



NYSE Arca WEEKLY BULLETIN

April 4, 2008 WB-08-14

The Bylaws and Rules of NYSE Arcasm Exchange ("Exchange"), in certain specific instances, require the Exchange to provide notice to all OTP Firms and OTP Holders (collectively "OTPs") and ETP Holders ("ETPs"). To satisfy this requirement, a copy of the *Weekly Bulletin*, including *Regulatory Bulletins*, is provided to all OTPs and ETPs on a weekly basis.

Pursuant to Exchange Rules, all OTPs and ETPs are reminded to promptly report business, home and mailing address changes, telephone number changes, and e-mail address changes to crs@nyx.com or Client Registration Services at (415) 393-4114.

NYSE Arca Equities

APPROVED ETP HOLDERS*

(none)

APPROVED MARKET MAKER/ETP HOLDERS

(none)

NAME CHANGE

(none)

Total ETP Holders 597

Total MM/ETP Holders 37

Total OTP Holders 93

* for current week (as of 8 a.m. today)

REPORTS DUE TO THE EXCHANGE

Focus Report Due Dates – SEC Rules 17a-5(a) & 17a-10

FOCUS Reports must be submitted electronically and received by the NYSE Arca Financial & Operational Compliance Department on or before the following due dates:

Monthly FOCUS Reports are required from all NYSE Arca Market Makers and NYSE Arca Lead Market Makers:

February 2008 Monthly FOCUS Report

Due: Wednesday, March 26, 2008

Quarterly FOCUS Reports are required from all Clearing OTPs and DEA Broker-Dealers subject to the SEC Net Capital Rule:

1st Quarter 2008 FOCUS Report

Due: Wednesday, April 23, 2008

Annual Audited Financial Statements – SEC Rule 17a-5(d)

OTPs and ETPs are reminded to file their Annual Reports with the NYSE Arca Financial & Operational Compliance Department by the following due dates:

OTPs and ETPs with FYE January 31, 2008March 31, 2008

OTPs and ETPs with FYE February 29, 2008.....April 29, 2008

OTPs and ETPs are reminded to submit Annual Audited Financial Statements, Material Change Forms, Financial Arrangement Disclosures, and SIPC payments to the following address:

NYSE Euronext
Attn: [Firm's NYSE Coordinator]
20 Broad Street, 21st Floor
New York, NY 10005
Fax: (212) 656-5748

IMM ASSIGNMENTS

IMM assignment for QQQQ: H05 A12-HCTAA 4/07 to 4/11

IMM assignment for IWM: N50 C80-SLGOA 4/07 to 4/11

For more information visit:

http://www.nyse.com/pdfs/Issues_No_LMM.pdf

For updated information regarding NYSE Arca Options plan for the OCC Symbology Initiative visit: www.nyse.com/optionssymbology

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NEW OTP FIRMS AND HOLDERS

(none)

CORRECTIONS

(none)

TERMINATED OTP FIRMS AND HOLDERS

(none)

OTP POSTINGS

The following applicants have applied for OTP status at the Exchange and are being posted for a period of three business days, during which time interested OTPs may submit written comments with respect to the qualifications of the applicants. Admission of applicants will become effective after applicants have been cleared and approved for OTP status pursuant to the policies of the Exchange.

- 03/28 – Lau, Chun Y. – Market Maker for Cutler Group, LP
- 03/31 – Trading Machines, LLC – Broker Dealer and OTP Firm
- 03/31 – Bodek, Haim – Office Nominee for Trading Machines, LLC
- 04/04 – Seaport Securities Corp – Broker Dealer and OTP Firm



**REGULATORY
INFORMATION
BULLETIN**

**RB-08-29
April 3, 2008**

TO: ETP Holders

SUBJECT: PowerShares ETFs

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 two exchange-traded funds (“Funds”) listed below and issued by PowerShares Exchange-Traded Fund Trust (“Trust”). Please forward this Information Bulletin to other interested persons within your organization.

The following securities have been approved for UTP Trading on NYSE Arca and will commence trading on April 3, 2008:

| <u>Exchange-Traded Fund</u> | <u>Symbol</u> |
|---|----------------------|
| PowerShares NASDAQ NextQ Portfolio | PNXQ |
| PowerShares FTSE NASDAQ Small Cap Portfolio | PQSC |

Background Information on the Fund

As more fully explained in the Registration Statement (No. 333-21265) for the Trust, the Trust is an open-end management investment company registered under the Investment Company Act of 1940, as amended (“1940 Act”), and consists of separate investment portfolios, including the Fund.

The PowerShares NASDAQ NextQ Portfolio seeks investment results that correspond generally to the price and yield (before the Fund’s fees and expenses) of the NASDAQ Q-50 Index, a market-capitalization weighted index designed to track the performance of the 50 securities that are next in line to replace the securities currently included in the NASDAQ-100.®

The PowerShares FTSE NASDAQ Small Cap Portfolio seeks investment results that correspond generally to the price and yield (before the Fund’s fees and expenses) of the FTSE NASDAQ Small Cap Index, which is designed to track the performance of the smallest 10% of companies in the FTSE NASDAQ Index universe of listed companies ranked by market capitalization.

As described more fully in the Trust's prospectus ("Prospectus") and Statement of Additional Information's ("SAI"), the Fund will issue and redeem shares on a continuous basis, at their net asset value ("NAV"), only in large blocks of 100,000 shares (each, a "Creation Unit"). Creation Units will be issued and redeemed principally in-kind for securities which constitutes a substantial replication, or a portfolio sampling representation, of the securities involved in the Index. Except when aggregated in Creation Units, the Shares are not redeemable securities of the Fund.

Dividends from net investment income, if any, ordinarily will be declared and paid quarterly. Net realized capital gains, if any, will be distributed to investors annually.

The Depository Trust Company ("DTC") serves as securities depository for the Shares, which may be held only in book-entry form; share certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding Shares.

The NAV of the Fund will be determined once daily at the close of trading (normally, 4:00 p.m. Eastern Standard Time ("ET")) on each day that the New York Stock Exchange is open for business (a "Business Day"). NAV is calculated by dividing the current market value of the net assets of the Fund (i.e., the total value of its assets less all liabilities) by the total number of Shares outstanding, generally rounded to the nearest cent. NAV will be available from the Distributor and will 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 Fund's Shares. For a more complete description of the Fund and the Index, visit www.powershares.com.

Purchases and Redemptions in Creation Unit Size

ETP Holders are hereby informed that procedures for purchases and redemptions of Shares in Creation Units 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 aggregations or multiples thereof.

Principal Risks

Interested persons are referred to the Prospectuses for a description of risks associated with an investment in the Shares. These risks include the risk that the Fund's return may not match the return of the Index for a number of reasons including the incursion by the Fund of operating expenses and costs not applicable to the Index. Other risks include market trading risk, market risk, non-correlation risk, REIT risk, small capitalization company risk, replication risk, management risk, non-diversified fund risk, telecommunications industry risk, biotechnology industry risk,

hardware and consumer electronics industry risk, software industry concentration risk, retail and wholesale industry concentration risk, technology company investment risk, large capitalization company risk and mid-capitalization company risk. In addition, as noted in the 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'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.

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

The value of the Indexes underlying the Shares will be disseminated to data vendors every 15 seconds during the Exchange's Core Trading Session. The Shares will trade on NYSE Arca in the Opening, Core and Late trading sessions or from 4:00 a.m. ET until 8:00 p.m. ET in accordance with NYSE Arca Equities Rule 7.34(a). The trading increment for the Fund's Shares will be \$0.01.

Extended Hours Trading

ETP Holders are reminded of NYSE Arca Equities Rule 7.34(e) regarding Customer Disclosure and that trading in the Funds Shares during the Exchanges Opening and Late Trading Sessions may result in additional trading risks which include: (1) that the current underlying index value may not be updated during the Opening and Late Sessions, (2) the intraday indicative value may not be updated during the Opening and Late Trading Sessions, (3) lower liquidity in the Opening or Late Trading Sessions may impact pricing, (5) higher volatility in the Opening or Late Trading Sessions may impact pricing, (6) wider spreads may occur in the Opening or Late Trading Sessions, and (7), since the intraday indicative value is not calculated or widely disseminated during the Opening and Late Trading Sessions, 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 if (a) the primary market stops trading the Shares because of a regulatory halt similar to a halt based on NYSE Arca Equities Rule 7.12 and/or a halt because dissemination of the intraday indicative value of the Shares and/or the underlying value of the index has ceased; or (b) the primary market delists the Shares. Further, the Exchange will halt trading in the Shares in accordance with NYSE Arca Equities Rule 7.12 ("Trading Halts Due to Extraordinary Market Volatility). The Shares will be traded following a trading halt in accordance with NYSE Arca Equities Rule 7.35(f) ("Re-Opening After Trading Halts").

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, ETP Holders are required to deliver a Prospectus to all purchasers of newly-issued Shares (i.e. during the initial public offering). ETP Holders 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, NYSE Arca Equities Rule 5.2(j)(3) Commentary .01(h) requires that ETP Holders 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 ETP Holder to customers or the public making specific reference to the ETF Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of ETF 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 ETP Holder carrying an omnibus account for a non-ETP Holder is required to inform such non-ETP Holder that execution of an order to purchase Shares for such omnibus account will be deemed to constitute agreement by the non-ETP Holder to make such written description available to its customers on the same terms as are directly applicable to ETP Holders under this rule.

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

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

The Commission has issued letters dated November 21, 2005 and October 24, 2006 (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. A description of the relief granted in the No-Action Letters follows.

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.

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 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 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:

- (i) 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
- (ii) 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
- (iii) 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 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 Information Bulletin is not a statutory Prospectus. ETP Holders 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 Timothy J. Malinowski, Director, ETFs and Indexes, at (312) 442-7886.



REGULATORY INFORMATION BULLETIN

RB-08-28
April 3, 2008

TO: ETP Holders

SUBJECT: PowerShares Global Nuclear Energy Portfolio

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 exchange-traded fund ("Fund") listed below and issued by PowerShares Exchange-Traded Fund Trust II (the "Trust"). Please forward this Information Bulletin to other interested persons within your organization.

The following security has been approved for Listing on NYSE Arca and will commence trading on April 3, 2008:

| <u>Exchange-Traded Fund</u> | <u>Symbol</u> |
|---|----------------------|
| PowerShares Global Nuclear Energy Portfolio | PKN |

Background Information on the Fund

As more fully explained in the Registration Statement (333-138490) for the Trust, the Trust is an open-end management investment company registered under the Investment Company Act of 1940, as amended ("1940 Act"), and currently consists of 29 separate exchange-traded funds, including the Fund.

The Fund seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of the WNA Nuclear Energy IndexSM (the "Underlying Index").

The Underlying Index is designed to serve as a stock market benchmark for globally traded stocks of companies which are engaged in the nuclear energy industry. The Underlying Index employs a hybrid weighting methodology designed to assure accurate investment exposure across reactors, primary construction, utilities, technology, equipment and service providers and fuels, the five main business segments that together comprise the Underlying Index.

Invesco PowerShares Capital Management LLC, a registered investment adviser, serves as the investment adviser to the Trust. Invesco Aim Distributors, Inc. (the "Distributor") serves as the distributor of Creation Units for the Fund on an agency basis.

As described more fully in the Trust's prospectus ("Prospectus") and Statement of Additional Information ("SAI"), the Fund will issue and redeem shares on a continuous basis, at their net asset value ("NAV"), only in large blocks of 100,000 (each, a "Creation Unit"). Creation Units will be issued and redeemed principally in-kind for securities which constitutes a substantial replication, or a portfolio sampling representation, of the securities included in the Index. Except when aggregated in Creation Units, the Shares are not redeemable securities of the Fund.

Ordinarily, dividends from net investment income, if any, are declared and paid quarterly. The Fund distributes its net realized capital gains, if any, to shareholders annually.

The Depository Trust Company ("DTC") serves as securities depository for the Shares, which may be held only in book-entry form; share certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding Shares.

The NAV of the Fund will be determined once daily at the close of trading (normally, 4:00 p.m. Eastern Standard Time ("ET")) on each day that the New York Stock Exchange is open for business (a "Business Day"). NAV is calculated by dividing the current market value of the net assets of the Fund (*i.e.*, the total value of its assets less all liabilities) by the total number of Shares outstanding, generally rounded to the nearest cent. NAV will be available from the Distributor and will also be 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 Fund's Shares. For a more complete description of the Fund and the Index, visit www.powershares.com.

Purchases and Redemptions in Creation Unit Size

ETP Holders are hereby informed that procedures for purchases and redemptions of Shares in Creation Units are described in the Trust's Prospectus and SAI and that Shares are not individually redeemable but are redeemable only in Creation Unit aggregations or multiples thereof.

Principal Risks

Interested persons are referred to the Prospectus for a description of risks associated with an investment in the Shares. These risks include the risk that the Fund's return may not match the return of the Index for a number of reasons including the incursion by the Fund of operating expenses and costs not applicable to the Index. In addition, as noted in the 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'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.

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

The value of the Indexes underlying the Shares will be disseminated to data vendors every 15 seconds during the Exchange's Core Trading Session. The Shares will trade on NYSE Arca in the Opening, Core and Late Trading Sessions from 4:00 a.m. ET until 8:00 p.m. ET in accordance with NYSE Arca Equities Rule 7.34(a). The trading increment for the Fund's Shares will be \$0.01.

Extended Hours Trading

ETP Holders are reminded of NYSE Arca Equities Rule 7.34(e) regarding Customer Disclosure and that trading in the Funds Shares during the Exchange's Opening and Late Trading Sessions may result in additional trading risks which include: (1) that the current underlying index value may not be updated during the Opening and Late Trading Sessions, (2) the intraday indicative value may not be updated during the Opening and Late Trading Sessions, (3) lower liquidity in the Opening or Late Trading Sessions may impact pricing, (5) higher volatility in the Opening or Late Trading Sessions may impact pricing, (6) wider spreads may occur in the Opening or Late Trading Sessions, and (7) because the intraday indicative value is not calculated or widely disseminated during the Opening and Late Trading Sessions, 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 for a regulatory halt similar to a halt based on NYSE Arca Equities Rule 7.12 and/or a halt because dissemination of the intraday indicative value of the Shares and/or the underlying value of the index has ceased. Further, the Exchange will halt trading in the Shares in accordance with NYSE Arca Equities Rule 7.12 ("Trading Halts Due to Extraordinary Market Volatility"). The Shares will be traded following a trading halt in accordance with NYSE Arca Equities Rule 7.35(f) ("Re-Opening After Trading Halts").

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, ETP Holders are

required to deliver a Prospectus to all purchasers of newly-issued Shares (*i.e.*, during the initial public offering). ETP Holders 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, NYSE Arca Equities Rule 5.2(j)(3) Commentary .01(h) requires that ETP Holders 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 an ETP Holder to customers or the public making specific reference to the ETF Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of ETF 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 ETP Holder carrying an omnibus account for a non-ETP Holder is required to inform such non-ETP Holder that execution of an order to purchase Shares for such omnibus account will be deemed to constitute agreement by the non-ETP Holder to make such written description available to its customers on the same terms as are directly applicable to ETP Holders under this rule.

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

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

The Commission has issued letters dated November 21, 2005 and October 24, 2006 (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 national securities exchange that meet certain criteria. The Fund qualifies for the relief granted in the No-Action Letters, a description of which follows.

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 relating 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.

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 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 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, the Commission's no-action position relating to 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:

- (i) 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
- (ii) 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
- (iii) 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 Information Bulletin is not a statutory Prospectus. ETP Holders should consult the Trust's Registration Statements, SAI, Prospectuses and the Fund's website for relevant information.

Inquiries regarding this Information Bulletin should be directed to Timothy J. Malinowski, Director, ETFs and Indexes, at (312) 442-7886.



REGULATORY INFORMATION BULLETIN

RB-08-27
April 2, 2008

TO: ETP Holders

SUBJECT: ELEMENTS Exchange-Traded Notes

Compliance and supervisory personnel should note that, among other things, this Information Bulletin discusses customer suitability. Please forward this Information Bulletin to other interested persons within your organization.

The following exchange-traded notes (“ETN’s”) have been approved for listing on NYSE Arca and will commence trading on April 2, 2008:

| <u>Exchange-Traded Notes</u> | <u>Symbol</u> |
|-------------------------------------|----------------------|
| ELEMENTS CS Global Warming ETN | GWO |
| ELEMENTS MLCX Precious Metals ETN | PMY |

Background on the Securities

As more fully explained in the Registration Statement No. 333-132936 for ELEMENTS ETNs linked to the performance of the relevant index, as described below. The purpose of this Information Circular is to outline various rules and policies that will be applicable to trading the Securities. For a more complete description of the Securities and the payment at maturity, early repurchase provisions, early repurchase mechanics, valuation, fees and risk factors, consult the applicable prospectus (“Prospectus”).

Description of the Securities

ELEMENTS CS Global Warming ETN

The ELEMENTS CS Global Warming ETNs are senior unsecured obligations of Credit Suisse, acting through its Nassau branch, that are linked to the performance of the Credit Suisse Global Warming Index. The Securities are not principal protected and, consequently, the return of the principal amount of an investor’s investment at maturity is not guaranteed. The Securities will be issued in denominations of \$10. The Index is an equally weighted index consisting of 50 exchange-listed global warming related companies that are chosen according to a rules-based methodology (the HOLT™ scoring methodology) for scoring stocks.

If the Securities have not been previously repurchased by Credit Suisse at the investor's election, at maturity the investor will receive a cash payment equal to the principal amount of the investor's Securities *times* the index factor determined on the final valuation date *times* the fee factor on the final valuation date. Prior to maturity, the investor may, subject to certain restrictions, offer Securities for repurchase by Credit Suisse on any repurchase date during the term of the Securities beginning on a date specified in the Prospectus, provided that the investor offers at least \$2,500,000 stated principal amount of Securities (250,000 Securities) for repurchase and follows the procedures as described in the Prospectus. If the investor chooses to offer Securities for repurchase on a repurchase date, the investor will receive a cash payment on such date in an amount equal to the daily repurchase value, which is the principal amount of the Securities *times* the index factor (as described in the Prospectus) on the applicable valuation date *times* the fee factor on the applicable valuation date.

ELEMENTS MLCX Precious Metals ETN.

The ELEMENTS Linked to the MLCX Precious Metals Plus Total Return Index are senior unsecured obligations of Credit Suisse, acting through its Nassau branch, whose return, if any, is based upon the performance of the MLCX Precious Metals Plus Total Return Index (the "Index"). The Securities are not principal protected and, consequently, the return of the principal amount of an investor's investment at maturity is not guaranteed. The Securities will be issued in denominations of \$10 and integral multiples of \$10. The Index was created by Merrill Lynch Commodities, Inc. in conjunction with Merrill Lynch, Pierce, Fenner and Smith Limited in 2008 and is designed to provide a benchmark for the precious metals sector and for investment in commodities as an asset class. The Index comprises rolling futures contracts on physical commodities that are precious metals. The Index is a total return index designed to reflect the performance of a fully collateralized investment in the Index Components.

At the investor's election, an investor may, subject to certain restrictions, offer Securities for repurchase by Credit Suisse on any business day during the term of the Securities, beginning on a date specified in the Prospectus, provided that the investor offers at least \$2,500,000 stated principal amount of Securities (250,000 Securities) for repurchase and follows the procedures as described in the Prospectus. If the investor chooses to offer Securities for repurchase or they are repurchased at the option of Credit Suisse, the investor will receive a cash payment on the repurchase date in an amount equal to the daily repurchase value, which is the principal amount of the Securities *times* the index factor (as described in the Prospectus) on the applicable valuation date *times* the fee factor on the applicable valuation date.

The maturity date for the above-mentioned ELEMENTS ETNs is April 10, 2023.

Indicative Value

An intraday “Indicative Value” meant to approximate the intrinsic economic value of the Securities will be published for the ETNs, as noted below:

| <u>Exchange-Traded Notes</u> | <u>Indicative Value</u> |
|-------------------------------------|--------------------------------|
| ELEMENTS CS Global Warming ETN | GWO.IV |
| ELEMENTS MLCX Previous Metals ETN | PMY.IV |

The actual trading price of the ETNs may vary significantly from their Indicative Value.

Exchange Rules Applicable to Trading in the Securities

The ETNs are considered equity securities, thus rendering trading in the Securities subject to the Exchange's existing rules governing the trading of equity securities.

Trading Hours

The Securities will trade on NYSE Arca in the Opening, Core and Late Trading Sessions from 4:00 a.m. ET until 8:00 p.m. ET in accordance with NYSE Arca Equities Rule 7.34(a). The trading increment for the Securities will be \$0.01.

Extended Hours Trading

ETP Holders are reminded of NYSE Arca Equities Rule 7.34(e) regarding Customer Disclosure and that trading in the Securities during the Exchange's Opening and Late Trading Sessions may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Opening and Late Trading Sessions, (2) the indicative value may not be updated during the Opening and Late Trading Sessions, (3) lower liquidity in the Opening or Late Trading Sessions may impact pricing, (5) higher volatility in the Opening or Late Trading Sessions may impact pricing, (6) wider spreads may occur in the Opening or Late Trading Sessions, and (7) because the indicative value is not calculated or widely disseminated during the Opening and Late Trading Sessions, an investor who is unable to calculate an implied value for the Securities in those sessions may be at a disadvantage to market professionals.

Suitability

ETP Holders are reminded of their obligations under NYSE Arca Rule 9.2(a)-(b) whereby the ETP holder shall use due diligence to learn the essential facts relative to every customer prior to trading the ETN or recommending a transaction in the ETN that an investment in the ETN is suitable for the customer. ETP Holders 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 Securities and Exchange Commission.

Prospectus Delivery

ETP Holders are advised to consult the “Supplemental Plan of Distribution” in the Prospectus regarding prospectus delivery requirements.

This Information Bulletin is not a statutory Prospectus.



REGULATORY INFORMATION BULLETIN

RB-08-26
April 2, 2008

TO: ETP Holders

SUBJECT: E-TRACS UBS Bloomberg CMCI Exchange-Traded Notes

Compliance and supervisory personnel should note that, among other things, this Information Bulletin discusses customer suitability. Please forward this Information Bulletin to other interested persons within your organization.

The following exchange-traded notes (“ETN’s”) have been approved for listing on NYSE Arca and will commence trading on April 2, 2008:

| <u>Exchange-Traded Notes</u> | <u>Symbol</u> |
|--|----------------------|
| E-TRACS UBS Bloomberg CMCI ETN | UCI |
| E-TRACS UBS Bloomberg CMCI Agriculture ETN | UAG |
| E-TRACS UBS Bloomberg CMCI Industrial Metals ETN | UBM |
| E-TRACS UBS Bloomberg CMCI Energy ETN | UBN |
| E-TRACS UBS Bloomberg CMCI Food ETN | FUD |
| E-TRACS UBS Bloomberg CMCI Livestock ETN | UBC |
| E-TRACS UBS Bloomberg CMCI Gold ETN | UBG |
| E-TRACS UBS Bloomberg CMCI Silver ETN | USV |

Background on the Securities

As more fully explained in the Registration Statement No. 333-132747 for UBS Exchange Traded Access Securities (“E-TRACS”) ETNs, the Securities are linked to the performance of an index, as described below. The purpose of this Information Circular is to outline various rules and policies that will be applicable to trading the Securities. For a more complete description of the Securities and the payment at maturity, early repurchase provisions, early repurchase mechanics, valuation, fees and risk factors, consult the applicable prospectus (“Prospectus”).

Description of the Securities

The UBS E-TRACS linked to the UBS Bloomberg Constant Maturity Commodity Index (CMCI) Total Return provide exposure to potential price appreciation in the UBS Bloomberg Constant Maturity Commodity Index (CMCI) Total Return. The Index is designed to be a diversified benchmark for commodities as an asset class. The Index, which is rebalanced monthly, is comprised of 28 futures contracts with up to five different maturities for each individual commodity.

The UBS E-TRACS linked to the UBS Bloomberg CMCI Agriculture Total Return provide exposure to potential price appreciation in the UBS Bloomberg CMCI Agriculture Total Return. The Index is a sub-index of the UBS Bloomberg CMCI and measures the collateralized returns from a diversified basket of agriculture futures contracts. It is designed to be representative of the entire liquid forward curve of each commodity in the Index. The Index, which is rebalanced monthly, is comprised of the 12 agriculture futures contracts included in the CMCI with three target maturities for each individual commodity.

The UBS E-TRACS linked to the UBS Bloomberg CMCI Industrial Metals Total Return provide exposure to potential price appreciation in the UBS Bloomberg CMCI Industrial Metals Total Return. The Index is a sub-index of the UBS Bloomberg CMCI and measures the collateralized returns from a basket of diversified industrial metals futures contracts. It is designed to be representative of the entire liquid forward curve of each commodity. The Index, which is rebalanced monthly, is comprised of the five industrial metals futures contracts included in the CMCI with five target maturities for each individual commodity.

The UBS E-TRACS linked to the UBS Bloomberg CMCI Energy Total Return provide exposure to potential price appreciation in the UBS Bloomberg CMCI Energy Total Return Index. The Index is a sub-index of the UBS Bloomberg CMCI and measures the collateralized returns from a diversified basket of energy future contracts and is designed to be representative of the entire liquid forward curve of each commodity in the Index. The Index, which is rebalanced monthly, is comprised of the seven futures contracts included in the CMCI with five different target maturities for each individual commodity.

The UBS E-TRACS linked to the UBS Bloomberg CMCI Food Total Return provide exposure to potential price appreciation in the UBS Bloomberg CMCI Food Total Return. The Index is a sub-index of the UBS Bloomberg CMCI and measures the collateralized returns from a diversified basket of agriculture and livestock futures contracts. It is designed to be representative of the entire liquid forward curve of each commodity in the Index. The Index, which is rebalanced monthly, is comprised of the 11 agriculture futures contracts and two livestock futures contracts included in the CMCI with three target maturities for each individual commodity.

The UBS E-TRACS linked to the UBS Bloomberg CMCI Livestock Total Return provide exposure to potential price appreciation in the UBS Bloomberg CMCI Livestock Total Return. The return on the Securities is linked to the performance of the UBS Bloomberg CMCI Livestock Total Return. The Index is a sub-index of the UBS Bloomberg CMCI and measures the collateralized returns from a basket of livestock future contracts. It is designed to be representative of the entire

liquid forward curve of each commodity. The Index, which is rebalanced monthly, is comprised of the two livestock futures contracts included in the CMCI two five different target maturities for each individual commodity.

The UBS E-TRACS linked to the UBS Bloomberg CMCI Gold Total Return provide exposure to potential price appreciation in the UBS Bloomberg CMCI Gold Total Return. The return on the Securities is linked to the performance of the UBS Bloomberg Constant Maturity Gold Total Return Index. The Index is a sub-index of the UBS Bloomberg CMCI and measures the collateralized returns from a basket of gold futures contracts. It is designed to be representative of the entire liquid forward curve of the gold contracts. The Index, which is rebalanced monthly, is comprised of the gold futures contracts included in the CMCI with five target maturities.

The UBS E-TRACS linked to the UBS Bloomberg CMCI Silver Total Return provide exposure to potential price appreciation in the UBS Bloomberg CMCI Silver Total Return. The Index is a sub-index of the UBS Bloomberg CMCI and measures the collateralized returns from a basket of silver futures contracts. It is designed to be representative of the entire liquid forward curve of the silver contracts. The Index, which is rebalanced monthly, is comprised of the silver futures contracts included in the CMCI with five target maturities.

The maturity dates for each of the above-mentioned UBS E-TRACS ETNs is April 1, 2038.

Early Redemption

Investors may elect to require UBS to redeem their Securities, in whole or in part, prior to the Maturity Date (as defined in the Prospectus) beginning on a date specified in the Prospectus, subject to a minimum redemption amount of at least 100,000 Securities (\$2,500,000) aggregate principal amount). A redeeming investor will receive a cash payment equal to the Redemption Amount, as defined in the Prospectus, which will be determined on the applicable valuation date. For a complete description of the redemption process, see the Prospectus.

Indicative Value

An intraday “Indicative Value” meant to approximate the intrinsic economic value of the Securities will be published for the ETNs, as noted below:

| <u>Exchange-Traded Notes</u> | <u>Indicative Value</u> |
|--|-------------------------|
| E-TRACS UBS Bloomberg CMCI ETN | UCI.IV |
| E-TRACS UBS Bloomberg CMCI Agriculture ETN | UAG.IV |
| E-TRACS UBS Bloomberg CMCI Industrial Metals ETN | UBM.IV |

| | |
|--|--------|
| E-TRACS UBS Bloomberg CMCI Energy ETN | UBN.IV |
| E-TRACS UBS Bloomberg CMCI Food ETN | FUD.IV |
| E-TRACS UBS Bloomberg CMCI Livestock ETN | UBC.IV |
| E-TRACS UBS Bloomberg CMCI Gold ETN | UBG.IV |
| E-TRACS UBS Bloomberg CMCI Silver ETN | USV.IV |
| | |

The actual trading price of the ETNs may vary significantly from their Indicative Value.

Exchange Rules Applicable to Trading in the Securities

The ETNs are considered equity securities, thus rendering trading in the Securities subject to the Exchange's existing rules governing the trading of equity securities.

Trading Hours

The Securities will trade on NYSE Arca in the Opening, Core and Late Trading Sessions or from 4:00 a.m. ET until 8:00 p.m. ET in accordance with NYSE Arca Equities Rule 7.34(a). The trading increment for the Securities will be \$0.01.

Extended Hours Trading

ETP Holders are reminded of NYSE Arca Equities Rule 7.34(e) regarding Customer Disclosure and that trading in the Securities during the Exchange's Opening and Late Trading Sessions may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Opening and Late Trading Sessions, (2) the indicative value may not be updated during the Opening and Late Trading Sessions, (3) lower liquidity in the Opening or Late Trading Sessions may impact pricing, (5) higher volatility in the Opening or Late Trading Sessions may impact pricing, (6) wider spreads may occur in the Opening or Late Trading Sessions, and (7) because the indicative value is not calculated or widely disseminated during the Opening and Late Trading Sessions, an investor who is unable calculate an implied value for the Securities in those sessions may be at a disadvantage to market professionals.

Suitability

ETP Holders are reminded of their obligations under NYSE Arca Rule 9.2(a)-(b) whereby the ETP holder shall use due diligence to learn the essential facts relative to every customer prior to trading the ETN or recommending a transaction in the ETN that an investment in the ETN is suitable for the customer. ETP Holders 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 Securities and Exchange Commission.

Prospectus Delivery

ETP Holders are advised to consult the “Supplemental Plan of Distribution” in the Prospectus regarding prospectus delivery requirements.

This Information Bulletin is not a statutory Prospectus.