

## BlackRock Funds<sup>SM</sup>

# Short Obligations Fund (A shares)

## March 2021 Factsheet

### Strategy

Under normal market conditions, the Fund will invest in U.S. dollar denominated investment grade and short-term fixed and floating rate debt securities, maturing in 3 years or less (with certain exceptions) and will maintain a dollar-weighted average maturity of 180 days or less and a dollar-weighted average life of 365 days or less. Investment grade securities purchased by the Fund (or the issuers of such securities) will carry a rating of BBB-, or equivalent, or higher by at least one nationally recognized statistical rating organization ("NRSRO") and short-term investments will carry a rating in the highest two rating categories of at least one NRSRO or be determined to be of comparable quality by BlackRock at the time of investment. The Fund invests a significant portion of its assets in securities issued by financial services companies, including banks, broker-dealers and insurance companies, and repurchase agreements secured by such obligations.

### Portfolio Management

Richard Mejjak, CFA  
Eric Hiatt, CFA, FRM

### Minimum Initial Investment

\$1,000

### Ticker

BASOX

### Fund Highlights

- The Fund is not a money market fund
- Designed for short term investors seeking to outperform money market funds
- Daily Liquidity subscriptions and redemptions by 4pm ET processed at that day's NAV
- Settlement is T+1

### % Net total return (3/31/21)

	1 Year	3 Year	Since Inception
A Shares	1.57	1.80	0.97
BoA/ML 6M US T-bill Index	0.16	1.75	-

Performance data quoted represents past performance and is not a guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed may be worth more or less than their original costs. Current performance may be lower or higher than that shown. All returns assume reinvestment of all dividend and capital gain distributions. Index performance is shown for illustrative purposes only. You cannot invest directly in an index. Please call 800-441-7762 to obtain performance data current to the most recent month-end.

### Sector Allocation (%)

Sector	%	Sector	%
Other Instrument - Note	37.5	Tender Option Bond	1.9
CD	20.2	Other Municipal Security	1.5
Non-Financial Co. CP	16.4	Investment Co.	0.1
Financial Co. CP	12.9	Other Asset Backed Securities	1.1
Other Repurchase Agreement	3.8	Non-U.S. Sovereign Debt	0.9
Asset Backed CP	3.5	Insurance Co Funding Agreement	0.2
Other Instrument - Note	37.5	Tender Option Bond	1.9

### Maturity Breakdown (%)

Day Range	%	Day Range	%
1 - 7 Days	3.0	61 - 90 Days	8.1
8 - 14 Days	0.7	91 - 120 Days	8.5
15 - 30 Days	3.3	121 - 150 Days	6.8
31 - 60 Days	9.4	150+ Days	60.2

### Benchmark

BoA/ML 6M US T-bill Index

### Objective

The investment objective of the Fund is to seek current income consistent with preservation of capital.

### Fund details

Share class inception	3/12/2018
Number of holdings	553
Size of fund	\$5,300.8 million
Dollar-weighted life <sup>1</sup>	306 days
Dollar-weighted maturity <sup>2</sup>	167 days
Effective duration (years) <sup>3</sup>	0.44
Dividend payout	Monthly
CUSIP	09258N240

### Performance

30-day SEC yield (subsidized) <sup>4</sup>	-0.12%
30-day SEC yield (unsubsidized) <sup>5</sup>	-0.22%
30-day yield (subsidized) <sup>6</sup>	0.08%
30-day yield (unsubsidized) <sup>7</sup>	-0.02%
7-day yield (subsidized) <sup>8</sup>	0.07%
7-day yield (unsubsidized) <sup>9</sup>	-0.03%
1-day yield (subsidized) <sup>10</sup>	0.08%
1-day yield (unsubsidized) <sup>11</sup>	-0.02%

### Top 10 holdings

Holdings	% of Net Assets	S&P Rating <sup>6</sup>
WASTE MANAGEMENT INC	0.95%	A-2
AT&T INC	0.94%	A-2
7-ELEVEN INC 144A	0.78%	AA-
CHEVRON USA INC	0.76%	AA-
JACKSON NATIONAL LIFE GLOBAL FUNDI 144A	0.68%	A
ROYAL BANK OF CANADA (NY BRANCH)	0.66%	A-1+
VOLKSWAGEN GROUP OF AMERICA FINANCE LLC	0.66%	A-2
DOMINION ENERGY INC	0.65%	BBB
TRI-PARTY BOFA SECURITIES INC.	0.60%	A-1
TRI-PARTY GOLDMAN SACHS & CO. LLC	0.60%	A-1

### Annual Operating Expenses

Expense	Total
Total	0.75%
Net	0.60%

The Net Expense Ratio excluding Investment Related Expenses is 0.60%, and this share class also has a voluntary cap of 0.50% which the advisor may reduce or discontinue at any time without notice. Expenses are stated as of the Fund's most recent prospectus. The difference between the Gross (Total) and Net expense ratios are due to contractual and/or voluntary waivers, if applicable. This share class has a contractual expense cap with an end date of November 30, 2021 terminable upon 90 days' notice.

## Important Notes

**Risk is inherent in all investing.** The value of your investment in the Short Obligations Fund, as well as the amount of return you receive on your investment, may fluctuate significantly from day to day and over time. You may lose part or all of your investment in the Fund or your investment may not perform as well as other similar investments. The following is a summary description of certain risks of investing in the Fund. **Credit Risk-** Credit risk refers to the possibility that the issuer of a security will not be able to make principal and interest payments when due. Changes in an issuer's credit rating or the market's perception of an issuer's creditworthiness may also affect the value of the Fund's investment in that issuer. **Extension Risk** - When interest rates rise, certain obligations will be paid off by the obligor more slowly than anticipated, causing the value of these securities to fall. **Financial Services Risk** - When interest rates go up, the value of securities issued by many types of financial services companies generally goes down. In many countries, financial services and the companies that provide them are regulated by governmental entities, which can increase costs for new services or products and make it difficult to pass increased costs on to consumers. In certain areas, deregulation of financial services companies has resulted in increased competition and reduced profitability for certain companies. The profitability of many types of financial services companies may be adversely affected in certain market cycles, including periods of rising interest rates, which may restrict the availability and increase the cost of capital, and declining economic conditions, which may cause credit losses due to financial difficulties of borrowers. Because many types of financial services companies are vulnerable to these economic cycles, the Fund's investments may lose value during such periods. **Foreign Exposure Risk** - Securities issued or supported by foreign entities, including foreign banks and corporations, may involve additional risks and considerations. Extensive public information about the foreign issuer may not be available, and unfavorable political, economic or governmental developments in the foreign country involved could affect the payment of principal and interest. **Interest Rate Risk** - Interest rate risk is the risk that the value of a debt security may fall when interest rates rise. In general, the market price of debt securities with longer maturities will go up or down more in response to changes in interest rates than the market price of shorter term securities. Additionally, securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities and sponsored enterprises have historically involved little risk of loss of principal if held to maturity. However, due to fluctuations in interest rates, the market value of such securities may vary during the period shareholders own shares of the Fund. **Market Risk and Selection Risk** - Market risk is the risk that one or more markets in which the Fund invests will go down in value, including the possibility that the markets will go down sharply and unpredictably. Selection risk is the risk that the securities selected by Fund management will underperform the markets, the relevant indices or the securities selected by other funds with similar investment objectives and investment strategies. This means you may lose money. **Mortgage and Asset-Backed Securities Risks** - Mortgage- and asset-backed securities represent interests in "pools" of mortgages or other assets, including consumer loans or receivables held in trust. Mortgage- and asset-backed securities are subject to credit, interest rate, prepayment and extension risks. These securities also are subject to risk of default on the underlying mortgage or asset, particularly during periods of economic downturn. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain mortgage-backed securities. **Municipal Securities Risks** - Municipal securities risks include the ability of the issuer to repay the obligation, the relative lack of information about certain issuers of municipal securities, and the possibility of future legislative changes which could affect the market for and value of municipal securities. Certain municipal securities, including private activity bonds, are not backed by the full faith, credit and taxing power of the issuer. Additionally, if events occur after the security is acquired that impact the security's tax-exempt status, the Fund and its shareholders could be subject to substantial tax liabilities. **Prepayment Risk** - When interest rates fall, certain obligations will be paid off by the obligor more quickly than originally anticipated, and the Fund may have to invest the proceeds in securities with lower yields. **Repurchase Agreements Risk** - If the other party to a repurchase agreement defaults on its obligation under the agreement, the Fund may suffer delays and incur costs or lose money in exercising its rights under the agreement. If the seller fails to repurchase the security and the market value of the security declines, the Fund may lose money. **U.S. Government Obligation Risk** - Certain securities in which the Fund may invest, including securities issued by certain U.S. Government agencies and U.S. Government sponsored enterprises, are not guaranteed by the U.S. Government or supported by the full faith and credit of the United States. **Variable and Floating Rate Instrument Risk** - The absence of an active market for these securities could make it difficult for the Fund to dispose of them if the issuer defaults. **When-Issued and Delayed Settlement Transaction Risk**-When-issued and delayed delivery securities involve the risk that the security the Fund buys will lose value prior to its delivery. There also is the risk that the security will not be issued or that the other party to the transaction will not meet its obligation. If this occurs, the Fund loses both the investment opportunity for the assets it set aside to pay for the security and any gain in the security's price.

<sup>1</sup> **Dollar-Weighted Average Life** - the dollar weighted average maturity of a Fund's portfolio calculated without reference to the Maturity Shortening exceptions used for variable or floating rate securities regarding the use of the interest rate reset dates in lieu of the security's actual maturity date. "Dollar-weighted" means the larger the dollar value of a debt security in the Fund, the more weight it gets in calculating this average.

<sup>2</sup> **Dollar-Weighted Average Maturity** - the average maturity of a Fund is the average amount in time until the organizations that issued the debt securities in the Fund's portfolio must pay off the principal amount of the debt. "Dollar-weighted" means the larger the dollar value of a debt security in the Fund, the more weight it gets in calculating this average. To calculate the dollar-weighted average maturity, the Fund may use Maturity Shortening; for example, it may treat a variable or floating rate security as having a maturity equal to the time remaining to the security's next interest rate reset date rather than the security's actual maturity.

<sup>3</sup> **Effective Duration** - A measure of the responsiveness of a bond of portfolio's price to changes in interest rates. Effective Duration takes into account the possible changes in expected bond cash flows due to interest rates changes. <sup>4</sup> **30 Day SEC Yield (subsidized)** - The SEC 30 day Yield is described in Form N-1A. The instructions state that for dividends and interest earned during the period, you calculate the yield-to-maturity of each obligation based on market value. Divide the yield-to- maturity by 360 and multiply the quotient by the market value of the obligation plus accrued interest to determine the interest income. Then total all the interest income. This yield reflects performance after deducting the Fund's expenses (contractual fee waivers, voluntary fee waivers and reimbursements).

<sup>5</sup> **30 Day SEC Yield (unsubsidized)** - The SEC 30 day Yield is described in Form N-1A. The instructions state that for dividends and interest earned during the period, you calculate the yield-to-maturity of each obligation based on market value. Divide the yield-to- maturity by 360 and multiply the quotient by the market value of the obligation plus accrued interest to determine the interest income. Then total all the interest income. This yield reflects performance before deducting the Fund's expenses (contractual fee waivers, voluntary fee waivers and reimbursements).

<sup>6</sup> **30 Day Yield (subsidized)** The Fund's last 30 days of income dividend per share, annualized by dividing by the 30 days and multiplying by 365, and shown as a percentage of the fund's current net asset value (NAV) per share. This yield reflects contractual fee waivers, voluntary fee waivers and reimbursements.

<sup>7</sup> **30 Day Yield (unsubsidized)** - The Fund's last 30 days of income dividend per share, annualized by dividing by the 30 days and multiplying by 365, and shown as a percentage of the fund's current net asset value (NAV) per share. This yield does not reflect contractual fee waivers, voluntary fee waivers and reimbursements.

<sup>8</sup> **7 Day Yield (subsidized)** - The Fund's last 7 days of income dividend per share, annualized by dividing by the 7 days and multiplying by 365, and shown as a percentage of the fund's current net asset value (NAV) per share. This yield reflects contractual fee waivers, voluntary fee waivers and reimbursements.

<sup>9</sup> **7 Day Yield (unsubsidized)** - The Fund's last 7 days of income dividend per share, annualized by dividing by the 7 days and multiplying by 365, and shown as a percentage of the fund's current net asset value (NAV) per share. This yield does not reflect contractual fee waivers, voluntary fee waivers and reimbursements.

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## Important Notes

<sup>10</sup> **1 Day Yield (subsidized)** – The Fund's current day of income dividend per share, annualized by multiplying by 365, and shown as a percentage of the fund's current net asset value (NAV) per share. This yield reflects contractual fee waivers, voluntary fee waivers and reimbursements.

<sup>11</sup> **1 Day Yield (unsubsidized)** – The Fund's current day of income dividend per share, annualized by multiplying by 365, and shown as a percentage of the fund's current net asset value (NAV) per share. This yield does not reflect contractual fee waivers, voluntary fee waivers and reimbursements. <sup>12</sup> **The Credit Quality** of securities listed in the Top 10 holdings are per S&P.

The information contained herein is subject to change. All portfolio information provided is as of March 31, 2021, unless otherwise noted, and is subject to change. This fact sheet is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. It is possible to lose money by investing in the Fund. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or by any bank or governmental agency.

***Please consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The Fund's prospectus and summary prospectus contains this and other information about the Fund and are available, along with information on other BlackRock Funds, by calling 800-441-7762 or by accessing the website at [www.blackrock.com/cash](http://www.blackrock.com/cash). The prospectus should be read carefully before investing.***

Prepared by BlackRock Investments, LLC, member FINRA

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