



| STOCK EXCHANGE                  |                  |                   |                |
|---------------------------------|------------------|-------------------|----------------|
| Regulatory Information Circular |                  |                   |                |
| <b>Circular number:</b>         | 2009-08          | <b>Contact:</b>   | Russ Davidson  |
| <b>Date:</b>                    | February 2, 2009 | <b>Telephone:</b> | (646) 805-1857 |

**Subject: BearLinx Alerian MLP Select Index ETN**

**Background Information on the Funds**

Equity Electronic Access Members (“Equity EAMs”) should consult the prospectus, dated July 19, 2007, for the BearLinx Alerian MLP Select Index ETN (“ETN”) issued by Bear Stearns Companies Inc. Maturity/Expiration/Conversion: The third business day following the final Date Index business day in the Final Measurement Period.

Distribution Dates: The fifth business day following each coupon valuation date. Valuation Date the first business Day of each calendar month during the term of the Notes beginning on August 1, 2007, and the last Coupon Valuation Date shall be the Calculation Date, subject to adjustment described in pricing supplement.

Redemption Date: Last Business Day of each week during the term of the Notes (“Redemption Valuation Date”) by delivering a Redemption Notice, via email, no later than 10:00 a.m. New York City time on the Business Day prior to such Redemption Valuation Date.

Form of Certificate Ownership: Book-entry through DTCC.

Maturity: A holder will receive Cash Settlement Amount an amount per Notes in U.S. dollars equal to (i) the Principal Amount multiplied by the Index Ratio minus (ii) the accrued tracking fee, if any, where: See Prospectus for complete details.

**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**

Trading in the shares on ISE is on a UTP basis and is subject to ISE equity trading rules. The shares will trade from 8:00 a.m. until 8:00 p.m. Eastern Time. Equity EAMs trading the shares during the Extended Market Sessions are exposed to the risk of the lack of the calculation or dissemination of underlying index value or intraday indicative value (“IIV”). For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Extended Market hours. Since

the underlying index value and IIV are not calculated or widely disseminated during Extended Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Extended Market hours may be at a disadvantage to market professionals.

### **Trading Halts**

ISE will halt trading in the Shares of a Trust in accordance with ISE Rule 2101(a)(2)(iii). The grounds for a halt under this Rule include a halt by the primary market because it stops trading the Shares and/or a halt because dissemination of the IIV or applicable currency spot price has ceased, or a halt for other regulatory reasons. In addition, ISE will stop trading the Shares of a Trust if the primary market de-lists the Shares.

### **Delivery of a Prospectus**

Pursuant to federal securities laws, investors purchasing Shares must receive a prospectus prior to or concurrently with the confirmation of a transaction. Investors purchasing Shares directly from the Fund (by delivery of the Deposit Amount) must also receive a prospectus.

Prospectuses may be obtained through the Distributor or on 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 SEC. For further information about the Fund, please refer to the Trust's registration statement.

### **No-Action Relief Under Federal Securities Regulations**

The SEC has issued no-action relief from certain provisions of and rules under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), regarding trading in other Barclays iPath securities with structures similar to that of the Notes. See letter dated July 27, 2006, from James A. Brigagliano, Acting Associate Director, Office of Trading Practices and Processing, Division of Market Regulation, to George H. White (the "Letter"). As what follows is only a summary of the relief outlined in the Letter, the Exchange also advises interested members to consult the Letter, for more complete information regarding the matters covered therein.

### **Regulation M Exemptions**

Generally, Rules 101 and 102 of Regulation M is an anti-manipulation regulation that, subject to certain exemptions, prohibits a "distribution participant" and the issuer or selling security holder, in connection with a distribution of securities, 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, and affiliated purchasers of such persons.

The Letter states that the SEC Division of Market Regulation will not recommend enforcement action under Rule 101 of Regulation M against persons who may be

deemed to be participating in a distribution of the notes to bid for or purchase the notes during their participation in such distribution.

Rule 102 of Regulation M prohibits issuers, selling security holders, or any affiliated purchaser of such person from bidding for, purchasing, or attempting to induce any person to bid for or purchase a covered security during the applicable restricted period in connection with a distribution of securities effected by or on behalf of an issuer or selling security holder. Rule 100 of Regulation M defines “distribution” to mean any offering of securities that is distinguished from ordinary trading transactions by the magnitude of the offering and the presence of special selling efforts and selling methods.

The Letter states that the SEC Division of Market Regulation will not recommend enforcement action under Rule 102 of Regulation M against Barclays and its affiliated purchasers who bid for or purchase or redeem notes during the continuous offering of the notes.

#### **Section 11(d)(1) of the Exchange Act; Exchange Act Rule 11d1-2**

Section 11(d)(1) of the Exchange 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 or she participated as a member of a selling syndicate or group within thirty days prior to such transaction.

The Letter states that the SEC Division of Market Regulation will not recommend enforcement action under Section 11(d)(1) of the Exchange Act against broker-dealers who treat the notes, 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 the notes 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.

**This Regulatory Information Circular is not a statutory Prospectus. Equity EAMs should consult the Trust’s Registration Statement, SAI, Prospectus and the Fund’s website for relevant information.**

## Appendix A

| <b>Ticker</b> | <b>Fund Name</b>                      |
|---------------|---------------------------------------|
| BSR           | BearLinx Alerian MLP Select Index ETN |