

January 27, 2010



CBSX Trader News Update

CBSX to Add New Stocks for Trading

TO: Members

SUBJECT: iShares Diversified Alternatives 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:

<u>Exchange-Traded Funds</u>	<u>Symbol</u>
iShares Diversified Alternatives Trust	ALT

Background Information on the Fund

The iShares Diversified Alternatives Trust (the "Trust" or the "Fund") is a Delaware statutory trust that issues Shares representing fractional undivided beneficial interests in its net assets. The Trust seeks to maximize its absolute returns by investing in long and/or short positions in foreign-currency forward contracts and exchange-traded futures contracts selected by Barclays Global Fund Advisors, the Advisor, following investment strategies that utilize quantitative methodologies to identify potentially profitable discrepancies in the relative values or market prices of one or more assets.

The objective of the Trust is to maximize absolute returns from investments with historically low correlation to traditional asset classes while seeking to control the

risks and volatility inherent in futures and forward contracts by taking long and short positions in historically correlated assets.

Barclays Global Investors, N.A. is the Trustee of the Trust. The Trust is a commodity pool, as defined in the Commodity Exchange Act and the applicable regulations of the Commodity Futures Trading Commission, and is operated by its Sponsor, iShares Delaware Trust Sponsor LLC, a commodity pool operator registered under the Commodity Exchange Act. The Trust is not an investment company registered under the Investment Company Act.

The Trust intends to continuously issue and redeem Shares in transactions with Authorized Participants. Each Share represents a unit of fractional undivided beneficial interest in the net assets of the Trust. The assets of the Trust, called the Portfolio, consist of cash and financial instruments that are used, as needed, to secure the Trust's trading obligations in respect of foreign-currency forward contracts and exchange-traded futures contracts selected by Barclays Global Fund Advisors, the Trust's Advisor, following investment strategies that utilize quantitative methodologies to identify potentially profitable discrepancies in the relative values or market prices of one or more assets and seek to control the risks and volatility inherent in these investments by taking long and short positions in historically correlated assets.

The Trust issues Shares only in one or more blocks of 100,000 Shares (each, a "Basket") in exchange for cash in an amount equal to the Basket Amount announced by the Trust on the first Business Day after the purchase order is received by the Trust. The Trust redeems Shares only in Baskets in exchange for cash in an amount equal to the Basket Amount announced by the Trust on the first Business Day after the redemption order is received by the Trust. The Trust does not redeem individual Shares or Baskets held by parties who are not Authorized Participants.

The Sponsor has been registered under the CEA as a commodity pool operator and has been a member of the National Futures Association (the "NFA") since June 2009.

The Sponsor has arranged for the creation of the Trust, the registration of the Shares for their public offering and the listing of the Shares on NYSE Arca. The Sponsor is obligated under the Trust Agreement to pay the following administrative, operational and marketing expenses: (1) the fees of the Trustee, the Advisor, the Delaware Trustee, the Trust Administrator and the Processing Agent, (2) NYSE Arca listing fees, (3) printing and mailing costs, (4) audit fees, (5) fees for registration of the Shares with the SEC, (6) tax reporting costs and (7) legal expenses up to \$100,000 annually. In recognition of its paying these expenses, the Sponsor is entitled to an allocation that accrues daily at an

annualized rate equal to 0.95% of the Adjusted Net Asset Value of the Trust and is payable by the Trust monthly in arrears. That allocation to the Sponsor is referred to in this prospectus as the "Sponsor's Fee."

The Advisor is the commodity trading advisor for the Trust and has discretionary authority to make all determinations with respect to the Portfolio, subject to specified limitations. The Advisor has been registered as a commodity trading advisor under the CEA since April 5, 1993 and is a member of the NFA.

The investment objective of the Trust is to maximize absolute returns from a portfolio of foreign currency forward contracts and exchange-traded futures contracts that may involve commodities, currencies, interest rates and certain eligible stock or bond indices while seeking to reduce the risks and volatility inherent in those investments by taking long and short positions in historically correlated assets. The Trust also expects to earn interest on the assets used to collateralize its trading positions. The return on assets in the Portfolio, if any, is not intended to track the performance of any index or other benchmark. There is no assurance that the Trust will achieve its investment objectives.

The Advisor selects for the Portfolio foreign currency forward contracts and exchange-traded futures contracts that may involve commodities, currencies, interest rates and certain eligible stock or bond indices with a view towards maximizing absolute returns while seeking to reduce the volatility inherent in these types of investments. While the Advisor may select investments for the Portfolio following a variety of strategies that utilize quantitative methodologies to identify potentially profitable discrepancies in the relative values or market prices of one or more assets, there are no mandatory holdings allocation requirements. Accordingly, at any given time, the Trust may be disproportionately exposed to one or more asset classes or contract counterparties, including over-the-counter counterparties and clearing organizations.

While the Advisor has the authority to trade on behalf of the Trust at any time in its discretion, it is generally expected that such discretionary trading will not occur more than once a week. The Trust, however, may need to trade more frequently in order to invest proceeds from the issuance of Baskets of Shares or raise funds to honor redemption requests. The Trust will post the composition of the Portfolio daily on its website at www.ishares.com.

The Trust is not expected to make any distributions or pay any dividends to its Shareholders except (1) in connection with redemptions of Baskets, (2) as determined by the Sponsor in its absolute discretion, and (3) in connection with the liquidation of the Trust.

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 Trust and is recognized as the owner of all Shares for all purposes.

On each Business Day, as soon as practicable after the close of regular trading of the Shares on NYSE Arca (normally 4:00 P.M., New York City time), the Trustee must determine the net asset value of the Trust, the net asset value per Share (the "NAV") and the Basket Amount as of that date.

On each day on which the Trustee must determine the net asset value of the Trust, the NAV and the Basket Amount, the Trust Administrator values all futures and forward trading positions and other non-cash assets in the Portfolio and communicates that valuation to the Trustee for use by the Trustee in the determination of the Trust's net asset value. The Trustee subtracts the Trust's accrued fees (other than fees computed by reference to the value of the Trust or its assets), expenses and other liabilities on that day from the value of the Trust's assets as of the close of trading on that day. The result is the Trust's "Adjusted Net Asset Value." Fees computed by reference to the value of the Trust or its assets (including the Sponsor's Fee) are calculated on the Adjusted Net Asset Value. The Trustee subtracts the fees so calculated from the Adjusted Net Asset Value of the Trust to determine the Trust's net asset value.

The Trustee determines the NAV by dividing the net asset value of the Trust on a given day by the number of Shares outstanding at the time the calculation is made. The Trustee then determines the Basket Amount corresponding to that date by multiplying the NAV by the number of Shares in a Basket (i.e., 100,000).

The NAV for each Business Day is expected to be distributed through major market data vendors and published online at www.ishares.com, or any successor thereto. It is expected that the Trust will update the NAV as soon as practicable after each subsequent NAV is calculated.

Investors should note that while the NAV is updated on each Business Day, the NAV is calculated by reference to assets that trade on futures exchanges or other markets, including in non-U.S. jurisdictions. Accordingly, the NAV may not always reflect the same-day valuation of assets that trade on markets in non-U.S. jurisdictions if one or more of those jurisdictions are not open for business on any given Business Day.

The registration statement for the Trust describes the various fees and expenses for the Fund's Shares. For a more complete description of the Fund and the underlying Index, visit the Trust's website at www.ishares.com.

Dissemination of Fund Data

The Consolidated Tape Association will disseminate real time trade and quote information for the Funds to Tape B.

Purchases and Redemptions in Creation Unit Size

Interested persons are referred to the discussion in the prospectus for the Fund of the principal risks of an investment in the Fund. These include tracking error risk (factors causing the Fund's performance to not match the performance of the 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, municipal securities risk, restricted securities risk, call risk and fixed income securities risk.

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.

Principal Risks

Interested persons are referred to the discussion in the prospectus for the Fund of the principal risks of an investment in the Fund. These include tracking error risk (factors causing the Fund's performance to not match the performance of the 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, commodities risk, liquidity risk, volatility risk and currency risk.

Trading Hours

The values of any security underlying the Shares are disseminated to data vendors every 15 seconds. The Shares will trade on the CBSX from 8:00 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.

