

iSHARES FUNDS

DISTRIBUTION REINVESTMENT PLAN PRE-AUTHORIZED CASH CONTRIBUTION PLAN SYSTEMATIC WITHDRAWAL PLAN

1. Introduction

Each of the iShares Funds set forth on Schedule A hereto (each, a “Fund”) has established participation in one or more of the following commission free plans for the optional use by their unitholders: distribution reinvestment plan (“DRIP”), pre-authorized cash contribution plan (“PACC”), systematic withdrawal plan (“SWP”) (each a “Plan” and together the “Plans”). The DRIP provides unitholders of trust units of a class of the Fund (“Units”) with a means to reinvest distributions on such Units declared and payable to them in additional Units of the same class, as described in the Plan. PACC provides beneficial holders of units with a means to add to their investment on a pre-determined basis. The SWP provides unitholders a means to structure redemptions on a pre-determined basis. These Plans are provided to you by BlackRock Asset Management Canada Limited (the “Manager”) as trustee and/or manager of the Funds.

2. Defined Terms

As used herein, the following terms have the following meanings:

“**Business Day**” means any day on which the Plan Agent’s offices are generally open for the transaction of commercial business, but does not in any event include a Saturday, Sunday, civic or statutory holiday in the Province of Ontario or a day on which securities listed on each Fund’s Primary Exchange do not trade.

“**CDS**” means CDS Clearing and Depository Services Inc. and includes any successor corporation or any other depository acting or subsequently appointed by a Fund as the depository in respect of Units of the Fund.

“**CDS Participant**” means a participant in CDS, including a broker, dealer, bank, or other financial institution.

“**Contribution Date**” means such date which shall be the last Business Day of (i) a month, (ii) calendar quarter or (iii) calendar year that a PACC Plan Participant selects for investments in Plan Units following Pre-Authorized Cash Contributions under the PACC Plan.

“**Distribution**” means, with respect to a Fund, a distribution of net income, net realized capital gains or return of capital payable in cash by the Fund on its Units in respect of a specific Distribution Record Date.

“Distribution Payment Date” means a day following a Distribution Record Date on which a Distribution has been declared, on which a Fund pays such Distribution to its Unitholders.

“Distribution Record Date” means any date designated by the Manager as a record date for the determination of Unitholders entitled to receive a Distribution.

“Plan” means DRIP, PACC or SWP described herein.

“Plan Agent” means State Street Trust Company Canada or its successors or permitted assigns or any replacement plan agent hereunder, as agent under the Plan.

“Plan Participant” means, with respect to a Plan, a Unitholder upon whose behalf the applicable CDS Participant has delivered the applicable notice of such Unitholder’s election to participate in such Plan.

“Plan Unit” means, with respect to a Fund, a Unit of a Fund purchased or sold under a Plan by the Plan Agent for a Plan Participant.

“Pre-authorized Cash Contribution” means a cash amount of no less than \$50.00 and no more than \$5,000.00 monthly that is, at the option of a PACC Plan Participant, used to acquire Plan Units under the PACC Plan.

“Pre-authorized Cash Contribution Notice” or **“PACC Notice”** means the notice given by a CDS Participant to the Plan Agent to indicate that a Unitholder has elected to participate in the PACC Plan.

“Primary Exchange” a recognized stock exchange under relevant Canadian securities laws.

“Systematic Withdrawal” means a cash amount of no less than \$50.00 and no more than \$5,000.00 monthly that is, at the option of a SWP Plan Participant, sold from their account under the SWP Plan.

“Systematic Withdrawal Plan Notice” or **“SWP Notice”** means the notice given by a CDS Participant to the Plan Agent to indicate that a Unitholder has elected to participate in the SWP Plan.

“Tax Act” means the Income Tax Act (Canada) and includes the regulations promulgated thereunder.

“TSX” means The Toronto Stock Exchange.

“Units” means the trust units of a class of a Fund listed on the Fund’s Primary Exchange.

“**Unitholder**” means, with respect to a Fund, any holder of Units recorded on the register of Units of such Fund and, in the case of Units registered in the name of CDS, includes any beneficial owner of such Units.

“**Withdrawal Date**” means such date which shall be the last Business Day of (i) a month, (ii) calendar quarter or (iii) calendar year that an SWP Plan Participant selects for Systematic Withdrawals under the SWP Plan

3. Dividend Reinvestment Plan

Any eligible Unitholder may enroll in the Plan by notifying the CDS Participant through which the Unitholder holds its Units of such Unitholder’s intention to participate in the DRIP Plan. Under the DRIP Plan, cash distributions will be used to acquire Plan Units in the market and will be credited to the account of the Plan Participant through CDSX and the CDS Participant. The CDS Participant must, on behalf of such Plan Participant, provide a notice to the Plan Agent through CDSX that the Unitholder elects to participate in the DRIP Plan no later than 5:00 p.m. (Toronto time) on the applicable Distribution Record Date in respect of the next expected Distribution in which the Unitholder wishes to participate. If notice through CDSX is not received by the Plan Agent prior to this deadline, in good order, the Unitholder will not participate in the DRIP Plan for that Distribution but will receive Plan Units for Distributions payable thereafter.

Distribution on Units, including Plan Units, will be reinvested on behalf of Unitholders under the DRIP Plan by the Plan Agent on the terms and conditions contained in the Plan.

Participation in the DRIP Plan is restricted to Unitholders who are residents of Canada for the purposes of the Tax Act. Partnerships (other than “**Canadian partnerships**” as defined in the Tax Act) are not eligible to participate in the Plan. Upon becoming a non-resident of Canada or a partnership (other than a Canadian partnership), a DRIP Plan Participant shall notify their CDS Participant and terminate their participation in the DRIP Plan immediately. Neither the Plan Agent nor CDS will have any duty to inquire into the eligibility of a Unitholder to participate in the DRIP Plan, the residency status or partnership status of DRIP Plan Participants, nor will the Plan Agent or CDS be required to know the residency status or partnership status of DRIP Plan Participants other than as notified by the CDS participant.

4. Administration

On each Distribution Payment Date, the Fund shall pay to the Plan Agent, on behalf of the Plan Participants, all amounts paid as Distributions in respect of the Units (including Plan Units) for which Plan Participants were beneficial owners as of the applicable Distribution Record Date. The Plan Agent shall, with the amount of

Distributions paid to it, purchase Plan Units for the Plan Participants as described below under “Purchase of Units by Plan Agent”.

Plan Units will be credited for the benefit of a Plan Participant to the account of the applicable CDS Participant through whom a Plan Participant holds Units.

5. Purchase of Units by Plan Agent

Distributions payable to the DRIP Plan Participants will be applied by the Plan Agent, on behalf of the Fund, to purchase Plan Units in the open market through the TSX and/or any other appropriate Canadian market as may be instructed by the Fund or Manager, as applicable. The Plan Agent shall purchase Units in the open market, through a broker-dealer, during the five (5) Business Day period following such Distribution Payment Date. The Plan Units purchased in the market will be allocated on a pro rata basis to the Plan Participants based on their respective entitlement to the Distributions used to purchase Plan Units. The Plan Agent may make such purchases using the services of an affiliate (commission free to the Unitholder)

6. Pre-authorized Cash Contribution Procedure and Limitations

Under the PACC Plan, a Unitholder that has become a Plan Participant in the PACC Plan establishes a recurring Pre-Authorized Cash Contribution which will be invested by the Plan Agent on the Contribution Date or Contribution Dates specified by the Plan Participant in the Units of the Fund or Funds specified by the Plan Participant.

In order to become a Plan Participant in the PACC Plan, a Unitholder must notify the CDS Participant through which such Unitholder holds its Units. Such CDS Participants must, on behalf of the Unitholder, provide (i) a completed PACC Notice and (ii) a voided cheque or personalized deposit slip from the Unitholder to the Plan Agent prior to **5:00 p.m.** (Toronto time) on the Business Day that is ten (10) Business Days prior to the first Contribution Date specified by the Unitholder on the PACC Notice.

CDS Participants should forward completed PACC Notices, along with the Unitholder’s voided cheque or personalized deposit slip, to the Plan Agent at the following address:

State Street Trust Company Canada
Attention: iShares Funds
30 Adelaide Street East
Toronto ON M5C 3G6
Tel: 1-877-537-3406
Fax: 1-416-681-6971
Email: iSharesPACC@statestreet.com

Any changes by a PACC Plan Participant to the amount of the Pre-Authorized Cash Contribution, Contribution Date, Plan Units or otherwise, must be provided to the

Plan Agent on a revised PACC Notice and must be received by the Plan Agent at least ten (10) Business Days prior to the Contribution Date on which such changes are to take effect.

The Plan Agent shall debit the amount of each PACC Plan Participant five (5) Business Days prior to each applicable Contribution Date and shall hold (without interest) such funds on behalf of the PACC Plan Participant (“**PACC Funds**”) and such PACC Funds shall be used by the Plan Agent to purchase PACC Plan Units on each applicable Contribution Date. Pre- Authorized Cash Contributions will be used by the Plan Agent to purchase Plan Units on substantially the same basis as Distributions under the DRIP Plan, as described under the heading “Purchase of Units by Plan Agent” above.

The Plan Agent shall not be obligated to purchase Plan Units on behalf of a PACC Plan Participant unless it has received a completed PACC Notice, in good order, prior to the deadlines set forth above.

The Plan Agent shall not be obligated to purchase any Plan Units on behalf of a PACC Plan Participant in the event that the Plan Agent is unable to debit the PACC Plan Participant’s account in the amount of the Pre-Authorized Cash Contribution specified by the PACC Plan Participant. Furthermore, to the extent that the reason that the Plan Agent is unable to debit such funds is the result of the PACC Plan Participant not having sufficient funds in its account, the Plan Agent may, in its sole discretion, terminate the Plan Participant’s participation in the PACC Plan, provided that, should the Plan Agent choose to exercise such termination right, it shall provide prior written notice of such determination to the applicable CDS Participant and the Manager at least ten (10) Business Days prior to any such termination.

7. Systematic Withdrawal Plan

A Unitholder may elect to systematically withdraw, through the sale of Plan Units, a specified dollar amount of Units owned by such Unitholder by participating in the SWP Plan. Such dollar amount of Units to be sold on a monthly, quarterly or annual recurring basis for each Withdrawal Date may not be less than \$50.00 or greater than \$5,000.00 of Units (the “Specified Dollar Amount”). A Unitholder may enroll in the Plan by notifying the CDS Participant through which the Unitholder holds its Units of such Unitholder’s intention to participate in the Plan and to sell Units. The CDS Participant must, on behalf of such Unitholder, (i) provide a Systematic Withdrawal Plan Notice to the Plan Agent through CDSX that the Unitholder elects to sell Units in this manner until the Fund is otherwise notified no later than 5:00 p.m. (Toronto time) on the applicable Withdrawal Date for which the Unitholder no longer wishes to sell Units or there remain no further Units to be sold on behalf of such Unitholder, whichever comes first and (ii) specify the Specified Dollar Amount of Units to be sold in respect of each subsequent Withdrawal Date. If notice through CDSX is not received by the Plan Agent prior to this deadline, in good order, the Unitholder will not be able to sell Units under the Plan for such Withdrawal Date.

For each Withdrawal Date following the proper delivery by the CDS Participant and receipt, by the Plan Agent through CDSX, of a SWP Notice, the Plan Agent shall sell the Units of such Unitholders in the market during the five (5) Business Day period following such Withdrawal Date and the proceeds of the sale of the Units will be credited for the benefit of each participating Unitholder to the account of the applicable CDS Participant through whom such Unitholder holds his or her Units. The Plan Agent may retain an affiliate to effect sales of Units.

A Unitholder who is a PACC Plan Participant may not also be an SWP Plan Participant for the same Fund.

8. Fractional Units

No fractional Units will be purchased or sold, as applicable, under the Plans. Payments in cash for any remaining uninvested funds may be made in lieu of fractional Plan Units by the Plan Agent to CDS, or directly to the Plan Participant's bank account, as applicable, on a monthly or quarterly basis, as the case may be. Where applicable, CDS will, in turn, credit the Plan Participant, via the applicable CDS Participant.

9. Withdrawing from the Plan

Any Plan Participant may withdraw from a Plan by providing notice to the CDS Participant through which the Unitholder holds his, her or its Units. The Plan Participant must provide such notice to the CDS Participant sufficiently in advance of the applicable Distribution Record Date in respect of the next expected Distribution in which the Plan Participant does not wish to participate or sufficiently in advance of the applicable PACC Contribution Date or SWP Withdrawal Date in which the Plan Participant does not wish to participate. Such notice must be complete and in the form and in compliance with the procedure established by the CDS Participant. If notice is not received by the CDS Participant prior to the CDS Participant's deadline, the Plan Participant will participate in the Plan for that Distribution, Contribution or Withdrawal, as applicable, but will receive cash Distributions for Distributions payable thereafter or will be terminated from the PACC or SWP thereafter, as applicable.

10. Certificates

Certificates representing Plan Units purchased under the Plan will not be issued to Plan Participants, i.e. Plan Units will be issued only in "book entry" form.

11. Voting of Plan Units

Plan Units may be voted in the same manner as the Plan Participants' other Units may be voted.

12. Statements of Account

A Plan Participant will receive, from his, her or its CDS Participant for tax reporting purposes, confirmation of the number of Plan Units purchased/sold for him, her or it under the Plan in accordance with the CDS Participant's usual practice.

13. Commissions and Administrative Costs

All commissions and administrative costs associated with the operation of the Plan with respect to any Fund will be borne by the Manager.

14. Responsibilities of the Funds, the Manager and the Plan Agent

None of the Funds, BlackRock Asset Management Canada Limited as manager of the Fund or the Plan Agent shall be liable for any act done by any of them in good faith or for any good faith omission to act. In particular, none of the Funds, the Manager or the Plan Agent shall have any liability with respect to:

- (a) the prices at which Plan Units are purchased/sold for the Plan Participants' accounts or the times at which such purchases/sales are made;
- (b) any action or responsibilities of CDS or any CDS Participant in relation to the Plan, or otherwise, including, without limitation:
 - (i) any aspect of the records relating to, or payments made on account of, beneficial ownership interests of the Units held by and registered in the name of CDS or any CDS Participant; and
 - (ii) any authority, advice, or representation made or given by CDS or any CDS Participant to the Plan Agent or otherwise, including representations with respect to rules of CDS and any action taken or to be taken by CDS or any CDS Participant;
- (c) any special, incidental or consequential damages; and
- (d) any loss as result of acts of force majeure.

None of the Funds, the Manager or the Plan Agent can assure a gain or protect against loss as a result of Plan Participants holding Plan Units.

15. Amendments, Suspension or Termination of Plan and Plan Agent

The Manager may terminate any Plan with respect to any Fund in its sole discretion, upon not less than 30 days' notice to: (i) the Plan Participants, via the CDS Participants through which the Plan Participants hold their Units, (ii) the Plan Agent, (iii) CDS, and (iv) the Fund's Primary Exchange, if necessary. The Manager may also amend, modify or

suspend any Plan with respect to any Fund at any time in its sole discretion provided that any amendment or modification affecting the Plan Agent will be with the consent of the Plan Agent and provided that it complies with certain requirements and gives notice of that amendment, modification or suspension to: (i) CDS Participants through which the Plan Participants hold their Units, (ii) the Plan Agent, (iii) the Primary Exchange and (iv) CDS. The Plan will terminate automatically with respect to any Fund upon the termination of such Fund.

The Manager may, in its sole discretion, and upon at least 30 days written notice to the Plan Agent, remove the Plan Agent and appoint a new Plan Agent.

16. Rules and Regulations

The Manager may adopt additional rules and regulations to facilitate the administration of the Plan, subject to the approval of the Fund's Primary Exchange (as required by the applicable exchange rules). The Manager also reserves the right to regulate and interpret the Plan as it deems necessary or desirable to ensure their efficient and equitable operation.

17. No Personal Liability

No Unitholder of a Fund will have any personal liability and no resort will be had to, nor recourse or satisfaction sought from, the property or assets of any Unitholder of a Fund for any liability whatsoever to any person in connection with the property of such Fund or its affairs, including for satisfaction of any obligations or claims of such Fund arising out of or in connection with the Plan. The property and assets of such Fund only are intended to be liable and subject to levy or execution for satisfaction of any such obligations or claims.

18. Currency

All references in this Plan to dollar amounts refer to the base currency of the Fund(s) participating in the Plans.

19. Taxes

Plan Participants should consult their tax advisors concerning the tax implications of their participation in the Plan. The reinvestment of distributions on Plan Units does not relieve the Plan Participant of any liability for income tax which may have been otherwise payable on such Distributions.

20. Notices

All notices relating and applicable to the Plan will be given to CDS, to be further provided to the CDS Participants through which they hold their Units of such Fund. Written communications to the Plan Agent should be submitted through the CDS

Participant through which the Unitholder holds their units. Written communications from a CDS Participant can be addressed to the Plan Agent at the following address:

State Street Trust Company Canada
c/o State Street Bank and Trust Company
Massachusetts
John Adams Building
1776 Heritage Drive
North Quincy, Massachusetts 02171
Mailing Address: Box 5501
Boston, Massachusetts 02206-5501
Tel: +1 617-786-3000

Written communications to any Fund or the Manager should be addressed to:

BlackRock Asset Management Canada Limited.
Brookfield Place
161 Bay Street, Suite 2500 Toronto, Ontario M5J 2S1

21. Participating Funds

The Manager may deliver an amended Schedule A to the Plan Agent from time to time to add/remove additional Funds to/from a Plan or Plans. The Plan Agent shall, in turn, inform CDS of the amended Schedule A.