

June 8, 2009



CBSX Trader News Update

CBSX to Add New Stocks for Trading

TO: Members

SUBJECT: iShares Trust

Compliance and supervisory personnel should note that, among other things, this Information Bulletin discusses the need to deliver a prospectus to customers purchasing shares ("Shares") of the one (1) exchange-traded fund ("Fund") listed below issued by Barclay's. Please forward this Information Bulletin to other interested persons within your organization.

The following securities have been approved for trading on CBSX:

| Exchange-Traded Funds | Symbol |
|--|--------|
| iShares S&P New York Municipal Bond Fund | NYF |

Background Information on the Funds

The iShares Trust (the "Trust") is a management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"). The Trust consists of several exchange-traded funds (each, a "Fund" and collectively, the "Funds"). This circular refers only to the iShares S&P New York Municipal Bond Fund ("New York"). The shares of the Funds are referred to herein as "Shares." Barclays Global Fund Advisors (the "Adviser") serves as the investment adviser for the Funds. The Index Provider for the Funds is Standard & Poor's.

New York seeks results that correspond generally to the price and yield performance, before fees and expenses, of the New York municipal bond sector of the U.S. municipal bond market as defined by the S&P New York Municipal Bond Index (the "NY Index"). The Fund's investment objective and the NY Index

may be changed without shareholder approval. As of September 28, 2007, there were 510 issues included in the NY Index.

The NY Index is a subset of the S&P National Municipal Bond Index and is comprised of municipal bonds issued in the State of New York. The NY Index includes municipal bonds from issuers in the State of New York that are New York state or local governments or agencies whose interest payments are exempt from U.S. federal and New York State income taxes and the federal alternative minimum tax as determined by the Index Provider in accordance with its methodology. Each bond must have a rating of at least BBB- by Standard & Poor's, Baa3 by Moody's Investors Service, Inc., or BBB- by Fitch Inc. Each bond must be denominated in U.S. dollars. Each bond included in the NY Index must have a minimum par amount outstanding of US\$ 50 million. In addition, each bond must have a minimum term to maturity and/or pre-refunded or call date greater than or equal to one calendar month to be included in the index. The NY Index is a market value weighted index, and the securities in the NY Index are updated after the close on the last business day of each month.

The Adviser uses a "passive" or indexing approach to try to achieve each Fund's investment objective. Unlike many investment companies, the Funds do not try to "beat" the index each tracks and do not seek temporary defensive positions when markets decline or appear overvalued. Indexing eliminates the chance that the Funds may substantially outperform their 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.

Each Fund generally will invest at least 80% of its assets in the securities of its underlying index and will generally invest 90% of its assets in the securities of its underlying index and in securities that provide substantially similar exposure to the securities in its underlying index. Each Fund may at times invest up to 20% of its assets in certain futures, options and swap contracts, cash and cash equivalents (including money market funds, whether or not advised by the Adviser), as well as in municipal bonds not included in its underlying index, but which the Adviser believes will help the Fund track its underlying index. For example, the Fund may invest in municipal bonds not included in the underlying index in order to reflect prospective changes in the underlying index (such as future corporate actions and index reconstitutions, additions and deletions).

The Adviser uses a representative sampling indexing strategy to manage the Funds. "Representative sampling" is an indexing strategy that involves investing in a representative sample of the bonds included in the underlying index that collectively has an investment profile similar to the underlying index. The bonds

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, duration, maturity or credit ratings and yield) and liquidity measures similar to those of the underlying index. The Fund may or may not hold all of the bonds that are included in the underlying index.

The Adviser expects that, over time, the correlation between each Fund's performance and that of the underlying indexes, before fees and expenses, will be 95% or better. A correlation percentage of 100% would indicate perfect correlation. The difference between 100% correlation and the Fund's actual percentage correlation with its Underlying Index is called "tracking error." The Funds' use of a representative sampling indexing strategy can be expected to result in greater tracking error than if the Fund used a replication indexing strategy. "Replication" is an indexing strategy in which a fund invests in substantially all of the securities in its underlying index in approximately the same proportions as in the underlying index.

As described more fully in the 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 100,000 Shares (each block of 100,000 Shares called a "Creation Unit") or multiples thereof. As a practical matter, only broker-dealers or large institutional investors with creation and redemption agreements and 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.

Each Fund pays out dividends from its net investment income to investors annually. Each Fund distributes any net capital gains annually.

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.

Each Fund's NAV is determined as of the close of trading (normally 4:00 p.m., Eastern Time or "ET") on each day the New York Stock Exchange is open for business. NAV is calculated by taking the market price of each Fund's total assets, including interest or dividends accrued but not yet collected, less all liabilities, and dividing such amount by the total number of Shares outstanding. The result, which is rounded to the nearest cent, is the NAV per Share.

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.

Exchange Rules Applicable to Trading 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.

Purchases and Redemptions in Creation Unit Size

CBSX members are hereby informed that procedures for purchases and redemptions of Shares in Creation Unit Size are described in the Trust's prospectus and SAI, 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), stock market risk, investment style risk, sector risk, investment approach risk, non-diversification risk, issuer-specific risk, management risk, lack of market liquidity, derivatives risk, call risk, credit risk, interest rate risk, municipal securities risk and tax risk.

Trading Hours

The values of each index underlying the Shares are disseminated to data vendors every 15 seconds. The Shares will trade on the CBSX from 8:15 a.m. CT until 3:00 p.m. CT. The trading increment for the Fund's Shares will be \$0.01.

Extended Hours Trading

Members are reminded that trading in the Fund's Shares prior to 8:30 a.m. may result in additional trading risks which include: (1) that the current underlying index value may not be updated, (2) the intraday indicative value may not be updated, (3) lower liquidity may impact pricing, (4) higher volatility may impact pricing, (5) wider spreads may occur, and (6), since the intraday indicative value is not calculated or widely disseminated, an investor who is unable calculate an implied value for an ETF in those sessions may be at a disadvantage to market professionals.

Trading Halts

The Exchange will halt trading in the Shares based on Rule 52.3 and/or because dissemination of the intraday indicative value of the Shares and/or the underlying value of the index has ceased.

Suitability

Members are reminded of their obligation under Rule 53.6 whereby the Member shall use due diligence to learn the essential facts relative to every customer prior to trading the Shares or recommending a transaction in the Shares that an investment in the Shares is suitable for the customer. Members should adopt appropriate procedures for the opening and maintaining of accounts, including the maintaining of records prescribed by any applicable regulatory organization and by the rules and regulations of the Commission.

Delivery of a Prospectus

Consistent with the requirements of the Securities Act and the rules thereunder, investors purchasing Shares in the initial public offering and anyone purchasing Shares directly from a Fund (by delivery of the designated securities) must receive a Prospectus. In addition, Members are required to deliver a Prospectus to all purchasers of newly-issued Shares (i.e. during the initial public offering). Members purchasing shares from a Fund for resale to investors will deliver a Prospectus to such investors.

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 Commission. For further information about a Fund, please refer to the Registration Statement.

In the event that a Fund relies upon an order by the Commission exempting the Shares from certain Prospectus delivery requirements under Section 24(d) of the 1940 Act and makes available a written product description, the Exchange requires that Members provide to all purchasers of Shares a written description of the terms and characteristics of such securities, in a form prepared by the Trust, no later than the time a confirmation of the first transaction in the Shares, is delivered to such purchaser. In addition, ETP Holders 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 a Member 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 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.”

An Member carrying an omnibus account for a non-Member 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 Members under this rule.

Upon request of a customer, Members shall also provide a copy of the Prospectus.

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

Inquiries regarding this Information Bulletin should be directed to David Reed, 866.458.2279.