



## EDGA & EDGX STOCK EXCHANGES

Regulatory Information Circular

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**Subject: WisdomTree Asia Local Debt Fund**

### Background Information on the Fund

As more fully explained in the Registration Statement (No. 333-132380), Wisdom Tree Trust (“Trust”) is registered under the Investment Company Act of 1940 (the “1940 Act”) as an open-end management investment company.

The WisdomTree Asia Local Debt Fund (the “Fund”) seeks a high level of total return consisting of both income and capital appreciation. The Fund seeks to achieve its investment objective through investment in Local Debt denominated in the currencies of a broad range of Asian countries. Under normal circumstances, the Fund will invest at least 80% of its net assets in Local Debt. For these purposes, Local Debt includes fixed income securities, such as bonds, notes or other debt obligations, denominated in local currencies of countries in Asia, as well as certain derivatives and other instruments described herein. The Fund is an actively managed exchange-traded fund (“ETF”).

The Fund intends to focus its investments on bonds and other debt instruments issued by governments, government agencies and instrumentalities, and government sponsored enterprises. The Fund also may invest in Local Debt issued by supranational organizations such as the European Investment Bank, Asian Development Bank, International Bank for Reconstruction and Development or International Finance Corporation, and development agencies supported by other national governments. The Fund may invest in corporate bonds economically tied to Asian countries. The Fund also may invest in inflation-linked fixed income securities denominated in Asian currencies.

The Fund intends to provide exposure to the developing/emerging market economies in Asia. Specifically, the Fund intends to invest in Local Debt primarily from South Korea, Indonesia, Malaysia, Singapore, Hong Kong, China, India, Thailand, Philippines, and Taiwan. The Fund is permitted to invest in developed market economies, such as Australia and New Zealand. This list may change based on market developments. The Fund uses a structured investment approach that analyzes multiple factors. Countries are grouped into differentiated tiers based on an analysis of these factors. Subject to the Fund’s general investment requirement to provide broad country exposure within the region, the Fund generally invests a higher percentage of its assets in countries that have larger and more liquid debt markets and that the Fund’s adviser believes are pursuing sustainable fiscal and monetary policies in light of economic and market conditions. The country exposures are consistently monitored from a risk perspective and may be modified, reduced or eliminated.

WisdomTree Asset Management, Inc. is the investment adviser to the Fund. Mellon Capital Management Corporation is the investment sub-adviser for the Fund. ALPS Distributors, Inc. is the distributor of the shares of the Fund.

As described more fully in the Fund's prospectus and Statement of Additional Information ("SAI"), the Fund issues and redeems shares at NAV only in large blocks of shares ("Creation Units") which only institutions or large investors may purchase or redeem. Currently, Creation Units generally consist of 100,000 shares, although this may change from time to time. The Fund generally issues and redeems Creation Units in exchange for a portfolio of fixed income securities closely approximating the holdings of a Fund or a designated basket of non-U.S. currency and/or an amount of U.S. cash.

### **Other information about the Fund**

The Fund intends to pay out dividends, if any, to investors at least annually. The Fund intends to distribute its net realized capital gains, if any, to investors annually. The Fund may occasionally be required to make supplemental distributions at some other time during the year.

The Depository Trust Company will serve as securities depository for the shares, which may be held only in book-entry form; stock certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding shares.

The NAV of the Fund's shares is calculated once daily each day the Exchange is open for business (a "Business Day") as of the close of regular trading on the Exchange, generally 4:00 p.m. Eastern time. NAV per share is calculated by dividing the Fund's net assets by the number of the Fund's shares outstanding. In calculating the Fund's NAV, Fund investments generally are valued using market valuations. NAV will be available from the Distributor and is also available to NSCC participants through data made available from NSCC.

Short-term debt securities with remaining maturities of 60 days or less generally are valued on the basis of amortized cost. U.S. fixed income assets may be valued as of the announced closing time for such securities on any day that the Securities Industry and Financial Markets Association announce an early closing time.

The Fund is subject to various fees and expenses as described in the Fund's Registration Statement. The Fund's registration statement describes the various fees and expenses for the Fund's shares. For a more complete description of the Fund and the Index, visit [www.wisdomtree.com](http://www.wisdomtree.com).

### **Principal Risks**

An investment in the Fund is subject to investment risk. Investors in the Fund could lose money, including the possible loss of the entire principal amount of an investment, over short or even long periods of time. The risks of investing in the Fund are cash redemption risk, foreign currency risk, high yield risk, lack of governmental insurance or guarantee, management risk and offshore investor risk. Interested persons are referred to the Trust's Prospectus for a complete description of risks associated with an investment in the shares. As noted in the Prospectus, the shares may trade at market prices that may differ from their NAV. The NAV of the shares will fluctuate with changes in the market value of the Fund's holdings. The market

prices of the shares will fluctuate in accordance with changes in NAV as well as the supply and demand for the shares.

### **Exchange Rules Applicable to Trading in the Shares**

The shares are considered equity securities, thus rendering trading in the shares subject to the Exchanges' existing rules governing the trading of equity securities.

### **Trading Hours**

Trading in the shares on EDGA and EDGX Exchanges (the "Exchanges") is on a UTP basis and is subject to the Exchanges equity trading rules. The shares will trade from 8:00 a.m. until 8:00 p.m. Eastern Time. Members trading the shares during the Extended Market Sessions (Pre-opening and Post-closing sessions) are exposed to the risk of the lack of the calculation or dissemination of underlying index value or intraday indicative value ("IIV"). For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Extended Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during Extended Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Extended Market hours may be at a disadvantage to market professionals.

### **Trading Halts**

The Exchanges will halt trading in the shares in accordance with Exchange Rules 14.1(c)(4). The grounds for a halt under this Rule include a halt by the primary market because it stops trading the shares and/or a halt because dissemination of the IIV or applicable currency spot price has ceased, or a halt for other regulatory reasons. In addition, the Exchanges will stop trading the shares if the primary market de-lists the shares.

### **Suitability**

Trading in the shares on the Exchanges will be subject to the provisions of EDGA and EDGX Exchange Rules 3.7. Members recommending transactions in the shares to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in Exchange Rules 3.7.

Members also should review FINRA Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

### **Delivery of a Prospectus**

Pursuant to federal securities laws, investors purchasing shares must receive a prospectus prior to or concurrently with the confirmation of a transaction. Investors purchasing shares directly from the Fund (by delivery of the Deposit Amount) must also receive a prospectus.

Prospectuses may be obtained through the Distributor or on the Fund's website. The Prospectus does not contain all of the information set forth in the registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information about the Fund, please refer to the Trust's registration statement.

### **Exemptive, Interpretive and No-Action Relief Under Federal Securities Regulations**

The SEC Division of Trading and Markets has issued revised Staff Legal Bulletin No. 9 (Revised September 10, 2010) ("Staff Bulletin", available at [www.sec.gov](http://www.sec.gov), at Staff Legal Bulletins, SLB 9), in which the Division has granted exceptions from certain provisions of Regulation M (Rules 101(c)(4) and 102(d)(4)), under the Securities Exchange Act of 1934 with respect to certain transactions in shares of actively-managed ETFs. The Fund relies on the exceptions stated in the Staff Bulletin.

The Staff Bulletin states, that (1) the Rule 101(c)(4) exception is available to permit persons who may be deemed to be participating in a distribution of actively managed ETF shares to bid for or purchase such shares during their participation in a distribution, and (2) the Rule 102(d)(4) exception is available to permit an open-end investment company to redeem actively managed ETF shares, if the following conditions are met: (i) the shares are issued by a registered open-end investment company; (ii) the shares are exchange listed and exchange traded; (iii) the ETF continuously redeems the shares at net asset value (NAV); (iv) a close alignment between the shares' secondary market price and the ETF's NAV is expected; (v) on each day the shares trade, prior to commencement of such trading, the ETF discloses on its website the identities and quantities of the securities and assets held by the ETF which will form the basis of the calculation of the ETF's NAV at the end of such day; (vi) the exchange listing the shares or other information provider disseminates every 15 seconds throughout the trading day, through the facilities of the Consolidated Tape Association, an amount representing on a per Share basis the sum of the current value of the securities, assets, and cash required to create new shares (intraday indicative value or IIV); (vii) arbitrageurs are expected to take advantage of price variations between shares' secondary market price and the ETF's NAV; and (viii) the arbitrage mechanism will be facilitated by the transparency of the ETF's portfolio, the availability of the IIV, the liquidity of the ETF's portfolio securities, the ability to access such securities, and the arbitrageurs' ability to create workable hedges.

In addition, the Staff Bulletin states that the redemption of creation unit sized aggregations of ETF shares and the receipt of securities in exchange therefore by persons who may be deemed to be participating in a distribution of shares do not constitute an "attempt to induce any person to bid for or purchase" a covered security during an applicable restricted period for purposes of Rule 101, but only if the redemptions are not made for the purpose of creating actual, or apparent, active trading in or raising or otherwise affecting the price of shares or the securities received in exchange for the shares redeemed.

**This Regulatory Information Circular is not a statutory Prospectus. Members should consult the Fund's Registration Statement, SAI, Prospectus and the Fund's website for relevant information.**

## **Appendix A**

<b>Ticker</b>	<b>Fund Name</b>	<b>CUSIP</b>
ALD	WisdomTree Asia Local Debt Fund	97717X842