



| <b>EDGA &amp; EDGX STOCK EXCHANGES</b> |                   |            |                 |
|--|-------------------|------------|-----------------|
| Regulatory Information Circular        |                   |            |                 |
| Circular Number:                       | 2010-609          | Contact:   | Jeff Rosenstock |
| Date:                                  | November 30, 2010 | Telephone: | (201) 942-8295  |

**Subject:**      **iPath Long Enhanced S&P 500 VIX Mid-Term Futures ETN**  
                  **iPath Long Extended Russell 1000 TR Index ETN**  
                  **iPath Long Extended Russell 2000 TR Index ETN**  
                  **iPath Long Extended S&P 500 TR Index ETN**  
                  **iPath Long Enhanced MSCI EAFE Index ETN**  
                  **iPath Long Enhanced MSCI Emerging Markets Index ETN**  
                  **iPath Short Extended Russell 1000 TR Index ETN**  
                  **iPath Short Extended Russell 2000 TR Index ETN**  
                  **iPath Short Extended S&P 500 TR Index ETN**  
                  **iPath Short Enhanced MSCI EAFE Index ETN**  
                  **iPath Short Enhanced MSCI Emerging Markets Index ETN**

### **Background Information on the Notes**

As more fully explained in the Registration Statement (No. 333-169119) for the Barclays Bank PLC (“Barclays”), the ETNs (the “Securities”) are medium-term notes. The ETNs are unsecured indebtedness of Barclays Bank PLC and are not secured debt. For a more complete description of the Securities and the payment at maturity, early repurchase provisions, early repurchase mechanics, valuation, fees and risk factors, consult the applicable prospectus (“Prospectus”).

#### *iPath® Long Enhanced S&P 500 VIX Mid-Term Futures ETNs*

The iPath® Long Enhanced S&P 500 VIX Mid-Term Futures ETNs are linked to a leveraged participation in the performance of the S&P 500® VIX Mid-Term Futures Total Return Index (“Index”). The ETNs do not pay any interest during their term and do not guarantee any return of principal at maturity or upon redemption. Instead, investors will receive a cash payment in U.S. dollars at maturity or upon optional redemption based on a leveraged participation in the performance of the Index, less a daily financing charge and less a daily investor fee applied by Barclays Bank PLC. In addition, the ETNs will be automatically redeemed if an automatic termination event occurs, which will be triggered if the intraday indicative note value is less than or equal to \$10.00 for each ETN. The ETNs will be offered in denominations of \$30.

The return on the ETNs is linked to a leveraged participation in the performance of the Index. The Index is designed to reflect the returns that are potentially available through an unleveraged investment in four-, five-, six- and seven-month futures contracts on the CBOE Volatility Index® that targets a constant weighted average futures maturity of five months. The calculation of the spot level of the VIX Index is based on prices of put and call options on the S&P 500® Index. The Index was created by Standard & Poor’s Financial Services LLC. The index sponsor

calculates the level of the Index daily when the Chicago Board Options Exchange, Incorporated is open and publishes it on the Bloomberg page "SPVXMTR Index".

The ETNs are unsecured indebtedness of Barclays Bank PLC and are not secured debt. The ETNs are riskier than ordinary unsecured debt securities. The return on the ETNs is linked to leveraged participation in the performance of the Index. Investing in the ETNs is not equivalent to taking direct positions in the futures included in the Index or the Index itself.

#### *iPath® Long Extended and Enhanced*

Regarding ROLA, RTLA, SFLA, MFLA and EMLB, the ETNs are linked to a leveraged participation in the performance of one of the S&P 500® Total Return Index™, the Russell 1000® Total Return Index, the Russell 2000® Total Return Index, the MSCI EAFE® Net Total Return Index or the MSCI Emerging Markets Net Total Return Index, respectively. The ETNs do not guarantee any return of principal at maturity or upon redemption and do not pay any interest during their term. Instead, unless an automatic termination event (as defined below) occurs, investors will receive a cash payment in U.S. dollars at maturity or upon optional redemption based on a leveraged participation in the performance of the Index to which the ETNs are linked, less a daily financing charge and less a daily investor fee (each of which accrues over time through the calculation of the financing level) applied by Barclays Bank PLC.

The S&P 500 ETNs and each series of Russell ETNs will be issued in denominations of \$50 and each series of MSCI ETNs will be issued in denominations of \$100.

The ETNs are unsecured indebtedness of Barclays Bank PLC and are not secured debt. The ETNs are riskier than ordinary unsecured debt securities. The return on a series of ETNs is linked to a leveraged participation in the performance of the Index underlying those ETNs. Investing in a series of ETNs is not equivalent to taking direct leveraged positions in the equity securities included in the underlying Index or the underlying Index itself.

#### *iPath® Short Extended and Enhanced*

Regarding ROSA, RTSA, SFSA, MFSA and EMSA the ETNs are linked to a leveraged participation in the inverse performance of one of the S&P 500® Total Return Index, the Russell 1000® Total Return Index, or the Russell 2000® Total Return Index, respectively. The ETNs do not guarantee any return of principal at maturity or upon redemption and do not pay any interest during their term. Instead, unless an automatic termination event (as defined below) occurs, investors will receive a cash payment in U.S. dollars at maturity or upon optional redemption based on a leveraged participation in the inverse performance of the Index to which the ETNs are linked, less a daily investor fee and less a daily index borrow cost (each of which accrues over time through the calculation of the TBill amount) and plus daily interest applied by Barclays Bank PLC.

Each series of ETNs seeks to approximate the returns that might be available to investors through leveraged short sales of the equity securities underlying the Index to which that series ETNs is linked.

The S&P 500 ETNs and each series of Russell ETNs will be issued in denominations of \$50 and each series of MSCI ETNs will be issued in denominations of \$100.

The ETNs are unsecured indebtedness of Barclays Bank PLC and are not secured debt. The ETNs are riskier than ordinary unsecured debt securities. The return on a series of ETNs is linked to a leveraged participation in the inverse performance of the Index underlying those ETNs. Investing in a series of ETNs is not equivalent to directly short selling the equity securities included in the underlying Index or the underlying Index itself. Other risks for the ETNs include index risk, stock market risk and interest rate risk. Consult the Prospectus for additional risks associated with an investment in the Securities.

### **Optional Redemption**

Subject to the notification requirements set forth in the applicable Prospectus, investors may redeem their ETNs on any optional redemption date during the term of the ETNs, subject to an intervening automatic termination event. If an investor redeems ETNs, the investor will receive on the optional redemption date a cash payment per ETN in U.S. dollars in an amount equal to the closing indicative note value on the applicable valuation date minus the redemption charge. Investors must redeem at least 25,000 ETNs at one time in order to exercise their right to redeem their ETNs on any optional redemption date. For a complete description of the redemption procedures and the payment upon redemption, see the applicable Prospectus.

### **Prospectus Delivery**

Members are advised to consult the "Supplemental Plan of Distribution" in the Prospectus regarding prospectus delivery requirements.

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

The Notes are considered equity securities, thus rendering trading in the Notes subject to the Exchange's 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.

## **No-Action Relief Under Federal Securities Regulations**

The Securities and Exchange Commission has issued no-action relief from certain provisions of and rules under the Securities Exchange Act of 1934 (the “Exchange Act”), regarding trading in iPath Exchange Traded Notes (SEC Letter dated July 27, 2006) and iPath Exchange-Traded Notes (SEC Letter dated May 30, 2006) for securities with structures similar to that of the securities described herein (the “Letters”). As what follows is only a summary of the relief outlined in the Letters, the Exchange also advises interested members to consult the Letters, available at [www.sec.gov](http://www.sec.gov), for more complete information regarding the matters covered therein.

## **Regulation M Exemptions**

Generally, Rules 101 and 102 of Regulation M is an anti-manipulation regulation that, subject to certain exemptions, prohibits a “distribution participant” and the issuer or selling security holder, in connection with a distribution of securities, 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, and affiliated purchasers of such persons.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 101 of Regulation M against persons who may be deemed to be participating in a distribution of the notes to bid for or purchase the notes during their participation in such distribution.

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.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 102 of Regulation M against Barclays and its affiliated purchasers who bid for or purchase or redeem notes during the continuous offering of the notes.

**Section 11(d)(1) of the Exchange Act; Exchange Act Rule 11d1-2**

Section 11(d)(1) of the Exchange 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 or she participated as a member of a selling syndicate or group within thirty days prior to such transaction.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Section 11(d)(1) of the Exchange Act against broker-dealers who treat the notes, 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 the notes 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.

**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> |
|---------------|--|--------------|
| VZZ           | iPath Long Enhanced S&P 500 VIX Mid-Term Futures ETN | 06740L170    |
| ROLA          | iPath Long Extended Russell 1000 TR Index ETN        | 06740P205    |
| RTLA          | iPath Long Extended Russell 2000 TR Index ETN        | 06740P403    |
| SFLA          | iPath Long Extended S&P 500 TR Index ETN             | 06740P601    |
| MFLA          | iPath Long Enhanced MSCI EAFE Index ETN              | 06740P809    |
| EMLB          | iPath Long Enhanced MSCI Emerging Markets Index ETN  | 06740P874    |
| ROSA          | iPath Short Extended Russell 1000 TR Index ETN       | 06740P304    |
| RTSA          | iPath Short Extended Russell 2000 TR Index ETN       | 06740P502    |
| SFSA          | iPath Short Extended S&P 500 TR Index ETN            | 06740P700    |
| MFSA          | iPath Short Enhanced MSCI EAFE Index ETN             | 06740P882    |
| EMSA          | iPath Short Enhanced MSCI Emerging Markets Index ETN | 06740P866    |