

WisdomTree Investments, Inc.  
Form DEF 14A  
April 30, 2019  
**Table of Contents**

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

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**WisdomTree Investments, Inc.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

**Table of Contents**

**WisdomTree Investments, Inc.**

**245 Park Avenue, 35<sup>th</sup> Floor**

**New York, New York 10167**

April 30, 2019

Dear Stockholder:

We are pleased to invite you to the WisdomTree Investments, Inc. 2019 annual meeting of stockholders to be held on June 18, 2019 at 11:00 a.m. Eastern Time. The annual meeting will be conducted virtually over the Internet. You will be able to attend the annual meeting, vote your shares electronically and submit your questions during the live webcast of the meeting by visiting [www.virtualshareholdermeeting.com/wisdomtree19](http://www.virtualshareholdermeeting.com/wisdomtree19) and entering your 16-digit control number.

Most of our stockholders will not receive paper copies of our proxy materials and will instead receive a Notice of Internet Availability of Proxy Materials with instructions on how to access our proxy materials and how to vote online or by telephone. Such notice also will provide information on how to obtain paper copies of our proxy materials if a stockholder so requests. This method expedites the receipt of your proxy materials, lowers the costs of our annual meeting and helps to conserve our natural resources.

Your vote is important, so whether or not you are planning to attend the meeting, we encourage you to vote your shares (i) over the Internet, (ii) by telephone or (iii) by requesting a paper copy of the proxy materials, including a proxy card, and returning an executed proxy card.

We hope that you will join us at the annual meeting live webcast on June 18, 2019. I thank you for your commitment to WisdomTree and urge you to vote your shares.

Sincerely,

Jonathan Steinberg

Chief Executive Officer

**Table of Contents**

**WISDOMTREE INVESTMENTS, INC.**

**NOTICE OF 2019 ANNUAL MEETING OF STOCKHOLDERS**

**Date: Tuesday, June 18, 2019**

**Time: 11:00 a.m., Eastern Time**

**Place: Live Webcast at [www.virtualshareholdermeeting.com/wisdomtree19](http://www.virtualshareholdermeeting.com/wisdomtree19)**

At the meeting, stockholders will be asked to:

1. elect two Class II members of our Board of Directors, to serve until our 2022 annual meeting of stockholders;
2. ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019;
3. vote on an advisory resolution to approve the compensation of our named executive officers; and
4. transact any other business that may properly come before the meeting or any postponements or adjournments thereof.

The close of business on April 26, 2019 is the record date for determining stockholders entitled to vote at the annual meeting. A list of these stockholders will be available at our headquarters, 245 Park Avenue, 35<sup>th</sup> Floor, New York, New York, for at least 10 days before the annual meeting or any adjournment or postponement thereof.

In accordance with the rules of the Securities and Exchange Commission, we also have sent a Notice of Internet Availability of Proxy Materials and provided access to our proxy materials over the Internet, beginning on April 30, 2019, to the holders of record and beneficial owners of our capital stock as of the close of business on the record date.

Distribution to stockholders of this proxy statement and a proxy card is scheduled to begin on or about April 30, 2019.

By order of the Board of Directors,

Marci Frankenthaler, Secretary

New York, New York

April 30, 2019

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders**

**To Be Held on June 18, 2019.**

**The proxy statement and our Annual Report on Form 10-K for the year ended December 31, 2018 are available at: <http://ir.wisdomtree.com> by following the link for Financial Information.**

**Proxy Statement**

This proxy statement contains information about the 2019 annual meeting of stockholders of WisdomTree Investments, Inc. Proxy materials or a Notice of Internet Availability of Proxy Materials will be first sent to stockholders on or about April 30, 2019.

**Table of Contents**

**TABLE OF CONTENTS**

<u>QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND PROXY MATERIALS</u>	1
<u>PROPOSAL 1: ELECTION OF DIRECTORS</u>	7
<u>Class II Director Nominees</u>	7
<u>Continuing Directors</u>	9
<u>Executive Officers</u>	12
<u>CORPORATE GOVERNANCE</u>	14
<u>Board Composition</u>	14
<u>Director Criteria, Qualifications and Experience</u>	14
<u>Board Meetings</u>	15
<u>Board Independence</u>	15
<u>Lead Independent Director</u>	15
<u>Board Leadership Structure</u>	15
<u>Role of the Board in Risk Oversight</u>	16
<u>Board Committees</u>	16
<u>Compensation Committee Interlocks and Insider Participation</u>	18
<u>Corporate Governance Guidelines</u>	18
<u>Board and Committee Self-Evaluations</u>	18
<u>Code of Conduct</u>	18
<u>Stock Ownership Guidelines</u>	18
<u>Policy Regarding Short Shares, Derivatives, Hedging and Pledging</u>	19
<u>Compensation of Non-Employee Directors</u>	19
<u>PROPOSAL 2: RATIFICATION OF THE APPOINTMENT OF ERNST &amp; YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	21
<u>Principal Accounting Fees and Services</u>	21
<u>Audit Committee Pre-Approval Policies and Procedures</u>	21
<u>AUDIT COMMITTEE REPORT</u>	22
<u>PROPOSAL 3: VOTE ON AN ADVISORY RESOLUTION TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	23
<u>EXECUTIVE COMPENSATION</u>	24
<u>Compensation Committee Report</u>	24
<u>Compensation Discussion and Analysis</u>	24
<u>Summary Compensation Table</u>	35
<u>CEO Pay Ratio</u>	36
<u>Grants of Plan-Based Awards</u>	37
<u>Outstanding Equity Awards at Fiscal Year-End</u>	38
<u>Option Exercises and Stock Vested</u>	39
<u>Employment Agreements</u>	39
<u>Potential Payments upon Termination or Change in Control</u>	41
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	44
<u>Stock Ownership Table</u>	44
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	46
<u>Performance Graph</u>	47
<u>Equity Compensation Plan Information</u>	48

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

49

Stockholders Agreement

49

Related Person Transactions Policy and Procedures

49

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



**Table of Contents**

**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND PROXY MATERIALS**

**Who is soliciting my vote?**

The Board of Directors of WisdomTree Investments, Inc. is soliciting your vote for the 2019 annual meeting of stockholders.

**Who pays for the cost of soliciting proxies?**

WisdomTree will pay the cost for the solicitation of proxies by the Board of Directors. Proxies may be solicited personally, by telephone, fax or email by our employees without any remuneration to such individuals other than their regular compensation. WisdomTree also will reimburse brokers, banks, custodians, other nominees and fiduciaries for forwarding these materials to their principals to obtain the authorization for the execution of proxies.

**Why did I receive a one-page notice in the mail regarding the internet availability of proxy materials instead of a full set of proxy materials?**

Pursuant to rules adopted by the Securities and Exchange Commission, or SEC, we have elected to provide access to our proxy materials via the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials, or Notice, to our stockholders. All stockholders will be able to access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. We encourage stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of our annual meetings.

**How can I obtain electronic access to the proxy materials?**

The Notice will provide you with instructions on how to:

View our proxy materials for the annual meeting on the Internet; and

Instruct WisdomTree to send future proxy materials to you by email.

Our proxy materials also are available on our investor relations website at <http://ir.wisdomtree.com> by following the link for Financial Information.

Choosing to receive future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the impact of our annual meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email message next year with instructions containing a link to those materials and a link to the proxy voting website. Your election to receive proxy materials by email will remain in effect until you terminate it.

**How do I attend the annual meeting, and may I ask questions?**

The annual meeting will be conducted virtually over the Internet. Please go to [www.virtualshareholdermeeting.com/wisdomtree19](http://www.virtualshareholdermeeting.com/wisdomtree19) for instructions on how to attend and participate. Any stockholder may attend and listen live to the webcast of the annual meeting over the Internet at such site. Stockholders as of the record date of the annual meeting may submit questions while attending the annual meeting over the Internet by using the 16-digit control number included in the Notice, proxy card or voting instructions that accompanied these proxy materials.

**Table of Contents**

**What is the difference between a stockholder of record and a beneficial owner of shares held in street name?**

**Stockholder of record.** If your shares are registered directly in your name with our transfer agent, Continental Stock Transfer & Trust Company, you are considered a stockholder of record, or record holder, with respect to those shares, and we sent the Notice directly to you.

**Beneficial owner of shares held in street name.** If your shares are held in an account at a brokerage firm, bank, broker-dealer or other similar organization, then you are the beneficial owner of shares held in street name, and a Notice was forwarded to you by that organization. As a beneficial owner, you have the right to instruct your broker, bank, trustee or nominee how to vote your shares.

**How do I vote my shares?**

Whether you are a stockholder of record or hold your shares in street name, you may vote by proxy prior to the polls closing without participating in the annual meeting. To vote by proxy, stockholders have a choice of voting over the Internet, by telephone or by mail using a traditional proxy card. Your shares will be voted in accordance with your instructions. If you plan to attend and participate in the annual meeting, we still encourage you to vote prior to the annual meeting. This will ensure that your vote will be counted if you are unable to, or later decide not to, participate in the annual meeting. You also may vote online at the annual meeting prior to the polls closing by entering your 16-digit control number included in your Notice, your proxy card or the voting instructions that accompanied your proxy materials.

<b>Vote by Internet</b>	<b>Vote by Mobile Phone</b>	<b>Vote by Phone</b>	<b>Vote by Mail</b>	<b>Vote at the Meeting</b>
Go to <a href="http://www.proxyvote.com">www.proxyvote.com</a> . You will need your 16-digit control number included in your proxy card, voter instruction form or Notice.	If you have your proxy card, you can directly scan the QR code on the <u>proxy card</u> with your mobile phone or, if you have the 16-digit control number included in your proxy card, voter instruction form or Notice, you can scan the above QR code.	Call 1-800-690-6903 toll-free from the U.S., U.S. territories and Canada or the number on your voter instruction form. You will need the 16-digit control number included in your proxy card, voter instruction form or Notice.	Send the completed and signed proxy card or voter instruction form to the address on the proxy card or voter instruction form.	You can vote by attending the online annual meeting. You will need your 16-digit control number to vote electronically at the annual meeting. To attend, go to <a href="http://www.virtualshareholdermeeting.com/wisdomtree19">www.virtualshareholdermeeting.com/wisdomtree19</a>

---

**Table of Contents**

**What are the Board's recommendations on how to vote my shares?**

The Board of Directors recommends a vote:

- Proposal 1 **FOR** the election of the two Class II directors set forth in this proxy statement (page 7);
- Proposal 2 **FOR** the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019 (page 21); and
- Proposal 3 **FOR** the vote on the advisory resolution to approve the compensation of our named executive officers (page 23).

**Can I change my vote?**

You may revoke your proxy at any time before it is voted by notifying our Secretary in writing, by returning a signed proxy card with a later date, by transmitting a subsequent vote over the Internet or by telephone prior to the close of the Internet voting facility or the telephone voting facility, or by attending the online meeting, entering your 16-digit control number and voting again electronically at the annual meeting.

**How many votes can be cast by all stockholders?**

155,055,303 shares of our common stock were outstanding and entitled to be voted on April 26, 2019, the record date for determining stockholders eligible to vote. Each share of common stock is entitled to one vote on each matter.

**How many votes are required to approve each proposal?**

*Proposal 1 Election of Directors.* Under our by-laws, directors must be elected by the affirmative vote of a majority of votes cast in uncontested elections, such as the election of directors at the annual meeting. This means that the number of votes cast for a director nominee must exceed the number of votes cast against that nominee. Abstentions and broker non-votes are not counted as votes for or against a director nominee. Any nominee who does not receive a majority of votes cast for his or her election would be required to tender his or her resignation promptly following the failure to receive the required vote. Within 90 days of the certification of the stockholder vote, the Nominating and Governance Committee would then be required to make a recommendation to the Board as to whether the Board should accept the resignation, and the Board would be required to decide whether to accept the resignation and disclose its decision-making process. In a contested election, the required vote would be a plurality of votes cast.

*Proposal 2 Ratification of Ernst & Young.* The affirmative vote of a majority of votes cast is necessary for the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019.

*Proposal 3 Advisory Approval of Executive Compensation.* The affirmative vote of a majority of votes cast is necessary for the approval of the advisory resolution to approve the compensation of our named executive officers.

If there are insufficient votes to approve Proposal 2, your proxy may be voted by the persons named in the proxy to adjourn the annual meeting to solicit additional proxies in favor of the approval of such proposal. If the annual meeting is adjourned or postponed for any purpose, at any subsequent reconvening of the meeting, your proxy will be voted in the same manner as it would have been voted at the original convening of the annual meeting unless you withdraw or revoke your proxy. Your proxy may be voted in this manner even though it may have been voted on the

same or any other matter at a previous session of the annual meeting.

## **Table of Contents**

### **How is a quorum reached?**

The presence, in person or by proxy, of holders of at least a majority of the total number of outstanding shares entitled to vote is necessary to constitute a quorum for the transaction of business at the annual meeting. Shares held of record by stockholders or brokers, bankers or other nominees who do not return a signed and dated proxy or attend the online annual meeting in person will not be considered present or represented at the annual meeting and will not be counted in determining the presence of a quorum. Abstentions and broker non-votes (i.e., shares represented at the meeting held by brokers, bankers or other nominees as to which instructions have not been received from the beneficial owners or persons entitled to vote such shares and, with respect to one or more but not all issues, such brokers or nominees do not have discretionary voting power to vote such shares), if any, will be counted for purposes of determining whether a quorum is present for the transaction of business at the meeting.

### **How is the vote counted?**

Votes cast by proxy or in person at the annual meeting will be counted by the person(s) we appoint to act as inspector(s) of election for the meeting. The inspector(s) of election will count all votes for, against and abstentions and broker non-votes, as applicable, for each matter to be voted on at the annual meeting. Shares properly voted to abstain on a particular matter and broker non-votes are treated as having not voted on the particular matter and will therefore not affect the outcome of any of the proposals. Due to its advisory nature, the results of the vote on Proposal 3 is not binding on the Board of Directors or the Compensation Committee.

### **What does it mean if I receive more than one proxy card or voting instruction form?**

It means that you have multiple accounts at the transfer agent or with brokers. Please complete and return all proxy cards or voting instruction forms to ensure that all your shares are voted.

### **Could other matters be decided at the annual meeting?**

We do not know of any other matters that may be presented for action at the annual meeting. Should any other business come before the meeting, the persons named on the proxies will have discretionary authority to vote the shares represented by such proxies in their best judgment. If you hold shares through a broker, bank or other nominee as described above, they will not be able to vote your shares on any other business that comes before the annual meeting unless they receive instructions from you with respect to such matters.

### **What happens if the annual meeting is postponed?**

Your proxy may be voted at the postponed or adjourned meeting. You will be able to change your proxy until it is voted.

### **Will the annual meeting be webcast?**

Yes. The annual meeting will be completely virtual and will be webcast live at [www.virtualshareholdermeeting.com/wisdomtree19](http://www.virtualshareholdermeeting.com/wisdomtree19).

### **What is the deadline to propose actions for consideration or to nominate individuals to serve as directors at the 2020 annual meeting?**

*Requirements for stockholder proposals to be considered for inclusion in our proxy materials*

Stockholders who wish to present proposals for inclusion in our proxy materials for our 2020 annual meeting may do so by following the procedures prescribed in Rule 14a-8 under the Securities Exchange Act of 1934, or Exchange Act, and in our by-laws. Our Secretary must receive stockholder proposals intended to be included in our proxy statement and form of proxy relating to our 2020 annual meeting made under Rule 14a-8 by December 31, 2019.

## **Table of Contents**

### *Requirements for stockholder proposals to be brought before an annual meeting*

It is the policy of our Nominating and Governance Committee to consider nominations for candidates to our Board of Directors that are properly submitted by our stockholders in accordance with our by-laws. Under our current by-laws, proposals of business and nominations for directors other than those to be included in our proxy materials following the procedures described in Rule 14a-8 may be made by any stockholder who was a stockholder of record at the time of the giving of notice provided for in our by-laws, who is entitled to vote at the meeting, who is present in person or by proxy at the meeting and who complies with the notice procedures set forth in our by-laws (i.e., notice must be timely given and contain the information required by the by-laws). To be timely, a notice with respect to the 2020 annual meeting must be delivered to our Secretary no earlier than Wednesday, February 19, 2020 and no later than Friday, March 20, 2020, unless the date of the 2020 annual meeting is advanced by more than 30 days or delayed by more than 60 days from the anniversary date of the 2019 annual meeting, in which event the by-laws provide different notice requirements. Any proposal of business or nomination should be mailed to Marci Frankenthaler, Secretary, WisdomTree Investments, Inc., 245 Park Avenue, 35<sup>th</sup> Floor, New York, New York 10167. The Nominating and Governance Committee will evaluate candidates for the position of director recommended by stockholders in the same manner as candidates from other sources and will determine whether to interview any candidates or seek any additional information.

### **Who should I call if I have any additional questions?**

If you hold your shares directly, please call Marci Frankenthaler at (212) 801-2080. If your shares are held in street name, please call the telephone number provided on your voting instruction form or contact your broker or nominee holder directly.

### **Policies on Reporting Concerns About Accounting and Other Matters and Communicating with Non-Employee Directors**

Our Board of Directors and Audit Committee have adopted policies on reporting concerns regarding accounting and other matters and on communicating with the non-employee directors. Any person, including any employee, who has a concern about the conduct of WisdomTree or any of its people, including with respect to accounting, internal accounting controls or auditing matters, may, in a confidential or anonymous manner, communicate that concern to Anthony Bossone, the Audit Committee chair, who is the designated contact for these purposes. Contact may be made by writing to him care of the Audit Committee at our offices at 245 Park Avenue, 35<sup>th</sup> Floor, New York, New York 10167, or by email at [auditcommittee@wisdomtree.com](mailto:auditcommittee@wisdomtree.com). Any interested party, including any employee, who wishes to communicate directly with the presiding director of the executive sessions of our non-employee directors, or with our non-employee directors as a group, may contact Frank Salerno, Lead Independent Director of the Board of Directors, using one of the above methods.

### **Where You Can Find More Information**

We file annual, quarterly and current reports, proxy statements and other information with the SEC, which are available on the SEC's website at <http://www.sec.gov>. You may also read and copy any document we file with the SEC on our investor relations website at <http://ir.wisdomtree.com> by following the link for Financial Information.

You should rely on the information contained in this document to vote your shares at the annual meeting. We have not authorized anyone to provide you with information that is different from what is contained in this document. This document is dated April 30, 2019. You should not assume that the information contained in this document is accurate as of any date other than that date, and the mailing of this document to stockholders at any time after that date does



not create an implication to the contrary. This proxy statement does not constitute a solicitation of a proxy in any jurisdiction where, or to or from any person to whom, it is unlawful to make such proxy solicitations in such jurisdiction.

**Table of Contents**

**Incorporation by Reference**

To the extent that this proxy statement has been or will be specifically incorporated by reference into any other filing of ours under the Securities Act of 1933, or Securities Act, or the Exchange Act, the sections of this proxy statement entitled Audit Committee Report, to the extent permitted by the rules of the SEC, and Compensation Committee Report will not be deemed to be so incorporated, unless specifically provided otherwise in such filing.

**Important Notice Regarding Delivery of Stockholder Documents**

In accordance with a notice sent to certain of our stockholders who share a single address, only one copy of this proxy statement and our Annual Report on Form 10-K for the year ended December 31, 2018 is being sent to that address unless we have received contrary instructions from any stockholder at that address. This practice, known as householding, is designed to reduce our printing and postage costs and help to conserve our natural resources. However, any stockholder residing at such an address who wishes to receive a separate copy of this proxy statement or our Annual Report may contact WisdomTree Investments, Inc., 245 Park Avenue, 35<sup>th</sup> Floor, New York, New York 10167, Attention: Investor Relations, Tel: (212) 801-2080, and we will deliver those documents promptly upon receiving the request. Any such stockholder also may contact Investor Relations to receive separate proxy statements, annual reports or Notices of Internet Availability of Proxy Materials, as applicable, in the future. If you are receiving multiple copies of our annual reports and proxy statements, you may request householding in the future by contacting Investor Relations.

**Table of Contents****PROPOSAL 1****ELECTION OF DIRECTORS**

Our certificate of incorporation and by-laws provide that the number of our directors shall be fixed from time to time by a resolution of a majority of our Board of Directors. Pursuant to our by-laws, the Board of Directors has fixed the number of directors at seven as of the date of this year's annual meeting of stockholders. In accordance with Delaware law and our certificate of incorporation and by-laws, our Board of Directors is divided into three staggered classes of the same or nearly the same number.

The Nominating and Governance Committee recommended, and the Board of Directors nominated, two directors, Susan Cosgrove and Win Neuger, to stand for election as Class II directors for a three-year term until the 2022 annual meeting and until his or her successor is duly elected and qualified. Steven Begleiter has notified the Board of Directors that he will not stand for re-election as a Class II director.

Unless otherwise instructed, the persons appointed in the accompanying form of proxy will vote the proxies received by them for these nominees. WisdomTree has no reason to believe that any nominee will be unavailable for election at the annual meeting. If one or both nominees are unexpectedly not available to serve, proxies may be voted for another person nominated as a substitute by the Board of Directors, or the Board of Directors may reduce the number of directors to be elected at the annual meeting.

**Class II Director Nominees**

<b>Susan Cosgrove</b>	Susan Cosgrove is Managing Director and Chief Financial Officer of The Depository Trust & Clearing Corporation (DTCC), the premier post-trade market infrastructure for the global financial services industry. She was appointed CFO in August 2013 and is responsible for leading the firm's global finance and treasury teams and overseeing the company's financial processes and liquidity and capital position. From 2011 to 2013, she served as Managing Director and General Manager of Settlement and Asset Services of DTCC, overseeing all depository businesses, and from 1999 to 2011, was the General Manager for DTCC's Equity and Fixed Income Clearing Services. Ms. Cosgrove is a member of DTCC's Management Committee and Management Risk Committee, and she co-chairs the firm's Investment and Operating Committee. She is also a member of the DTCC Institutional Trade Processing Board of Managers and the Board of Directors for DerivSERV, two subsidiaries of DTCC. Ms. Cosgrove also serves as Vice Chair of the Board of Pencil Inc., a not for profit organization leading collaboration between business and public education communities. Prior to joining DTCC in 1999, she was a Senior Vice President at Lehman Brothers in charge of Audit and Compliance for the company's Americas division. Before Lehman, she worked at Maxcor Financial Group for 10 years as Chief Financial Officer and Head of Compliance. She began her career as a Senior Auditor for PricewaterhouseCoopers in their Financial Services Group. Ms. Cosgrove received her B.B.A. in Accounting from Baruch College. We believe Ms. Cosgrove's qualifications to serve on the Board of Directors include her financial, accounting and compliance expertise, and many years of experience in leadership positions in
<b>Age: 56</b>	
<b>Director since</b>	
<b>April 2019</b>	
<b>Independent</b>	

Edgar Filing: WisdomTree Investments, Inc. - Form DEF 14A  
the financial services industry.

7

**Table of Contents**

<p><b>Win Neuger</b></p> <p><b>Age: 69</b></p> <p><b>Director since</b></p> <p><b>July 2013</b></p> <p><b>Independent</b></p> <p><b>Audit, Compensation and</b></p> <p><b>Nominating and Governance</b></p> <p><b>Committee Member</b></p>	<p>Win Neuger is an independent investor and consultant. From July 2014 until June 2015, he served as Chairman of EcoAlpha Asset Management LLC, a private investment management company focused on investing in companies providing solutions to the global problems of burdened resources. From March 2012 until January 2013, he served as Vice Chairman of the Board of Directors of PineBridge Investments, an independent asset manager offering investment opportunities in emerging and developed markets, and from March 2010 to March 2012, he served as its Chief Executive Officer and Chair of the Executive Committee. From January 2009 to March 2010, Mr. Neuger served as Executive Vice President of American International Group, or AIG, an international insurance organization serving commercial, institutional and individual customers, as well as Chairman and Chief Executive Officer of AIG Investments, AIG's asset management company. Prior to January 2009, in addition to these positions, he also served as Chief Investment Officer of AIG. Prior to AIG, Mr. Neuger served as both Managing Director, Fixed Income and, subsequently, as Managing Director, Global Equities at Bankers Trust Company. Before Bankers Trust, he was Chief Investment Officer at Western Asset Management. He also served as Head of Fixed Income at Northwestern National Bank. Mr. Neuger previously served on our Board of Directors from January 2007 to December 2009. He currently serves as Chairman of the Board of Neuger Communications Group, a private strategic marketing communications and public relations firm. Mr. Neuger received his A.B. from Dartmouth College and an M.B.A. from the Amos Tuck Graduate School of Business. We believe that Mr. Neuger's qualifications to serve on the Board of Directors include his prior service on our Board and familiarity with our business model and his years of experience in management positions in the asset management industry.</p>
--	--

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ELECTION TO THE BOARD OF DIRECTORS OF EACH OF THE ABOVEMENTIONED NOMINEES**

**Table of Contents****Continuing Directors*****Class III Directors whose terms expire in 2020***

**Frank Salerno**

**Age: 59**

**Director since**

**July 2005**

**Lead Independent Director**

**Compensation Committee Chair**

Frank Salerno was Managing Director and Chief Operating Officer of Merrill Lynch Investment Advisors Americas Institutional Division, an investment advisory company, from July 1999 until his retirement in February 2004. Before joining Merrill Lynch, Mr. Salerno spent 18 years with Bankers Trust Company in various positions. In 1990, he assumed responsibility for Bankers Trust's domestic index management business and in 1995 he became Chief Investment Officer for its Structured Investment Management Group. Mr. Salerno received a B.S. in Economics from Syracuse University and an M.B.A. in Finance from New York University. Mr. Salerno served as a director and member of the audit committee and conflicts committee of K-Sea Transportation Partners, L.P., formerly a NYSE-listed company, from 2004 until its acquisition in 2011. We believe Mr. Salerno's qualifications to serve on the Board of Directors include his extensive years in senior management positions at large asset management firms as well as his service on the board of directors of another public company. The Board also benefits from his strategic insights on the asset management industry.

**Audit Committee Member**

**Jonathan Steinberg**

**Age: 54**

**Director since**

**October 1988**

Jonathan Steinberg founded and has served as our Chief Executive Officer since October 1988 and since August 2012, he has also served as our President. He has been a member of our Board of Directors since October 1988, serving as Chairman of the Board of Directors from October 1988 to November 2004. He also served as Editor-in-Chief of *Individual Investor* and *Ticker*, two magazines formerly published by the Company. Mr. Steinberg is responsible for the creation and development of our proprietary index methodology. Prior to founding WisdomTree, Mr. Steinberg was employed as an analyst in the Mergers and Acquisitions Department of Bear, Stearns & Co. Inc., an investment banking firm, from 1986 to 1988. Mr. Steinberg is the author of *Midas Investing*, published by Times Books, a division of Random House, Inc. in 1996. He attended The Wharton School of Business at the University of Pennsylvania. We believe Mr. Steinberg's qualifications to serve on the Board of Directors include his extensive knowledge of our business, his experience in founding and developing our fundamentally weighted index methodology, as well as his corporate and strategic vision, which provide strategic guidance to the Board. As our Chief Executive Officer and President, Mr. Steinberg provides essential insight and guidance to the Board from a management perspective.

**Table of Contents*****Class I Directors whose terms expire in 2021***

**Anthony Bossone**

**Age: 48**

**Director since**

**January 2009**

**Independent**

**Audit Committee Chair**

**Compensation Committee Member**

Anthony Bossone has been the Chief Financial Officer of Atlantic-Pacific Capital, Inc., a broker-dealer and global placement agent dedicated to raising capital for alternative investment funds, since 2003. From 2001 to 2003, Mr. Bossone was the Assistant Controller at SAC Capital Advisors, LLC, a hedge fund advisory firm, and from 1999 until 2001, Mr. Bossone served as an equity trader at Schonfeld Securities, LLC, a securities trading firm. Mr. Bossone began his career at PricewaterhouseCoopers LLP in 1993 where he was an audit manager until 1999. Mr. Bossone received his B.S. in Business and Economics with highest honors from Lehigh University and is a Certified Public Accountant. We believe Mr. Bossone's qualifications to serve on the Board of Directors include his financial and accounting expertise. The Board also benefits from his experience as an equity trader.

**Bruce Lavine**

**Age: 52**

**Director since**

**January 2007**

**Independent**

Bruce Lavine has been a Senior Strategy Advisor to Astoria Portfolio Advisors, an asset management firm that implements sophisticated institutional portfolio management strategies with ETFs for a variety of different client types, since October 2017. From January 2016 to May 2017, he was the Chief Executive Officer of 55 Capital, a similarly focused ETF centric firm. From August 2012 to February 2016, he served as our Vice Chairman (non-executive), and from May 2006 until August 2012 as our President and Chief Operating Officer. From 1998 to 2006, he was employed by Barclays Global Investors, an asset management firm, in the following positions: from 1998 to 1999, he served as Director, Financial Planning, Global Finance; from 1999 to 2003, he served as Chief Financial Officer, Director of New Product Development, U.S. iShares and Individual Investor Business; and from 2003 to May 2006 he served as Head of iShares Exchange Traded Funds, Europe. From 1995 to 1998, Mr. Lavine served as the Manager of Business Planning at Sequel, Inc., a computer hardware services company. From 1991 to 1994, Mr. Lavine was employed by Bristol-Myers Squibb Company, a pharmaceutical company, first as a financial associate and then as a senior treasury analyst. Mr. Lavine received a B.S. with distinction in Commerce and an M.B.A. in Finance from the University of Virginia. Mr. Lavine is a Chartered Financial Analyst. We believe Mr. Lavine's qualifications to serve on the Board of Directors include his many years of experience in senior management positions in the ETF industry and extensive knowledge of our business.





**Table of Contents**

<b>Michael Steinhardt</b>	Michael Steinhardt has served as our non-executive Chairman of the Board since November 2004. From 1967 through 1995, Mr. Steinhardt served as Senior Managing Partner of Steinhardt Partners, L.P., a private investment company, and related investment entities. In 1995, Mr. Steinhardt closed Steinhardt Partners and eliminated his involvement in managing client assets. He founded and now serves as President of Steinhardt Management Co., Inc., which currently manages his family office. Mr. Steinhardt currently devotes most of his time and financial resources to Jewish philanthropic causes, directed through The Steinhardt Foundation for Jewish Life for which he serves as Chairman. Mr. Steinhardt is the co-founder of Birthright Israel and is a major supporter. He also serves as Co-Chair of the Areivim Philanthropic Group. He also serves on the Board of Trustees of New York University and the Steinhardt Foundation. Mr. Steinhardt received his B.S. in Economics from The Wharton School of Business of the University of Pennsylvania. We believe Mr. Steinhardt's qualifications to serve on the Board of Directors include his extensive years of experience as a founder of a private investment management company. The Board also benefits from his perspective and knowledge of financial markets as well as his strategic vision.
<b>Age: 78</b>	
<b>Director since</b>	
<b>November 2004</b>	
<b>Independent</b>	
<b>Nominating and Governance Committee Chair</b>	

---

**Table of Contents****Executive Officers**

**David Abner** has served as our Head of WisdomTree Europe since August 2016 and became an Executive Vice President in January 2018. He joined WisdomTree in April 2008 as Director of Institutional Sales and Trading. In January 2012, he was appointed Head of Capital Markets, a position he held until relocating to London in August 2016 to lead our European efforts. From February 2006 to March 2008, Mr. Abner was Head of ETF Trading Americas at BNP Paribas. Prior to that, he spent 14 years at Bear Stearns where he was Head of ETF Trading within the Equity Derivatives group. A renowned ETF expert, Mr. Abner has authored two books on the subject, *The ETF Handbook* (Wiley, 2010, 2016) and *The Visual Guide to ETFs* (Bloomberg, 2013). He is also the creator of the ETF Implied Liquidity function, one of the most widely-used metrics for determining the potential investable liquidity of an ETF. Mr. Abner received his M.S. in Management and a B.A. in Economics from the State University of New York at Stony Brook. Mr. Abner is 49 years old.

**Stuart Bell** has served as our Executive Vice President and Chief Operating Officer since January 2018. From October 2016 until December 2017, he served as our Director of International Business; in this capacity, he worked across all facets of our businesses in Europe, Japan and Canada where he helped drive operational alignment and execution of our strategic growth objectives. Mr. Bell joined WisdomTree in September 2007 as Manager of Public Relations, adding to his responsibilities in January 2009 as Manager of Corporate Communications and Investor Relations, and thereafter from January 2012 to October 2016 as Director of Corporate Communications and Investor Relations. Before joining WisdomTree, Mr. Bell worked at Sloane & Company, a strategic communications and investor relations firm. He received his B.A. in History, with departmental honors and honors in general scholarship, from Trinity College where he was Phi Beta Kappa and named the President's Fellow in History. Mr. Bell is 35 years old.

**Marci Frankenthaler** has served as our Executive Vice President and Chief Legal Officer since April 2019. She served as Deputy General Counsel from January 2018 to March 2019, and as Director of Business and Legal Affairs, Associate General Counsel from July 2014 to December 2017. From June 2008 to June 2014, Ms. Frankenthaler was General Counsel of Frederick's of Hollywood Group Inc., a specialty retailer that she helped to take public and then private. Prior to that, Ms. Frankenthaler was a partner in the Corporate and Securities department of Graubard Miller, which served as our primary corporate counsel, from 1991 to 2007, and was employed at that firm beginning in 1994. Ms. Frankenthaler received her B.A., with honors, in Psychology with a concentration in Human Resources from Binghamton University and her J.D. from Benjamin N. Cardozo School of Law. Ms. Frankenthaler is 50 years old.

**R. Jarrett Lilien** has served as our Executive Vice President and Head of Emerging Technologies since November 2017. From November 2008 to December 2017, Mr. Lilien was a member of our Board of Directors and served on the Audit, Compensation and Nominating committees. Until November 2017, Mr. Lilien was the Managing Partner of Bendigo Partners, LLC, a financial services focused venture capital investing and advisory services firm he founded in 2008. From September 2012 to July 2014, Mr. Lilien served as the Chief Executive Officer of Kapitall Inc., an online investing platform. From 2003 to 2008, he served as President and Chief Operating Officer of E\*TRADE Financial Corporation. In this role, he was responsible for the tactical execution of all of E\*TRADE's global business strategies. Previously, he served as the President and Chief Brokerage Officer at E\*TRADE Securities. In this capacity, Mr. Lilien reorganized the business, adding new product lines and providing innovative brokerage capabilities to its retail, institutional, and corporate clients around the world. With experience in more than 40 global markets, he was instrumental in developing a flexible infrastructure for E\*TRADE's brokerage units designed to provide retail and institutional clients with seamless execution, clearing, and settlement. Prior to joining E\*TRADE, Mr. Lilien spent 10 years as Chief Executive Officer at TIR (Holdings) Limited, a global institutional broker, which E\*TRADE acquired in 1999. Mr. Lilien currently serves as President of the Jazz Foundation of America, is on the Board of Directors of Barton Mines Corporation and the Baryshnikov Arts Center, and is on the Advisory Board of WFUV FM Radio. He

served as a member of the Board of Directors of Investment Technology Group, Inc. (NYSE: ITG), an independent execution broker and research provider, from April 2015 until its acquisition by Virtu Financial, Inc. in March 2019, and served as

---

**Table of Contents**

interim CEO from August 2015 until January 2016. Since November 2017, Mr. Lilien also has served on the Board of Directors of AdvisorEngine Inc., a customized end-to-end platform for financial advisors in which WisdomTree originally invested in November 2016. Mr. Lilien received his B.A. in Economics from the University of Vermont. Mr. Lilien is 57 years old.

**Kurt MacAlpine** has served as our Executive Vice President and Global Head of Distribution since July 2015. Prior to joining WisdomTree, Mr. MacAlpine was employed at McKinsey & Company between May 2006 and June 2015 in a variety of consulting roles. He was elected a Partner of McKinsey & Company in April 2013 and was the Leader of the North American Asset Management Practice. While at McKinsey & Company, Mr. MacAlpine managed global consulting teams in the asset management and wealth management industries on topics related to distribution, marketing, product development, international expansion, strategy and M&A. Since November 2016, Mr. MacAlpine also has served on the Board of Directors of AdvisorEngine. He has extensive experience working with domestic and foreign firms in North America, Asia and Europe. Mr. MacAlpine received his M.B.A. from Queen's University in Kingston, Ontario and his Bachelor of Commerce from Saint Mary's University in Halifax, Nova Scotia. Mr. MacAlpine is 37 years old.

**Amit Muni** has served as our Executive Vice President and Chief Financial Officer since March 2008. Prior to joining WisdomTree, Mr. Muni served as Controller and Chief Accounting Officer of International Securities Exchange Holdings, Inc., an electronic options exchange, from 2003 until March 2008. Mr. Muni was Vice President, Finance, of Instinet Group Incorporated, an electronic agency broker-dealer, from 2000 to 2003. From 1996 until 2000, Mr. Muni was employed as a Manager of the Financial Services Industry Practice of PricewaterhouseCoopers LLP, an accounting firm. From 1991 until 1996, Mr. Muni was an accountant and a senior auditor for National Securities Clearing Corporation, a firm that provides centralized clearing, information and settlement services to the financial industry. Mr. Muni received a B.B.A. in Accounting from Pace University and is a Certified Public Accountant. Mr. Muni is 50 years old.

**Jeremy Schwartz** has served as our Executive Vice President, Global Head of Research since November 2018 and leads our investment strategy team in the construction of WisdomTree's equity indexes, quantitative active strategies and multi-asset model portfolios. Mr. Schwartz joined WisdomTree in May 2005 as a Senior Analyst, adding to his responsibilities in February 2007 as Deputy Director of Research and thereafter, from October 2008 to October 2018, as Director of Research. Prior to joining WisdomTree, he was head research assistant for Professor Jeremy Siegel and helped with the research and writing of *Stocks for the Long Run* and *The Future for Investors*. Mr. Schwartz also is co-author of the Financial Analysts Journal paper, *What Happened to the Original Stocks in the S&P 500?* He received his B.S. in Economics from The Wharton School of the University of Pennsylvania and stays involved with Wharton by hosting the Wharton Business Radio program, Behind the Markets, on SiriusXM 132. Mr. Schwartz is also a member of the CFA Society of Philadelphia. Mr. Schwartz is 38 years old.

**Peter M. Ziemba** has served as our Executive Vice President – Senior Advisor to the CEO and Chief Administrative Officer since January 2018. He served as our Executive Vice President – Business and Legal Affairs from January 2008 to December 2017 and our Chief Legal Officer from March 2011 to December 2017. From April 2007 to March 2011, Mr. Ziemba served as our General Counsel. Prior to joining WisdomTree, Mr. Ziemba was a partner in the Corporate and Securities department of Graubard Miller, which served as our primary corporate counsel, from 1991 to 2007, and was employed at that firm beginning in 1982. Mr. Ziemba is a member of the Advisory Board of WFUV FM Radio. Mr. Ziemba received his B.A. in History with university honors from Binghamton University and his J.D., cum laude, from Benjamin N. Cardozo School of Law. Mr. Ziemba served as a director of WisdomTree from 1996 to 2003. Mr. Ziemba is 61 years old.

Jonathan Steinberg, our President and Chief Executive Officer and a member of our Board of Directors, is also an executive officer. His biographical information is set forth above in the description of the members of our Board of Directors.

**Table of Contents**

**CORPORATE GOVERNANCE**

**Board Composition**

Our Board of Directors currently consists of eight members. In accordance with Delaware law and our certificate of incorporation and by-laws, our Board of Directors is divided into three staggered classes of the same or nearly the same number. At each annual meeting of the stockholders, a class of directors is elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The terms of the directors will expire upon the election and qualification of successor directors at this year's annual meeting of stockholders for Class II directors, in 2020 for Class III directors and in 2021 for Class I directors.

The following directors currently serve in Classes I, II and III:

Class I: Anthony Bossone, Bruce Lavine and Michael Steinhardt

Class II: Steven Begleiter, Susan Cosgrove and Win Neuger. Mr. Begleiter has notified the Board of Directors that he will not stand for re-election as a Class II director at the annual meeting.

Class III: Frank Salerno and Jonathan Steinberg

Our certificate of incorporation and by-laws provide that the number of our directors shall be fixed from time to time by a resolution of a majority of our Board of Directors. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class shall consist of one third of the Board of Directors. The division of our Board of Directors into three classes with staggered three-year terms may delay or prevent stockholder efforts to effect a change of our management or a change in control.

In a private placement of our common stock in October 2009, we entered into a Securities Purchase Agreement that provided, among other things, that as long as Michael Steinhardt beneficially owns at least 10,000,000 shares of our common stock, he will have the right to require us to either (i) appoint a designee, reasonably acceptable to our Board of Directors, as a member of our Board or (ii) provide a designee, reasonably acceptable to our Board of Directors, with notice of all Board meetings and copies of all materials delivered to Board members and permit such designee to attend and observe each Board meeting. We further agreed that Mr. Steinhardt was an acceptable designee of Mr. Steinhardt. Mr. Steinhardt continues to beneficially own at least 10,000,000 shares of our common stock and therefore continues to be contractually entitled to designate a director or an observer to the Board. While we currently believe that Mr. Steinhardt continues to be an acceptable designee, we are aware of recent media reports concerning alleged inappropriate conduct (unrelated to WisdomTree) and will continue to monitor the matter.

**Director Criteria, Qualifications and Experience**

We are committed to diversified Board membership and seek directors who have high personal and professional integrity, judgment and ability. Our Nominating and Governance Committee is responsible for recommending criteria and qualifications for Board membership, identifying and evaluating potential director candidates and recommending to the Board those candidates to be nominated for election to, or fill vacancies on, the Board. The Nominating and Governance Committee seeks to identify director candidates who satisfy the criteria set forth in the director candidate guidelines included in the Nominating Committee's charter. Candidates are selected for, among other things, their

knowledge, skills, abilities, independence, character, diversity (inclusive of gender, race, ethnicity, age, gender identity, gender expression and sexual orientation), demonstrated leadership and experience useful to the oversight of our business in the context of the needs of the Board. Our Nominating and Governance Committee's priority is to identify candidates who will further the interests of our stockholders through his or her established record of professional accomplishments, the ability to contribute positively to the collaborative culture among Board members, and professional and personal experiences and expertise relevant to our business strategy. To reflect its commitment to diversified Board

## **Table of Contents**

membership, in February 2019, the Board amended its corporate governance guidelines to provide that when considering director candidates, the Nominating and Governance Committee should actively seek out highly qualified women and people of color for consideration as nominees to the Board as part of its regular process.

## **Board Meetings**

During 2018, the Board of Directors held nine meetings and acted by unanimous written consent on three occasions. Each director attended at least 75% of all Board meetings and meetings of the Board committees on which they serve, except for Mr. Begleiter, who has notified the Board of Directors that he will not stand for re-election as a director at the annual meeting. Our policy is for all our directors to attend our annual meeting of stockholders. All our directors attended our 2018 annual meeting of stockholders.

## **Board Independence**

Nasdaq rules require listed companies to have a board of directors with at least a majority of independent directors. Our Board of Directors has determined that all our directors are independent under the listing standards of the Nasdaq Stock Market other than Mr. Steinberg, our President and Chief Executive Officer. Under our corporate governance guidelines, directors are required to promptly inform the Lead Independent Director if the director becomes aware of any change in circumstances that may result in such director no longer being considered independent under the Nasdaq rules.

## **Lead Independent Director**

Our Board of Directors believes that it is good corporate practice to designate one of our independent directors as Lead Independent Director. Mr. Salerno has held this designation since the position was established in 2008. Our Lead Independent Director has the following duties:

serve as the intra-meeting liaison between our Board and management, and among the independent directors;

serve as an ex-officio, non-voting member of each standing committee (of which he is not a member) of our Board;

ensure that appropriate reports and information are circulated to the independent directors on a timely basis by management and others;

lead our Board in the process of periodic reviews of the performance of the Chief Executive Officer, as well as in discussions regarding the Chief Executive Officer's reports on senior management performance and management succession issues and plans;

chair meetings of the independent directors if the chairman is not present; and



perform such other appropriate duties as the independent directors assign to him from time to time.

### **Board Leadership Structure**

The Board of Directors has chosen to separate the roles of chairman of the Board of Directors and chief executive officer. Jonathan Steinberg is our President and Chief Executive Officer and Michael Steinhardt is our non-executive Chairman of the Board. We believe that separating these positions is optimal because it allows Mr. Steinberg to focus on our day-to-day business, while allowing Mr. Steinhardt to focus on Board leadership in its fundamental role of providing advice to and independent oversight of management. Our Board of Directors recognizes the time, effort and energy that the chief executive officer is required to devote to his position, as well as the commitment required to serve as our chairman, particularly as the Board of Directors' oversight responsibilities continue to grow. While our by-laws and corporate governance guidelines do not require that our

## **Table of Contents**

chairman and chief executive officer positions be separate, our Board of Directors believes that having separate positions is the appropriate leadership structure for us and demonstrates our commitment to good corporate governance. Our corporate governance guidelines provide that if the offices of the Chairman of the Board and Chief Executive Officer are combined, the Board will appoint either a non-executive chairman or a Lead Independent Director.

### **Role of the Board in Risk Oversight**

Risk is inherent with every business, and how well a business manages risk can ultimately determine its success. We face a number of risks, including risks relating to our operations, strategic direction and intellectual property as more fully discussed under **Risk Factors** in our Annual Report on Form 10-K for the year ended December 31, 2018, as updated from time to time. Management is responsible for the day-to-day management of the risks we face, while our Board of Directors, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, our Board has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed.

The Board of Directors' role in overseeing the management of our risks is conducted primarily through Board committees, as described in the descriptions of each of the committees below and in their respective charters. The full Board of Directors (or the appropriate board committee in the case of risks that are under the purview of a particular committee) discusses with management our major risk exposures, their potential impact and the steps we take to manage them. When a board committee is responsible for evaluating and overseeing the management of a particular risk or risks, the chairman of the relevant committee reports on the discussion to the full Board during the committee reports portion of the next board meeting. This enables our Board and its committees to coordinate the risk oversight role, particularly with respect to risk interrelationships.

### **Board Committees**

Our Board of Directors has an Audit Committee, Compensation Committee and Nominating and Governance Committee, each of which operates pursuant to a written charter adopted by our Board of Directors. As provided in its respective charters, each committee reviews its charter at least annually and recommends charter changes to the Board as appropriate. Charters for each of the Audit Committee, Compensation Committee and Nominating and Governance Committee are available on our investor relations website at <http://ir.wisdomtree.com> by following the link for Corporate Governance, under the heading Committee Charters.

Committee membership is limited to independent directors as defined under the listing standards of the Nasdaq Stock Market. Audit Committee members also must meet the independence standards adopted by the SEC. Our Board of Directors may from time to time establish other committees. Our corporate governance guidelines provide that each independent director is expected, but not required, to serve on at least one committee. A director also may serve on more than one committee.

#### ***Audit Committee***

Messrs. Bossone, Neuger and Salerno currently serve on the Audit Committee, which is chaired by Mr. Bossone. Mr. Salerno previously served as chair of the Audit Committee until June 2018. During 2018, the Audit Committee held nine meetings and did not take any action by unanimous written consent. During 2018, the Audit Committee amended its charter to provide for enhanced review of business risk exposures. Our Board of Directors has determined that each member of the Audit Committee is an audit committee financial expert, as defined under the applicable rules of the SEC. The Audit Committee's responsibilities include:

overseeing our accounting and financial reporting processes and the audits of our financial statements;

approving auditing and permissible non-audit services, and the terms of such services, to be provided by our independent registered public accounting firm;

**Table of Contents**

establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;

monitoring, reporting to and reviewing with the Board of Directors regarding the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters;

reviewing all related person transactions for potential conflict of interest situations and approving such transactions; and

taking, or recommending that the Board of Directors take, appropriate action to oversee the qualifications, independence and performance of our independent auditor.

***Compensation Committee***

Messrs. Bossone, Neuger and Salerno currently serve on the Compensation Committee, which is chaired by Mr. Salerno. During 2018, the Compensation Committee held nine meetings and acted by unanimous consent on one occasion. During 2018, the Compensation Committee reviewed its charter and determined that no amendments were required. The Compensation Committee's responsibilities include:

overseeing the administration of our compensation programs;

reviewing and discussing with the Board corporate succession plans for the CEO and our other key officers;

determining and approving the compensation of our CEO;

approving the compensation of the non-CEO executive officers and certain other senior employees;

reviewing and making recommendations to the Board with respect to directors' compensation;

exercising sole authority to retain, terminate and approve the compensation of any compensation consultants or other compensation advisers and determining the nature and scope of their assignments; and

approving all discretionary bonuses for our employees, advisers and consultants.

***Nominating and Governance Committee***

Messrs. Begleiter, Neuger and Steinhardt currently serve on the Nominating and Governance Committee, which is chaired by Mr. Steinhardt. Brian T. Shea served on the Nominating and Governance Committee from June 2018 until

his resignation in February 2019. During 2018, the Nominating and Governance Committee held three meetings and did not take any action by unanimous written consent. In February 2019, the Nominating and Governance Committee amended its charter to specify that when considering director candidates, the committee may consider diversity of background and experience, inclusive of gender, race, ethnicity, age, gender identity, gender expression and sexual orientation. The Nominating and Governance Committee's responsibilities include:

recommending criteria and qualifications for Board membership;

identifying and evaluating candidates for nomination for election to the Board of Directors or to fill vacancies on the Board;

recommending that the Board of Directors select the director nominees for election at each annual meeting of stockholders;

establishing a policy regarding the consideration of director candidates recommended by stockholders; and

reviewing all stockholder nominations submitted to us.

## **Table of Contents**

### **Compensation Committee Interlocks and Insider Participation**

Messrs. Bossone, Neuger and Salerno served as members of the Compensation Committee during 2018. None of the members of the Compensation Committee was an officer or employee of ours during 2018 or has ever served as one of our officers and none had any relationship with us or any of our subsidiaries during 2018 that would be required to be disclosed as a transaction with a related person.

None of our executive officers has served on the board of directors or compensation committee of another company (or other board committee performing equivalent functions) at any time during which an executive officer of such other company served on our Board of Directors or Compensation Committee.

### **Corporate Governance Guidelines**

Our Board of Directors has adopted corporate governance guidelines to promote the effective functioning of the Board and its committees, and the continued implementation of good corporate governance practices. The corporate governance guidelines address matters including the role and structure of the Board, the selection, qualifications and continuing education of Board members, board meetings, non-employee director executive sessions, director service on other boards, board committees, management review and succession planning, non-employee director compensation and board and committee evaluations.

To reflect its commitment to diversified Board membership, in February 2019, the Board amended the corporate governance guidelines to provide that when considering director candidates, the Nominating and Governance Committee should actively seek out highly qualified women and people of color for consideration as nominees to the Board as part of the Nominating and Governance Committee's regular process.

The corporate governance guidelines are available on our investor relations website at <http://ir.wisdomtree.com> by following the link for Corporate Governance, under the heading Corporate Governance Guidelines.

### **Board and Committee Self-Evaluations**

The Board conducts an annual self-evaluation to determine whether it and its committees are functioning effectively. The Board receives comments from all directors and executive officers and reports annually with an assessment of the Board's performance. The assessment focuses on the Board's contribution to WisdomTree and specifically focuses on areas in which the Board or management believes that the Board could improve.

### **Code of Conduct**

We have adopted a code of conduct that applies to all our employees, officers and directors, including those officers responsible for financial reporting. Our code of conduct is available on our investor relations website at <http://ir.wisdomtree.com> by following the link for Corporate Governance, under the heading Code of Conduct. We intend to disclose any amendments to this code, or any waivers of its requirements, on our website.

### **Stock Ownership Guidelines**

Our Board of Directors has adopted stock ownership guidelines, which require executive officers and non-employee directors to maintain an ongoing ownership position in our common stock while providing them with flexibility in personal financial planning.



**Table of Contents**

On each annual measurement date (determined by the Board to be November 30<sup>th</sup>), the dollar value of the base amounts set forth below is converted into the number of shares required to be held to meet the guidelines until the next November 30<sup>th</sup>.

<b>Position</b>	<b>Base Amount</b>
President and Chief Executive Officer	6X Base Salary
All other Executive Officers	3X Base Salary
Non-Employee Directors	5X Base Retainer

Shares of common stock owned by the executive officer or non-employee director directly, jointly or indirectly by a trust, partnership, limited liability company or other entity for the benefit of the executive officer or non-employee director, count toward satisfaction of the guidelines, as well as 50% of unvested restricted stock awards issued under our equity incentive plans. Stock options (both vested and unvested) do not count toward satisfaction of the guidelines.

If an executive officer or non-employee director does not meet the guidelines on November 30<sup>th</sup>, he or she will not be permitted to sell or otherwise dispose of our common stock (except for 50% of restricted stock awards as they vest to cover taxes) until the next November 30<sup>th</sup>, and then only to the extent that his or her remaining holdings do not fall below the applicable requirement. The Compensation Committee has the authority to grant waivers on a case-by-case basis.

As of November 30, 2018, all our executive officers and non-employee directors met the guidelines other than Stuart Bell and Win Neuger. Mr. Bell just recently became an executive officer in January 2018 and Mr. Neuger joined the Board within the last six years. Additional detail regarding ownership of our common stock by our executive officers and non-employee directors is included in this proxy statement under the heading Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters Stock Ownership Table.

**Policy Regarding Short Sales, Derivatives, Hedging and Pledging**

Our insider trading policy applies to all our employees, officers and directors, including our named executive officers. The policy prohibits these individuals from effecting short sales of our common stock. These individuals also may not trade in derivatives in our securities (such as put and call options) or engage in any other hedging transaction relating to our securities without prior Audit Committee approval. These individuals are also prohibited from holding shares of our common stock in margin accounts or pledging shares of our common stock as collateral for a loan without prior Audit Committee approval.

**Compensation of Non-Employee Directors**

Set forth below are the compensation terms for the non-employee members of the Board of Directors in effect in 2018 as approved by the Board of Directors:

<b>Board Service</b>	<b>January 1, 2018 through June 30, 2018</b>	<b>July 1, 2018 through December 31, 2018</b>
Board Annual Cash Retainer <sup>(1)</sup>	\$ 80,000	\$ 100,000



Edgar Filing: WisdomTree Investments, Inc. - Form DEF 14A

Annual Restricted Stock Awards <sup>(2)</sup>	\$	100,000	\$	100,000
Independent Lead Director Cash Retainer	\$	60,000	\$	80,000

<b>Committee Service<sup>(1)</sup></b>	<b>January 1, 2018 through June 30, 2018</b>		<b>July 1, 2018 through December 31, 2018</b>	
	<b>Chair</b>	<b>Member</b>	<b>Chair</b>	<b>Member</b>
Audit	\$ 22,500	\$ 12,500	\$ 25,000	\$ 12,500
Compensation	\$ 35,000	\$ 15,000	\$ 40,000	\$ 15,000
Nominating and Governance	\$	\$ 5,000	\$	\$ 7,500

**Table of Contents**

- (1) The annual cash retainer is paid quarterly based on service during the prior quarter.
- (2) Annual restricted stock award under our 2016 Equity Plan granted at the Board of Directors meeting immediately following the annual meeting of stockholders each year to all non-employee directors serving on that date that vests one year from the grant date, subject to certain exceptions. The award is valued at \$100,000 on the grant date based on the closing price of our common stock on the grant date. A director who is appointed to the Board outside of the annual meeting of stockholders will receive a prorated amount of the annual award.

The following table describes compensation paid to our non-employee directors in 2018. All our directors are reimbursed for out-of-pocket expenses for attending meetings. Directors who are also employees are not entitled to any compensation for their services as a director.

<b>Name</b>	<b>Fees Earned or Paid in Cash (\$)</b>	<b>Stock Awards (\$)<sup>(1)</sup></b>	<b>Total (\$)</b>
Steven Begleiter	90,625	99,994	190,619
Anthony Bossone	115,017	99,994	215,011
Bruce Lavine	85,000	99,994	184,994
Win Neuger	117,344	99,994	217,338
Frank Salerno	208,750	99,994	308,744
Brian T. Shea	41,943	115,610 <sup>(2)</sup>	157,553
Michael Steinhardt	90,625	99,994	190,619

- (1) As of December 31, 2018, each of our non-employee directors held 8,936 shares of restricted stock, except for Mr. Shea, who held 10,536 shares of restricted stock.
- (2) Represents the grant date fair value of 10,536 shares of restricted stock awarded to Mr. Shea, of which 1,600 shares with a grant date fair value of \$15,616 were awarded upon his appointment as a non-employee director effective April 24, 2018 and 8,936 shares with a grant date fair value of \$99,994 were awarded on June 19, 2018. All of Mr. Shea's restricted stock vested upon his resignation on February 25, 2019.

**Table of Contents****PROPOSAL 2****RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019. Ernst & Young LLP acted as our independent registered public accounting firm for the year ended December 31, 2018. A representative of Ernst & Young LLP is expected to be present at the annual meeting with the opportunity to make a statement if he or she desires and to respond to appropriate questions.

Our organizational documents do not require that the stockholders ratify the selection of Ernst & Young LLP as our independent registered public accounting firm. We request such ratification as a matter of good corporate practice. A majority of the votes properly cast is required for the approval of the ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm, and brokers, bankers and other nominees have discretionary voting power on this routine matter. Accordingly, abstentions and broker non-votes will have no effect on the ratification. If the stockholders do not ratify the selection, the Audit Committee will reconsider whether to retain Ernst & Young LLP, but still may retain them. Even if the selection is ratified, the Audit Committee, in its discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interests of our company and our stockholders.

**Principal Accounting Fees and Services**

The following table sets forth the fees paid or accrued by us for the audit and other services provided by Ernst & Young LLP during the years ended December 31, 2018 and 2017 (in thousands):

	<b>2018</b>	<b>2017</b>
Audit Fees <sup>(1)</sup>	\$ 1,094	\$ 742
Audit Related Fees <sup>(2)</sup>	42	571
Tax Fees		
All Other Fees		
<b>Total Fees</b>	<b>\$ 1,136</b>	<b>\$ 1,313</b>

- (1) Audit fees relate to professional services rendered in connection with the audit of our annual financial statements, quarterly review of financial statements included in our statutory and regulatory filings, audit of our internal control over financial reporting and audits of the financial statements of certain consolidated subsidiaries.
- (2) Fees related to services provided in connection with our acquisition of the European exchange-traded commodity, currency and short-and-leveraged business of ETFS Capital Limited during the year ended December 31, 2017 and fees related to the audits of our employee benefit plan during the years ended December 31, 2018 and 2017.

**Audit Committee Pre-Approval Policies and Procedures**

The Audit Committee pre-approves each audit and non-audit service rendered by Ernst & Young LLP to us, including the fees and terms thereof. The Audit Committee may form and delegate authority to subcommittees of the Audit

Committee consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting pursuant to the Audit Committee Charter. In accordance with this policy, the Audit Committee pre-approved all fees described above before services were rendered.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**Table of Contents**

**AUDIT COMMITTEE REPORT**

The Audit Committee of the Board of Directors has reviewed the Company's audited financial statements for the fiscal year ended December 31, 2018 and has discussed these statements with management and Ernst & Young LLP, the Company's independent registered public accounting firm. The Company's management is responsible for the preparation of the Company's financial statements and for maintaining an adequate system of disclosure controls and procedures and internal control over financial reporting for that purpose. Ernst & Young LLP is responsible for expressing an opinion on the conformity of the audited financial statements with generally accepted accounting principles, their judgments as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Audit Committee under generally accepted auditing standards. The Audit Committee is responsible for providing independent, objective oversight of the Company's accounting functions and internal controls.

The Audit Committee also received from, and discussed with, Ernst & Young LLP the written disclosures and other communications required under Public Company Accounting Oversight Board, or PCAOB, Auditing Standard 1301, *Communications with Audit Committees*, including among other things, the following:

methods to account for significant unusual transactions;

the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus;

the process used by management in formulating particularly sensitive accounting estimates and the basis for the independent registered public accounting firm's conclusions regarding the reasonableness of those estimates; and

disagreements with management regarding financial accounting and reporting matters and audit procedures. Ernst & Young LLP also provided the Audit Committee with the written disclosures and the letter required by Rule 3526 of the PCAOB. PCAOB Rule 3526 requires independent registered public accounting firms annually to disclose in writing all relationships that in their professional opinion may reasonably be thought to bear on independence, to confirm their perceived independence and engage in a discussion of independence. The Audit Committee has reviewed this disclosure and has discussed with Ernst & Young LLP their independence from the Company.

Based on its discussions with management and our independent registered public accounting firm, and its review of the representations and information provided by management and our independent registered public accounting firm, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 for filing with the Securities and Exchange Commission.

No portion of this Audit Committee Report shall be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended (the Securities Act), or the Securities Exchange Act of 1934, as amended (the Exchange Act), through any general statement incorporating by reference in its entirety the proxy statement in which this Report appears, except to the extent that the Company specifically incorporates this report or a portion of it by

reference. In addition, this report shall not be deemed to be soliciting material or to be filed under either the Securities Act or the Exchange Act.

**Members of the Audit Committee**

Anthony Bossone (Chairperson)

Frank Salerno

Win Neuger

Table of Contents

**PROPOSAL 3**

**VOTE ON AN ADVISORY RESOLUTION TO APPROVE THE COMPENSATION OF  
OUR NAMED EXECUTIVE OFFICERS**

The Board of Directors is committed to excellence in governance. As part of that commitment, and as required by Section 14A(a)(1) of the Exchange Act, the Board of Directors is providing our stockholders with an opportunity to vote on an advisory resolution to approve the compensation of our named executive officers.

As described below under Executive Compensation Compensation Discussion and Analysis, we have developed a compensation policy that is designed to attract and retain key executives responsible for our success and motivate management to enhance long-term stockholder value. We believe our compensation policy strikes an appropriate balance between the implementation of responsible, measured compensation practices and the effective provision of incentives for our named executive officers to exert their best efforts for our success.

For the reasons discussed above, the Board of Directors unanimously recommends that stockholders vote FOR the following resolution:

RESOLVED, that the Company's stockholders hereby approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's proxy statement for the 2019 annual meeting of stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table and the other compensation related tables and disclosure.

As this vote is advisory, it will not be binding upon the Board of Directors or the Compensation Committee and neither the Board of Directors nor the Compensation Committee will be required to take any action as a result of the outcome of this vote. However, the Compensation Committee will carefully consider the outcome of this vote when considering future executive compensation policies.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE  
ADVISORY RESOLUTION TO APPROVE THE COMPENSATION OF OUR NAMED  
EXECUTIVE OFFICERS**

**Table of Contents**

**EXECUTIVE COMPENSATION**

**Compensation Committee Report**

*The following report of the Compensation Committee shall not be deemed to be soliciting material or to otherwise be considered filed with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act or the Exchange Act except to the extent that the Company specifically incorporates it by reference into such filing.*

The Compensation Committee of the Board of Directors of WisdomTree has reviewed and discussed with management the information contained in the Compensation Discussion and Analysis section of this proxy statement for the fiscal year ended December 31, 2018. Based upon that review and discussion, the Compensation Committee has recommended to the Board of Directors that the information set forth below under the heading Compensation Discussion and Analysis be included in this proxy statement.

**Compensation Committee**

Frank Salerno (Chairperson)

Anthony Bossone

Win Neuger

**Compensation Discussion and Analysis**

***Overview***

This Compensation Discussion and Analysis provides comprehensive information regarding our compensation programs and policies for our CEO, CFO, the next three highest compensated named executive officers for the year ended December 31, 2018, and one additional individual who served as an executive officer during 2018 but who was not serving as an executive officer at the end of 2018. We collectively refer to these executive officers as the NEOs. They are:

our Chief Executive Officer, or CEO, Jonathan Steinberg;

our Chief Financial Officer, or CFO, Amit Muni;

our Head of Europe, or HoE, David Abner;

our Global Head of Distribution, or GHD, Kurt MacAlpine;

our former Chief Legal Officer, or CLO, Gregory Barton, whose employment ended on March 31, 2019; and



our former Chief Investment Strategist, or CIS, Luciano Siracusano III, whose employment ended on October 31, 2018.

We believe we provide a competitive total compensation opportunity for our executive management team through a combination of base salary, cash incentive bonuses, equity compensation and broad-based benefits programs. This Compensation Discussion and Analysis explains the following:

our compensation philosophy and objectives;

our compensation process, including the roles our Compensation Committee, management and compensation consultant serve in the process;

our policies and practices with respect to each compensation element; and

2018 compensation results.

## Table of Contents

### *Executive Summary*

While our two largest ETFs continued to be out of favor with the market, our executive management team focused on executing our strategy to continue to diversify and grow our assets under management, or AUM. Several important strategic initiatives were prioritized by the team and we are beginning to see the benefits of investments made in the business over the past several years. As a result, we are better situated to drive strong diversified growth and capitalize on significant opportunities in the growing global exchange traded product, or ETP, market. These strategic priorities included:

*Successful completion of acquisition and integration of ETFs* In April 2018, we completed our acquisition of the European exchange-traded commodity, currency and short-and-leveraged business of ETFs Capital Limited, or ETFs. This acquisition significantly diversified our AUM on an asset class and geographic basis, achieved immediate profitability and scaled our existing business in Europe, and was financially accretive. Our management team successfully integrated our existing European business with ETFs and met expense synergy targets ahead of schedule.

*Continued expansion of distribution capabilities* The expansion of our distribution reach continued in 2018 with the signing of several new distribution relationships. It is now significantly easier for advisors to do business with us. Building on the impactful relationship we entered into in late 2017 with TD Ameritrade, we added several no-transaction-fee platforms including Cetera, the ETF industry's first commission-free relationship with an independent broker dealer. We also continued the commercialization of our model portfolios, which are now available for execution on several important platforms including TD Ameritrade, Envestnet and Lockwood. While we are still early in the execution, our distribution footprint evolved considerably during 2018 and positions us for accelerated and sustainable growth.

*Continued enhancement of our Advisor Solutions program* In late 2017, we launched our Advisor Solutions program with the objective of building better and deeper relationships with financial advisors to drive more consistent and diversified net flows. Our solutions program is differentiated, technology-focused and designed to empower financial advisors to deliver a better client experience, grow their businesses, increase operating efficiency and manage talent. Feedback after the first full year of the program has been positive.

*Growing AUM in Fixed Income product suite* We launched our domestic fixed income suite in 2013 with a focus on funds positioned to benefit from rising interest rates. As sentiment began to align in 2018, the team oversaw the growth of our domestic fixed income suite from under \$500 million at the start of the year to \$2.1 billion at the end of 2018 with strong growth continuing in the first quarter of 2019. The fixed income product suite positions us to generate organic growth in a wider range of macro environments and to win more allocations that are core parts of investor portfolios.

*Expense management* In a challenging operating environment, the management team identified nearly \$7 million of annual cost savings from changing our distribution strategy in Japan, leveraging investments previously made in technology, data intelligence and digital marketing, as well as personnel changes.

While we faced challenges from an inflow perspective, our executive management team remained focused on executing our strategy which we believe positions us to participate in the next wave of growth. Our compensation program appropriately balances rewarding our employees for both short-term and long-term performance. In accordance with our performance-based incentive plan, which is discussed further below, the Compensation Committee approved a total incentive compensation pool that was 80% of the targeted amount for 2018.

***Our Compensation Philosophy and Objectives***

Our compensation philosophy and objectives are primarily shaped by strategies targeted to achieve our long-term goals within the business environment in which we operate. We operate in a highly competitive and

**Table of Contents**

challenging business environment and we expect competition to continue and intensify. We directly compete with numerous other ETF sponsors and indirectly compete with other larger and multi-national traditional asset management companies. We compete on a number of factors, including the breadth and depth of our product offerings as well as the investment performance and fees of our ETFs. We believe our long-term success depends on our ability to continue to:

innovate and introduce new ETFs and services for financial advisors to diversify and expand our product offerings;

grow our market share of industry inflows to become one of the top five ETF sponsors in the world;

leverage our existing product offerings;

generate improved financial results; and

employ the industry's most talented, professional and dedicated people at all levels.

The primary objectives of our compensation program are as follows:

attract, retain, and motivate our professional, dedicated and expert employees in the highly competitive asset management industry;

reward and retain employees whose knowledge, skills and performance are critical to our continued success;

align the interest of all our employees with those of our stockholders by motivating them to increase stockholder value; and

motivate our executives to manage our business to meet short-term and long-term objectives and reward them appropriately for meeting or exceeding them.

The following principles guide our compensation programs:

**Pay-for-performance.** Our compensation programs are designed to reward our employees for their individual performance as well as the Company's performance. If an employee is a top-tier performer, he or she should receive higher rewards. Likewise, where individual performance falls short of expectations and/or our financial performance declines, the programs should deliver lower levels of compensation. In addition, the objectives of pay-for-performance and retention must be balanced. Even in periods of temporary

downturns in our performance, our programs should continue to ensure that our successful, high-achieving employees will remain motivated and committed to us.

**Every employee should be a stakeholder aligned with our stockholders.** We believe a key factor in our success has been and continues to be fostering an entrepreneurial culture where our employees act and think like our owners. As such, our compensation programs encourage stock ownership throughout our organization to align our employees' interests with our stockholders. Accordingly, our stock awards are long-term in nature.

**Higher levels of responsibility are reflected in compensation.** Compensation is based on each employee's level of job responsibility. As employees progress to higher levels in our organization, an increasing proportion of their pay is tied to our long-term performance because they are more able to affect our results.

**Competitive compensation levels.** Our compensation programs reflect the value of the position in the marketplace. To attract and retain a highly skilled work force, we must remain competitive with the pay of other premier employers who compete with us for talent.

**Team approach.** We believe our success has been based on the coordinated efforts of all our employees working towards our common goals, not on the efforts of any one individual. As such, our compensation programs should be applied across the organization, taking into account differences in job responsibilities and marketplace considerations. Perquisites are rare and limited to those that are important to our employees' ability to safely and effectively carry out their responsibilities.

## **Table of Contents**

**Align with long-term success.** We believe our compensation programs closely link incentive rewards to our long-term strategic priorities and successes and not to short-term excessive risk taking. We believe we have designed our competitive compensation packages to incorporate the above principles and ensure that our executive compensation is aligned with corporate strategies and business objectives.

### ***Components of Compensation***

We have established the following components of compensation to satisfy our compensation objectives:

base salary;

annual incentive compensation;

long-term equity compensation;

benefit programs;

severance benefits; and

change in control benefits.

We believe these components provide competitive compensation packages recognizing and rewarding individual contributions; ensure that executive compensation is aligned with corporate strategies and business objectives; and promote the achievement of key strategic and operating performance measures.

**Base Salary** We use base salary as a means of providing steady pay or a fixed source of compensation for our executive officers, allowing them a degree of certainty to attract and retain them. However, our Compensation Committee believes the majority of our executives' compensation should be earned through incentive compensation. The base salaries of our executive officers have been at a fixed level over the last several years. In January 2018, the Compensation Committee increased the base salaries for our executive officers to align with median industry pay levels.

**Annual Incentive Compensation** Incentive compensation is awarded in cash and is used to motivate and reward our employees for achieving certain short-term operating, financial and other business goals as well as individual performance.

**Long-Term Equity Compensation** Because short-term performance does not by itself accurately reflect our overall performance or the return realized by our stockholders, we grant equity awards to our employees as a long-term incentive. We believe that providing equity ownership:

serves to align the interests of our employees with our stockholders by creating an ownership culture and a direct link between compensation and stockholder return;

creates a significant, long-term interest for our employees to contribute to our success;

aids in the retention of employees in a highly competitive market for talent; and

allows employees to participate in our longer-term success through potential stock price appreciation.

In determining the appropriate mix of short-term and long-term incentive compensation to our executives, and all of our employees, our Compensation Committee and management believe that employees with higher authority, responsibility and ability to significantly influence our growth and profitability should receive their incentive compensation more weighted towards long-term equity to further align their interest with our long-term success. As a result, incentive compensation paid to our CEO is more heavily weighted to long-term equity incentives, followed by our other executive officers.

## **Table of Contents**

**Benefits and Perquisites** As stated in our compensation philosophy, our executive officers and Compensation Committee agree that perquisites should be rare and limited to those that are important to our employees' ability to safely and effectively carry out their responsibilities. Our executive officers are entitled to participate in directors' and officers' liability insurance, as well as the various benefits made available to our other employees on the same terms as other employees, such as our group health plans, paid vacation and sick leave, basic life insurance, short- and long-term disability benefits and 401(k) plan with a Company matching contribution of up to 50% of eligible employee contributions. In addition, we provide expatriate benefits to our HoE in connection with his relocation with his family from New York to London to lead our European business. These benefits are described in this proxy statement under the heading "Employment Agreements - Relocation Agreement - Head of Europe."

**Severance Benefits** Our NEOs and certain other executive officers are entitled to specified benefits in the event of termination of their employment under certain conditions, including partial acceleration of unvested equity awards and specified severance payments and benefits.

**Change in Control Benefits** Our NEOs and certain other executive officers are entitled to specified benefits in the event of involuntary termination of their employment without cause or voluntary termination for good reason within 18 months after a change of control, including acceleration of unvested equity awards and cash severance payments and benefits. In addition, if a change of control occurs within 12 months following the executive officer's involuntary termination without cause or voluntary termination for good reason (18 months in the case of our former CIS and CLO), all unvested equity awards will vest on the effective date of the change of control. We have provided more detailed information about these benefits, along with estimates of value under various circumstances, in the table below under "Potential Payments Upon Termination or Change in Control."

Our goal in providing severance and change in control benefits is to offer sufficient certainty in compensation such that our executive officers will focus their full time and attention on the requirements of the business rather than the potential implications for their respective positions. We believe these benefits assist in maintaining a competitive position in terms of attracting and retaining key executives, which is in the best interests of our stockholders.

### ***Role of the Compensation Committee, Performance Evaluations and Management***

The Compensation Committee, which is comprised entirely of independent directors, is responsible for the general oversight of our compensation policies and practices. The Compensation Committee also reviews the overall compensation structure and evaluates the overall performance of our executive officers in order to determine that compensation is fair, reasonable, competitive and consistent with our compensation philosophies and objectives based on their collective experiences and business judgment. The Compensation Committee engages an independent compensation consultant to provide advice with respect to executive compensation.

The Compensation Committee specifically evaluates the performance of our CEO and, with input from our CEO, the overall performance of our other executive officers. The Compensation Committee also discusses the overall performance and compensation of our executives with members of our Board of Directors and presents them with information regarding compensation matters throughout the year as needed.

The Compensation Committee oversees the development, implementation and administration of our compensation programs, including all compensation plans adopted by the Board under which equity grants are made, determines and approves performance measures and goals and objectives relevant to the compensation program. In addition, the Compensation Committee evaluates the performance of the CEO in light of those goals and objectives, determines and approves the CEO's compensation based on this evaluation, reviews and approves the compensation of the non-CEO executive officers, reviews and approves all discretionary bonuses to our employees, and reviews and approves



employment, severance, and change in control agreements as well as any other supplemental benefits provided to our executive officers and other senior employees under the

## **Table of Contents**

Compensation Committee's purview. The Compensation Committee also reviews and makes recommendations to our Board of Directors with respect to directors' compensation. The Compensation Committee also works with our CLO to annually review and reassess the adequacy of its charter, proposing changes as necessary to our Board of Directors for approval.

Our management and executive officers play a critical and important role in setting or recommending compensation levels throughout our organization. Our CEO makes incentive compensation recommendations to the Compensation Committee for the executive officers other than the CEO. In considering the CEO's recommendations, the Compensation Committee evaluates results measured by the performance measures, goals and objectives of our compensation programs as well as qualitative factors to ensure that compensation is fair, reasonable, competitive and consistent with our compensation philosophies and objectives.

Management works with the Compensation Committee to design and develop compensation programs applicable to all our employees, including recommending changes to existing compensation programs and operational performance targets, preparing analyses of Company financial or operational data or other Compensation Committee briefing materials, analyzing industry data, and, ultimately, implementing the decisions of the Compensation Committee.

### ***Use of Compensation Consultant***

The Compensation Committee has retained Frederic W. Cook & Co., a compensation consultant, to provide objective advice on the pay practices, compensation plan design and the competitive landscape for compensation. WisdomTree pays the cost for Frederic W. Cook & Co.'s services. However, the Compensation Committee retains the sole authority to direct, terminate or continue Frederic W. Cook & Co.'s services. The compensation consultant also reviews and makes recommendations for the selection process and pay information used for market compensation benchmarking discussed below. The Compensation Committee has confirmed the independence of Frederic W. Cook & Co. in accordance with SEC and Nasdaq rules and has determined that their work has not raised any conflicts of interest.

### ***Market Compensation Benchmarking***

The Compensation Committee monitors relevant market and industry statistics on executive compensation as one of several factors it considers in determining compensation of our executive officers. In making compensation decisions, the Compensation Committee reviews:

**Industry surveys** McLagan Partners, Inc., a compensation consulting firm for the financial services industry, prepares annual comprehensive compensation surveys for the asset management industry. These surveys consist of consolidated compensation information of publicly traded and private asset management firms.

**Industry peers** Publicly disclosed pay information for certain publicly traded asset management firms that are generally similar in size, market capitalization, product offering or financial metrics as WisdomTree.

The Compensation Committee uses this information to inform compensation decisions and to understand evolving pay trends at asset managers; however, the Compensation Committee recognizes that there are inherent limitations on the comparability and usefulness of the market data, including time lags, differences in scope of responsibilities, geographic differences and other factors. While the Compensation Committee believes such comparative information is useful, such data is intended solely to serve as a reference point to assist the Compensation Committee in its discussions and deliberations.

The Compensation Committee, working with its compensation consultant, reviews the appropriateness of the companies included in the industry peer group twice a year – first, at the beginning of the year, when determining the target pool, and second, at the end of the year, when determining year end compensation. The

**Table of Contents**

Compensation Committee will adjust the peer group based on metric changes of the peer group average relative to WisdomTree. Relevant metrics considered by the Compensation Committee include AUM, financial metrics, number of employees and market capitalization. The 2018 peer group is set forth below. There were no changes from the 2017 peer group except for the removal of Janus Capital Group due to it being acquired.

Artisan Partners	GAMCO Investors
Cohen & Steers	Virtus Investment Partners
Diamond Hill Investment	Waddell & Reed
Financial Engines	Westwood Holding Group

***Consideration of Results of Say-on-Pay Vote***

Each year, we provide our stockholders with the opportunity to cast an advisory vote on compensation paid to our NEOs, or say-on-pay. At the 2018 annual meeting of stockholders, our say-on-pay proposal received strong support from stockholders, with 99% voting on say-on-pay casting a vote in favor of the proposal. Although the results of the say-on-pay vote are advisory and not binding on our Company, the Board of Directors or the Compensation Committee, the Board and the Compensation Committee value the opinions of our stockholders and the Compensation Committee reviews the outcome of our stockholders' advisory say-on-pay proposal in its evaluation and determination of executive compensation. The Compensation Committee considered the results of the stockholders' advisory vote at our 2018 annual meeting, and, in light of the strong support for our compensation programs evidenced by our say-on-pay results, decided to maintain our general approach to executive compensation. However, in 2018, the Compensation Committee determined to further align the executive compensation program with creation of stockholder value and emphasize the importance of performance-based compensation. Accordingly, in 2018, the Compensation Committee, with input from its compensation consultant and management, approved a re-designed cash incentive compensation program that uses a more formulaic approach for determining awards and elected to grant a portion of long-term equity compensation to certain of our executive officers in the form of performance-based restricted stock units, or PRSUs, which vest and are earned only if we achieve certain pre-determined performance goals. These compensation elements are discussed in further detail below. At this annual meeting, we are providing our stockholders with the opportunity to cast an advisory vote on our fiscal year 2018 compensation paid to our NEOs. The Compensation Committee intends to review the outcome of this say-on-pay proposal in its evaluation and determination of executive compensation for fiscal year 2019.

***Changes in Executive Management***

To manage our cost base due to the challenging market environment, our CIS and CLO amicably separated from the company in October 2018 and March 2019, respectively. As described below, they each received incentive compensation for 2018 as well as severance benefits in accordance with their respective employment agreements, as amended, which are described in this proxy statement under the heading "Employment Agreements - Amendments to Employment Agreements with Former CIS and CLO."

***2018 Incentive Compensation Program and Results***

In 2018, the Compensation Committee, together with its independent compensation consultant and management, created a separate and distinct performance-based incentive compensation program for our executive officers. Previously, there was one plan that covered all employees, including executive officers. The program is designed to determine the proper level of funding for the total incentive compensation pool for the executive team relative to achieving certain quantitative metrics and qualitative results that incentivize growth. The achievement of quantitative

metrics determines 50% of the Company's total incentive compensation pool with the remaining 50% determined by the Compensation Committee based on qualitative results. This split reflects the Compensation Committee's desire for a more formulaic bonus plan while recognizing the need to apply some level of judgment in setting appropriate compensation levels to reflect the accomplishment of strategic objectives and individual performance.

**Table of Contents**

The quantitative metrics chosen are important operational and financial measurements that our Board of Directors and investors use to measure the health of our business and relative success:

our market share of annualized revenues generated by our U.S. listed products net inflows ( run rate revenue market share ), both including our European and Japanese hedged equity products ( HEDJ/DXJ ) and excluding HEDJ/DXJ. We believe these two metrics reflect the relative success of the revenues we generate on our net inflows as compared to our competitors;

our adjusted revenues and adjusted pretax margin, which we believe measure our executive management team's ability to manage our financial health and generate earnings for our stockholders; and

relative total shareholder return, which we believe measures how our stock performed as compared to other publicly traded asset managers and generated value for our stockholders.

The median performance levels are formulaic and derived using broad industry data for the asset management industry and ETF industry. As a result, the goals may increase or decrease year over year consistent with market trends. Achieving median performance generates median compensation; therefore, in order to earn above median compensation, management must outperform the industry average.

Funding for the quantitative performance portion of the pool is between 0% and 250% of the median payout. The Compensation Committee can fund between 75% and 200% of the median payout for the qualitative portion of the pool. The payouts and actual results for 2018 are as follows:

% of		Bonus Payout (\$ in millions)			
Total					
Bonus					
Pool	Performance Metric	(Min) 0%	(Median) 100%	(Max) 250%	2018 Actual
	Run rate revenue market share	Metric 0.0%	3.28%	8.20%	0.0%
		Payout \$0.0	\$1.1	\$2.8	\$0.0
	Run rate revenue market share (excluding HEDJ/DXJ)	Metric 0.0%	2.04%	5.10%	1.54%
		Payout \$0.0	\$0.5	\$1.3	\$0.4
	Adjusted pre-tax margin	Metric 38.8%	41.8%	44.6%	37.0%
		Payout \$0.0	\$2.0	\$5.0	\$0.0
	Adjusted revenues	Metric \$234	\$251	\$269	\$207
		Payout \$0	\$1.3	\$3.3	\$0
	Total shareholder return	Metric 0 percentile	50 <sup>th</sup> percentile	100 <sup>th</sup> percentile	<50 <sup>th</sup> percentile
		Payout \$0	\$1.7	\$4.1	\$0.5

50%	Total performance	\$0	\$6.6	\$16.5	\$0.9
50%	Qualitative factors	(75% to 200% of median)			
			\$5.0 to 13.3		\$9.5
				<b>Total Pool</b>	<b>\$10.4</b>

Actual quantitative performance was significantly less than median due to the outflows we experienced in HEDJ/DXJ as well as the downturn in the market in the fourth quarter of 2018. The qualitative amount was determined by the Compensation Committee using its business judgment, in consultation with its compensation consultant. The Compensation Committee did not allow temporary macro-driven sentiment to alter the Company's long-term vision and instead focused on significant strategic accomplishments during 2018 including:

closing, successfully integrating and achieving the expense synergy targets from the ETFs acquisition;

**Table of Contents**

enhancing our distribution capabilities through additional strategic partnerships;

continuing to enhance our advisor solutions program with the end goal of generating net inflows into our ETFs;

overseeing the growth of our domestic fixed income suite; and

lowering our expense base.

These initiatives are described above in more detail in the Executive Summary.

In recommending and determining the amount of incentive compensation and total compensation for our NEOs, our CEO and Compensation Committee primarily used their business judgment and considered:

individual performance;

the contribution of our NEOs in achieving the strategic initiatives described above;

retention;

tenure at the firm;

historical compensation;

compensation survey data from McLagan and our publicly-traded asset manager peer group; and

guidance from the Compensation Committee's compensation consultant.

***Long Term Equity Awards***

Long-term equity awards were granted to our continuing NEOs in January 2019, of which 80% were in the form of restricted stock awards that vest in equal annual installments over three years commencing on the first anniversary of the grant date. The remaining 20% were granted as PRSUs that cliff vest at the end of three years if certain pre-determined performance goals are achieved. PRSUs are a new award type we provide to further align the executive compensation program with our stockholders. The number of restricted stock awards and PRSUs granted to our continuing NEOs was determined by dividing the dollar value of such awards by the closing price of our common stock on the grant date. While a target number of PRSUs were initially granted, the number of PRSUs that will ultimately vest is tied to how our total shareholder return, or TSR, compares to a peer group of other publicly traded asset managers over the three-year period and could range 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; and

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 100<sup>th</sup> percentile.

As stated above in the section entitled *Our Compensation Philosophy and Objectives*, those individuals with greater levels of authority and responsibility have a higher amount of their incentive compensation in the form of equity. For 2018, the NEOs and other members of the executive management team, with the exception of our former CIS and CLO, voluntarily accepted a significant portion of their incentive compensation as long term equity awards as compared to prior periods.

### ***2018 Total Compensation***

The table below reflects the total compensation awarded for 2018 performance (including base salary, cash bonus for 2018 performance and long-term equity awards granted in January 2019 for 2018 performance) to our

**Table of Contents**

NEOs who were serving in their respective positions as of December 31, 2018 in a manner that the Compensation Committee used to evaluate total compensation. We have omitted our former CIS as his employment terminated on October 31, 2018 and he did not serve as an executive officer for the full year. This table supplements the Summary Compensation Table presented below, which is in a different format as required by the SEC:

NEO	Base	Incentive Compensation			= Total Compensation
		+	Short-Term	Long-Term	
			(Cash)	(Stock)	
Chief Executive Officer	\$ 550,000	\$ 0	\$ 3,600,000	\$ 3,600,000	\$ 4,150,000
Global Head of Distribution	\$ 375,000	\$ 365,000	\$ 1,095,000	\$ 1,460,000	\$ 1,835,000
Chief Financial Officer	\$ 375,000	\$ 235,000	\$ 705,000	\$ 940,000	\$ 1,315,000
Head of Europe	\$ 325,000	\$ 400,000	\$ 400,000	\$ 800,000	\$ 1,125,000
Former Chief Legal Officer	\$ 375,000	\$ 613,631	\$ 0	\$ 613,631	\$ 988,631

The following pie charts reflect the elements of total compensation for our NEOs as a percentage of their total compensation based on the chart above. We have not included a pie chart for our former CIS as his employment terminated on October 31, 2018 and he did not serve as an executive officer for the full year:

## **Table of Contents**

### ***Risk Analysis of Compensation Policies and Programs***

The Compensation Committee has reviewed our overall compensation policies and believes that these policies do not encourage excessive and unnecessary risk-taking and that the level of risk that they do encourage is not reasonably likely to have a material adverse effect on the Company. The design of the compensation policies and programs encourages employees to remain focused on both our short- and long-term goals. For example, while the cash bonus plan measures performance on an annual basis, a portion of the equity awards typically vest in equal installments over a number of years and a portion typically cliff vest after three years in an amount derived from our total shareholder return in relation to a peer group. We believe this encourages employees to focus on sustained stock price appreciation, thus limiting the potential for excessive risk-taking. In addition, we maintain stock ownership guidelines for executive officers and directors as described in this proxy statement under the heading *Stock Ownership Guidelines*, and prohibit hedging, pledging and similar transactions in our common stock by our employees, officers and directors as described in this proxy statement under the heading *Policy Regarding Short Sales, Derivatives, Hedging and Pledging*.

### ***Tax and Accounting Considerations***

We evaluate the effect of accounting and tax treatment of particular forms of compensation on an ongoing basis and make appropriate modifications to compensation policies where appropriate. In 2014, our Board of Directors and stockholders approved the 2014 Annual Incentive Compensation Plan, or 2014 Plan, which was intended to meet the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended. Prior to the Tax Cuts and Jobs Act, or Tax Act, which became effective on January 1, 2018, Section 162(m) generally disallowed a tax deduction to a publicly-traded company for certain compensation in excess of \$1,000,000 paid in any taxable year to the chief executive officer and the three other most highly compensated executive officers (other than the chief financial officer). In addition, qualifying performance-based compensation was not subject to the deduction limitation if specified requirements were met. Subject to certain transition rules (which apply to remuneration provided pursuant to written binding contracts which were in effect on November 2, 2017 and which are not subsequently materially modified), effective for taxable years beginning after December 31, 2017, the Tax Act (1) expanded the scope of Section 162(m) such that all NEOs are covered employees and anyone who was a NEO in any year after 2016 will remain a covered employee for as long as he or she (or his or her beneficiaries) receives compensation from us and (2) eliminates the exception to the deduction limit for performance-based compensation. Accordingly, compensation paid to our NEOs in excess of \$1,000,000 will not be deductible unless it qualifies for the transition relief applicable to certain arrangements in place as of November 2, 2017. However, certain awards made under the 2014 Plan were structured to comply with exemptions in Section 162(m) in place prior to the Tax Act and we believe that certain awards granted prior to November 2, 2017 and vesting thereafter are tax-deductible to us.

The Compensation Committee believes that stockholder interests are best served if the Compensation Committee retains maximum flexibility to design executive compensation programs that meet stated business objectives. For these reasons, the Compensation Committee, while considering tax deductibility as a factor in determining executive compensation, may not limit such compensation to those levels that will be deductible, particularly in light of the expansion of the covered employee group and the elimination of the exception for performance-based compensation.

### ***Employment Agreements***

The compensation paid to our NEOs is governed by employment agreements, which are described in this proxy statement under the heading *Employment Agreements*.

### ***Conclusion***

After careful review and analysis, we believe that each element of compensation and the total compensation provided to our executive officers is reasonable and appropriate. The Compensation Committee believes that our

**Table of Contents**

compensation program gives our executives appropriate incentive to contribute to our long-term performance and believes that our compensation structure and practices encourage management to work as a team in an entrepreneurial culture for outstanding stockholder returns, without taking unnecessary or excessive risks. We believe the total compensation opportunities of our compensation packages will allow us to attract and retain talented executives who have helped and who will continue to help us grow as we look to the years ahead.

**Summary Compensation Table**

The following table sets forth certain information with respect to compensation earned during the years indicated below by each NEO.

Name and Principal Position	Year	Salary (\$)	Bonus (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	All Other Compensation (\$)	Total (\$)
<b>Jonathan Steinberg</b> <i>Chief Executive Officer and President</i>	2018	550,000		1,399,999	12,250 <sup>(3)</sup>	1,962,249
	2017	450,000	2,600,000		12,000 <sup>(3)</sup>	3,062,000
	2016	450,000		5,001,991	12,000 <sup>(3)</sup>	5,463,991
<b>Amit Muni</b> <i>Chief Financial Officer</i>	2018	375,000	235,000	454,993	9,250 <sup>(3)</sup>	1,074,243
	2017	300,000	1,345,000	125,000	9,000 <sup>(3)</sup>	1,779,000
	2016	300,000	375,000	1,082,000	9,000 <sup>(3)</sup>	1,766,000
<b>David Abner<sup>(4)</sup></b> <i>Head of Europe</i>	2018	325,000	400,000	164,994	489,842 <sup>(5)</sup>	1,379,836
<b>Kurt MacAlpine</b> <i>Global Head of Distribution</i>	2018	375,000	365,000	524,993	9,250 <sup>(3)</sup>	1,274,243
	2017	300,000	975,000	539,995	9,000 <sup>(3)</sup>	1,823,995
	2016	300,000	360,000	699,995	9,000 <sup>(3)</sup>	1,368,995
<b>Gregory Barton<sup>(6)</sup></b> <i>Former Chief Legal Officer</i>	2018	375,000	613,631	220,000	12,250 <sup>(3)</sup>	1,220,881
	2017	300,000	780,000	118,989	12,000 <sup>(3)</sup>	1,210,989
	2016	300,000	356,000	1,209,995	12,000 <sup>(3)</sup>	1,877,995
<b>Luciano Siracusano III<sup>(6)</sup></b> <i>Former Chief Investment Strategist</i>	2018	312,500 <sup>(7)</sup>		420,000	1,873,788 <sup>(8)</sup>	2,606,288
	2017	300,000	780,000	111,993	12,000 <sup>(3)</sup>	1,203,993
	2016	300,000	338,000	1,773,991	12,000 <sup>(3)</sup>	2,423,991

(1) Amounts reported for 2018 reflect bonuses earned in 2018 and paid in 2019; amounts reported for 2017 reflect bonuses earned in 2017 and paid in 2018; and amounts reported for 2016 reflect bonuses earned in 2016 and paid in 2017.

(2) Amounts reported include the aggregate accounting grant date fair value of awards made to our NEOs in the respective calendar year for services performed in the prior year and are computed in accordance with Financial Accounting Standards Board, or FASB, Accounting Standard Codification Topic 718 excluding estimated forfeitures related to service-based vesting. The assumptions we used in the valuation of the equity awards are set forth in note 19 of the notes to our annual consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2018. In connection with his termination of employment, Mr. Siracusano's 26,379 unvested shares of restricted stock that remained outstanding were modified such that these shares will remain outstanding for 18 months, rather than 12 months, following the termination date, and if

a change of control (as defined in the employment agreement) occurs during such period, all equity awards will vest on the effective date of the change of control. There was no incremental value associated with this modification.

- (3) Represents our 401(k) Retirement Plan matching contribution.
- (4) Mr. Abner became an executive officer on January 1, 2018.
- (5) Includes expatriate benefits of \$480,592 that Mr. Abner received in connection with his and his family's relocation from New York to London to lead our European business. Expatriate benefits include: housing (\$250,859); education (\$124,140); a tax gross-up on the housing and education payments (\$83,213); round-

**Table of Contents**

trip airfare to the U.S. (\$21,380); and tax preparation services (\$1,000). Mr. Abner is also entitled to tax equalization to cover excess taxes, if any, resulting from his international assignment, the amount of which is currently not determined. Mr. Abner did not receive an annual stipend as a cost of living adjustment. In addition, Mr. Abner received \$9,250 in a matching contribution of our 401(k) Retirement Plan made in 2018.

- (6) Mr. Barton's and Mr. Siracusano's employment ended on March 31, 2019 and October 31, 2018, respectively.
- (7) Represents the pro rata portion of Mr. Siracusano's annual base salary of \$375,000 through October 31, 2018.
- (8) Represents severance of \$1,861,538 payable to Mr. Siracusano in cash pursuant to the terms of his employment agreement, as amended, and a \$12,250 matching contribution of our 401(k) Retirement Plan made in 2018.

**CEO Pay Ratio**

Our compensation and benefits philosophy and the overall structure of our compensation and benefits programs are broadly similar across the organization to encourage and reward all employees who contribute to our success. We strive to ensure that the pay of our employees reflects the level of their job impact and responsibilities and is competitive within our peer group. Compensation rates are benchmarked and are generally set to be market-competitive in the country in which the jobs are performed. Our ongoing commitment to pay equity is critical to our success in supporting a diverse workforce with opportunities for all employees to grow, develop and contribute.

As required by the SEC, we are providing disclosure about the relationship of the annual total compensation of our median employee to the annual total compensation of our CEO. The SEC rules for identifying the median employee and calculating the pay ratio allow companies to apply various methodologies and assumptions. Therefore, the pay ratio reported by us may not be comparable to the pay ratio reported by other companies. For 2018, the annual total compensation of our median employee, determined in accordance with the amounts presented in the Total column of the Summary Compensation Table, was \$181,400. Our CEO's annual total compensation, as reported in the Total column of the 2018 Summary Compensation Table, was \$1,962,249. Based on this information, the ratio of the annual total compensation of our CEO to the annual total compensation of our median employee is approximately 11 to 1. Our pay ratio estimate has been calculated in a manner consistent with SEC rules using the data and assumptions summarized below.

To identify our median employee, we first determined our employee population as of December 31, 2018, which represented 222 global full-time and part-time employees, excluding our CEO. We then measured the employee population's total compensation as viewed by our Compensation Committee, which is comprised of base salary, cash incentive compensation and long-term incentive compensation granted for the 2018 performance year. We annualized compensation for any employees who were employed for less than the full year, as well employees from our acquisition of ETFs, and compensation paid in foreign currencies was converted to U.S. dollars based on a weighted average exchange rate for the relevant period.

**Table of Contents****Grants of Plan-Based Awards**

The following table sets forth certain information with respect to stock awards granted to our NEOs during the year ended December 31, 2018.

<b>Name</b>	<b>Grant Date</b>	<b>All Other Stock Awards: Number of Shares of Stock or Units (#)</b>	<b>Grant Date Fair Value of Stock and Option Awards (\$)<sup>(1)</sup></b>
<b>Jonathan Steinberg</b>	1/25/2018	114,660	1,399,999
<b>Amit Muni</b>	1/25/2018	37,264	454,993
<b>David Abner</b>	1/25/2018	13,513	164,994
<b>Kurt MacAlpine</b>	1/25/2018	42,997	524,993
<b>Gregory Barton</b>	1/25/2018	18,018	220,000
<b>Luciano Siracusano III</b>	1/25/2018	34,398	420,000

- (1) Amounts reflect the aggregate accounting grant date fair value of awards granted to our NEOs in 2018 for services performed in the prior year and are computed in accordance with FASB Accounting Standard Codification Topic 718 excluding estimated forfeitures related to service-based vesting. The assumptions used by us in the valuation of the equity awards are set forth in note 19 of the notes to our annual consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2018. In connection with his termination of employment, Mr. Siracusano's 26,379 unvested shares of restricted stock that remained outstanding were modified such that these shares will remain outstanding for 18 months, rather than 12 months, following the termination date, and if a change of control (as defined in the employment agreement) occurs during such period, all equity awards will vest on the effective date of the change of control. There was no incremental value associated with this modification.



**Table of Contents****Outstanding Equity Awards at Fiscal Year-End**

The following table sets forth certain information with respect to outstanding options and stock awards held by our NEOs at December 31, 2018:

	Option Awards				Stock Awards	
	Grant Date	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date <sup>(1)</sup>	Number of Shares or Units of Stock That Have Not Vested <sup>(2)</sup>	Market Value of Shares or Units of Stock That Have Not Vested <sup>(3)</sup>
<b>Jonathan Steinberg</b>	1/27/16				147,290	979,479
	1/25/18				114,660	762,489
<b>Amit Muni</b>	1/27/11	75,000	5.05	1/26/21		
	1/27/16				31,861	211,876
	1/25/17				7,695	51,172
	1/25/18				37,264	247,806
<b>David Abner</b>	1/28/10	35,000	2.25	1/27/20		
	2/5/10	65,000	2.26	2/4/20		
	1/27/11	50,000	5.05	1/26/21		
	1/27/16				9,010	59,917
	8/1/16				39,600	263,340
	1/25/17				4,804	31,947
	1/25/18				13,513	89,861
<b>Kurt MacAlpine</b>	1/27/16				20,613	137,076
	1/25/17				33,241	221,053
	1/25/18				42,997	285,930
<b>Gregory Barton</b>	1/27/16				35,630	236,940
	1/25/17				7,325 <sup>(4)</sup>	48,711
	1/25/18				18,018 <sup>(4)</sup>	119,820
<b>Luciano Siracusano III</b>	1/27/17				3,447 <sup>(5)</sup>	22,923
	1/25/18				22,932 <sup>(5)</sup>	152,498

(1) The expiration date for all options is the date that is ten years after the grant date.

(2) These unvested shares of restricted stock vest at a rate of 33 1/3% each year starting one year from the date of grant, subject to continued employment. See Potential Payments upon Termination or Change in Control for a description of the acceleration provisions upon termination or change in control.

(3) The market value of such holdings is based on the closing price of \$6.65 per share of our common stock as reported on December 31, 2018.

(4)

On March 31, 2019, Mr. Barton's last day of employment, 9,669 shares of restricted stock vested in accordance with the terms of his employment agreement, as amended. In addition, if a change of control occurs on or before September 30, 2020 (18 months after Mr. Barton's last day of employment), all remaining unvested equity awards will vest on the effective date of the change of control.

- (5) If a change of control occurs on or before April 30, 2020 (18 months after Mr. Siracusano's last day of employment), all remaining unvested equity awards will vest on the effective date of the change of control.

**Table of Contents****Option Exercises and Stock Vested**

The following table sets forth, for each NEO, the value of all options that were exercised and all share-based incentive plan awards that vested during the year ended December 31, 2018.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) <sup>(1)</sup>	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$) <sup>(2)</sup>
<b>Jonathan Steinberg</b>				
<b>Amit Muni</b>				
<b>David Abner</b>	50,000	470,639	39,600	320,364
<b>Kurt MacAlpine</b>			14,913	135,410
<b>Gregory Barton</b>				
<b>Luciano Siracusano III</b>	25,000	185,000	67,150 <sup>(3)</sup>	521,756

- (1) The value realized on exercise of stock options was calculated by subtracting the option exercise price from the market price on the exercise date to obtain the value realized per share, and multiplying the value realized per share by the number of shares acquired upon exercise.
- (2) Amounts in this column were calculated by multiplying the number of shares that vested by the closing price of our common stock on the vesting date. If the vesting date was a weekend or holiday, the prior business day was used to value the shares.
- (3) These shares vested on Mr. Siracusano's last day of employment in accordance with his employment agreement, as amended.

**Employment Agreements*****NEOs except for Head of Europe***

We have entered into employment agreements with each of the NEOs and certain other executive officers to serve for an indefinite term, and on an at will basis. The terms of the employment agreements for each of these executive officers (except for David Abner, whose employment terms are described below) are substantially identical, except that the annual base salary payable to each executive officer other than Mr. Steinberg is \$375,000, with Mr. Steinberg receiving an annual base salary of \$550,000. Each of these executive officers is eligible to receive such incentive compensation as may be determined by the Board of Directors or Compensation Committee and to participate in our standard benefit plans. The employment agreements contain employee confidentiality, assignment of inventions and non-solicitation of employees provisions, as well as non-competition provisions which are applicable as described below. Each of these executive officers also is entitled to the following benefits in the event of the termination of his employment:

***Termination Without Cause or Resignation for Good Reason.*** The employment agreements provide that if we terminate the executive officer's employment for any reason, we will pay the executive officer his base salary through the termination date and the earned but unpaid cash portion of his prior year incentive compensation. In addition, if

(i) we terminate the executive officer's employment other than due to his death or disability, or for cause (each as defined in the employment agreements) or (ii) the executive officer resigns for good reason (as defined in the employment agreements and, either of (i) or (ii), an Involuntary Termination ) and he (A) enters into and does not revoke a release agreement and (B) complies with a three-month restrictive covenant from the date of termination, we will pay the executive officer:

one year's base salary, which we refer to as Annual Base Salary;

a pro rata portion of an amount equal to 50% of the incentive compensation that the executive officer would have received in the year of termination based upon our performance, which we refer to as Termination Year Cash Incentive Compensation; and

## **Table of Contents**

50% of the average incentive compensation paid to the executive officer in the preceding three years, which we refer to as Average Cash Incentive Compensation.

The Termination Year Cash Incentive Compensation will be paid when we pay incentive compensation for the termination year to non-terminated senior executives. The Annual Base Salary and Average Cash Incentive Compensation will be paid in substantially equal installments over a 12-month period. The executive officer also may elect to have us pay for COBRA insurance coverage for a one-year period following the date of termination.

The employment agreements also provide that any equity award that would have vested in the 12-month period that immediately follows the date of termination will vest immediately upon termination, and unvested awards will remain outstanding for 12 months following the date of termination. In addition, if a change of control (as defined in the employment agreements) occurs within 12 months after the date of Involuntary Termination, all equity awards will vest on the effective date of the change of control.

*Involuntary Termination Within 18 Months After a Change of Control.* In the event of an executive officer's Involuntary Termination within 18 months after a change of control of our Company, and the executive officer's (i) entry into and non-revocation of a release agreement and (ii) compliance with a 12-month restrictive covenant from the date of termination, we will pay the executive officer his salary through the termination date and the earned but unpaid cash portion of his prior year incentive compensation plus:

an amount equal to 1.75 times the Annual Base Salary;

a pro rata portion of the Average Cash Incentive Compensation based on the number of days the executive officer was employed during the year of termination; and

an amount equal to 1.75 times the Average Cash Incentive Compensation.

Such amounts will be paid in one lump sum. The executive officer also may elect to have us pay for COBRA insurance coverage for a 21-month period following the date of termination. In addition, any equity award that would have vested in the 21-month period that immediately follows the date of termination will vest immediately.

*Termination for Cause or Voluntary Resignation Without Good Reason.* If we terminate the executive officer's employment for cause or he voluntarily resigns without good reason, we may elect to enforce a three-month restrictive covenant in consideration for which we will pay the executive officer: (i) 25% of the Annual Base Salary; (ii) an amount equal to 12.5% of the average incentive compensation paid to the executive officer in the preceding three years; and (iii) an amount equal to 25% of the value of any equity awards that would have vested in the one-year period following the date of termination if no termination had occurred. Such amounts will be paid in substantially equal installments over a three-month period. The executive officer also may elect to have us pay for COBRA insurance coverage for a three-month period following the date of termination.

### ***Amendments to Employment Agreements with Former CIS and CLO***

*Luciano Siracusano III, Former CIS.* In connection with Mr. Siracusano's Involuntary Termination under his employment agreement, the terms of which are described above, we amended his employment agreement, effective October 31, 2018, to extend the period from 12 months to 18 months following the date of termination that: (i) he may elect to have us pay for COBRA insurance coverage, (ii) unvested equity awards will remain outstanding and (iii) if a

change of control (as defined in the employment agreement) occurs during such period, all equity awards will vest on the effective date of the change of control.

*Gregory Barton, Former CLO.* In connection with Mr. Barton's Involuntary Termination under his employment agreement, the terms of which are described above, we amended his employment agreement, effective March 31, 2019, to extend the period from 12 months to 18 months following the date of termination

**Table of Contents**

that: (i) he may elect to have us pay for COBRA insurance coverage, (ii) unvested equity awards will remain outstanding and (iii) if a change of control (as defined in the employment agreement) occurs during such period, all equity awards will vest on the effective date of the change of control. The amendment to Mr. Barton's employment agreement also provides that, notwithstanding the termination date occurring in 2019, the calculation of Average Cash Incentive Compensation is based on incentive compensation paid in 2015, 2016 and 2017 instead of 2016, 2017 and 2018.

***Relocation Agreement    Head of Europe***

In July 2016, we amended the employment agreement with our Head of Europe, David Abner, in connection with his relocation to London, and such agreement provides for a term ending on July 31, 2019. He is eligible to participate in any annual incentive plan established by our Board of Directors or Compensation Committee and to participate in standard Company benefit plans. He also is subject to requirements relating to employee confidentiality, assignment of inventions and non-solicitation of employees. Mr. Abner's annual base salary is \$325,000, and he is entitled to a guaranteed minimum annual bonus of \$500,000, payable in cash and equity securities as determined by the Compensation Committee. He receives up to £15,000 per month for housing costs and up to £72,000 per school year for education costs for his children, plus reasonable annual increases, and is eligible for a tax gross-up on such amounts. In addition, he is provided with tax preparation services and tax equalization to cover excess taxes, if any, resulting from his international assignment. He is also eligible for an annual stipend as a cost of living adjustment and premium coach class round-trip airfare for him and his immediate family (i) to visit the U.S. twice during each 12-month period and (ii) to fly to the U.S. in the event of a medical emergency, or death, of an immediate family member of Mr. Abner or his spouse.

Mr. Abner is required to provide us with six months' written notice to terminate his employment while on assignment. He is entitled to certain benefits in the event of the termination of his employment for any reason other than his death or disability or for cause or at the end of his assignment if we have no suitable alternative position for him. Upon a termination under these circumstances, subject to entry into and non-revocation of a release agreement, we agreed to pay Mr. Abner, in addition to all accrued but unpaid base salary and guaranteed minimum annual bonus and any discretionary bonus that has been awarded but not yet paid, a severance amount equal to the sum of one year's base salary and guaranteed minimum bonus, and up to \$25,000 of repatriation assistance (plus one-way premium coach class airfare for him and his immediate family). Mr. Abner also will be entitled to accelerated vesting only with respect to the portion of his unvested restricted stock, if any, that would have vested during the 12-month period immediately following the date of termination.

**Potential Payments upon Termination or Change in Control**

As described above under Employment Agreements,

all our NEOs except David Abner are entitled to payments and benefits in the event of: (i) an Involuntary Termination; (ii) a termination of employment by the Company for cause or voluntary resignation by the executive officer without good reason; and (iii) an Involuntary Termination within 18 months after a change of control; and

David Abner is entitled to payments and benefits in the event of a termination for any reason other than his death or disability or for cause or at the end of his assignment in London if we have no suitable alternative

position for him.



**Table of Contents**

This section is intended to discuss these post-employment payments to our NEOs, assuming the termination from employment occurred on December 31, 2018. Due to the number of factors that affect the nature and amount of any benefits provided upon the occurrence of the events discussed in this section, any actual amounts paid or distributed may be different. Factors that could affect these amounts include the timing during the year of any such event and our stock price.

	<b>Involuntary Termination Without Cause or for Good Reason (\$)</b>	<b>Termination for Cause or Voluntary Resignation Without Good Reason (\$)</b>	<b>Involuntary Termination Within 18 Months After a Change of Control (\$)</b>
<b>Jonathan Steinberg</b>			
Severance Arrangements	5,478,004 <sup>(1)</sup>	1,131,411 <sup>(2)</sup>	8,493,507 <sup>(3)</sup>
Acceleration of Restricted Stock	1,233,642 <sup>(4)</sup>		1,487,805 <sup>(5)</sup>
<b>Total</b>	6,711,646	1,131,411	9,981,312
<b>Amit Muni</b>			
Severance Arrangements	1,815,144 <sup>(1)</sup>	376,967 <sup>(2)</sup>	2,862,835 <sup>(3)</sup>
Acceleration of Restricted Stock	320,058 <sup>(4)</sup>		428,247 <sup>(5)</sup>
<b>Total</b>	2,135,202	376,967	3,291,082
<b>David Abner</b>			
Severance Arrangements	850,000 <sup>(6)</sup>		
Acceleration of Restricted Stock	105,841 <sup>(7)</sup>		
<b>Total</b>	955,841		
<b>Kurt MacAlpine</b>			
Severance Arrangements	1,734,503 <sup>(1)</sup>	369,353 <sup>(2)</sup>	2,735,380 <sup>(3)</sup>
Acceleration of Restricted Stock	342,907 <sup>(4)</sup>		548,745 <sup>(5)</sup>
<b>Total</b>	2,077,410	369,353	3,284,125 <sup>(8)</sup>
<b>Gregory Barton</b>			
Severance Arrangements	1,653,132 <sup>(1)</sup>	349,758 <sup>(2)</sup>	2,615,314 <sup>(3)</sup>
Acceleration of Restricted Stock	301,232 <sup>(4)</sup>		365,531 <sup>(5)</sup>
<b>Total</b>	1,954,364 <sup>(9)</sup>	349,758	2,980,845
<b>Luciano Siracusano III</b>			
Severance Arrangements	1,861,538		
Acceleration of Restricted Stock	521,756		

**Total** 2,383,294<sup>(10)</sup>

- (1) Represents an amount equal to the sum of: (i) Annual Base Salary; (ii) Termination Year Cash Incentive Compensation; (iii) Average Cash Incentive Compensation; and (iv) the value of COBRA benefits for 12 months.
- (2) Represents an amount equal to the sum of: (i) 25% of the Annual Base Salary; (ii) 12.5% of the average incentive compensation paid to the NEO in the preceding three years; (iii) 25% of the value of any equity awards that would have vested in the one-year period following the date of termination if no termination had occurred; and (iv) the value of COBRA benefits for three months. These amounts are only payable if we elect to enforce a three-month restrictive covenant as described under Employment Agreements.

**Table of Contents**

- (3) Represents an amount equal to the sum of: (i) 1.75 times the Annual Base Salary; (ii) the Average Cash Incentive Compensation; (iii) 1.75 times the Average Cash Incentive Compensation; and (iv) the value of COBRA benefits for 21 months.
- (4) Represents the dollar value of restricted stock that would have vested in the 12-month period following the date of termination based on the closing price of our common stock of \$6.65 on December 31, 2018. In addition, if a change of control occurs within 12 months after the date of termination, all unvested equity awards will vest on the effective date of the change of control. The dollar value of all equity awards that would vest upon a change of control in the 12-month period following the date of termination based on the closing price of our common stock of \$6.65 on December 31, 2018 is as follows: Mr. Steinberg: \$1,741,968; Mr. Muni: \$510,853; Mr. MacAlpine: \$664,059; and Mr. Barton: \$405,470.
- (5) Represents the dollar value of restricted stock that would have vested in the 21-month period immediately following the date of termination based on the closing price of our common stock of \$6.65 on December 31, 2018.
- (6) Represents a severance amount equal to the sum of one year's base salary, a guaranteed minimum bonus and repatriation assistance pursuant to the terms of Mr. Abner's employment agreement.
- (7) Represents the dollar value of restricted stock that would have vested in the 12-month period following the date of termination based on the closing price of our common stock of \$6.65 on December 31, 2018.
- (8) This amount may be reduced to avoid the characterization of the total severance benefit as an excess parachute payment under Section 280G of the Internal Revenue Code.
- (9) The value of Mr. Barton's severance benefits that he received upon his Involuntary Termination on March 31, 2019 was \$1,351,560, pursuant to the terms of his employment agreement, as amended, which includes Termination Year Cash Incentive Compensation for the partial year period he was employed during 2019.
- (10) Represents the value of Mr. Siracusano's severance benefits upon his Involuntary Termination on October 31, 2018, pursuant to the terms of his employment agreement, as amended. In addition, if a change of control occurs during the 18 month period following the termination of Mr. Siracusano's employment, his remaining 26,379 unvested shares of restricted stock will vest on the effective date of the change of control. The value of such awards as of December 31, 2018 was \$175,421.

**Table of Contents****SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS****Stock Ownership Table**

The following table sets forth information regarding the beneficial ownership of shares of our common stock as of the record date (except as otherwise indicated in the footnotes) by (i) each person (including any group of persons as that term is used in Section 13d-3 of the Exchange Act) we know to be the beneficial owner of more than 5% of the outstanding shares of our common stock; (ii) each of our executive officers; (iii) each of our directors and director-nominees; and (iv) all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with Rule 13d-3 under the Exchange Act. Except as otherwise indicated in the footnotes to the following table, we believe, based on the information provided to us, that the persons named in the following table have sole vesting and investment power with respect to the shares they beneficially own, subject to applicable community property laws. Unless otherwise noted, the business address of each of the persons and entities that beneficially own 5% or more of the outstanding shares of common stock is c/o WisdomTree Investments, Inc., 245 Park Avenue, 35<sup>th</sup> Floor, New York, New York 10167. We have based our calculation of the percentage of beneficial ownership on 155,055,303 shares of our common stock outstanding as of the record date, including shares of restricted stock issued to our employees but not yet vested.

In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included the shares the person has the right to acquire within 60 days of the date above, including through the exercise of any option, warrant or other right or conversion of any security. The shares that a stockholder has the right to acquire within 60 days, however, are not included in the computation of the percentage ownership of any other stockholder.

<b>Beneficial Holder</b>	<b>Number</b>	<b>Percentage</b>
<b>Executive Officers</b>		
David Abner <sup>(1)</sup>	347,819	0.2
Stuart Bell <sup>(2)</sup>	195,085	0.1
Marci Frankenthaler <sup>(3)</sup>	39,375	*
R. Jarrett Lilien <sup>(4)</sup>	482,390	0.3
Kurt MacAlpine <sup>(5)</sup>	295,221	0.1
Amit Muni <sup>(6)</sup>	753,937	0.5
Jeremy Schwartz <sup>(7)</sup>	618,954	0.4
Jonathan Steinberg <sup>(8)</sup>	7,850,905	5.1
Peter M. Ziemba <sup>(9)</sup>	957,177	0.6
<b>Directors</b>		
Steven Begleiter <sup>(10)</sup>	149,607	0.1
Anthony Bossone <sup>(11)</sup>	232,122	0.1
Susan Cosgrove <sup>(12)</sup>	1,961	*
Bruce Lavine <sup>(13)</sup>	161,204	0.1
Win Neuger <sup>(14)</sup>	44,938	*
Frank Salerno <sup>(15)</sup>	227,672	0.1
Michael Steinhardt <sup>(16)</sup>	10,854,851	7.0
All directors and executive officers as a group (16 persons) <sup>(17)</sup>	23,213,218	14.9

***Other 5% or Greater Stockholders***

ETFs Capital Limited <sup>(18)</sup>	15,250,000	9.8
BlackRock, Inc. <sup>(19)</sup>	16,821,162	10.8
The Vanguard Group, Inc. <sup>(20)</sup>	12,687,063	8.2
ArrowMark Colorado Holdings LLC <sup>(21)</sup>	10,615,584	6.8
TimesSquare Capital Management, LLC <sup>(22)</sup>	8,527,408	5.5

---

**Table of Contents**

- \* Less than 0.1%.
- (1) Includes (i) 100,855 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. Abner until they vest, but over which he exercises voting power and (ii) 150,000 shares of common stock issuable upon the exercise of currently exercisable options.
  - (2) Includes (i) 82,108 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. Bell until they vest, but over which he exercises voting power and (ii) 65,000 shares of common stock issuable upon the exercise of currently exercisable options.
  - (3) Includes 26,300 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Ms. Frankenthaler until they vest, but over which she exercises voting power.
  - (4) Includes 258,297 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. Lilien until they vest, but over which he exercises voting power.
  - (5) Includes 181,734 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. MacAlpine until they vest, but over which he exercises voting power.
  - (6) Includes (i) 482,229 shares of common stock held in a joint account with Mr. Muni's spouse with whom he shares voting and dispositive power; (ii) 116,541 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. Muni until they vest, but over which he exercises voting power; and (iii) 75,000 shares of common stock issuable upon the exercise of currently exercisable options.
  - (7) Includes 120,492 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. Schwartz until they vest, but over which he exercises voting power.
  - (8) Includes (i) 798 shares of common stock owned by Mr. Steinberg's spouse with whom he may be deemed to share voting and dispositive power; (ii) 16,889 shares of common stock held in a joint account with Mr. Steinberg's spouse with whom he shares voting and dispositive power; and (iii) 525,038 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. Steinberg until they vest, but over which he exercises voting power.
  - (9) Includes (i) 633,201 shares of common stock held in a joint account with Mr. Ziemba's spouse with whom he shares voting and dispositive power and (ii) 123,976 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Mr. Ziemba until they vest, but over which he exercises voting power.
  - (10) Includes 8,936 shares of restricted stock that vest within 60 days of the record date and are not transferable by Mr. Begleiter until they vest, but over which he exercises voting power.
  - (11) Includes 8,936 shares of restricted stock that vest within 60 days of the record date and are not transferable by Mr. Bossone until they vest, but over which he exercises voting power.
  - (12) Includes 1,961 shares of restricted stock that do not vest within 60 days of the record date and are not transferable by Ms. Cosgrove until they vest, but over which she exercises voting power.
  - (13) Includes 8,936 shares of restricted stock that vest within 60 days of the record date and are not transferable by Mr. Lavine until they vest, but over which he exercises voting power. Excludes 15,000 shares of common stock held by the 2012 Bruce Lavine Irrevocable Trust for which Mr. Lavine does not possess any voting or dispositive power.
  - (14) Includes 8,936 shares of restricted stock that vest within 60 days of the record date and are not transferable by Mr. Neuger until they vest, but over which he exercises voting power.
  - (15) Represents (i) 218,736 shares of common stock held in a joint account with Mr. Salerno's spouse with whom he shares voting and dispositive power and (ii) 8,936 shares of restricted stock that vest within 60 days of the record date and are not transferable by Mr. Salerno until they vest, but over which he exercises voting power.
  - (16) Includes (i) 8,936 shares of restricted stock that vest within 60 days of the record date and are not transferable by Mr. Steinhardt until they vest, but over which he exercises voting power and (ii) 2,000,000 shares of common stock held by The Judy and Michael Steinhardt Foundation for which Mr. Steinhardt serves as a co-Trustee with Judy Steinhardt, with whom he shares voting and dispositive power, but over which he disclaims beneficial

ownership. The business address of Mr. Steinhardt is 712 Fifth Avenue, 34<sup>th</sup> Floor, New York, NY 10019.

---

**Table of Contents**

- (17) Includes an aggregate of 290,000 shares of common stock issuable upon the exercise of currently exercisable options held by certain executive officers included in this group.
- (18) Information reported pursuant to a Schedule 13G filed with the SEC on April 19, 2018. The shares indicated in the table are directly owned by ETFs Capital Limited. Graham Tuckwell, who is the controlling shareholder of ETFs Capital Limited, may be deemed an indirect beneficial owner of the shares of common stock directly owned by ETFs Capital Limited and shares voting and dispositive power over such shares. In addition to the shares indicated in the table, ETFs Capital Limited directly owns, and Mr. Tuckwell indirectly beneficially owns, 14,750 shares of our Series A Non-Voting Convertible Preferred Stock, which are convertible into 14,750,000 shares of common stock at the holder's option. The Certificate of Designations for the Series A Non-Voting Convertible Preferred Stock restricts ETFs Capital Limited from converting such stock into common stock if the conversion would result in ETFs Capital Limited owning more than 9.99% of our outstanding common stock. In addition, we have entered into an Investor Rights Agreement with ETFs Capital Limited pursuant to which ETFs Capital Limited has granted our Board of Directors an irrevocable proxy to vote all our voting securities as to which ETFs Capital Limited is entitled to vote in accordance with the recommendation of our Board of Directors until the earliest to occur of: (a) July 11, 2019; (b) the date a change of control of us is consummated; and (c) the date of certain corporate changes as more fully described in the Investor Rights Agreement. Each of ETFs Capital Limited and Graham Tuckwell disclaims beneficial ownership in all such shares of common stock, except to the extent of its respective pecuniary interest therein.
- (19) Information reported pursuant to a Schedule 13G/A filed with the SEC on January 31, 2019. Blackrock, Inc. has filed as a parent holding company or control person on behalf of certain subsidiaries, none of which individually own 5% or more of our outstanding common stock. The business address of Blackrock is 55 East 52<sup>nd</sup> Street, New York, NY 10022.
- (20) Information reported pursuant to a Schedule 13G/A filed with the SEC on February 11, 2019. The shares indicated in the table are beneficially owned by Vanguard in its capacity as investment adviser and are owned of record by its clients, except that Vanguard Fiduciary Trust Company, a wholly-owned subsidiary of Vanguard, beneficially owns 230,938 shares as a result of its serving as an investment manager of collective trust accounts, and Vanguard Investments Australia, Ltd., a wholly-owned subsidiary of Vanguard, beneficially owns 40,985 shares as a result of its serving as investment manager of Australian investment offerings. Vanguard reports that it has sole voting power with respect to 247,330 shares and shares voting power with respect to 24,593 shares, and that it has sole dispositive power with respect to 12,431,532 shares and shares dispositive power with respect to 255,531 shares. The business address of Vanguard is 100 Vanguard Blvd., Malvern, PA 19355.
- (21) Information reported pursuant to a Schedule 13G/A filed with the SEC on February 14, 2019. The business address of ArrowMark Colorado Holdings LLC is 100 Fillmore Street, Suite 325, Denver, Colorado 80206.
- (22) Information reported pursuant to a Schedule 13G/A filed with the SEC on February 14, 2019. The shares indicated in the table are beneficially owned by TimesSquare Capital Management, LLC in its capacity as investment adviser and are owned of record by its clients. TimesSquare reports that in its capacity as investment adviser it has sole voting power with respect to 7,960,208 shares and sole dispositive power with respect to 8,527,408 shares. The business address of TimesSquare is 7 Times Square, 42<sup>nd</sup> Floor, New York, NY 10036.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires our executive officers, directors and ten percent stockholders to file reports of ownership and changes in ownership with the SEC. The same persons are required to furnish us with copies of all Section 16(a) forms they file. Based solely on our review of such forms furnished to us during the most recent fiscal year, we believe that all of our executive officers, directors and ten percent stockholders complied with the applicable filing requirements except for Jeremy Schwartz, who filed one Form 4 late relating to the acquisition of 1,290 shares of our common stock under a dividend reinvestment plan.





**Table of Contents****Performance Graph**

The following graph presents total stockholder returns on an initial investment of \$100 in our common stock on December 31, 2013, compared to an equal investment in the Russell 2000 Index and the SNL U.S. Asset Manager Index. The SNL U.S. Asset Manager Index is a composite of 41 publicly traded asset management companies. The stock price performance on the graph is not necessarily indicative of future price performance.

**Source: S&P Global Market Intelligence**

<b>Index</b>	<b>Period Ending</b>					
	<b>12/31/13</b>	<b>12/31/14</b>	<b>12/31/15</b>	<b>12/31/16</b>	<b>12/31/17</b>	<b>12/31/18</b>
WisdomTree Investments, Inc.	100.00	88.96	91.44	67.09	78.12	41.94
Russell 2000 Index	100.00	104.89	100.26	121.63	139.44	124.09
SNL U.S. Asset Manager Index	100.00	105.50	89.97	95.18	126.39	95.35

**Table of Contents****Equity Compensation Plan Information**

The table below sets forth information with respect to shares of common stock that may be issued under our equity compensation plans as of December 31, 2018. Information is included for equity compensation plans approved by our stockholders and equity compensation plans not approved by our stockholders.

<b>Plan category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<sup>(3)</sup> (c)</b>
Equity compensation plans approved by security holders	470,537 <sup>(1)</sup>	\$ 4.81	8,755,752
Equity compensation plans not approved by security holders	100,000 <sup>(2)</sup>	\$ 2.26	
<b>Total</b>	<b>570,537</b>	<b>\$ 4.36</b>	<b>8,755,752</b>

(1) Represents shares issuable upon exercise of outstanding options that were issued pursuant to our 2005 Performance Equity Plan.

(2) Represents currently exercisable, ten-year, non-plan options granted to one employee in January and February 2010 to purchase an aggregate of 100,000 shares of common stock at exercise prices of \$2.25 and \$2.26 per share (the closing sale price of our common stock on the dates of grant). These non-plan options are similar to options granted under our equity compensation plans and were granted outside of these plans when insufficient shares were available for grant under our plans.

(3) Represents shares available for issuance under our 2016 Equity Plan.

**Table of Contents**

**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

Since January 1, 2017, there has not been, nor is there currently proposed, any transaction or series of similar transactions to which we were or are to be a party in which the amount involved exceeded or will exceed \$120,000 and in which any of our directors or executive officers or holders of more than 5% or more of any class of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or material interest other than the transactions described below.

**Stockholders Agreement**

We are a party to an Amended and Restated Stockholders Agreement, dated December 21, 2006, between Michael Steinhardt and Jonathan Steinberg. Under this agreement, Mr. Steinberg agreed to give Mr. Steinhardt a right-of-first refusal to purchase any shares he intends to sell if he were to sell any of his shares in a private transaction.

**Related Person Transactions Policy and Procedures**

In accordance with its written charter, our Audit Committee conducts an appropriate review of all related party transactions for potential conflict of interest situations on an ongoing basis, and the approval of our Audit Committee is required for all related party transactions. The term "related person transaction" refers to any transaction required to be disclosed by us pursuant to Item 404 of Regulation S-K (or any successor provision) promulgated by the SEC, except that "related party transactions" do not include compensation or employment arrangements that we disclose in our proxy statement (or, if the related person is an executive officer, that we would disclose if such person was a named executive officer).

**Table of Contents**

**Table of Contents**