

BlackRock Strategic Funds

Simplified Prospectus Dated 30 July 2010

BlackRock Strategic Funds ("the Company") is a SICAV incorporated in Luxembourg as an open-ended investment company and is authorised under Part I of the Luxembourg Law of 20 December 2002. It has an "umbrella" structure comprising a number of different Funds, each having a separate portfolio of investments.

Registered Office: 49, avenue J.F. Kennedy, L-1855 Luxembourg,
Grand Duchy of Luxembourg. Registered Number B.127481.



BLACKROCK

This Simplified Prospectus contains information about the following sub-funds of the Company:

Bond Funds:

- ▶ **BlackRock European Fundamental Credit Absolute Return Fund***
- ▶ **BlackRock Fixed Income Strategies Fund**

Currency Funds:

- ▶ **BlackRock Global Currency Absolute Return Fund**

Equity Funds:

- ▶ **BlackRock Asia Extension Strategies Fund***
- ▶ **BlackRock Emerging Markets Extension Strategies Fund***
- ▶ **BlackRock European Absolute Return Fund**
- ▶ **BlackRock European Diversified Equity Absolute Return Fund***
- ▶ **BlackRock European Extension Strategies Fund***
- ▶ **BlackRock European Opportunities Absolute Return Fund***
- ▶ **BlackRock European Opportunities Extension Strategies Fund**
- ▶ **BlackRock Global Extension Strategies Fund***
- ▶ **BlackRock Japan Extension Strategies Fund***
- ▶ **BlackRock Latin American Opportunities Fund**
- ▶ **BlackRock UK Absolute Return Fund***
- ▶ **BlackRock UK Extension Strategies Fund***
- ▶ **BlackRock US Extension Strategies Fund***

Mixed Funds:

- ▶ **BlackRock Euro Dynamic Diversified Growth Fund***
- ▶ **BlackRock Fund of iShares – Conservative***
- ▶ **BlackRock Fund of iShares – Moderate***
- ▶ **BlackRock Fund of iShares – Growth***
- ▶ **BlackRock Fund of iShares – Dynamic***

Key to table:

* Funds not available for subscription at the date of this Simplified Prospectus. Such Funds may be launched at the Directors' discretion. Any provisions in this Simplified Prospectus relating to any one of these Funds shall only take effect from the launch date of the relevant Fund.

Please refer to the current full Prospectus of the Company for further details. The full Prospectus and the annual and interim report & accounts may be obtained upon request, from the registered office, free of charge. Terms in capitals where not defined in this document are defined in the full Prospectus.

Investment Objective & Policy

The investment objective and policy for each Fund, together with details on Dealing and Base Currency, are attached to this Simplified Prospectus as Appendix 1.

General Risk Factors

The value of investments and the income from them may go down as well as up and is not guaranteed. Past performance is not a guide to future performance. When you cash in all or part of your investment you may get back less than you invested. Exchange rate movements may also affect your investment, as well as price of securities.

A detailed description of the risk profile and, if applicable, of the use of derivatives, is contained in the full Prospectus and Risk Factors specific to each Fund are set out in Appendix 2.

Profile of the Typical Investor

The Funds are available for investment by the general public and institutional clients. Typical investors are expected to be informed investors and willing to adopt capital and income risk.

The relevant Investment Adviser has allocated the following grading on a scale of Low, Medium, Medium/High and High on each of the Funds.

- ▶ 'Low Risk' grading applies to Funds where there is a low expectation of capital loss but where income levels will vary.

None of the Funds are graded 'Low Risk'.

- ▶ 'Medium Risk' grading applies to Funds with exposure to capital market risk but where any equity exposure is balanced by exposure to high-quality bonds.

BlackRock European Absolute Return Fund
BlackRock Fixed Income Strategies Fund

- ▶ 'Medium/High Risk' grading applies to Funds which may be expected to have all, or at least a high proportion, of their assets invested in equities, or in bonds rated below investment grade.

BlackRock Global Currency Absolute Return Fund

- ▶ High Risk grading applies to Funds with emerging market, small capitalisation and narrowly focused/concentrated equity mandates, which may restrict liquidity and increase the volatility of returns. This grading also applies to Funds that may use complex derivative strategies. This grading is relevant for:

BlackRock European Opportunities Extension Strategies Fund
BlackRock Latin American Opportunities Fund

The above gradings are indicative of the level of risk associated with each Fund and are not supposed to be a guarantee of likely returns. They should only be used for comparison with other Funds provided by the Company. If you are in any doubt as to the level of risk that you should take, you should seek independent advice.

Placeholders have not been allocated a grading, they will be allocated a grading if/when they launch. This grading can be found on the Fund Factsheets and will be updated in the next available Simplified Prospectus after the launch of the relevant fund.

Launch Date and Fund Performance

The launch date and an overview of fund performance for each Fund is provided in Appendix 1, attached to this Simplified Prospectus.

Treatment of Income and Classes of Shares

Shares in the Funds are divided into Class A, Class C, Class D, Class E, Class H, Class I, Class J, Class K, Class L, Class M and Class X Shares, representing eleven different charging structures.

Shares are further divided into Distributing and Non-Distributing Share classes. Non-Distributing Shares do not pay dividends, whereas Distributing Shares may pay dividends.

Those Distributing Shares which pay dividends monthly are further divided into Shares as follows:

- ▶ Those Shares for which dividends are calculated daily are known as Distributing (D) Shares which in any class are described using the number 1, e.g. Class A daily distributing Shares are described as Class A1.
- ▶ Those Shares for which dividends are calculated monthly are known as Distributing (M) Shares which in any class are described using the number 3, e.g. Class A3.

Investors may choose to hold either Distributing (M) Shares or Distributing (D) Shares but may not hold both. Distributing Shares with annual dividend payment are known as Distributing (A) Shares which in any class are described using the number 4, e.g. Class A4.

Non-distributing shares of any class are described using the number 2, e.g. Class A2

The Directors' current policy is to retain and reinvest all net income except for income attributable to the Distributing Share Classes and income attributable to the UK Distributor Status Share Classes. For the Distributing Share Classes and UK Distributor Status Share Classes, the policy is to distribute at least 85% of the net investment income attributable to such Classes of Shares, computed broadly in accordance with the definition of net taxable income under United Kingdom corporation tax principles (subject to the application of any de minimis threshold) so that these Classes of Shares of the Fund should qualify as "distributing" for the purposes of United Kingdom tax legislation relating to offshore funds. The Directors may, therefore, determine to make additional dividend payments to meet these requirements. The Directors may also determine if and to what extent dividends may include distributions from both net realised and net unrealised capital gains. Where dividends from certain share classes are paid from capital, Shareholders should note that such dividends may be taxable as income, depending on the local tax legislation, and should seek their own professional tax advice in this regard.

At this stage, it is expected that current UK Distributor Status Share Classes will continue to distribute the majority of their net investment income (computed broadly in accordance with the definition of net taxable income under United Kingdom corporation tax principles) when they opt into the UK Reporting Funds regime in due course.

The following are Distributing Funds.

BlackRock European Absolute Return Fund
BlackRock European Opportunities Extension Strategies Fund
BlackRock Global Currency Absolute Return Fund

Confirmation of all share classes and distribution frequencies can be obtained from the Company's registered office and the Local Investor Servicing team. Distributing Shares with alternative payment frequencies may be introduced at the

Directors' discretion. Confirmation of additional distribution frequencies and the date of their availability can be obtained from the Company's registered office and the Local Investor Servicing team.

The Company may operate income equalisation with a view to ensuring that the level of net income accrued within a Fund and attributable to each Share is not affected by the issue, conversion, or redemption of Shares during an accounting period.

Where an Investor buys Shares during an accounting period, the price at which those Shares were bought may be deemed to include an amount of net income accrued since the last distribution. The result is that, in relation to Distributing (M) Shares or Distributing (A) Shares, the first distribution which an Investor receives following purchase may include a repayment of capital. Accumulating Shares do not distribute income and so should not be impacted in the same way.

Where an Investor sells Shares during an accounting period the redemption price in relation to Distributing (M) Shares or Distributing (A) Shares, may be deemed to include an amount of net income accrued since the date of the last distribution. Accumulating Shares do not distribute income and so should not be impacted in the same way.

The list of Funds operating income equalisation arrangements and the income element included in the price of Distributing (M) Shares and Distributing (A) Shares will be made available upon request from the Company's registered office or online at www.blackrock.com

Calculation of Dividends

The calculation method for each type is described below:

	Calculation Method
Distributing (D)	<p>The dividend is calculated daily based upon daily-accrued income less expenses, for the number of Shares outstanding on that day.</p> <p>At the discretion of the Directors, the dividend may also include distributions from both net realised and net unrealised capital gains.</p> <p>A cumulative monthly dividend is then distributed to shareholders based upon the number of Shares held and the number of days for which they were held during the period. Holders of Distributing (D) Shares shall be entitled to dividends from the date of subscription to the date of redemption.</p>
Distributing (M)	<p>The dividend is calculated monthly based upon income accrued during the dividend period less expenses.</p> <p>At the discretion of the Directors, the dividend may also include distributions from both net realised and net unrealised capital gains.</p> <p>The dividend is distributed to shareholders based upon the number of Shares held at the month end.</p>
Distributing (A)	<p>The dividend is calculated annually based upon income accrued during the dividend period less expenses.</p> <p>At the discretion of the Directors, the dividend may also include distributions from both net realised and net unrealised capital gains.</p> <p>The dividend is distributed to shareholders based upon the number of Shares held at the end of the annual period.</p>

Declaration, Payment of Reinvestment of Dividend

The chart below describes the declaration and payment of dividends and the reinvestment options available to shareholders.

Dividend Classification*	Declaration	Payment	Payment Method	Automatic Dividend Reinvestment
Distributing Shares (D)	Last Business Day of each calendar month in the Dealing Currency(ies) of the relevant Fund.	Within 1 calendar month of declaration to shareholders registered in the share register on the Business Day prior to the declaration date.	Dividends (where a shareholder has notified the local Investor Servicing team or on the application form) are paid directly into the shareholder's bank account by telegraphic transfer in the shareholder's chosen currency at the shareholder's cost (except as otherwise agreed by an underlying investor with his/her distributor).	Dividends will be automatically reinvested in further Shares of the same form of the same class of the same Fund, unless the shareholder requests otherwise either in writing to the local Investor Servicing team or on the application form.
Distributing Shares (M)		Within 1 calendar month of declaration to shareholders registered in the share register on the Business Day prior to the declaration date.		
Distributing Shares (A)	Last Business Day of each fiscal year in the Dealing Currency(ies) of the relevant Fund.	Within 1 calendar month of declaration to shareholders registered in the share register on the Business Day prior to the declaration date.		

* The options described in this chart will also apply to the respective class(es) of UK Distributor Status Shares.

Declarations and payment of dividends are announced in the d'Wort in Luxembourg.

No initial charge or CDSC is made on Class A or Class C Distributing Shares, respectively, issued by way of dividend reinvestment.

It should be borne in mind that re-invested dividends may be treated for tax purposes in some jurisdictions as income received by the shareholder. **Investors should seek their own professional tax advice in this regard.**

Distributor Status Funds and UK Distributor Status Shares

The following Funds offer UK Distributor Status Sterling Denominated Class A Shares as at the date of this Simplified Prospectus. The Company may apply for UK Distributor Status for Sterling denominated Class A Shares of other Funds and for other Share Classes or Dealing Currencies of these Funds and other Funds. Confirmation of the additional Funds, Classes of Shares and Dealing Currencies in respect of which the Company may apply for UK Distributor Status will be then available from the Registered Office of the Company and from the Local Investor Servicing team. An updated list of available UK Distributor Status Funds, Share Classes and Dealing Currencies will be included in the next version of the Simplified Prospectus.

BlackRock European Opportunities Extension Strategies Fund
BlackRock Global Currency Absolute Return Fund

UK Reporting Funds

In November 2009, the UK Government enacted Statutory Instrument 2009 / 3001 (The Offshore Funds (Tax) Regulations 2009) which provides for a new framework for the taxation of investments in offshore funds, to replace the existing UK Distributor Status regime, which would operate by reference to whether a fund opts into a reporting regime ("Reporting Funds") or not ("Non-reporting Funds"). Under the new regime, investors in Reporting Funds will be subject to tax on the share of the Reporting Fund's income attributable to their holding in the fund, whether or not distributed, but any gains on disposal of their holding should be subject to capital gains tax. The new regime has effect for accounting periods beginning on or after 1 December 2009.

The Company is expected to opt into the new Reporting Funds regime with effect from the start of the Company's next Financial Year, 1 June 2010.

The Directors currently intend to apply for "Reporting Fund" status in relation to funds which currently have UK Distributor Status when the regime comes into force. The Directors may also choose to apply for "Reporting Fund" status in respect of funds which do not currently have UK Distributor Status.

Dealing Currency

The currency or currencies in which applicants may currently subscribe for the Shares of any Fund. Dealing currencies may be introduced at the Directors' discretion. Confirmation of the Dealing Currencies is available from the registered office of the Company and from the Local Investor Servicing team.

Hedged Share Classes

An update of available Hedged Share Classes will be included in the Simplified Prospectus each time it is updated. Hedged Share Classes may, at the Directors' discretion, be made available in other Funds and in other currencies. Confirmation of the other Funds and currencies in which the Hedged Share Classes are available and the date of their launch can then be obtained from the registered office of the Company and from the Local Investor Servicing team.

Fees, Charges & Expenses

Full details of the charges and expenses (for individual Classes of Shares) for each Fund are attached to this Simplified Prospectus as Appendix 3.

Selected distributors may impose a **charge** on each conversion of those Shares acquired through them, which will be deducted at the time of conversion and paid to the relevant distributor. While other conversions between the same class of Shares of two Funds are normally free of charge, the Management Company may, at its discretion (and without prior notice), make an additional conversion charge which would increase the amount paid to up to 2% if excessively frequent conversions are made. Any such charges will be deducted at the time of conversion and paid to the relevant distributor or the Principal Distributor (as applicable).

A **redemption charge** of 2% of the redemption proceeds can be charged to a shareholder at the discretion of the Directors where the Directors, in their reasonable opinion, suspect that shareholder of excessive trading. This charge will be made for the benefit of the Funds, and shareholders will be notified in their contract notes if such a fee has been charged. This charge will be in addition to any applicable conversion charge or deferred sales charge.

The **Custodian** receives a fee in respect of each Fund. These fees are to remunerate the Custodian for safekeeping and transaction costs applicable to each Fund. These fees will vary in respect of each Fund depending on the value of assets under management and the volume of trading in that Fund.

For Funds which have low volume trading (less than 500 trades per month), the safekeeping fee which accrues daily, will range from 0.05% to 0.20% per annum and the transaction fees will range from US\$7 to US\$50 per transaction.

For Funds which engage in higher trading volumes, the Custodian will not charge separate safekeeping and transaction fees. The Custodian will receive a fee which will be charged on a sliding scale, based on the value of asset under management and the volume of trading within each Fund. These fees will range from 1 basis point to 15 basis points of assets under management of each Fund, depending on whether a particular Fund is considered to be a 'medium volume trading Fund' (between 501 and 1,500 trades per month) or 'high volume trading Fund' (greater than 1,500 trades per month).

Each of the Funds will also be subject to a minimum annual fee which will be set at either, US\$30,000 for a low volume trading volume Fund, US\$100,000 for medium volume trading Fund or US\$150,000 for high volume trading Fund.

Trading volumes for each Fund will vary according to the investment strategy of each Fund. The combined custody cost to each Fund will depend on its asset allocation and trading activity at any time.

The actual fees payable to the Custodian per Fund for each 12 month period will be set out in the Annual Report & Accounts.

The Company pays **administration fees** of up to 0.30% per annum. The level of administration fees may vary at the Directors' discretion, as agreed with the Management Company, across Funds and Classes the investor buys. Administration fees accrue daily, are based on the Net Asset Value of the relevant Class and are paid monthly. Administration fees comprise without limitation all operational costs and expenses incurred by the Company, with the exception of the

fees of the Custodian and any taxes thereon. In addition, taxes payable by the Company such as subscription taxes remain payable by the Company.

The administration fee shall not exceed 0.30% per annum and any costs or expenses in excess shall be borne by the Management Company.

In addition to the other fees and expenses a **performance fee** may be payable out of each share class of each Fund. Two methods of calculation are used and are referred to as Type A and Type B – the method applicable to each Fund is stated in Appendix 3 of this document.

The performance fee accrues on each Valuation Day in the course of a Performance Period for any returns in excess of the Benchmark Return at a rate of up to 20%. In addition, for Type A funds the NAV return needs to exceed the higher of the initial price or the highest NAV at the end of the previous financial years where a performance fee has been paid.

For Type A Funds, where the NAV per Share decreases below the NAV when a performance fee was last paid and/or the NAV return underperforms the relevant Benchmark return, no performance fee will be accrued until such a decrease or underperformance has been made good in the course of a Performance Period.

For Type B Funds, if the Fund underperforms the relevant Benchmark no performance fee will be accrued until the underperformance has been made good. The underperformance that the Manager is required to make good, prior to any payment of a performance fee, is carried forward in proportion to the shareholders remaining, in case of redemption, within the Fund at each valuation point.

For further information on how the performance fee is calculated, please refer to Appendix E of the full Prospectus.

Price Publication

All prices are determined after the deadline for receipt of dealing orders (12 noon Luxembourg time) on the Dealing Day, meaning any business day in Luxembourg for banks and the Luxembourg stock exchange, concerned (except for Christmas Eve). Prices are quoted in the Dealing Currency(ies) of the relevant Fund.

Prices for Shares may be obtained during business hours from the Local Investor Servicing team and are also available on the BlackRock website.

How to Buy/Sell/Convert Shares

Dealings can normally be effected daily, though certain Funds deal only on a weekly or fortnightly basis. Please see Appendix F of the full Prospectus for the dealing frequency of each Fund. Orders for subscription, redemption and conversion of Shares should be received by the Transfer Agent or the Local Investor Servicing team before 12 noon Luxembourg time on any Dealing Day and the prices applied will be those calculated in the afternoon of that day. Any dealing orders received by the Transfer Agent or the Local Investor Servicing team after 12 noon Luxembourg time on a Dealing Day will be dealt with on the next Dealing Day.

Orders placed through distributors rather than directly with the Transfer Agent or the Local Investor Servicing team may be subject to different procedures which may delay receipt by the Transfer Agent or the Local Investor Servicing team. Investors should consult their distributor before placing orders in any Fund.

A shareholder who makes a subscription or a redemption of Shares through the Paying Agent or other entities responsible for processing Share transactions in any jurisdiction where the Shares are offered may be charged with the expenses linked to the activity carried out by such entities. In Italy, additional expenses incurred by the Italian Paying Agent(s) or other entities responsible for processing Share transactions for and on behalf of Italian shareholders (for example for the cost of foreign exchange dealing and for intermediation in payments) may be charged to those shareholders directly. Investors in Italy may confer on the Italian Paying Agent a specific mandate empowering the latter to act in its own name and on behalf of the same investors. Under this mandate, the Italian Paying Agent in its own name and on behalf of the investors in Italy shall (i) transmit in aggregated form to the Company subscription /redemption/conversion orders; (ii) hold the Shares in the register of shareholders of the Company and (iii) carry out any other administrative activity under the investment contract. Further details of such mandate will be provided in the subscription form for Italy.

Applications

Certain distributors may allow underlying investors to submit applications through them for onward transmission to the Transfer Agent or the local Investor Servicing team. All initial applications for Shares must be made by completing the application form and returning it to the Transfer Agent or the Local Investor Servicing team. Failure to provide the original application form will delay the completion of the transaction and consequently the ability to effect subsequent dealings in the Shares concerned. An initial application may not be made by fax or telephone. Subsequent applications for Shares may, however, be made in writing or by fax or telephone. Investors who do not specify a Share Class in the application will be deemed to have requested Class A Non-Distributing Shares. In some countries investors may be able to subscribe for Shares through regular savings plans. Under these regular savings plans it may also be possible to periodically/regularly redeem and/or convert the Shares.

Applications for Registered Shares should be made for Shares having a specified value and fractions of Shares will be issued where appropriate. Global Certificates will usually be issued in whole Shares only unless the relevant depository is able to accept fractional holdings.

The right is reserved to reject any application for Shares or to accept any application in part only. In addition, issues of Shares may be suspended, and a subscription constituting over 5% of a Fund's value may not be accepted.

The minimum initial subscription in respect of Class A, Class C, and Class E, Class K, Class L and Class M shares of a Fund is US\$5,000 or the approximate equivalent in the relevant Dealing Currency. The minimum for additions to existing holdings of any Class A, C and E, Class K, Class L and Class M Shares of a Fund is US\$1,000 or the approximate equivalent.

The minimum initial subscription in respect of Class D shares of a Fund is US\$500,000 or the approximate equivalent in the relevant Dealing Currency. The minimum for additions to existing holdings of any Class D shares of a Fund is US\$1,000 or the approximate equivalent.

The minimum initial subscription in respect of Class H shares of a Fund is US\$50,000 or the approximate equivalent in the relevant Dealing Currency. The minimum for additions to existing holdings of any Class H shares of a Fund is US\$5,000 or the approximate equivalent.

The minimum initial subscription in respect of Class I, J and X Shares of a Fund is US\$10 million or the approximate equivalent in the relevant Dealing Currency. The minimum for additions to existing holdings of any Class I, Class J and Class X Shares of a Fund is US\$10,000 or the approximate equivalent.

As a result of anti-money laundering regulation, additional documentation may be required for subscriptions for Shares. The circumstances under which it is required and the precise requirements are set out in the notes on the Application Form. Failure to provide documentation may result in the withholding of redemption proceeds. If you have any questions regarding the identification documentation required, you should contact the Local Investor Servicing team or the Transfer Agent.

For all Shares, settlement in cleared funds net of bank charges must be made within three Business Days of the relevant Dealing Day unless otherwise specified in the contract note in cases where the standard settlement date is a public holiday for the currency of settlement.

Redemptions

Certain distributors may allow underlying investors to submit instructions for redemptions through them for onward transmission to the Transfer Agent or the local Investor Servicing team. In all other cases, instructions for the redemption of Registered Shares should normally be given by completing the form that accompanies confirmation notes and is available from the Transfer Agent or the Local Investor Servicing team. They may also be given to the Transfer Agent or the Local Investor Servicing team in writing or by fax or telephone followed in each case by confirmation in writing sent by mail to the Transfer Agent or the Local Investor Servicing team, unless a coverall renunciation and fax indemnity including instructions to pay the redemption proceeds to a specified bank account has been agreed.. Failure to provide written confirmations may delay settlement of the transaction. Written redemption requests (or written confirmations of such requests) must include the full name(s) and address of the holders, the name of the Fund, the Class, (including whether it is the Distributing or Non-Distributing Share Class) the value or number of Shares to be redeemed and full settlement instructions and must be signed by all holders. Redemptions of bearer Shares will be effected only upon receipt of the relevant certificates. If a redemption order is made for a cash amount or for a number of Shares to a higher value than that of the applicant's account then this order will be automatically treated as an order to redeem all of the Shares on the applicant's account.

Redemption payments will normally be dispatched in the relevant Dealing Currency on the third Business Day following

the relevant Dealing Day, provided that the relevant documents have been received (as described above and any applicable money laundering prevention information).

Conversions

Investors may make conversions of their shareholdings between the same Classes of Shares of the various Funds and thereby alter the balance of their portfolios to reflect changing market conditions. (e.g. from Class A of one Fund into Class A of another Fund). The Company does not, however, offer the ability to make conversion of investors' shareholdings from Funds that can be dealt in on a daily basis to Funds that can be dealt in on a weekly or fortnightly basis. See Appendix F of the full Prospectus for the dealing frequency of each Fund.

Conversions are also permitted from one Class of Share of a Fund to Shares of another Class of either the same Fund or a different Fund. Such conversions are permitted provided that the shareholder satisfies the conditions applicable to investment in the Share Class being converted into (see "Classes and Form of Shares" above) including but not limited to, satisfying any minimum investment requirement, by demonstrating that they qualify as an eligible investor for the purposes of investing in a particular Class of Share, the suitability of the charging structure of the Share Class being converted into and by satisfying any applicable conversion charges that may apply. Conversion from a Class of Share carrying a CDSC will be treated as a redemption thereby causing any CDSC due at the time of conversion to become payable. Conversion and investment into or out of certain Share Classes is at the discretion of the Management Company.

The Directors may, at their discretion, refuse conversions in order to ensure that the Shares are not held by or on behalf of any person who does not meet the conditions applicable to investment in that Share Class, or who would then hold the Shares in circumstances which could give rise to a breach of law, or requirements of any country, government or regulatory authority on the part of that person or the Company or give rise to adverse tax or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority.

At the Management Company's discretion and provided always that the investor is an institutional investor, conversion from any Class of Shares into Class I, Class X or Class J Shares is permitted.

Any other conversions from Shares of one Class of a Fund to Shares of another Class of either the same or a different Fund (for example, conversions of Class A Shares into Class C Shares) are not permitted.

Instructions for the conversion of Registered Shares should normally be given by completing the appropriate form which is available from the Transfer Agent or the local Investor Servicing team. Instructions may also be given by fax or telephone or in writing to the Transfer Agent or the local Investor Servicing team. Certain distributors may allow underlying investors to submit instructions for conversions through them for onward transmission to the Transfer Agent or the local Investor Servicing team. Conversion instructions must include the full name(s) and address of the holder(s), the name of the Fund, the Class

(including whether it is the Distributing or Non-Distributing Share class), the value or number of Shares to be converted and the Fund to be converted into (and the choice of Dealing Currency of the Fund where more than one is available) and whether or not they are UK Distributor Status Shares.

Where the Fund to which a conversion relates has a different Dealing Currency then currency will be converted at the relevant rate of exchange on the Dealing Day on which the conversion is effected.

Redemptions and conversions may be suspended or deferred as further described in the full Prospectus.

Taxation

Under present Luxembourg law and practice, the Company is not liable to any Luxembourg income tax, net wealth tax or capital gains tax, nor are dividends paid by the Company subject to any Luxembourg withholding tax.

However, Class A, Class C, Class D, Class E, Class H, Class K, Class L, and Class M Shares of the Company are liable to a tax in Luxembourg of 0.05% per annum or, in the case of the Class I, Class J and Class X Shares, 0.01% per annum of its Net Asset Value, payable quarterly on the basis of the value of the net assets of the respective Funds at the end of the relevant calendar quarter. No stamp duty or other tax is payable in Luxembourg on the issue of Shares.

Shareholders are not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg [except for shareholders domiciled, resident or having a permanent establishment in Luxembourg and except for certain former residents of Luxembourg if they own more than 10% of the Shares of the Company].

Generally, dividends and interest received by the Company on its investments (in certain jurisdictions), may be subject to withholding taxes in the countries of origin which are generally irrecoverable as the Company itself is exempt from income tax. Recent European Union case law may, however, reduce the amount of such irrecoverable tax.

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling Shares under the laws of their country of citizenship, residence or domicile. Investors should note that the levels and bases of, and reliefs from, taxation could change.

Under current Luxembourg tax law and subject to the application of the laws dated 21 June 2005 (the "Laws") implementing Council Directive 2003/48/EC on the taxation of savings income (the "EUSD"), there is no withholding tax on payments made by the Company or its paying agent to the Shareholders.

Under the Laws, a Luxembourg-based paying agent (within the meaning of the EUSD) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State of the European Union ("EU") or an entity in the sense of Article 4.2. of the EUSD ("Residual

Entities"), established in another Member State of the EU, unless the beneficiary of the interest payments elects for an exchange of information or for the tax certificate procedure. The same regime applies to payments to individuals or Residual Entities resident in any of the following EU dependent or associated territories: Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands.

The withholding tax rate is 20% until 30 June 2011 increasing to 35% as from 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Interest as defined by the Laws and the EUSD encompasses income realised upon the sale, refund, redemption of shares or units held in certain funds of the Company if, under its investment policy or, in the absence of a clear investment policy, under the real composition of the funds' investment portfolio, said funds invest, directly or indirectly, more than 40% of their assets in debt claims, as well as any income distributed by said funds where the investment in debt claims of such funds exceeds 15 % of their assets. Subject to the 15% and/or 40% thresholds being reached, a withholding tax could thus apply when a Luxembourg-based paying agent makes payments available on account of a dividend distribution (a reinvested dividend is considered dividend distribution) and/or a redemption or refund of Shares (including redemption in kind) to the immediate benefit of a Shareholder who is an individual or a Residual Entity residing in another EU Member State or in certain EU dependent or associated territories.

Investors should note that the European Commission made proposals to amend the EUSD. If implemented, the proposed amendments would, inter alia, extend the scope of the EUSD to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

Date of incorporation of the Company

2 May 2007

Country of incorporation

Grand Duchy of Luxembourg

Supervisory Authority

Commission de Surveillance du Secteur Financier

Management Company

BlackRock (Luxembourg) S.A.
6D, route de Trèves, L-2633 Senningerberg,
Grand Duchy of Luxembourg

Principal Distributor

BlackRock (Channel Islands) Limited
Forum House, Grenville Street, St. Helier,
Jersey JE1 OBR, Channel Islands

Investment Advisers

BlackRock Financial Management, Inc
Park Avenue Plaza, 55 East 52nd Street
New York, NY 10055, USA

BlackRock Institutional Trust Company N.A.
400 Howard Street
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Promoter

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Enquiries

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Grand Duchy of Luxembourg

Auditor

Deloitte S.A.
560 rue de Neudorf,
L-2220 Luxembourg,
Grand Duchy of Luxembourg

For further information, please contact the Local Investor Servicing team.

Issued by BlackRock Strategic Funds. For your protection, telephone calls may be recorded.

BlackRock Investment Management (UK) Limited does not provide advice on the suitability of your investment in the Company's Funds. It is important that you read the specific aspects relating to the Fund as set out in the full Prospectus.

Appendix 1 – Investment Objectives and Performance Details for Funds

BOND FUNDS**BlackRock European Fundamental Credit Absolute Return Fund****Investment Objective**

The **BlackRock European Fundamental Credit Absolute Return Fund** seeks to achieve a positive absolute return for investors regardless of market movements.

The Fund will seek to achieve this investment objective by taking long and short risk positions in fixed income transferable securities and fixed-income related securities (including derivatives) issued by companies, governments and agencies. At least 70% of total assets will be in fixed income transferable securities and fixed-income related securities (including derivatives) either denominated in European currencies or of issuers domiciled in, or exercising the predominant part of their economic activity in, Europe and, when determined appropriate, cash and near-cash instruments. Returns are sought through a diverse portfolio of relative value and directional positions in markets based on fundamental, credit-focussed, research and analysis. Currency exposures and interest rate risks are normally hedged.

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing both long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Fixed Income Strategies Fund**Investment Objective & Policy**

The **BlackRock Fixed Income Strategies Fund** seeks to achieve positive total returns in Euro over a rolling three year cycle.

The Fund will seek to achieve this investment objective by investing at least 70% of its total assets in fixed income transferable securities and fixed-income related securities (including derivatives) of governments, agencies or corporate issuers worldwide and, when determined appropriate, cash and near-cash instruments. The asset allocation of the Fund is intended to be flexible and the Fund will maintain the ability to switch exposure as market conditions and other factors dictate.

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

No more than 50% of the Fund's total assets may be invested in ABS and MBS whether investment grade or not. Within this limit, no more than 40% of the Fund's total assets may be invested in non-investment-grade fixed income securities including corporate bonds, ABS and MBS. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in paragraphs 2, 6 and 7 below.

The Base Currency of the Fund is Euro (EUR).

Launch Date and Performance details

The Fund was launched on 30 September 2009 and therefore past performance details are not yet available.

CURRENCY FUNDS

BlackRock Global Currency Absolute Return Fund

Investment Objective & Policy

The **BlackRock Global Currency Absolute Return Fund** looks to generate absolute returns regardless of market conditions through investing in global currency markets.

The Fund seeks to achieve this objective through investment of at least 70% of its total assets in cash, near-cash instruments and currency derivatives. Investments may include but are not limited to fixed income securities, money market instruments, cash deposits, collective investment schemes and other instruments providing exposure to global currency markets.

In order to achieve the investment objective and policy, the Fund may invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising absolute returns.

The Base Currency of the Fund is US Dollar (USD)

Launch Date and Performance details

The Fund was launched on 14 August 2009 and therefore past performance details are not yet available.

EQUITY FUNDS

BlackRock Asia Extension Strategies Fund

Investment Objective

The **BlackRock Asia Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in Asia (ex Japan).

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is US Dollar (USD)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Emerging Markets Extension Strategies Fund

Investment Objective

The **BlackRock Emerging Markets Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives), of companies domiciled in, or exercising the predominant part of their economic activity in emerging markets.

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is US Dollar (USD)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock European Absolute Return Fund

Investment Objective & Policy

The **BlackRock European Absolute Return Fund** seeks to achieve a positive absolute return for investors regardless of market movements.

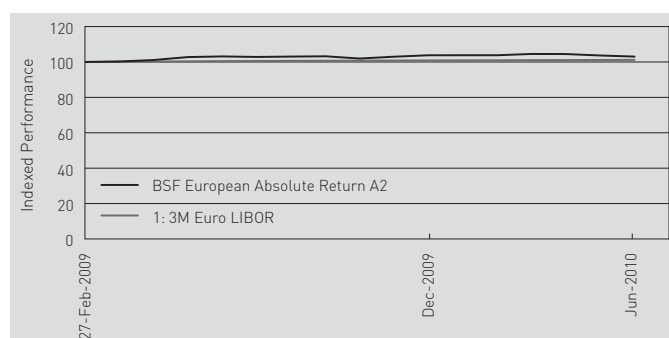
The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in Europe and, when determined appropriate, cash and near-cash instruments.

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund was launched on 27 February 2009.



BlackRock European Diversified Equity Absolute Return Fund

Investment Objective

The **BlackRock European Diversified Equity Absolute Return Fund** seeks to achieve a positive absolute return for investors regardless of market movements.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in Europe and, when determined appropriate, cash and near-cash instruments. The Fund will be highly diversified across the universe of European equities, whilst seeking to minimise net exposure to underlying European equity markets.

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock European Extension Strategies Fund

Investment Objective & Policy

The **BlackRock European Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in Europe.

In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock European Opportunities Absolute Return Fund

Investment Objective

The **BlackRock European Opportunities Absolute Return Fund** seeks to achieve a positive absolute return for investors regardless of market movements.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in Europe and, when determined appropriate, cash and near-cash instruments. At least 50% of the total assets of the Fund will be invested in small and mid capitalisation companies. Small and mid capitalisation companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of European exchanges.

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock European Opportunities Extension Strategies Fund

Investment Objective & Policy

The **BlackRock European Opportunities Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

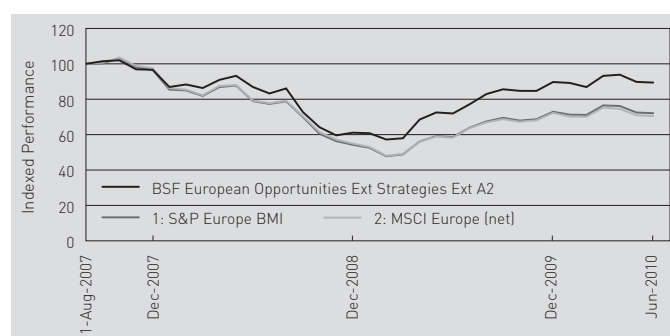
The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in Europe. At least 50% of the total assets of the Fund will be invested in small and mid capitalisation companies. Small and mid capitalisation companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of European exchanges.

In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund was launched on 31st August 2007.



BlackRock Global Extension Strategies Fund

Investment Objective & Policy

The **BlackRock Global Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in developed markets.

In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is US Dollar (USD)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Japan Extension Strategies Fund

Investment Objective & Policy

The **BlackRock Japan Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in Japan.

In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Japanese Yen (YEN).

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Latin American Opportunities Fund

Investment Objective & Policy

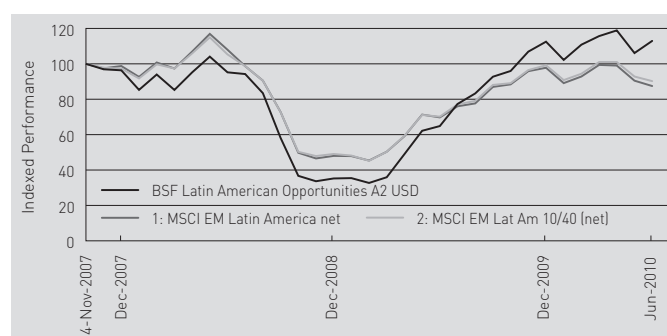
The **BlackRock Latin American Opportunities Fund** seeks to maximise total return.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equity and equity-related securities (including derivatives) of small and mid capitalisation companies domiciled in, or exercising the predominant part of their economic activity in Latin America. Small and mid capitalisation companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of Latin American exchanges.

The Base Currency of the Fund is US Dollar (USD)

Launch Date and Performance Details

The Fund was launched on 14th November 2007.



BlackRock UK Absolute Return Fund

Investment Objective & Policy

The **BlackRock UK Absolute Return Fund** seeks to achieve a positive absolute return for investors regardless of market movements.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in the UK and, when determined appropriate, cash and near-cash instruments.

In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Great British Pounds (GBP)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock UK Extension Strategies Fund

Investment Objective

The **BlackRock UK Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in the UK.

In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is Great British Pound (GBP)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock US Extension Strategies Fund

Investment Objective & Policy

The **BlackRock US Extension Strategies Fund** seeks to provide long term growth from a portfolio of predominantly long and synthetic long equity positions but with the flexibility to establish synthetic short positions.

The Fund will seek to achieve this investment objective through an investment of at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies domiciled in, or exercising the predominant part of their economic activity in the US.

In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing long, synthetic long and/or synthetic short positions with the aim of maximising positive returns.

The Base Currency of the Fund is US Dollar (USD)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

MIXED FUNDS

BlackRock Euro Dynamic Diversified Growth Fund

Investment Objective & Policy

The **BlackRock Euro Dynamic Diversified Growth Fund** seeks to deliver long term capital growth with a low tolerance for capital loss.

The Fund invests globally in the full spectrum of permitted investments including equities, fixed income transferable securities (which may include some high yield fixed income transferable securities), units of undertakings for collective investment, derivatives, cash, deposits and money market instruments. The Fund has a flexible approach to asset allocation (which includes taking indirect exposure to commodities through investments in undertakings for collective investment, medium term notes, exchange traded funds and derivatives on commodity indices). The Fund may invest without limitation in securities denominated in currencies other than the reference currency (euro). The currency exposure of the Fund is flexibly managed.

The Fund will aim to achieve the policy described above mainly through investments in the units of UCITS and/or other UCIs.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Fund of iShares – Conservative

Investment Objective

The **BlackRock Fund of iShares – Conservative** seeks to maximise returns subject to a conservative level of risk, by investing predominantly in iShares Exchange Traded Funds (which will be UCITS or other UCIs).

The Fund will aim to achieve its investment objective by taking exposure to a broad range of asset classes via its investment predominantly in iShares. It is expected that the Fund will invest between 20% and 40% of its total assets over time in iShares offering exposure to equity, equity-related securities, property, commodities and other alternative assets.

In addition, the remainder of the Fund will be invested predominantly in iShares offering exposure to fixed income, fixed income-related securities and cash but may, when deemed appropriate, invest in a broad range of UCITS eligible assets including directly held transferable securities, other UCIs and cash. Percentage asset allocations may be outside the stated range from time to time. The Fund will not be subject to any geographic restrictions.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Fund of iShares – Moderate

Investment Objective

The **BlackRock Fund of iShares – Moderate** seeks to maximise returns subject to a moderate level of risk, by investing predominantly in iShares Exchange Traded Funds (which will be UCITS or other UCIs).

The Fund will aim to achieve its investment objective by taking exposure to a broad range of asset classes via its investment predominantly in iShares. It is expected that the Fund will invest between 40% and 60% of its total assets over time in iShares offering exposure to equity, equity-related securities, property, commodities and other alternative assets.

In addition, the remainder of the Fund will be invested predominantly in iShares offering exposure to fixed income, fixed income-related securities and cash but may, when deemed appropriate, invest in a broad range of UCITS eligible assets including directly held transferable securities, other UCIs and cash. Percentage asset allocations may be outside the stated range from time to time. The Fund will not be subject to any geographic restrictions.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Fund of iShares – Growth

Investment Objective

The **BlackRock Fund of iShares – Growth** seeks to maximise returns subject to a moderately high level of risk, by investing predominantly in iShares Exchange Traded Funds (which will be UCITS or other UCIs).

The Fund will aim to achieve its investment objective by taking exposure to a broad range of asset classes via its investment predominantly in iShares. It is expected that the Fund will invest between 60% and 80% of its total assets over time in iShares offering exposure to equity, equity-related securities, property, commodities and other alternative assets.

In addition, the remainder of the Fund will be invested predominantly in iShares offering exposure to fixed income, fixed income-related securities and cash but may, when deemed appropriate, invest in a broad range of UCITS eligible assets including directly held transferable securities, other UCIs and cash. Percentage asset allocations may be outside the stated range from time to time. The Fund will not be subject to any geographic restrictions.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

BlackRock Fund of iShares – Dynamic

Investment Objective

The **BlackRock Fund of iShares – Dynamic** seeks to maximise returns subject to a higher level of risk, by investing predominantly in iShares Exchange Traded Funds (which will be UCITS or other UCIs).

The Fund will aim to achieve its investment objective by taking exposure to a broad range of asset classes via its investment predominantly in iShares. It is expected that the Fund will invest between 80% and 100% of its total assets over time in iShares offering exposure to equity, equity-related securities, property, commodities and other alternative assets

In addition, the remainder of the Fund will be invested predominantly in iShares offering exposure to fixed income, fixed income-related securities and cash but may, when deemed appropriate, invest in a broad range of UCITS eligible assets including directly held transferable securities, other UCIs and cash. Percentage asset allocations may be outside the stated range from time to time. The Fund will not be subject to any geographic restrictions.

The Base Currency of the Fund is Euro (EUR)

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Director's discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Local Investor Servicing team.

Appendix 2 – Risk Profile of the Funds

This section explains some of the risks that apply to all the Funds. It does not purport to be a complete explanation and other risks may also be relevant from time to time. In particular, the Company's performance may be affected by changes in market and/or economic and political conditions, and in legal, regulatory and tax requirements.

No guarantee or representation is made that the investment program will be successful and there can be no assurance that the investment objective of the Company or a Fund will be achieved. Also, past performance is no guide to future performance, and the value of investments may go down as well as up. Changes in rates of exchange between currencies may cause the value of a Fund's investments to diminish or increase.

The Funds may be exposed to risks that are outside of their control – for example legal risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress; the risk of terrorist actions; the risk that economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse. On establishment, a Fund will normally have no operating history upon which prospective investors may base an evaluation of performance.

Fund Name	Specific Risks
<i>All Funds</i>	<p data-bbox="568 728 751 750">Tax Considerations</p> <p data-bbox="568 757 1493 1016">The Company may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Where the Company invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Company may not be able to recover such tax and so any such change could have an adverse effect on the Net Asset Value of the Shares. Where the Company sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the Company.</p> <p data-bbox="568 1032 1493 1319">The tax information provided in the "Taxation" section is based, to the best knowledge of the Directors, upon tax law and practice as at the date of this Prospectus. Tax legislation, the tax status of the Company, the taxation of Shareholders and any tax reliefs, and the consequences of such tax status and tax reliefs, may change from time to time. Any change in the taxation legislation in any jurisdiction where a Fund is registered, marketed or invested could affect the tax status of the Fund, affect the value of the Fund's investments in the affected jurisdiction and affect the Fund's ability to achieve its investment objective and/or alter the post-tax returns to Shareholders. Where a Fund invests in derivatives, the preceding sentence may also extend to the jurisdiction of the governing law of the derivative contract and/or the derivative counterparty and/or to the market(s) comprising the underlying exposure(s) of the derivative.</p> <p data-bbox="568 1335 1493 1447">The availability and value of any tax reliefs available to Shareholders depend on the individual circumstances of Shareholders. The information in the "Taxation" section is not exhaustive and does not constitute legal or tax advice. Prospective investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Company.</p> <p data-bbox="568 1462 1493 1664">The Company may invest in jurisdictions where the tax regime is not fully developed or is not sufficiently certain, such as certain jurisdictions in the Middle East. The Company shall not be liable to account to any Shareholder, and neither the Directors nor the Investment Advisers nor the Management Company shall be liable to account to the Company (or, for the avoidance of doubt, any Shareholder), in relation to any payment made to a fiscal authority in any jurisdiction, or any other cost suffered by the Company, in respect of taxes or other charges, notwithstanding that it is later found that such payments or costs need not or ought not have been made or suffered.</p> <p data-bbox="568 1680 1493 1910">Shareholders should note that certain Share Classes may pay dividends gross of expenses. This may result in Shareholders receiving a higher dividend than they would have otherwise received and therefore Shareholders may suffer a higher income tax liability as a result. In addition, in some circumstances, paying dividends gross of expenses may mean that the Fund pays dividends from capital property as opposed to income property. Such dividends may still be considered income distributions in the hands of Shareholders, depending on the local tax legislation in place, and therefore investors may be subject to tax on the dividend at their marginal income tax rate. Shareholders should seek their own professional tax advice in this regard.</p>
<i>All Funds</i>	<p data-bbox="568 1955 1110 1977">Financial Markets, Counterparties and Service Providers</p> <p data-bbox="568 1984 1493 2067">The Funds may be exposed to finance sector companies which act as a service provider or as a counterparty for financial contracts. In times of extreme market volatility, such companies may be adversely affected, with a consequent adverse affect on the activities of the Funds.</p>

Derivatives

Each of the Funds may use derivatives to hedge market and currency risk and for the purposes of efficient portfolio management. Certain funds may use more complex derivative strategies for investment purposes as described in the individual Fund investment objectives in Appendix 1.

The use of derivatives may expose Funds to a higher degree of risk. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase Fund volatility. Whilst the Funds will not borrow money to leverage they may for example take synthetic short positions through derivatives to adjust their exposure, always within the restrictions of the Prospectus. Certain Funds may enter into long positions executed using derivatives (synthetic long positions) such as futures positions including currency forwards.

Funds may use derivatives to facilitate complex management techniques. In particular, this may involve:

- ▶ using swap contracts to adjust interest rate risk;
- ▶ using currency derivatives to buy or sell currency risk;
- ▶ buying and selling options for investment purposes;
- ▶ using credit default swaps to buy or sell credit risk;
- ▶ using volatility derivatives to adjust volatility risk;
- ▶ using contracts for difference to gain market exposure;
- ▶ using synthetic short positions to take advantage of any negative investment views; and
- ▶ using synthetic long positions to gain market exposure.

Where derivative instruments are used in this manner the overall risk profile of the Fund may be increased. Accordingly the Company will employ a risk-management process which enables the Management Company to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Fund. The Management Company applies a Value at Risk (VAR) approach to calculate each Fund's global exposure and to ensure it complies with the investment restrictions.

For more detail regarding the derivative strategies applied by individual Funds please refer to the individual Fund investment objectives in Appendix 1.

BlackRock Asia Extension Strategies Fund
BlackRock Emerging Markets Extension Strategies Fund
BlackRock Euro Dynamic Diversified Growth Fund
BlackRock European Absolute Return Fund
BlackRock European Diversified Equity Absolute Return Fund
BlackRock European Extension Strategies Fund
BlackRock European Fundamental Credit Absolute Return Fund
BlackRock European Opportunities Absolute Return Fund
BlackRock European Opportunities Extension Strategies Fund
BlackRock Fixed Income Strategies Fund
BlackRock Fund of iShares – Conservative
BlackRock Fund of iShares – Dynamic
BlackRock Fund of iShares – Growth
BlackRock Fund of iShares – Moderate
BlackRock Global Extension Strategies Fund
BlackRock Japan Extension Strategies Fund
BlackRock Latin American Opportunities Fund
BlackRock UK Absolute Return Fund
BlackRock UK Extension Strategies Fund
BlackRock US Extension Strategies Fund

Specific Investment Strategies and Risks

This section explains some of the strategies and risks that apply to specific Funds as indicated

Asset class risks

1. Equity Risks

Prices of equities fluctuate daily and can be influenced by many micro and macro factors such as political and economic news, corporate earnings reports, demographic trends and catastrophic events. The value of equities will go up and down and the value of a Fund investing in equities could incur significant losses.

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2. Fixed Income Transferable Securities

Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. In certain market environments this may lead to investments in such securities becoming less liquid, making it difficult to dispose of them.

A Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect a Fund's asset values as the prices of fixed

rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities.

An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a Fund may experience losses and incur costs.

Non-investment grade debt may be highly leveraged and carry a greater risk of default. In addition, non-investment grade securities tend to be more volatile than higher rated fixed-income securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated fixed-income securities.

*BlackRock European Fundamental Credit Absolute
Return Fund
BlackRock Fixed Income Strategies Fund*

3. Distressed Securities

Investment in a security issued by a company that is either in default or in high risk of default ("Distressed Securities") involves significant risk. Such investments will only be made when the Investment Adviser believes it is reasonably likely that the issuer of the securities will make an exchange offer or will be the subject of a plan of reorganisation; however, there can be no assurance that such an exchange offer will be made or that such a plan of reorganisation will be adopted or that any securities or other assets received in connection with such an exchange offer or plan of reorganisation will not have a lower value or income potential than anticipated when the investment was made. In addition, a significant period of time may pass between the time at which the investment in Distressed Securities is made and the time that any such exchange offer or plan of reorganisation is completed. During this period, it is unlikely that any interest payments on the Distressed Securities will be received, there will be significant uncertainty as to whether or not the exchange offer or plan of reorganisation will be completed, and there may be a requirement to bear certain expenses to protect the investing Fund's interest in the course of negotiations surrounding any potential exchange or plan of reorganisation. Furthermore, constraints on investment decisions and actions with respect to Distressed Securities due to tax considerations may affect the return realised on the Distressed Securities.

Some Funds may invest in securities of issuers that are encountering a variety of financial or earnings problems and represent distinct types of risks. A Fund's investments in equity or fixed income transferable securities of companies or institutions in weak financial condition may include issuers with substantial capital needs or negative net worth or issuers that are, have been or may become, involved in bankruptcy or reorganisation proceedings.

*BlackRock European Fundamental Credit Absolute
Return Fund
BlackRock Fixed Income Strategies Fund*

4. Delayed Delivery Transactions

Funds that invest in fixed income transferable securities may purchase "To Be Announced" securities ("TBAs"). This refers to the common trading practice in the mortgage-backed securities market in which a security is to be bought from a mortgage pool (including but not limited to Ginnie Mae, Fannie Mae or Freddie Mac) for a fixed price at a future date. At the time of purchase the exact security is not known, but the main characteristics of it are specified. Although the price has been established at the time of purchase, the principal value has not been finalised. As a TBA is not settled at the time of purchase, this may lead to leveraged positions within the Fund. Purchasing a TBA involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Risks may also arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts.

The Funds may dispose of a commitment prior to settlement if it is deemed appropriate to do so. Proceeds of TBA sales are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, equivalent deliverable securities, or an offsetting TBA purchase commitment (deliverable on or before the sale commitment date), are held as cover for the transaction.

If the TBA sale commitment is closed through the acquisition of an offsetting purchase commitment, the Fund realises a gain or loss on the commitment without regard to any unrealised gain or loss on the underlying security. If the Fund delivers securities under the commitment, the Fund realises a gain or loss from the sale of the securities upon the unit price established at the date the commitment was entered into.

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5. Smaller Capitalisation Companies

The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the Net Asset Value of a Fund's Shares.

BlackRock Fixed Income Strategies Fund

6. Asset backed Securities (ABS)

An asset-backed security is a generic term for a debt security issued by corporations or other entities (including public or local authorities) backed or collateralised by the income stream from an underlying pool of assets. The underlying assets typically include loans, leases or receivables (such as credit card debt, automobile loans and student loans). An asset-backed security is usually issued in a number of different classes with varying characteristics depending on the riskiness of the underlying assets assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the class, the more the asset-backed security pays by way of income. Specific types of ABS in which the Fund may invest are set out in 6.2 below:

6.1 Generic risks related to ABS

With regard to Funds that invest in ABS, while the value of ABS typically increases when interest rates fall and decreases when interest rates rise, and are expected to move in the same direction of the underlying related asset, there may not be a perfect correlation between these events.

The ABS in which the Fund may invest may bear interest or pay preferred dividends at below market rates and, in some instances, may not bear interest or pay preferred dividends at all.

Certain ABS may be payable at maturity in cash at the stated principal amount or, at the option of the holder, directly in a stated amount of the asset to which it is related. In such instance, a Fund may sell the ABS in the secondary market prior to maturity if the value of the stated amount of the asset exceeds the stated principal amount and thereby realise the appreciation in the underlying asset.

ABS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, prepayments may occur at a slower rate than expected. As a result, the average duration of the Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

As with other debt securities, ABS are subject to both actual and perceived measures of creditworthiness. Liquidity in ABS may be affected by the performance or perceived performance of the underlying assets. In some circumstances investments in ABS may become less liquid, making it difficult to dispose of them. Accordingly the Fund's ability to respond to market events may be impaired and the Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for an ABS may be volatile and may not be readily ascertainable. As a result, the Fund may not be able to sell them when it desires to do so, or to realise what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

ABS may be leveraged which may contribute to volatility in the value of the security.

6.2 Considerations relating to specific types of ABS in which the Fund may invest

6.2.1 Asset-Backed Commercial Paper – ("ABCP")

An ABCP is a short-term investment vehicle with a maturity that is typically between 90 and 180 days. The security itself is typically issued by a bank or other financial institution. The notes are backed by physical assets such as trade receivables, and are generally used for short-term financing needs.

A company or group of companies looking to enhance liquidity may sell receivables to a bank or other conduit, which, in turn, will issue them to the Fund as commercial paper. The commercial paper is backed by the expected cash inflows from the receivables. As the receivables are collected, the originators are expected to pass on the funds.

6.2.2 Collateralised Debt Obligation ("CDO")

A CDO is generally an investment grade security backed by a pool of non-mortgage bonds, loans and other assets. CDOs do not usually specialise in one type of debt but are often loans or bonds. CDOs are packaged in different classes representing different types of debt and credit risk. Each class has a different maturity and risk associated with it.

6.2.3 Credit Linked Note – ("CLN")

A CLN is a security with an embedded credit default swap allowing the issuer to transfer a specific credit risk to the Fund.

CLNs are created through a special purpose company or trust, which is collateralised with securities rated in the top tier as determined by an accredited credit rating agency. The Fund buys securities from a trust that pays a fixed or floating coupon during the life of the note. At maturity, the Fund will receive the par value unless the referenced credit defaults or declares bankruptcy, in which case it receives an amount equal to the recovery rate. The trust enters into a default swap with a deal arranger. In case of default, the trust pays the dealer par minus the recovery rate in exchange for an annual fee which is passed on to the Fund in the form of a higher yield on the notes.

Under this structure, the coupon or price of the note is linked to the performance of a reference asset. It offers borrowers a hedge against credit risk, and offers the Fund a higher yield on the note for accepting exposure to a specified credit event.

6.2.4 Synthetic Collateralised Debt Obligation

A synthetic CDO is a form of collateralised debt obligation (CDO) that invests in credit default swaps (CDSs – see below) or other non-cash assets to gain exposure to a portfolio of fixed income assets. Synthetic CDOs are typically divided into credit classes based on the level of credit risk assumed. Initial investments into the CDO are made by the lower classes, while the senior classes may not have to make an initial investment.

All classes will receive periodic payments based on the cash flows from the credit default swaps. If a credit event occurs in the fixed income portfolio, the synthetic CDO and its investors including the Fund become responsible for the losses, starting from the lowest rated classes and working its way up.

While synthetic CDOs can offer extremely higher yields to investors such as the Fund, there is potential for a loss equal to that of the initial investments if several credit events occur in the reference portfolio.

A CDS is a swap designed to transfer the credit exposure of fixed income products between parties. The buyer of a CDS receives credit protection (buys protection), whereas the seller of the swap guarantees the credit worthiness of the product. By doing this, the risk of default is transferred from the holder of the fixed income security to the seller of the CDS. CDS are treated as a form of OTC derivative.

7. Mortgage-backed Securities (MBS)

A mortgage-backed security is a generic term for a debt security backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. A mortgage-backed security is normally issued in a number of different classes with varying characteristics depending on the riskiness of the underlying mortgages assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate of securities. The higher the risk contained in the class, the more the mortgage-backed security pays by way of income. Specific types of MBS in which the Fund may invest are set out in 7.2 below:

7.1 Generic risks related to MBS

MBS may be subject to prepayment risk which is the risk that, in a period of falling interest rates, borrowers may refinance or otherwise repay principal on their mortgages earlier than scheduled. When this happens, certain types of MBS will be paid off more quickly than originally anticipated and the Fund will have to invest the proceeds in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. As a result, the average duration of the Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

Because of prepayment risk and extension risk, MBS react differently to changes in interest rates than other fixed income securities. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain MBS. Certain MBS in which the Fund may invest may also provide a degree of investment leverage, which could cause the Fund to lose all or a substantial amount of its investment.

In some circumstances investments in MBS may become less liquid, making it difficult to dispose of them. Accordingly, the Fund's ability to respond to market events may be impaired and the Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for MBS may be volatile and may not be readily ascertainable. As a result, the Fund may not be able to sell them when it desires to do so, or to realise what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

7.2 Considerations relating to specific types of MBS in which a Fund may invest

7.2.1 Commercial Mortgage Backed Security ("CMBS")

A CMBS is a type of mortgage backed security that is secured by the loan on a commercial property; CMBS can provide liquidity to real estate investors and to commercial lenders. Typically a CMBS provides a lower degree of prepayment risk because commercial mortgages are most often set for a fixed term and not for a floating term as is generally the case with a residential mortgage. CMBS are not always in a standard form so can present increased valuation risk.

7.2.2 Collateralised Mortgage Obligation ("CMO")

A CMO is a security backed by the revenue from mortgage loans, pools of mortgages, or even existing CMOs, separated into different maturity classes. In structuring a CMO, an issuer distributes cash flow from the underlying collateral over a series of classes, which constitute a multiclass securities issue. The total revenue from a given pool of mortgages is shared between a collection of CMOs with differing cashflow and other characteristics. In most CMOs, coupon payments are not made on the final class until the other classes have been redeemed. Interest is added to increase the principal value.

CMOs aim to eliminate the risks associated with prepayment because each security is divided into maturity classes that are paid off in order. As a result, they yield less than other mortgage-backed securities. Any given class may receive interest, principal, or a combination of the two, and may include more complex stipulations. CMOs generally receive lower interest rates that compensate for the reduction in prepayment risk and increased predictability of payments. In addition, CMOs can exhibit relatively low liquidity, which can increase the cost of buying and selling them.

7.2.3 Real Estate Mortgage Investment Conduits ("REMIC")

A REMIC is an investment-grade mortgage bond that separates mortgage pools into different maturity and risk classes to the bank or conduit, which then passes the proceeds on to the note holders including the Fund. The REMIC is structured as a synthetic investment vehicle consisting of a fixed pool of mortgages broken apart and marketed to investors as individual securities and created for the purpose of acquiring collateral. This base is then divided into varying classes of securities backed by mortgages with different maturities and coupons.

7.2.4 Residential mortgage-backed security ("RMBS")

An RMBS is a type of security whose cash flows come from residential debt such as mortgages, home-equity loans and subprime mortgages. This is a type of MBS which focuses on residential instead of commercial debt.

Holders of an RMBS receive interest and principal payments that come from the holders of the residential debt. The RMBS comprises a large amount of pooled residential mortgages.

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8. Exposure to Property and Property Securities within Exchange Traded Funds

The performance of property securities are not indicative of the performance of the property market as a whole. Property investments are subject to many factors including adverse changes in economic conditions, adverse local market conditions and risks associated with the acquisition, financing and ownership and operation and disposal of real property. The value of real property will generally be a matter of a Valuer's opinion rather than fact and the value of a property may be significantly diminished in the event of a down-turn in the property market.

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9. Exposure to Commodities within Exchange Traded Funds

An Exchange Traded Fund investing in commodities may do so by replicating the performance of a commodities index. The underlying index may concentrate investment on selected commodity futures of multinational markets. This makes the underlying Fund extremely dependent on the performance of the commodity markets concerned.

All Funds

10. Hedged Share Classes

While the Fund or its authorised agent may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of the Fund and the Hedged Share Class.

The hedging strategies may be entered into whether the Base Currency is declining or increasing in value relative to the relevant currency of the Hedged Share Class and so, where such hedging is undertaken it may substantially protect investors in the relevant Class against a decrease in the value of the Base Currency relative to the Hedged Share Class currency, but it may also preclude investors from benefiting from an increase in the value of the Base Currency.

All gains/losses or expenses arising from hedging transactions are borne separately by the shareholders of the respective Hedged Share Classes. Given that there is no segregation of liabilities between Share Classes, there is a remote risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Fund.

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11. Risk to Capital Growth

Certain Funds may make distributions from capital as well as from income and net realised and net unrealised capital gains or pursue certain investment strategies in order to generate income. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital growth.

All Funds

12. Investments in Exchange Traded Funds and Collective Investment Schemes

A Fund may invest in Exchange Traded Funds and/or Collective Investment Schemes which may be operated and/or managed by a BlackRock Group company (see section headed "Conflicts of Interest"). In addition to the fees, costs and expenses payable by a Shareholder in the Fund, each Shareholder may also indirectly bear a portion of the costs, fees and expenses of the underlying Exchange Traded Fund and/or Collective Investment Scheme, including management, investment management and administration and other such expenses.

Where a Fund invests a substantial proportion of its net assets in other UCITS and other UCIs, the Manager will ensure that the total management fee (excluding any performance fee, if any) charged to such Fund (including management fees from other UCITS and UCIs in which it invests) shall not exceed 3.75% of the net asset value of the Fund.

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Market Risks

13. Emerging Markets

Emerging markets are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility.

Some emerging markets governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries, as do environmental problems.

In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes on foreign investors.

Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor.

The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of a Fund's acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because the Company will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if a Fund is unable to acquire or dispose of a security. The Custodian is responsible for the proper selection and supervision of its correspondent banks in all relevant markets in accordance with Luxembourg law and regulation.

In certain emerging markets, registrars are not subject to effective government supervision nor are they always independent from issuers. Investors should therefore be aware that the Funds concerned could suffer loss arising from these registration problems.

Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities. In Russia, this is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Custodian). No certificates representing ownership of Russian companies will be held by the Custodian or any correspondent or in an effective central depository system. As a result of this system and the lack of state regulation and enforcement, the Company could lose its registration and ownership of Russian securities through fraud, negligence or even mere oversight.

Any Fund investing directly in local Russian stock will limit its exposure to no more than 10% of its Net Asset Value, except for investment in securities listed on either the Russian Trading Stock Exchange or the Moscow Interbank Currency Exchange, which have been recognised as being regulated markets.

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14. Emerging Market Sovereign Debt

Certain developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations ("Sovereign Debt") issued or guaranteed by developing governments or their agencies and instrumentalities ("governmental entities") involves a high degree of risk. The governmental entity that controls the repayment of Sovereign Debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's

implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their Sovereign Debt. Holders of Sovereign Debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part.

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15. Restrictions on Foreign Investment

Some countries prohibit or impose substantial restrictions on investments by foreign entities such as a Fund. As illustrations, certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. The manner in which foreign investors may invest in companies in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of a Fund. For example, a Fund may be required in certain of such countries to invest initially through a local broker or other entity and then have the share purchases re-registered in the name of the Fund. Re-registration may in some instances not be able to occur on a timely basis, resulting in a delay during which a Fund may be denied certain of its rights as an investor, including rights as to dividends or to be made aware of certain corporate actions. There also may be instances where a Fund places a purchase order but is subsequently informed, at the time of re-registration, that the permissible allocation to foreign investors has been filled, depriving the Fund of the ability to make its desired investment at the time. Substantial limitations may exist in certain countries with respect to a Fund's ability to repatriate investment income, capital or the proceeds of sales of securities by foreign investors. A Fund could be adversely affected by delays in, or a refusal to grant any required governmental approval for repatriation of capital, as well as by the application to the Fund of any restriction on investments. A number of countries have authorised the formation of closed-end investment companies to facilitate indirect foreign investment in their capital markets. Shares of certain closed-end investment companies may at times be acquired only at market prices representing premiums to their net asset values. If a Fund acquires shares in closed-end investment companies, shareholders would bear both their proportionate share of expenses in the Fund (including management fees) and, indirectly, the expenses of such closed end investment companies. A Fund also may seek, at its own cost, to create its own investment entities under the laws of certain countries.

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Derivative and other Complex Instrument Techniques and Associated Risks

16. Volatility Derivatives

The volatility of a security (or basket of securities) is a statistical measure of the speed and magnitude of changes in the price of a security (securities) over defined periods of time. Volatility derivatives are based on an underlying basket of shares, and Funds may use volatility derivatives to increase or reduce volatility risk, in order to express an investment view on the change in volatility, based on an assessment of expected developments in underlying securities markets. For example, if a significant change in the market background is expected, it is likely that the volatility of securities prices will increase as prices adapt to the new circumstances.

The Funds may only buy or sell volatility derivatives which are based on an index where:

- ▶ the composition of the index is sufficiently diversified;
- ▶ the index represents an adequate benchmark for the market to which it refers; and
- ▶ it is published in an appropriate manner.

The price of volatility derivatives may be highly volatile, and may move in a different way to the other assets of the Fund, which could have a significant effect on the Net Asset Value of a Fund's Shares.

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17. Contracts for Difference (CFDs)

A contract for difference is a contract between two parties, buyer and seller, stipulating that the seller will pay to the buyer the difference between the current value of an asset (a security, instrument, basket or index) and its value at contract time. If the difference is negative, then the buyer pays instead to the seller.

Contracts for differences allow investors to take synthetic long or synthetic short positions with a variable margin, which, unlike futures contracts, have no fixed expiry date or contract size. Unlike shares, with CFDs the buyer is potentially liable for far more than the amount they paid on margin.

The Fund will therefore employ risk management techniques to ensure it can dispose of the necessary assets at any time in order to pay redemption proceeds resulting from redemption requests and to meet its obligations resulting from contracts for difference and other techniques and instruments.

All Funds

18. Particular Risks of OTC derivative transactions

In general there is less governmental regulation and supervision of transactions in the OTC markets than organised stock exchanges. Many of the protections afforded to transactions on organised exchanges such as the performance guarantee of an exchange clearing house may not exist for OTC transactions. The risk of counterparty default therefore exists. To mitigate this risk the Company will only use preferred counterparties which it believes to be creditworthy and may reduce the exposure incurred in connection with such transactions through the use of letter of credit or collateral. However there can be no guarantee that counterparty will not default or that a fund will not sustain losses as a result.

The Company's delegates will continuously assess the credit or counterparty risk as well as the potential risk, which is for trading activities, the risk resulting from adverse movements in the level of volatility of market prices and will assess the hedging effectiveness on an ongoing basis. They will define specific internal limits applicable to these kinds of operations and monitor the counterparties accepted for these transactions.

In addition to the above the OTC market may be illiquid and it may not always be possible to execute a transaction quickly at an attractive price. From time to time the counterparties with which the Fund effects the transactions might cease making markets or quoting prices in certain of the instruments. In such instances a Fund might be unable to enter into a desired transaction in currencies, credit default swaps or total return swaps or enter into an offsetting transaction with respect to an open position which might adversely affect its performance. Further in contrast to exchange traded instruments, forward, spot and option contracts on currencies do not provide the Management Company and Investment Advisers with the possibility to offset the Funds obligations through an equal and opposite transaction. For this reason entering into forward, spot or options contracts, the Fund may be required, and must be able to, perform its obligations under the contracts.

All Funds

19. Options

An option is the right (but not the obligation) to buy or sell a particular asset at a stated price at some date in the future within a particular period. The Funds may enter into option transactions as either the buyer or seller of this right. Options may be used for either hedging or cross hedging purposes, or for investment purposes to seek to increase total return or income. The writing and purchase of options is a specialised activity which involves specialist investment risks. If the Investment Adviser is incorrect in its expectation of changes in the market prices or determination of the correlation between the instruments or indices on which the options are written or purchased and the instruments in a Fund's investment portfolio, the Fund may incur losses that it would not otherwise incur.

All Funds

20. Credit Default Swaps, Interest rate, Currency, Total Return Swaps and Swaptions

The use of credit default swaps may carry a higher risk than investing in bonds directly. A credit default swap allows the transfer of default risk. This allows investors to effectively buy insurance on a bond they hold (hedging the investment) or buy protection on a bond they do not physically own where the investment view is that the stream of coupon payments required will be less than the payments received due to the decline in credit quality. Where the investment view is that the payments due to decline in credit quality will be less than the coupon payments, protection will be sold by means of entering into a credit default swap. Accordingly, one party, the protection buyer, makes a stream of payments to the seller of protection, and a payment is due to the buyer in the event that there is a "credit event" (a decline in credit quality, which will be pre-defined in the

agreement). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid.

The market for credit default swaps may sometimes be more illiquid than bond markets. A Fund entering into credit default swaps must at all times be able to meet the redemption requests. Credit default swaps are valued on a regular basis according to verifiable and transparent valuation methods reviewed by the Company's auditor.

Interest rate swaps involve an exchange with another party of respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies. Total return swaps involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments. The Funds may enter into swaps as either the payer or receiver of payments.

Where a Fund enters into interest rate or total return swaps on a net basis, the two payment streams are netted out, with each party receiving or paying, as the case may be, only the net amount of the two payments. Interest rate or total return swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that a Fund is contractually obligated to make (or in the case of total return swaps, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate or total return swap defaults, in normal circumstances each Fund's risk of loss consists of the net amount of interest or total return payments that each party is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

Certain Funds may also buy or sell interest rate swaption contracts. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a preset interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream.

The use of credit default swap, interest rate, currency, total return swaps, and interest rate swaptions is a specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Adviser is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Fund would be less favourable than it would have been if these investment techniques were not used.

All Funds

21. Repurchase and Reverse Repurchase Agreements

Under a repurchase agreement a Fund sells a security to a counterparty and simultaneously agrees to repurchase the security back from the counterparty at an agreed price and date. The difference between the sale price and the repurchase price establishes the cost of the transaction. The resale price generally exceeds the purchase price by an amount which reflects an agreed-upon market interest rate for the term of the agreement. In a reverse repurchase agreement a Fund purchases an investment from a counterparty which undertakes to repurchase the security at an agreed resale price on a agreed future date. The Fund therefore bears the risk that if the seller defaults the Fund might suffer a loss to the extent that proceeds from the sale of the underlying securities together with any other collateral held by the Fund in connection with the relevant agreement may be less than the repurchase price because of market movements. A Fund cannot sell the securities which are the subject of a reverse repurchase agreement until the term of the agreement has expired or the counterparty has exercised their right to repurchase the securities.

BlackRock Asia Extension Strategies Fund
BlackRock Emerging Markets Extension Strategies Fund
BlackRock Euro Dynamic Diversified Growth Fund
BlackRock European Absolute Return Fund
BlackRock European Diversified Equity Absolute Return Fund
BlackRock European Extension Strategies Fund
BlackRock European Fundamental Credit Absolute Return Fund
BlackRock European Opportunities Absolute Return Fund
BlackRock European Opportunities Extension Strategies Fund
BlackRock Fixed Income Strategies Fund
BlackRock Global Currency Absolute Return Fund
BlackRock Global Extension Strategies Fund
BlackRock Japan Extension Strategies Fund
BlackRock UK Absolute Return Fund
BlackRock UK Extension Strategies Fund
BlackRock US Extension Strategies Fund

22. Market Leverage

The Funds will not use borrowing to purchase additional investments but may be expected, via derivative positions, to obtain market leverage (gross market exposure, aggregating both long and synthetic short positions, in excess of net asset value). The Investment Adviser will seek to make absolute returns from relative value decisions between markets ("this market will do better than that market"), as well as from directional views on the absolute return of markets ("this market is going to go up or down"). The extent of market leverage is likely to depend on the degree of correlation between positions. The higher the degree of correlation, the greater is the likelihood and probable extent of market leverage.

All Funds

23. Currency Risk

The Funds may invest in assets denominated in a currency other than the Base Currency of the Funds. Changes in exchange rates between the Base Currency and the currency in which the assets are denominated will cause the value of the asset expressed in the Base Currency to fall or rise. The Funds may utilise techniques and instruments including derivatives for hedging purposes to control currency risk. However it may not be possible or practical to completely mitigate currency risk in respect of a Fund's portfolio or specific assets within the portfolio. Furthermore, unless otherwise stated in the investment policies of the relevant fund, the Investment Adviser is not obliged to seek to reduce currency risk within the Funds.

BlackRock European Fundamental Credit Absolute Return Fund
BlackRock Global Currency Absolute Return Fund
BlackRock Fixed Income Strategies Fund

24. Currency Overlay Strategies

In addition to the use of techniques and instruments to control currency risk (see 'Currency Risk'), certain Funds may invest in currencies or utilise techniques and instruments in relation to currencies other than the Base Currency with the aim of generating returns. The Investment Adviser utilises specialist Currency Overlay strategies which involves the creation of long positions and synthetic pair trades in currencies to implement tactical views through the use of Currency Derivatives, including forward foreign exchange contracts, currency futures, options, swaps and other instruments providing exposure to changes in exchange rates. The movement in currency exchange rates can be volatile and where funds engage substantially in such strategies, there will be a significant impact on the overall performance of the funds. In particular, in respect of the BlackRock Global Currency Absolute Return Fund, the Investment Adviser will invest substantially in currencies and utilise Currency Overlay strategies in seeking to meet the investment objectives of the Fund. The Fund has the flexibility to invest in any currency in the world including emerging market currencies which may be less liquid and currencies that may be affected by the actions of governments and central banks including intervention, capital controls, currency peg mechanisms or other measures. In addition, the Fund is expected to utilise derivatives to obtain market leverage, as described above ('Market Leverage'). These factors in combination may serve to significantly increase the risks to which the Fund is exposed.

All Funds

25. Transfer of Collateral

In order to use derivatives the Funds will enter into arrangements with counterparties which may require the payment of collateral or margin out of a Fund's assets to act as cover to any exposure by the counterparty to the Fund. If the title of any such collateral or margin is transferred to the counterparty, it becomes an asset of such counterparty and may be used by the counterparty as part of its business. Collateral so transferred will not be held by the Custodian for safekeeping, but collateral positions will be overseen and reconciled by the Custodian. Counterparties appointed by the Fund are not entitled to rehypothecate the assets of the Fund.

Appendix 3 – Summary of Charges & Expenses for Funds

BlackRock Asia Extension Strategies Fund

	Management Fee	Distribution Fee	Admin Fee Up to:	Payable by Fund Type B Performance Fee (MSCI All Country Asia ex Japan Index SM)	Payable by investor	
					Initial charge	CDSC
					%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Emerging Markets Extension Strategies Fund

	Management Fee	Distribution Fee	Admin Fee Up to:	Payable by Fund Type B Performance Fee (MSCI Emerging Markets Index)	Payable by investor	
					Initial charge	CDSC
					%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Euro Dynamic Diversified Growth Fund

	Management Fee	Distribution Fee	Admin Fee Up to:	Payable by Fund Performance Fee	Payable by investor	
					Initial charge	CDSC
					%	%
Class A	1.25	0.00	0.30	0.00	5.00	0.00
Class C	1.25	1.00	0.30	0.00	0.00	1.00 to 0.00
Class D	0.65	0.00	0.30	0.00	5.00	0.00
Class E	1.25	0.50	0.30	0.00	3.00	0.00
Class I	0.65	0.00	0.30	0.00	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock European Absolute Return Fund

	Management Fee	Distribution Fee	Admin Fee Up to:	Payable by Fund Type A Performance Fee (3 month LIBOR)	Payable by investor	
					Initial charge	CDSC
					%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock European Diversified Equity Absolute Return Fund

	Management Fee	Distribution Fee	Admin Fee Up to:	Payable by Fund Type A Performance Fee (3 Month LIBOR)	Payable by investor	
					Initial charge	CDSC
					%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock European Extension Strategies Fund

	Management Fee	Distribution Fee	Admin Fee Up to:	Payable by Fund Type B Performance Fee (MSCI Europe Index)	Payable by investor	
					Initial charge	CDSC
					%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock European Fundamental Credit Absolute Return Fund

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Type A Performance	Initial	CDSC
	Fee	Fee	Fee	Fee	charge	
			Up to:	(3 Month LIBOR)		
	%	%	%	%	%	%
Class D	0.75	0.00	0.30	20	5.00	0.00
Class H	1.25	0.00	0.30	20	5.00	0.00
Class I	0.75	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock European Opportunities Absolute Return Fund

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Type A Performance	Initial	CDSC
	Fee	Fee	Fee	Fee	charge	
			Up to:	(3 Month LIBOR)		
	%	%	%	%	%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock European Opportunities Extension Strategies Fund

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Type B Performance	Initial	CDSC
	Fee	Fee	Fee	Fee (S&P Europe	charge	
			Up to:	BMI Index)		
	%	%	%	%	%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Fixed Income Strategies Fund

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Performance	Initial	CDSC
	Fee	Fee	Fee	Fee	charge	
			Up to:			
	%	%	%	%	%	%
Class A	1.00	0.00	0.30	0.00	5.00	0.00
Class C	1.00	1.00	0.30	0.00	0.00	1.00 to 0.00
Class D	0.60	0.00	0.30	0.00	5.00	0.00
Class E	1.00	0.50	0.30	0.00	3.00	0.00
Class I	0.60	0.00	0.30	0.00	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Fund of iShares – Conservative

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Performance	Initial	CDSC
	Fee	Fee	Fee	Fee	charge	
			Up to:			
	%	%	%	%	%	%
Class K	0.60	0.00	0.30	0.00	5.00	0.00
Class L	0.60	0.50	0.30	0.00	3.00	0.00
Class M	0.60	0.75	0.30	0.00	2.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Fund of iShares – Dynamic

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Performance	Initial	CDSC
	Fee	Fee	Fee	Fee	charge	
			Up to:			
	%	%	%	%	%	%
Class K	0.60	0.00	0.30	0.00	5.00	0.00
Class L	0.60	0.50	0.30	0.00	3.00	0.00
Class M	0.60	0.75	0.30	0.00	2.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Fund of iShares – Growth

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Performance	Initial	CDSC
	Fee	Fee	Fee	Fee	charge	
			Up to:			
	%	%	%	%	%	%
Class K	0.60	0.00	0.30	0.00	5.00	0.00
Class L	0.60	0.50	0.30	0.00	3.00	0.00
Class M	0.60	0.75	0.30	0.00	2.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Fund of iShares – Moderate

	Payable by Fund			Payable by investor		
	Management	Distribution	Admin	Performance	Initial	CDSC
	Fee	Fee	Fee	Fee	charge	
			Up to:			
	%	%	%	%	%	%
Class K	0.60	0.00	0.30	0.00	5.00	0.00
Class L	0.60	0.50	0.30	0.00	3.00	0.00
Class M	0.60	0.75	0.30	0.00	2.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Global Currency Absolute Return Fund

	Payable by Fund			Payable by investor		
	Management Fee	Distribution Fee	Admin Fee	Type A Performance Fee (Federal Funds Rate USD *)	Initial charge	CDSC
	%	%	Up to: %	%	%	%
Class A	1.00	0.00	0.30	20	5.00	0.00
Class C	1.00	1.00	0.30	20	0.00	1.00 to 0.00
Class D	0.50	0.00	0.30	20	5.00	0.00
Class E	1.00	0.50	0.30	20	3.00	0.00
Class I	0.50	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock UK Absolute Return Fund

	Payable by Fund			Payable by investor		
	Management Fee	Distribution Fee	Admin Fee	Type A Performance Fee (3 month LIBOR)	Initial charge	CDSC
	%	%	Up to: %	%	%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Global Extension Strategies Fund

	Payable by Fund			Payable by investor		
	Management Fee	Distribution Fee	Admin Fee	Type B Performance Fee (MSCI World Index)	Initial charge	CDSC
	%	%	Up to: %	%	%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock UK Extension Strategies Fund

	Payable by Fund			Payable by investor		
	Management Fee	Distribution Fee	Admin Fee	Type B Performance Fee (FTSE All Share)	Initial charge	CDSC
	%	%	Up to: %	%	%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Japan Extension Strategies Fund

	Payable by Fund			Payable by investor		
	Management Fee	Distribution Fee	Admin Fee	Type B Performance Fee (Topix)	Initial charge	CDSC
	%	%	Up to: %	%	%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock US Extension Strategies Fund

	Payable by Fund			Payable by investor		
	Management Fee	Distribution Fee	Admin Fee	Type B Performance Fee (Russell 1000)	Initial charge	CDSC
	%	%	Up to: %	%	%	%
Class A	1.50	0.00	0.30	20	5.00	0.00
Class C	1.50	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.00	0.00	0.30	20	5.00	0.00
Class E	1.50	0.50	0.30	20	3.00	0.00
Class I	1.00	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

BlackRock Latin American Opportunities Fund

	Payable by Fund			Payable by investor		
	Management Fee	Distribution Fee	Admin Fee	Type B Performance Fee (MSCI Emerging Market Latin America)	Initial charge	CDSC
	%	%	Up to: %	%	%	%
Class A	2.00	0.00	0.30	20	5.00	0.00
Class C	2.00	1.00	0.30	20	0.00	1.00 to 0.00
Class D	1.25	0.00	0.30	20	5.00	0.00
Class E	2.00	0.50	0.30	20	3.00	0.00
Class I	1.25	0.00	0.30	20	0.00	0.00
Class J	0.00	0.00	0.30	0.00	0.00	0.00
Class X	0.00	0.00	0.30	0.00	0.00	0.00

* or an appropriate overnight rate for other currency hedged share classes (currently EONIA for EUR hedged and SONIA for GBP hedged share classes).

Summary of Subscription Procedure and Payment Instructions

1. **Application Form**
For initial subscriptions for Shares you must complete the application form which may be obtained from the Transfer Agent or the Local Investor Servicing team and the form must be signed by all joint applicants. Subsequent subscriptions may be made in writing or by fax or telephone, stating your registration details and the amount to be invested. If your application is being submitted by your professional adviser, section 6 of the application form should be completed. Completed application forms must be sent to the Transfer Agent or the Local Investor Servicing team.
2. **Money Laundering Prevention**
Please read the notes on the application form regarding the identification documents required and ensure that you provide these to the Transfer Agent or the Local Investor Servicing team together with your application form.
3. **Payment**
A copy of your telegraphic transfer instructions should be supplied with your application (see sections 4 and 5 below).
4. **Payment by Telegraphic Transfer**
Payment by SWIFT/bank transfer in the relevant currency should be made to one of the accounts opposite. The SWIFT/bank transfer instruction should contain the following information:
 - (i) Bank Name
 - (ii) SWIFT Code or Bank Identifier
 - (iii) Account
 - (iv) Account Number
 - (v) Account Reference – “BSF – Fund name subscribed into”
 - (vi) By order of [Shareholder name/agent name & Shareholder number/agent number]
5. **Foreign Exchange**
If you wish to make payment in a currency other than that in the Dealing Currency (or one of the Dealing Currencies) of your chosen Fund, this must be made clear at the time of application.

US Dollars:

JP Morgan Chase New York
SWIFT code CHASUS33
For the account of: BlackRock (Channel Islands) Limited
Account Number 001-1-460185, CHIPS UID 359991
ABA Number 021000021
Quoting Reference “Name of Fund – Name of Applicant”

Euros:

JP Morgan Frankfurt
SWIFT code CHASDEFX, BLZ 501 108 00
For the account of: BlackRock (Channel Islands) Limited
Account Number (IBAN) DE40501108006161600066
(formerly 616-16-00066)
Quoting Reference “Name of Fund – Name of Applicant”
An applicant’s obligation to pay for Shares is fulfilled once the amount due has been paid in cleared funds into this account.

Sterling:

JP Morgan London
SWIFT code CHASGB2L, Sort Code 60-92-42
For the account of: BlackRock (Channel Islands) Limited
Account Number (IBAN) GB07CHAS6092421118940
(formerly 11118940)
Quoting Reference “Name of Fund – Name of Applicant”

Others:

Australian Dollars:

Pay ANZ National Bank Limited Sydney
SWIFT code ANZBAU3M
In Favour of JP Morgan Bank London
SWIFT CODE CHASGB2L
For the account of BlackRock (Channel Islands) Ltd
Account Number (IBAN) GB56CHAS60924224466325
Ref: “Name of Fund – Name of Applicant”

Hong Kong Dollars:

Pay JP Morgan Hong Kong
SWIFT code CHASHKHH
In Favour of JP Morgan Bank London
SWIFT CODE CHASGB2L
For the account of BlackRock (Channel Islands) Ltd
Account Number (IBAN) GB24CHAS60924224466319
(formerly 24466319)
Ref: “Name of Fund – Name of Applicant”

Japanese Yen:

Pay JP Morgan Tokyo
SWIFT code CHASJPJT
In Favour of JP Morgan Bank London
SWIFT CODE CHASGB2L
For the account of BlackRock (Channel Islands) Ltd
Account Number (IBAN) GB69CHAS60924222813405
(formerly 22813405)
Ref: “Name of Fund – Name of Applicant”

New Zealand Dollars:

Pay Westpac Banking Corporation Wellington
SWIFT code WPACNZ2W
In Favour of JP Morgan Bank London
SWIFT CODE CHASGB2L
For the account of BlackRock (Channel Islands) Ltd
Account Number (IBAN) GB83CHAS60924224466324
Ref: “Name of Fund – Name of Applicant”

Singapore Dollars:

Pay Overseas Chinese Banking Corp Ltd
SWIFT code OCBSCSGS
In Favour of JP Morgan Bank London
SWIFT CODE CHASGB2L
For the account of BlackRock (Channel Islands) Ltd
Account Number (IBAN) GB13CHAS60924224466323
Ref: “Name of Fund – Name of Applicant”

Swedish Kroner:

Pay Svenska Handelsbanken Stockholm
SWIFT code HANDSESS
In Favour of JP Morgan Bank London
SWIFT CODE CHASGB2L
For the account of BlackRock (Channel Islands) Ltd
Account Number (IBAN) GB80CHAS60924222813401
(formerly 22813401)
Ref: “Name of Fund – Name of Applicant”

Swiss Francs:

Pay UBS Zürich
SWIFT code UBSWCHZH80A
In Favour of JP Morgan Bank London
SWIFT CODE CHASGB2L
For the account of BlackRock (Channel Islands) Ltd
Account Number (IBAN) GB56CHAS60924217354770
(formerly 17354770)
Ref: “Name of Fund – Name of Applicant”

FOR MORE INFORMATION

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blackrockinternational.com

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BLACKROCK