



EDGA Exchange, Inc. & EDGX Exchange, Inc.			
Regulatory Information Circular			
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**Subject: PIMCO Diversified Income Exchange-Traded Fund
PIMCO Low Duration Exchange-Traded Fund**

Background Information on the Funds

As more fully explained in the Registration Statement (Nos. 811-22250 and 333-155395), each Fund is registered under the Investment Company Act of 1940 (the “1940 Act”) as an open-end management investment company and is an actively managed exchange-traded fund (“ETF”).

PIMCO serves as the investment adviser to each Fund. State Street Bank & Trust Co. serves as the custodian and transfer agent to each Fund. PIMCO Investments LLC is the distributor for each Fund (the “Distributor”).

Ticker	Fund Name	CUSIP
DI	PIMCO Diversified Income Exchange-Traded Fund	72201R726
LDUR	PIMCO Low Duration Exchange-Traded Fund	72201R718

PIMCO Diversified Income Exchange-Traded Fund

The Fund seeks maximum total return, consistent with prudent investment management and preservation of capital.

The Fund seeks to achieve its investment objective by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards. Fixed Income Instruments include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. In selecting individual Fixed Income Instruments, or in making broader sector allocations for the Fund, PIMCO develops an outlook for interest rates, currency exchange rates and the economy, analyzes credit and call risks and uses other investment selection techniques. The proportion of the Fund's assets committed to an individual investment, or investments with particular characteristics (such as quality, sector, interest rate or maturity), varies based on PIMCO's outlook for the U.S. economy and the economies of other countries in the world, the financial markets and other factors. PIMCO

attempts to identify areas of the bond market that are undervalued relative to the rest of the market. PIMCO may identify these areas by grouping Fixed Income Instruments into sectors such as money markets, governments, corporates, mortgages, asset-backed and international. Once investment opportunities are identified, PIMCO will shift assets among individual Fixed Income Instruments, or among sectors, depending upon changes in relative valuations, credit spreads and other factors.

In managing the Fund, PIMCO may employ both a bottom-up and top-down approach to investment selection. PIMCO's bottom-up value investment style attempts to identify Fixed Income Instruments or sectors that are undervalued by the market in comparison to PIMCO's own determination of value. Using a top-down value investment style, PIMCO also considers various qualitative and quantitative factors relating to the U.S. and non-U.S. economies and financial markets. These factors may include the outlook and projected growth of various sectors, projected growth trends in the U.S. and non-U.S. economies, forecasts for interest rates and the relationship between short- and long-term interest rates (yield curve), relative valuation levels in the financial markets and various segments within those markets, information relating to business cycles, borrowing needs and the cost of capital, political trends data relating to trade balances, and labor information. PIMCO has the flexibility to reallocate the Fund's assets among individual investments or sectors based on its ongoing analyses.

The average portfolio duration of this Fund normally varies from three to eight years, based on PIMCO's forecast for interest rates. Duration is a measure used to determine the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates. The Fund may invest in both investment-grade securities and high yield securities subject to a maximum of 10% of its total assets in securities rated below B by Moody's Investors Service, Inc., or equivalently rated by Standard & Poor's Rating Services or Fitch, Inc., or, if unrated, determined by PIMCO to be of comparable quality. In addition, the Fund may invest, without limitation, in securities and instruments that are economically tied to emerging market countries. The Fund may invest, without limitation, in securities and instruments denominated in foreign currencies and in U.S. dollar-denominated securities or instruments of foreign issuers. The Fund may also invest up to 10% of its total assets in preferred stock, convertible securities and other equity-related securities.

The average portfolio duration of this Fund varies based on PIMCO's forecast for interest rates and, under normal market conditions, will vary from zero to three years. Duration is a measure used to determine the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates.

The Fund may invest, without limitation, in mortgage- or asset-backed securities subject to applicable law and any other restrictions described in the Fund's Prospectus or Statement of Additional Information. The Fund may purchase or sell securities on a when-issued, delayed delivery or forward commitment basis and may engage in short sales. The Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls). The total return sought by the Fund consists of income earned on the Fund's investments, plus capital appreciation, if any, which generally arises from

decreases in interest rates, foreign currency appreciation, or improving credit fundamentals for a particular sector or security.

The Registration Statement for the Fund describes the various fees and expenses for the Fund's Shares. For a more complete description of the Fund and the underlying Index, visit the Fund's website at www.pimcoetfs.com.

PIMCO Low Duration Exchange-Traded Fund

The Fund seeks maximum total return, consistent with preservation of capital and prudent investment management.

The Fund seeks to achieve its investment objective by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards. Fixed Income Instruments include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The average portfolio duration of this Fund normally varies from one to three years based on PIMCO's forecast for interest rates. Duration is a measure used to determine the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates.

The Fund invests primarily in investment grade debt securities, but may invest up to 10% of its total assets in high yield securities rated B or higher by Moody's Investors Service, Inc., or equivalently rated by Standard & Poor's Rating Services or Fitch, Inc., or, if unrated, determined by PIMCO to be of comparable quality. The Fund may invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The Fund will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 20% of its total assets. The Fund may invest up to 10% of its total assets in securities and instruments that are economically tied to emerging market countries.

The Fund may invest, without limitation, in mortgage- or asset-backed securities, subject to applicable law and any other restrictions described in the Fund's Prospectus or Statement of Additional Information. The Fund may purchase or sell securities on a when-issued, delayed delivery or forward commitment basis and may engage in short sales. The Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls). The total return sought by the Fund consists of income earned on the Fund's investments, plus capital appreciation, if any, which generally arises from decreases in interest rates, foreign currency appreciation, or improving credit fundamentals for a particular sector or security. The Fund may also invest up to 10% of its total assets in preferred stock, convertible securities and other equity-related securities.

Each Fund will issue (or redeem) shares to certain institutional investors (typically market makers or other broker-dealers) only in large blocks of 50,000 shares known as "Creation Units." Creation Unit transactions are primarily conducted in exchange for cash valued at the

closing NAV of each Fund. Individual shares of each Fund may only be purchased and sold on the national securities exchanges, electronic communication networks and other alternative trading systems through a broker-dealer at market prices.

Only “Authorized Participants” (as defined in the SAI) who have entered into agreements with each Fund’s Distributor may engage in creation or redemption transactions directly with the Fund. The Fund will issue or redeem Creation Units in return for a basket of cash and/or securities that it will specify each Business Day.

Dividends from net investment income, if any, are generally declared and paid monthly by each Fund, but may vary from quarter to quarter (or month to month). 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 a Fund to comply with the distribution requirements of the Internal Revenue Code, in all events in a manner consistent with the provisions of the 1940 Act.

The Depository Trust Company (“DTC”) serves 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 each Fund will be determined as of the close of trading (normally, 4:00 p.m. Eastern Standard Time on each day that the Exchanges are open for business. NAV is calculated by dividing the value of the net assets of each Fund (*i.e.*, the total value of each Fund’s assets less all liabilities) by the total number of Shares outstanding of each Fund. 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 Indicative Optimized Portfolio Value for Shares of each Fund is available from market data vendors under the symbols DI.IV and LDUR.IV.

The Trust’s registration statement describes the various fees and expenses for each Fund’s Shares. For a more complete description of the Fund visit www.pimcoetfs.com.

Principal Risks

Interested persons are referred to the Prospectus for a description of risks associated with an investment in each Fund. These risks include Market Trading Risk, Interest Rate Risk, Credit Risk, High Yield Risk, Market Risk, Issuer Risk Liquidity Risk, Equity Risk, Mortgage-Related and Other Asset-Backed Securities Risk, Foreign (Non-U.S.) Investment Risk, Emerging Markets Risk, Currency Risk, Leveraging Risk, Management Risk and Short Sale Risk. Because Fund shares trade at market prices rather than at NAV, shares may trade at a price greater than NAV (premium) or less than NAV (discount). For more information on risks, please see the Prospectus.

Exchange Rules Applicable to Trading in the Shares

The shares are considered equity securities, thus rendering trading in the shares subject to the Exchange's existing rules governing the trading of equity securities.

Trading Hours

Trading in the Shares on the EDGA Exchange, Inc. and EDGX Exchange, Inc. (together, 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 Index value or intraday indicative value ("IIV"). For certain derivative securities products, an updated Index value or IIV may not be calculated or publicly disseminated in the Extended Market hours. Since the 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 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 if the primary market de-lists the Shares.

Suitability

Trading in the Shares on the Exchanges will be subject to the provisions of 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 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 revised Staff Legal Bulletin No. 9 (Revised September 10, 2010) ("Staff Bulletin", *available at www.sec.gov*, at Staff Legal Bulletins, SLB 9), in which the Division has granted exceptions from certain provisions of Regulation M (Rules 101(c)(4) and 102(d)(4)), under the Securities Exchange Act of 1934 ("1934 Act") with respect to certain transactions in Shares of actively-managed ETFs. The Fund relies on the exceptions stated in the Staff Bulletin. The Fund also relies on the relief granted in a letter dated March 1, 2012 (*available at www.sec.gov*) from Josephine J. Tao, Assistant Director, to Jeremy Senderowicz, Dechert LLP, relating to Rule 10b-17 under the 1934 Act.

The Staff Bulletin states that (1) the Rule 101(c)(4) exception is available to permit persons who may be deemed to be participating in a distribution of actively managed ETF Shares to bid for or purchase such Shares during their participation in a distribution, and (2) the Rule 102(d)(4) exception is available to permit an open-end investment company to redeem actively managed ETF Shares, if the following conditions are met: (i) the Shares are issued by a registered open-end investment company; (ii) the Shares are exchange listed and exchange traded; (iii) the ETF continuously redeems the Shares at net asset value (NAV); (iv) a close alignment between the Shares' secondary market price and the ETF's NAV is expected; (v) on each day the Shares trade, prior to commencement of such trading, the ETF discloses on its website the identities and quantities of the securities and assets held by the ETF which will form the basis of the calculation of the ETF's NAV at the end of such day; (vi) the exchange listing the Shares or other information provider disseminates every 15 seconds throughout the trading day, through the facilities of the Consolidated Tape Association, an amount representing on a per Share basis the sum of the current value of the securities, assets, and cash required to create new Shares (intraday indicative value or IIV); (vii) arbitrageurs are expected to take advantage of price variations between Shares' secondary market price and the ETF's NAV; and (viii) the arbitrage mechanism will be facilitated by the transparency of the ETF's portfolio, the availability of the IIV, the liquidity of the ETF's portfolio securities, the ability to access such securities, and the arbitrageurs' ability to create workable hedges.

In addition, the Staff Bulletin states that the redemption of creation unit sized aggregations of ETF Shares and the receipt of securities in exchange therefore by persons who may be deemed to be participating in a distribution of Shares do not constitute an "attempt to induce any person to bid for or purchase" a covered security during an applicable restricted period for purposes of Rule 101, but only if the redemptions are not made for the purpose of creating actual, or apparent, active trading in or raising or otherwise affecting the price of Shares or the securities received in exchange for the Shares redeemed.

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