



<b>EDGA &amp; EDGX STOCK EXCHANGES</b>			
Regulatory Information Circular			
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**Subject:** iShares MSCI ACWI ex US Consumer Discretionary Sector Index Fund  
iShares MSCI ACWI ex US Consumer Staples Sector Index Fund  
iShares MSCI ACWI ex US Energy Sector Index Fund  
iShares MSCI ACWI ex US Health Care Sector Index Fund  
iShares MSCI ACWI ex US Industrials Sector Index Fund  
iShares MSCI ACWI ex US Information Technology Sector Index Fund  
iShares MSCI ACWI ex US Materials Sector Index Fund  
iShares MSCI ACWI ex US Telecommunications Service Sector Index Fund  
iShares MSCI ACWI ex US Utilities Sector Index Fund

### **Background Information on the Funds**

As more fully explained in the Registration Statement (Nos. 811-09729), the Trust is registered under the Investment Company Act of 1940 (the "1940 Act") as an investment company. The Funds are an exchange-traded "index funds" ("ETFs").

The iShares MSCI ACWI ex US Consumer Discretionary Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Consumer Discretionary Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the consumer discretionary sector of developed and emerging markets countries, excluding the United States. Component securities include those of manufacturers of automobiles and automotive components, consumer durables and apparel companies, consumer services companies, media producers and retailers. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Brazil, Canada, Chile, China, Finland, France, Germany, Greece, Hong Kong, India, Indonesia, Italy, Japan, Malaysia, Mexico, the Netherlands, New Zealand, the Philippines, Poland, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey and the United Kingdom (together, the "ACWI ex US consumer discretionary sector countries"). As of April 30, 2010, the Underlying Index was comprised of 217 securities.

The iShares MSCI ACWI ex US Consumer Staples Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Consumer Staples Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the consumer staples sector of developed and emerging markets countries, excluding the United States. Component securities include those of food and drug retailers, food producers, tobacco companies and household products manufacturers. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Belgium, Brazil, Canada, Chile, China, Colombia, Denmark, Finland, France, Germany, Greece, India,

Indonesia, Ireland, Italy, Japan, Malaysia, Mexico, the Netherlands, Portugal, Russia, Singapore, South Africa, South Korea, Sweden, Switzerland, Taiwan, Thailand, Turkey and the United Kingdom (together, the "ACWI ex US consumer staples sector countries"). As of April 30, 2010, the Underlying Index was comprised of 139 securities.

The iShares MSCI ACWI ex US Energy Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Energy Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the energy sector of developed and emerging markets countries, excluding the United States. Component securities include those of energy companies, energy equipment producers, fuel production companies, fuel transportation companies and fuel refineries. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Austria, Brazil, Canada, China, Colombia, Finland, France, Greece, Hong Kong, Hungary, India, Indonesia, Italy, Japan, Malaysia, the Netherlands, Norway, Poland, Portugal, Russia, South Africa, South Korea, Spain, Sweden, Taiwan, Thailand, Turkey and the United Kingdom (together, the "ACWI ex US energy sector countries"). As of April 30, 2010, the Underlying Index was comprised of 114 securities.

The iShares MSCI ACWI ex US Health Care Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Health Care Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the health care sector of developed and emerging markets countries, excluding the United States. Component securities include those of health care equipment companies, health care services companies, pharmaceuticals companies, biotechnology companies and life sciences companies. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Belgium, Canada, China, Denmark, Finland, France, Germany, Hungary, India, Ireland, Israel, Japan, Russia, South Africa, South Korea, Spain, Sweden, Switzerland and the United Kingdom (together, the "ACWI ex US health care sector countries"). As of April 30, 2010, the Underlying Index was comprised of 69 securities.

The iShares MSCI ACWI ex US Industrials Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Industrials Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the industrials sector of developed and emerging markets countries, excluding the United States. Component securities include those of capital goods companies, commercial and professional services companies and transportation companies. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Brazil, Canada, Chile, China, Denmark, Egypt, Finland, France, Germany, Hong Kong, India, Indonesia, Ireland, Israel, Italy, Japan, Malaysia, Mexico, Morocco, the Netherlands, New Zealand, Norway, the Philippines, Poland, Portugal, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Turkey and the United Kingdom (together, the "ACWI ex US industrials sector countries"). As of April 30, 2010, the Underlying Index was comprised of 300 securities.

The iShares MSCI ACWI ex US Information Technology Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Information Technology Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the information technology sector of developed and emerging

markets countries, excluding the United States. Component securities include those of software companies, information technology services companies, information technology hardware companies and semiconductor and semiconductor equipment companies. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Brazil, Canada, China, Finland, France, Germany, Hong Kong, India, Israel, Japan, the Netherlands, Poland, South Korea, Spain, Sweden, Switzerland, Taiwan and the United Kingdom (together, the "ACWI ex US information technology sector countries"). As of April 30, 2010, the Underlying Index was comprised of 150 securities.

The iShares MSCI ACWI ex US Materials Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Materials Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the materials sector of developed and emerging markets countries, excluding the United States. Component securities include those of chemical companies, container manufacturing companies, metals and mining companies and paper and forest products companies. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Austria, Belgium, Brazil, Canada, Chile, China, Colombia, Denmark, Egypt, Finland, France, Germany, Greece, India, Indonesia, Ireland, Israel, Italy, Japan, Malaysia, Mexico, the Netherlands, New Zealand, Norway, Peru, Poland, Portugal, Russia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey and the United Kingdom (together, the "ACWI ex US materials sector countries"). As of April 30, 2010, the Underlying Index was comprised of 234 securities.

The iShares MSCI ACWI ex US Telecommunication Services Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Telecommunication Services Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the telecommunications sector of developed and emerging markets countries, excluding the United States. Component securities include those of diversified telecommunications companies and wireless telecommunications companies. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Austria, Belgium, Brazil, Canada, Chile, China, the Czech Republic, Egypt, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Israel, Italy, Japan, Malaysia, Mexico, Morocco, the Netherlands, New Zealand, Norway, the Philippines, Poland, Portugal, Russia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey and the United Kingdom (together, the "ACWI ex US telecommunication services sector countries"). As of April 30, 2010, the Underlying Index was comprised of 87 securities.

The iShares MSCI ACWI ex US Utilities Sector Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI All Country World ex USA Utilities Index. The Underlying Index is a free float-adjusted market capitalization weighted index designed to measure the combined equity market performance of the utilities sector of developed and emerging markets countries, excluding the United States. Component securities include those of diversified utilities providers, electric utilities providers, gas utilities providers, water utilities providers, independent power producers and energy trading companies. As of April 30, 2010, the Underlying Index consisted of companies in the following countries: Australia, Austria, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Finland, France, Germany, Greece, Hong Kong, India, Indonesia, Italy, Japan, Malaysia, New Zealand, the Philippines, Poland, Portugal, Russia, South Korea, Spain,

Switzerland, Thailand and the United Kingdom (together, the "ACWI ex US utilities sector countries"). As of April 30, 2010, the Underlying Index was comprised of 98 securities.

BlackRock Fund Advisors serves as the investment advisor for the Funds. SEI Investments Distribution Co. is the distributor for the Funds. State Street Bank and Trust Company, is the administrator, custodian and transfer agent for the Funds.

The Funds will only issue or redeem shares that have been aggregated into blocks of 50,000 shares or multiples thereof ("Creation Units") to authorized participants who have entered into agreements with the Funds' distributor. The Funds will issue or redeem Creation Units in return for a basket of assets that the Funds specify each day.

Dividends from net investment income, if any, generally are declared and paid semiannually by the Funds. Distributions of net realized securities gains, if any, generally are declared and paid once a year, but the Trust may make distributions on a more frequent basis for the Funds.

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

The NAV per Share of the Funds will be determined as of the close of trading (normally, 4:00 p.m. Eastern Time ("ET")) on each day that the Exchange is open for business (a "Business Day"). The NAV of the Funds are calculated by dividing the value of the net assets of the Funds (I.E., the value of its total assets less total liabilities) by the total number of outstanding shares of the Funds, generally rounded to the nearest cent. NAV will be available from the Distributor and is also available to National Securities Clearing Corporation ("NSCC") participants through data made available from NSCC.

The Trust's registration statement describes the various fees and expenses for the Funds' Shares. For a more complete description of the Funds and the underlying index, visit [www.ishares.com](http://www.ishares.com).

### **Principal Risks**

Interested persons are referred to the Prospectus for a description of risks associated with an investment in the Funds. These risks include foreign markets risk, emerging market risk, and the risk that the Fund's return may not match the return of its index for a number of reasons including the incursion by the Funds of operating expenses and costs not applicable to its index. In addition, as noted in the Prospectus, the Shares may trade at market prices that may differ from their NAV.

The NAV of a Fund's Shares will fluctuate with changes in the market value of the Fund's holdings. The market prices of the Shares will fluctuate in accordance with changes in NAV as well as the supply and demand for the Shares.

The Funds' prospectus describing correlation, leverage and other risks is available at [www.ishares.com](http://www.ishares.com).

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

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

## **Trading Hours**

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

## **Trading Halts**

The Exchanges will halt trading in the Shares 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.

## **Suitability**

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

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

## **Delivery of a Prospectus**

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

Prospectuses may be obtained through the Distributor or on the Fund's website. The Prospectus does not contain all of the information set forth in the registration statement

(including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information about the Fund, please refer to the Trust's registration statement.

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

The Commission has issued letters dated October 24, 2006, November 21, 2005 and August 17, 2001 (together, the "No-Action Letters") granting exemptive or no-action relief from certain rules under the Securities Exchange Act of 1934 applicable to the Funds. Members are referred to the full text of the letters, available at [www.sec.gov](http://www.sec.gov) 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 Rule 101 under Regulation M. In addition, the SEC 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 funds shares and (ii) to tender securities for redemption in Creation Unit Aggregations. Further, the Commission has clarified that the tender of funds shares to the Funds 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 funds shares in creation unit aggregations during the continuous offering of shares.

### **Customer Confirmations for Creation or Redemption of Funds Shares (SEC Rule 10b-10)**

Broker-dealers who handle purchases or redemptions of Funds 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 Funds 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 Funds 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 funds (1) to redeem funds shares in creation unit aggregations from the issuer that may include a security subject to such tender offer and (2) to purchase funds 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 Funds 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 affected for the purpose of facilitating such tender offer.

### **Section 11(d)(1); SEC 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 Commission 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 (I)(5)(A), (B) or (C). See letter dated November 22, 2005 from Brian A Bussey, Assistant Chief Counsel, SEC Division of Market Regulation, to Barclays Global Investors, N.A., dated November 22, 2005. The Commission has issued a No-Action Letter under Section 11(d)(1) of the Act states 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.

**SEC Rule 15c1-5 and 15c1-6**

The Commission has issued a No-Action letter 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 funds 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

<b>Ticker</b>	<b>Fund Name</b>	<b>Cusip</b>
AXDI	iShares MSCI ACWI ex US Consumer Discretionary Sector Index Fund	464289636
AXSL	iShares MSCI ACWI ex US Consumer Staples Sector Index Fund	464289628
AXEN	iShares MSCI ACWI ex US Energy Sector Index Fund	464289594
AXHE	iShares MSCI ACWI ex US Health Care Sector Index Fund	464289552
AXID	iShares MSCI ACWI ex US Industrials Sector Index Fund	464289552
AXIT	iShares MSCI ACWI ex US Technology Sector Index Fund	464289610
AXMT	iShares MSCI ACWI ex US Materials Sector Index Fund	464289578
AXTE	iShares MSCI ACWI ex US Telecommunications Sector Index Fund	464289560
AXUT	iShares MSCI ACWI ex US Utilities Sector Index Fund	464289545