EDGA Exchange, Inc. & EDGX Exchange, Inc.			
Regulatory Information Circular			
Circular Number:	2013-068	Contact:	Jeff Rosenstrock
Date:	August 15, 2013	Telephone:	(201) 942-8295

Subject: Schwab Fundamental U.S. Broad Market Index ETF
Schwab Fundamental U.S. Large Company Index ETF
Schwab Fundamental U.S. Small Company Index ETF
Schwab Fundamental International Large Company Index ETF
Schwab Fundamental International Small Company Index ETF
Schwab Fundamental Emerging Markets Large Company Index ETF

Background Information on the Fund

As more fully explained in the Registration Statement (Nos. 333-160595 and 811-22311), the Schwab Strategic Trust (the "Trust") is an open-end management investment company registered under the Investment Company Act of 1940, as amended. The Trust consists of separate exchange-traded funds, including the above mentioned funds (individually the "Fund" together the "Funds"). The shares of the Funds are referred to herein as "Shares."

Charles Schwab Investment Management, Inc. serves as the Funds' investment advisor (the "Advisor"). State Street Bank and Trust Company serves as the Funds' Custodian & Transfer Agent. SEI Investments Distribution Co. serves as the Funds' distributor (the "Distributor").

Ticker	Fund Name	CUSIP
FNDB	Schwab Fundamental U.S. Broad Market Index ETF	808524789
FNDX	Schwab Fundamental U.S. Large Company Index ETF	808524771
FNDA	Schwab Fundamental U.S. Small Company Index ETF	808524763
FNDF	Schwab Fundamental International Large Company Index ETF	808524755
FNDC	Schwab Fundamental International Small Company Index ETF	808524748
FNDE	Schwab Fundamental Emerging Markets Large Company Index ETF	808524730

Description of the Funds

Schwab Fundamental U.S. Broad Market Index ETF ("FNDB")
Schwab Fundamental U.S. Large Company Index ETF ("FNDX")
Schwab Fundamental U.S. Small Company Index ETF ("FNDA")

The FNDB, FNDX and FNDA Funds seek to track as closely as possible, before fees and expenses, the total return of their respective indexes: Russell Fundamental U.S. Index for Schwab Fundamental U.S. Broad Market Index ETF (the "FNDB Index"), the Russell Fundamental U.S. Large Company Index for Schwab Fundamental U.S. Large Company Index ETF (the "FNDX Index"), and the Russell Fundamental U.S. Small Company Index for Schwab Fundamental U.S. Small Company Index ETF (the "FNDA Index") (together the "Indexes") .

To pursue their goals, the Funds generally invest in stocks that are included in their respective Indexes. The Indexes select, rank, and weight securities by fundamental measures of company size — adjusted sales, retained operating cash flow, and dividends plus buyback — rather than market capitalization. The following segments are measured by the fundamental overall company scores ("scores"), which are created using as the universe the companies included in the Russell 3000 Index (the "Russell Index"): FNDB Index measures the performance of the constituent companies the FNDX Index measures the performance of the large company size segment and FNDA Index measure the measures the performance of the small company size segment. Securities are grouped in order of decreasing score and each company receives a weight based on the total weights of the companies within the Russell Index. Companies with weights above 87.5% make up the FNDX Index. Companies with weights below 87.5% make up the FNDA Index.

The weights of the companies included in the Index are determined annually and are implemented using a partial quarterly reconstitution methodology in which the Index is split into four equal segments and each segment is rebalanced on a rolling quarterly basis. The Index is compiled and calculated by Russell Investments in conjunction with Research Affiliates LLC, and the method of calculating the components of the Index is subject to change.

It is the Fund's policy that, under normal circumstances, it will invest at least 90% of its net assets in stocks included in the Indexes. The FNDX and FNDA Funds will generally give the same weight to a given stock as the Index does. However, when the investment adviser believes it is in the best interest of the Fund, such as to avoid purchasing odd-lots (*i.e.*, purchasing less than the usual number of shares traded for a security), for tax considerations, or to address liquidity considerations with respect to a stock, the investment adviser may cause the Fund's weighting of a stock to be more or less than the Index's weighting of the stock. The Funds may sell securities that are represented in the Indexes in anticipation of their removal from the Indexes, or buy securities that are not yet represented in the Indexes in anticipation of their addition to the Indexes.

Under normal circumstances, the Funds may invest up to 10% of its net assets in securities not included in their Indexes. The principal types of these investments include those that the Adviser believes will help the Funds track their Indexes, such as investments in (a) securities that are not represented in the Funds' Indexes but the Adviser anticipates will be added to the Indexes or as necessary to reflect various corporate actions (such as mergers and spin-offs), (b) other investment companies, and (c) derivatives, principally futures contracts. The Funds may use futures contracts and other derivatives primarily to seek returns on the Fund's otherwise uninvested cash assets to help it better track the Indexes. The Funds may also invest in cash and cash equivalents, and may lend its securities to minimize the difference in performance that naturally exists between an index fund and its corresponding index.

The Funds will concentrate its investments (*i.e.*, hold 25% or more of its total assets) in a particular industry, group of industries or sector to approximately the same extent that the Index is so concentrated. For purposes of this limitation, securities of the U.S. government (including its agencies and instrumentalities), and repurchase agreements collateralized by U.S. government securities are not considered to be issued by members of any industry.

The Adviser seeks to achieve, over time, a correlation between the Fund's performance and that of the Index, before fees and expenses, of 95% or better. However, there can be no guarantee that the Fund will achieve a high degree of correlation with the Index. A number of factors may affect the Fund's ability to achieve a high correlation with the Index, including the number of Index securities held by the Fund as part of the sampling technique. The correlation between the performance of the Fund and the Index may also diverge due to transaction costs, asset valuations, corporate actions (such as mergers and spin-offs), timing variances, and differences between the Fund's portfolio and the Index resulting from legal restrictions (such as diversification requirements) that apply to the Fund but not to the Index.

Principal Risks

Interested persons are referred to the Prospectus for a description of risks associated with an investment in the Shares. These risks include, but are not limited to Market Risk; Investment Style Risk; Equity Risk; Large-Cap (for FNDB and FNDX) and Mid-Cap Risk (for FNDB); Small-Cap Risk (for FNDA); Sampling Index Tracking Risk; Tracking Error Risk; Derivatives Risk; Liquidity Risk; Securities Lending Risk; Concentration Risk; Market Trading Risk; Shares of the Fund May Trade at Prices Other Than NAV; and Lack of Governmental Insurance or Guarantee. In addition, as noted in the Prospectus, the Shares may trade at market prices that may differ from their NAV and therefore Shares may trade at prices greater than NAV (at a premium), at NAV, or less than NAV (at a discount). The NAV of the 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. See also the section on suitability below.

Schwab Fundamental International Large Company Index ETF ("FNDF")
Schwab Fundamental International Small Company Index ETF ("FNDC")

These Funds seek to track as closely as possible, before fees and expenses, the total return of the Russell Fundamental Developed ex-U.S. Large Company Index for FNDF ("FNDF Index") and Russell Fundamental Developed ex-U.S. Small Company Index for FNDC ("FNDC Index") (together the "Indexes").

To pursue their goals, the Funds generally invest in stocks that are included in the Funds' respective Indexes. The Indexes select, rank, and weight securities by fundamental measures of company size — adjusted sales, retained operating cash flow, and dividends plus buybacks — rather than market capitalization. Each Index measures the performance of the large company size segment by fundamental scores, which are created using as the universe the companies included in the Russell Developed ex-U.S. Index (the "Russell Index"). Securities are grouped in order of decreasing score and each company receives a weight based on the total weights of the companies within the Russell Index. Companies with weights above 87.5% make up the Indexes. The weights of the companies included in the Indexes are determined annually and are implemented using a partial quarterly reconstitution methodology in which the Indexes are split into four equal segments and each segment is rebalanced on a rolling quarterly basis. The Indexes are compiled and calculated by Russell Investments in conjunction with Research Affiliates LLC, and the method of calculating the components of the Index is subject to change.

It is the Funds' policy that, under normal circumstances, it will invest at least 90% of its net assets in stocks included in the Indexes, including depositary receipts representing securities of the Index; which may be in the form of American Depositary receipts ("ADRs"), Global Depositary receipts ("GDRs") and European Depositary receipts ("EDRs"). The Funds may sell securities that are represented in their respective Indexes in anticipation of their removal from the Indexes, or buy securities that are not yet represented in the Indexes in anticipation of their addition to the Indexes.

Under normal circumstances, the Funds may invest up to 10% of its net assets in securities not included in the Indexes. The principal types of these investments include those that the Adviser believes will help the Funds track their Indexes, such as investments in (a) securities that are not represented in the Indexes but the Adviser anticipates will be added to the Indexes or as necessary to reflect various corporate actions (such as mergers and spin-offs), (b) other investment companies, and (c) derivatives, principally futures contracts. The Funds may use futures contracts and other derivatives primarily to seek returns on the Funds' otherwise uninvested cash assets to help it better track their Indexes. The Funds may also invest in cash and cash equivalents, and may lend its securities to minimize the difference in performance that naturally exists between an index fund and its corresponding index. The Funds do not hedge their exposure to foreign currencies.

Because it may not be possible or practicable to purchase all of the stocks in the Index, the Adviser seeks to track the total return of the Indexes by using statistical sampling techniques. These techniques involve investing in a limited number of Indexes securities which, when taken together, are expected to perform similarly to the Indexes as a whole. These techniques are based on a variety of factors, including performance attributes, tax considerations, capitalization, dividend yield, price/earnings ratio, industry factors, risk factors and other characteristics. The Funds generally expects that its portfolio will hold less than the total number of securities in the Indexes, but reserves the right to hold as many securities as it believes necessary to achieve the Fund's investment objective. The Funds generally expect that their industry weightings, dividend yield and price/earnings ratio will be similar to those of their Indexes.

The Funds will concentrate their investments (*i.e.*, hold 25% or more of its total assets) in a particular industry, group of industries or sector to approximately the same extent that their Indexes are so concentrated. For purposes of this limitation, securities of the U.S. government (including its agencies and instrumentalities), and repurchase agreements collateralized by U.S. government securities are not considered to be issued by members of any industry.

The Adviser seeks to achieve, over time, a correlation between the Funds' performance and that of their Indexes, before fees and expenses, of 95% or better. However, there can be no guarantee that the Funds will achieve a high degree of correlation with their Indexes. A number of factors may affect the Funds' abilities to achieve a high correlation with their Indexes, including the number of Index securities held by the Funds as part of the sampling technique. The correlation between the performance of the Funds and their Indexes may also diverge due to transaction costs, asset valuations, corporate actions (such as mergers and spin-offs), timing variances, and differences between the Funds' portfolios and their Indexes resulting from legal restrictions (such as diversification requirements) that apply to the Funds but not to their Indexes.

Principal Risks

Interested persons are referred to the Prospectus for a description of risks associated with an investment in the Shares. These risks include, but are not limited to Market Risk; Investment Style Risk; Equity Risk; Large-Cap Risk for FNDF; Small-Cap Risk for FNDC; Foreign Investment Risk; Sampling Index Tracking Risk; Tracking Error Risk; Derivatives Risk; Liquidity Risk; Securities Lending Risk; Concentration Risk; Market Trading Risk; Shares of the Fund May Trade at Prices Other Than NAV; and Lack of Governmental Insurance or Guarantee. In addition, as noted in the Prospectus, the Shares may trade at market prices that may differ from their NAV and therefore Shares may trade at prices greater than NAV (at a premium), at NAV, or less than NAV (at a discount). The NAV of the 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. See also the section on suitability below.

Schwab Fundamental Emerging Markets Large Company Index ETF ("FNDE)

The Fund seeks to track as closely as possible, before fees and expenses, the total return of the Russell Fundamental Emerging Markets Large Company Index (the "Index").

To pursue its goal, the Fund generally invests in stocks that are included in the Russell Fundamental Emerging Markets Large Company Index (the "Index"). The Index selects, ranks, and weights securities by fundamental measures of company size — adjusted sales, retained operating cash flow, and dividends plus buybacks — rather than market capitalization. The Index measures the performance of the large company size segment by fundamental overall company scores ("scores"), which are created using as the universe the companies included in the Russell Emerging Markets Index (the "Russell Index"). Securities are grouped in order of decreasing score and each company receives a weight based on the total weights of the companies within the Russell Index. Companies with weights above 87.5% make up the Index. The weights of the companies included in the Index are determined annually and are implemented using a partial quarterly reconstitution methodology in which the Index is split into four equal segments and each segment is rebalanced on a rolling quarterly basis. The Index is compiled and calculated by Russell Investments in conjunction with Research Affiliates LLC, and the method of calculating the components of the Index is subject to change.

It is the Fund’s policy that, under normal circumstances, it will invest at least 80% of its net assets in stocks included in the Index, including depositary receipts representing securities of the Index; which may be in the form of American Depositary receipts (“ADRs”), Global Depositary receipts (“GDRs”) and European Depositary receipts (“EDRs”). The Fund may sell securities that are represented in the Index in anticipation of their removal from the Index, or buy securities that are not yet represented in the Index in anticipation of their addition to the Index.

Under normal circumstances, the Fund may invest up to 20% of its net assets in securities not included in the Index. The principal types of these investments include those that the Adviser believes will help the Fund track the Index, such as investments in (a) securities that are not represented in the Index but the Adviser anticipates will be added to the Index or as necessary to reflect various corporate actions (such as mergers and spin-offs), (b) other investment companies, and (c) derivatives, principally futures contracts. The Fund may use futures contracts and other derivatives primarily to (a) seek returns on the Fund’s otherwise uninvested cash assets to help it better track the Index and (b) obtain exposure substantially similar to that provided by certain securities included in the Index which the Fund may not be able to purchase or hold directly due to restrictions and/or regulations on investments in the applicable local markets. The Fund may also invest in cash and cash equivalents, and may lend its securities to minimize the difference in performance that naturally exists between an index fund and its corresponding index. The Fund does not hedge its exposure to foreign currencies.

Because it may not be possible or practicable to purchase all of the stocks in the Index, the Adviser seeks to track the total return of the Index by using statistical sampling techniques. These techniques involve investing in a limited number of Index securities which, when taken together, are expected to perform similarly to the Index as a whole. These techniques are based on a variety of factors, including performance attributes, tax considerations, capitalization, dividend yield, price/earnings ratio, industry factors, risk factors and other characteristics. The Fund generally expects that its portfolio will hold less than the total number of securities in the Index, but reserves the right to hold as many securities as it believes necessary to achieve the Fund’s investment objective. The Fund generally expects that its industry weightings, dividend yield and price/earnings ratio will be similar to those of the Index.

The Fund will concentrate its investments (*i.e.*, hold 25% or more of its total assets) in a particular industry, group of industries or sector to approximately the same extent that the Index is so concentrated. For purposes of this limitation, securities of the U.S. government (including its agencies and instrumentalities), and repurchase agreements collateralized by U.S. government securities are not considered to be issued by members of any industry.

The Adviser seeks to achieve, over time, a correlation between the Fund’s performance and that of the Index, before fees and expenses, of 95% or better. However, there can be no guarantee that the Fund will achieve a high degree of correlation with the Index. A number of factors may affect the Fund’s ability to achieve a high correlation with the Index, including the number of Index securities held by the Fund as part of the sampling technique. The correlation between the performance of the Fund and the Index may also diverge due to transaction costs, asset valuations, corporate actions (such as mergers and spin-offs), timing variances, and differences between the Fund's portfolio and the Index resulting from legal restrictions (such as diversification requirements) that apply to the Fund but not to the Index.

Principal Risks

Interested persons are referred to the Prospectus for a description of risks associated with an investment in the Shares. These risks include, but are not limited to Market Risk. Investment Style Risk; Equity Risk; Large-Cap Risk; Foreign Investment Risk; Emerging Markets Risk; Sampling Index Tracking Risk; Tracking Error Risk; Derivatives Risk; Liquidity Risk; Securities Lending Risk; Concentration Risk; Market Trading Risk; Shares of the Fund May Trade at Prices Other Than NAV; and Lack of Governmental Insurance or Guarantee. In addition, as noted in the Prospectus, the Shares may trade at market prices that may differ from their NAV and therefore Shares may trade at prices greater than NAV (at a premium), at NAV, or less than NAV (at a discount). The NAV of the 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. See also the section on suitability below.

The FNDB, FNDX and FNDA issue and redeem shares at NAV only in large blocks of shares, typically 50,000 shares or more ("Creation Units"). FNDF, FNDC, and FNDE issue and redeem shares at NAV only in large blocks of shares, typically 100,000 shares or more. These transactions are usually in exchange for a basket of securities included in the Index and/or an amount of cash. As a practical matter, only institutions or large investors purchase or redeem Creation Units. Except when aggregated in Creation Units, shares of the Fund are not redeemable securities.

Dividends from net investment income, if any, are generally declared and paid quarterly by FNDB, FNDX and FNDA, and annually by FNDF, FNDC and FNDE.

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 of the Funds are generally determined each day as of the close of trading (normally 4:00 p.m., Eastern Time) on each day the primary listing exchange is open for business. The NAV of the Funds are calculated by dividing the value of the net assets of the Fund (i.e., the value of its total assets less total liabilities) by the total number of outstanding shares of the Fund, generally rounded to the nearest cent.

The Prospectus for the Funds describes the investment strategies and the various fees and expenses for the Shares. For a more complete description of the Funds and their risks, visit www.schwabetfs.com.

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 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.

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.

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.

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.

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.

A Prospectus may be obtained through the Distributor or may be available on the Fund's website. The Prospectus will 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 (together, the "No- Action Letters") dated June 27, 2007, April 9, 2007, October 24, 2006, and November 21, 2005 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. ETP Holders should refer 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 Fund's securities during the restricted period of Rule 101. The Commission has issued a No-Action Letter relating to paragraph (e) of Rule 102 under Regulation M to allow the redemption of fund shares in creation unit aggregations during the continuous offering of shares.

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

Broker–dealers who handle purchases or redemptions of 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 a 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:

1. 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
2. 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 Index; and
3. 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

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 stating 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 Statement, Prospectus, and the Funds' website for relevant information.