



DIVISION OF
TRADING AND MARKETS

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

May 9, 2008

Richard F. Morris
Deputy General Counsel
WisdomTree Asset Management, Inc.
380 Madison Avenue, 21st Floor
New York, NY 10017

Re: WisdomTree Trust
File No. TP 08-39

Dear Mr. Morris:

In your letter dated May 9, 2008, as supplemented by conversations with the staff of the Division of Trading and Markets ("Staff"), WisdomTree Trust (the "Trust") on behalf of itself, and any national securities exchange or national securities association on or through which shares of a fund ("Shares") are listed (each a "Listing Exchange") and/or may subsequently trade, ALPS Distributors, Inc. and persons or entities engaging in transactions in Shares, including Authorized Participants (as defined in your letter), requests from the Staff, or from the Securities and Exchange Commission ("Commission"), exemptions from, or interpretive or no-action advice regarding, Section 11(d)(1) of the Securities Exchange Act of 1934 ("Exchange Act"), Rules 10b-10, 10b-17, 11d1-2, 15c1-5 and 15c1-6 under the Exchange Act, and Rules 101 and 102 of Regulation M. We have enclosed a photocopy of your letter. Each defined term in this letter has the same meaning as defined in your letter, unless we note otherwise.

The Trust was organized on December 15, 2005, as a Delaware statutory trust. The Trust is registered with the Commission under the Investment Company Act of 1940 (as amended "1940 Act") as an open-end management investment company. The Trust currently consists of 40 separate investment portfolios, 12 of which are the subject of this request for relief (11 "International Currency Income Funds" and one "U.S. Current Income Fund") (together, the "Funds"). Five of the International Currency Income Funds (the WisdomTree Dreyfus Australian Dollar Fund, WisdomTree Dreyfus British Pound Sterling Fund, WisdomTree Dreyfus Canadian Dollar Fund, WisdomTree Dreyfus Euro Fund, and WisdomTree Dreyfus Japanese Yen Fund) will each seek (i) to earn current income reflective of money market rates available to foreign investors in the specified country or region, and (ii) to maintain liquidity and preserve capital measured in the currency of the specified country or region. Each of these Funds intends to invest primarily in very short term, investment grade money market securities denominated in the non-U.S. currency specified in its name. The other six International Currency Income Funds (the WisdomTree Dreyfus Brazilian Real Fund, WisdomTree Dreyfus Chinese Yuan Fund, WisdomTree Dreyfus Indian Rupee Fund, WisdomTree Dreyfus New Zealand Dollar Fund, WisdomTree Dreyfus South African Rand Fund, and WisdomTree Dreyfus South Korean Won Fund) will each seek (i) to

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earn current income reflective of money market rates available to foreign investors in the specified country, and (ii) to provide exposure to changes in the value of the designated non-U.S. currency relative to the U.S. Dollar. Each of these Funds intends to achieve exposure to the non-U.S. market designated by its name by investing primarily in short term U.S. money market securities and a smaller portion of its assets in forward currency contracts and swaps designed to provide exposure to exchange rates and/or money market instruments available to foreign investors in the non-U.S. market designated in the Fund's name. The U.S. Current Income Fund will seek to earn current income while preserving capital and maintaining liquidity by investing primarily in very short term, high-quality money market securities denominated in U.S. dollars.

While the Funds will not seek to track the performance of an underlying index, the Funds will otherwise operate in a manner substantially identical to the operation of the Prior ETFs. In your letter you also represent the following:

- Shares of the Funds will be issued by an open-end management investment company that is registered with the Commission;
- The Funds will continuously redeem, at net asset value ("NAV"), Creation Unit Aggregations of 50,000 Shares, and the secondary market price of the Shares should not vary substantially from the NAV of such Shares;
- Shares of the Funds will be listed and traded on NYSE Arca;
- Each Fund intends to invest substantially all of its assets in non-convertible fixed income securities and U.S. or non-U.S. money market securities that are rated "investment grade" by at least one nationally recognized statistical ratings organization;
- No portfolio security held by a Fund (other than Government Securities and Foreign Government Securities) will represent more than 30% of the weight of a Fund and the five highest weighted portfolio securities of a Fund (other than Government Securities and/or Foreign Government Securities) will not in the aggregate account for more than 65% of the weight of a Fund;
- Each Fund intends to diversify that portion of its portfolio not invested in Government Securities and/or Foreign Government Securities by investing in multiple non-affiliated issuers;
- On each Business Day, prior to the opening of the NYSE, each Fund will disclose on the Funds' Website, the identities and quantities of the money market securities and other assets held by the Fund (*i.e.*, the Portfolio Securities) that will form the basis for each of the Funds' calculation of NAV at the end of the Business Day;

- The Funds' Website will also contain the following information on a per-Share basis, for each Fund: (1) the prior Business Day's closing NAV and closing market price (based on the mid-point of the bid-asked spread at the time the Fund's NAV is calculated or the close of ETF trading on the Listing Exchange ("Bid-Asked Price")), and a calculation of the premium or discount of the Bid-Asked Price in relation to the closing NAV; and (2) data for a period covering at least the four previous calendar quarters (or life of a Fund, if shorter) indicating how frequently each Fund's Shares traded at a premium or discount to NAV based on the daily Bid-Asked Price and closing NAV, and the magnitude of such premiums and discounts;
- The Listing Exchange will disseminate: (i) continuously throughout the trading day, through the facilities of the consolidated tape, the market value of a Share, and (ii) every 15 seconds throughout the trading day, a calculation of the estimated NAV of a Share; and
- Information about the Shares and the prices of the securities and other instruments held by each of the Funds, including information with respect to fluctuations in currency exchange rates (one of the principal factors expected to effect daily fluctuations in the NAV of each Fund (other than the U.S. Current Income Fund)), will be readily available from a variety of sources throughout each Business Day.

Response:

Regulation M

Redeemable securities issued by an open-end management investment company are excepted from the provisions of Rule 101 and 102 of Regulation M. The Commission granted the Trust an exemption from certain provisions of the 1940 Act in order to permit the Trust to maintain its registration as an open-end investment company and to issue shares that are redeemable only in Creation Unit size aggregations of Shares.

Rule 101 of Regulation M

Generally, Rule 101 of Regulation M is an anti-manipulation regulation that, subject to certain exceptions, prohibits any "distribution participant" and its "affiliated purchasers" from bidding for, purchasing, or attempting to induce any person to bid for or purchase any security which is the subject of a distribution until after the applicable restricted period except as specifically permitted in the Regulation. The provisions of Rule 101 of Regulation M apply to underwriters, prospective underwriters, brokers, dealers, or other persons who have agreed to participate or are participating in a distribution of securities.

On the basis of your representations and the facts presented, and without necessarily concurring in your analysis, particularly that the Trust is a registered open-end management

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investment company that will continuously redeem at NAV Creation Unit size aggregations of the Shares of the Funds, and the secondary market price of the Shares of the Funds should not vary substantially from the NAV of such Shares, which is based on the value of the portfolio securities and the other assets held by each of the Funds, the Staff hereby confirms that the Trust is excepted under paragraph (c)(4) of Rule 101 of Regulation M with respect to the Funds, thus permitting persons who may be deemed to be participating in a distribution of Shares of the Funds to bid for or purchase such Shares during their participation in such distribution.¹

The Staff also confirms the interpretation of Rule 101 of Regulation M that a redemption of Creation Unit size aggregations of Shares of the Funds and the receipt of Redemption Securities in exchange therefor by a participant in a distribution of Shares of the Funds would not constitute an "attempt to induce any person to bid for or purchase a covered security, during the applicable restricted period" within the meaning of Regulation M, and therefore would not violate Regulation M.

Rule 102 of Regulation M

Rule 102 of Regulation M prohibits issuers, selling security holders, or any affiliated purchaser of such person from bidding for, purchasing, or attempting to induce any person to bid for or purchase a covered security during the applicable restricted period in connection with a distribution of securities effected by or on behalf of an issuer or selling security holder. Rule 100 of Regulation M defines "distribution" to mean any offering of securities that is distinguished from ordinary trading transactions by the magnitude of the offering and the presence of special selling efforts and selling methods.

On the basis of your representations and the facts presented, particularly that the Trust is a registered open-end management investment company that will continuously redeem at NAV Creation Unit size aggregations of the Shares of the Funds, the Staff hereby confirms that the Trust is excepted under paragraph (d)(4) of Rule 102 of Regulation M with respect to each of the Funds, thus permitting the Funds to redeem Shares of the Funds during the continuous offering of such Shares.

¹ We note that Regulation M does not prohibit a distribution participant and its affiliated purchasers from bidding for and purchasing portfolio securities in accordance with the exceptions contained in paragraphs (b)(6) and (c)(1) of Rule 101. Rule 101(b)(6)(i) excepts basket transactions in which bids or purchases are made in the ordinary course of business in connection with a basket of 20 or more securities in which a covered security does not comprise more than 5% of the value of the basket purchased. Rule 101(b)(6)(ii) excepts adjustments to such a basket made in the ordinary course of business as a result of a change in the composition of a standardized index. Also, Rule 101(c)(1) excepts transactions in actively-traded securities, that is, securities that have an average daily trading volume value of at least \$1 million and are issued by an issuer whose common equity securities have a public float value of at least \$150 million; provided however, that such securities are not issued by the distribution participant or an affiliate of the distribution participant.

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Rule 10b-17

Rule 10b-17, with certain exceptions, requires an issuer of a class of publicly traded securities to give notice of certain specified actions (for example, a dividend distribution, stock split, or rights offering) relating to such class of securities in accordance with Rule 10b-17(b).

On the basis of your representations and the facts presented, and without necessarily concurring in your analysis, particularly that the Commission has determined to grant an exemption from certain provisions of the 1940 Act in order to permit the Trust to maintain its registration as an open-end management investment company notwithstanding the fact that it issues Shares with limited redeemability, the Commission hereby grants an exemption from the requirements of Rule 10b-17 to the Trust with respect to transactions in the Shares.²

Section 11(d)(1) and Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6

As discussed,³ we are treating your request for relief under Section 11(d)(1) of the Exchange Act, and Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6 thereunder, as a request that the Staff confirm that it will not recommend enforcement action to the Commission if a broker-dealer treats Shares of each of the Funds, for purposes of the relief from Section 11(d)(1) and Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6 provided in the Letter re: Derivative Products Committee of the Securities Industry Association (November 21, 2005) ("Class Relief Letter"), as shares of a Qualifying ETF (as defined in the Class Relief Letter).

Based on the facts and representations set forth in your letter, and without necessarily agreeing with your analysis, the Staff will not recommend enforcement action to the Commission if a broker-dealer treats Shares of a Fund, for purposes of the relief from Section 11(d)(1) of the Exchange Act and Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6 thereunder provided in the Class Relief Letter, as shares of a Qualifying ETF, notwithstanding the fact that the Funds will not be managed to track a particular index, provided that the Funds meet all of the other conditions of a Qualifying ETF. Accordingly with respect to Shares of the Funds, to the extent that a broker-dealer satisfies the other conditions in the Class Relief Letter, it could rely on the exemptive and no-action relief contained therein.

We note that we have repeatedly expressed our views on Exchange Act Section 11(d)(1) and Exchange Act Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6 with respect to

² We also note that compliance with Rule 10b-17 would be impractical in light of the nature of the Funds. This is because it is not possible for the Trust to accurately project ten days in advance what dividend, if any, would be paid on a particular record date.

³ Telephone conversation between Darren Vieira and Matthew A. Daigler, Division of Trading and Markets, Commission and Richard Morris, Esq., on April 24, 2008.

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exchange-traded funds that are not tied to an index.⁴ Having stated our views, we will no longer respond to requests for relief from Section 11(d)(1) or Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6 relating to exchange-traded funds that are not managed to track a particular index unless they present novel or unusual issues.

The foregoing exemption from Rule 10b-17 under the Exchange Act, the interpretive advice regarding Rules 101 and 102 of Regulation M, and no-action positions taken under Section 11(d)(1) of the Exchange Act, and Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6 thereunder, are based solely on your representations and the facts presented to the Staff, and are strictly limited to the application of those rules to transactions involving the Shares of the Funds under the circumstances described above and in your letter. Such transactions should be discontinued, pending presentation of the facts for our consideration, in the event that any material change occurs with respect to any of those facts or representations. Moreover, the foregoing exemption from Rule 10b-17 under the Exchange Act, and the interpretive advice regarding Rules 101 and 102 of Regulation M are subject to the condition that such transactions in Shares of the Funds, or any related securities are not made for the purpose of creating actual, or apparent, active trading in or raising or otherwise affecting the price of such securities.

These exemptions, interpretations, and no-action positions are subject to modification or revocation if at any time the Commission or Staff determines that such action is necessary or appropriate in furtherance of the purposes of the Exchange Act. In addition, persons relying on these exemptions, interpretations, and no-action positions are directed to the anti-fraud and anti-manipulation provisions of the Exchange Act, particularly Sections 9(a), 10(b), and Rule 10b-5 thereunder. Responsibility for compliance with these and other provisions of the federal or state securities laws must rest with persons relying on these exemptions, interpretations, and no-action positions. The Staff expresses no view with respect to other questions that the proposed transactions may raise, including, but not limited to, the adequacy of disclosure concerning, and the applicability of other federal and state laws to, the proposed transactions.

For the Commission, by the Division of
Trading and Markets,
pursuant to delegated authority,



Josephine J. Tao
Assistant Director

Attachment

⁴ See Letter from James A. Brigagliano, Associate Director, Division of Trading and Markets to PowerShares Actively Managed Exchange Traded Fund Trust (April 4, 2008); and Letter from Josephine J. Tao, Assistant Director, Division of Trading and Markets to Bear Stearns Active ETF Trust (March 24, 2008).



May 9, 2008

Josephine Tao
Paula R. Jenson
Division of Trading and Markets
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Request of WisdomTree Trust, *et al.*, for Exemptive, Interpretive or No-Action Relief from Section 11(d)(1) of the Securities Exchange Act of 1934, as amended, and Rules 10b-10, 10b-17, 11d1-2, 15c1-5, 15c1-6 and Rules 101 and 102 of Regulation M

Dear Ms. Tao and Ms. Jenson:

SUMMARY OF REQUEST FOR RELIEF

We are writing on behalf of WisdomTree Trust (“Trust”) and each series of the Trust identified herein (each, a “Fund”). The Trust, on behalf of itself, any national securities exchange or national securities association on or through which shares of a Fund (“Shares”)¹ are listed (each, a “Listing Exchange”) and/or may subsequently trade (with each such market referred to herein as a “Market”)², ALPS Distributors, Inc. (“Distributor”) and persons or entities engaging in transactions in Shares, including Authorized Participants (as defined below), hereby requests, as appropriate, from the staff of the Division of Trading and Markets (“Staff”) of the Securities and Exchange Commission (“Commission”), or from the Commission, exemptions from, or interpretive or no-action advice regarding, Section 11(d)(1) of the Securities Exchange Act of 1934, as amended (“Exchange Act”), Rules 10b-10, 10b-17, 11d1-2, 15c1-5, 15c1-6 thereunder and Rules 101 and 102 of Regulation M.

¹ The Trust intends to list the Shares of the Funds described herein. The Listing Exchange has received Commission approval pursuant to Section 19(b) of the Exchange Act of rules applicable to the trading of the Shares (Rel. No. 34-57801)(May 8, 2008). In addition, the Commission granted the requested relief to the Trust from the application of certain sections of the Investment Company Act of 1940 (“1940 Act”) and the rules promulgated thereunder (Rel. No. IC -28174)(February 27, 2008).

² In the future, the Trust may determine to list Shares on a Market other than the Listing Exchange. If the Trust lists Shares on a Market other than the Listing Exchange, Shares will be listed in accordance with exchange listing standards that are, or will become, effective pursuant to Section 19(b) of the Exchange Act. If the Shares also trade on a Market pursuant to unlisted trading privileges, such trading will be conducted pursuant to self-regulatory organization rules that have become effective pursuant to Exchange Act Section 19(b).

The Trust intends to create the following new series: WisdomTree Dreyfus Australian Dollar Fund (“Australian Dollar Fund”), WisdomTree Dreyfus Brazilian Real Fund (“Brazilian Real Fund”), WisdomTree Dreyfus British Pound Sterling Fund (“Pound Sterling Fund”), WisdomTree Dreyfus Canadian Dollar Fund (“Canadian Dollar Fund”), WisdomTree Dreyfus Chinese Yuan Fund (“Chinese Yuan Fund”), WisdomTree Dreyfus Euro Fund (“Euro Fund”), WisdomTree Dreyfus Indian Rupee Fund (“Rupee Fund”), WisdomTree Dreyfus Japanese Yen Fund (“Yen Fund”), WisdomTree Dreyfus New Zealand Dollar Fund (“New Zealand Dollar Fund”), WisdomTree Dreyfus South African Rand Fund (“South African Rand Fund”), WisdomTree Dreyfus South Korean Won Fund (“Korean Won Fund”) (each, an “International Currency Income Fund”) and the WisdomTree U.S. Current Income Fund (the “U.S. Current Income Fund”). Each Fund is intended to operate as an exchange traded fund organized as an open-end investment company (an “ETF”).

The Staff has previously issued relief substantially identical to that requested herein to index based ETFs that are listed and traded on a national securities exchange and that meet certain other conditions (“Prior Index ETFs”).³ The Funds described herein are not index-based and therefore may not rely on such relief. The Trust notes that its proposal — the creation and issuance by an investment company of shares that individually trade on an Exchange, but that in large aggregations can be purchased from and redeemed with the issuing investment company — is no longer novel. The Commission has in the past fourteen years considered and approved many proposals similar to this proposal.⁴ Some of these products have been trading publicly for

³ See Letter from James A. Brigagliano to Wilkie Farr & Gallagher, LLP regarding Class Relief for Fixed Income Exchange Traded Index Funds, dated April 9, 2007 (the “Fixed Income Class Relief Letter”); Letter from James A. Brigagliano to PowerShares Exchange Traded Fund Trust regarding Class Relief for Exchange Traded Index Funds, dated October 24, 2006; Letter from Catherine McGuire, Esq., Chief Counsel Division of Market Regulation to the Securities Industry Association Derivative Products Committee, dated November 21, 2005 (the “SIA” Letter); Letter from James A. Brigagliano, Assistant Director, Division of Market Regulation to Ira Himmerman, Senior Vice-President and General Counsel, Securities Industry Association, dated January 3, 2005 re no action relief from rule 200(g) of Regulation SHO; Letter from James A. Brigagliano, Assistant Director, Division of Market Regulation to Claire P. McGrath, Vice President and Special Counsel, American Stock Exchange LLC, dated August 17, 2001.

⁴ The SEC has previously granted exemptive or no-action relief under Rules 10a-1; 10b-6; 10b-7; 10b-10; 10b-13; 10b-17; 11d1-2; 15c1-5; 15c1-6 and Regulation M under the Exchange Act similar to that requested here. See e.g., Letter from Nancy Sanow, Assistant Director, Division of Market Regulation to James Duffy, Senior Vice President and General Counsel, AMEX, dated January 22, 1993 with respect to trading of SPDR Trust, Series 1; Letter from Nancy Sanow, Assistant Director, Division of Market Regulation to James Duffy, Senior Vice President and General Counsel, AMEX, dated April 21, 1995 with respect to trading of MidCap SPDR Trust; Letters from Larry E. Bergman, Senior Associate Director, Division of Market Regulation to Stuart M. Strauss, Gordon Altman Butowsky, dated December 14, 1998 and December 22, 1998, respecting the trading of the Select Sector SPDR Trust; Letter from James Brigagliano, Assistant Director, Division of Market Regulation to James Duffy, Senior Vice President and General Counsel, AMEX, dated March 3, 1999 with respect to the trading of the Nasdaq 100 Trust; Letter from James Brigagliano, Assistant Director, Division of Market Regulation to Kathleen Moriarty, Carter, Ledyard & Milburn dated May 16, 2000 with respect to the trading of the iShares Trust; Letter from James Brigagliano, Assistant Director, Division of Market Regulation, to Stuart Strauss, Mayer, Brown & Platt dated September 26, 2000 with respect to the trading of the streetTRACKS® Series Trust; Letter from James Brigagliano, Assistant Director, Division of Market Regulation to W. John McGuire, Morgan, Lewis & Bockius LLP dated July 25, 2002 with respect to the trading of various series funds of the iShares Trust; Letter from James Brigagliano, Assistant Director, Division of Market Regulation, to Stuart Strauss, Mayer, Brown Rowe & Maw dated October 21, 2002 with respect to the trading of the FrescoSM Index Shares Fund; Letter from James Brigagliano, Assistant

years, and the Trust is not aware of any abuses associated with them. Indeed, several of the products have been so embraced by investors that they routinely are among the highest volume securities on the exchanges on which they trade. In addition, the SEC has granted substantially identical relief to the other series of the Trust.⁵

Unlike Prior Index ETFs which have received exemptive and no-action relief, the investment adviser to each Fund will select securities consistent with the Fund's investment objective and policies without reference to the composition of an index. The Staff has recently issued relief substantially identical to that requested herein to non-index based or "actively managed" ETFs ("Actively Managed ETFs"; together with the Prior Index ETFs, the "Prior ETFs"), that are listed and traded on a national securities exchange and that meet certain other conditions.⁶ Each Fund will operate in a manner substantially identical to the Prior ETFs. For example, each Fund will disclose its portfolio holdings on a daily basis. In addition information about the prices of the securities and other instruments held by the Funds is readily available from a variety of sources. The Authorized Participants (defined below) and other institutional investors expected to invest in the Funds have access to this information and will be able to make their own assessment of the value of each Fund's portfolio. Moreover, information respecting fluctuations in currency exchange rates, one of the principal factors expected to effect daily fluctuations in the NAV of each Fund (other than the U.S. Current Income Fund), is readily available to the marketplace throughout each Business Day (defined below). Other than not attempting to replicate an index, each Fund, except as specifically described herein, meets the terms of the Fixed Income Class Relief Letter. ETFs limiting their investments to such fixed income securities have been granted relief from Rules 101 and 102 of Regulation M under the Exchange Act by the Class Relief Letter.⁷

Director, Division of Market Regulation to Jack P. Drogin, Morgan, Lewis & Bockius LLP dated September 25, 2003 with respect to the trading of the iShares Lehman U.S. Treasury Inflation Protected Securities Fund and the iShares Lehman U.S. Aggregate Bond Fund (each a series of the iShares Trust).

⁵ See Letter from James A. Brigagliano, Acting Associate Director, Division of Market Regulation, to Kathleen H. Moriarty, Carter, Ledyard & Milburn, dated June 15, 2006; Letter from James A. Brigagliano, Acting Associate Director, Division of Market Regulation, to Richard F. Morris, WisdomTree Investments, Inc., dated October 12, 2006.

⁶ Letter from Josephine J. Tao, Assistant Director, Division of Trading and Markets, to Foley & Lardner LLP regarding Bear Stearns Active ETF Trust, dated March 24, 2008; Letter from James A. Brigagliano, Associate Director, Division of Trading and Markets, to Clifford Chance US LLP regarding PowerShares Actively Managed Exchange Traded Fund Trust, dated April 4, 2008.

⁷ In the Fixed Income Class Relief Letter, relief from Rules 101 and 102 of Regulation M under the Exchange Act was conditioned on the representation that: (i) no component security (excluding a Treasury Security) may represent more than 30% of the weight of the fixed income ETF; (ii) the five highest component securities in the fixed income ETF may account for more than 65% of the aggregate of the fixed income ETF; and (iii) the fixed income ETF (except where the fund consists entirely of exempted securities) must include a minimum of 13 non-affiliated issuers. These conditions were not required, however, where the fixed income ETF was wholly comprised by non-convertible fixed income securities that are rated "investment grade" by at least one NRSRO.

The Commission has also granted exemptive and no-action relief to exchange traded products (“ETPs”) that are not organized as investment companies but that also seek to provide exposure to a foreign currency.⁸ None of these ETPs tracks an index.

For these reasons, we do not believe that the Funds raise any significant new regulatory issues.

This Letter is divided into six parts. Part I is a description of the Trust and the Funds, Part II is a description of the Trust’s disclosure documents with respect to its Shares, Part III is a comparison of the Trust against Prior ETFs, Part IV contains a discussion of the dissemination of information regarding Shares, Part V contains the requests for relief and Part VI is the conclusion.

PART I

A. The Trust And Its Funds

The Trust was organized as a Delaware statutory trust on December 15, 2005 and is authorized to have multiple series or portfolios, twelve (12) of which are the subject of this request. The Trust is registered with the Commission under the Investment Company Act of 1940, as amended (“1940 Act”), as an open-end management investment company and currently offers forty (40) separate investment portfolios.

The Trust intends to list the Shares on NYSE Arca (“Arca”). The Trust will offer and sell such shares pursuant to an amendment to its Registration Statement (Registration Nos. 811-21864 and 333-132380) on Form N-1A under the 1940 Act and the Securities Act of 1933 (“1933 Act”). A Registration Statement describing the Funds was filed with the SEC on January 4, 2008 and became effective on April 8, 2008.

The U.S. Current Income Fund seeks to earn current income while preserving capital and maintaining liquidity by investing primarily in very short term, high-quality money market securities denominated in U.S. dollars. Eligible investments include commercial paper, time deposits and certificates of deposits, asset-backed securities, corporate notes, government securities (as defined in section 3(a)(42) of the Exchange Act) (“Government Securities”) and repurchase agreements.

Each of the Australian Dollar Fund, British Pound Sterling Fund, Canadian Dollar Fund, Euro Fund and Japanese Yen Fund (i) seeks to earn current income reflective of money market rates available to foreign investors in the specified country or region, and (ii) seeks to maintain liquidity and preserve capital measured in the currency of the specified country or region. Each of these Funds intends to invest primarily in very short term, investment grade money market securities denominated in the non-U.S. currency specified in its name. Eligible investments include Foreign Government Securities (defined below), bank debt obligations and time deposits, bankers' acceptances, commercial paper, short-term corporate debt obligations, mortgage-backed securities and asset-backed securities.

⁸ See Letter from James A. Brigagliano, Assistant Director, Division of Market Regulation to George T. Simon, Foley & Lardner, LLP, dated December 5, 2005, with respect to the Euro Currency Trust.

Each of the Brazilian Real Fund, Chinese Yuan Fund, Indian Rupee Fund, New Zealand Dollar Fund, South African Rand Fund, and South Korean Won Fund seeks (i) to earn current income reflective of money market rates available to foreign investors in the specified country, and (ii) to provide exposure to changes in the value of the designated non-U.S. currency relative to the U.S. Dollar. Each of these Funds intends to achieve exposure to the non-U.S. market designated by its name using the following strategy. Each of the Funds will invest primarily in short term U.S. money market securities. In addition, each such Fund will invest a smaller portion of its assets in forward currency contracts and swaps designed to provide exposure to exchange rates and/or money market instruments available to foreign investors in the non-U.S. market designated in the Fund's name. The combination of U.S. money market securities with forward currency contracts and currency swaps is designed to create a position economically similar to a money market instrument denominated in a non-U.S. currency.

Each Fund intends to invest substantially all of its assets in non-convertible fixed income securities and U.S. or non-U.S. money market securities that are rated "investment grade" by at least one nationally recognized statistical ratings organization. No portfolio security held by a Fund (other than Government Securities and similar obligations of foreign governments or agencies of foreign governments ("Foreign Government Securities")) will represent more than 30% of the weight of a Fund and the five highest weighted portfolio securities of a Fund (other than Government Securities and/or Foreign Government Securities) will not in the aggregate account for more than 65% of the weight of a Fund. Each Fund intends to diversify that portion of its portfolio not invested in Government Securities and/or Foreign Government Securities by investing in multiple non-affiliated issuers.

B. Other Parties

1. Adviser and Sub-Adviser

Each Fund will be advised by WisdomTree Asset Management, Inc. ("Adviser") pursuant to an Investment Advisory Agreement between the Trust and the Adviser. WisdomTree Asset Management is a Delaware corporation registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). The Adviser has offices located at 380 Madison Avenue, 21st Floor, New York NY 10017. The Adviser is not affiliated (within the meaning of Section 2(a)(3) of the 1940 Act) with Arca or any other Market, or the Distributor (as defined below). The Adviser may designate one or more sub-advisers (each, a "Sub-Adviser") for each Fund. The Sub-Adviser to the U.S. Current Income Fund is Mellon Capital Management Corporation and the Sub-Adviser to the International Currency Income Funds is The Dreyfus Corporation.

The Adviser or the Sub-Adviser chooses each Fund's portfolio investments and places orders to buy and sell each Fund's portfolio investments. Any Sub-Adviser will not be affiliated (within the meaning of Section 2(a)(3) of the 1940 Act) with the Adviser, the Distributor, the Arca or any other Market.

2. Distributor and Authorized Participants

ALPS Distributors, Inc., a broker-dealer registered under the Exchange Act and a member of the National Association of Securities Dealers, Inc. ("NASD"), will act as the Distributor and principal underwriter of the Creation Units of Shares ("Distributor"). The Distributor will distribute Shares on an agency basis. The Distributor is not affiliated (within the meaning of Section 2(a)(3) of the 1940 Act) with the Adviser, Sub-Adviser, the NYSE, the AMEX or any other Market.

Entities that have entered into an agreement with the Distributor to become "Authorized Participants" may place orders with the Distributor to purchase or redeem Creation Units, as described in Part II D. below. The Authorized Participants are not affiliated (within the meaning of Section 2(a)(3) of the 1940 Act) with the Adviser, Sub-Adviser, Arca or any other Market.

3. Administrator/Custodian/Transfer Agent/Securities Lending Agent/Fund Accounting Agent

The Trust may appoint the Adviser or other service providers to act as administrator ("Administrator"), custodian ("Custodian"), transfer agent ("Transfer Agent"), Fund Accounting Agent ("Fund Accounting Agent") and securities lending agent ("Securities Lending Agent") for the Trust. The identity of the Adviser, Sub-Adviser, Administrator, Custodian, Transfer Agent and Fund Accounting Agent will be disclosed in the Prospectus. If any such persons are "affiliated" persons within the meaning of Section 2(a)(3) of the 1940 Act with the Trust, the Adviser or the Distributor, such affiliation will also be disclosed and the performance of their duties and obligations will be conducted within the provisions of the 1940 Act and the rules thereunder.

C. Shares

As described in subparts I.D. through I.F. below, each Fund will issue and redeem its Shares only in aggregations of 50,000 Shares or multiples thereof ("Creation Units"). Shares will not be individually redeemable; only Shares combined into Creation Units will be redeemable. The Trust intends that the initial NAV of Shares will be established at a level convenient for trading purposes.⁹ Purchasers of Creation Units will be able to unbundle the Creation Units into the individual Shares comprising such Creation Unit.

It is not expected that the Funds' Distributor will maintain a secondary market in individual Shares. The Listing Exchange will designate one or more member firms to act as a "Lead Market Maker" responsible for maintaining depth and quality of trading in the Shares. The "Lead Market Maker" has quote and execution obligations and the responsibility for keeping tight spreads in the Shares. The Shares will trade on the Listing Exchange in a manner similar to the shares of the Prior ETFs that are listed on Arca or another Market.¹⁰

⁹ The Trust believes that a convenient trading range will be between \$25 - \$100 per Share and the Trust reserves the right to declare a share split, or a reverse share split, if the trading price over time deviates significantly from such price range. Each shareholder will have one vote per Share.

¹⁰ The Trust expects that the trading of Shares on any other Market would be conducted in a similar manner.

Shares will be registered in book-entry form only; the Funds will not issue individual certificates for Shares. The Depository Trust Company (“DTC”) will serve as securities depository for Shares and DTC or its nominee will be the record or registered owner of all outstanding Shares. Beneficial ownership of Shares will be shown on the records of DTC or a broker-dealer that is a participant in DTC (a “DTC Participant”). Beneficial owners of Shares (“Beneficial Owners”) will receive, at the relevant Fund’s expense, all of the statements, notices, and reports required under the 1940 Act and other applicable laws (“Required Materials”).

The Trust understands that under existing industry practice, in the event the Trust requests any action of Beneficial Owners of Shares, or a Beneficial Owner desires to take any action that DTC, as the record owner of all outstanding Shares, is entitled to take, DTC would authorize the DTC Participants to take such action and that the DTC Participants would authorize the indirect participants and Beneficial Owners acting through such DTC Participants to take such action and would otherwise act upon the instructions of Beneficial Owners owning Shares through them. As described above, the Trust will recognize DTC or its nominee as the record owner of Shares for all purposes.

Accordingly, to exercise any rights of a holder of Shares, each Beneficial Owner must rely upon the procedures of (1) DTC, (2) DTC Participants and (3) brokers, dealers, banks and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly, through which such Beneficial Owner holds its interest. Moreover, because the Trust’s records will reflect ownership of Shares by DTC only, the Trust will furnish the Required Materials to the DTC Participants who, in turn, will be responsible for distributing them to the Beneficial Owners. This arrangement is identical to that of all Prior ETFs.

D. Purchasing Shares

The Trust will offer, issue and sell Shares of each Fund in Creation Units through the Distributor on a continuous basis at the net asset value (sometimes referred to herein as “NAV”) per share next determined after receipt of an order in proper form. The NAV of each Fund is expected to be determined as of the close of the regular trading session on the New York Stock Exchange (“NYSE”) (ordinarily 4:00 p.m. Eastern Time (“ET”)), on each day that the NYSE is open for business (each such day a “Business Day”). The Trust will sell and redeem Creation Units of each Fund on every Business Day and will not suspend the right of redemption or postpone the date of payment or satisfaction upon redemption for more than seven days, other than (a) any period during which the NYSE is closed other than customary weekend and holiday closings, (b) any period during which trading on the NYSE is restricted, (c) any period during which an emergency exists as a result of which disposal by the Trust of securities owned by it is not reasonably practicable or it is not reasonably practicable for the Trust to determine the value of its net assets, and (d) for such other periods as the Commission has by order permitted in connection with certain international funds and may by order permit for the protection of holders of Shares. Each Fund will always have a fixed number of Shares in a Creation Unit as specified in the Prospectus for such Fund.¹¹

¹¹ Assuming a Creation Unit of 50,000 Shares and \$25 per Share price for a Fund as of the first day of trading on the Listing Exchange, the Creation Unit value on such day would be \$1,250,000.

As discussed above, individual Shares will be listed on the Listing Exchange (or another Market) and traded in the secondary market in the same manner as other equity securities and the units or shares (as the case may be) of Prior ETFs currently listed and trading thereon. The price of Shares trading in the secondary market will be based on a current bid/offer market. No secondary sales will be made to brokers or dealers at a concession by the Distributor or by any Fund. Transactions involving the sale of Shares in the secondary market -- which will be between purchasers and sellers and will not involve a Fund -- will be subject to customary brokerage commissions and charges. This also is the method employed by SPDRs, BLDRS, streetTRACKS, iShares, VIPERs, Select Sector SPDRs, and the individual securities of other Prior ETFs. Like those products, the price at which Shares trade will be disciplined by arbitrage opportunities created by the ability to purchase or redeem Creation Units at NAV, which should ensure that Shares do not trade at a material premium or discount in relation to NAV.

Redemptions of Shares of each Fund in Creation Units will be made by the Trust in a similar manner, but the process is reversed. Shares may only be directly purchased, or redeemed, by or through an entity which is an "Authorized Participant" (i.e. (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the NSCC, a clearing agency that is registered with the SEC; or a DTC Participant, and (ii) which has executed an agreement with the Distributor with respect to creations and redemptions of Creation Unit Aggregations. Authorized Participants may be, but are not required to be, members of the Primary Listing Market. Authorized Participants are generally broker-dealers and are not compensated by the Trust or any Fund in connection with the issuance or redemption of Shares.

E. Procedures Applicable To Purchases Of Funds

1. Deposits of Currency and/or Securities.

To purchase Shares directly from a Fund, an Authorized Participant must deposit with such Fund the required securities, non-U.S. currency and/or cash (the "Portfolio Deposit"). Each Business Day, prior to the opening of trading on the Listing Exchange, the Adviser or Sub-Adviser will make available through the National Securities Clearing Corporation ("NSCC") the required Portfolio Deposit.

2. Placement of Purchase Orders.

As mentioned above, all purchase orders for Shares in Creation Units of a Fund must be placed by or through an Authorized Participant. A purchase order must be received by the Distributor prior to a Fund's purchase cut-off time (, in order to receive that day's NAV per Share. All other procedures set forth in the Participant Agreement must be followed in order for an Authorized Participant to receive the NAV determined on that day. For each Fund (other than the Current Income Fund), the Custodian shall cause any sub-custodian(s) of the Fund to maintain an account into which the Authorized Participant shall deliver, on behalf of itself or the party on whose behalf it is acting, the Portfolio Deposit, with any appropriate adjustments as advised by the Trust.

Purchases of Creation Units of Shares of a Fund by an Authorized Participant generally will settle no later than the third (3rd) Business Day following the Transmittal Date (generally

expressed as "T+3").¹² However, when a relevant local market is closed due to local market holidays, the local market settlement process will not commence until the end of the local holiday period.

3. Transaction Fee on Purchases of Creation Units.

The Trust may impose transaction fees ("Transaction Fees") in connection with the purchase of Creation Units. The exact amount of any such Transaction Fees for each Fund will be determined by the Trust. The purpose of this fee is to protect the continuing shareholders of the Trust against the possible dilutive transactional expenses including operational processing and brokerage costs associated with establishing and liquidating portfolio positions in connection with the purchase of Creation Units.

The maximum Transaction Fee, and any variations or waivers thereof, will be fully disclosed in the current Prospectus. From time to time and for such periods as the Trust in its sole discretion may determine, the Transaction Fees for purchase or redemption of Creation Units of a Fund may be increased, decreased or otherwise modified. Such changes and variations will be effected by an amendment or supplement to the then current Registration Statement for such Fund. Such Transaction Fees will be limited to amounts that will have been determined by the Adviser to be appropriate and will take into account transaction and operational processing costs associated with the recent purchases and sales of the securities held by the Trust. In all cases such Transaction Fees will be limited in accordance with requirements of the Commission applicable to management investment companies offering redeemable securities.

F. Procedures Applicable To Redemptions Of Funds

1. Redemption Proceeds.

For Funds investing in Non-U.S. Money Market Securities, the payment upon redemption ("Redemption Payment") generally will consist of a specified amount of non-U.S. currency and/or non-U.S. money market securities and cash for the Current Income Fund, the Redemption Payment will consist of a fixed amount of U.S. dollars and/or designated U.S. Money Market Securities and a Balancing Amount. The Redemption Payment for a Fund also may consist entirely of cash in an amount equal to the NAV of a Creation Unit. The Adviser or Sub-Adviser will make the composition of the Redemption Payment available through NSCC, DTC or the Distributor.

2. Placement of Redemption Orders.

Orders to redeem Shares in Creation Units of the Funds must be delivered by an Authorized Participant; investors other than Authorized Participants are responsible for making arrangements for a redemption request to be made through an Authorized Participant. An order to redeem Shares in Creation Unit(s) of any Fund is deemed received by the Trust on the Transmittal Date if: (i) such order is received by the Transfer Agent not later than such Fund's

¹² To the extent that the standard for the delivery and settlement of Deposit Securities is shortened from T+3 to T+2, T+1 or even T, the time for the delivery and settlement of purchases or redemptions of Creation Units of Shares of a Fund by an Authorized Participant may be similarly shortened.

redemption cut-off time on the Transmittal Date; (ii) such order is accompanied or followed by the requisite number of Shares of the Fund specified in such order; and (iii) all other procedures set forth in the Participant Agreement are properly followed. Deliveries of Portfolio Securities to redeeming Authorized Participants generally will be made within three Business Days.

Because the Portfolio Securities and relevant currency of a Fund may trade on days that the listing exchange for the Fund is closed or are otherwise not Business Days for such Fund, stockholders may not be able to redeem their Shares of such Fund, or to purchase and sell shares of such Fund on the listing exchange for the Fund, on days when the NAV of such Fund could be significantly affected by events in the relevant foreign markets.

3. Transaction Fee on Redemption of Creation Units.

The Trust may impose Transaction Fees in connection with the redemption of Creation Units of a Fund. The exact amount of any Transaction Fee will be determined by the Trust for such Fund. The purpose of this fee is to protect the continuing shareholders of the Trust against the possible dilutive transactional expenses including operational processing and brokerage costs associated with establishing and liquidating portfolio positions in connection with the redemption of Creation Units.

An Authorized Participant may request a redemption in cash which a Fund may, in its sole discretion, permit. Authorized Participants that elect to receive cash in lieu of one or more securities in the redemption basket are subject to an additional charge determined at the discretion of a Fund. The Transaction Fee is paid to a Fund, and it protects existing shareholders of a Fund from the expenses associated with the redemption of Creation Units.

G. Dividend Reinvestment Service

The Trust will not make the DTC book-entry Dividend Reinvestment Service available for use by Beneficial Owners for reinvestment of their cash proceeds, but certain individual brokers may make a dividend reinvestment service available to their clients. The Prospectus will inform investors of this fact and direct interested investors to contact such investor's broker to ascertain the availability and a description of such a service through such broker. The Prospectus will also caution interested Beneficial Owners that they should note that each broker may require investors to adhere to specific procedures and timetables in order to participate in the service and such investors should ascertain from their broker such necessary details. Shares acquired pursuant to such service will be held by the Beneficial Owners in the same manner, and subject to the same terms and conditions, as for original ownership of Shares. Brokerage commissions charges and other costs, if any, incurred in purchasing Shares in the secondary market with the cash from the distributions generally will be an expense borne by the individual Beneficial Owners participating in reinvestment through such service.

H. Potential Investors And Users Of Shares

The Adviser believes there will be three main types of market participants interested in buying and selling Shares in Creation Units:

- (1) institutional investors who wish to keep a portion of their portfolio tracking one or more non-U.S. currencies or who seek exposure to U.S. and Non-U.S. Money Market Securities, and who choose Shares because they are a cost effective means to do so and/or because they can be bought and sold intra-day, unlike most investment company securities;
- (2) arbitrageurs who seek to profit from any slight premium or discount in the market price of individual Shares on the Exchange versus the NAV of those Shares; and
- (3) the Lead Market Maker, who may from time to time find it appropriate to purchase or redeem Creation Units in connection with its market-making activities on the Primary Listing Market.

The Adviser expects that secondary market purchasers of Shares will include both institutional and retail investors as is the case for current ETFs.

PART II

A. Disclosure Documents

The primary disclosure documents with respect to the Shares will be the Prospectus for each Fund. As with all investment company securities, the purchase of Shares in Creation Units from any Fund will be accompanied or preceded by a Prospectus.

With respect to disclosure in the Prospectus concerning the non-redeemability of Shares, the Trust and the Funds will observe the following policies: (1) the term "mutual fund" will not be used except to compare and contrast the Trust or a Fund with conventional mutual funds; (2) the term "open-end management investment company" will be used in the Prospectus only to the extent required by Form N-1A or other securities law requirements and this phrase will not be included on the prospectus cover page or summary; (3) the front cover page of the Prospectus and the prospectus summary will include a distinct paragraph or paragraphs setting forth the fact that Shares will be listed on a Market (which will be identified) and will be individually non-redeemable; (4) the Prospectus will disclose that the owners of Shares may acquire those Shares from a Fund, and tender those Shares for redemption to the Fund, only in Creation Units; and (5) the Prospectus will clearly disclose that individual Shares prices may be below, above, or at the most recently calculated NAV.

The Prospectus will also indicate that the proposed method by which Shares will be purchased and traded may raise certain issues under applicable securities laws. Similar disclosure is made in the prospectuses for the Prior ETFs currently trading on a Market. As described above, Shares in Creation Units will be offered continuously to the public. Because new Shares may be created and issued on an ongoing basis, at any point during the life of the relevant Fund, a "distribution," as such term is used in the 1933 Act, may be occurring. Broker-dealers and other persons will be cautioned in the Prospectus that some activities on their part may, depending on the circumstances, result in their being deemed participants in a distribution in a manner which could render them statutory underwriters and subject them to the prospectus delivery and liability provisions of the 1933 Act. The Prospectus will also state that a determination of whether one is an underwriter must take into account all the facts and

circumstances pertaining to the activities of the broker-dealer or its client in the particular cases, and may provide examples of activities that could lead to categorization as an underwriter. The Prospectus will also state that dealers who are not “underwriters,” but are participating in a distribution (as contrasted to ordinary secondary trading transactions), and thus dealing with Shares that are part of an “unsold allotment” within the meaning of Section 4(3)(c) of the 1933 Act, would be unable to take advantage of the prospectus-delivery exemption provided by Section 4(3) of the 1933 Act.¹³

The Distributor will coordinate the production and distribution of the Prospectus to broker-dealers. It will be the responsibility of the broker-dealers to ensure that a Prospectus is provided to each secondary market purchaser of Shares.

B. Website

As discussed more fully in Part IV.B. below, the portfolio holdings of each Fund will be disclosed on the public website of the Primary Listing Market and/or the Trust.¹⁴ The Trust’s agent will calculate the Estimated NAV (discussed in Part IV.C. below) for each Fund. The Estimated NAV will be disseminated by the Primary Listing Market.

PART III

Comparison Of The Funds To The Prior ETFs That Have Sought Similar Commission Action And Received Similar Relief.

The Funds will operate in a manner substantially identical to the operation of the Prior ETFs. The Relief requested in this Letter is substantially identical to the relief granted by the Commission to the Prior ETFs.

¹³ The Trust notes that prospectus delivery is not required in certain instances, including purchases of Shares by an investor who has previously been delivered a prospectus (until such prospectus is supplemented or otherwise updated) and unsolicited brokers’ transactions in Shares (pursuant to Section 4(4) of the 1933 Act). Also, firms that do incur a prospectus-delivery obligation with respect to Shares will be reminded that under Securities Act Rule 153, a prospectus-delivery obligation under Section 5(b)(2) of the Securities Act owed to a member of the Market in connection with a sale on such Market, is satisfied by the fact that the Prospectus are available at such Market upon request. The Prospectus also will note that the prospectus delivery mechanism provided in Rule 153 is only available with respect to transactions on the Market.

¹⁴ The Trust will comply with its obligations, imposed by recent amendments to Form N-1A, to disclose in its policies and procedures with respect to the disclosure of its portfolio securities and to state in its Prospectus that a description of each Fund’s policies and procedures is available in the SAI. See Release No. IC-26418.

PART IV

A. Availability Of Information Regarding Funds And Shares

1. General.

The daily NAV for each Fund will be calculated by the Funds' accounting agent and disseminated each Business Day by the Fund. The NAV of each Fund generally will be calculated each Business Day as of the close of the NYSE and posted on the Funds' website shortly thereafter. It is the policy of the Trust to make the NAV of each ETF available to all market participants at the same time.

2. Information Provided to Authorized Participants.

All Authorized Participants may access the information described below. Applicants note that Authorized Participants that are not also NSCC members may have to either join NSCC or obtain the portfolio composition file ("PCF") from a third-party data vendor.

3. Dissemination of Information about Creation and Redemption Baskets.

As discussed above, the Adviser or Sub-Adviser will make available through NSCC, DTC or the Distributor on each Business Day, prior to the opening of trading on the NYSE, the Foreign Currency Deposit, the Foreign Currency Redemption Amount and the Balancing Amount effective as of the previous Business Day, per outstanding Fund Share of each Fund. A list of the names and amount of each security constituting the Deposit Securities or Redemption Securities will also be made available each Business Day.

B. Dissemination Of Information About Each Fund's Portfolio Securities

The closing prices of each Fund's portfolio securities ("Portfolio Securities") are readily available from, as applicable, automated quotation systems, public sources, such as newspapers and other publications, and from a variety of on-line information services, such as Quotron, Bloomberg or Reuters, and other pricing services.

In addition, prior to the opening of the NYSE each Business Day, each Fund will disclose on the Funds' website ("Website") the identities and quantities of the money market securities and other assets held by the Fund (i.e., the Portfolio Securities) that will form the basis for the calculation of NAV at the end of such Business Day. The Website will be publicly accessible at no charge. This information will form the basis for such Fund's NAV calculation as of 4:00 pm ET on that Business Day.

C. Dissemination Of Information About Funds And Their Shares

In order to provide current Share pricing information for each Fund for use by investors, professionals and persons wishing to create or redeem Shares, the Listing Exchange will disseminate: (i) continuously throughout the trading day, through the facilities of the consolidated tape, the market value of a Share, and (ii) every 15 seconds throughout the trading day, separately from the consolidated tape, a calculation of the estimated NAV ("Estimated

NAV”) of a Share.¹⁵ Comparing these two figures allows an investor to determine whether, and to what extent, Shares are selling at a premium or a discount to NAV.

As with other Market listed stocks, Shares’ closing prices, and certain other daily trading information, such as market prices and volume of Shares, will be broadly available on a real time basis throughout the trading day. The Trust expects that the previous day’s closing price and volume information will be published daily in the financial sections of many newspapers. In addition, the Trust expects, given the past history of Prior ETFs, that Shares will be followed by stock market and mutual fund professionals as well as investment advisers who will offer their analysis of why investors should purchase, hold, sell or avoid Shares. Market listing of Shares should help ensure that there is a substantial amount of raw data available, and that such data is packaged, analyzed and widely disseminated to the investing public. Also, the Listing Exchange intends to disseminate a variety of data with respect to Shares on a daily basis by means of CTA and CQ High Speed Lines including: information as of the previous day’s close with respect to NAV and the number of Shares outstanding. The Trust has been advised that similar information will be provided in connection with Shares of each Fund primarily listed on a Market other than the Listing Exchange.

The Website will also contain the following information on a per Share basis, for each Fund: (i) the prior business day’s closing NAV and closing market price (based on the mid-point of the bid-asked spread at the time the Fund’s NAV is calculated or the close of ETF trading on the Listing Exchange (“Bid-Asked Price”)), and a calculation of the premium or discount of the Bid-Asked Price in relation to the closing NAV; and (2) data for a period covering at least the four previous calendar quarters (or life of a Fund, if shorter) indicating how frequently each Fund’s Shares traded at a premium or discount to NAV based on the daily Bid-Asked Price and closing NAV, and the magnitude of such premiums and discounts. The Website will also display the Prospectus, and additional quantitative information that is updated on a daily basis.

PART V

A. Requests For Relief - Introduction

The Trust, on behalf of itself, the Listing Exchange, other Markets, the Distributor, Authorized Participants and persons or entities engaging in transactions in the Shares, requests that the Commission grant exemptive, interpretive or no-action relief from Section 11(d)(1) Exchange Act, 10b-10, 10b-17, 11d1-2, 15c1-5, and 15c1-6 under the Exchange Act and Rules

¹⁵ The Estimated NAV of each Fund’s Shares is calculated by taking the value of the Foreign Currency Deposit and/or Deposit Security (converted into dollars based on current foreign currency exchange rates) by the number of shares of that security contained in the Creation Deposit, adding the resulting figure to the previous day’s Balancing Amount or the estimated Balancing Amount, and dividing that sum by the number of Shares in a Creation Unit. The value of each Deposit Security will be either its most recent closing price or its then-current market price on its primary trading market, depending on whether the particular security trades in a country whose markets have closed or are still open. Throughout the U.S. trading day at 15-second intervals, the vendor will recalculate the estimated NAV of a Fund’s Shares to reflect changes in market values (for those Deposit Securities trading in countries whose markets are open) and changes in foreign currency exchange rates.

101 and 102 of Regulation M. As noted above, this requested relief is substantially similar to relief granted to the Prior ETFs currently trading on a Market and to the other series of the Trust .

1. Rule 10b-10.

Rule 10b-10 requires a broker or dealer effecting a transaction in a security for a customer to give or send written notification to such customer disclosing the information specified in paragraph (a) of Rule 10b-10, including the identity, price and number of shares or units (or principal amount) of the security purchased or sold. The Trust requests that the Commission provide exemptive relief from application of the Rule, as discussed below, with respect to the creation (*i.e.*, issuance) or redemption of Shares (all of which are in Creation Unit size aggregations). The Trust is not requesting exemptive or interpretive relief from Rule 10b-10 in connection with purchases and sales of Shares in the secondary market.

The Trust proposes that broker-dealers acting for their customers in either depositing Deposit Securities in exchange for Creation Units or redeeming Shares in Creation Unit size aggregations for Redemption Securities be permitted to provide such customers with a statement of the number of Creation Units created or redeemed without providing a statement of the identity, number and price of shares of individual Deposit Securities included in the Portfolio Deposit tendered to the Trust for purposes of creation of Creation Units, or the identity, number and price of shares of Redemption Securities to be delivered by the Trust to the redeeming holder. The composition of the Deposit Securities, if any, required to be tendered to the Trust through the Custodian for creation purposes and of the Redemption Securities, if any, to be delivered on redemption will be disseminated by the Custodian on each Business Day and will be applicable to requests for creations or redemption, as the case may be, on that day. This information will be made available to requesting broker-dealers or other persons through the NSCC. Moreover, institutions and market professionals will be readily able to calculate independently such information based on publicly available information. The Trust anticipates that any institution or broker-dealer engaging in creation or redemption transactions would have done so only with knowledge of the composition of the applicable Deposit Securities or the Redemption Securities to be received on redemption, so that specific information on the Deposit Securities or the Redemption Payment to be received on redemption in the Rule 10b-10 notification would be redundant.

The Trust agrees that any exemptive or interpretive relief under Rule 10b-10 with respect to creations and redemptions be subject to the following conditions:

- (1) Confirmation statements of creation and redemption transactions in Shares will contain all of the information specified in paragraph (a) of Rule 10b-10 other than identity, price, and number of shares of each component security of the Deposit Securities or Redemption Securities tendered or received by the customer in the transaction;
- (2) Any confirmation statement of a creation or redemption transaction in Shares that omits the identity, price, or number of shares of component securities will contain a statement that such omitted information will be provided to the customer upon request; and
- (3) All such requests will be fulfilled in a timely manner in accordance with paragraph (c) of Rule 10b-10.

2. Rule 10b-17.

Rule 10b-17 requires an issuer of a class of publicly traded securities to give notice of certain specified actions (*e.g.*, dividends, stock splits, rights offerings) relating to such class of securities in accordance with Rule 10b-17(b). Paragraph (c) of the Rule, however, states that the Rule shall not apply to redeemable securities issued by open-end investment companies and unit investment trusts registered under the 1940 Act. Except for the fact that redemption is subject to the minimum condition of tendering 50,000 Shares, the Trust is intended to function like any other open-end fund continuously offering its shares. It is in recognition of the foregoing that the Division of Investment Management issued an order permitting the Trust to issue shares with limited redeemability while still treating the Trust like any other open-end investment company. In addition, compliance with Rule 10b-17 would be impractical in light of the nature of the Funds. This is because it is not possible for the Trust to accurately project ten days in advance what dividend, if any, would be paid on a particular record date. Therefore, the exemption under paragraph (c) of Rule 10b-17, which covers open-end investment companies with fully redeemable shares, should be applicable to the Trust.

3. Section 11(d)(1): Rule 11d1-2.

Section 11(d)(1) of the Exchange Act generally prohibits a person who is a broker-dealer from effecting any transaction in which the broker-dealer extends credit to a customer on any security which was part of a new issue in the distribution of which he participated as a member of a selling syndicate or group within thirty days prior to such transaction. Rule 11d1-2 provides an exemption from Section 11(d)(1) for securities issued by a registered open-end investment company or unit investment trust with respect to transactions by a broker-dealer who extends credit on such security, provided the person to whom credit has been extended has owned the security for more than thirty days.

The Staff has previously issued class relief under Section 11(d)(1) and Rule 11d1-2 with respect to ETFs which meet certain conditions (the "SIA Letter").¹⁶ The Trust requests that similar relief be extended to the Trust subject to the identical conditions enumerated in the SIA Letter. Under the conditions of the SIA Letter, the only compensation a broker-dealer will receive for representing a customer in purchasing Shares is the commission charged to that customer, which in all likelihood is the same compensation the broker-dealer would receive in connection with any stock purchase by a customer. Therefore, there is no special financial incentive to a broker-dealer, except the broker-dealer's regular commission, to engage in secondary market transactions in Shares, whether as principal or agent. In view of the foregoing, the Trust does not believe that application of the thirty-day restriction in Rule 11d1-2 to broker-dealers does not furthers the purpose of Section 11(d)(1) or Rule 11d1-2.

4. Rules 15c1-5 and 15c1-6.

Rule 15c1-5 requires a broker or dealer controlled by, controlling, or under common control with, the issuer of a security who induces the purchase or sale by a customer of a security, to disclose the existence of such control before entering into a contract with or for such customer for the purchase or sale of such security. Rule 15c1-6 requires a broker or dealer to send a customer written notification of its participation in the primary or secondary distribution

¹⁶ See SIA Letter, *supra* n. 3.

of any security in which it effects any transaction in or for such customer's account or induces the purchase or sale of such security by such customer.

The Trust believes that disclosure by a broker-dealer of a control relationship with the issuer of a portfolio security held by the Fund, or of a participation in the distribution of one of the Fund's portfolio securities, would impose an unnecessary and unjustifiable burden on broker-dealers engaging in Share transactions for their customers. There is no realistic potential for manipulating one of the Fund's portfolio securities' market price by means of transactions in Shares. Such a strategy would be both expensive and inefficient and, moreover, the Fund will not own more than 10% of any one company's voting securities. Application of the Rules 15c1-5 and Rule 15c1-16 could adversely affect the attractiveness of the Shares to broker-dealers and thereby affect market liquidity and the utility of the Shares as a form of basket trading. The Trust, therefore, requests the Staff to grant no-action relief from application of the rules with respect to creations and redemptions of Shares and secondary market transactions therein.

5. Rule 101 of Regulation M.

The Trust respectfully requests that the Commission grant an exemption from Rule 101, as discussed below, to permit persons participating in a distribution of Shares of a Fund to bid for or purchase, redeem or engage in other secondary market transactions in such Shares.

Generally, Rule 101 of Regulation M is an anti-manipulation regulation that, subject to certain exemptions, prohibits any "distribution participant" and "its affiliated purchasers" from bidding for, purchasing from, or attempting to induce any person to bid for or purchase, any security which is the subject of a distribution until after the applicable restricted period, except as specifically permitted in Regulation M. The provisions of Rule 101 apply to underwriters and prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in such distribution.

The Trust understands that while broker-dealers that: (i) tender Portfolio Deposits to the Trust through the Distributor in return for Shares of a Fund in Creation Units; or (ii) redeem Shares of a Fund in Creation Units for receipt of Redemption Securities held by a Fund generally will not be part of a syndicate or selling group, and while no broker-dealer will receive fees, commissions or other remuneration from the Trust or the Distributor for the sale of Shares of a Fund in Creation Units, under certain circumstances such broker-dealers could be deemed to be "underwriters" or "distribution participants" as such terms are defined in Rule 100(b).

Paragraph (c)(4) of Rule 101 exempts from its application, *inter alia*, redeemable securities issued by an open-end management investment company (as such terms are used in the 1940 Act). The Trust is registered as an open-end management investment company under the 1940 Act. However, as discussed above, individual Shares are not redeemable except in Creation Units. Due to the redeemability of the Shares in Creation Units, there should be little disparity between the Shares' market price and their net asset value per Shares. Accordingly, the rationale for exempting redeemable securities of open-end management investment companies from the application of Rule 101 is equally applicable to the Shares. Although redemption is subject to the condition of tendering the appropriate number of Shares of Creation Units, the Trust otherwise will continue to function as an open-end fund continuously offering its Shares. It is in recognition of the special nature of such offerings that open-end management investment company and unit investment trust securities are exempted under paragraph (c)(4). Without such an exemption, they could not operate as intended. In view of the foregoing, the Trust requests

that the Commission confirm that as a result of registration of the Trust as an open-end management investment company and the redeemable nature of the Shares in Creation Units, transactions in the Shares would be exempted from Rule 101 on the basis of the exception contained in (c)(4) of such Rule.

The purpose of Rule 101 is to prevent persons from conditioning the market to facilitate a distribution. Creation Units of Shares may be created and redeemed, in kind (or in cash in certain cases) at net asset value, on any Business Day. Holders of Shares also have the benefit of intra-day secondary market liquidity by virtue of their Market listing. Thus, the secondary market price of Shares should not vary substantially from the net asset value of such Shares. Because of the redeemability of Shares in Creation Units, coupled with the open-end nature of the Trust, any significant disparity between the market price of the Shares and their net asset value should be eliminated by arbitrage activity. Because the net asset value of Shares is largely based on the market value of the relevant Fund Holdings, transactions involving Shares (creations from and redemptions with the Trust, as well as purchases and sales in the secondary market) will not affect net asset value. Similarly, such transactions should not have a significant effect on the market price of Shares.

The Trust also respectfully requests relief from the provisions of Rule 101 to the extent necessary to permit persons or entities that may be deemed to be participating in the distribution of Shares or shares of any Portfolio Securities included as Deposit Securities (i) to purchase Deposit Securities for the purpose of tendering them to a Fund as part of a Creation Deposit, for the purchase of Creation Units of Shares and (ii) to tender Shares for redemption in Creation Units and to receive Redemption Securities as part of redemption proceeds.

The Trust also requests that the Commission clarify that the tender of the Shares to a Fund for redemption and the receipt of Redemption Securities upon redemption does not constitute a bid for or purchase of any of such securities, or an "attempt to induce any person to bid for or purchase a covered security, during the applicable restricted period" for the purposes of Rule 101. Redemption entails no separate bid for any of the Redemption Securities. As described above, following notice of redemption, a Fund will deliver the specified Redemption Securities after the redemption request is received in proper form, except in those cases where redemption proceeds are paid in cash. Absent unusual circumstances, the Trust will not purchase Redemption Securities in the secondary market to fulfill a redemption request. Therefore, redemptions of Shares cannot be expected to affect the market price of the Redemption Securities. As indicated above, the Distributor will not engage in any secondary market transactions in Shares, either for its own account or for investors.

The Trust also notes that, aside from not attempting to replicate an index, each Fund, except as specifically described herein, meets the terms of the Class Relief Letter.¹⁷ That letter granted class relief to fixed income ETFs from Rule 101 under Regulation M.

In view of the lack of any special financial incentive to create Creation Units of Shares, combined with a predictable lack of any meaningful potential for the issuance and the secondary market trading of Shares to affect significantly Shares pricing, application of Rule 101 to a broker-dealer or other person who may be participating in a distribution of Shares or securities held by a Fund is unnecessary and inappropriate, and could unnecessarily hinder broker-dealers

¹⁷ See Fixed Income Class Relief Letter, *supra* n. 7.

or other persons in their creation and redemption activities, in their day-to-day ordinary business of buying and selling Shares and thus undermine the potential beneficial market effects of Shares trading discussed throughout this Letter.

6. Rule 102 of Regulation M.

The Trust respectfully requests that the Commission confirm that, as a result of registration of the Trust as an open-end management investment company and the redeemable nature of the Shares in Creation Units, for the reasons previously stated under the request for relief under Rule 101(c)(4), transactions in Shares would be exempted from Rule 102 on the basis of the exception contained in paragraph (d)(4) of such Rule. Application of Rule 102 in this context would not further the anti-manipulative purposes of the Rule. Alternatively, the Trust requests that the Commission grant an exemption under paragraph (e) of Rule 102 to such effect. Application of Rule 102 in this context would not further the anti-manipulative purpose of this rule.

The purpose of Rule 102 is to prevent persons from manipulating the price of a security during a distribution and to protect the integrity of the offering process by prohibiting activities that could artificially influence the market for that particular security.

As noted above, aside from not attempting to replicate an index, each Fund also either meets the terms of the Fixed Income Class Relief Letter¹⁸ or generally limits its investments to financial instruments other than securities (e.g., currency futures contracts), exempted securities and fixed income securities that are rated investment grade by one or more NRSRO or are deemed to be of equivalent credit quality by the Adviser. That letter granted class relief to fixed income funds from Rule 102 under Regulation M.

For the reasons described in connection with the requested Rule 101 relief, redemption transactions and secondary market transactions in the Shares are not viable means to manipulate the price of a portfolio security held by a Fund during a distribution of such security. The Trust will redeem the Creation Units of Shares at the NAV of the Shares. Although Shares are traded on the secondary market, Shares may only be redeemed in Creation Units. Thus, the Trust believes that the redemption by the Trust of the Shares of each of the Funds at NAV in consideration principally for Portfolio Securities held by a Fund does not involve the abuses that Rule 102 was intended to prevent.

¹⁸ See Fixed Income Class Relief Letter, *supra* n. 7.

PART VI

A. Conclusion

Based on the foregoing, the Trust respectfully requests that the Commission and the Division of Market Regulation grant the relief requested herein. The forms of relief requested are virtually identical to those actions which the Commission and the Division of Market Regulation have taken in similar circumstances.

Thank you for your consideration of this request. Should you have any questions or require additional information, please do not hesitate to call the undersigned at (917) 267-3721.

Very truly yours,



Richard F. Morris

Deputy General Counsel

WisdomTree Asset Management, Inc.

CC: Brian Bussey, Assistant Chief Counsel, Division of Trading and Markets