Information Circular: iShares Trust

To: Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders

From: NASDAQ / BX / PHLX Listing Qualifications Department

Date: April 18, 2013

Exchange-Traded Fund

<table>
<thead>
<tr>
<th>Exchange-Traded Fund</th>
<th>Symbol</th>
<th>CUSIP #</th>
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<tr>
<td>iShares MSCI USA Momentum Factor ETF</td>
<td>MTUM</td>
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<tr>
<td>iShares MSCI USA Size Factor ETF</td>
<td>SIZE</td>
<td>46432F370</td>
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<tr>
<td>iShares MSCI USA Value Factor ETF</td>
<td>VLUE</td>
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<td>iShares Enhanced U.S. Large-Cap ETF</td>
<td>IELG</td>
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<tr>
<td>iShares Enhanced U.S. Small-Cap ETF</td>
<td>IESM</td>
<td>46431W200</td>
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</table>

Background Information on the Funds

The iShares Trust and the iShares U.S. ETF Trust (each, a “Trust”) are each a management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”), consisting of several investment portfolios. This circular relates only to the Funds listed above (each, a “Fund” and together, the “Funds”). BlackRock Fund Advisors (“BFA” or the “Adviser”), serves as investment adviser of each of the Funds.

The iShares MSCI USA Momentum Factor ETF (MTUM) seeks to track the performance of an index that measures the performance of U.S. large- and mid-capitalization stocks exhibiting relatively higher momentum characteristics, before fees and expenses.

The MSCI USA Momentum Index (the “Underlying Index”) consists of stocks exhibiting relatively higher momentum characteristics than the traditional market capitalization-weighted parent index, the MSCI USA Index, which includes U.S. large- and mid-capitalization stocks. Momentum is defined as a security's standard deviation of daily returns over the past year (expressed as a positive number, with securities that have the highest positive standard deviations receiving the highest scores). The main variable used to construct the Underlying Index is each security’s price momentum over the previous 6-12 months. Daily local returns are used to compute the price momentum. The results are then standardized at +/-3 standard deviations and the standardized z-scores are translated into a momentum score. Securities with the highest momentum scores are selected for inclusion in the Underlying Index. As of February 28, 2013, there were 125 securities in the Underlying Index. The weight of each index constituent is determined by multiplying the security’s momentum score by its free-float market capitalization. Components primarily include consumer discretionary, consumer staples and healthcare.
companies. The components of the Underlying Index, and the degree to which these components represent certain industries, may change over time.

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

Indexing may eliminate the chance that the Fund will substantially outperform the Underlying Index but also may reduce some of the risks of active management, such as poor security selection. Indexing seeks to achieve lower costs and better after-tax performance by keeping portfolio turnover low in comparison to actively managed investment companies.

BFA uses a representative sampling indexing strategy to manage the Fund. “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. The Fund may or may not hold all of the securities in the Underlying Index.

The MSCI USA Risk Weighted Index (the “Risk Index”) is based on a traditional market capitalization-weighted parent index, the MSCI USA Index, which includes U.S. large- and mid-capitalization stocks. The Risk Index considers the “size” (market capitalization) of individual stocks in the parent index and generally is expected to have a smaller average market capitalization than the parent index. The Risk Index reweights each security of the parent index using a rules-based methodology so that stocks with relatively smaller average market capitalization and lower risk weightings based on the index provider’s methodology constitute a higher percentage of the index. The risk weighting of each security is calculated using the inverse of its historical variance, estimated based on three years of weekly return data. The Risk Index seeks to provide negative exposure to two systematic factors, the size factor and volatility factor, by emphasizing stocks with smaller average market capitalization and lower realized volatility than its parent index. As of February 28, 2013, there were 604 issues in the Risk Index. Components primarily include consumer discretionary, consumer staples, financial and utilities companies. The components of the Risk Index, and the degree to which these components represent certain industries, may change over time.

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

Indexing may eliminate the chance that the Fund will substantially outperform the Risk Index but also may reduce some of the risks of active management, such as poor security selection. Indexing seeks to achieve lower costs and better after-tax performance by keeping portfolio turnover low in comparison to actively managed investment companies.

BFA uses a representative sampling indexing strategy to manage the Fund. “Representative sampling” is an indexing strategy that involves investing in a
representative sample of securities that collectively has an investment profile similar to
the Risk 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 Risk Index. The Fund may or may not hold all of
the securities in the Risk Index.

The iShares MSCI USA Value Factor ETF (VLUE) seeks to track the performance of an
index that measures the performance of U.S. large- and mid-capitalization stocks with
value characteristics and relatively lower valuations, before fees and expenses.

The MSCI USA Value Weighted Index (the “Value Index”) is based on a traditional market
capitalization-weighted parent index, the MSCI USA Index, which includes U.S. large- and
mid- capitalization stocks. The Value Index reweights each security of the parent index to
emphasize stocks with higher accounting values compared to the accounting values of
the constituents in the parent index. The value weighting of each security is determined
using four accounting variables based on publicly reported financial data: book value and
three-year moving averages of sales, earnings, and cash earnings. Components primarily
include consumer discretionary, financial, healthcare and information technology
companies. As of February 28, 2013, there were 604 issues in the Value Index. The
components of the Value Index, and the degree to which these components represent
certain industries, may change over time.

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

Indexing may eliminate the chance that the Fund will substantially outperform the
Underlying Index but also may reduce some of the risks of active management, such as
poor security selection. Indexing seeks to achieve lower costs and better after-tax
performance by keeping portfolio turnover low in comparison to actively managed
investment companies.

BFA uses a representative sampling indexing strategy to manage the Fund.
“Representative sampling” is an indexing strategy that involves investing in a
representative sample of securities that collectively has an investment profile similar to
the Value 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 Value Index. The Fund may or may not hold all of
the securities in the Value Index.

The iShares MSCI USA Size Factor ETF (SIZE) seeks to track the performance of an index
that measures the performance of U.S. large- and mid-capitalization stocks with
relatively smaller average market capitalization, before fees and expenses.

The iShares Enhanced U.S. Large-Cap ETF (IELG) seeks long-term capital appreciation.

IELG seeks to achieve its investment objective by investing, under normal circumstances,
at least 80% of its net assets in equity securities of U.S. large-capitalization issuers. The
Fund is an actively managed exchange-traded fund ("ETF") that does not seek to
replicate the performance of a specified index. The Fund will seek to invest in strategic U.S. large-capitalization stocks with targeted investment characteristics.

BFA utilizes a proprietary investment process to assemble an investment portfolio from a defined group of U.S. large-capitalization stocks based on certain quantitative investment characteristics, including, but not limited to, cash earnings, earnings variability, leverage, price-to-book ratio and market capitalization. Companies in the universe of U.S. large-capitalization securities include consumer discretionary, financial and healthcare companies, and may change over time.

The Fund may have a higher portfolio turnover than funds that seek to replicate the performance of an index. The Fund may lend securities representing up to one-third of the value of the Fund’s total assets (including the value of the collateral received).

The iShares Enhanced U.S. Small-Cap ETF (IESM) seeks long-term capital appreciation.

IESM seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its net assets in equity securities of U.S. small-capitalization issuers. The Fund is an actively managed ETF that does not seek to replicate the performance of a specified index. The Fund will seek to invest in strategic U.S. small-capitalization stocks with targeted investment characteristics.

BFA utilizes a proprietary investment process to assemble an investment portfolio from a defined group of U.S. small-capitalization stocks based on certain quantitative investment characteristics, including, but not limited to, cash earnings, earnings variability, leverage, price-to-book ratio and market capitalization. Companies in the universe of U.S. small-capitalization securities include consumer discretionary, financial and information technology companies, and may change over time.

The Fund may have a higher portfolio turnover than funds that seek to replicate the performance of an index. The Fund may lend securities representing up to one-third of the value of the Fund’s total assets (including the value of the collateral received).

For more information regarding each Fund’s investment strategy, please read the prospectus for the Funds.

As described more fully in each Trust’s prospectus and Statement of Additional Information ("SAI"), the Funds issue and redeem Shares at net asset value ("NAV") only in large blocks of 50,000 Shares (each block of Shares called a “Creation Unit”). As a practical matter, only broker-dealers or large institutional investors with creation and redemption agreements (called Authorized Participants) can purchase or redeem these Creation Units. Except when aggregated in Creation Units, the Shares may not be redeemed with the Funds.

Shares are held in book-entry form, which means that no Share certificates are issued. The Depository Trust Company or its nominee is the record owner of all outstanding Shares of the Funds and is recognized as the owner of all Shares for all purposes.

The NAV per Share for each Fund is computed 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 Shares outstanding. Expenses and fees are accrued daily and taken into account for purposes of determining NAV. The NAV of each Fund is determined each business day after the close of trading (ordinarily 4:00 p.m., Eastern Time or “ET”) of the New York
Stock Exchange. Any assets or liabilities denominated in currencies other than the U.S. dollar are converted into U.S. dollars at the current market rates on the date of valuation as quoted by one or more sources.

The registration statement for the Funds 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 at www.ishares.com.

**Purchases and Redemptions in Creation Unit Size**

NASDAQ members, BX members and PHLX members and member organizations are hereby informed that procedures for purchases and redemptions of Shares in Creation Unit Size are described in the Trust’s prospectus and Statement of Additional Information and that Shares are not individually redeemable but are redeemable only in Creation Unit Size aggregations or multiples thereof.

**Principal Risks**

Interested persons are referred to the discussion in the prospectus for the Funds of the principal risks of an investment in the Funds. These include tracking error risk (factors causing a Fund’s performance to not match the performance of its underlying index), market trading risk (for example, trading halts, trading above or below net asset value), investment style risk, sector risk, investment approach risk, non-diversification risk, issuer-specific risk, management risk and equity securities risk.

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

Trading in the Shares on NASDAQ is on a UTP basis and is subject to NASDAQ equity trading rules. Trading of the Shares on BX is on a UTP basis and is subject to BX equity trading rules. Trading of the Shares on PHLX’s PSX system is on a UTP basis and is subject to PHLX rules.

**Trading Hours**

The values of each index underlying the Shares are disseminated to data vendors every 15 seconds. The Shares will trade on NASDAQ between 7:00 a.m. and 8:00 p.m. ET. The Shares will trade on BX between 8:00 a.m. and 7:00 p.m. ET. The Shares will trade on PSX between 9:00 a.m. and 5:00 p.m. ET. For trading during each market’s pre-market and post-market sessions, market participants should note that additional risks may exist with respect to trading the Funds during these sessions, when the underlying index’s values, intraday indicative value, or similar value may not be disseminated or calculated.

**Dissemination of Fund Data**

The Consolidated Tape Association will disseminate real time trade and quote information for the Funds to Tape B.
<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Listing Market</th>
<th>Trading Symbol</th>
<th>IOPV Symbol</th>
<th>NAV Symbol</th>
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<tr>
<td>iShares MSCI USA Momentum Factor ETF</td>
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<td>MTUM</td>
<td>MTUM.IV</td>
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</tr>
</tbody>
</table>

**Suitability**

Trading in the Shares on NASDAQ will be subject to the provisions of NASDAQ Rule 2310. Trading in the Shares on BX will be subject to the provisions of BX Equity Rule 2310. Shares trading on PSX will be subject to the provisions of PHLX Rule 763. Members and member organizations 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 both the NASDAQ Conduct Rules and the BX Conduct Rules.

NASDAQ members, BX members and PHLX members and member organizations should also review NASD 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**

NASDAQ will halt trading in the Shares of a Fund in accordance with NASDAQ Rule 4120. BX will halt trading in the Shares of a Fund in accordance with BX Equity Rule 4120. PHLX will halt trading in the Shares of a Fund in accordance with PHLX Rule 3100. The grounds for a halt under these rules include a halt by the primary market because the intraday indicative value of the Fund, the value of its underlying index, or a similar value
are not being disseminated as required, or a halt for other regulatory reasons. In addition, NASDAQ, BX and PHLX will also stop trading the Shares of a Fund if the primary market delists the Fund.

**Delivery of a Prospectus**

NASDAQ members, BX members and PHLX members and member organizations should be mindful of applicable prospectus delivery requirements under the federal securities laws with respect to transactions in the Funds.

Prospectuses may be obtained through the Funds’ website. The prospectus for the Funds does not contain all of the information set forth in the Funds’ registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the Securities and Exchange Commission (“SEC”). For further information about the Funds, please refer to the registration statement.

In the event that the Funds rely upon an order by the SEC exempting the Shares from certain prospectus delivery requirements under Section 24(d) of the 1940 Act and in the future make available a written product description, NASDAQ Rules 5705 and 5740, BX Equity Rules 4420 and 4421, and PHLX Rule 803 require that members and member organizations, respectively, provide to all purchasers of Shares a written description of the terms and characteristics of such securities, in a form prepared by the Trust for the Funds, no later than the time a confirmation of the first transaction in the Shares is delivered to such purchaser. In addition, members and member organizations shall include such a written description with any sales material relating to the Shares that is provided to customers or the public. Any other written materials provided by members or member organizations to customers or the public making specific reference to the Shares as an investment vehicle must include a statement in substantially the following form: “A circular describing the terms and characteristics of the Shares of the Fund has been prepared by the Trust and is available from your broker. It is recommended that you obtain and review such circular before purchasing Shares of the Fund. In addition, upon request you may obtain from your broker a prospectus for Shares of the Fund.”

Any NASDAQ, BX or PHLX member or member organization carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to NASDAQ members, BX members and PHLX members or member organizations under this rule.

Upon request of a customer, NASDAQ members, BX members and PHLX members or member organizations shall provide a copy of the prospectus.

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

The SEC has issued exemptive, interpretive or no-action relief from certain provisions of rules under the Securities Exchange Act of 1934 (the "Act") regarding trading in the above mentioned exchange-traded Funds.
**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 SEC has granted an exemption from Rule 101 under Regulation M to permit persons participating in a distribution of shares of the above-mentioned Funds to engage in secondary market transactions in such shares during their participation in such a distribution. In addition, the SEC has granted relief under Regulation M to permit persons who may be deemed to be participating in the distribution of Shares of the above-mentioned Funds (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 SEC has clarified that the tender of Fund Shares to the Funds for redemption does not constitute a bid for or purchase of any of the Funds’ securities during the restricted period of Rule 101. The SEC has also granted an exemption pursuant 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 Fund Shares in Creation Unit size 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 a Fund for purposes of purchasing Creation Unit Aggregations (“Deposit Securities”) or the identity, number and price of shares to be delivered by the Trust for the Fund 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**

An exemption from Rule 14e-5 has been granted to permit 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 position has been taken under Rule 14e-5 if a broker-dealer acting as a dealer-manager of a tender offer for a security of a 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, if 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 underlying 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 SEC 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 the 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(l)(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 SEC also has taken a no-action position under Section 11(d)(1) of the Act 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 SEC has taken a no-action position 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. (See letter from Catherine McGuire, Chief Counsel, SEC Division of Market Regulation, to Securities Industry Association, Derivative Products Committee, dated November 21, 2005.)

This Information Circular is not a statutory prospectus. NASDAQ members, BX members and PHLX members and member organizations should consult the Funds’ prospectus and/or the Funds’ website for relevant information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, Listing Qualifications, at 301.978.8088
- NASDAQ / BX / PSX Market Sales, at 800.846.0477