Go long on the short end
Exploring opportunities in today’s market

Every day investors evaluate fixed income, equity and alternative investment strategies for their portfolios. In addition to these strategies, we encourage investors to take a holistic approach to their cash and short duration investments. We believe cash and short-term investment strategies should be viewed as a separate asset class that seeks to deliver attractive risk-adjusted returns and helps provide stability and liquidity within a fixed income portfolio. As such, we believe effective segmentation strategies can be applied for individual and institutional investors alike to maximize the returns on cash holdings. BlackRock offers a wide array of investment solutions that seek to meet the unique liquidity and return needs of our clients. Outlining cash management options may allow investors to take advantage of different strategies over the course of each interest rate cycle.

Begin with a view of cash management needs

Each investor has a different time horizon for their cash needs. In order to prepare for these cash needs, these conversations start with a segmentation discussion. We break that down in this guide. An investor’s cash typically falls into three distinct categories or tiers. Understanding liquidity needs can help investors segment their cash and identify opportunities to optimize. While a company’s investment policy will typically dictate their own definitions, generally we see some variation of the following classifications.

### Investment strategies to balance varying objectives

#### Tier 1
**Typical characteristics:**
- Investment horizons may vary, however liquidity needs may be unexpected
- Regular access to cash
- “Sticky” cash* but same-day settlement required
- Highly sensitive to changes in NAV and gains/losses

#### Tier 2
**Typical characteristics:**
- >12 month investment horizon
- Access to a portion of cash on a regular basis
- Moderate sensitivity to realized gains/losses

#### Tier 3
**Typical characteristics:**
- >12 month investment horizon
- Accessibility of cash determined by client and funds invested accordingly
- Focus on optimizing return

For illustrative purposes only; this graph represents a sample segmentation of a client cash profile.

*“Sticky” cash is defined as cash that is not needed immediately but could be needed within a short timeframe.

blackrock.com/cash
What investment solution works best for you?

BlackRock offers a variety of investment solutions across investment products including Fixed Income Exchange Traded Funds ("ETFs") and Mutual Funds within the three common categories depicted above. When considering these investment options, we believe investors should carefully consider their individual risk tolerance, liquidity needs, customization requirements, investment horizon and accounting implications to determine the optimal investment options to meet their investment objectives. We share some of the features of each investment option below:

### ETF

**Pros**

**Transparency**
Holdings typically disclosed daily, precision of risk exposure and ease of use.

**Liquidity**
Intraday exchange liquidity — actionable two-way quotes during U.S. market hours.

**Access**
ETFs are available on a variety of investor platforms.

### Mutual fund

**Simplicity**
Mutual funds and their respective exposure to a single or multiple asset classes can be easily comprehended.

**Access**
Investors can gain exposure to specific asset classes and markets which may not otherwise be available to them.

**Diversity**
Many mutual funds are diversified, investing broadly in thousands of different investment securities.

**Liquidity**
Redemptions are typically available with T+1 or T+2 settlement.

**Cost efficiency**
Many mutual funds have lower minimum initial investment requirements.

**Cons**

**Lack of flexibility**
The majority of fixed income ETFs are passively managed and may not meet specific client guidelines. (Note that some of the ETFs shown in this piece are actively managed.)

**Flat fees**
One share class structure, through an equity ETF wrapper.

**Accounting**
Fixed income ETFs are classified as trading securities; investors must recognize unrealized gains/losses on income statements.

See disclosures for an overview of the material differences between the products provided in this piece.
BlackRock product spectrum

Increasing volatility and potential return

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<th>Tier 2</th>
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</thead>
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<td>iShares Treasury Floating Rate Bond ETF (TFLO)</td>
<td>iShares Floating Rate ETF (FLOT)</td>
<td>iShares Short-Term National Muni Bond ETF (SUB)</td>
</tr>
<tr>
<td>BlackRock Ultra Short-Term Bond ETF (ICSH) (Active)</td>
<td>BlackRock Short Maturity Municipal Bond ETF (MEAR) (Active)</td>
<td>iShares 0-5 Year Investment Grade Corp Bond ETF (SLQD)</td>
</tr>
<tr>
<td>iShares Short Treasury Bond ETF (SHV)</td>
<td>iShares 1-3 Year Treasury Bond ETF (SHY)</td>
<td>iShares Core 1-5 Year USD Bond ETF (ISTB)</td>
</tr>
<tr>
<td>iShares 0-3 Month Treasury Bond ETF (SGOV)</td>
<td>BlackRock Short Maturity ETF (NEAR) (Active)</td>
<td>iShares 1-5 Year Investment Grade Corporate Bond ETF (IGSB)</td>
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<thead>
<tr>
<th>Mutual fund</th>
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<tr>
<td>BlackRock Short Obligations Fund (I) (BISOX)</td>
<td>BlackRock Short-Term Municipal Fund (I) (MALMX)</td>
<td>BlackRock Low Duration Bond Fund (I) (BFMSX)</td>
</tr>
<tr>
<td>BlackRock Short Obligations Fund (A) (BASOX)</td>
<td>BlackRock Short-Term Municipal Fund (A) (MELMX)</td>
<td>BlackRock Low Duration Bond Fund (A) (BLDAX)</td>
</tr>
</tbody>
</table>

**Why BlackRock for cash management and short duration?**

**Scale**

We believe it matters, particularly in cash or short duration management. Our ability to accommodate investors’ flows — both large and small, across product types — and our access to the market is a direct result of our platform of scale.

**Performance**

We strive to deliver performance consistent with a fund or strategy’s objective. Yield is important, but most clients tell us capital preservation is their primary objective; we recognize the importance of capital preservation in this asset class.

**Client focus**

The rising complexity of managing cash has compelled clients to ask more questions and seek better results. We believe we have the ability to respond more effectively through customized solutions and innovative strategies.

The Funds are not money market funds and are not subject to the strict rules that govern the quality, maturity, liquidity and other features of securities that money market funds may purchase. Under normal circumstances, the Funds’ investments may be more susceptible than a money market fund is to credit risk, interest rate risk, valuation risk and other risks relevant to the Funds’ investments. The Funds do not seek to maintain a stable net asset value of $1.00 per share.
## Tier 1: Key characteristics

<table>
<thead>
<tr>
<th>Product type</th>
<th>Description</th>
<th>AUM*</th>
<th>Duration*</th>
<th>Gross/Net expense ratio¹</th>
<th>Objective/Investment strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETF</td>
<td>iShares Treasury Floating Rate Bond ETF (TFLO)</td>
<td>$5.6bn</td>
<td>0.01</td>
<td>Gross/Net: 15 bps²</td>
<td>The iShares Treasury Floating Rate Bond ETF seeks to track the investment results of an index composed of U.S. Treasury floating rate bonds.</td>
</tr>
<tr>
<td>ETF</td>
<td>BlackRock Ultra Short-Term Bond ETF (ICSH) (Active)</td>
<td>$6.3bn</td>
<td>0.44</td>
<td>Gross/Net: 8 bps²</td>
<td>The BlackRock Ultra Short-Term Bond ETF seeks to provide current income consistent with preservation of capital, and is actively managed.</td>
</tr>
<tr>
<td>ETF</td>
<td>iShares Short Treasury Bond ETF (SHV)</td>
<td>$23.4bn</td>
<td>0.28</td>
<td>Gross/Net: 15 bps²</td>
<td>The iShares Short Treasury Bond ETF seeks to track the investment results of an index composed of U.S. Treasury bonds with remaining maturities between one month and one year.</td>
</tr>
<tr>
<td>ETF</td>
<td>iShares 0-3 Month Treasury Bond ETF (SGOV)</td>
<td>$10.3bn</td>
<td>0.10</td>
<td>Gross/Net: 5 bps²</td>
<td>The iShares 0-3 Month Treasury Bond ETF seeks to track the investment results of an index composed of U.S. Treasury bonds with remaining maturities less than or equal to three months.</td>
</tr>
<tr>
<td>Mutual fund</td>
<td>BlackRock Short Obligations Fund (I) (BISOX)</td>
<td>$1.8bn</td>
<td>0.43</td>
<td>Gross: 36 bps³, Net: 35 bps³</td>
<td>The investment objective of the Fund is to seek current income consistent with preservation of capital. Under normal market conditions, the Fund will invest in U.S. dollar denominated investment grade and short-term fixed and floating rate debt securities, average life of maturing in three years or less (with certain exceptions) and will maintain a dollar-weighted average maturity of 180 days or less and a dollar-weighted 365 days or less.</td>
</tr>
<tr>
<td>Mutual fund</td>
<td>BlackRock Short Obligations Fund (A) (BASOX)</td>
<td>$1.8bn</td>
<td>0.43</td>
<td>Gross: 61 bps⁴, Net: 60 bps⁴</td>
<td>The investment objective of the Fund is to seek current income consistent with preservation of capital. Under normal market conditions, the Fund will invest in U.S. dollar denominated investment grade and short-term fixed and floating rate debt securities, average life of maturing in three years or less (with certain exceptions) and will maintain a dollar-weighted average maturity of 180 days or less and a dollar-weighted 365 days or less.</td>
</tr>
</tbody>
</table>

¹A basis point (bps) is one one-hundredth of a percent. ²Expenses are as of the most current prospectus. Investment dividend expense, interest expense, acquired fund fees and expenses and certain other fund expenses are included in the Net. The investment advisor and/or other service providers may also voluntarily agree to waive certain fees and expenses which can be discontinued at any time without notice. When waivers or reimbursements are in place, the operating expenses are reduced and total returns to the shareholder in the fund increase. With respect to BISOX and BASOX: BlackRock Advisors, LLC (“BlackRock”) has contractually agreed to waive the management fee with respect to any portion of the Fund’s assets estimated to be attributable to investments in other equity and fixed-income mutual funds and exchange traded funds managed by BlackRock or its affiliates that have a contractual management fee, through June 30, 2023. The contractual agreement may be terminated upon 90 days’ notice by a majority of the non-interested trustees of the Trust or by a vote of a majority of the outstanding voting securities of the Fund. BlackRock has contractually agreed to waive and/or reimburse certain fees and expenses which can be discontinued at any time without notice due to changes in interest rates, taking into account the likelihood of the bond being called, put and/or sunk prior to its final maturity date while incorporating after-tax impacts on the bond. The options-based duration model used by BlackRock employs certain assumptions and may differ from other fund complexes. Effective duration is measured at the individual bond level, aggregated to the portfolio level, and adjusted for leverage, hedging transactions and non-bond holdings, including derivatives if applicable. With respect to Mutual Funds: The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor’s shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. All returns assume reinvestment of all dividend and capital gains distributions. Refer to blackrock.com for current month-end performance. The above product list does not represent all cash or short-term products that BlackRock offers. These products were chosen to represent a suite of products available to retail investors on common platforms. Additional products can be found at www.blackrock.com, www.blackrock.com/cash, or www.ishares.com.
## Tier 2: Key characteristics

<table>
<thead>
<tr>
<th>Product type</th>
<th>Description</th>
<th>AUM*</th>
<th>Duration*</th>
<th>Gross/Net expense ratio1</th>
<th>Objective/Investment strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETF</td>
<td>iShares Floating Rate ETF (FLOT)</td>
<td>$7.6bn</td>
<td>0.04</td>
<td>Gross/Net: 15 bps²</td>
<td>The iShares Floating Rate Bond ETF seeks to track the investment results of an index composed of U.S. dollar denominated, investment-grade floating rate bonds with remaining maturities between one month and five years.</td>
</tr>
<tr>
<td>ETF</td>
<td>BlackRock Short Maturity Municipal Bond ETF (MEAR) (Active)</td>
<td>$429mm</td>
<td>0.35</td>
<td>Gross/Net: 25 bps²</td>
<td>The BlackRock Short Maturity Municipal Bond ETF seeks to maximize tax-free current income, and is actively managed.</td>
</tr>
<tr>
<td>ETF</td>
<td>iShares 1-3 Year Treasury Bond ETF (SHY)</td>
<td>$28.1bn</td>
<td>1.89</td>
<td>Gross/Net: 15 bps²</td>
<td>The iShares 1-3 Year Treasury Bond ETF seeks to track the investment results of an index composed of U.S. Treasury bonds with remaining maturities between one and three years.</td>
</tr>
<tr>
<td>ETF</td>
<td>BlackRock Short Maturity ETF (NEAR) (Active)</td>
<td>$3.9bn</td>
<td>0.48</td>
<td>Gross/Net: 25 bps²</td>
<td>The BlackRock Short Maturity Bond ETF seeks to maximize current income through diversified exposure to short-term bonds and is actively managed.</td>
</tr>
<tr>
<td>Mutual fund</td>
<td>BlackRock Short-Term Municipal Fund (I) (MALMX)</td>
<td>$649.5mm</td>
<td>1.58</td>
<td>Gross: 44 bps³ Net: 36 bps³</td>
<td>Invests primarily in investment grade municipal bonds or notes, including variable rate demand obligations that have a maturity of less than four years, as it seeks a high level of income exempt from federal income taxes.</td>
</tr>
<tr>
<td>Mutual fund</td>
<td>BlackRock Short-Term Municipal Fund (A) (MELMX)</td>
<td>$718mm</td>
<td>1.54</td>
<td>Gross: 63 bps³ Net: 61 bps³</td>
<td>Invests primarily in investment grade municipal bonds or notes, including variable rate demand obligations that have a maturity of less than four years, as it seeks a high level of income exempt from federal income taxes.</td>
</tr>
</tbody>
</table>

A basis point (bps) is one one-hundredth of a percent. 1 Expenses are as of the most current prospectus. Investment dividend expense, interest expense, acquired fund fees and expenses and certain other fund expenses are included in the Net. BlackRock may contractually agree to waive or reimburse certain fees and expenses until a specified date. The investment advisor and/or other service providers may also voluntarily agree to waive certain fees and expenses which can be discontinued at any time without notice. When waivers or reimbursements are in place, the operating expenses are reduced and total returns to the shareholder in the fund increase. With respect to MALMX and MELMX: BlackRock has contractually agreed to waive the management fee with respect to any portion of the Fund’s assets estimated to be attributable to investments in other equity and fixed-income mutual funds and exchange traded funds managed by BlackRock or its affiliates that have a contractual management fee, through June 30, 2023. The contractual agreement may be terminated upon 90 days’ notice by a majority of the non-interested directors of BlackRock Municipal Bond Fund, Inc. (the “Corporation”) or by a vote of a majority of the outstanding voting securities of the Fund. BlackRock has contractually agreed to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses) to 0.61% for Investor A Shares (MELMX) and 0.36% for Institutional Shares (MALMX) of average daily net assets through June 30, 2023. The contractual agreement may be terminated upon 90 days’ notice by a majority of the non-interested directors of the Corporation or by a vote of a majority of the outstanding voting securities of the Fund. Please see the prospectus for additional information. 2 Shares Funds do not impose any minimum investment for shares purchased on an exchange or otherwise in the secondary market. 3 There is no minimum investment for Employee sponsored retirement plans, or Investors of Financial Intermediaries. $2 million for individuals and institutional investors. * March 31, 2023. AUM is shown at the fund level for products with multiple share classes. Duration is the effective duration, which measures the sensitivity of the price of a bond with or without embedded options to changes in interest rates, taking into account the likelihood of the bond being called, put and/or sunk prior to its final maturity date while incorporating after-tax impacts on the bond. The options-based duration model used by BlackRock employs certain assumptions and may differ from other fund complexes. Effective duration is measured at the individual bond level, aggregated to the portfolio level, and adjusted for leverage, hedging transactions and non-bond holdings, including derivatives if applicable. With respect to Mutual Funds: The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor’s shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. All returns assume reinvestment of all dividend and capital gain distributions. Refer to blackrock.com for current month-end performance. The above product list does not represent all cash or short-term products that BlackRock offers. Additional products can be found at www.blackrock.com, www.blackrock.com/cash, or www.iShares.com.
### Tier 3: Key characteristics

<table>
<thead>
<tr>
<th>Product type</th>
<th>Description</th>
<th>AUM*</th>
<th>Duration*</th>
<th>Gross/Net expense ratio¹</th>
<th>Objective/Investment strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETF</td>
<td>iShares Short-Term National Muni Bond ETF (SUB)</td>
<td>$10.4bn</td>
<td>1.87</td>
<td>Gross/Net: 7 bps²</td>
<td>The iShares Short-Term National Muni Bond ETF seeks to track the investment results of an index composed of investment-grade U.S. municipal bonds with remaining maturities between one month and five years.</td>
</tr>
<tr>
<td>ETF</td>
<td>iShares 0-5 Year Investment Grade Corp Bond ETF (SLQD)</td>
<td>$2.7bn</td>
<td>2.24</td>
<td>Gross/Net: 6 bps²</td>
<td>The iShares 0-5 Year Investment Grade Corporate Bond ETF seeks to track the investment results of an index composed of U.S. dollar-denominated, investment-grade corporate bonds with remaining maturities of less than five years.</td>
</tr>
<tr>
<td>ETF</td>
<td>iShares 1-5 Year Investment Grade Bond ETF (IGSB)</td>
<td>$23.6bn</td>
<td>2.61</td>
<td>Gross/Net: 4 bps²</td>
<td>The iShares 1-5 Year Investment Grade Bond ETF seeks to track the investment results of an index composed of U.S. dollar-denominated bonds that are rated either investment grade or high yield with remaining maturities between one and five years.</td>
</tr>
<tr>
<td>ETF</td>
<td>iShares Core 1-5 Year USD Bond ETF (ISTB)</td>
<td>$4.9bn</td>
<td>2.69</td>
<td>Gross/Net: 6 bps²</td>
<td>The iShares Core 1-5 Year USD Bond ETF seeks to track the investment results of an index composed of U.S. dollar-denominated bonds that are rated either investment grade or high yield with remaining maturities between one and five years.</td>
</tr>
<tr>
<td>Mutual fund</td>
<td>BlackRock Low Duration Bond Fund (I) (BFMSX)</td>
<td>$5.9bn</td>
<td>1.71</td>
<td>Gross: 45 bps³ Net: 41 bps⁴</td>
<td>Invests at least 80% of its assets in investment grade bonds and maintains an average portfolio duration that is between zero and three years. The Fund may invest up to 20% of its assets in non-investment grade bonds. The Fund may also invest up to 25% of its assets in foreign issuers, of which 10% may be invested in emerging markets issuers. Up to 10% of the Fund’s assets may be exposed to non-U.S. currency risk.</td>
</tr>
<tr>
<td>Mutual fund</td>
<td>BlackRock Low Duration Bond Fund (A) (BLDAX)</td>
<td>$5.9bn</td>
<td>1.71</td>
<td>Gross: 74 bps³ Net: 65 bps⁴</td>
<td>Invests at least 80% of its assets in investment grade bonds and maintains an average portfolio duration that is between zero and three years. The Fund may invest up to 20% of its assets in non-investment grade bonds. The Fund may also invest up to 25% of its assets in foreign issuers, of which 10% may be invested in emerging markets issuers. Up to 10% of the Fund’s assets may be exposed to non-U.S. currency risk.</td>
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A basis point (bps) is one one-hundredth of a percent. ¹ Expenses are as of the most current prospectus. Investment dividend expense, interest expense, acquired fund fees and expenses and certain other fund expenses are included in the Net. BlackRock may contractually agree to waive or reimburse certain fees and expenses until a specified date. The investment advisor and/or other service providers may also voluntarily agree to waive certain fees and expenses which can be discontinued at any time without notice. When waivers or reimbursements are in place, the operating expenses are reduced and total returns to the shareholder in the fund increase. With respect to ISTB: BlackRock Fund Advisors ("BFA"), the investment advisor to the Fund, has contractually agreed to waive a portion of its management fees in an amount equal to the Acquired Fund Fees and Expenses, if any, attributable to investments by the Fund in other registered investment companies advised by BFA, or its affiliates, through February 29, 2024. The contractual waiver may be terminated prior to February 29, 2024 only upon written agreement of the Trust and BFA. During the most recently completed fiscal year, the amount of such expenses incurred and fees waived rounded to 0.00%. With respect to BFMSX and BLDAX: BlackRock has contractually agreed to waive the management fee with respect to any portion of the Fund’s assets estimated to be attributable to investments in other equity and fixed income mutual funds and exchange traded funds managed by BlackRock or its affiliates that have a contractual management fee, through June 30, 2023. The contractual agreement may be terminated upon 90 days’ notice by a majority of the non-interested trustees of BlackRock Funds V (the “Trust”) or by a vote of a majority of the outstanding voting securities of the Fund. BlackRock has contractually agreed to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other fund expenses) to 0.65% for Investor A Shares (BLDAX), and 0.40% for Institutional Shares (BFMSX) of average daily net assets through June 30, 2023. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the two years following such waivers and/or reimbursements. The contractual agreement may be terminated upon 90 days’ notice by a majority of the non-interested trustees of the Trust or by a vote of a majority of the outstanding voting securities of the Fund. Please see the prospectus for additional information. ² There is no minimum investment for Employee sponsored retirement plans, or Investors of Financial Intermediaries. $2 million for individuals and $5.9bn for Institutional Investors. ³ AUM is shown at the fund level for products with multiple share classes. Duration is the effective duration, which measures the sensitivity of the price of a bond with or without embedded options to changes in interest rates, taking into account the likelihood of the bond being called, put and/or sunk prior to its final maturity date while incorporating after-tax impacts on the bond. The options-based duration model used by BlackRock employs certain assumptions and may differ from other fund complexes. Effective duration is measured at the individual bond level, aggregated to the portfolio level, and adjusted for leverage, hedging transactions and non-bond holdings, including derivatives if applicable. With respect to Mutual Funds: The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor’s shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. All returns assume reinvestment of all dividend and capital gain distributions. Refer to blackrock.com for current month-end performance. The above product list does not represent all cash or short-term products that BlackRock offers. Additional products can be found at www.blackrock.com, www.blackrock.com/Cash, or www.iShares.com.

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You should consider the investment objectives, risks and expenses of the Funds carefully before investing. The Funds’ prospectuses and, if available summary prospectuses, contain this and other information about the Funds and are available by calling our Client Service Center at 800-441-7450 or by visiting www.blackrock.com/cash for the BlackRock Short Obligations Fund, and by calling 800-882-0052 or visiting www.blackrock.com for the BlackRock Low Duration Bond Fund, the BlackRock Short-Term Municipal Fund and the BlackRock and iShares ETFs. Please read the prospectus carefully before investing.

The BlackRock Funds are actively managed, and their portfolio characteristics are subject to changes. Neither BlackRock nor its affiliates provide tax advice. Please note that (i) any discussion of U.S. tax matters contained in this communication cannot be used by you for the purpose of avoiding tax penalties; (ii) this communication was written to support the promotion or marketing of the matters addressed herein; and (iii) you should seek advice based on your particular circumstances from an independent tax advisor.

Investing involves risk, including possible loss of principal.

Risks related to the iShares and BlackRock ETFs:

An investment in the funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and its return and yield will fluctuate with market conditions.

Securities with floating or variable interest rates may decline in value if their coupon rates do not keep pace with comparable market interest rates. The Fund’s income may decline when interest rates fall because most of the debt instruments held by the Fund will have floating or variable rates.

The BlackRock Short Maturity Bond ETF (NEAR) will invest in privately issued securities that have not been registered under the Securities Act of 1933 and as a result are subject to legal restrictions on resale. Privately issued securities are not traded on established markets and may be illiquid, difficult to value and subject to wide fluctuations in value. Delay or difficulty in selling such securities may result in a loss to the BlackRock Short Maturity Bond ETF. The fund may invest in asset-backed (“ABS”) and mortgage-backed securities (“MBS”) which are subject to credit, prepayment and extension risk, and react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly reduce the value of certain ABS and MBS.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments.

There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to federal or state income taxes or the Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable.

MEAR, NEAR and ICSH (the “Funds”) are not money market funds and are not subject to the strict rules that govern the quality, maturity, liquidity and other features of securities that money market funds may purchase. Under normal circumstances, the Funds’ investments may be more susceptible than a money market fund is to credit risk, interest rate risk, valuation risk and other risks relevant to the Funds’ investments. The Funds do not seek to maintain a stable net asset value of $1.00 per share. The Funds will hold securities with floating or variable interest rates which may decline in value if their coupon rates do not reset as high, or as quickly, as comparable market interest rates. Although floating rate notes are less sensitive to interest rate risk than fixed rate securities, they are subject to credit and default risk, which could impair their value.


The inception date for the Low Duration Bond Fund is 7/17/92. The inception date for the Short-Term Municipal Fund is 11/2/79 and the inception date for the Short Obligations Fund is 7/9/13.