Investors Exchange Product Information Circular 2017 - 0136

Date: November 08, 2017

Re: ETF Series Solutions Trust

This Information Circular is being issued to advise you that the following securities have been approved for trading pursuant to unlisted trading privileges ("UTP") on the Investors Exchange ("IEX" or the "Exchange") as UTP Derivative Securities pursuant to IEX Rule 16.160. Compliance and supervisory personnel should note that, among other things, this Information Circular discusses the need to deliver a prospectus to customers purchasing shares of the exchange-traded funds. Please forward this Information Circular to interested persons within your organization.

Exchange-Traded Fund	Symbol
Nationwide Risk-Based U.S. Equity ETF	RBUS
Nationwide Risk-Based International Equity ETF	RBIN
Nationwide Maximum Diversification U.S. Core Equity ETF	MXDU

Issuer/Trust: ETF Series Solutions Trust

Issuer/Trust Website: www.etf-nationwide.com

Primary Listing Exchange: NYSE Arca

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in these new products pursuant to the Exchange's unlisted trading privileges, as well as to provide certain characteristics and features of the products. For a more complete description of the Issuer, the securities and the underlying market instruments or indexes, visit the Issuer Website, consult the Prospectus available on the Issuer Website or examine the Issuer Registration Statement or review the most current information bulletin issued by the Primary Listing Exchange.

Background Information on the Fund

The ETF Series Solutions Trust (the "Trust") is a management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"), consisting of several investment portfolios. This circular relates only to the Funds listed above (each, a "Fund" and together, the "Funds"). The shares of the Fund are referred to herein as "Shares." Nationwide Fund Advisors (the "Adviser") is the investment adviser to the Funds.

Nationwide Risk-Based U.S. Equity ETF

The Nationwide Risk-Based U.S. Equity ETF ("RBUS") seeks to track the total return performance, before fees and expenses, of the R Risk-Based US Index (the "RBUS Index"). RBUS uses a "passive management" (or indexing) approach to track the total return performance, before fees and expenses, of the Index.

The RBUS Index is a rules-based, equal risk-weighted index that is designed to provide exposure to U.S.-listed large capitalization companies with lower volatility, reduced maximum drawdown (the loss from the highest RBUS Index value to its lowest value before achieving a new highest value), and an improved Sharpe ratio (a risk-adjusted measure of return) as compared to traditional, market capitalization weighted approaches. The RBUS Index was developed in 2014 and is owned by Rothschild Risk Based Investments LLC, RBUS's index provider.

Construction of the RBUS Index begins with the universe of equity securities that have their primary listing in the United States. The universe is then screened to keep only the top 500 equity securities by market capitalization and to eliminate securities with insufficient liquidity (average daily traded value of less than $1 million over the most recent three-month period) and equity securities that have been listed for less than one year (the remaining securities are referred to as the "Eligible Universe").

The securities in the Eligible Universe are then subjected to a marginal risk contribution calculation based on each security's volatility and correlation to the other Eligible Universe securities for the most recent one-year calculation period. The securities in the Eligible Universe are then ranked based on their marginal risk contribution, and the 50% of securities with the lowest marginal risk contribution are selected to be included in the RBUS Index (the "RBUS Index Constituents").

The RBUS Index Constituents are then weighted by a systematic equally-weighted risk contribution model (the "Risk-Weighting Model"). The Risk-Weighting Model incorporates each RBUS Index Constituent's volatility and correlation to the other RBUS Index Constituents for the most recent one- year calculation period to produce a portfolio where each RBUS Index Constituent contributes the same level of risk, subject to the constraint that no individual RBUS Index Constituent will have a weight that exceeds 5% of the RBUS Index. The intent of security selection by marginal risk contribution ranking and the Risk-Weighting Model is to (i) lower the overall volatility of the RBUS Index, (ii) increase its Sharpe ratio, and (iii) reduce the maximum drawdown without negatively impacting the diversification and expected return of the RBUS Index.

The list of securities in the Eligible Universe is updated quarterly on the first Friday of each January, April, July, and October (or the previous business day if such Friday is not a business day). The RBUS Index is reconstituted (i.e., RBUS Index Constituents are added or deleted and weights are reset based on the Risk-Weighting Model) monthly at the close of business on the second Friday of each month (or the next business day if such Friday is not a business day).

RBUS attempts to invest all, or substantially all, of its assets in the component securities that make up the RBUS Index. Under normal circumstances, at least 80% of RBUS's total assets (exclusive of any collateral held from securities lending) will be invested in the component securities of the RBUS Index. RBUS expects that, over time, the correlation between RBUS's performance and that of the RBUS Index, before fees and expenses, will be 95% or better.

RBUS will generally use a "replication" strategy to achieve its investment objective, meaning RBUS will generally invest in all of the component securities of the RBUS Index in the same approximate proportions as in the RBUS Index. However, RBUS may use a "representative sampling" strategy, meaning it may invest in a sample of the securities in the RBUS Index whose risk, return, and other characteristics closely resemble the risk, return, and other characteristics of the RBUS Index as a whole, when RBUS's sub-adviser believes it is in the best interests of RBUS (e.g., when replicating the RBUS Index involves practical difficulties or substantial costs, an RBUS Index constituent becomes temporarily illiquid, unavailable, or less liquid, or as a result of legal restrictions or limitations that apply to RBUS but not to the RBUS Index).

RBUS generally may invest up to 20% of its total assets (exclusive of any collateral held from securities lending) in securities or other investments not included in the RBUS Index, but which RBUS's sub-adviser believes will help RBUS track the RBUS Index. For example, RBUS may invest in securities that are not components of the RBUS Index to reflect various corporate actions and other changes to the RBUS Index (such as reconstitutions, additions, and deletions).

To the extent the RBUS Index concentrates (i.e., holds more than 25% of its total assets) in the securities of a particular industry or group of related industries, RBUS will concentrate its investments to approximately the same extent as the RBUS Index.

Nationwide Risk-Based International Equity ETF

The Nationwide Risk-Based International Equity ETF ("RBIN") seeks to track the total return performance, before fees and expenses, of the R Risk-Based International Index (the "RBIN Index"). RBIN uses a "passive management" (or indexing) approach to track the total return performance, before fees and expenses, of the RBIN Index.

The RBIN Index is a rules-based, equal risk-weighted index that is designed to provide exposure to large capitalization companies in developed markets outside the United States and Canada with lower volatility, reduced maximum drawdown (the loss from the highest RBIN Index value to its lowest value before achieving a new highest value), and an improved Sharpe ratio (a risk-adjusted measure of return) as compared to traditional, market capitalization weighted approaches. The RBIN Index was developed in 2017 and is owned by Rothschild Risk Based Investments LLC, RBIN's index provider.

Construction of the RBIN Index begins with the universe of equity securities that have their primary listing in the following countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. The universe is then screened to keep only the largest equity securities by market capitalization listed in each country and to eliminate securities with insufficient liquidity (average daily traded value of less than USD$1 million over the most recent three-month period) and equity securities that have been listed for less than one year (the remaining securities are referred to as the "Eligible Universe").

The securities in the Eligible Universe are then subjected to a marginal risk contribution calculation based on each security's volatility and correlation to the other Eligible Universe securities for the most recent one-year calculation period. The securities in the Eligible Universe are then ranked based on their marginal risk contribution, and the 50% of securities with the lowest marginal risk contribution are selected to be included in the RBIN Index (the "RBIN Index Constituents").

The RBIN Index Constituents are then weighted by a systematic equally-weighted risk contribution model (the "Risk-Weighting Model"). The Risk-Weighting Model incorporates each RBIN Index Constituent's volatility and correlation to the other RBIN Index Constituents for the most recent one- year calculation period to produce a portfolio where each RBIN Index Constituent contributes the same level of risk, subject to the constraint that no individual RBIN Index Constituent will have a weight that exceeds 5% of the RBIN Index. The intent of the security selection by marginal risk contribution ranking and Risk-Weighting Model is to (i) lower the overall volatility of the RBIN Index, (ii) increase its Sharpe ratio, and (iii) reduce the maximum drawdown without negatively impacting the diversification and expected return of the RBIN Index.

The list of securities in the Eligible Universe is updated quarterly on the first Friday of each January, April, July, and October (or the previous business day if such Friday is not a business day). The RBIN Index is reconstituted (i.e., RBIN Index Constituents are added or deleted and weights are reset based on the Risk-Weighting Model) monthly at the close of business on the second Friday of each month (or the next business day if such Friday is not a business day). The RBIN Index is expected to have significant exposure to companies in Europe and Japan.

RBIN attempts to invest all, or substantially all, of its assets in the component securities that make up the RBIN Index. Under normal circumstances, at least 80% of RBIN's total assets (exclusive of any collateral held from securities lending) will be invested in the component securities of the RBIN Index and investments that have economic characteristics that are substantially identical to the economic characteristics of such component securities (e.g., depositary receipts). RBIN expects that, over time, the correlation between RBIN's performance and that of the RBIN Index, before fees and expenses, will be 95% or better.

RBIN will generally use a "replication" strategy to achieve its investment objective, meaning RBIN will generally invest in all of the component securities of the RBIN Index in the same approximate proportions as in the RBIN Index. However, RBIN may use a "representative sampling" strategy, meaning it may invest in a sample of the securities in the RBIN Index whose risk, return, and other characteristics closely resemble the risk, return, and other characteristics of the RBIN Index as a whole, when RBIN's sub-adviser believes it is in the best interests of RBIN (e.g., when replicating the RBIN Index involves practical difficulties or substantial costs, an RBIN Index constituent becomes temporarily illiquid, unavailable, or less liquid, or as a result of legal restrictions or limitations that apply to RBIN but not to the RBIN Index).

RBIN generally may invest up to 20% of its total assets (exclusive of any collateral held from securities lending) in securities or other investments not included in the RBIN Index, but which RBIN's sub- adviser believes will help RBIN track the RBIN Index. For example, RBIN may invest in securities that are not components of the RBIN Index to reflect various corporate actions and other changes to the RBIN Index (such as reconstitutions, additions, and deletions).

To the extent the RBIN Index concentrates (i.e., holds more than 25% of its total assets) in the securities of a particular industry or group of related industries, RBIN will concentrate its investments to approximately the same extent as the RBIN Index.

Nationwide Maximum Diversification U.S. Core Equity ETF

The Nationwide Maximum Diversification U.S. Core Equity ETF ("MXDU") seeks to track the total return performance, before fees and expenses, of the TOBAM Maximum Diversification USA Index (the "MXDU Index"). MXDU uses a "passive management" (or indexing) approach to track the total return performance, before fees and expenses, of the MXDU Index.

The MXDU Index is a rules-based index that is designed to create a more diversified equity portfolio of the common and preferred stock of large and mid-capitalization U.S. companies relative to traditional market capitalization weighted benchmarks. The MXDU Index uses a quantitative model to weight companies in the MXDU Index universe to maximize the Diversification Ratio of the MXDU Index, a proprietary metric based on the volatility of each MXDU Index constituent and its correlation to the other MXDU Index constituents. The MXDU Index was developed in 2011 by TOBAM S.A.S., MXDU's MXDU Index provider.

Construction of the MXDU Index begins with the universe of large and mid-capitalization common and preferred stocks of U.S. companies with a minimum market capitalization set by the MXDU Index rules and adjusted quarterly based on changes to the overall U.S. equity market capitalization. As of August 31, 2017, the minimum market capitalization was $5 billion. Companies in the MXDU Index universe are then screened to eliminate securities with insufficient liquidity and relatively new issues (the remaining securities are referred to as the "Eligible Universe").

Companies in the Eligible Universe are then screened against a socially responsible investment ("SRI") exclusion blacklist. The SRI exclusion blacklist contains those companies whose activities do not meet the criteria for socially responsible investing, such as the production or sale of unconventional weapons, production of tobacco, production of coal or coal-based energy, serious or systematic human rights violations, severe environmental damage, gross corruption, or other particularly serious violation of ethical norms. Companies included on the SRI exclusion blacklist are eliminated from the Eligible Universe, and the remaining companies are included in the MXDU Index (the "MXDU Index Constituents").

The MXDU Index Constituents are then analyzed for their volatility and correlation to each other and weighted to maximize the Diversification Ratio®, a mathematical definition of diversification developed by

TOBAM. The model used to maximize the Diversification Ratio (the "MaxDiv® Model") seeks to lower the overall volatility of the MXDU Index while maintaining its diversification. The maximum weight for each stock is the lower of (i) 1.5% or (ii) 20 times the security's weight had the Eligible Universe been market capitalization weighted (the "Cap-Weighted Benchmark").

Additionally, the MaxDiv Model is constrained to ensure that the "active share" of the MXDU Index, which measures how much the holdings of the MXDU Index differ from those of the securities in the Cap-Weighted Benchmark, cannot exceed 50% (e.g., if an MXDU Index Constituent's weight is 1% in the MXDU Index and 5% in the Cap-Weighted Benchmark, then the MXDU Index Constituent's contribution to the active share of the MXDU Index would be 4%).

The MaxDiv Model is also optimized to reduce turnover (e.g., minimum market capitalizations and median value traded are reduced for companies already included in the MXDU Index).

The MXDU Index is reconstituted (i.e., MXDU Index Constituents are added or deleted and weights are reset based on the MaxDiv Model) quarterly after the close of business on the third Friday of each March, June, September and December using data as of the close of business on the first Friday of the relevant month.

MXDU attempts to invest all, or substantially all, of its assets in the component securities that make up the MXDU Index. Under normal circumstances, at least 80% of MXDU's total assets (exclusive of any collateral held from securities lending) will be invested in the component securities of the MXDU Index. MXDU expects that, over time, the correlation between MXDU's performance and that of the MXDU Index, before fees and expenses, will be 95% or better.

MXDU will generally use a "replication" strategy to achieve its investment objective, meaning MXDU will generally invest in all of the component securities of the MXDU Index in the same approximate proportions as in the MXDU Index. However, MXDU may use a "representative sampling" strategy, meaning it may invest in a sample of the securities in the MXDU Index whose risk, return, and other characteristics closely resemble the risk, return, and other characteristics of the MXDU Index as a whole, when MXDU's sub-adviser believes it is in the best interests of MXDU (e.g., when replicating the MXDU Index involves practical difficulties or substantial costs, an MXDU Index constituent becomes temporarily illiquid, unavailable, or less liquid, or as a result of legal restrictions or limitations that apply to MXDU but not to the MXDU Index).

MXDU generally may invest up to 20% of its total assets (exclusive of any collateral held from securities lending) in securities or other investments not included in the MXDU Index, but which MXDU's sub-adviser believes will help MXDU track the MXDU Index. For example, MXDU may invest in securities that are not components of the MXDU Index to reflect various corporate actions and other changes to the MXDU Index (such as reconstitutions, additions, and deletions).

To the extent the MXDU Index concentrates (i.e., holds more than 25% of its total assets) in the securities of a particular industry or group of related industries, MXDU will concentrate its investments to approximately the same extent as the MXDU Index.

For more information regarding each Fund's investment strategy, please read the prospectus for the Funds.

As described more fully in the Trust's prospectus and Statement of Additional Information ("SAI"), the Funds issue and redeem Shares at net asset value ("NAV") only in large blocks of 50,000 Shares (each block of Shares called a "Creation Unit"). As a practical matter, only broker-dealers or large institutional investors with creation and redemption agreements (called Authorized Participants) can purchase or redeem these Creation Units. Except when aggregated in Creation Units, the Shares may not be redeemed with the Funds.

Shares are held in book-entry form, which means that no Share certificates are issued. The Depository Trust Company or its nominee is the record owner of all outstanding Shares of the Funds and is recognized as the owner of all Shares for all purposes.

The NAV per Share for each Fund is computed by dividing the value of the net assets of the Fund (i.e., the value of its total assets less total liabilities) by the total number of Shares outstanding. Expenses and fees are accrued daily and taken into account for purposes of determining NAV. The NAV of each Fund is determined each business day after the close of trading (ordinarily 4:00 p.m., Eastern Time or "ET") of the New York Stock Exchange. Any assets or liabilities denominated in currencies other than the U.S. dollar are converted into U.S. dollars at the current market rates on the date of valuation as quoted by one or more sources.

The registration statement for the Funds describes the various fees and expenses for the Funds' Shares. For a more complete description of the Funds and the underlying indexes, visit the Funds' website at www.etf.nationwide.com.

Purchases and Redemptions in Creation Unit Size

IEX Members are hereby informed that procedures for purchases and redemptions of Shares in Creation Units are described in the Trust's Prospectus and SAI and that Shares are not individually redeemable but are redeemable only in Creation Unit aggregations or multiples thereof.

Principal Risks

Interested persons are referred to the Fund's Prospectus for a description of risks associated with an investment in the Fund. These risks include, but are not limited to, sovereign and quasi-sovereign bond risk, credit risk, interest rate risk, high yield securities risk, risk of investing in emerging market issuers, risk of investing in foreign securities, restricted securities risk, market risk, sampling risk, index tracking risk, risk of cash transactions, authorized participant concentration risk, ETF shares trading and premium/discount risk, non-diversified risk, and concentration risk. In addition, the market prices of the Shares will fluctuate in accordance with changes in NAV as well as the supply and demand for the Shares. As a result, the Shares may trade at market prices that may differ from their NAV. The NAV of the Shares will fluctuate with changes in the market value of the Fund's holdings.

Exchange Rules Applicable to Trading in the Shares

Trading in the Shares on IEX is subject to IEX trading rules.

Trading Hours

The value of the Index underlying the Shares will be disseminated to data vendors every 15 seconds during the Regular Trading Session.

The Shares will trade on IEX between 8:00 a.m. and 5:00 p.m. Please note that trading in the Shares during the Exchange's Pre-Market and Post-Market Sessions ("Extended Market Sessions") may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Extended Market Sessions, (2) lower liquidity in the Extended Market Sessions may impact pricing, (3) higher volatility in the Extended Market Sessions may impact pricing, (4) wider spreads may occur in the Extended Markets Sessions, and (5) because the indicative value is not calculated or widely disseminated during the Extended Market Sessions, an investor who is unable to calculate an implied value for the Shares in those sessions may be at a disadvantage to market professionals.

Dissemination of Data

The Consolidated Tape Association will disseminate real time trade and quote information for the Shares to Tape B.

Name	Trading Symbol	IOPV Symbol	NAV Symbol
Nationwide Risk-Based US Equity ETF	RBUS	RBUS.IV	RBUS.NV
Nationwide Risk-Based International Equity	RBIN	RBIN.IV	RBIN.NV
Nationwide Maximum Diversification US Core Equity ETF	MXDU	MXDU.IV	MXDU.NV

Delivery of a Prospectus

Exchange Members should be mindful of applicable prospectus delivery requirements under the federal securities laws with respect to transactions in the Fund. Prospectuses may be obtained through the Fund's website. The Prospectus for the Fund does not contain all of the information set forth in the Funds Registration Statement (including the exhibits to the Registration Statement), parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information about the Fund, please refer to its Registration Statement.

In the event that the Fund relies upon an order by the SEC exempting the Shares from certain prospectus delivery requirements under Section 24(d) of the 1940 Act and in the future make available a written product description, Exchange Rules require that Exchange Members provide to all purchasers of Shares a written description of the terms and characteristics of such securities, in a form prepared by the Issuer of the Fund, no later than the time a confirmation of the first transaction in the Shares is delivered to such purchaser. In addition, Exchange Members shall include such a written description with any sales material relating to the Shares that is provided to customers or the public. Any other written materials provided by an IEX member to customers or the public making specific reference to the Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of [the UTP Derivative Securities] has been prepared by the [open-ended management investment company name] and is available from your broker. It is recommended that you obtain and review such circular before purchasing [the UTP Derivative Securities]."

An Exchange member carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to such Exchange member under this rule.

Upon request of a customer, Exchange Members also shall provide a copy of the Prospectus.

Suitability

Trading in the securities on the Exchange will be subject to the provisions of IEX Rule 3.170 and other applicable suitability rules. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer.

Trading Halts

The Exchange will halt trading in the Shares of a security in accordance with the Exchange's Rules. The grounds for a halt include a halt because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, a halt for other regulatory reasons or due to other conditions or circumstances deemed to be detrimental to the maintenance of a free and orderly market.

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

The Securities and Exchange Commission (the "SEC") has issued letters granting exemptive, interpretive and no-action relief from certain provisions of rules under the Securities Exchange Act of 1934 for exchange-traded securities listed and traded on a registered national securities exchange that meet certain criteria.

AS WHAT FOLLOWS IS ONLY A SUMMARY OF THE RELIEF OUTLINED IN THE NO-ACTION LETTERS REFERENCED ABOVE, THE EXCHANGE ADVISES INTERESTED PARTIES TO CONSULT THE NO-ACTION LETTERS FOR MORE COMPLETE INFORMATION REGARDING THE MATTERS COVERED THEREIN AND THE APPLICABILITY OF THE RELIEF GRANTED IN RESPECT OF TRADING IN SECURITIES. INTERESTED PARTIES SHOULD ALSO CONSULT THEIR PROFESSIONAL ADVISORS.

Regulation M Exemptions

Generally, Rules 101 and 102 of Regulation M prohibit 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 Regulation M. The provisions of the Rules apply to underwriters, prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in a distribution of securities.

The SEC has granted an exemption from Rule 101 under Regulation M to permit persons participating in a distribution of Shares of the above-mentioned Fund to engage in secondary market transactions in such Shares during their participation in such a distribution. In addition, the SEC has granted relief under Regulation M to permit persons who may be deemed to be participating in the distribution of Shares of the above-mentioned Fund (i) to purchase securities for the purpose of purchasing Creation Unit Aggregations of Fund Shares and (ii) to tender securities for redemption in Creation Unit Aggregations. Further, the SEC has clarified that the tender of Fund Shares to the Fund for redemption does not constitute a bid for or purchase of any of the Funds' securities during the restricted period of Rule 101. The SEC has also granted an exemption pursuant to paragraph (e) of Rule 102 under Regulation M to allow the redemption of Fund Shares in Creation Unit Aggregations during the continuous offering of Shares.

Rule 10b-10 (Customer Confirmations for Creation or Redemption of Fund Shares)

Broker-dealers who handle purchases or redemptions of Fund Shares in Creation Unit size for customers will be permitted to provide such customers with a statement of the number of Creation Unit Aggregations created or redeemed without providing a statement of the identity, number and price of Shares of the individual securities tendered to the Fund for purposes of purchasing Creation Unit Aggregations ("Deposit Securities") or the identity, number and price of Shares to be delivered by the Trust for the Fund to the redeeming holder ("Redemption Securities"). The composition of the securities required to be tendered to the Fund for creation purposes and of the securities to be delivered on redemption will be disseminated each business day and will be applicable to requests for creations or redemption, as the case may be, on that day. This exemptive relief under Rule 10b-10 with respect to creations and redemption is subject to the following conditions:

1) Confirmations to customers engaging in creations or redemptions must state that all information required by Rule 10b-10 will be provided upon request;
2) Any such request by a customer for information required by Rule 10b-10 will be filed in a timely manner, in accordance with Rule 10b-10(c); and
3) Except for the identity, number, and price of Shares of the component securities of the Deposit Securities and Redemption Securities, as described above, confirmations to customers must

disclose all other information required by Rule 10b-10(a).

Section 11(d)(1); Rules 11d1-1 and 11d1-2

Section 11(d)(1) of the Act generally prohibits a person who is both a broker and a 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. The SEC has clarified that Section 11(d)(1) does not apply to broker-dealers that are not Authorized Participants (and, therefore, do not create Creation Unit Aggregations) that engage in both proprietary and customer transactions in Shares of a Fund in the secondary market, and for broker-dealer Authorized Participants that engage in creations of Creation Unit Aggregations. This relief is subject to specific conditions, including the condition that such broker-dealer (whether or not an Authorized Participant) does not, directly or indirectly, receive from the Fund complex any payment, compensation or other economic incentive to promote or sell the Shares of a Fund to persons outside the fund complex, other than non-cash compensation permitted under NASD Rule 2830(l)(5)(A), (B) or (C). (See letter from Catherine McGuire, Chief Counsel, SEC Division of Market Regulation, to Securities Industry Association, Derivative Products Committee, dated November 21, 2005.) The SEC also has taken a no-action position under Section 11(d)(1) of the Act that broker-dealers may treat Shares of a Fund, for purposes of Rule 11d1-2, as "securities issued by a registered open-end investment company as defined in the Investment Company Act" and thereby extend credit or maintain or arrange for the extension or maintenance of credit on Shares that have been owned by the persons to whom credit is provided for more than 30 days, in reliance on the exemption contained in the rule.

Rule 14e-5

An exemption from Rule 14e-5 has been granted to permit any person acting as a dealer-manager of a tender offer for a component security of the Fund (1) to redeem Fund Shares in Creation Unit Aggregations from the issuer that may include a security subject to such tender offer and (2) to purchase Fund Shares during such tender offer. In addition, a no-action position has been taken under Rule 14e-5 if a broker-dealer acting as a dealer-manager of a tender offer for a security of the Fund purchases or arranges to purchase such securities in the secondary market for the purpose of tendering such securities to purchase one or more Creation Unit Aggregations of Shares, if made in conformance with the following:

1) such bids or purchases are effected in the ordinary course of business, in connection with a basket of 20 or more securities in which any security that is the subject of a distribution, or any reference security, does not comprise more than 5% of the value of the basket purchase; or

2) purchases are effected as adjustments to such basket in the ordinary course of business as a result of a change in the composition of the underlying index; and

3) such bids or purchases are not effected for the purpose of facilitating such tender offer.

SEC Rule 15c1-5 and 15c1-6

The SEC has taken a no-action position with respect to Rule 15c1-5 and Rule 15c1-6 as to the required disclosure of control by a broker or dealer with respect to creations and redemptions of Fund Shares and secondary market transactions therein. (See letter from Catherine McGuire, Chief Counsel, SEC Division of Market Regulation, to Securities Industry Association, Derivative Products Committee, dated November 21, 2005.)

This Information Circular is not a statutory prospectus. Members should consult the Prospectus for a security and the security's website for relevant information.

Please contact IEX Regulation at 646-343-2000 with any inquiries regarding this Information Circular.