



EDGA & EDGX STOCK EXCHANGES			
Regulatory Information Circular			
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Subject: **Rydex S&P 500 Pure Value ETF**
 Rydex S&P 500 Pure Growth ETF
 Rydex S&P MidCap 400 Pure Value ETF
 Rydex S&P MidCap 400 Pure Growth ETF
 Rydex S&P SmallCap 600 Pure Value ETF
 Rydex S&P SmallCap 600 Pure Growth ETF

Background Information on the Funds

As more fully explained in the Registration Statement (No. 81121261) for the Trust, the Trust is an investment company consisting of separate exchange traded index funds, including the Funds noted above. The Funds in the Trust is an "index fund" and is an open-end management investment company, registered under the Investment Company Act of 1940 (the "1940 Act"). The investment objective of each of the Funds is to replicate, as closely as possible, before expenses, the total return of a specified market index.

- The investment objective of the Rydex S&P 500 Pure Value ETF is to replicate as closely as possible, before expenses, the total return of the S&P 500/Citigroup Pure Value Index.

- The investment objective of the Rydex S&P 500 Pure Growth ETF is to replicate as closely as possible, before expenses, the total return of the S&P 500/Citigroup Pure Growth Index.

- The investment objective of the Rydex S&P MidCap 400 Pure Value ETF is to replicate as closely as possible, before expenses, the total return of the S&P MidCap 400/Citigroup Pure Value Index.

- The investment objective of the Rydex S&P MidCap 400 Pure Growth ETF is to replicate as closely as possible, before expenses, the total return of the S&P MidCap 400/Citigroup Pure Growth Index.

- The investment objective of the Rydex S&P SmallCap 600 Pure Value ETF is to replicate as closely as possible, before expenses, the total return of the S&P SmallCap 600/Citigroup Pure Value Index.

- The investment objective of the Rydex S&P SmallCap 600 Pure Growth ETF is to replicate as closely as possible, before expenses, the total return of the S&P SmallCap 600/Citigroup Pure Growth Index.

The Funds will use a “replication” strategy to try and track the Index. “Replication” refers to investing in substantially all of the securities in the Underlying Index in approximately the same proportions as in the Underlying Index.

Rydex Global Advisors (“Adviser”) serves as investment adviser and manager of the Funds. Rydex Distributors, Inc. is the distributor for the Funds (“Distributor”). The Distributor is under common control with, and is therefore an affiliate of the Adviser.

As described more fully in the Trust’s prospectus and statement of additional information (“SAI”), the Funds offer and issue shares (“Shares”) at their net asset value (“NAV”) only in aggregations of 50,000 Shares (each, a “Creation Unit”), generally in exchange for a basket of equity securities included in the underlying index, together with the deposit of a specified cash payment. The Shares described in this bulletin have been approved for trading on EDGA and EDGX Exchanges (the “Exchanges”). The Shares will trade on the Exchanges at market prices that may differ from the Shares’ NAV. The Shares are redeemable only in Creation Unit aggregations, and, generally, in exchange for portfolio securities and a specified cash payment. Except when aggregated in Creation Units, the Shares may not be redeemed with the Funds.

The Funds pay out to shareholders at least annually. Each Fund distributes its net capital gains, if any, to shareholders annually.

The Depository Trust Company (“DTC”) serves as securities depository for the Shares, which are held only in book entry form; stock certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding Shares of each Fund. The Net Asset Value (“NAV”) for the Funds will be calculated and disseminated daily after 4:00 pm ET each trading day. The NAV is available from the Distributor and is also available to National Securities Clearing Corporation (“NSCC”) participants through data made available from NSCC. The values of the indices underlying each of the Funds are disseminated to data vendors every 15 seconds. The trading increment for each Fund’s Shares is \$0.01.

Trading Hours

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

Trading Halts

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

Delivery of a Prospectus

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

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

Continuous Offering

The method by which Creation Units of shares are created and traded may raise certain issues under applicable securities laws. Because new Creation Units of shares may be issued and sold by the Funds on an ongoing basis, at any point a "distribution," as such term is used in the Securities Act of 1933, as amended (the "Securities Act"), may occur. Broker-dealers and other persons are cautioned 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 requirement and liability provisions of the Securities Act.

For example, a broker-dealer firm or its client may be deemed a statutory underwriter if it takes Creation Units after placing an order with the Distributor, breaks them down into constituent Shares, and sells such Shares directly to customers, or if it chooses to couple the creation of a supply of new Shares with an active selling effort involving solicitation of secondary market demand for Shares. A determination of whether one is an underwriter for purposes of the Securities Act must take into account all the facts and circumstances pertaining to the activities of the broker-dealer or its client in the particular case, and the examples mentioned above should not be considered a complete description of all the activities that could lead to a categorization as an underwriter.

Purchases and Redemptions in Creation Unit Size

Exchange members and member organizations are hereby informed that procedures for purchases and redemptions of Shares in Creation Unit Size are described in the Funds' prospectus and Statement of Additional Information, and that Shares are not individually redeemable but are redeemable only in Creation Unit Size aggregations or multiples thereof.

Principal Risks

Members are referred to the prospectus for the Trust for a description of risks associated with an investment in Shares. These risks include tracking error risk that may result from factors such as the fees and expenses of the Fund, imperfect correlation between the Fund and the relevant index, rounding of share prices and changes to the relevant index and regulatory policies, which may affect the ability to achieve close correlation with the indices. The returns for a Fund therefore may deviate from those of the relevant index. In addition, as noted in the prospectus, the Shares may trade below, at or above NAV. The NAV of the Shares will fluctuate with changes in the market value of the Funds' holdings. The market prices of the Shares will

fluctuate in accordance with the changes in each Fund's NAV as well as the supply and demand for the Shares.

Exchange Rules Applicable to Trading in the Shares

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

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

The Commission, by letters dated August 17, 2001 and January 3, 2005, has granted exemptive, interpretive and no-action relief from certain rules promulgated under the Securities Exchange Act of 1934, as amended, in connection with secondary market transactions in the shares of certain exchange traded funds and the creation and redemption of creation units of such funds. The relief is subject to the condition that such transactions in fund shares, any component security, 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. The Funds qualify for the relief granted in the letters, which is provided in detail below. Members may refer to the full text of the letters for additional information.

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 Commission issued a No-Action Letter by which persons participating in a distribution of shares of a fund may engage in secondary market transactions in such shares during their participation in such a distribution, despite the requirements of from Rule 101 under Regulation M. In addition, the Commission has permitted persons who may be deemed to be participating in the distribution of shares of a 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 Commission 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 Commission has issued a No-Action Letter to paragraph (e) of Rule 102 under Regulation M which allow the redemption of fund shares in creation unit aggregations during the continuous offering of shares.

Issuer of Notice of Certain Actions

The issuer of the Shares is not required to give notice of certain specified actions (e.g., dividends, stock splits, rights offerings) relating to the Shares pursuant to the Commission's grant of relief from Rule 10b17.

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

Broker-dealers who handle purchases or redemptions of Fund shares in Creation Units 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 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 redemptions 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);
- 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).

SEC Rule 14e-5

The Commission has permitted any person acting as a dealer-manager of a tender offer for a component security of 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 has been issued under Rule 14e-5 states that 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, it must be made in conformance with the following:

- i. 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 purchased; or
- ii. 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
- iii. such bids or purchases are not effected for the purpose of facilitating such tender offer.

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

Broker-dealers may extend 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 Commission's position that it will not recommend enforcement action under Section 11(d)(1) of the Exchange Act if broker-dealers treat Shares, for purposes of the applicable exemption in Rule 11d12, as securities issued by a registered openend investment company as defined in the 1940 Act.

Further, broker-dealers that engage in transactions in Shares exclusively in the secondary market may extend or maintain (or arrange for the extension or maintenance of) credit on

Shares, pursuant to the Commission's position that it will not recommend enforcement action under Section 11(d)(1) of the Exchange Act in this instance.

SEC Rule 15c1-5 and 15c1-6

The SEC has taken a no-action position with respect to Rule15c1-5 and Rule15c1-6 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.

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

Appendix A

Ticker	Fund Name	Cusip
RFG	Rydex S&P MidCap 400 Pure Growth ETF	78355W601
RFV	Rydex S&P MidCap 400 Pure Value ETF	78355W502
RPG	Rydex S&P 500 Pure Growth ETF	78355W403
RPV	Rydex S&P 500 Pure Value ETF	78355W304
RZG	Rydex S&P SmallCap 600 Pure Growth ETF	78355W809
RZV	Rydex S&P SmallCap 600 Pure Value ETF	78355W700