BlackRock Diversified ESG Stable Fund
Product Disclosure Statement

Dated: 22 October 2021

BlackRock Diversified ESG Stable Fund
ARSN 089 406 011

BlackRock Investment Management (Australia) Limited
ABN 13 006 165 975
Australian Financial Services Licence No 230523

This product is **likely** to be appropriate for a consumer seeking capital preservation with a medium risk/return profile.

BlackRock Diversified ESG Stable Fund

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Important information

This Product Disclosure Statement (PDS) is a summary of significant information and contains a number of references to important information (each of which forms part of this PDS) and persons should consider that information before making a decision about the Fund.

The information provided in this PDS is general information only and does not take into account your individual objectives, financial situation, needs or circumstances. You should therefore assess whether the information is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances.

This PDS can only be used by investors receiving it (electronically or otherwise) in Australia. This PDS is not an offer to any person or any place in which it is unlawful to make such an offer. Units in the Fund have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any of the states of the United States. The Fund is not and will not be registered as an investment company under the U.S. Investment Company Act of 1940. Investment in units of the Fund by or on behalf of U.S. persons is not permitted. Units in the Fund may not at any time be offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, a U.S. person. Any issue, sale or transfer in violation of this restriction will not be binding upon the Fund and may constitute a violation of U.S. law.

If any part of this PDS is established to be invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

The Responsible Entity can change any terms and conditions of the offer contained in this PDS at any time. We reserve the right to outsource any or all investment, management and administration functions, including to related parties, without notice to investors.

Responsible Entity contact details

BlackRock Investment Management (Australia) Limited
Registered office: Level 37 Chifley Tower
2 Chifley Square
Sydney New South Wales 2000
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Incorporation by Reference

The Corporations Act 2001 (Cth) (**Corporations Act**) allows us to provide certain information to you separately to this PDS. Where you see references to "Additional information incorporated by reference" additional information concerning the topic has been incorporated by reference and forms part of the PDS. This information can be found in the BlackRock Additional Fund Information No. 1 document, available at www.blackrock.com.au/individual/funds-information/offer-documents. You should read this important information before making a decision. This material may change between the time when you read this PDS and when you acquire the product. This information is available to you free of charge upon request in paper format by contacting the BlackRock Client Services Centre.

Information subject to change

Information in this PDS, as well as the terms and features of the Fund, is subject to change from time to time. We will notify you of any material changes or other significant events that affect the information in this PDS in accordance with our obligations under the Corporations Act.

Where the Fund is subject to the continuous disclosure requirements of the Corporations Act, we will satisfy our obligations by disclosing material information regarding the Fund on our website at www.blackrock.com/au. A paper copy of this material is available free of charge upon request.

Annual report

A copy of the audited annual financial report of the Fund is generally available by the end of September from us or upon request from your Investor Directed Portfolio Service (**IDPS**), superannuation fund or master trust operator. The audited annual financial report will be made available on our website at www.blackrock.com/au. You may also elect to receive a hard copy of the report by contacting our Client Services Team on the telephone number shown on the right of this page.

Investing through an IDPS, superannuation fund or master trust

If you have invested through an IDPS, superannuation fund or master trust, you can use this PDS for information purposes; however, if you wish to make any change to your investment you should contact the operator of such service and complete their required documentation. The operator of such service may process unitholder transactions and requests in accordance with processes that are different to those set out in this document.

Target Market Determination

BlackRock has issued a target market determination (**TMD**) which, among other things, describes the class of consumers for whom this product is likely to be consistent with their likely objectives, financial situation and needs. A summary of the TMD for this product is on the cover page of this PDS.

BlackRock and its distributors must take reasonable steps to distribute this product to consumers described in the TMD.

The TMD for this product can be obtained by contacting the BlackRock Client Services Centre and may be available on the BlackRock website at www.blackrock.com/au.

1. About BlackRock Investment Management (Australia) Limited

BlackRock Investment Management (Australia) Limited, ABN 13 006 165 975 (referred to in this PDS as **BlackRock**, **Responsible Entity**, **Manager**, **we**, **our** or **us**) is the responsible entity and the issuer of units in the BlackRock Diversified ESG Stable Fund (**Fund**).

BlackRock is a wholly owned subsidiary of BlackRock, Inc.® (**BlackRock Inc**) but is not guaranteed by BlackRock Inc, or any BlackRock Inc subsidiary or associated entity (the **BlackRock Group**). Neither BlackRock nor any member of the BlackRock Group guarantees the success of the Fund, the achievement of the investment objective, or the repayment of capital or particular rates of return on investment or capital. An investor in the Fund could lose all or a substantial part of their investment. In particular, the performance of the Fund will depend on the performance and market value of the assets held by the Fund.

We reserve the right to outsource any or all investment, management and administration functions, including to related parties, without notice to investors.

2. How the BlackRock Diversified ESG Stable Fund works

2.1 The interests that members acquire

The Fund is structured as a unitised registered managed investment scheme. When you invest in the Fund, you are allocated a number of units. Each of these units represents an equal share in the net assets of the Fund. As a result, each unit has a dollar value or "unit price". The unit price will vary as the market value of assets in the Fund rises or falls.

2.2 Minimum investment amounts

When investing in the Fund you generally need a minimum amount of $50,000 or such other amount as we may determine from time to time. There is no minimum investment for subsequent applications. While there is no minimum redemption amount, we generally require a minimum balance in your Fund account of $50,000.

2.3 How investors can increase or decrease their investment

Investors can increase or decrease their investment by acquiring units (refer to section 8.1 of this PDS titled "How to invest") or redeeming all or part of their investment (refer to section 2.4 of this PDS titled "How to redeem your investment").

2.4 How to redeem your investment

Redemption requests can be made in writing (including by facsimile). You will normally be able to redeem from the Fund on any **Business Day**, being a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney. A list of public holidays affecting the Fund is available on our website at www.blackrock.com/au.

Investor transaction requests are required to be received by 1.00 pm (Sydney time) on any Business Day (**Transaction Cut-off Time**). Transaction requests received before this time will generally be executed on the same day (**Trade Date**). Investor transaction requests received after this time or on a day when the Fund is unavailable for transactions will generally be treated as having been received the following Business Day.

Following receipt of a redemption request, we will deposit redemption proceeds into your nominated Australian bank account, generally within five Business Days of our having received the redemption request, although we are allowed longer periods under the Fund's constitution.

In some circumstances, such as when there is a freeze on withdrawals, investors may not be able to withdraw from the Fund within the usual period upon request.

2.5 Frequency of distributions and how they are calculated

If you hold units in the Fund at the close of business on the last day of a distribution period, you are entitled to participate in the distributable income of the Fund. Any income you receive from your investments will be in the form of distributions. Your distribution may include interest, dividends, other income and realised gains. Distributions are not guaranteed and there may be periods for which distributions are higher or lower than expected.

Distributions (if any) are generally determined at the end of March, June, September and December each year. Distributions (if any) are usually paid within 21 Business Days of the end of the distribution period.

Additional information incorporated by reference
You should read the important information about the acquisition and disposal of interests before making a decision. This material may change between the time when you read this PDS and when you acquire the product. Go to section 2 of the document titled "BlackRock Additional Fund Information No. 1", which is available from our website at www.blackrock.com/au/individual/funds-information/offer-documents.

3. Benefits of investing in the BlackRock Diversified ESG Stable Fund

Superior investment returns: the Fund aims to achieve superior investment performance that exceeds the returns of the neutral portfolio benchmark by 0.45% p.a. over rolling 3-year periods, after fees.

Capital stable orientated investment portfolio: the Fund provides investors with exposure to a capital stable orientated portfolio, which is managed relative to a benchmark comprised of approximately 30% growth assets and 70% defensive assets.

Global Diversification: the Fund invests across a range of domestic and international asset classes in seeking to maximise the benefits of global diversification.

ESG focused investment process: the Fund incorporates ESG factors into its investment process and screens out certain ESG sensitive sectors.

Additional information incorporated by reference
You should read the important information about the other features and benefits of the Fund before making a decision. This material may change between the time when you read this PDS and when you acquire the product. Go to section 3 of the document titled "BlackRock Additional Fund Information No. 1", which is available from our website at www.blackrock.com/au/individual/funds-information/offer-documents.

4. Risks of managed investment schemes

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Returns are not guaranteed. Future returns may differ from past returns and investors may lose some or all of their investment.

The appropriate level of risk for each investor will vary depending on a range of factors including age, investment time frames, where other parts of the investor's wealth is invested and the investor's risk tolerance.

The specific investment risks of investing in the Fund include:

Derivative risk. The Fund may be exposed to derivative securities. The use of derivatives expose a fund to different risks as opposed to investing directly in a security. For example, derivatives can cause a fund to make greater gains or incur greater losses than the gains and losses of the underlying security in relation to which the derivative derives its value.

Derivative transactions may be subject to the risk that a counterparty to the transaction will wholly or partially fail to perform their contractual obligations under the arrangement (including failing to meet collateral requirements under the arrangement). Additionally, OTC markets are not guaranteed by an exchange or clearing corporation and generally do not require payment of margin. To the extent that a fund has unrealised gains in such instruments or has deposited collateral with its counterparty that fund is at risk that its counterparty will become bankrupt or otherwise fail to honour its obligations. Derivative transactions may also expose a fund to a risk of potential illiquidity if the derivative instrument is difficult to purchase or sell.

The BlackRock Group attempts to minimise these risks by engaging in derivative transactions only with financial institutions that have substantial capital or that have provided a third-party guarantee or other credit enhancement.

Equity security risk. Equity securities are subject to changes in value, and their values may be more volatile than those of other asset classes. Dividend payments from shares may also vary over time.

Fixed income securities risk. The Fund may be exposed to fixed income securities. There are a number of risks associated with an investment in fixed income securities, which can result in significant variability in investment returns and a loss of income or capital value. These include:

- Credit risk. The value of a fund investing in fixed income securities is affected by the perceived or actual credit worthiness of the issuer of the security. A perceived or actual deterioration of credit quality (e.g. an issuer credit downgrade or credit event leading to a revised premium attributable to investment due to credit worthiness downgrade) of a fixed income security will adversely impact the value of such investment.
- Interest rate risk. An increase in interest rates will cause the values of fixed income securities, in particular fixed rate securities, to decline, which will in turn impact the returns of a fund investing in such securities. Interest rate risk is generally lower for shorter term fixed income investments and higher for longer term fixed income investments.
- Income risk. A fund investing in fixed income securities may experience a decline in income where market interest rates are falling. This can result when a fund reinvests in securities at a lower yield than the current fund portfolio yield.
- Spread risk. The prevailing rates of compensation for creditworthiness of issuers of instruments (spread) is affected by market factors including sentiment, supply and demand and general economic conditions. A change in these factors, which impact spread, can negatively impact the yield earned by a fund investing in credit instruments.
- Issuer risk. Corporate issuers of fixed income securities may willingly or unwillingly default on their obligation to make interest or principal payments. Similarly, sovereign issuers (i.e. governments of a country or an agency backed by a government) may refuse to comply with their obligations during economically difficult or politically volatile times. Such events may cause a downgrade in the credit rating of an issuer and/or its fixed income security, which in turn may cause the value of the fixed income security to fall. There is also no assurance that an issuer of fixed income securities will continue to issue the fixed income securities or keep that particular fixed income securities market open.

Foreign investment risk. Exposure to securities or derivative instruments issued in foreign markets may include certain risks associated with:

- differences in trading, settlement and clearing procedures that may restrict trading (as a result of suspensions or daily quotas), increase default or market operational risks or require securities to be held on a beneficial basis via a depositary nominee;
- currency risk, the risk that foreign currencies change in value relative to the Australian dollar, which may affect a fund's investment returns. These movements may either add to or subtract from performance. Passive currency management may be undertaken, however, it may not be possible to perfectly match performance of the hedging relative to that of its benchmark. Additionally, active currency management may be undertaken from to time, with a view to manage risk and return. Currency management can result in capital losses and investment returns are not guaranteed;
- countries may be subject to considerable degrees of market volatility, economic, political and social instability, which may reduce or preclude the ability to trade security exposures or negatively affect a security's value; and
- differences in accounting, financial reporting, taxation, legal, regulatory, liquidity and pricing practices that are subject to change and if so may adversely affect a fund.

Leverage risk. The Fund may be exposed to investment strategies that use leverage. The exposure of a leveraged portfolio to movements in the instruments and markets in which it invests can be greater than the value of the assets within the portfolio. Therefore, if a leveraged portfolio generates a positive return, the returns will be greater than the returns generated by an equivalent unleveraged portfolio. Similarly, if the investments generate a negative return, the losses will be greater than the losses generated by an equivalent unleveraged portfolio.

Liquidity risk. The Fund may be exposed to securities with limited liquidity, which are in practice infrequently traded or for which typical daily volumes traded are small. It may not be possible to sell such securities when it is desirable to do so or to realise what the manager perceives to be their fair value in the event of a sale. The Fund may also be exposed to other funds that may, in certain circumstances, limit or suspend redemptions rights. The general level of market liquidity also varies and may deteriorate. Such a deterioration may negatively impact the ability to trade fund securities and may negatively affect the price at which a trade is executed. These circumstances could impair a fund's ability to make distributions to a redeeming unit holder in a timely manner and a fund may need to consider suspending redemptions.

The BlackRock Group aims to reduce these risks by understanding the liquidity characteristics of securities a fund is exposed to and plans trading so as to minimise the adverse consequences of low liquidity.

Property risk. The Fund may be exposed to property securities. The risk level varies between development property (higher risk) and existing property (lower risk). Property also tends to have a unique cycle, which is different to shares and other asset classes. Particular external factors affecting property include liquidity, interest rates, diversity of direct property holdings, the quality of properties, proximity to competing properties, current and expected income and other economic conditions that may affect supply and demand. Property exposure in the Fund may be obtained via holdings in listed property securities or via derivative contracts based on these securities. In addition to the above risks, these vehicles may be subject to refinancing risk associated with any borrowings made in order to acquire properties, may have limited financial resources and may trade less frequently and in limited volume. Listed property securities are valued daily according to their last quoted market price.

Underlying fund risk. The Fund may implement some or all of its investment strategy through an investment in underlying funds. The Fund and underlying funds are managed as separate entities, with separate investment objectives and investment strategies. No guarantee can be given that the underlying funds will meet their investment objective, continue to be managed according to their current investment strategy or be open to investments in the future. Changes to an underlying fund may be made without unitholder approval. Should an underlying fund change its investment objective or investment strategy, we will review such changes with consideration to the investment objective and strategy of the Fund. Further, if an underlying fund were to be suspended, closed or terminated for any reason, the Fund would be exposed to those changes.

Other risks more generally associated with investing in a fund include:

Conflicts of interest risk. Certain conflicts of interest may arise in the operation of a BlackRock Group fund. Fund structures may involve members of the BlackRock Group acting in more than one capacity, while BlackRock Group funds may hold over-the counter derivative agreements where a member of the BlackRock Group is acting (in different capacities) on both sides of the agreement. BlackRock Group funds may be invested in by persons associated with BlackRock Group or by other funds and accounts managed by different members of the BlackRock Group. Investors in a fund may, in some instances, invest on different terms to each other, some of which may be more favourable than others. Each investor in a fund may act in a way which is adverse to the interests of other investors in that fund. Additionally, funds and accounts managed by different members of the BlackRock Group may act as a seed investor in a BlackRock Group fund, which may create a commercial opportunity for the BlackRock Group. For example, a seed investment may allow the BlackRock Group to establish a track record for a fund that can then be sold to other clients. Certain investment strategies of the BlackRock Group may conflict with each other and may affect the price and availability of securities in which to invest. Members of the BlackRock Group may also give advice or take action with respect to any of their clients, which may differ from the advice given or the timing or nature of any action taken with respect to the investments of other BlackRock Group funds or accounts.

While conflicts of interest may arise from time to time, the BlackRock Group has established policies and procedures in place to manage any such conflict, which includes ensuring transactions between BlackRock Group entities are conducted on an arm's length commercial basis.

Counterparty risk. Institutions, such as brokerage firms, banks, and broker-dealers, may enter into transactions with the manager of a fund in relation to the sale and purchase of assets or securities. Such institutions may also be issuers of the securities in which a fund invests. Bankruptcy, fraud, regulatory sanction or a refusal to complete a transaction at one of these institutions could significantly impair the operational capabilities or the capital position of a fund. While the BlackRock Group uses reasonable efforts to mitigate such risks, there can be no guarantee that transactions between such counterparties will always be completed in the manner contemplated by, and favourable to, the relevant fund.

Fund risk. The price of units in a fund and the income from them may go down as well as up. Investors may not get back their original investment. There can be no assurance that a fund will achieve its investment objective or that an investor will achieve profits or avoid losses, significant or otherwise. Capital return and income of a fund is based on the capital appreciation and income of the securities invested in, less expenses incurred. Fund returns may fluctuate in response to changes in such capital appreciation or income. The payment of distributions is at the discretion of the fund issuer, taking into account various factors and its own distribution policy. Distributions are not guaranteed and there may be periods for which distributions are higher or lower than expected. Investing in a fund may result in a different tax outcome than investing in securities directly. The application of tax laws and certain events occurring within a fund may result in you receiving some of your investment back as income in the form of a distribution. A fund will generally not be managed with consideration of the individual circumstances, including specific tax considerations, applicable to any single unitholder in the fund. Past performance is not indicative of future performance.

Individual investment risk. Individual securities held by a fund can and do fall in value for many reasons. Both price and levels of income are subject to fluctuation. Returns from individual securities will vary and price movements can be volatile.

Market risk. The Fund could lose money over short periods due to short- term market movements and over longer periods during more prolonged market downturns. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the Fund and its investments.

Operational risk. The risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Adverse impacts may arise internally through human error, technology or infrastructure changes, or through external events such as third party failures or crisis events. The BlackRock Group has procedures in place to manage these risks and, as much as possible, monitor the controls within these procedures to ensure operational risks are adequately managed.

Regulatory and business risk. Changes in corporate, taxation or other relevant laws, regulations or rules may adversely affect your investment. For example, such changes may adversely affect a fund's ability to execute certain investment strategies, which could have a material effect on performance. The laws affecting registered managed investment schemes may also change in the future.

ESG Investment Risk. The use of ESG criteria and exlusionary screens may affect the Fund's investment performance and, as such, the Fund may perform differently compared to similar funds that do not use such criteria.

5. How we invest your money

Investors should consider the likely investment return, the risk, and their investment timeframe when choosing a fund in which to invest. This Fund only offers a single investment option.

The Fund aims to achieve superior investment performance through providing returns that exceed those of the neutral portfolio benchmark by 0.45% p.a., after fees, over rolling 3-year periods. The Fund will seek to meet its investment objective while taking into account the principles of environmental, social and governance (ESG) focused investing. This will be achieved via both ESG integration and the application of negative screens that excludes controversial sectors from the portfolio.

The neutral portfolio benchmark comprises a portfolio of published indexes, approximately 70% of which represent defensive assets and 30% of which represent growth assets.

Our investment style is based on our belief that people, leveraged by technology, are central to the consistent achievement of our clients' investment goals.

We believe that a focus on total performance management is the best way to achieve superior investment results. Through total performance management, we aim to understand; measure; forecast; and manage the three dimensions of investment performance — return, risk and cost.

The Fund's investment strategy accesses various asset classes by investing in other pooled investment vehicles (**Underlying Funds**), including those managed by us or other entities within the BlackRock Group. The strategy invests across a range of active and passive investment strategies to construct the portfolio's strategic asset allocation. Each active strategy utilises a disciplined approach to investing that aims to add value over the strategic allocation and control for risk. In addition to long only active funds, Underlying Funds may also include exposure to a diversified range of absolute return strategies seeking the Fund's overall performance objective.

The selection of an Underlying Fund for inclusion in the strategy is the result of a comprehensive due diligence process, to ensure that any new investment is in line with fiduciary duties and in compliance with related party policies. The investment strategy may be a seed, lead or only investor in an Underlying Fund. In addition, Underlying Funds are assessed to ensure these meet the Fund's ESG focussed investment criteria either via ESG integration in the investment process or via negative screens or a combination of both. The Fund will apply negative screens for certain ESG sensitive sectors including but not limited to Tobacco, Controversial Weapons and Nuclear Weapons. Additional ESG screens may be applied across certain asset classes where appropriate.

The BlackRock group aims to continuously monitor, research and improve the investment strategies of the Underlying Funds. Such changes may result in changes to the Fund's asset exposures over time. While we will endeavour to notify unitholders of significant strategy enhancements, we will not seek consent prior to implementing such strategy changes.

The composite benchmark of the Fund is shown in the below table.

Asset class	Composite Benchmark Weight of the Relevant Index
Australian Equities	11%
International Equities – Developed Markets (unhedged)	2%
International Equities - Developed Markets (hedged)	6%
Emerging markets equities (unhedged)	5%
International Listed Infrastructure (unhedged)	5%
Global listed real estate (REITs) (unhedged)	3%
Gold (unhedged)	3%
Australian fixed interest	10%
Australian inflation-linked bonds	7%
Developed Markets fixed interest	10%
US inflation-linked bonds	7%
Global high yield corporate fixed interest	3%
Cash	28%
Total	100%
Foreign Currency Exposure	18%

The Fund invests substantially all of its assets in the BlackRock Wholesale Diversified ESG Stable Fund (**Wholesale Fund**), another fund managed by us that has the same investment strategy as the Fund. The Wholesale Fund generally invests in the Underlying Funds and derivatives, such as futures, forwards and options, which can be used to manage risk and return. When derivative positions are established, they will always be backed by cash holdings and/or underlying assets. Derivative securities will not be used to gear the Wholesale Fund. The Fund and Wholesale Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock funds) for cash flow management purposes.

While the constitution of the Fund allows the Responsible Entity to borrow, it is our intention that no borrowing arrangements will be entered into, other than temporary overdrafts, which may be used as a means of managing certain cash flows.

The Fund may be suitable for investors who seek a risk controlled active diversified fund with an emphasis on defensive assets. The minimum suggested timeframe for holding investments in the Fund is three years. From an investor's perspective, the Fund is considered medium/low risk. Generally, the risk level associated with the Fund is greater if the Fund is held for a period less than the minimum suggested timeframe described above.

Additional information incorporated by reference

You should read the important information about how we invest your money, our consideration of labour standards or environmental, social or ethical issues, switching your investment and changes to the investment option, before making a decision. This material may change between the time when you read this PDS and when you acquire the product. Go to section 5 of the document titled "BlackRock Additional Fund Information No. 1", which is available from our website at www.blackrock.com/au/individual/funds-information/offer-documents.

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

6.1 Fees and costs summary

The following table below shows fees and other costs that you may be charged. Unless otherwise indicated, fees are inclusive of Goods and Services Tax (**GST**), any applicable stamp duty and take into account expected reduced input tax credits in respect of the GST component of the fee.

Information in the fee table can be used to compare costs between different simple managed investment schemes. Fees and costs can be paid directly from your Fund account or deducted from investment returns.

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Management fees and costs The fees and costs for managing your investment[1]	0.70% p.a.	The Fund's management fee is **0.69% p.a.** and is calculated in relation to the NAV of the Fund on a daily basis. This cost is deducted from the Fund's assets and is generally paid to us monthly in arrears. Management fees and costs include indirect costs of **0.01%**.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil	The Fund does not charge a performance fee.
Transaction costs The costs incurred by the Fund when buying or selling assets	0.10%p.a.	Transaction costs that are not recovered from the buy-sell spread ('net transaction costs') reduce returns and are reflected in the Fund's unit price.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee[1] The fee on each amount contributed to your investment	Nil	
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the Fund	*Buy* 0.09% *Sell* 0.11%	Estimated transaction costs are allocated when an investor buys or sells units in the Fund by applying a buy-sell spread on the Fund's entry and exit unit prices, where appropriate.
Withdrawal fee[1] The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee[1] The fee to close your investment	Nil	
Switching fee The fee for changing investment options	Nil	

[1] This fee includes an amount payable to an adviser

6.2 Example of annual fees and costs

The table below gives an example of how ongoing annual fees and costs in the Fund can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

Example		
Balance of $50,000 with a contribution of $5,000 during year		
Contribution Fees	Nil	For every additional $5,000 you put in you will be charged $0.
PLUS		
Management fees and costs	0.70%	And, for every $50,000 you have in the Fund you will be charged or have deducted from your investment an estimated $350 each year.
Performance fees	Nil	**And**, you will be charged or have deducted from your investment **$0** in performance fees each year
Transaction costs	0.10%	**And**, you will be charged or have deducted from your investment **$50** in transaction costs
EQUALS		
Cost of Fund	If you had an investment of $50,000 at the beginning of the year and you put in an additional $5,000 during that year you would be charged fees and costs of **$400**.[1] **What it costs you will depend on the fees you negotiate.**	

1. Additional fees may apply. A buy spread of 0.09%, equal to $4.50 on a $5,000 contribution, will also apply.

6.3 Additional explanation of fees and costs

Can the fees and charges change?

All fees can change. The current fees applicable to your investment are set out in this PDS and although we have the power to change our fee structure without your consent, we have no present intention to do so. Fees may vary over time due to changes to the Fund, changing economic conditions or changes in regulation. We will provide investors 30 days' notice of any proposed increase to our fees and charges.

Additional information incorporated by reference
You should read the important information about fees and costs before making a decision. This material may change between the time when you read this PDS and when you acquire the product. Go to section 6 of the document titled "BlackRock Additional Fund Information No. 1", which is available from our website at www.blackrock.com/au /individual/funds-information/offer-documents.

7. How managed investment schemes are taxed

Investing in a registered managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice. Registered managed investment schemes generally do not pay tax on behalf of investors. However, BlackRock may be required to withhold tax from each distribution at the relevant withholding tax rates under certain circumstances. You are assessed for tax on any income and capital gains generated by the registered investment scheme to which you are entitled.

Additional information incorporated by reference
You should read the important information about taxation before making a decision. This material may change between the time when you read this PDS and when you acquire the product. Go to section 7 of the document titled "BlackRock Additional Fund Information No. 1", which is available from our website at www.blackrock.com/au /individual/funds-information/offer-documents.

8. How to invest

8.1 How to invest

To make your initial investment complete and send to us (including by facsimile) the Fund's Application Form that accompanies this PDS or is available from our website at www.blackrock.com/au or by calling our Client Services Centre (refer to page 2 of this PDS for contact details). You will normally be able to invest in the Fund on any Business Day. A list of public holidays affecting the Fund is available on our website at www.blackrock.com/au. We have absolute discretion to accept, reject, or limit any application request.

If you choose to send us your completed Fund Application Form by facsimile, you will need to send us your original Fund Application Form for our records.

Investor transaction requests are required to be received prior to the Transaction Cut-off Time. Transaction requests received before this time will generally be executed on the relevant Trade Date. Investor transaction requests received after this time or on a day when the Fund is unavailable for transactions will generally be treated as having been received the following Business Day.

Your investment amount can either be:

- deposited into the application bank account. **If you choose to deposit your investment amount in the application bank account, you must provide us with verification from your financial institution that the money has been banked**; or
- transferred via BPAY®*.

Investment details are outlined in the Fund's Application Form.

In order for us to be able to process your investment, you must ensure that BlackRock receives cleared money in relation to the relevant Trade Date. You may also need to complete an Investor Identification Form (which follows the Fund Application Form) for the purpose of Anti-Money Laundering and Counter-Terrorism Financing legislation. Refer to section 2.4 of this PDS titled "How to redeem your investment" for details of the Fund's Business Day, Transaction Cut-off Time and Trade Date.

* ® Registered to BPAY Pty Ltd ABN 69 079 137 518.

8.2 Do you have "cooling off" rights?

If you are not otherwise a "wholesale client" or "professional investor" (as defined in the Corporations Act) you have a 14-day cooling off period in which to decide if the investment is right for you. The 14-day cooling off period starts when your initial investment in the Fund is confirmed or the end of the fifth business day after the day on which units in the Fund are first issued, whichever is earlier.

If you would like to exercise your cooling off right, you must submit your request to us in writing (including by facsimile) and specifically state that you are exercising your cooling off right. If we receive your request by the Transaction Cut-off Time, your refund will generally be executed on the relevant Trade Date. Cooling off requests received after this time or on a day when the Fund is unavailable for transactions will generally be treated as having been received on the following Business Day. The amount of your refund will be reduced or increased for market movements in the Fund as well as any applicable transaction costs and less any non-refundable tax or duty paid or payable. Accordingly, depending upon the circumstances, the amount returned to you may be greater or less than the amount initially invested.

Refer to section 2.4 of this PDS titled "How to redeem your investment" for details of the Fund's Business Day, Transaction Cut-off Time and Trade Date

8.3 Enquiries and complaints

If you have an enquiry or complaint, you can contact our Enquiries and Complaints Officer via our Client Services Centre. We have established procedures for dealing with enquiries and complaints. If you make a complaint to us, the complaint will be acknowledged and steps will be taken to investigate your concerns. A final response will be provided within 30 calendar days in accordance with our obligations.

BlackRock is a member of the Australian Financial Complaints Authority (**AFCA**), an independent complaint resolution body. If your complaint is not addressed within 30 calendar days from the date it was received, or you are not satisfied with our response, you may refer your complaint to AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. AFCA can be contacted by:

- Telephone: 1800 931 678 (free call)
- Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001
- Email: info@afca.org.au
- Website: www.afca.org.au.

For the hearing and speech impaired, AFCA can be contacted by either:

- National Relay Service: www.relayservice.com.au
- TTY/Voice Calls: 133 677 (local), or
- Speak & Listen: 1300 555 727 (local).