

Attention: Mutual Fund Operations

For Back Office Personnel Only – Not for Distribution to the Public

August 1, 2016

IMPORTANT UPDATE FROM BLACKROCK FUNDS Enforcement of Low Account Balance Policy

NSSC Participant #: 5882
Networking Alpha Code: PG

Due to the high cost of maintaining smaller shareholder accounts, BlackRock has set a minimum balance of \$500 in each Fund position you hold within your account ("Fund Minimum"), and may redeem the shares in your account if the net asset value of those shares in your account falls below \$500 for any reason, including market fluctuation.

You will be notified that the value of your account is less than the Fund Minimum before the Fund makes any involuntary redemption. This notification will provide you with a 90 calendar day period to make an additional investment in order to bring the value of your account to at least \$500 before the Fund makes an involuntary redemption. This involuntary redemption will not charge any deferred sales charge, and may not apply to accounts of certain employer-sponsored retirement plans, qualified state tuition plan (529 Plan) accounts, and select fee-based programs at your Financial Intermediary.

In order to enforce this policy, accounts that fall under the Fund Minimum will be redeemed on or around November 7, 2016 (90 days from the date of this notice).

Policy Exclusions:

- Certain account types, including UGMA/UTMA, 529, certain employer-sponsored retirement plans, employee accounts and accounts in selected fee-based-programs.
- Accounts with automatic investment plans, money markets with check writing, accounts with outstanding certificates, etc.
- Accounts with a combined balance of share classes within the same Fund above \$500 (i.e. \$300 in Investor A and \$250 in Investor C), or with a global account value greater than \$100,000.
- Certain funds, such as the BlackRock Exchange Portfolio, BlackRock Series Funds, BlackRock Variable Series Funds, BlackRock Liquidity Funds and other funds with operational restrictions.
- Accounts that have been opened for less than two years.

Important Information:

- IRAs are eligible and will be redeemed if they are under the Fund Minimum.
- Distribution Partners that have an omnibus account are expected to review positions of the underlying sub accounts and redeem accounts, on or around November 7, 2016, that are under the Fund Minimum per the policy.
- Distribution Partners with accounts that fall under the Fund Minimum will receive a follow-up communication with the list of accounts that require review. Feedback regarding the file should be provided to BlackRock prior to October 31, 2016. If no response is received, accounts will be redeemed on or around November 7, 2016.
- A Networking Activity File (F55) will be sent November 8, 2016. Transaction type '30' (Small Balance Liquidation).
- Free of deferred sales charge, redemption proceeds will settle through Networking on November 9, 2016.

Questions regarding fund direct business or fund related inquiries can be directed to BlackRock Dealer Services at 1-800-882-3302.