14, 2023, between us and U.S. Bank Trust Company, National Association, as trustee, in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (“Rule 144A”).

On June 14, 2021, we issued and sold \$150.0 million in aggregate principal amount of 3.25% Convertible Senior Notes due 2026 (the “2021 Notes”) pursuant to an indenture dated June 14, 2021, between us and the trustee, in a private offering to qualified institutional buyers pursuant to Rule 144A.

On June 16, 2020, we issued and sold \$150.0 million in aggregate principal amount of 4.25% Convertible Senior Notes due 2023 (the “June 2020 Notes”) pursuant to an indenture dated June 16, 2020, between us and the trustee, in a private offering to qualified institutional buyers pursuant to Rule 144A. On August 13, 2020, we issued and sold \$25.0 million in aggregate principal amount of 4.25% Convertible Senior Notes due 2023 at a price equal to 101% of the principal amount thereof, plus interest deemed to have accrued since June 16, 2020, which constitute a further issuance of, and form a single series with, our June 2020 Notes (the “August 2020 Notes” and together with the June 2020 Notes, the “2020 Notes”).

In connection with the issuance of the 2023 Notes, we repurchased \$115.0 million in aggregate principal amount of the 2020 Notes. As a result of this repurchase, we recognized a loss on extinguishment of approximately \$9.7 million during the three months ended March 31, 2023.

After the issuance of the 2023 Notes (and together with the remaining 2020 Notes and the 2021 Notes, the “Convertible Notes”), we had \$340.0 million in aggregate principal amount of Convertible Notes outstanding.

Key terms of the Convertible Notes are as follows:

	2023 Notes	2021 Notes	2020 Notes
Principal outstanding	\$130.0	\$150.0	\$60.0
Maturity date (unless earlier converted, repurchased or redeemed)	August 15, 2028	June 15, 2026	June 15, 2023
Interest rate	5.75%	3.25%	4.25%
Conversion price	\$9.54	\$11.04	\$5.92
Conversion rate	104.8658	90.5797	168.9189
Redemption price	\$12.40	\$14.35	\$7.70

- *Interest rate:* Payable semiannually in arrears on February 15 and August 15 of each year for the 2023 Notes (beginning on August 15, 2023) and June 15 and December 15 of each year for the 2020 Notes and the 2021 Notes.
- *Conversion price:* Convertible at an initial conversion rate into shares of our common stock, per \$1,000 principal amount of notes (equivalent to an initial conversion price set forth in the table above), subject to adjustment.
- *Conversion:* Holders may convert at their option at any time prior to the close of business on the business day immediately preceding May 15, 2028, March 15, 2026 and March 15, 2023 for the 2023 Notes, 2021 Notes and 2020 Notes, respectively, only under the following circumstances: (i) if the last reported sale price of our common stock for at least 20 trading days 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 for the respective Convertible Notes on each applicable trading day; (ii) 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 the Convertible Notes for each trading day of the measurement period was less than 98% of the product of the last reported sales price of our common stock and the conversion rate on each such trading day; (iii) upon a notice of redemption delivered by us in accordance with the terms of the indentures but only with respect to the Convertible Notes called (or deemed called) for redemption; or (iv) upon the occurrence of specified corporate events. On or after May 15, 2028, March 15, 2026 and March 15, 2023 in

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respect of the 2023 Notes, 2021 Notes and 2020 Notes, respectively, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their Convertible Notes at any time, regardless of the foregoing circumstances.

- *Cash settlement of principal amount:* Upon conversion, we will pay cash up to the aggregate principal amount of the Convertible Notes to be converted. At our election, we will also settle our conversion obligation in excess of the aggregate principal amount of the Convertible Notes being converted in either cash, shares of our common stock or a combination of cash and shares of its common stock.
- *Redemption price:* We may redeem for cash all or any portion of the Convertible Notes, at our option, on or after August 20, 2025, June 20, 2023 and June 20, 2021 in respect of the 2023 Notes, 2021 Notes and 2020 Notes, respectively, and on or prior to the 55th scheduled trading day immediately preceding the maturity date, if the last reported sale price of our common stock has been at least 130% of the conversion price for the respective Convertible Notes then in effect for at least 20 trading days, including the trading day immediately preceding the date on which we provide notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which we provide 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 Convertible Notes.
- *Limited investor put rights:* Holders of the Convertible Notes have the right to require us 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.
- *Conversion rate increase in certain customary circumstances:* In certain circumstances, conversions in connection with a “make-whole fundamental change” (as defined in the indentures) or conversions of Convertible Notes called (or deemed called) for redemption may result in an increase to the conversion rate, provided that the conversion rate will not exceed 167.7853 shares, 144.9275 shares and 270.2702 shares of our common stock per \$1,000 principal amount of the 2023 Notes, 2021 Notes and 2020 Notes, respectively (the equivalent of 59,767,426 shares of our common stock), subject to adjustment.
- *Seniority and Security:* The Convertible Notes rank equal in right of payment, and are our senior unsecured obligations, but are subordinated in right of payment to our obligations to make certain redemption payments (if and when due) in respect of its Series A Non-Voting Convertible Preferred Stock (See Note 11 to our Consolidated Financial Statements).

The indentures contain 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 Convertible Notes outstanding may declare the entire principal amount of all the Convertible Notes to be repurchased, plus any accrued special interest, if any, to be immediately due and payable.

### **Capital Resources**

Our principal source of financing is our operating cash flow. We believe that current cash flows generated by our operating activities and existing cash balances should be sufficient for us to fund our operations for the foreseeable future.

Our ability to satisfy our contractual obligations as they arise are discussed in the section titled “Contractual Obligations” below.

### **Use of Capital**

Our business does not require us to maintain a significant cash position. However, certain of our subsidiaries are required to maintain a minimum level of regulatory capital, which at March 31, 2023 was approximately \$28.7 million in the aggregate. Notwithstanding these regulatory capital requirements, we expect that our main uses of cash will be to fund the ongoing operations of our business. We also maintain a capital return program which includes a \$0.03 per share quarterly cash dividend and authority to purchase our common stock through April 27, 2025, including purchases to offset future equity grants made under our equity plans.

During the three months ended March 31, 2023, we repurchased 604,505 shares of our common stock under the repurchase program for an aggregate cost of \$3.4 million. Currently, approximately \$96.6 million remains under this program for future purchases.

### **Contractual Obligations**

#### **Convertible Notes**

We currently have \$340.0 million in aggregate principal amount of Convertible Notes outstanding, of which \$60.0 million, \$150.0 million and \$130.0 million are scheduled to mature on June 15, 2023, June 15, 2026 and August 15, 2028, respectively, unless earlier converted, repurchased or redeemed. Conditional conversions or a requirement to repurchase the Convertible Notes upon the occurrence of a fundamental change may accelerate payment.



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The Convertible Notes require cash settlement of the principal amount, while settlement of the conversion obligation in excess of the aggregate principal amount may be satisfied in either cash, shares of our common stock or a combination of cash and shares of our common stock. We anticipate settling the \$60.0 million in aggregate principal amount of 2020 Notes scheduled to mature in June 2023 and may settle and/or refinance the remaining obligations when due.

See the section titled “Issuance of Convertible Notes” above for additional information.

### ***Deferred Consideration—Gold Payments***

Deferred consideration represents an obligation we assumed in April 2018 in connection with our acquisition of the European exchange-traded commodity, currency and leveraged-and-inverse business of ETFS Capital. The obligation is for fixed payments to ETFS Capital of physical gold bullion equating to 9,500 ounces of gold per year through March 31, 2058 and then subsequently reduced to 6,333 ounces of gold per year continuing into perpetuity (“Contractual Gold Payments”). The present value of the deferred consideration was \$179.8 million at March 31, 2023.

The Contractual Gold Payments are paid from advisory fee income generated by any of our sponsored financial products backed by physical gold with no recourse back to us for any unpaid amounts that exceed advisory fees earned.

### ***Operating Leases***

Total future minimum lease payments with respect to our operating lease liabilities were \$1.2 million at March 31, 2023. Cash flows generated by our operating activities and existing cash balances should be sufficient to satisfy the future minimum lease payments.

See Note 12 to our Consolidated Financial Statements for additional information.

### ***Off-Balance Sheet Arrangements***

We do not have any off-balance sheet financing or other arrangements and have neither created nor are party to any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating our business.

### ***Critical Accounting Policies and Estimates***

#### ***Goodwill and Intangible Assets***

Goodwill is the excess of the purchase price over the fair values of the identifiable net assets at the acquisition date. We test goodwill for impairment at least annually and at the time of a triggering event requiring re-evaluation, if one were to occur. Goodwill is considered impaired when the estimated fair value of the reporting unit that was allocated the goodwill is less than its carrying value. If the estimated fair value of such reporting unit is less than its carrying value, goodwill impairment is recognized based on that difference, not to exceed the carrying amount of goodwill. A reporting unit is an operating segment or a component of an operating segment provided that the component constitutes a business for which discrete financial information is available and management regularly reviews the operating results of that component.

Goodwill is allocated to our U.S. Business and European Business components. For impairment testing purposes, these components are aggregated as a single reporting unit as they fall under the same operating segment and have similar economic characteristics.

Goodwill is assessed for impairment annually on November 30<sup>th</sup>. When performing our goodwill impairment test, we consider a qualitative assessment, when appropriate, and the market approach and its market capitalization when determining the fair value of the reporting unit. The results of our most recent analysis indicated no impairment based upon a quantitative assessment.

Indefinite-lived intangible assets are tested for impairment at least annually and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Indefinite-lived intangible assets are impaired if their estimated fair value is less than their carrying value. We may rely on a qualitative assessment when performing our intangible asset impairment test. Otherwise, the impairment evaluation is performed at the lowest level of reasonably identifiable cash flows independent of other assets. The annual impairment testing date for our intangible assets is November 30<sup>th</sup>. The results of our most recent analysis indicated no impairment based upon a quantitative assessment (discounted cash flow analysis) which relied upon significant unobservable inputs including projected revenue growth rates ranging from 3% to 8% (5% weighted average) and a weighted average cost of capital of 11.0%.

#### ***Investments***

We account for equity investments that do not have a readily determinable fair value under the measurement alternative prescribed within ASU 2016-01, *Financial Instruments – Recognition and Measurement of Financial Assets and Financial Liabilities*,

to the extent such investments are not subject to consolidation or the equity method. Under the measurement alternative, these financial instruments are carried at cost, less any impairment (assessed quarterly), plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. In addition, income is recognized when dividends are received only to the extent they are distributed from net accumulated earnings of the investee. Otherwise, such distributions are considered returns of investment and are recorded as a reduction of the cost of the investment.

Investments in debt instruments are accounted for at fair value, with changes in fair value reported in other income/(expenses).

See Note 8 to our Consolidated Financial Statements for information.

#### ***Deferred Consideration—Gold Payments***

Deferred consideration represents the present value of an obligation to pay gold to a third party into perpetuity and is measured using forward-looking gold prices observed on the CMX exchange, a selected discount rate and perpetual growth rate. The weighted average forward-looking gold price per ounce, discount rate and perpetual growth rate were \$2,401, 13.3% and 1.5%, respectively, at March 31, 2023. Changes in the fair value of this obligation are reported as (gain)/loss on revaluation of deferred consideration—gold payments on our Consolidated Statements of Operations.

During the three months ended March 31, 2023, we reported a gain on deferred consideration—gold payments of \$20.6 million. A 1.0% increase in the weighted average forward-looking gold price per ounce would have decreased this reported gain by \$1.3 million, a 1 percentage point increase in the discount rate would have increased this reported gain by \$12.9 million and a 1 percentage point increase in the perpetual growth rate would have decreased this reported gain by \$9.3 million. See Note 9 to our Consolidated Financial Statements for additional information.

#### ***Revenue Recognition***

We earn substantially all of our revenue in the form of advisory fees from our ETPs and recognize this revenue over time, as the performance obligation is satisfied. Advisory fees are based on a percentage of the ETPs' average daily net assets. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which we have a right to invoice.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The following information, together with information included in other parts of this Management's Discussion and Analysis of Financial Condition and Results of Operations, describes key aspects of our market risk.

#### **Market Risk**

Market risk to us generally represents the risk of changes in the value of our ETPs that results from fluctuations in securities or commodity prices, foreign currency exchange rates against the U.S. dollar, and interest rates. Nearly all our revenues are derived from advisory agreements for the WisdomTree ETPs. Under these agreements, the advisory fee we receive is based on the average market value of the assets in the WisdomTree ETP portfolios we manage.

Fluctuations in the value of the ETPs are common and are generated by numerous factors such as market volatility, the global economy, inflation, changes in investor strategies and sentiment, availability of alternative investment vehicles, domestic and foreign government regulations, emerging markets developments and others. Accordingly, changes in any one or a combination of these factors may reduce the value of investment securities and, in turn, the underlying AUM on which our revenues are earned. These declines may cause investors to withdraw funds from our ETPs in favor of investments that they perceive as offering greater opportunity or lower risk, thereby compounding the impact on our revenues. We believe challenging and volatile market conditions will continue to be present in the foreseeable future.

#### **Interest Rate Risk**

We invest our corporate cash in short-term interest earning assets, primarily in federal agency debt instruments, WisdomTree fixed income ETFs, U.S. treasuries, corporate bonds, money market instruments at a commercial bank and other securities which totaled \$134.3 million and \$130.8 million as of March 31, 2022 and 2023, respectively. During the three months ended March 31, 2023, we recognized losses on these securities of \$2.0 million and any losses recognized in the future may be material to our operating results. We do not anticipate that changes in interest rates will have a material impact on our financial condition or cash flows.

In addition, our Convertible Notes bear interest at fixed rates of 5.75%, 3.25% and 4.25% for the 2023 Notes, 2021 Notes and 2020 Notes, respectively. Therefore, we have no direct financial statement risk associated with changes in interest rates. However, the fair value of the Convertible Notes changes primarily when the market price of our common stock fluctuates or interest rates change.

### **Exchange Rate Risk**

We are subject to currency translation exposure on the results of our non-U.S. operations, primarily in the United Kingdom and Europe. Foreign currency translation risk is the risk that exchange rate gains or losses arise from translating foreign entities' statements of earnings and balance sheets from functional currency to our reporting currency (the U.S. dollar) for consolidation purposes. The advisory fees earned on our international listed ETPs are predominantly in U.S. dollars (and also paid in gold ounces, as described below); however, expenses for corporate overhead are generally incurred in British pounds. Currently, we do not enter into derivative financial instruments aimed at offsetting certain exposures in the statement of operations or the balance sheet but may seek to do so in the future.

Exchange rate risk associated with the euro is not considered to be significant.

### **Commodity and Cryptocurrency Price Risk**

Fluctuations in the prices of commodities and cryptocurrencies that are linked to certain of our ETPs could have a material adverse effect on our AUM and revenues. In addition, a portion of the advisory fee revenues we receive on our ETPs backed by gold, other precious metals and cryptocurrencies are paid in the underlying metal or cryptocurrency. In addition, we pay gold ounces to satisfy our deferred consideration obligation (See Note 9 to our Consolidated Financial Statements). While we readily sell the gold, precious metals and cryptocurrencies that we earn under these advisory contracts, we still may maintain a position. We currently do not enter into arrangements to hedge against fluctuations in the price of these commodities and cryptocurrencies and any hedging we may undertake in the future may not be cost-effective or sufficient to hedge against this exposure.

## **ITEM 4. CONTROLS AND PROCEDURES**

### **Evaluation of Disclosure Controls and Procedures**

As of March 31, 2023, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) promulgated under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2023, our disclosure controls and procedures were effective at a reasonable assurance level in ensuring that material information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules, regulations and forms of the SEC, including ensuring that such material information is accumulated by and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

### **Changes in Internal Control over Financial Reporting**

During the quarter ended March 31, 2023, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II: OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

We may be subject to reviews, inspections and investigations by the SEC, Commodity Futures Trading Commission (CFTC), National Futures Association (NFA), state and foreign regulators, as well as legal proceedings arising in the ordinary course of business. See Note 13 to our Consolidated Financial Statements for additional information regarding claims brought by investors in our WisdomTree WTI Crude Oil 3x Daily Leveraged ETP totaling approximately €15.8 million (\$17.2 million).

### **ITEM 1A. RISK FACTORS**

You should carefully consider the information set forth in Part 1, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

### **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

#### **Recent sales of Unregistered Securities**

None.

#### **Use of Proceeds**

Not applicable.

[Table of Contents](#)**Purchases of Equity Securities by the Issuer and Affiliated Purchasers**

The following table provides information with respect to purchases made by or on behalf of the Company or any “affiliated purchaser” of shares of our common stock.

<u>Period</u>	<u>Total Number of Shares Purchased</u>	<u>Average Price Paid Per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs</u> <u>(in thousands)</u>
January 1, 2023 to January 31, 2023	602,327	\$ 5.60	602,327	
February 1, 2023 to February 28, 2023	—	\$ —	—	
March 1, 2023 to March 31, 2023	2,178	\$ 5.62	2,178	
Total	<u>604,505</u>	\$ 5.60	<u>604,505</u>	<u>\$ 96,592</u>

On February 22, 2022, our Board of Directors approved an increase of \$85.7 million to our share repurchase program and extended the term for three years through April 27, 2025. During the three months ended March 31, 2023, we repurchased 604,505 shares of our common stock under this program for an aggregate cost of approximately \$3.4 million. As of March 31, 2023, \$96.6 million remained under this program for future repurchases.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

None.

ITEM 6. EXHIBITS

EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description</b>
3.1	<a href="#">Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Registrant's Registration Statement on Form 10, filed with the SEC on March 31, 2011)</a>
3.2	<a href="#">Certificate of Amendment to the Amended and Restated Certificate of Incorporation (Name Change) (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K, filed with the SEC on November 7, 2022)</a>
3.3	<a href="#">Certificate of Amendment to the Amended and Restated Certificate of Incorporation (Declassification of Board of Directors) (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K, filed with the SEC on July 20, 2022).</a>
3.4	<a href="#">Certificate of Amendment to the Amended and Restated Certificate of Incorporation (Increase in Authorized Shares) (incorporated by reference to Exhibit 3.2 of the Registrant's Current Report on Form 8-K, filed with the SEC on July 20, 2022).</a>
3.5	<a href="#">Certificate of Designations of Series A Non-Voting Convertible Preferred Stock of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K filed with the SEC on April 13, 2018)</a>
3.6	<a href="#">Certificate of Designations of Series B Junior Participating Cumulative Preferred Stock of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Registration Statement on Form 8-A filed with the SEC on March 20, 2023)</a>
3.7	<a href="#">Fourth Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 of the Registrant's Current Report on Form 8-K, filed with the SEC on November 7, 2022)</a>
4.1	<a href="#">Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.1 of the Registrant's Registration Statement on Form 10, filed with the SEC on March 31, 2011)</a>
4.2	<a href="#">Amended and Restated Stockholders Agreement among the Registrant and certain investors dated December 21, 2006 (incorporated by reference to Exhibit 4.2 of the Registrant's Registration Statement on Form 10, filed with the SEC on March 31, 2011)</a>
4.3	<a href="#">Securities Purchase Agreement among the Registrant and certain investors dated December 21, 2006 (incorporated by reference to Exhibit 4.3 of the Registrant's Registration Statement on Form 10, filed with the SEC on March 31, 2011)</a>
4.4	<a href="#">Securities Purchase Agreement among the Registrant and certain investors dated October 15, 2009 (incorporated by reference to Exhibit 4.4 of the Registrant's Registration Statement on Form 10, filed with the SEC on March 31, 2011)</a>
4.5	<a href="#">Third Amended and Restated Registration Rights Agreement dated October 15, 2009 (incorporated by reference to Exhibit 4.5 of the Registrant's Registration Statement on Form 10, filed with the SEC on March 31, 2011)</a>
4.6	<a href="#">Investor Rights Agreement, dated April 11, 2018, between the Registrant and ETF Capital (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on April 13, 2018)</a>
4.7	<a href="#">Indenture, dated as of June 16, 2020, by and between the Registrant and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on June 17, 2020)</a>
4.8	<a href="#">Form of Global Note, representing the Registrant's 4.25% Convertible Senior Notes due 2023 (included as Exhibit A to the Indenture filed as Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on June 17, 2020)</a>
4.9	<a href="#">Indenture, dated as of June 14, 2021, by and between the Registrant and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on June 14, 2021)</a>
4.10	<a href="#">Form of Global Note, representing the Registrant's 3.25% Convertible Senior Notes due 2026 (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed with the SEC on June 14, 2021)</a>
4.11	<a href="#">Indenture, dated as of February 14, 2023, by and between the Registrant and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on February 14, 2023)</a>
4.12	<a href="#">Form of Global Note, representing the Registrant's 5.75% Convertible Senior Notes due 2028 (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed with the SEC on February 14, 2023)</a>

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Exhibit Number	Description
4.13	<a href="#"><u>Stockholder Rights Agreement, dated March 17, 2023, between the Registrant and Continental Stock Transfer &amp; Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.1 of the Registrant's Registration Statement on Form 8-A filed with the SEC on March 20, 2023)</u></a>
4.14	<a href="#"><u>Amendment No. 1 to Stockholder Rights Agreement, dated as of May 4, 2023, between the Registrant and Continental Stock Transfer &amp; Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on May 5, 2023)</u></a>
10.1 <sup>(1)</sup>	<a href="#"><u>Amendment to Employment Agreement between the Registrant and Alexis Marinof, dated April 21, 2023</u></a>
10.2 <sup>(1)</sup>	<a href="#"><u>Form of Amendment, dated April 21, 2023, to Employment Agreements between the Registrant and each of Jonathan Steinberg, Peter M. Ziemba, R. Jarrett Lilien and Marci Frankenthaler</u></a>
10.3 <sup>(1)</sup>	<a href="#"><u>WisdomTree, Inc. Executive Severance Plan</u></a>
10.4 <sup>(1)</sup>	<a href="#"><u>Form of Employee Confidentiality, Assignment and Restrictive Covenant Agreement executed by participants of the WisdomTree, Inc. Executive Severance Plan</u></a>
31.1 <sup>(1)</sup>	<a href="#"><u>Rule 13a-14(a) / 15d-14(a) Certification</u></a>
31.2 <sup>(1)</sup>	<a href="#"><u>Rule 13a-14(a) / 15d-14(a) Certification</u></a>
32.1 <sup>(2)</sup>	<a href="#"><u>Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>
101 <sup>(1)</sup>	Financial Statements from the Quarterly Report on Form 10-Q of the Company for the three months ended March 31, 2023, formatted in XBRL: (i) Consolidated Balance Sheets at March 31, 2023 (Unaudited) and December 31, 2022; (ii) Consolidated Statements of Operations and Comprehensive Income/(Loss) for the three months ended March 31, 2023 and March 31, 2022 (Unaudited); (iii) Consolidated Statements of Changes in Stockholders' Equity for the three months ended March 31, 2023 and March 31, 2022 (Unaudited) (iv) Consolidated Statements of Cash Flows for the three months ended March 31, 2023 and March 31, 2022 (Unaudited); and (v) Notes to Consolidated Financial Statements, as blocks of text and in detail.
101.SCH <sup>(1)</sup>	Inline XBRL Taxonomy Extension Schema Document
101.CAL <sup>(1)</sup>	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF <sup>(1)</sup>	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB <sup>(1)</sup>	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE <sup>(1)</sup>	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104 <sup>(1)</sup>	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101.*)

(1) Filed herewith.  
(2) Furnished herewith.

**SIGNATURE**

Pursuant to the requirements of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized on this 9<sup>th</sup> day of May 2023.

WISDOMTREE, INC.

By: /s/ Jonathan Steinberg

Jonathan Steinberg  
*Chief Executive Officer*  
*(Principal Executive Officer)*

WISDOMTREE, INC.

By: /s/ Bryan Edmiston

Bryan Edmiston  
*Chief Financial Officer (Principal Financial Officer and*  
*Principal Accounting Officer)*



21 April 2023

**Private & Confidential**

Alexis Marinof  
[Address]

**Deed of variation to Employment Contract**

Dear Alexis

I am writing further to our recent discussions about making certain changes to your contract of employment with WisdomTree Europe Ltd (the “**Company**”) dated 8 June 2017, as amended (the “**Employment Contract**”).

We have agreed as follows:

**Severance Terms*****Involuntary Termination***

A new clause 19, titled “Involuntary Termination”, is hereby inserted in your Employment Contract as follows:

*19.1 Upon the Employee’s Involuntary Termination and provided the Employee (i) enters into a Settlement Agreement within 60 days after the date of Termination (or such shorter period as set forth in the Settlement Agreement) and complies with such Settlement Agreement and (ii) complies with the terms of this agreement, the Company will pay, in the manner set for the below, as severance to the Employee (or in the case of the Employee’s subsequent death, the legal representative of the Employee’s estate or such other person or persons as the Employee shall have designated by written notice to the Company), an amount equal to the sum of:*

- (a) the Annual Base Salary, less any Annual Base Salary received by the Employee during Garden Leave;*
- (b) the Termination Year Cash Incentive Compensation; and*
- (c) the Average Cash Incentive Compensation.*

*19.2 Notwithstanding anything to the contrary in any applicable Award agreement:*

*(a) any Awards held by the Employee that would have vested during the Post-Employment Period shall immediately accelerate and become fully vested and exercisable or nonforfeitable, as applicable, as of the later of (A) the date of Termination or (B) the effective date of the Settlement Agreement (the “**Accelerated Vesting Date**”), provided that in order to effectuate the accelerated vesting contemplated by this subsection, the unvested portion of an Employee’s Awards that would otherwise be forfeited on the date of Termination will be delayed until the earlier of (x) the effective date of the Settlement Agreement (at which time the acceleration contemplated by this subclause (a) will occur) or (y) the date that the Settlement Agreement can no longer become fully effective (at which time the entire unvested portion of such Awards will be forfeited);*



(b) vesting of the Employee's Awards shall otherwise cease as of the date of Termination, but the Employee's Awards that remain unvested as of the Accelerated Vesting Date and that were not forfeited pursuant to clause (a)(A)(y) above will remain outstanding until the last day of the Post-Employment Period; and

(c) if a Change of Control occurs during the Post-Employment Period, the Employee shall be entitled to any accelerated vesting with respect to the Awards that the Employee would have been entitled to if the Employee had remained employed through the date of the Change of Control. For the avoidance of doubt, no accelerated vesting pursuant to this clause 19.2 will occur unless the Employee enters into a fully effective Settlement Agreement within 60 days after the date of Termination (or such shorter period as set forth in the Settlement Agreement) and complies with such Settlement Agreement.

19.3 The Termination Year Cash Incentive Compensation shall be paid when the Company pays to non-terminated senior executives their year-end incentive compensation for the Termination Year, but in no event later than March 15 of the calendar year following the Employee's date of Termination. The Annual Base Salary and Average Cash Incentive Compensation shall be paid out in substantially equal monthly instalments in accordance with the Company's payroll practice over 12 months commencing within 60 days after the date of Termination; provided the Employee has entered into a Settlement Agreement prior to the payment date. Notwithstanding the foregoing, if the Employee breaches any of the Continuing Obligations, all payments under this Clause 19 shall immediately cease, but the Employee shall be entitled to retain any payments made to the Employee prior to any breach by the Employee of the Continuing Obligations.

### **Change of Control**

A new clause 21, titled "Change of Control", is hereby inserted in your Employment Contract as follows:

21.1 The provisions of this clause 21 shall apply in lieu, and expressly supersede, the provisions of clause 19 and 20 regarding severance pay and benefits upon a termination of employment, if such termination of employment occurs within 18 months after the occurrence of a Change of Control. Upon a Post-Change of Control Termination, providing that the Employee is in compliance with and undertakes to continue to comply with the Employee's obligations during Garden Leave (if applicable) and the Twelve Month Restrictive Covenant, and provided that the Employee's employment is not terminated in accordance with clause 15.3, the Company will pay, in the manner set forth below, as compensation for loss of employment, a severance payment to the Employee (or in the case of the Employee's subsequent death, the legal representative of the Employee's estate or such other person or persons as the Employee shall have designated by written notice to the Company) calculated by aggregating the following:

(a) an amount equivalent to 1.75 times the Employee's Annual Base Salary less any Annual Base Salary received by the Employee during Garden Leave;

(b) an amount equivalent to Average Cash Incentive Compensation multiplied by the fraction obtained by dividing the number of days employed by the Company during the Termination Year (save for any days spent on Garden Leave) by 365; and

(c) an amount equivalent to 1.75 times the Average Cash Incentive Compensation."

(d) notwithstanding anything to the contrary in any applicable Time-Based Award agreement, Time-Based Awards held by the Employee that would have vested in the 21-month period following the date of Termination shall immediately accelerate and become fully vested and exercisable or nonforfeitable, as applicable, as of the Accelerated Vesting Date, provided that in order to effectuate the accelerated vesting contemplated by this subsection, the unvested portion of an Employee's Time-Based Awards that would otherwise be forfeited on the date of Termination will be delayed until the earlier of (x) the effective date of the Settlement Agreement (at which time acceleration will occur) or (y) the date that the Settlement Agreement can no longer become fully effective (at which time the unvested portion of such Time-Based Awards will be forfeited), and (B) Performance-Based Awards will vest in accordance with the terms of the applicable Performance-Based Award agreement.

21.2 The severance payment set out in clause 21.1 shall be paid in a lump sum within 60 days after the date of Termination, provided the Employee has entered into a Settlement Agreement prior to the payment date.”

21.3 The Company agrees to maintain, for a period of at least six years after the Employee’s date of Termination, directors’ and officers’ liability insurance insuring the Employee (in his or her capacity as an officer and/or director) and other officers and directors, with a limit of liability not less than the aggregate of the respective amounts set forth in the policy or policies maintained by the Company immediately prior to the Change of Control.

21.4 Notwithstanding the foregoing, if the Employee breaches any Continuing Obligations, all payments under this clause 21 shall immediately cease, but the Employee shall be entitled to retain any payments made to the Employee prior to any breach by the Employee of the Continuing Obligations. However, if the Employee breaches the Twelve-Month Restrictive Covenant, the Company shall be entitled to recover from the Employee a pro-rata portion of the payments made to the Employee under this clause 21 that correspond to the proportionate period of time that the Employee was in breach of the Twelve-Month Restrictive Covenant.”

### **Post-Termination Restrictions**

In consideration for allowing, you to benefit from the Severance Terms, and in light of your promotions within the business since the date of the Employment Contract, we have agreed that certain updates are required to the post-termination restrictions contained in the Employment Contract to make them more appropriate for an employee of your seniority within the business.

As a result, the following amendments will be made to your Employment Contract:

#### ***Non-Compete Restriction:***

1. New clause 18.1(d) is inserted in your Employment Contract as follows:

*“in the event the Employee’s employment is terminated within 18 months following the occurrence of a Change of Control, for 12 months following Termination, the Employee will not directly or indirectly Participate in the business or affairs of any Restricted Competitor unless:*

- (i) the Restricted Competitor also engages in business activities which are not a Competitive Business;*
- (ii) the Employee does not occupy, with or at the Restricted Competitor, a corporate executive position with the Restricted Competitor that provides oversight of or support to such Restricted Competitor’s activities in a Competitive Business; and*
- (iii) the Employee does not participate in the Competitive Business-related activities of the Restricted Competitor (and instead engages solely in activities that do not concern a Competitive Business).”*

#### ***Non solicitation restriction***

The definition of “Group Employee” in clause 1.1 of your Employment Contract is deleted in its entirety and replaced with the following:

*“any person who is at the date of Termination or was at any time during the Relevant Period employed in an executive or managerial capacity together with their direct reports or engaged as a consultant in the Company and in each case with whom the Employee or any person reporting to the Employee has had dealings in the course of employment other than in a minimal way at any time during the Relevant Period.”*

## **Definitions**

The definitions which are set out in Schedule 1 of this letter will be inserted into clause 1.1 of your Employment Contract.

In addition, the definitions of "Control" and "Change of Control" contained in clause 1.1 of your Employment Contract will be deleted in their entirety and replaced by a new definition titled "Change of Control" as follows:

*means (a) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Exchange Act), other than a stockholder of WisdomTree, Inc. that, as at the date of the deed of variation relating to this agreement entered into between the Company and the Employee on 21 April 2023, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 15% or more of the outstanding voting securities of WisdomTree, Inc., of more than 50% of the combined voting power of the then outstanding voting securities of WisdomTree, Inc.; (b) the sale of all or substantially all of the Company's assets at that time; or (c) any occurrence of a Sale Event or Change in Control Event, as defined in WisdomTree, Inc.'s 2022 Equity Plan"*

## **General**

If the Employee's employment with the Company is terminated for any reason other than death, Disability or termination by the Company in accordance with clause 15.3, each of the Company and the Employee agree to discuss and in good faith seek to agree on the substance and wording of any internal and external communications regarding the circumstances of the Employee's termination.

If the Employee initiates or otherwise participates in any arbitration proceeding against the Company to enforce the rights and entitlements granted pursuant to clauses 19 or 21 and the Employee substantially prevails in such a proceeding, the Employee shall be entitled to recover from the Company all of the Employee's costs of enforcement, including reasonable attorney's fees and expenses.

This letter and the rights and obligations of the parties shall be governed by and construed in accordance with the laws of England. In the event of any claim, dispute or difference arising out of or in connection with this letter the parties irrevocably agree and submit to the non-exclusive jurisdiction of the Courts of England.

No variation of this letter shall be effective unless made in writing and signed by or on behalf of you and the Company.

To confirm your agreement to the changes set out in this letter, please sign this letter, in the presence of a witness. I will arrange for the letter to be countersigned on behalf of the Company and will send you a fully executed copy.

If you have any questions or issues that you want to discuss, please do not hesitate to contact us.

Yours sincerely

/s/ Beena Joseph  
Beena Joseph  
Head of HR

**EXECUTED** as a **DEED** and **DELIVERED** by the parties on the date set out in this letter deed.

**EXECUTED** as a **DEED** and **DELIVERED** by  
**ALEXIS MARINOF**

)

)

/s/ Alexis Marinof

Alexis Marinof

in the presence of:

Witness' signature: /s/ Celine Wolff

Name: /s/ Celine Wolff

Address: [Address of Witness]

Occupation: Osteopath

**EXECUTED** as a **DEED**  
By **WISDOMTREE EUROPE LTD** acting by:

)

)

/s/ Peter Ziemba

in the presence of:

Peter Ziemba

Director

Witness' signature: /s/ Terry Siegel

Name: /s/ Terry Siegel

Address: [Address of Witness]

Occupation: Retired

WisdomTree Europe Ltd is incorporated in England and Wales, with its registered office at 1 King William Street, London, EC4N 7AF  
Company registration no. 08985846 | VAT registration no: GB185352787

## SCHEDULE 1

The following definitions will be inserted into clause 1.1 of your Employment Contract:

**“Annual Base Salary”** means the higher of the Employee’s annual base salary in effect immediately prior to (i) the Employee’s date of Termination or (ii) the Change of Control.

**“AUM”** means assets under management of an ETF Sponsor or ETP Sponsor as calculated and reported by Bloomberg or its successor, or if not so reported, then calculated by reference to shares outstanding and net asset value of its ETFs or ETPs, as the case may be, as reported by a Bloomberg terminal.

**“Average Cash Incentive Compensation”** means an amount equal to 50% of the Employee’s Target Incentive Compensation for the Termination Year.

**“Awards”** means all Time-Based Award(s) and Performance-Based Award(s).

**“Committee”** means the Compensation Committee of the Board of Directors of WisdomTree, Inc.

**“Competing ETF Sponsor”** means an ETF Sponsor that is one of the top ten ETF Sponsors in the United States based upon the AUM of its United States-listed ETFs, as of the end of the fiscal quarter immediately preceding the date of Termination.

**“Competing ETP Sponsor”** means an ETP Sponsor that is one of the top ten ETP Sponsors in the European Union and the United Kingdom combined based upon the AUM of its European Union- and United Kingdom-listed ETPs, as of the end of the fiscal quarter immediately preceding the date of Termination.

**“Competitive Business”** means (i) the business of being an ETP Sponsor, (ii) the business of being an ETP sponsor or (iii) a business that competes with the WisdomTree Digital Business.

**“Continuing Obligations”** means the Employee’s obligations to the Company pursuant to this agreement and any other agreement containing confidentiality, assignment of intellectual property, or other restrictive covenants including post termination restrictions, as the same may be amended or supplemented from time to time.

**“Disability”** means the earlier to occur of either of the following events:

- (i) The Employee, because of physical or mental disability or incapacity, is unable to perform his obligations to, or duties for, the Company on a full-time basis for 90 consecutive days or a period in excess of 150 days out of any period of 360 consecutive days; or
- (ii) the determination by a physician selected by the Company, duly licensed in the United Kingdom with a medical specialty appropriate for such determination (which determination shall be binding and conclusive for the purpose of this agreement), that the Employee is either physically or mentally, permanently disabled or incapacitated or otherwise so disabled or incapacitated that the Employee will be unable to perform his obligations to, or duties for, the Company for 90 consecutive days or a period in excess of 150 days out of any period of 360 consecutive days. The Employee’s failure to submit to an examination of a physician hereunder shall automatically result in a determination of Disability hereunder.

**“ETF”** means:

- a. Any open-end management investment company or unit investment trust registered under the Investment Company Act of 1940, as amended (the **“1940 Act”**) that issues and redeems any series of redeemable securities in compliance with the conditions of an exemptive order or regulation issued or promulgated by the U.S. Securities and Exchange Commission permitting, among other things, (I) the shares to be issued and redeemed only in large aggregations, and (II) secondary market transactions in the shares to occur at negotiated prices on national securities exchanges, as defined in Section 2(a)(26) of the 1940 Act (an **“Exchange”**), and lists such redeemable securities for trading on an Exchange; and
- b. Any exchange traded product, such as a grantor trust or other entity registered under the Securities Act of 1933, as amended (the **“1933 Act”**) (I) that is not registered as an investment company under the 1940 Act, (II) that is typically treated as a pass through entity under the Internal Revenue Code of 1986, as amended, (III) that issues and redeems a series of redeemable securities in large aggregations, and (IV) whose redeemable securities are listed for trading on one or more Exchanges and trade through secondary market transactions at negotiated prices on such Exchanges; or any exchange traded note registered under the 1933 Act that (x) provides for payments based on the performance of an index or pool of assets, (y) trades through secondary market transactions at negotiated prices on one or more Exchanges, and (z) is listed for trading on one or more Exchanges.

**“ETF Sponsor”** means an entity that is, or as a result of the Employee’s engagement or participation would become, a sponsor or promoter of an ETF or the investment advisor or investment manager to an ETF.

**“ETP”** means an entity or any exchange traded product that issues securities that represent an entitlement by the holder to an investment return obtained by the entity or exchange traded product by investing in securities, notes, commodities, cryptocurrencies or swaps to seek to achieve a stated investment purpose.

**“ETP Sponsor”** means an entity that is, or as a result of the Employee’s engagement or participation would become, a sponsor or promoter of an ETP or the advisor or manager to an ETP.

**“Exchange Act”** means the U.S. Securities Exchange Act of 1934, as amended.

**“Good Reason”** means that the Employee has complied with the “Good Reason Process” following the occurrence of any of the following events: (i) a material diminution in the Employee’s responsibilities, authority or duties (except for a reasonable diminution in connection with Disability); (ii) a material diminution in the Employee’s Annual Base Salary except for across-the-board salary reductions based on the Company’s financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the geographic location of the principal place at which the Employee provides services to the Company, not including work-related travel or short-term assignments; or (iv) the material breach by the Company of this Agreement.

**“Good Reason Process”** means that (i) the Employee reasonably determines in good faith that a “Good Reason” condition has occurred; (ii) the Employee notifies the Company in writing of the first occurrence of the Good Reason condition within 60 days of the first occurrence of such condition; (iii) the Employee cooperates in good faith with the Company’s efforts, for a period not less than 30 days following such notice (the **“Cure Period”**), to remedy the condition; (iv) notwithstanding such efforts, the Good Reason condition continues to exist; and (v) the Employee terminates his or her employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

**“Involuntary Termination”** means (i) the Employee’s termination of employment by the Company other than due to: (A) death, (B) Disability or (C) termination by the Company in accordance with clause 15.3 (ii) the Employee’s resignation from his employment for Good Reason.

**“Participate”** means to directly or indirectly engage or participate, directly or indirectly (whether as an officer, director, employee partner, consultant, holder of an equity or debt investment, lender, or in any other manner or capacity) but excluding a Permitted Investment.

**“Performance-Based Award”** means all then-outstanding stock-based awards of the WisdomTree, Inc. that are subject to performance-based vesting and for which achievement of the performance metrics has not been determined as of the date of Termination.

**“Permitted Investment”** means a holding (directly or through nominees) by way of bona fide personal investment of any units of any authorised unit trust and less than one per cent. in aggregate of the issued shares, debentures or other securities of any class of any company with revenues in excess of \$100,000,000 whose shares are listed on a recognised investment exchange, a recognised overseas investment exchange, or a designated investment exchange as recorded on the Financial Services Register by the FCA from time to time or any such other exchange as may be specified by the Board of Directors of WisdomTree, Inc. from time to time.

**“Post-Change of Control Termination”** means either (a) termination of the Employee’s employment by the Company in circumstances other than if the Employee’s employment was terminated under clause 15.3 of this agreement; (b) if the Employee resigns with Good Reason, in either case within 18 months after a Change of Control.

**“Post-Employment Period”** means the 12-month period immediately following the date of Termination less any time spent by the Employee on Garden Leave.

**“Relevant Period”** the period of 12 months immediately prior to the date of Termination (or the period since the start of the Employee’s employment, if shorter than 12 months) or, where the Executive has not been provided with work pursuant to clause 16 of this agreement after either party has served notice of termination, the period of 12 months immediately prior to the start of any period during which the Executive has not been provided with work pursuant to clause 16 of this agreement.

**“Restricted Competitor”** means any entity that (i) is a Competing ETF Sponsor, (ii) is a Competing ETP Sponsor or (iii) competes with the WisdomTree Digital Business in any jurisdiction where the Digital Wallet is offered to customers.

**“Settlement Agreement”** means a settlement agreement on terms satisfactory to the Company which is entered into between the Employee and the Company and/or with any Group Companies.

**“Severance Terms”** means the enhanced severance payments set out in clauses 19, 20 and 21 of the Employment Contract.

**“Target Incentive Compensation”** means the average of the Employee’s actual incentive compensation (including both cash and the fair value of Awards at the time of grant):

(i) for the three most recent full fiscal years for which the Employee has been paid incentive compensation; or

(ii) for such lesser number of full or partial fiscal years for which the Employee has been paid incentive compensation (with any partial fiscal year weighted proportionally less than any full fiscal year in determining the Employee’s average incentive compensation);

and in the event the Employee never has been paid any incentive compensation for a full or partial fiscal year, the Target Incentive Compensation shall be the target annual incentive compensation for the Termination Year as may be set forth in the annual budget for WisdomTree, Inc. as initially approved by the Board of Directors of WisdomTree, Inc. for the Termination Year or this Agreement, or if no such amount is set forth therein, 100% of the Employee’s Annual Base Salary).

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**“Termination Year”** means the fiscal year in which the date of Termination occurs.

**“Termination Year Cash Incentive Compensation”** means the product of: (i) the Committee’s aggregate percentage funding of the WisdomTree Inc.’s budgeted incentive compensation pool for the Termination Year, multiplied by (ii) 50% of the Employee’s Target Incentive Compensation for the Termination Year. If the Employee was not employed by the Company for the entirety of the Termination Year, the foregoing amount shall be multiplied by the fraction obtained by dividing the number of days the Employee was employed by the Company during the Termination Year by 365.

**“Time-Based Awards”** means all then-outstanding stock-based awards of WisdomTree, Inc. that are subject solely to time-based vesting.

**“Twelve Month Restrictive Covenant”** means the post termination restriction contained in clause 18.1(d) of this agreement.

**“WisdomTree Digital Business”** means the business of developing and/or operating a platform for the purchase, sale and exchange of blockchain-based digital assets, the issuance of tokens representing such assets, and/or the development and operation of a digital wallet via a mobile telephone application that provides services related thereto to facilitate such activity (**“Digital Wallet”**).

WisdomTree Europe Ltd is incorporated in England and Wales, with its registered office at 1 King William Street, London, EC4N 7AF  
Company registration no. 08985846 | VAT registration no: GB185352787





April 21, 2023

[Name]

Dear [Name]:

Reference is made to the letter agreement, dated [DATE], and amended on [DATE] [and [DATE]]<sup>1</sup> (the “Letter”), between you and WisdomTree Asset Management, Inc. (“WTAM”), relating to your employment with WTAM. Capitalized terms used and not defined in this amendment to the Letter (“Amendment”) have the respective meanings assigned to them in the Letter.

The terms of this Amendment are as follows:

1. Paragraph 3 ([Stock Options and]<sup>2</sup> Restricted Stock) of the Letter shall be amended by adding the following subparagraph[s] [(d), (e) [and (f)]] after subparagraph [(c)/(d)]<sup>3</sup> therein:
  - [(d)] As used in this letter, “Date of Termination” means the date that your employment with WTAM (or any successor) ends. Notwithstanding the foregoing, your employment shall not be deemed to have been terminated solely as a result of you becoming an employee of a subsidiary of WTAM or any direct or indirect successor to the business or the assets of WTAM.
  - (e) As used in this letter, “Post-Employment Period” means the 12-month period immediately following the Date of Termination.<sup>4</sup>
  - [(e)/(f)] Notwithstanding anything to the contrary in this letter or in any [Stock Option Agreement,<sup>5</sup> Restricted Stock Agreement or other equity-based awards of the Company held by you that are outstanding as of the Date of Termination, no accelerated vesting pursuant to Paragraph[s] 3(a), 3(b)]<sup>6</sup> or the provisions of the agreements representing such equity-based awards specifically relating to Involuntary Termination will occur unless you enter into, do not revoke, and comply with a fully effective Release as set forth in Paragraph 7.
2. Paragraph 4 (Protection of Confidential Information and Intellectual Property) of the Letter shall be deleted in its entirety and replaced with the following:
  4. **Protection of Confidential Information and Intellectual Property; Associated Noncompetition and Nonsolicitation Obligations**
    - (a) You agree that your services hereunder are of a special, unique and extraordinary character, and that your position with the Company places you in a position of confidence and trust. You further acknowledge that in the course of rendering services to the Company and WTAM Advised Issuers (as defined below), as applicable, you have obtained and will obtain Confidential Information (as defined below) of the Company and WTAM Advised Issuers and gain access to customer goodwill. Accordingly, you agree that during your employment by the Company and for a one-year period thereafter (the “Restricted Period”) with respect to clause (i) below, and at all times both during and after your employment with respect to clause (ii) below, you shall not, directly or indirectly, whether as owner, partner, shareholder, director, manager, consultant, agent, employee, co-venturer or otherwise:

<sup>1</sup> Form Note: To reference date of amendment(s), as applicable.

<sup>2</sup> Form Note: Heading name referencing Stock Options for Messrs. Steinberg and Ziemba only.

<sup>3</sup> Form Note: Subsection herein “(e)/(f)” to be added to Messrs. Steinberg and Ziemba’s agreements as subsection (e) and to Mr. Lilien and Ms. Frankenthaler’s agreements as subsection (f).

<sup>4</sup> Form Note: Subsections to be included for Mr. Lilien and Ms. Frankenthaler only, where Date of Termination and Post-Employment Period is used but previously undefined.

<sup>5</sup> Form Note: Reference to historical stock option agreements relevant for Messrs. Steinberg and Ziemba only.

<sup>6</sup> Form Note: Paragraph reference for Messrs. Steinberg and Ziemba only (relating to inclusion of historical stock options agreements).

(i) solicit, entice, or attempt to persuade any officer, director, employee, or agent of the Company to become an officer, director, employee, or agent of or perform services in any other capacity on behalf of yourself or any other person or entity; or

(ii) disparage the reputation of the Company or the respective directors, trustees, officers or employees of the Company, or the product and service offerings of the Company, including, without limitation, through written or spoken communication relating to the Company, its personnel or its products and services; *provided*, that nothing in the foregoing subparagraph (ii) shall affect or impede any of your rights under the National Labor Relations Act, including your right to engage in concerted group activity and to communicate with colleagues and/or third parties (such as labor unions and their representatives) including regarding working conditions.

(b) For three (3) months following the Date of Termination in the event of either (i) an Involuntary Termination (as defined below) or (ii) if the Company makes a Three-Month Restrictive Covenant Election under Paragraph 8, you shall not directly or indirectly engage or participate, directly or indirectly (whether as an officer, director, employee, partner, consultant, holder of an equity or debt investment, lender, or in any other manner or capacity) (collectively, "Participate"), in the business or affairs of any Competitor (as defined below), *unless* (A) the Competitor also engages in activities other than in a Competitive Business (as defined below), (B) you do not occupy, with or at the Competitor, a corporate executive position that provides oversight of or support to such Competitor's activities in a Competitive Business and (C) you do not Participate in the Competitive Business-related activities of the Competitor (and instead you engage solely in activities that do not concern a Competitive Business) (this Paragraph 4(b), the "Three-Month Restrictive Covenant").

(c) For twelve (12) months following the date of your Post-Change of Control Termination (as defined below), you shall not directly or indirectly Participate in the business or affairs of any Restricted Competitor (as defined below), *unless* (i) the Restricted Competitor also engages in activities other than in a Competitive Business, (ii) you do not occupy, with or at the Restricted Competitor, a corporate executive position with the Restricted Competitor, that provides oversight of or support to such Restricted Competitor's activities in a Competitive Business and (iii) you do not Participate in the Competitive Business-related activities of the Restricted Competitor (and instead you engage solely in activities that do not concern a Competitive Business) (this Paragraph 4(c), the "Twelve-Month Restrictive Covenant").

(d) To the extent you are an attorney admitted to practice in the State of New York, or any other state that limits the applicability of noncompetition provisions with respect to attorneys, the restrictions set forth in Paragraphs 4(b) and 4(c) shall be binding on you only to the extent permissible under Rule 5.6 of the New York Rules of Professional Conduct (or the corresponding rule in such other state, if applicable). By way of explanation, if you are an attorney admitted to practice in the State of New York (or any other state that limits the applicability of noncompetition provisions with respect to attorneys) the restrictions contained in the aforementioned paragraphs shall be enforceable to the extent they seek to prohibit you from Participating in the affairs of a Competitor in a position that is non-legal in nature and does not require admittance to practice law as a pre-requisite to holding such position.

(e) Definitions.

(i) "AUM" means assets under management of an ETF Sponsor or ETP Sponsor as calculated and reported by Bloomberg or its successor, or if not so reported, then calculated by reference to shares outstanding and net asset value of its ETFs or ETPs, as the case may be, as reported by a Bloomberg terminal.

(ii) "Competing ETF Sponsor" means an ETF Sponsor that is one of the top ten (10) ETF Sponsors in the United States based upon the AUM of its United States-listed ETFs, as of the end of the fiscal quarter immediately preceding the Date of Termination.

(iii) "Competing ETP Sponsor" means an ETP Sponsor that is one of the top ten (10) ETP Sponsors in the European Union and the United Kingdom combined based upon the AUM of its European Union- and United Kingdom-listed ETPs, as of the end of the fiscal quarter immediately preceding the Date of Termination.

(iv) “Competitive Business” means (i) the business of being an ETF Sponsor, (ii) the business of being an ETP sponsor or (iii) a business that competes with the WisdomTree Digital Business.

(v) “Competitor” means any entity that (i) is an ETF Sponsor in the United States, (ii) is an ETP Sponsor in the European Union and/or the United Kingdom or (iii) competes with the WisdomTree Digital Business.

(vi) “ETF” means:

(A) any open-end management investment company or unit investment trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”) that issues and redeems any series of redeemable securities in compliance with the conditions of an exemptive order or regulation issued or promulgated by the U.S. Securities and Exchange Commission permitting, among other things, (I) the shares to be issued and redeemed only in large aggregations, and (II) secondary market transactions in the shares to occur at negotiated prices on national securities exchanges, as defined in Section 2(a)(26) of the 1940 Act (an “Exchange”), and lists such redeemable securities for trading on an Exchange; and

(B) any exchange traded product, such as a grantor trust or other entity registered under the Securities Act of 1933, as amended (the “1933 Act”), (I) that is not registered as an investment company under the 1940 Act, (II) that is typically treated as a pass through entity under the Internal Revenue Code of 1986, as amended (the “Code”), (III) that issues and redeems a series of redeemable securities in large aggregations, and (IV) whose redeemable securities are listed for trading on one or more Exchanges and trade through secondary market transactions at negotiated prices on such Exchanges; or any exchange traded note registered under the 1933 Act that (x) provides for payments based on the performance of an index or pool of assets, (y) trades through secondary market transactions at negotiated prices on one or more Exchanges, and (z) is listed for trading on one or more Exchanges.

(vii) “ETF Sponsor” means an entity that is, or as a result of your engagement or participation would become, a sponsor or promoter of an ETF or the investment advisor or investment manager to an ETF.

(viii) “ETP” means an entity, or any exchange traded product, that issues securities that represent an entitlement by the holder to an investment return obtained by the entity by investing in securities, notes, commodities, cryptocurrencies or swaps to seek to achieve a stated investment purpose.

(ix) “ETP Sponsor” means an entity that is, or as a result of your engagement or participation would become, a sponsor or promoter of an ETP or the advisor or manager to an ETP.

(x) “Restricted Competitor” means any entity that (i) is a Competing ETF Sponsor, (ii) is a Competing ETP Sponsor or (iii) competes with the WisdomTree Digital Business in any jurisdiction where the Digital Wallet (as defined below) is offered to customers.

(xi) “WisdomTree Digital Business” means the business of developing and/or operating a platform for the purchase, sale and exchange of blockchain-based digital assets, the issuance of tokens representing such assets, and/or the development and operation of a digital wallet via a mobile telephone application that provides services related thereto to facilitate such activity (“Digital Wallet”).

(f) Your ownership, in the aggregate, of less than 1% of the outstanding shares of capital stock of any corporation with revenues in excess of \$100,000,000 and one or more classes of its capital stock listed on an Exchange shall not constitute a violation of the restrictions contained in clauses (b) or (c) above.

(g) You agree that all information, whether or not in writing, concerning the business, technology, business relationships or financial affairs of the Company or any investment company to which the Company serves, has served or may in the future serve, as an investment advisor or manager (each such investment company, a “WT Advised Issuer,” and collectively, the “WT Advised Issuers”) and that the Company and the WT Advised Issuers (as applicable) have not released to the general public (collectively, “Confidential Information”) and

all tangible embodiments thereof are and will be the exclusive property of the Company or WT Advised Issuer, as applicable. By way of illustration, Confidential Information may include information or material that has not been made generally available to the public, such as: (a) corporate information, including plans, strategies, methods, policies, resolutions, negotiations or litigation; (b) marketing information, including strategies, methods, customer or business partner identities or other information about customers, business partners, prospect identities or other information about prospects, or market analyses or projections; (c) financial information, including cost and performance data, debt arrangements, equity structure, investors and holdings, purchasing and sales data and price lists, financial forecasts, pricing methodologies, market share data; (d) operational or technological information, including plans, specifications, manuals, forms, templates, software codes and designs, algorithms, technical data and strategies, research and development strategies, hardware configuration information, designs, methods, procedures or modalities, formulae, data, reports, discoveries, inventions, materials, improvements, concepts, ideas, models, processes, know-how and trade secrets, and other Intellectual Property (as defined below), agreements with third parties; and (e) personnel information, including personnel lists, reporting or organizational structure, resumes, personnel data, performance evaluations and termination arrangements or documents. Confidential Information also includes information received in confidence by the Company or the WT Advised Issuers from their respective customers, suppliers, business partners or other third parties. You will not, at any time, without WTI's prior written permission, either during or after your employment, disclose any Confidential Information to anyone outside of the Company, or use or permit to be used any Confidential Information for any purpose other than the performance of your duties as an employee of WTAM. You will cooperate with the Company and use your best efforts to prevent the unauthorized disclosure or use of all Confidential Information. You will deliver to the Chief Legal Officer of WTI all copies and other tangible embodiments of Confidential Information in your possession or control upon the earlier of a request by the Company or termination of your employment. You understand that the Company and WT Advised Issuers are now and may hereafter be subject to nondisclosure or confidentiality agreements with third persons that require the Company and WT Advised Issuers to protect or refrain from use or disclosure of proprietary information. You agree to be bound by the terms of such agreements in the event you have access to such proprietary information. You understand that the Company and WT Advised Issuers strictly prohibit you from using or disclosing confidential or proprietary information belonging to any other person or entity (including any employer or former employer) in connection with your employment. In addition, you agree not to bring any confidential information belonging to any other person or entity onto Company premises, property or into Company workspaces or transfer onto any Company device, database or technology systems any such information belonging to any such person or entity.

You will keep and maintain adequate and current records of all Confidential Information and Intellectual Property (as defined below) developed by you during your employment, which records will be available to and remain the sole property of the Company at all times. Subject to Paragraph 4(h), all files, letters, notes, memoranda, reports, records, data, sketches, drawings, notebooks, layouts, charts, quotations and proposals, specification sheets, blueprints, models, prototypes, or other written, photographic or other tangible or electronic material containing Confidential Information, whether created by you or others, which come into your custody or possession, are the exclusive property of the Company to be used by you only in the performance of your duties for the Company and WT Advised Issuers, as applicable. Any property situated on the Company's premises or saved on the Company's technology systems and databases and owned by the Company, including without limitation desktop or laptop computers, tablets, disks and other storage media, filing cabinets or other work areas or on the Company's networks or servers, is subject to inspection by the Company at any time with or without notice. In the event of the termination of your employment for any reason, you will deliver to the Company all property and equipment of the Company in your possession, custody or control, including all files, letters, notes, memoranda, reports, records, data, sketches, drawings, notebooks, layouts, charts, quotations and proposals, specification sheets, blueprints, models, prototypes, or other written, photographic or other tangible or electronic material containing Confidential Information, and other materials of any nature pertaining to the Confidential Information of the Company and WT Advised Issuers and to your work, and will not take or keep in your possession any of the foregoing or any copies.

**(h)** During your employment, you will disclose to the Company all artwork, articles, materials, memoranda, reports, writings, research, software, programs, promotions, compilations, designs, drawings, layouts, models, patterns, know-how, inventions, ideas, formulas, procedures, processes, concepts, discoveries, technology, algorithms, designs, methods, improvements or other works of any nature

whatsoever, that are created, prepared, produced, authored, edited, amended, conceived, or reduced practice by me individually or jointly with others, including but not limited to market indices, research procedures and models, which relate directly or indirectly to the business of the Company or arise out of your employment with WTAM or your service as an officer of the other entities comprising the Company or the use of the Company's property or resources including, without limitation, any market indices, research procedures, models, ideas, proposals and plans which may be copyrighted, trademarked, patented or otherwise protected (collectively, "Intellectual Property"). It is understood and agreed that Intellectual Property does not include ideas, proposals or plans of a legal nature that are commonly known among attorneys counseling companies in the exchange traded products industry or digital assets industry. To preclude any possible uncertainty, if there is any Intellectual Property that you have, alone or jointly with others, conceived, developed or reduced to practice prior to the commencement of your employment with WTAM that you consider to be your property or the property of third parties and that you wish to have excluded from the scope of this Agreement ("Prior Inventions"), you have set forth on Exhibit B attached hereto a complete list of those Prior Inventions. If disclosure of any such Prior Invention would cause you to violate any prior confidentiality agreement, you understand that you are not to list such Prior Inventions in Exhibit B but you are only to disclose a cursory name for each such invention, a listing of the party(ies) to whom it belongs and the fact that full disclosure as to such inventions has not been made for that reason. If, in the course of your employment with WTAM, you incorporate a Prior Invention into a product, process or machine, research or development program, or other work done for the Company, you hereby grant to the Company a nonexclusive, royalty-free, fully paid-up, irrevocable, worldwide license (with the full right to sublicense directly and indirectly through multiple tiers) to make, have made, modify, use, sell, offer for sale and import such Prior Invention.

You agree that, as between you and the Company, all such Intellectual Property will be the sole property of the Company. You expressly understand and agree that any and all Intellectual Property constitutes a "work for hire" under applicable law, including the U.S. Copyright Law. In the event any Intellectual Property is not regarded as a "work for hire," you hereby assign to the Employing Company (as defined below) the sole and exclusive right to all Intellectual Property and all related patents, patent applications, trademarks and trademark applications, copyrights and copyright applications, *sui generis* database rights and other intellectual property rights in all countries and territories worldwide and under any international conventions (collectively, "Intellectual Property Rights"). You agree that you will promptly disclose to the Company any and all Intellectual Property, and that, upon request of the Company, you will execute and deliver any and all documents or instruments and take any other action that the Company will deem necessary to assign to and vest completely in the Employing Company, to perfect trademark, copyright and patent protection with respect to, or to otherwise protect the Company's trade secrets and proprietary interest in the Intellectual Property. With respect to any Intellectual Property and Intellectual Property Rights assigned hereunder to the Company, during your employment and at any time thereafter, you will, at the request and expense of the Company, sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized agents may reasonably require: (i) to apply for, obtain and vest in the name of the Company alone (unless the Company otherwise directs) trademarks, copyrights or other analogous protection in any country throughout the world and when so obtained or vested to renew and restore the same; and (ii) to defend any opposition proceedings in respect of such applications and any opposition proceedings or petitions or applications for revocation of such trademarks, copyrights, patents or other analogous protection. In the event you do not, within five (5) days after delivery to me, execute and deliver such documents reasonably necessary to vest in the Company all right, title and interest in such Intellectual Property, you hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as your agent and attorney-in-fact, to act for and on your behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of trademarks, copyright or other analogous protection thereon with the same legal force and effect as if executed by you. The obligations of this Paragraph will continue after the termination of your employment with respect to such Intellectual Property conceived of or developed by you while employed by the Employing Company. The Company agrees to pay any and all copyright, trademark and patent fees and expenses or the costs incurred by you at the Company's request for any assistance rendered to the Company pursuant to this Paragraph 4(h). You understand that to the extent this letter is required to be construed in accordance with the laws of any state which precludes a requirement in an employee agreement to assign certain classes of inventions made

by an employee, this Paragraph 4(h) will be interpreted not to apply to any invention that a court rules and/or the Company agrees falls within such classes.

For the purposes of this Paragraph 4(h), the term "Employing Company" means the entity employing you at the time that the applicable Intellectual Property is created, made, conceived or reduced to practice. If you are jointly employed by two or more entities at such time, the Employing Company means the entity that is the primary employer.

(i) If you commit a material breach, or if there are facts that indicate that you intend or you are about to commit a material breach, of any of the provisions of this Paragraph 4, the Company will have all legal and equitable rights available to it, including, without limitation, the right and remedy:

(i) to have the provisions of this letter specifically enforced by any court having equity jurisdiction, including, but not limited to, granting the Company an injunction against you, it being acknowledged and agreed by you that the services being rendered hereunder to the Company are of a special, unique, and extraordinary character and that any such breach or threatened breach will cause irreparable injury to the Company and that money damages will not provide an adequate remedy to the Company; and

(ii) (x) to the fullest extent permitted by applicable law, to require you to account for and pay over to the Company all compensation, profits, monies, accruals, increments, or benefits (collectively "Benefits") derived or received by you as the result of any transactions constituting a breach of any of the provisions of Paragraph 4 and you hereby agree to account for and pay over such Benefits to the Company, and (y) to cease any severance payments that would otherwise be payable to you.

If the Company shall initiate any legal proceeding to enforce the rights granted to it pursuant to this Paragraph 4(i), the substantially prevailing party in such a proceeding shall be entitled to recover from the non-prevailing party all of its costs of enforcement or defense (as the case may be), including reasonable attorney's fees and expenses.

If you commit a material breach of any of your obligations under Paragraph 4, the time period for which the obligation at issue shall run shall be tolled during the time such material breach is ongoing until the first date on which you cease to be in material breach of such obligation.

Each of the rights and remedies enumerated in this Paragraph 4(i) will be independent of the other, and will be severally enforceable, and such rights and remedies will be in addition to, and not in lieu of, any other rights and remedies available to the Company under law or equity. If any provision of Paragraph 4 is held to be unenforceable because of the scope, duration, or area of its applicability, the tribunal making such determination will have the power to modify such scope, duration, or area, or all of them, and such provision or provisions will then be applicable in such modified form.

(j) Nothing in this letter shall be interpreted or applied to prohibit you from making any good faith report to any governmental agency or other governmental entity concerning any acts or omissions that you may believe to constitute a possible violation of federal or state law or making other disclosures that are protected under the whistleblower provisions of applicable federal or state law or regulation. In addition, for the avoidance of doubt, you understand that pursuant to the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Lastly, notwithstanding anything herein to the contrary, nothing in this letter shall limit or restrict your right to initiate a legal proceeding in a court of law or equity to seek indemnification from the Company pursuant to your Indemnification Agreement with WTI dated as of the date set forth on Appendix A and your right to have WTI reimburse you for your expenses, including reasonable attorney's fees, in connection with enforcing your claim for indemnification thereunder.

3. Paragraph 9 (Change of Control Severance) of the Letter shall be amended by adding the following proviso at the end of subparagraph (ii) thereunder immediately before the words "; and":

*provided*, that in order to effectuate the accelerated vesting contemplated by this subsection, the unvested portion of such time-based equity awards that would otherwise be forfeited on the Date of Termination will be delayed until the earlier of (x) the effective date of the Release (at which time acceleration will occur) or (y) the date that the Release can no longer become fully effective (at which time the unvested portion of such time-based equity awards will be forfeited)

4. Paragraph 9 (Change of Control Severance) ) of the Letter shall be amended by adding the following paragraph immediately following subparagraph (iii) thereof:

For purposes of clarity, notwithstanding anything to the contrary in this letter or in any time-based equity awards of the Company held by you that are outstanding as of the Date of Termination, no accelerated vesting pursuant to Paragraph 9(ii) above will occur unless you enter into, do not revoke, and comply with the Release as set forth in this Paragraph 9.
5. Paragraph 10(b) (Definitions) of the Letter shall be deleted in its entirety and replaced with the following:
  - (b) "Change of Control" shall mean (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), other than a stockholder of the Company that, as of the date of this Letter, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 15% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company; (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company; or (iii) any occurrence of a Sale Event or Change in Control Event as defined in the WisdomTree Investments, Inc. 2022 Equity Plan, as amended from time to time.
6. Except as expressly provided in this Amendment, all the terms and provisions of the Letter are and will remain in full force and effect and are hereby ratified and confirmed by the parties. On and after the date hereof, each reference in the Letter to "this letter," "this letter agreement," "hereunder," "hereof," "herein" or words of like import will mean and be a reference to the Letter as amended by this Amendment.
7. This Amendment shall be governed by, and construed in accordance with, the internal laws of New York, without regard to principles of conflicts of law. This Amendment may not be amended or modified unless memorialized in writing and signed by both you and WTAM. This Amendment may be executed in counterparts, each of which is deemed an original, but all of which together constitutes one and the same agreement. Each party agrees that electronic signatures of the parties included in this Amendment will have the same force and effect as manual signatures. Delivery of an executed counterpart of this Amendment electronically shall be effective as delivery of an original executed counterpart of this Amendment.

Please confirm your acceptance of this Amendment by signing below and returning a copy to me.

Sincerely,

WISDOMTREE ASSET MANAGEMENT, INC.

By: \_\_\_\_\_  
Name:  
Title:

I agree to the terms and conditions set forth in the above Amendment to the Letter.

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
Date

**EXHIBIT B**

To: COMPANY

From: \_\_\_\_\_

Date: \_\_\_\_\_

SUBJECT: **Prior Inventions**

The following is a complete list of all inventions or improvements relevant to the subject matter of my employment by the Company that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company:

No inventions or improvements

See below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Additional sheets attached.

The following is a list of all patents and patent applications in which I have been named as an inventor:

None

See below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Approved by the Compensation Committee of the  
Board of Directors on February 23, 2023

**WISDOMTREE, INC.  
EXECUTIVE SEVERANCE PLAN**

WisdomTree, Inc. (the “Company”) considers it essential to the best interests of its stockholders to foster the continuous employment of key management personnel. The Compensation Committee (the “Committee”) of the Board of Directors of the Company (the “Board”) recognizes, however, that, as is the case with many publicly held corporations, the possibility of an involuntary termination of employment, either before or after a Change of Control (as defined in Section 1 hereof), exists and that such possibility, and the uncertainty and questions that it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Company and its stockholders. Therefore, the Committee has determined that the WisdomTree, Inc. Executive Severance Plan (this “Plan”) should be adopted to reinforce and encourage the continued attention and dedication of the Company’s Eligible Participants (as defined in Section 1 hereof) to their assigned duties without distraction. Nothing in this Plan shall be construed as creating an express or implied contract of employment and nothing shall alter the “at will” nature of the US Eligible Participants’ (as defined in Section 1 hereof) employment with the Company. For purposes of this Plan, the employment of an Eligible Participant by the Company refers to the employment of the Eligible Participant by the applicable current or future, direct or indirect subsidiary of the Company (each a “WT Sub” and collectively, the “WT Subs”) since the Company has no direct employees. In addition, certain WT Subs serve, have served or may in the future serve, as an investment advisor or manager to investment companies (each such investment company, a “WT Advised Issuer” and collectively, the “WT Advised Issuers”). Accordingly, as the context may require, the word “Company” refers to either (i) the Company, the WT Subs and the WT Advised Issuers collectively, (ii) any one or more of such entities, or (iii) the applicable WT Sub that employs such Eligible Participant.

1. Definitions.

(a) “Administrator” means the Committee.

(b) “Annual Base Salary” means the higher of the Eligible Participant’s annual base salary in effect immediately prior to (i) the Eligible Participant’s Date of Termination or (ii) the Change of Control.

(c) “Average Cash Incentive Compensation” means an amount equal to 50% of the Eligible Participant’s Target Incentive Compensation for the Termination Year.

(d) “Award(s)” means all Time-Based Award(s) and Performance-Based Award(s).

(e) “Cause” means any one or more of the following acts or omissions by the Eligible Participant: (i) the willful and continued failure of the Eligible Participant to (A) materially perform the Eligible Participant’s duties and obligations to the Company or (B) carry out specific legal and lawful directions of a senior officer or the Board (in each case other than by reason of Disability); (ii) the material breach of any Continuing Obligations (including a breach of the representations and warranties made by the Eligible Participant in such Eligible Participant’s employment agreement or offer letter and/or the Restrictive Covenant Agreement); (iii) the material failure to comply with the written policies or rules of the Company; (iv) the commission of an act or failure to act that involves willful misconduct, bad faith or gross negligence; (v) the commission of any act of fraud, misappropriation, embezzlement or similar willful and malicious conduct against the Company; or (vi) the Eligible Participant’s conviction of, or plea of “guilty” or “no contest” to, a felony under the laws of the United States or any state thereof. Notwithstanding the foregoing, “Cause” shall not be deemed to exist for a reason specified in clauses (i)(A) or (ii) above unless the Eligible Participant has been given written notice setting forth in reasonable detail the act, omission or failure of, or breach by, the Eligible Participant and a period of at least 10 days after such notice to cure all of such acts, omissions, failures or breaches, and the same shall not have been cured within such 10-day period; provided, further, that the Company shall not be required to give notice and an opportunity to cure

for a reason specified in clauses (i)(A) or (ii) if an Eligible Participant has committed the same or substantially similar acts, omissions, failures or breaches and the Company has previously given the Eligible Participant notice of and an opportunity to cure the same.

(f) "Change of Control" means (i) the acquisition by any "person" (as defined in Section 3(a)(9) and 13(d) of the Exchange Act), other than a stockholder of the Company that, as of the date the Eligible Participant becomes an Eligible Participant, is the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of 15% or more of the outstanding voting securities of the Company, of more than 50% of the combined voting power of the then outstanding voting securities of the Company; (ii) the sale by the Company of all, or substantially all, of the assets of the Company to one or more purchasers, in one or a series of related transactions, where the transaction or transactions require approval pursuant to Delaware law by the stockholders of the Company; or (iii) any occurrence of a Sale Event or Change in Control Event, as defined in the Company's 2022 Equity Plan, as amended from time to time.

(g) "Code" means the U.S. Internal Revenue Code of 1986, as amended.

(h) "Continuing Obligations" means the Eligible Participant's obligations to the Company pursuant to any agreement containing confidentiality, assignment of inventions, or other restrictive covenants, including the Restrictive Covenant Agreement and the Eligible Participant's offer letter of employment, as the same may be amended or supplemented from time to time.

(i) "Date of Termination" means the date that an Eligible Participant's employment with the Company (or any successor) ends. Notwithstanding the foregoing, an Eligible Participant's employment shall not be deemed to have been terminated solely as a result of the Eligible Participant becoming an employee of any subsidiary of the Company or any direct or indirect successor to the business or assets of the Company.

(j) "Disability" means the earlier to occur of either of the following events:

(i) the Eligible Participant, because of physical or mental disability or incapacity, is unable to perform the Eligible Participant's obligations to, or duties for, the Company on a full-time basis for 90 consecutive days or a period in excess of 150 days out of any period of 360 consecutive days; or

(ii) the determination by a physician selected by the Company, duly licensed in New York for US Eligible Participants and in the United Kingdom for UK Eligible Participants with a medical specialty appropriate for such determination (which determination shall be binding and conclusive for the purpose of this Plan), that the Eligible Participant is either physically or mentally, permanently disabled or incapacitated or otherwise so disabled or incapacitated that the Eligible Participant will be unable to perform the Eligible Participant's obligations to, or duties for, the Company for 90 consecutive days or a period in excess of 150 days out of any period of 360 consecutive days. The Eligible Participant's failure to submit to an examination of a physician hereunder shall automatically result in a determination of Disability hereunder.

(k) "Eligible Participants" means those Executive Officers or other employees designated by the Administrator by written resolution in its sole discretion, and who meet the eligibility requirements set forth in Section 3 of this Plan.

(l) "Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

(m) "Executive Officer" means an employee of the Company designated by written resolution of the Board as (i) an executive officer of the Company as that term is defined under Rule 3b-7 of the Exchange Act and (ii) an officer of the Company for purposes of Section 16 of the Exchange Act.

(n) “Good Reason” means that the Eligible Participant has complied with the “Good Reason Process” following the occurrence of any of the following events: (i) a material diminution in the Eligible Participant’s responsibilities, authority or duties (except for a reasonable diminution in connection with Disability); (ii) a material diminution in the Eligible Participant’s Annual Base Salary, except for across-the-board salary reductions based on the Company’s financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the geographic location of the principal place at which the Eligible Participant provides services to the Company, not including work-related travel or short-term assignments; or (iv) the material breach by the Company of a written employment agreement or offer letter between the Company and the Eligible Participant.

(o) “Good Reason Process” means that (i) the Eligible Participant reasonably determines in good faith that a “Good Reason” condition has occurred; (ii) the Eligible Participant notifies the Company in writing of the first occurrence of the Good Reason condition within 60 days of the first occurrence of such condition; (iii) the Eligible Participant cooperates in good faith with the Company’s efforts, for a period not less than 30 days following such notice (the “Cure Period”), to remedy the condition; (iv) notwithstanding such efforts, the Good Reason condition continues to exist; and (v) the Eligible Participant terminates the Eligible Participant’s employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(p) “Involuntary Termination” means (i) the Eligible Participant’s termination of employment by the Company other than due to: (A) death, (B) Disability or (C) termination by the Company for Cause or (ii) the Eligible Participant’s resignation from the Eligible Participant’s employment for Good Reason.

(q) “Participation Agreement” means an agreement between an Eligible Participant and the Company that acknowledges the Eligible Participant’s participation in this Plan.

(r) “Performance-Based Awards” means all then-outstanding stock-based awards of the Company that are subject to performance-based vesting and for which achievement of the performance metrics has not been determined as of the Date of Termination.

(s) “Post-Change of Control Termination” means termination of the Eligible Participant’s employment by the Company without Cause or the Eligible Participant’s resignation of the Eligible Participant’s employment for Good Reason, in either case within 18 months after a Change of Control.

(t) “Post-Employment Period” means the 12-month period immediately following the Date of Termination.

(u) “Prior Year” means the fiscal year immediately preceding the Termination Year.

(v) “Prior Year Cash Incentive Compensation” means the product of: (i) the Committee’s aggregate percentage funding of the Company’s budgeted incentive compensation pool for the Prior Year, multiplied by (ii) 50% of the Eligible Participant’s Target Incentive Compensation for the Prior Year.

(w) “Reimbursement” means reimbursement for reasonable business expenses incurred by the Eligible Participant in performing services for the Company prior to the Date of Termination, in accordance with the policies and procedures then in effect and established by the Company for its Executive Officers.

(x) “Restrictive Covenant Agreement” means the Employee Confidentiality, Assignment and Restrictive Covenant Agreement between the Eligible Participant and the Company, as may be amended from time to time.

(y) “Target Incentive Compensation” means the average of the Eligible Participant’s actual incentive compensation (including both cash and the fair value of Awards at the time of grant) (i) for the three most recent full fiscal years for which the Eligible Participant has been paid incentive compensation or (ii) for such lesser number of full or partial fiscal years for which the Eligible Participant has been paid incentive compensation (with

any partial fiscal year weighted proportionally less than any full fiscal year in determining the Eligible Participant's average incentive compensation; and, in the event the Eligible Participant never has been paid any incentive compensation for a full or partial fiscal year, the Target Incentive Compensation shall be the target annual incentive compensation for the Termination Year as may be set forth in the annual budget for WisdomTree, Inc. as initially approved by the Board of Directors of WisdomTree, Inc. for the Termination Year or the Eligible Participant's employment agreement or offer letter, or if no such amount is set forth therein, 100% of the Eligible Participant's Annual Base Salary).

(z) "Termination Year" means the fiscal year in which the Date of Termination occurs.

(aa) "Termination Year Cash Incentive Compensation" means the product of: (i) the Committee's aggregate percentage funding of the Company's budgeted incentive compensation pool for the Termination Year, multiplied by (ii) 50% of the Eligible Participant's Target Incentive Compensation for the Termination Year. If the Eligible Participant was not employed by the Company for the entirety of the Termination Year, the foregoing amount shall be multiplied by the fraction obtained by dividing the number of days the Eligible Participant was employed by the Company during the Termination Year by 365.

(bb) "Time-Based Awards" means all then-outstanding stock-based awards of the Company that are subject solely to time-based vesting.

(cc) "UK Eligible Participant" means any Eligible Participant employed in the United Kingdom.

(dd) "US Eligible Participant" means any Eligible Participant employed in the United States or, for purposes of Section 8(b) and 8(c), otherwise subject to the federal tax laws of the United States.

## 2. Administration of this Plan.

(a) Administrator. This Plan shall be administered by the Administrator.

(b) Powers of Administrator. The Administrator shall have all powers necessary to enable it to properly carry out its duties with respect to the complete control of the administration of this Plan. Not in limitation, but in amplification of the foregoing, the Administrator shall have the power and authority in its discretion to:

(i) construe this Plan to determine all questions that shall arise as to interpretations of this Plan's provisions;

(ii) determine which individuals are and are not Eligible Participants, determine the benefits to which any Eligible Participant may be entitled, the eligibility requirements for participation in this Plan and all other matters pertaining to this Plan;

(iii) adopt amendments to this Plan that are deemed necessary or desirable to comply with all applicable laws and regulations, including, but not limited to, Section 409A of the Code and the guidance thereunder;

(iv) make all determinations it deems advisable for the administration of this Plan, including the authority and ability to delegate administrative functions to a third party;

(v) decide all disputes arising in connection with this Plan; and

(vi) otherwise supervise the administration of this Plan.

All decisions and interpretations of the Administrator shall be final, conclusive and binding on all parties, including the Company and Eligible Participants.

3. Eligibility. All Eligible Participants who have (i) served for at least 12 months as an Executive Officer or in another senior executive role of the Company as determined by the Administrator by written resolution in its sole discretion, (ii) executed and submitted to the Company a Participation Agreement and (iii) satisfied such other requirements as may be determined by the Administrator from time to time, are eligible to participate in this Plan. Notwithstanding the foregoing, the Administrator may determine at any time that an Eligible Participant should no longer be designated as such as a result of a material change in such Eligible Participant's role, and such individual shall cease to be eligible to participate in this Plan on the date that is the first anniversary of the effective date of the Eligible Participant's change in status.

4. Termination Generally. If the Eligible Participant's employment with the Company is terminated for any reason other than death, Disability or for Cause, each of the Company and the Eligible Participant agree to discuss and in good faith seek to agree on the substance and wording of any internal and external communications regarding the circumstances of the Eligible Participant's termination.

If the Eligible Participant's employment with the Company is terminated for any reason (including without limitation death or Disability), the Company shall pay or provide to the Eligible Participant (or to the Eligible Participant's authorized representative or estate), on or before the time required by law but in any event (i) within 10 business days following the Date of Termination with respect to the amount set forth in clause (a) below, (ii) upon payment of the annual incentive compensation for the Prior Year to the Company's other senior executives with respect to the amount set forth in clause (b) below, *provided, however*, that the Eligible Participant shall not receive any payment pursuant to clause (b) below if (A) the Eligible Participant resigns the Eligible Participant's employment without Good Reason, (B) the Eligible Participant's employment is terminated by the Company for Cause, or (C) the Eligible Participant received payment, prior to the Date of Termination, of the Eligible Participant's incentive compensation for the Prior Year, and (iii) promptly after submission of a request for Reimbursement, with appropriate documentation in accordance with the Company's policies and procedures then in effect, with respect to the amount set forth in clause (c) below:

(a) all accrued but unpaid Annual Base Salary, and accrued but unused vacation or paid time off, if applicable, through the Date of Termination;

(b) the Prior Year Cash Incentive Compensation. If the Eligible Participant was not employed by the Company for the entirety of the Prior Year, the foregoing amount shall be multiplied by the fraction obtained by dividing the number of days the Eligible Participant was employed by the Company during the Prior Year by 365; and

(c) the Reimbursement.

5. Involuntary Termination.

(a) Upon the Eligible Participant's Involuntary Termination and provided the Eligible Participant (i) enters into a fully effective Release Agreement in substantially the form attached as Exhibit A hereto (the "Release") within 60 days after the Date of Termination (or such shorter period as set forth in the Release) and complies with such Release, and (ii) complies with the Restrictive Covenant Agreement, the Company will pay, in the manner set forth below, as severance to the Eligible Participant (or in the case of the Eligible Participant's subsequent death, the legal representative of the Eligible Participant's estate or such other person or persons as the Eligible Participant shall have designated by written notice to the Company) an amount equal to the sum of:

(i) the Annual Base Salary;

(ii) the Termination Year Cash Incentive Compensation; and

(iii) the Average Cash Incentive Compensation.

(b) Notwithstanding anything to the contrary in any applicable Award agreement, (i) any Awards held by the Participant that would have vested during the Post-Employment Period shall immediately accelerate and become fully vested and exercisable or nonforfeitable, as applicable, as of the later of (A) the Date of Termination or (B) the effective date of the Release (such date, the "Accelerated Vesting Date"), provided that in order to effectuate the accelerated vesting contemplated by this subsection, the unvested portion of an Eligible Participant's Awards that would otherwise be forfeited on the Date of Termination will be delayed until the earlier of (x) the effective date of the Release (at which time the acceleration contemplated by this subclause (b)(i) will occur) or (y) the date that the Release can no longer become fully effective (at which time the entire unvested portion of such Awards will be forfeited), (ii) vesting of the Eligible Participant's Awards shall otherwise cease as of the Date of Termination, but the Eligible Participant's Awards that remain unvested as of the Accelerated Vesting Date and that were not forfeited pursuant to clause (b)(i) (y) above will remain outstanding until the last day of the Post-Employment Period, and (iii) if a Change of Control occurs during the Post-Employment Period, the Eligible Participant shall be entitled to any accelerated vesting with respect to the Awards that the Eligible Participant would have been entitled to if the Eligible Participant had remained employed through the date of the Change of Control. For the avoidance of doubt, no accelerated vesting pursuant to this Section 5(b) will occur unless the Eligible Participant enters into a fully effective Release within 60 days after the Date of Termination (or such shorter period as set forth in the Release) and complies with such Release.

(c) If the Eligible Participant elects COBRA insurance coverage, the Company will reimburse the Eligible Participant on a monthly basis for 100% of the amount of such premiums (the "COBRA Premiums") for such insurance for 12 months following the Date of Termination; *provided* that the Company's payment obligation shall cease upon the expiration of the Eligible Participant's rights under COBRA or if the Eligible Participant becomes reemployed and eligible for group health benefits; *provided further, however*, that if the Company determines that it cannot pay such amounts without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company will convert such payments to payroll payments directly to the Eligible Participant for the time period specified above. Such payments shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates. For the avoidance of doubt, the taxable payments described above may be used for any purpose, including, but not limited to, continuation coverage under COBRA.

(d) The Termination Year Cash Incentive Compensation shall be paid when the Company pays non-terminated senior executives their year-end incentive compensation for the Termination Year, but in no event later than March 15 of the calendar year following the Eligible Participant's Date of Termination. The Annual Base Salary and Average Cash Incentive Compensation shall be paid out in substantially equal bi-monthly or semi-weekly installments in accordance with the Company's payroll practice over 12 months commencing within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, those amounts, to the extent they qualify as "non-qualified deferred compensation" within the meaning of Section 409A of the Code, shall begin to be paid in the second calendar year by the last day of such 60-day period; *provided, further*, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination. Notwithstanding the foregoing, if the Eligible Participant breaches any of the Continuing Obligations, all payments under this Section 5 shall immediately cease, but the Eligible Participant shall be entitled to retain any payments made to the Eligible Participant prior to any breach by the Eligible Participant of the Continuing Obligations.

#### 6. Voluntary Resignation Without Good Reason or Termination for Cause

(a) If the Eligible Participant resigns the Eligible Participant's employment without Good Reason, the Eligible Participant shall provide the Company with at least 10 business days' written notice before the effective Date of Termination (the "Notice Period"). At any time during the Notice Period, or in the event the Company terminates the Eligible Participant's employment for Cause, the Company may (but shall not be obligated to) elect to invoke the Three-Month Restrictive Covenant as provided in the Restrictive Covenant Agreement (the "Three-Month Restrictive Covenant Election"). In the event the Company provides the Eligible Participant with a timely Three-Month Restrictive Covenant Election following the Eligible Participant's resignation without Good Reason or the termination of the Eligible Participant's employment by the Company for Cause, then provided the Eligible Participant (I) enters into a fully effective Release within 60 days after the Date of Termination (or such shorter period as set forth in the Release) and complies with such Release, and (II) complies with the Three-Month Restrictive Covenant (the "Three-Month Restrictive Covenant

Requirements”), the Company will pay the Eligible Participant the sum of:

- (i) 25% of the Annual Base Salary;
- (ii) an amount equal to 12.5% of the Target Incentive Compensation for the Termination Year; and
- (iii) an amount equal to 25% of the value (determined based on the closing price of a share of the underlying stock on the Date of Termination multiplied by the number of shares subject to the Time-Based Award) of any Time-Based Awards that would have vested in the Post-Employment Period if no termination had occurred (assuming for the purpose of this calculation that during the Post-Employment Period no event (such as a Change of Control) would occur that would provide for the acceleration of vesting under any such Time-Based Award).

(b) This amount shall be paid out in substantially equal bi-monthly or semi-weekly installments in accordance with the Company’s payroll practice over three months commencing within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, those amounts, to the extent they qualify as “non-qualified deferred compensation” within the meaning of Section 409A of the Code, shall begin to be paid in the second calendar year by the last day of such 60-day period; *provided, further*, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination. In addition, if the Three-Month Restrictive Covenant Requirements are complied with and the Eligible Participant elects COBRA insurance coverage, the Company will reimburse the Eligible Participant for COBRA Premiums for three months following the Date of Termination; *provided* that the Company’s payment obligation shall cease upon the expiration of the Eligible Participant’s rights under COBRA or if the Eligible Participant becomes reemployed and eligible for group health benefits; *provided further, however*, that if the Company determines that it cannot pay such amounts without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company will convert such payments to payroll payments directly to the Eligible Participant for the time period specified above. Such payments shall be subject to tax-related deductions and withholdings and paid on the Company’s regular payroll dates. For the avoidance of doubt, the taxable payments described above may be used for any purpose, including, but not limited to, continuation coverage under COBRA.

(c) Notwithstanding the foregoing, if the Eligible Participant breaches any of the Continuing Obligations, all payments under this Section 6 shall immediately cease, but the Eligible Participant shall be entitled to retain any payments made to the Eligible Participant prior to any breach by the Eligible Participant of the Continuing Obligations.

#### 7. Termination Upon a Change of Control.

(a) The provisions of this Section 7 shall apply in lieu of, and expressly supersede, the provisions of Section 5 regarding severance pay and benefits upon a termination of employment, if such termination of employment occurs within 18 months after the occurrence of a Change of Control. Upon a Post-Change of Control Termination, and provided the Eligible Participant (I) enters into a fully effective Release within 60 days after the Date of Termination (or such shorter period as set forth in the Release) and complies with such Release, and (II) the Eligible Participant complies with the Twelve-Month Restrictive Covenant set forth in the Restrictive Covenant Agreement (provided that the Eligible Participant shall not be obligated to comply with the Twelve-Month Restrictive Covenant following the one year anniversary of the Date of Termination), the Company will pay, in the manner set forth below, as severance to the Eligible Participant (or in the case of the Eligible Participant’s subsequent death, the legal representative of the Eligible Participant’s estate or such other person or persons as the Eligible Participant shall have designated by written notice to the Company):

- (i) the sum of (A) 1.75 times the Annual Base Salary; (B) an amount determined by multiplying the Average Cash Incentive Compensation by the fraction obtained by dividing the number of days the Eligible Participant was employed by the Company during the Termination Year by 365; and (C) 1.75 times the Average Cash Incentive Compensation. The amount in

this Section 7(a) shall be paid in a lump sum within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payments to the extent they qualify as “non-qualified deferred compensation” within the meaning of Section 409A of the Code, shall be paid in the second calendar year by the last day of such 60-day period;

(ii) (A) notwithstanding anything to the contrary in any applicable Time-Based Award agreement, Time-Based Awards held by the Eligible Participant that would have vested in the 21-month period following the Date of Termination shall immediately accelerate and become fully vested and exercisable or nonforfeitable, as applicable, as of the Accelerated Vesting Date, provided that in order to effectuate the accelerated vesting contemplated by this subsection, the unvested portion of an Eligible Participant’s Time-Based Awards that would otherwise be forfeited on the Date of Termination will be delayed until the earlier of (x) the effective date of the Release (at which time acceleration will occur) or (y) the date that the Release can no longer become fully effective (at which time the unvested portion of such Time-Based Awards will be forfeited), and (B) Performance-Based Awards will vest in accordance with the terms of the applicable Performance-Based Award agreement; and

(iii) if the Eligible Participant elects COBRA insurance coverage, the Company will reimburse the Eligible Participant for COBRA Premiums for 21 months following the Date of Termination; *provided* that the Company’s payment obligation shall cease upon the expiration of the Eligible Participant’s rights under COBRA or if the Eligible Participant became reemployed and eligible for group health benefits; *provided further, however*, that if the Company determines that it cannot pay such amounts without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company will convert such payments to payroll payments directly to the Eligible Participant for the time period specified above. Such payments shall be subject to tax-related deductions and withholdings and paid on the Company’s regular payroll dates. For the avoidance of doubt, the taxable payments described above may be used for any purpose, including, but not limited to, continuation coverage under COBRA.

(b) The Company agrees to maintain, for a period of at least six (6) years after the Eligible Participant’s Date of Termination, directors’ and officers’ liability insurance insuring the Eligible Participant (in the Eligible Participant’s capacity as an officer and/or director) and other officers and directors, with a limit of liability not less than the aggregate of the respective amounts set forth in the policy or policies maintained by the Company immediately prior to the Change of Control.

(c) Notwithstanding the foregoing, if the Eligible Participant breaches any Continuing Obligations, all payments under this Section 7 shall immediately cease, but the Eligible Participant shall be entitled to retain any payments made to the Eligible Participant prior to any breach by the Eligible Participant of the Continuing Obligations. However, if the Eligible Participant breaches the Twelve-Month Restrictive Covenant, the Company shall be entitled to recover from the Eligible Participant a pro-rata portion of the payments made to the Eligible Participant under this Section 7 that correspond to the proportionate period of time that the Eligible Participant was in breach of the Twelve-Month Restrictive Covenant.

#### 8. General Terms and Conditions.

(a) Tax Withholding. All payments made by the Company under this Plan shall be subject to any tax or other amounts required to be withheld by the Company under applicable law.

(b) Section 409A (US Eligible Participants only).

(i) Anything in this Plan to the contrary notwithstanding, if at the time of the Eligible Participant’s “separation from service” within the meaning of Section 409A of the Code, the Company determines that the Eligible Participant is a “specified



employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Eligible Participant becomes entitled to under this Plan would be considered deferred compensation subject to the 20% additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided, as applicable, until the date that is the earlier of (A) six months and one day after the Eligible Participant’s separation from service, or (B) the Eligible Participant’s death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(ii) The Company and each Eligible Participant intend that this Plan will be administered in accordance with Section 409A of the Code and that all amounts payable hereunder shall be exempt from the requirements of such section to the greatest extent possible. To the extent that any provision of this Plan is not exempt from Section 409A of the Code or ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner to comply with Section 409A of the Code. Each payment pursuant to this Plan is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). Each Eligible Participant acknowledges that this Plan may be amended as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to the Company or the Eligible Participant.

(iii) To the extent that any payment or benefit described in this Plan constitutes “non-qualified deferred compensation” under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Eligible Participant’s termination of employment, then such payments or benefits shall be payable only upon the Eligible Participant’s “separation from service.” The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(iv) All in-kind benefits provided and expenses eligible for reimbursement under this Plan shall be provided by the Company or incurred by the Eligible Participant during the time periods set forth in this Plan. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(v) The Company makes no representation or warranty and shall have no liability to any Eligible Participant or any other person if any provisions of this Plan are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

(c) Additional Limitation (US Eligible Participants only)

(i) Anything in this Plan to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of any Eligible Participant, whether paid or payable or distributed or distributable pursuant to the terms of this Plan or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the “Aggregate Payments”), would be subject to the excise tax imposed by Section 4999 of the Code, then the Aggregate Payments shall be reduced (but not below zero) so that the sum of all of the Aggregate Payments shall be \$1.00 less than the amount at which the Eligible Participant becomes subject to the excise tax

imposed by Section 4999 of the Code; provided that such reduction shall only occur if it would result in the Eligible Participant receiving a higher After Tax Amount (as defined below) than the Eligible Participant would receive if the Aggregate Payments were not subject to such reduction. In such event, the Aggregate Payments shall be reduced in the following order, in each case, in reverse chronological order beginning with the Aggregate Payments that are to be paid the furthest in time from consummation of the transaction that is subject to Section 280G of the Code: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; provided that, in the case of all the foregoing Aggregate Payments, all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c).

(ii) For purposes of this Section 8(c), the “After Tax Amount” means the amount of the Aggregate Payments less all federal, state, and local income, excise and employment taxes imposed on the Eligible Participant as a result of the Eligible Participant’s receipt of the Aggregate Payments. For purposes of determining the After Tax Amount, the Eligible Participant shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

(iii) The determination as to whether a reduction in the Aggregate Payments shall be made pursuant to Section 8(c)(i) shall be made by a nationally recognized accounting firm selected by the Company (the “Accounting Firm”), which shall provide detailed supporting calculations both to the Company and the Eligible Participant within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Eligible Participant. Any determination by the Accounting Firm shall be binding upon the Company and the Eligible Participant.

(d) Unfunded Plan. This Plan shall be unfunded and shall not create (or be construed to create) a trust or separate fund. Likewise, this Plan shall not establish any fiduciary relationship between the Company or any of its subsidiaries or affiliates and any Eligible Participant.

(e) Notice and Communication of Date of Termination.

(i) Notice of Termination. A termination of the Eligible Participant’s employment shall be communicated by a Notice of Termination from the Company to the Eligible Participant or vice versa in accordance with this Section 8(e). For purposes of this Plan, a “Notice of Termination” shall mean a notice which shall indicate the specific termination provision in this Plan relied upon.

(ii) Delivery of Notice. Any notices, requests, demands, and other communications provided for by this Plan shall be sufficient if in writing and delivered in person or sent by registered or certified mail, postage prepaid, to an Eligible Participant at the last address the Eligible Participant has filed in writing with the Company, or to the Company at the following physical or email address:

WisdomTree, Inc.  
250 West 34<sup>th</sup> Street, 3<sup>rd</sup> Floor  
New York, NY 10119  
Attention: Chief Legal Officer  
Email: legalnotice@wisdomtree.com

(f) No Mitigation. Eligible Participants are not required to seek other employment or to attempt in any way to reduce any amounts payable to an Eligible Participant under this Plan.

(g) Benefits and Burdens. This Plan shall inure to the benefit of and be binding upon the Company and the Eligible Participants, their respective successors, executors, administrators, heirs and permitted assigns. In the event of an Eligible Participant's death after a termination of employment but prior to the completion of all payments due to the Eligible Participant under this Plan, the Company (or its successor) shall continue such payments to the Eligible Participant's beneficiary designated in writing to the Company prior to the Eligible Participant's death (or to the Eligible Participant's estate, if the Eligible Participant fails to make such designation).

(h) Enforceability. If any portion or provision of this Plan shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Plan, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Plan shall be valid and enforceable to the fullest extent permitted by law.

(i) Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Plan, or the waiver by any party of any breach of this Plan, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

(j) Non-Duplication of Benefits and Effect on Other Plans. Notwithstanding any other provision in this Plan to the contrary, the benefits provided hereunder shall be in lieu of any other severance payments and/or benefits provided by the Company, including, without limitation, any such severance payments, notice pay and/or benefits pursuant to an employment agreement or offer letter between the Company and the Eligible Participant. For UK Eligible Participants, the benefits provided in this Plan shall be inclusive of any statutory redundancy payment.

(k) Contract of Employment. Nothing in this Plan shall be construed as giving any Eligible Participant any right to be retained in the employ of the Company or shall affect the terms and conditions of an Eligible Participant's employment with the Company.

(l) Amendment or Termination of Plan. The Company may amend or terminate this Plan at any time or from time to time, but no such action shall adversely affect the rights of any Eligible Participant without providing the Eligible Participant with 12 months' prior notice of such action.

(m) Obligations of Successors. In addition to any obligations imposed by law upon any successor to the Company, any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company shall expressly assume and agree to perform this Plan in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(n) Attorney's Fees. If the Eligible Participant initiates or otherwise participates in any arbitration proceeding against the Company to enforce the rights and entitlements granted to the Eligible Participant pursuant to Sections 4, 5, 6, or 7 and the Eligible Participant substantially prevails in such a proceeding, the Eligible Participant shall be entitled to recover from the Company all of the Eligible Participant's costs of enforcement, including reasonable attorney's fees and expenses.

(o) Governing Law. This Plan shall be construed in accordance with and governed by the laws of the State of New York, without regard to principles of conflict of laws of such state.

(p) Effective Date. This Plan is effective as of February 23, 2023.

**Exhibit A to Executive Severance Plan**

**FORM OF RELEASE AGREEMENT**

In consideration for the agreement by \_\_\_\_\_ (“Employer”) to provide \_\_\_\_\_ (“Employee”) with the severance payments (the “Severance”) set forth in the Executive Severance Plan (the “Plan”), and for other good and valuable consideration as set forth therein, which Employee hereby acknowledges:

1. Employee, on behalf of Employee and Employee’s heirs, representatives and assigns, hereby releases and discharges Employer, WisdomTree, Inc. (the “Company”), any direct or indirect subsidiary of the Company, including Employer (each a “WT Sub” and collectively, the “WT Subs”) and any investment company to which Employer, the Company or any WT Sub serves or has served as investment advisor or manager (each a “WT Advised Issuer” and collectively, the “WT Advised Issuers”) and all of their respective subsidiaries, divisions and affiliated or related companies (collectively, the “Primary Releasees”), and all of the respective current and former directors, officers, stockholders, successors, assigns, agents, representatives and employees of each, and their members, trustees and attorneys (collectively, the “Secondary Releasees,” and, together with the Primary Releasees, the “Releasees”), of and from (i) any and all claims Employee ever had, now has, or may have in the future against one or more of the Primary Releasees regarding any matter arising on or before the Effective Date of this Release, and (ii) any and all claims Employee ever had, now has, or may have in the future against one or more the Secondary Releasees regarding any matter arising on or before the Effective Date of this Release (but, with respect to this clause (ii), only to the extent that the matter relates to Employee’s employment by Employer), including, without limitation, all claims regarding Employee’s employment with Employer or the termination thereof, any claim for equitable relief or recovery of monies or damages, claims of breach of contract, wrongful termination, unjust dismissal, defamation, libel or slander, or under any federal, state or local law dealing with discrimination based on age, race, sex, national origin, handicap, religion, disability or sexual preference, any tort, any claim for wages, any claim for breach of a fair employment practice law, including, but not limited to, Title VII of the Civil Rights Act of 1964, the Older Workers Benefit Protection Act, the Civil Rights Act of 1991, the Employee Retirement Income Security Act of 1974, the Americans with Disabilities Act, the Family and Medical Leave Act, the New York State Human Rights Law, the New York City Humans Rights Law, the New York Labor Law, workers compensation laws and any violation of any other local, state or federal law, ordinance or regulation, the common law and any other purported restriction on an employer’s right to terminate the employment of employees. It is the understanding and agreement of the parties that the release provided by this sub-paragraph shall be a general release in all respects. Notwithstanding the foregoing, this Release does not extend to: (a) those rights that cannot be waived as a matter of law; (b) Employee’s right to claim entitlement to the Severance as set forth in the Plan; or (c) Employee’s right to indemnification protections as an officer and/or director of the Company and/or any of the Releasees as arising under contract, statute, regulation, certificates of incorporation or comparable documents of formation, or by-laws or comparable documents of organization.<sup>1</sup>
2. Pursuant to and as a part of Employee’s complete, total release and discharge of the Primary Releasees as set forth in Paragraph 1 above, and as part of Employee’s limited release and discharge of the Secondary Releasees as set forth in Paragraph 1, Employee expressly agrees, to the fullest extent permitted by law, not to (a) sue, file a charge, claim, complaint, grievance or demand for arbitration in any forum or (b) assist or otherwise participate willingly or voluntarily in any claim, arbitration, suit, action, charge, complaint, investigation or other proceeding of any kind, in each case, which relates to (i) any matter that involves the Primary Releasees and that occurred on or before the Effective Date of this Release or (ii) any matter that involves the Secondary Releasees and relates to Employee’s employment by the Company and that occurred on or before the Effective Date of this Release. Employee represents that Employee has not filed or initiated any such proceedings against any of the Releasees as of the Effective Date. Nothing in this Release shall be interpreted or applied to prohibit Employee from making any good faith report to any governmental agency or other governmental entity concerning any acts or omissions that Employee may believe to constitute a possible violation of federal or

<sup>1</sup> WisdomTree reserves the right to update this Form of Release Agreement to account for the law of the state in which the Employee is located.

state law or making other disclosures that are protected under the whistleblower provisions of applicable federal or state law or regulation. Nothing in this Release shall be construed to prohibit Employee from filing a charge with or participating in any investigation or proceeding conducted by the Equal Employment Opportunity Commission (“EEOC”) or a comparable state or local agency. Notwithstanding the foregoing, Employee agrees to waive the right to recover monetary damages in any charge, complaint, or lawsuit filed by Employee or by anyone else on Employee’s behalf with the EEOC or a comparable state or local agency. For the avoidance of doubt, this Release does not limit Employee’s right to receive an award for information provided to any government agency or entity other than the EEOC or a comparable state or local agency. Except as otherwise provided in this paragraph, Employee will not voluntarily participate in any judicial proceeding of any nature or description against any of the Releasees that in any way involves the allegations and facts that Employee could have raised against any of the Releasees as of the date of this Release.

3. If forty (40) years of age or older, Employee specifically releases all claims under the Age Discrimination in Employment Act (the “ADEA”), including without limitation claims relating to Employee’s employment and its termination.
4. Employee acknowledges that Employee fully understands and agrees that this Release shall operate as a complete defense to any claim or entitlement which hereafter may be asserted by Employee against any and all of the Releasees for or on account of any matter or thing whatsoever arising out of or in any way based upon the circumstances, facts and events relating to Employee’s employment and separation from employment, or to any claim made by Employee against any of the Releasees arising from such circumstances, facts and events.
5. Employee is specifically agreeing to the terms of this Release because Employer has agreed to pay Employee money to which Employee was not otherwise entitled under Employer’s policies, and has provided such other good and valuable consideration as specified herein. Employer has agreed to provide this money and other benefits because of Employee’s agreement to accept it in full settlement of all possible claims Employee might have or ever had against the Primary Releasees (and the Secondary Releasees as provided in Paragraph 1), and because of Employee’s execution of this Release.
6. Employee acknowledges and agrees that in the event Employee breaches any Continuing Obligations (as defined in the Plan), Employer may discontinue further severance payments. For the avoidance of any doubt, even in such an event, Employee understands and agrees that this Release would remain in full force and effect. The Continuing Obligations are incorporated herein and remain in full effect.
7. Employee acknowledges that Employee has read this Release in its entirety, fully understands its meaning and is executing this Release voluntarily and of Employee’s own free will with full knowledge of its significance. Employee acknowledges and warrants that Employee has had ample opportunity to consider the terms and provisions of this Release for at least twenty-one (21) days and that Employer advised Employee to consult with an attorney prior to executing this Release. If forty (40) years old or older, Employee further acknowledges and agrees that Employee has seven (7) days after executing this Release to revoke Employee’s signature on this Release, and that this Release does not become valid until the eighth (8<sup>th</sup>) day after Employee signs this Release without revocation. If Employee wishes to revoke this Release, such revocation must be in a signed writing and must arrive at Employer to the attention of the Head of Human Resources at 250 West 34<sup>th</sup> Street, 3<sup>rd</sup> Floor, New York, NY 10119, within the seven (7) day revocation period.

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Employee Confidentiality, Assignment and Restrictive Covenant Agreement**

In consideration and as a condition of (i) my employment or continued employment by [NAME OF EMPLOYING ENTITY] (the "Employer," and together with its ultimate parent WisdomTree, Inc. ("WisdomTree") and each of their subsidiaries (whether or not wholly owned), other affiliates, successors and assigns, the "Company Entities"), (ii) my eligibility for the compensation and benefits from the Employer, (iii) the Confidential Information to which I will have access to in the course of my employment with the Employer, and (iv) the opportunity to participate in WisdomTree's Executive Severance Plan (the "Plan"), I enter into this Employee Confidentiality, Assignment and Restrictive Covenant Agreement (this "Agreement") and I agree to the terms and conditions in this Agreement.

- 1. Confidential Information.** I agree that all information, whether or not in writing, concerning the business, technology, business relationships or financial affairs of any of the Company Entities or any investment company to which any of the Company Entities serve, have served or may in the future serve, as an investment advisor or manager (each such investment company, a "WT Advised Issuer," and collectively, the "WT Advised Issuers") and that the Company Entities and the WT Advised Issuers (as applicable) have not released to the general public (collectively, "Confidential Information") and all tangible embodiments thereof are and will be the exclusive property of the respective Company Entity or WT Advised Issuer, as applicable. By way of illustration, Confidential Information may include information or material that has not been made generally available to the public, such as: (a) *corporate information*, including plans, strategies, methods, policies, resolutions, negotiations or litigation; (b) *marketing information*, including strategies, methods, customer or business partner identities or other information about customers, business partners, prospect identities or other information about prospects, or market analyses or projections; (c) *financial information*, including cost and performance data, debt arrangements, equity structure, investors and holdings, purchasing and sales data and price lists, financial forecasts, pricing methodologies, market share data; (d) *operational or technological information*, including plans, specifications, manuals, forms, templates, software codes and designs, algorithms, technical data and strategies, research and development strategies, hardware configuration information, designs, methods, procedures or modalities, formulae, data, reports, discoveries, inventions, materials, improvements, concepts, ideas, models, processes, know-how and trade secrets, and other Intellectual Property (as defined below), agreements with third parties; and (e) *personnel information*, including personnel lists, reporting or organizational structure, resumes, personnel data, performance evaluations and termination arrangements or documents. Confidential Information also includes information received in confidence by the Company Entities or the WT Advised Issuers from their respective customers, suppliers, business partners or other third parties.
- 2. Recognition of Company's Rights.** I will not, at any time, without the Employer's prior written permission, either during or after my employment, disclose any Confidential Information to anyone outside of the Company Entities, or use or permit to be used any Confidential Information for any purpose other than the performance of my duties as an employee of the Employer. I will cooperate with the Company Entities and use my best efforts to prevent the unauthorized disclosure or use of all Confidential Information. I will deliver to the Chief Legal Officer of WisdomTree all copies and other tangible embodiments of Confidential Information in my possession or control upon the earlier of a request by the Company Entities or termination of my employment.
- 3. Rights of Others.** I understand that the Company Entities and WT Advised Issuers are now and may hereafter be subject to nondisclosure or confidentiality agreements with third persons that require the Company Entities and WT Advised Issuers to protect or refrain from use or disclosure of proprietary information. I agree to be bound by the terms of such agreements in the event I have access to such proprietary information. I understand that the Company Entities and WT Advised Issuers strictly prohibit me from using or disclosing confidential or proprietary information belonging to any other person or entity (including any employer or former employer) in connection with my employment. In addition, I agree not to bring any confidential information belonging to any other person or entity onto the Company Entities' premises, property or into the Company Entities' workspaces or transfer onto any device, database or technology systems of the Company Entities any such information belonging to any such person or entity.
- 4. Commitment to Company Entities; Avoidance of Conflict of Interest.** While an employee of the Employer, I will not, directly or indirectly, engage in (a) any business activity that is competitive with, or conflicts with, the business activities of the Company Entities or (b) without the prior written approval of the Chief Legal Officer of WisdomTree, any other outside business activity. I will advise the Chief Legal Officer of WisdomTree or

such person's designee at such time as any activity of either the Company Entities or another business presents me with a conflict of interest or the appearance of a conflict of interest as an employee of the Employer. I will take whatever action is requested of me by WisdomTree to resolve any conflict or appearance of conflict which it or any other Company Entity finds to exist.

**5. Developments.** During my employment, I will disclose to the Company Entities all artwork, articles, materials, memoranda, reports, writings, research, software, programs, promotions, compilations, designs, drawings, layouts, models, patterns, know-how, inventions, ideas, formulas, procedures, processes, concepts, discoveries, technology, algorithms, designs, methods, improvements or other works of any nature whatsoever, that are created, prepared, produced, authored, edited, amended, conceived, or reduced to practice by me individually or jointly with others, including but not limited to market indices, research procedures and models, which relate directly or indirectly to the business of the Company Entities or arise out of my employment with the Employer or my service as an officer of the other entities comprising the Company Entities or the use of the Company Entities' property or resources including, without limitation, any market indices, research procedures, models, ideas, proposals and plans which may be copyrighted, trademarked, patented or otherwise protected (collectively, "Intellectual Property"). It is understood and agreed that Intellectual Property does not include ideas, proposals or plans of a legal nature that are commonly known among attorneys counseling companies in the exchange traded products industry or digital assets industry. To preclude any possible uncertainty, if there is any Intellectual Property that I have, alone or jointly with others, conceived, developed or reduced to practice prior to the commencement of my employment with the Employer that I consider to be my property or the property of third parties and that I wish to have excluded from the scope of this Agreement ("Prior Inventions"), I have set forth on Exhibit A attached hereto a complete list of those Prior Inventions. If disclosure of any such Prior Invention would cause me to violate any prior confidentiality agreement, I understand that I am not to list such Prior Inventions in Exhibit A but am only to disclose a cursory name for each such invention, a listing of the party(ies) to whom it belongs and the fact that full disclosure as to such inventions has not been made for that reason. If, in the course of my employment with the Employer, I incorporate a Prior Invention into a product, process or machine, research or development program, or other work done for the Company Entities, I hereby grant to the Company Entities a nonexclusive, royalty-free, fully paid-up, irrevocable, worldwide license (with the full right to sublicense directly and indirectly through multiple tiers) to make, have made, modify, use, sell, offer for sale and import such Prior Invention.

I agree that, as between me and the Company Entities, all such Intellectual Property will be the sole property of the Company Entities. I expressly understand and agree that any and all Intellectual Property constitutes a "work for hire" under applicable law, including the U.S. Copyright Law. In the event any Intellectual Property is not regarded as a "work for hire," I hereby assign to Employing Company (as defined below) the sole and exclusive right to all Intellectual Property and all related patents, patent applications, trademarks and trademark applications, copyrights and copyright applications, *sui generis* database rights and other intellectual property rights in all countries and territories worldwide and under any international conventions (collectively, "Intellectual Property Rights"). I agree that I will promptly disclose to the Company Entities any and all Intellectual Property, and that, upon request of the Company Entities, I will execute and deliver any and all documents or instruments and take any other action that the Company Entities will deem necessary to assign to and vest completely in the Employing Company, to perfect trademark, copyright and patent protection with respect to, or to otherwise protect the Company Entities' trade secrets and proprietary interest in the Intellectual Property. With respect to any Intellectual Property and Intellectual Property Rights assigned hereunder to the Company Entities, during my employment and at any time thereafter, I will, at the request and expense of the Company Entities, sign, execute, make and do all such deeds, documents, acts and things as the Company Entities and their duly authorized agents may reasonably require: (i) to apply for, obtain and vest in the name of the Company Entities alone (unless the Company Entities otherwise directs) trademarks, copyrights or other analogous protection in any country throughout the world and when so obtained or vested to renew and restore the same; and (ii) to defend any opposition proceedings in respect of such applications and any opposition proceedings or petitions or applications for revocation of such trademarks, copyrights, patents or other analogous protection. In the event I do not, within five (5) days after delivery to me, execute and deliver such documents reasonably necessary to vest in the Company Entities all right, title and interest in such Intellectual Property, I hereby irrevocably designate and appoint the Company Entities and their duly authorized officers and agents as my agent and attorney-in-fact, to act for and on my behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of trademarks, copyright or other analogous protection thereon with the same legal force and effect as if executed by me. The obligations of this Section will continue after the termination of my employment with respect to such Intellectual Property conceived of or developed by me while employed by the Employing Company. The Company Entities agree to pay any and all copyright, trademark and

patent fees and expenses or the costs incurred by me at the Company Entities' request for any assistance rendered to the Company Entities pursuant to this Section 5. I understand that to the extent this Agreement is required to be construed in accordance with the laws of any state which precludes a requirement in an employee agreement to assign certain classes of inventions made by an employee, this Section 5 will be interpreted not to apply to any invention that a court rules and/or the Company Entities agree falls within such classes.

For the purposes of this Section 5, the term "Employing Company" means the entity employing me at the time that the applicable Intellectual Property is created, made, conceived or reduced to practice. If I am jointly employed by two or more entities at such time, the Employing Company means the entity that is the primary employer.

**6. Documents and Other Materials.** I will keep and maintain adequate and current records of all Confidential Information and Intellectual Property developed by me during my employment, which records will be available to and remain the sole property of the Company Entities at all times.

Subject to Section 5, all files, letters, notes, memoranda, reports, records, data, sketches, drawings, notebooks, layouts, charts, quotations and proposals, specification sheets, blueprints, models, prototypes, or other written, photographic or other tangible or electronic material containing Confidential Information, whether created by me or others, which come into my custody or possession, are the exclusive property of the Company Entities to be used by me only in the performance of my duties for the Employer, other Company Entities and WT Advised Issuers, as applicable. Any property situated on the Company Entities' premises or saved on the Company Entities' technology systems and databases and owned by the Company Entities, including without limitation desktop or laptop computers, tablets, disks and other storage media, filing cabinets or other work areas or on the Company Entities' networks or servers, is subject to inspection by the Company Entities at any time with or without notice. In the event of the termination of my employment for any reason, I will deliver to the Company Entities all property and equipment of the Company Entities in my possession, custody or control, including all files, letters, notes, memoranda, reports, records, data, sketches, drawings, notebooks, layouts, charts, quotations and proposals, specification sheets, blueprints, models, prototypes, or other written, photographic or other tangible or electronic material containing Confidential Information, and other materials of any nature pertaining to the Confidential Information of the Company Entities and WT Advised Issuers and to my work, and will not take or keep in my possession any of the foregoing or any copies.

**7. Protection of Confidential Information and Intellectual Property; Associated Noncompetition and Nonsolicitation Obligations**

(a) I agree that my services hereunder are of a special, unique and extraordinary character, and that my position with the Employer places me in a position of confidence and trust. I further acknowledge that in the course of rendering services to the Employer, other Company Entities and WT Advised Issuers, as applicable, I have obtained and will obtain Confidential Information of the Company Entities and WT Advised Issuers and gain access to customer goodwill. Accordingly, I agree that during my employment by the Employer and for a one-year period thereafter (the "Restricted Period") with respect to clause (i) below, and at all times both during and after my employment with respect to clause (ii) below, I shall not, directly or indirectly, whether as owner, partner, shareholder, director, manager, consultant, agent, employee, co-venturer or otherwise:

(i) solicit, entice, or attempt to persuade any officer, director, employee, or agent of the Company Entities to become an officer, director, employee, or agent of, or perform services in any other capacity on behalf of, myself or any other person or entity; or

(ii) disparage the reputation of the Company Entities or the respective directors, trustees, officers or employees of the Company Entities, or the product and service offerings of the Company Entities, including, without limitation, through written or spoken communication relating to the Company Entities, its personnel or its products and services; *provided*, that nothing in the foregoing subsection (ii) shall affect or impede any of my rights under the National Labor Relations Act, including my right to engage in concerted group activity and to communicate with colleagues and/or third parties (such as labor unions and their representatives) including regarding working conditions.



(b) For three (3) months following the Date of Termination (as defined in the Plan) in the event of either (i) an Involuntary Termination (as defined in the Plan) or (ii) if the Employer or WisdomTree makes a Three-Month Restrictive Covenant Election under the Plan, I shall not directly or indirectly engage or participate, directly or indirectly (whether as an officer, director, employee, partner, consultant, holder of an equity or debt investment, lender, or in any other manner or capacity) (collectively, "Participate"), in the business or affairs of any Competitor (as defined below) unless (A) the Competitor also engages in activities other than in a Competitive Business (as defined below), (B) I do not occupy, with or at the Competitor, a corporate executive position that provides oversight of or support to such Competitor's activities in a Competitive Business and (C) I do not Participate in the Competitive Business-related activities of the Competitor (and instead I engage solely in activities that do not concern a Competitive Business) (this Section 7(b), the "Three-Month Restrictive Covenant").

(c) For twelve (12) months following the date of my Post-Change of Control Termination (as defined in the Plan), I shall not directly or indirectly Participate in the business or affairs of any Restricted Competitor (as defined below) unless (i) the Restricted Competitor also engages in activities other than in a Competitive Business, (ii) I do not occupy, with or at the Restricted Competitor, a corporate executive position with the Restricted Competitor that provides oversight of or support to such Restricted Competitor's activities in a Competitive Business and (iii) I do not Participate in the Competitive Business-related activities of the Restricted Competitor (and instead I engage solely in activities that do not concern a Competitive Business) (this Section 7(c), the "Twelve-Month Restrictive Covenant").

(d) To the extent I am an attorney admitted to practice in the State of New York, or any other state that limits the applicability of noncompetition provisions with respect to attorneys, the restrictions set forth in Sections 7(b) and 7(c) shall be binding on me only to the extent permissible under Rule 5.6 of the New York Rules of Professional Conduct (or the corresponding rule in such other state, if applicable). By way of explanation, if I am an attorney admitted to practice in the State of New York (or any other state that limits the applicability of noncompetition provisions with respect to attorneys) the restrictions contained in the aforementioned paragraphs shall be enforceable to the extent they seek to prohibit me from Participating in the affairs of a Competitor in a position that is non-legal in nature and does not require admittance to practice law as a pre-requisite to holding such position.

(e) *Definitions.*

(i) "AUM" means assets under management of an ETF Sponsor or ETP Sponsor as calculated and reported by Bloomberg or its successor, or if not so reported, then calculated by reference to shares outstanding and net asset value of its ETFs or ETPs, as the case may be, as reported by a Bloomberg terminal.

(ii) "Competing ETF Sponsor" means an ETF Sponsor that is one of the top ten (10) ETF Sponsors in the United States based upon the AUM of its United States-listed ETFs, as of the end of the fiscal quarter immediately preceding the Date of Termination.

(iii) "Competing ETP Sponsor" means an ETP Sponsor that is one of the top ten (10) ETP Sponsors in the European Union and the United Kingdom combined based upon the AUM of its European Union- and United Kingdom-listed ETPs, as of the end of the fiscal quarter immediately preceding the Date of Termination.

(iv) "Competitive Business" means (i) the business of being an ETF Sponsor, (ii) the business of being an ETP sponsor or (iii) a business that competes with the WisdomTree Digital Business.

(v) "Competitor" means any entity that (i) is an ETF Sponsor in the United States, (ii) is an ETP Sponsor in the European Union and/or the United Kingdom or (iii) competes with the WisdomTree Digital Business.

(vi) "ETF" means:

(A) any open-end management investment company or unit investment trust registered under the Investment Company Act of 1940, as amended (the "1940 Act") that issues and redeems any series of redeemable securities in compliance with the conditions of an exemptive order or regulation issued or promulgated by the U.S. Securities and Exchange Commission permitting, among other things, (I) the shares to be issued and redeemed only in large

aggregations, and (II) secondary market transactions in the shares to occur at negotiated prices on national securities exchanges, as defined in Section 2(a)(26) of the 1940 Act (an “Exchange”), and lists such redeemable securities for trading on an Exchange; and

(B) any exchange traded product, such as a grantor trust or other entity registered under the Securities Act of 1933, as amended (the “1933 Act”), (I) that is not registered as an investment company under the 1940 Act, (II) that is typically treated as a pass through entity under the Internal Revenue Code of 1986, as amended, (III) that issues and redeems a series of redeemable securities in large aggregations, and (IV) whose redeemable securities are listed for trading on one or more Exchanges and trade through secondary market transactions at negotiated prices on such Exchanges; or any exchange traded note registered under the 1933 Act that (x) provides for payments based on the performance of an index or pool of assets, (y) trades through secondary market transactions at negotiated prices on one or more Exchanges, and (z) is listed for trading on one or more Exchanges.

(vii) “ETF Sponsor” means an entity that is, or as a result of my engagement or participation would become, a sponsor or promoter of an ETF or the investment advisor or investment manager to an ETF.

(viii) “ETP” means an entity, or any exchange traded product, that issues securities that represent an entitlement by the holder to an investment return obtained by the entity by investing in securities, notes, commodities, cryptocurrencies or swaps to seek to achieve a stated investment purpose.

(ix) “ETP Sponsor” means an entity that is, or as a result of my engagement or participation would become, a sponsor or promoter of an ETP or the advisor or manager to an ETP.

(x) “Restricted Competitor” means any entity that (i) is a Competing ETF Sponsor, (ii) is a Competing ETP Sponsor or (iii) competes with the WisdomTree Digital Business in any jurisdiction where the Digital Wallet (as defined below) is offered to customers.

(xi) “WisdomTree Digital Business” means the business of developing and/or operating a platform for the purchase, sale and exchange of blockchain-based digital assets, the issuance of tokens representing such assets, and/or the development and operation of a digital wallet via a mobile telephone application that provides services related thereto to facilitate such activity (“Digital Wallet”).

(f) My ownership, in the aggregate, of less than 1% of the outstanding shares of capital stock of any corporation with revenues in excess of \$100,000,000 and one or more classes of its capital stock listed on an Exchange shall not constitute a violation of the restrictions contained in clauses (b) or (c) above.

**8. Government Contracts.** I acknowledge that the Company Entities may have, from time to time, agreements with other persons or with the United States government or its agencies that impose obligations or restrictions on the Company Entities regarding inventions made during the course of work under such agreements or regarding the confidential nature of such work. I agree to comply with any such obligations or restrictions upon the direction of the Company Entities. In addition to the rights assigned under Section 5, I also assign to the applicable Company Entity (or any of its nominees) all rights that I have or acquired in any Intellectual Property, full title to which is required to be in the United States under any contract between any such Company Entity and the United States or any of its agencies.

**9. Prior Agreements.** I hereby represent that, except as I have fully disclosed previously in writing to the Employer or WisdomTree, I am not bound by the terms of any agreement with any previous or current employer or other party to refrain from using or disclosing any trade secret or confidential or proprietary information in the course of my employment with the Employer or to refrain from competing, directly or indirectly, with the business of such employer or any other party. I further represent that my performance of all of the terms of this Agreement as an employee of the Employer does not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by me in confidence or in trust prior to my employment with the Employer. I will not disclose to the Company Entities or the WT Advised Issuers, as applicable, or induce the Company Entities or the WT Advised Issuers, as applicable, to use any confidential or proprietary information or material belonging to any previous employer or others.

**10. Remedies Upon Breach.** If I commit a material breach, or if there are facts that indicate that I intend or I am about to commit a material breach, of any of the provisions of this Agreement, the Company Entities will have all legal and equitable rights available to it, including, without limitation, the right and remedy:

(a) to have the provisions of this Agreement specifically enforced by any court having equity jurisdiction, including, but not limited to, granting the Company Entities an injunction against me, it being acknowledged and agreed by me that the services being rendered hereunder to the Company Entities are of a special, unique, and extraordinary character and that any such breach or threatened breach will cause irreparable injury to the Company Entities and that money damages will not provide an adequate remedy to the Company Entities; and

(b) (x) to the fullest extent permitted by applicable law, to require me to account for and pay over to the Company Entities all compensation, profits, monies, accruals, increments or benefits (collectively "Benefits") derived or received by me as the result of any transactions constituting a breach of any of the provisions of this Agreement, and I hereby agree to account for and pay over such Benefits to the Company Entities, and (y) to cease any severance payments that would otherwise be payable to me.

If any of the Company Entities shall initiate any legal proceeding to enforce the rights granted to it pursuant to this Agreement, the substantially prevailing party in such a proceeding shall be entitled to recover from the non-prevailing party all of its costs of enforcement or defense (as the case may be), including reasonable attorney's fees and expenses.

If I commit a material breach of any of my obligations under this Agreement, the time period for which the obligation at issue shall run shall be tolled during the time such material breach is ongoing until the first date on which I cease to be in material breach of such obligation.

Each of the rights and remedies enumerated in this Section 10 will be independent of the other, and will be severally enforceable, and such rights and remedies will be in addition to, and not in lieu of, any other rights and remedies available to the Company Entities under law or equity. If any provision of Section 7 is held to be unenforceable because of the scope, duration, or area of its applicability, the tribunal making such determination will have the power to modify such scope, duration, or area, or all of them, and such provision or provisions will then be applicable in such modified form.

**11. Use of Voice, Image and Likeness.** I give the Company Entities permission to use any and all of my voice, image and likeness, with or without using my name, in connection with the products and/or services of the Company Entities, for the purposes of advertising and promoting such products and/or services and/or the Company Entities, and/or for other purposes deemed appropriate by the Company Entities in its reasonable discretion, except to the extent prohibited by law.

**12. No Employment Obligation.** I understand that this Agreement does not create an obligation on any of the Company Entities or any other person to continue my employment. I acknowledge that, unless otherwise agreed in a formal written employment agreement signed on behalf of the Employer by an authorized officer, my employment with the Employer is at will and therefore may be terminated by the Employer or me at any time and for any reason, with or without cause.

**13. Survival and Assignment by the Company.** I understand that my obligations under this Agreement will continue in accordance with its express terms regardless of any changes in my title, position, duties, salary, compensation or benefits or other terms and conditions of employment. I further understand that my obligations under this Agreement will continue following the termination of my employment regardless of the manner of such termination and will be binding upon my heirs, executors and administrators. The Company Entities will have the right to assign this Agreement to their affiliates, successors and assigns. I expressly consent to be bound by the provisions of this Agreement for the benefit of the Company Entities or any parent, subsidiary or affiliate to whose employ I may be transferred without the necessity that this Agreement be re-signed at the time of such transfer. Further to the foregoing, for purposes of this Agreement, if my employment is transferred from the Employer to another member of the Company Entities, references herein to "Employer" shall be read to be such new employing entity, as applicable.

14. **Notice of Resignation.** If I elect to resign from my employment with the Employer, I agree to provide the Employer with written notification of my resignation at least ten (10) business days prior to my intended resignation date. Such notice shall include information in reasonable detail about my post-employment job duties and other business activities, including the name and address of any subsequent employer and/or person or entity with whom or which I intend to engage in business activities during the Restricted Period and the nature of my job duties and other business activities. The Employer may elect to waive all or part of the 10-business day notice period in its sole discretion, and such waiver shall not result in a termination by the Employer for purposes of this Agreement or any other agreement to which any of the Company Entities and I are party.
15. **Post-Employment Notifications.** During the Restricted Period, I will notify the Employer of any change in my address and of each subsequent employment or business activity, including the name and address of my employer or other post-employment plans and the nature of my activities.
16. **Disclosures During Restricted Period.** I will provide a copy of this Agreement to any person or entity with whom I may enter into a business relationship, whether as an employee, consultant, partner, coventurer or otherwise, prior to entering into such business relationship during any restricted period.
17. **Waiver.** I acknowledge and agree that no waiver of any of my obligations under this Agreement shall be effective unless made in writing by the Employer or WisdomTree. The failure of the Company Entities to require my performance of any term or obligation of this Agreement, or the waiver of any breach of this Agreement, shall not prevent the Company Entities' subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.
18. **Severability.** If any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear. In case any provisions (or portions thereof) contained in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. To the extent applicable law requires additional consideration for this Agreement, any equity, cash incentive, or severance compensation for which the Company Entities may (in their sole discretion) make me eligible shall (in each case and independent of the other) constitute such consideration.
19. **Choice of Law and Jurisdiction.** This Agreement will be deemed to be made and entered into in the State of New York (the "State"), and will in all respects be interpreted, enforced and governed under the laws of the State. I hereby consent to the exclusive jurisdiction of the state and federal courts situated within the State for purposes of enforcing this Agreement or for any other lawsuit relating to or arising under this Agreement, and I hereby waive any objection that I might have to personal jurisdiction or venue in those courts.
20. **Independence of Obligations.** My obligations under this Agreement are independent of any obligation, contractual or otherwise, the Company Entities have to me. The Company Entities' breach of any such obligation shall not be a defense against the enforcement of this Agreement or otherwise limit my obligations under this Agreement.
21. **Protected Disclosures.** I understand that nothing contained in this Agreement limits my ability to communicate with any federal, state or local governmental agency or commission, including to provide documents or other information, without notice to the Company Entities. I also understand that nothing in this Agreement limits my ability to share compensation information concerning myself or others, except that this does not permit me to disclose compensation information concerning others that I obtain because my job responsibilities require or allow access to such information.
22. **Defend Trade Secrets Act of 2016; Other Legal Disclosures** I understand that nothing in this Agreement shall be interpreted or applied to prohibit me from making any good faith report to any governmental agency or other governmental entity concerning any acts or omissions that I may believe to constitute a possible violation of federal or state law or making other disclosures that are protected under the whistleblower provisions of applicable federal or state law or regulation. In addition, for the avoidance of doubt, I understand that pursuant to the federal Defend Trade Secrets Act of 2016, I shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or

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investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

**23. Other Agreements; Amendment.** This Agreement supplements and does not supersede any other confidentiality, assignment of inventions or restrictive covenant agreement between any of the Company Entities and me, including the provisions contained in my offer letter with the Employer. To the extent that this Agreement addresses similar subject matters, this Agreement supersedes any other agreements between any of the Company Entities and me with respect to such subject matters. Notwithstanding anything herein to the contrary, nothing in this Agreement shall limit or restrict my right to initiate a legal proceeding in a court of law or equity to seek indemnification from any Company Entity pursuant to any written indemnification agreement with such Company Entity and my right to have such Company Entity reimburse me for my expenses, including reasonable attorney's fees, under such written agreement in connection with enforcing my claim for indemnification thereunder, as applicable. This Agreement may be amended only in a written agreement executed by a duly authorized officer of the Employer and WisdomTree and me.

**24. Counterparts.** This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together constitutes one and the same agreement. Each party agrees that electronic signatures of the parties included in this Agreement will have the same force and effect as manual signatures. Delivery of an executed counterpart of this Agreement electronically shall be effective as delivery of an original executed counterpart of this Agreement.

[Remainder of Page Intentionally Left Blank]

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I UNDERSTAND THAT THIS AGREEMENT AFFECTS IMPORTANT RIGHTS. BY SIGNING BELOW, I CERTIFY THAT I HAVE READ IT CAREFULLY AND AM SATISFIED THAT I UNDERSTAND IT COMPLETELY.

I ACKNOWLEDGE AND AGREE THAT THE TERMS OF THIS AGREEMENT WILL APPLY TO MY ENTIRE SERVICE RELATIONSHIP WITH THE EMPLOYER, INCLUDING WITHOUT LIMITATION ANY PERIOD OF SERVICE PRIOR TO THE DATE OF MY SIGNATURE BELOW.

IN WITNESS WHEREOF, the undersigned has executed this Agreement and it shall become effective when it is fully executed by all parties.

EMPLOYEE

Signed: \_\_\_\_\_

Type or print name: \_\_\_\_\_

Date: \_\_\_\_\_

EMPLOYER

[NAME OF EMPLOYER]

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_

WISDOMTREE, INC.

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_

**EXHIBIT A**

To: COMPANY ENTITIES

From: \_\_\_\_\_

Date: \_\_\_\_\_

SUBJECT: **Prior Inventions**

The following is a complete list of all inventions or improvements relevant to the subject matter of my employment by the Employer that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Employer:

No inventions or improvements

See below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Additional sheets attached

The following is a list of all patents and patent applications in which I have been named as an inventor:

None

See below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Certification**

I, Jonathan Steinberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of WisdomTree, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(c) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: \_\_\_\_\_  
/s/ Jonathan Steinberg  
Jonathan Steinberg  
Chief Executive Officer  
(Principal Executive Officer)

Date: May 9, 2023



**Certification**

I, Bryan Edmiston, certify that:

1. I have reviewed this quarterly report on Form 10-Q of WisdomTree, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(c) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: \_\_\_\_\_ /s/ Bryan Edmiston  
Bryan Edmiston  
Chief Financial Officer  
(Principal Financial Officer and Principal Accounting Officer)

Date: May 9, 2023

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of WisdomTree, Inc. (the "Company") on Form10-Q for the period ended March 31, 2023 as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), we, Jonathan Steinberg, Chief Executive Officer of the Company, and Bryan Edmiston, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to our knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Exchange Act, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being furnished and not filed, and shall not be incorporated into any documents for any purpose, under the Exchange Act, as amended. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

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

By: /s/ Bryan Edmiston  
Bryan Edmiston  
Chief Financial Officer  
(Principal Financial Officer and Principal Accounting Officer)

May 9, 2023