



EDGA & EDGX STOCK EXCHANGES			
Regulatory Information Circular			
Circular Number:	2012-018	Contact:	Jeff Rosenstock
Date:	February 16, 2012	Telephone:	(201) 942-8295

Subject: **iShares® Barclays U.S. Treasury Bond Fund**
iShares® Aaa- A Rated Corporate Bond Fund
iShares® Financials Sector Bond Fund
iShares® Industrials Sector Bond Fund
iShares® Utilities Sector Bond Fund
iShares® Barclays CMBS Bond Fund

Background Information on the Funds

As more fully explained in the Registration Statements (File Nos. 333-92935 and 811-09729), the iShares® Trust (the “Trust”) is registered under the Investment Company Act of 1940 (the “1940 Act”) as an investment company and currently has a number of separate investment portfolios, including the funds listed above (together, the “Funds,” individually, the “Fund”). The Funds are an exchange-traded “index funds” (“ETFs”). The shares of the Funds are referred to herein as “Shares.”

BlackRock Fund Advisors (“BFA”) 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.

Description of the Funds

iShares Barclays U.S. Treasury Bond Fund

The iShares Barclays U.S. Treasury Bond Fund (the “Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the iShares Barclays U.S. Treasury Bond Index (the “Underlying Index”).

The Underlying Index is a market-capitalization weighted index that measures the performance of public obligations of the U.S. Treasury that have a remaining maturity of one year or more.

The Underlying Index includes publicly-issued U.S. Treasury securities that have a remaining maturity of one year or more and have \$250 million or more of outstanding face value. In addition, the securities in the Underlying Index must be denominated in U.S. dollars and must be fixed-rate and non-convertible. Excluded from the Underlying Index are certain special issues, such as flower bonds, targeted investor notes, state and local government series bonds and coupon issues that have been stripped from bonds. The securities in the Underlying Index are updated on the last calendar day of each month. Refer to the Fund’s prospectus for more information.

Refer to the Fund’s [Registered Statement](#) and [prospectus](#) for more information.

iShares Aaa - A Rated Corporate Bond Fund

The iShares Aaa - A Rated Corporate Bond Fund (the “Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Barclays Capital U.S. Corporate Aaa - A Capped Index (the “Underlying Index”).

The Underlying Index is a subset of the Barclays U.S. Corporate Index, which measures the performance of the Aaa – A rated range of the fixed-rate, U.S. dollar-denominated taxable, corporate bond market. The Underlying Index is market-capitalization weighted with a 3% cap on any one issuer and a *pro rata* distribution of any excess weight across the remaining issuers in the Underlying Index.

The Underlying Index includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial corporate issuers, with maturities of one year or more, that have \$500 million or more of outstanding face value. Each corporate bond must be registered with the SEC, have been exempt from registration at issuance, or have been offered pursuant to Rule 144A with registration rights. In addition, only securities rated A3 or higher will be included in the Underlying Index. When ratings from each of Fitch, Inc., Moody’s[®] Investors Service, Inc. and Standard & Poor’s Financial Services, are available, the median rating is used to determine eligibility. When ratings from only two of these agencies are available, that lower rating is used to determine eligibility. When a rating from only one of these agencies is available, that rating is used to determine eligibility. The securities in the Underlying Index are updated on the last calendar day of each month.

The Fund will invest in non-U.S. issuers to the extent necessary for it to track the Underlying Index. As of December 31, 2011, 22.15% of the Underlying Index was composed of bonds issued by non-U.S. issuers from the following countries: Australia, Canada, France, Germany, Israel, Japan, Mexico, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom and the United States.

Refer to the Fund’s [Registered Statement](#) and [prospectus](#) for more information.

iShares Financials Sector Bond Fund

The iShares Financials Sector Bond Fund (the “Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Barclays Capital U.S. Financial Institutions Capped Bond Index (the “Underlying Index”).

The Underlying Index measures the performance of U.S. dollar-denominated publicly-issued investment-grade corporate bonds in the financial sector. The Underlying Index is market-capitalization weighted with a 5% cap on any one issuer and a *pro rata* distribution of any excess weight across the remaining issuers in the Underlying Index.

The Underlying Index includes investment-grade corporate bonds publicly issued by U.S. and non-U.S. issuers in the U.S. bond market with maturities of one year or more and with \$250 million or more of outstanding face value. Each corporate bond must be registered with the SEC, have been exempt from registration at issuance, or have been offered pursuant to Rule 144A with registration rights. In addition, securities in the Underlying Index must be fixed-rate and non-convertible. The securities in the Underlying Index are updated on the last calendar day of each month.

The Fund will invest in non-U.S. issuers to the extent necessary for it to track the Underlying Index. As of December 31, 2011, 18.68% of the Underlying Index was composed of bonds issued by non-U.S. issuers from the following countries: Australia, Bermuda, Brazil, Canada, Colombia, France, Germany, Japan, the Netherlands, Spain, Sweden, Switzerland and the United Kingdom.

Refer to the Fund's [Registered Statement](#) and [prospectus](#) for more information.

iShares Industrials Sector Bond Fund

The iShares Industrials Sector Bond Fund (the "Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Barclays Capital U.S. Industrial Bond Index (the "Underlying Index")

The Underlying Index measures the performance of U.S. dollar-denominated publicly-issued investment-grade U.S. corporate bonds in the industrial sector.

The Underlying Index includes investment-grade corporate bonds publicly issued by U.S. and non-U.S. issuers in the U.S. bond market with maturities of one year or more and with \$250 million or more of outstanding face value. Each corporate bond must be registered with the SEC, have been exempt from registration at issuance, or have been offered pursuant to Rule 144A with registration rights. In addition, securities in the Underlying Index must be fixed-rate and non-convertible. The Underlying Index is market-capitalization weighted. The securities in the Underlying Index are updated on the last calendar day of each month.

The Fund will invest in non-U.S. issuers to the extent necessary for it to track the Underlying Index. As of December 31, 2011, 20.13% of the Underlying Index was composed of bonds issued by non-U.S. issuers from the following countries: Australia, Belgium, Brazil, Canada, Chile, Finland, France, Germany, Israel, Italy, Japan, Luxembourg, Mexico, the Netherlands, South Africa, South Korea, Spain, Switzerland, the United Kingdom and the United States.

Refer to the Fund's [Registered Statement](#) and [prospectus](#) for more information.

iShares Utilities Sector Bond Fund

The iShares Utilities Sector Bond Fund (the "Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Barclays Capital U.S. Utility Bond Index (the "Underlying Index").

The Underlying Index measures the performance of U.S. dollar-denominated publicly-issued investment grade corporate bonds in the utility sector.

The Underlying Index includes investment grade corporate bonds publicly issued by U.S. and non-U.S. issuers in the U.S. bond market with maturities of one year or more and with \$250 million or more of outstanding face value. Each corporate bond must be registered with the SEC, have been exempt from registration at issuance, or have been offered pursuant to Rule 144A with registration rights. In addition, securities in the Underlying Index must be fixed-rate and non-convertible. The Underlying Index is market-capitalization weighted and the securities in the Underlying Index are updated on the last calendar day of each month.

The Fund will invest in non-U.S. issuers to the extent necessary for it to track the Underlying Index. As of December 31, 2011, 5.99% of the Underlying Index was composed of bonds issued by non-U.S. issuers from the following countries: Canada, Chile, France, the United Kingdom and the United States.

Refer to the Fund's [Registered Statement](#) and [prospectus](#) for more information.

iShares Barclays CMBS Bond Fund

The iShares Barclays CMBS Bond Fund (the “Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Barclays Capital U.S. CMBS (ERISA Only) Index (the “Underlying Index”).

The Underlying Index measures the performance of investment-grade commercial mortgage-backed securities (“CMBS”), which are classes of securities (known as “certificates”) that represent interests in “pools” of commercial mortgages. The Underlying Index includes only CMBS that are Employee Retirement Income Security Act of 1974, as amended (“ERISA”) eligible under the underwriter’s exemption, which will deem ERISA eligible the certificates with the first priority of principal repayment, as long as certain conditions are met, including the requirement that the certificates be rated in one of the three highest rating categories by Fitch, Inc., Moody’s® Investors Services or Standard & Poor’s®.

The Underlying Index includes investment-grade CMBS that are ERISA eligible with \$300 million or more of aggregate outstanding transaction size. In addition, the original aggregate transaction must be \$500 million or more and the tranche size must be \$25 million or more. CMBS certificates must have an expected life of at least one year and must be either fixed-rate or subject to an interest rate cap equal to the weighted average coupon of the underlying asset pool. Excluded from the Underlying Index are non-ERISA eligible securities, agency transactions and privately issued securities, including those which may be resold in accordance with Rule 144A of the Securities Act of 1933, as amended. The securities in the Underlying Index are updated on the last calendar day of each month.

Refer to the Fund’s [Registered Statement](#) and [prospectus](#) for more information.

For each of the Funds, BFA uses a “passive” or indexing approach to try to achieve the Fund’s investment objective. Unlike many investment companies, each Fund does not try to “beat” the index it tracks and does not seek temporary defensive positions when markets decline or appear overvalued.

BFA uses a representative sampling indexing strategy to manage the each of the Funds. “Representative sampling” is an indexing strategy that involves investing in a representative sample of securities that collectively has an investment profile similar to the Underlying Index. The securities selected are expected to have, in the aggregate, investment characteristics (based on factors such as market capitalization and industry weightings), fundamental characteristics (such as return variability and yield) and liquidity measures similar to those of the Underlying Index. Each of the Funds may or may not hold all of the securities in the Underlying Index.

The Funds generally will invest at least 80% of their respective assets in the securities of the applicable Underlying Index or in depositary receipts representing securities of such Underlying Index. Each Fund may invest the remainder of its assets in securities not included in its Underlying Index, but which BFA believes will help the Fund track the Underlying Index and in other investments including futures contracts, options on futures contracts, options and swaps related to the Underlying Index, cash and cash equivalents, including shares of money market funds advised by BFA or its affiliates.

Each of the Underlying Indexes is sponsored by MSCI Inc. (the “Index Provider”). The Index Provider is independent of the Funds and BFA. The Index Provider determines the composition and relative weightings of the securities in each Underlying Index and publishes information regarding the market value of each Underlying Index.

As described more fully in the Funds' prospectus ("Prospectus") and Statement of Additional Information ("SAI"), a Fund will issue (or redeem) shares to certain large institutional investors (typically market makers or other large broker-dealers) known as "Authorized Participants" only in large blocks of shares known as "Creation Units." The Funds will only issue or redeem shares that have been aggregated into blocks of 100,000 shares or multiples thereof ("Creation Units") for all of the funds except iShares Barclays CMBS Bond Fund to authorized participants who have entered into agreements with the Funds' distributor. iShares Barclays CMBS Bond Fund will only issue or redeem shares that have been aggregated into blocks of 150,000 shares or multiples thereof. Each of the Funds generally will issue or redeem Creation Units in return for a designated portfolio of securities (and an amount of cash) that each of the Funds specifies each day.

Individual shares of a Fund may only be purchased and sold on an exchange at market prices. Individual shares are not redeemable directly to a Fund. Because Fund shares trade at market prices rather than net asset value ("NAV"), shares may trade at a price that is equal to NAV, greater than NAV (premium) or less than NAV (discount).

Dividends from net investment income, if any, generally are declared and paid monthly by each of 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 Trust reserves the right to declare special distributions if, in its reasonable discretion, such action is necessary or advisable to preserve its status as a regulated investment company ("RIC") or to avoid imposition of income or excise taxes on undistributed income or realized gains.

Dividends and other distributions on shares of the Funds are distributed on a *pro rata* basis to beneficial owners of such shares. Dividend payments are made through DTC participants and indirect participants to beneficial owners then of record with proceeds received from the Fund.

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 each Fund will be determined as of the close of trading (normally, 4:00 p.m. Eastern Time ("ET")) on each day that the New York Stock Exchange ("NYSE") and NYSE Arca are open for business. 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 Indexes, visit the Funds' [website](#).

Principal Risks

Interested persons are referred to the Fund's Prospectus for a description of risks associated with an investment in the Funds. These risks include Asset Class Risk, Call Risk, Concentration Risk, Income Risk, Industrial Sector Risk, Interest Rate Risk, Issuer Risk, Liquidity Risk, Management Risk, Market Risk, Market Trading Risk, Non-Diversification Risk, Non-U.S. Issuers Risk, Passive Investment Risk, Privately-Issued Securities Risk, Reliance on Trade Partners Risk, Securities Lending Risk, Tracking Error Risk, U.S. Treasury Obligations Risk, and Utilities Sector Risk. In addition, as noted in the applicable Prospectus, 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 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.

Each Fund's Prospectus describing other risks is available at 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 Exchange's existing rules governing the trading of equity securities.

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 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 Funds (by delivery of the Deposit Amount) must also receive a prospectus.

Prospectuses for [iShares Barclays U.S. Treasury Bond Fund](#); [iShares Aaa - A Rated Corporate Bond Fund](#); [iShares Financials Sector Bond Fund](#); [iShares Industrials Sector Bond Fund](#); [iShares Utilities Sector Bond Fund](#); and [iShares Barclays CMBS Bond Fund](#) may be obtained through the Distributor or on the Funds' [website](#). The Prospectuses do 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 Funds, please refer to the Trust's registration statements.

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

The Commission Staff has issued letters dated April 9, 2007, November 21, 2005 and August 21, 2001 (each a "No-Action Letter" and, together, the "No-Action Letters") granting exemptive, interpretive and no-action relief from certain provisions of and rules under the Securities Exchange Act of 1934 for exchange-traded funds listed and traded on a registered national securities exchange that meet certain criteria. Members are referred to the No-Action Letters, available at 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 from 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 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.

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](#) from Catherine McGuire, Chief Counsel, SEC Division of Market Regulation, to

Securities Industry Association, Derivative Products Committee, dated November 21, 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 fund shares and secondary market transactions therein.

This Regulatory Information Circular is not a statutory Prospectus. Members should consult the Trust's Registration Statements, SAIs, Prospectuses and the Funds' [website](#) for relevant information.

Appendix A

Ticker	Fund Name	CUSIP
GOVT	iShares Barclays U.S. Treasury Bond Fund	46429B267
QLTA	iShares Aaa - A Rated Corporate Bond Fund	46429B291
MONY	iShares Financials Sector Bond Fund	46429B259
ENGN	iShares Industrials Sector Bond Fund	46429B226
AMPS	iShares Utilities Sector Bond Fund	46429B184
CMBS	iShares Barclays CMBS Bond Fund	46429B366