

SECURITIES AND EXCHANGE COMMISSION

FORM 485BPOS

Post-effective amendments [Rule 485(b)]

Filing Date: **2013-01-28**
SEC Accession No. **0000891092-13-000640**

([HTML Version](#) on secdatabase.com)

FILER

BLACKROCK FUNDS

CIK:**844779** | IRS No.: **510318674** | State of Incorporation: **MA** | Fiscal Year End: **0930**
Type: **485BPOS** | Act: **33** | File No.: **033-26305** | Film No.: **13552454**

Mailing Address
*100 BELLEVUE PARKWAY
WILMINGTON DE 19809*

Business Address
*100 BELLEVUE PARKWAY
WILMINGTON DE 19809
800-441-7762*

BLACKROCK FUNDS

CIK:**844779** | IRS No.: **510318674** | State of Incorporation: **MA** | Fiscal Year End: **0930**
Type: **485BPOS** | Act: **40** | File No.: **811-05742** | Film No.: **13552455**

Mailing Address
*100 BELLEVUE PARKWAY
WILMINGTON DE 19809*

Business Address
*100 BELLEVUE PARKWAY
WILMINGTON DE 19809
800-441-7762*

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

☒

Pre-Effective Amendment No. ☐

Post-Effective Amendment No. 267 ☒

and/or

**REGISTRATION STATEMENT UNDER THE
INVESTMENT COMPANY ACT OF 1940**

Amendment No. 269

(Check appropriate box or boxes)

☒

☒

BLACKROCK FUNDSSM

(Exact Name of Registrant as Specified in Charter)

100 Bellevue Parkway

Wilmington, Delaware 19809

United States of America

(Address of Principal Executive Offices)

Registrant's Telephone Number, including Area Code: **(800) 441-7762**

John M. Perlowski

BlackRock FundsSM

55 East 52nd Street

New York, New York 10055

United States of America

(Name and Address of Agent for Service)

Copies to:

Counsel for the Fund:

Frank P. Bruno, Esq.

Sidley Austin LLP

787 Seventh Avenue

New York, New York 10019-6018

Benjamin Archibald, Esq.

BlackRock Advisors, LLC

55 East 52nd Street

New York, New York 10055

It is proposed that this filing will become effective (check appropriate box)

☒ Immediately upon filing pursuant to paragraph (b)

☐ On (date) pursuant to paragraph (b)

☐ 60 days after filing pursuant to paragraph (a)(1)

☐ On (date) pursuant to paragraph (a)(1)

☐ 75 days after filing pursuant to paragraph (a)(2)

☐ On (date) pursuant to paragraph (a)(2) of Rule 485

If appropriate, check the following box:

☐ This post-effective amendment designates a new effective date for a previously filed post-effective amendment.

PROSPECTUS

BLACKROCK®

BlackRock FundsSM | Investor, Institutional and Class R Shares

- > BlackRock Global Opportunities Portfolio
Investor A: BROAX Investor B: BROBX Investor C: BROCX Institutional: BROIX Class R: BGORX
- > BlackRock International Opportunities Portfolio
Investor A: BREAX Investor B: BREBX Investor C: BRECX Institutional: BISIX
- > BlackRock U.S. Opportunities Portfolio
Investor A: BMEAX Investor B: BRMBX Investor C: BMECX Institutional: BMCIX
- > BlackRock Health Sciences Opportunities Portfolio
Investor A: SHSAX Investor B: SHSPX Investor C: SHSCX Institutional: SHSSX Class R: BHSRX
- > BlackRock Science & Technology Opportunities Portfolio
Investor A: BGSAX Investor B: BGSBX Investor C: BGSCX Institutional: BGSIX Class R: BGSRX

This Prospectus contains information you should know before investing, including information about risks. Please read it before you invest and keep it for future reference.

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

Not FDIC Insured	No Bank Guarantee	May Lose Value
------------------	-------------------	----------------

Table of Contents

Fund Overview	Key facts and details about the Funds, including investment objective, principal strategies, risk factors, fee and expense information, and historical performance information	
	Key Facts About BlackRock Global Opportunities Portfolio	3
	Key Facts About BlackRock International Opportunities Portfolio	8
	Key Facts About BlackRock U.S. Opportunities Portfolio	13
	Key Facts About BlackRock Health Sciences Opportunities Portfolio	18
	Key Facts About BlackRock Science & Technology Opportunities Portfolio	23
	Important Additional Information	28
Details About the Funds	How Each Fund Invests	30
	Investment Risks	36
Account Information	Information about account services, sales charges & waivers, shareholder transactions, and distribution and other payments	
	How to Choose the Share Class that Best Suits Your Needs	44
	Details About the Share Classes	47
	Distribution and Service Payments	51
	How to Buy, Sell, Exchange and Transfer Shares	52
	Account Services and Privileges	58
	Funds' Rights	59
	Participation in Fee-Based Programs	59
	Short-Term Trading Policy	60
Management of the Funds	Information about BlackRock and the Portfolio Managers	
	BlackRock	62
	Portfolio Manager Information	65
	Conflicts of Interest	67
	Valuation of Fund Investments	68
	Dividends, Distributions and Taxes	69
Financial Highlights	Financial Performance of the Funds	71
General Information	Shareholder Documents	94
	Certain Fund Policies	94
	Statement of Additional Information	95
Glossary	Glossary of Investment Terms	96
For More Information	Funds and Service Providers	Inside Back Cover
	Additional Information	Back Cover

Fund Overview

Key Facts About BlackRock Global Opportunities Portfolio

Investment Objective

The investment objective of BlackRock Global Opportunities Portfolio ("Global Opportunities" or the "Fund"), a series of BlackRock FundsSM (the "Trust"), is to provide long-term capital appreciation.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of Global Opportunities. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$25,000 in the fund complex advised by BlackRock Advisors, LLC ("BlackRock"). More information about these and other discounts is available from your financial professional and in the "Details About the Share Classes" section on page 47 of the Fund's prospectus and in the "Purchase of Shares" section on page II-58 of the Fund's statement of additional information.

Shareholder Fees

(fees paid directly from your investment)

	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares	Class R Shares
Maximum Sales Charge (Load) Imposed on Purchases (as percentage of offering price)	5.25%	None	None	None	None
Maximum Deferred Sales Charge (Load) (as percentage of offering price or redemption proceeds, whichever is lower)	None ¹	4.50% ²	1.00% ³	None	None

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares	Class R Shares
Management Fees	0.90%	0.90%	0.90%	0.90%	0.90%
Distribution (12b-1) and/or Service Fees	0.25%	1.00%	1.00%	None	0.50%
Other Expenses	0.37%	0.31%	0.42%	0.35%	0.40%
Total Annual Fund Operating Expenses	1.52%	2.21%	2.32%	1.25%	1.80%
Fee Waivers and/or Expense Reimbursements ⁴	(0.19)%	(0.03)%	(0.18)%	(0.19)%	(0.08)%
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements ⁴	1.33%	2.18%	2.14%	1.06%	1.72%

¹ A contingent deferred sales charge ("CDSC") of 1.00% is assessed on certain redemptions of Investor A Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.

² The CDSC is 4.50% if shares are redeemed in less than one year. The CDSC for Investor B Shares decreases for redemptions made in subsequent years. After six years there is no CDSC on Investor B Shares. (See the section "Details About the Share Classes – Investor B Shares" in the Fund's prospectus for the complete schedule of CDSCs.)

³ There is no CDSC on Investor C Shares after one year.

As described in the "Management of the Funds" section of the Fund's prospectus on pages 62-70, 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) as a percentage of average daily net assets to 1.33% (for Investor A Shares), 2.18% (for Investor B Shares), 2.14% (for Investor C Shares), 1.06% (for Institutional Shares) and 1.72% (for Class R Shares) until February 1, 2015. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

Example:

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Investor A Shares	\$653	\$ 944	\$1,275	\$2,211
Investor B Shares	\$671	\$1,035	\$1,379	\$2,365
Investor C Shares	\$317	\$ 689	\$1,207	\$2,627
Institutional Shares	\$108	\$ 358	\$ 649	\$1,477
Class R Shares	\$175	\$ 550	\$ 960	\$2,102

You would pay the following expenses if you did not redeem your shares:

	1 Year	3 Years	5 Years	10 Years
Investor B Shares	\$221	\$ 685	\$1,179	\$2,365
Investor C Shares	\$217	\$ 689	\$1,207	\$2,627

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 122% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal conditions, Global Opportunities will invest at least 75% of its total assets in global equity securities of any market capitalization, selected for their above-average return potential. The Fund seeks to buy primarily common stock but may also invest in preferred stock and convertible securities. The Fund may invest up to 25% of its total assets in stocks of issuers in emerging market countries.

The Fund may invest up to 25% of its total assets in global fixed income securities, including corporate bonds, U.S. government debt securities, non-U.S. government and supranational debt securities, asset-backed securities, mortgage-backed securities, emerging market debt securities and non-investment grade debt securities (high yield or junk bonds). Investment in fixed income securities will be made on an opportunistic basis. Securities will be identified based on factors such as relative value and earnings estimate revisions.

From time to time, the Fund may invest in shares of companies through initial public offerings ("IPOs"). The Fund will invest in securities of non-U.S. issuers that can be U.S. dollar based or non-U.S. dollar based on a hedged or unhedged basis.

The Fund may enter into currency transactions on a hedged or unhedged basis in order to seek total return.

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in Global Opportunities, 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 principal risks of investing in the Fund.

■ **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

■ **Debt Securities Risk** – Debt securities, such as bonds, involve credit risk. Credit risk is the risk that the borrower will not make timely payments of principal and interest. 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. The degree of credit risk depends on the issuer's financial condition and on the terms of the securities. Debt securities are also subject to 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.

■ **Derivatives Risk** – The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A risk of the Fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. The possible lack of a liquid secondary market for derivatives and the resulting inability of the Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for the Fund to value accurately. Derivatives may give rise to a form of leverage and may expose the Fund to greater risk and increase its costs. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

■ **Emerging Markets Risk** – Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets.

■ **Equity Securities Risk** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

■ **Foreign Securities Risk** – Foreign investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. These risks include:

- The Fund generally holds its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight.
- Changes in foreign currency exchange rates can affect the value of the Fund's portfolio.

The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position.

- The governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries.

Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws.

- Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.

The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of the Fund's investments.

- **Investment Style Risk** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

- **Leverage Risk** – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

- **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.

- **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

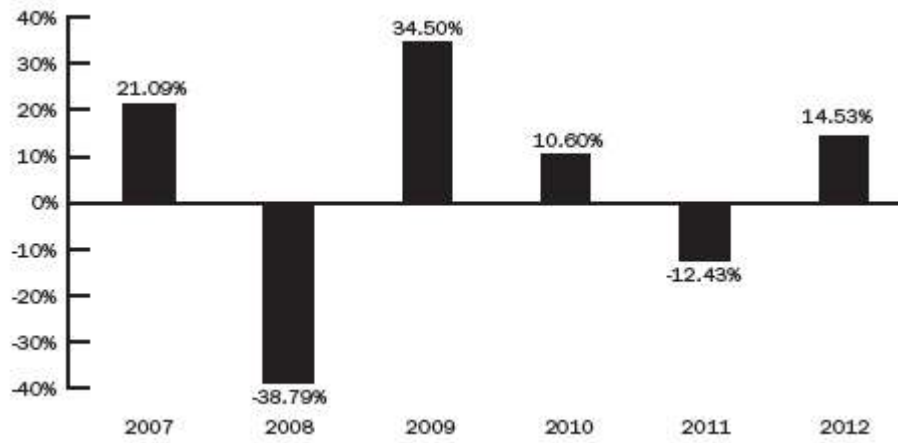
- **"New Issues" Risk** – "New Issues" are initial public offerings of equity securities of U.S. and non-U.S. issuers. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering.

- **Small Cap Securities Risk** – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

Performance Information

The information shows you how Global Opportunities' performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the average annual total returns of each class of the Fund's shares with that of the MSCI All Country World Index. Class R Shares commenced operations on September 12, 2011, therefore the returns in the table for Class R Shares prior to commencement date are based on the Fund's Institutional Shares, adjusted to reflect the fees and expenses applicable to Class R Shares. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund's returns would have been lower. Updated information on the Fund's results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Investor A Shares ANNUAL TOTAL RETURNS BlackRock Global Opportunities Portfolio As of 12/31



During the periods shown in the bar chart, the highest return for a quarter was 24.03% (quarter ended June 30, 2009) and the lowest return for a quarter was -21.57% (quarter ended December 31, 2008).



As of 12/31/12

Average Annual Total Returns

	1 Year	5 Years	Since Inception (January 31, 2006)
BlackRock Global Opportunities Portfolio – Investor A			
Return Before Taxes	8.54%	(2.85)%	2.22%
Return After Taxes on Distributions	8.38%	(2.91)%	1.95%
Return After Taxes on Distributions and Sale of Shares	5.77%	(2.39)%	1.82%
BlackRock Global Opportunities Portfolio – Investor B			
Return Before Taxes	9.11%	(2.93)%	2.25%
BlackRock Global Opportunities Portfolio – Investor C			
Return Before Taxes	12.68%	(2.57)%	2.24%
BlackRock Global Opportunities Portfolio – Institutional			
Return Before Taxes	14.87%	(1.50)%	3.31%
BlackRock Global Opportunities Portfolio – Class R			
Return Before Taxes	14.06%	(2.15)%	2.63%
MSCI All Country World Index (Reflects no deduction for fees, expenses or taxes)	16.13%	(1.16)%	2.85%

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Investor A Shares only, and the after-tax returns for Investor B, Investor C, Institutional and Class R Shares will vary.

Investment Manager

Global Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock"). The Fund's sub-adviser is BlackRock Financial Management, Inc. (the "Sub-Adviser"). Where applicable, "BlackRock" refers also to the Sub-Adviser.

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	2006	Managing Director of BlackRock, Inc.
Ian Jamieson, CFA	2011	Managing Director of BlackRock, Inc.
Nigel Hart, CFA	2012	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sales of Fund shares, tax information, and financial intermediary compensation, please turn to "Important Additional Information" on page 28 of the prospectus.



Fund Overview

Key Facts About BlackRock International Opportunities Portfolio

Investment Objective

The investment objective of BlackRock International Opportunities Portfolio (“International Opportunities” or the “Fund”), a series of BlackRock FundsSM (the “Trust”), is to seek long-term capital appreciation.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of International Opportunities. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$25,000 in the fund complex advised by BlackRock Advisors, LLC (“BlackRock”). More information about these and other discounts is available from your financial professional and in the “Details About the Share Classes” section on page 47 of the Fund’s prospectus and in the “Purchase of Shares” section on page II-58 of the Fund’s statement of additional information.

Shareholder Fees

(fees paid directly from your investment)

	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares
Maximum Sales Charge (Load) Imposed on Purchases (as percentage of offering price)	5.25%	None	None	None
Maximum Deferred Sales Charge (Load) (as percentage of offering price or redemption proceeds, whichever is lower)	None ¹	4.50% ²	1.00% ³	None

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares
Management Fees	0.98%	0.98%	0.98%	0.98%
Distribution (12b-1) and/or Service Fees	0.25%	1.00%	1.00%	None
Other Expenses	0.34%	0.43%	0.36%	0.31%
Acquired Fund Fees and Expenses ⁴	0.01%	0.01%	0.01%	0.01%
Total Annual Fund Operating Expenses ⁴	1.58%	2.42%	2.35%	1.30%
Fee Waivers and/or Expense Reimbursements ⁵	–	–	–	–
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements ⁵	1.58%	2.42% ⁶	2.35%	1.30%

¹ A contingent deferred sales charge (“CDSC”) of 1.00% is assessed on certain redemptions of Investor A Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.

² The CDSC is 4.50% if shares are redeemed in less than one year. The CDSC for Investor B Shares decreases for redemptions made in subsequent years. After six years there is no CDSC on Investor B Shares. (See the section “Details About the Share Classes – Investor B Shares” in the Fund’s prospectus for the complete schedule of CDSCs.)

³ There is no CDSC on Investor C Shares after one year.

⁴ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund’s most recent annual report which does not include the Acquired Fund Fees and Expenses.

⁵ As described in the “Management of the Funds” section of the Fund’s prospectus on pages 62–70, 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) as a percentage of average daily net assets to 1.98% (for Investor A Shares), 2.75% (for Investor B and Investor C Shares) and 1.49% (for Institutional Shares) until February 1, 2014. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

**Example:**

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Investor A Shares	\$677	\$ 998	\$1,340	\$2,305
Investor B Shares	\$695	\$1,105	\$1,491	\$2,548
Investor C Shares	\$338	\$ 733	\$1,255	\$2,686
Institutional Shares	\$132	\$ 412	\$ 713	\$1,568

You would pay the following expenses if you did not redeem your shares:

	1 Year	3 Years	5 Years	10 Years
Investor B Shares	\$245	\$ 755	\$1,291	\$2,548
Investor C Shares	\$238	\$ 733	\$1,255	\$2,686

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 99% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, International Opportunities invests at least 80% of its net assets in equity securities issued by foreign companies of any market capitalization. The Fund may invest up to 40% of its net assets in stocks of issuers in emerging market countries.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through initial public offerings ("IPOs").

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in International Opportunities, 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 principal risks of investing in the Fund.

- **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's



creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

Derivatives Risk – The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A risk of the Fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. The possible lack of a liquid secondary market for derivatives and the resulting inability of the Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for the Fund to value accurately. Derivatives may give rise to a form of leverage and may expose the Fund to greater risk and increase its costs. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

Emerging Markets Risk – Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets.

Equity Securities Risk – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

Foreign Securities Risk – Foreign investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. These risks include:

- The Fund generally holds its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight.
- Changes in foreign currency exchange rates can affect the value of the Fund's portfolio.
- The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position.
- The governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries.
- Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws.
- Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.
- The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of the Fund's investments.

Investment Style Risk – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

Leverage Risk – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

- **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.

- **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

“New Issues” Risk – “New Issues” are initial public offerings of equity securities of U.S. and non-U.S. issuers.

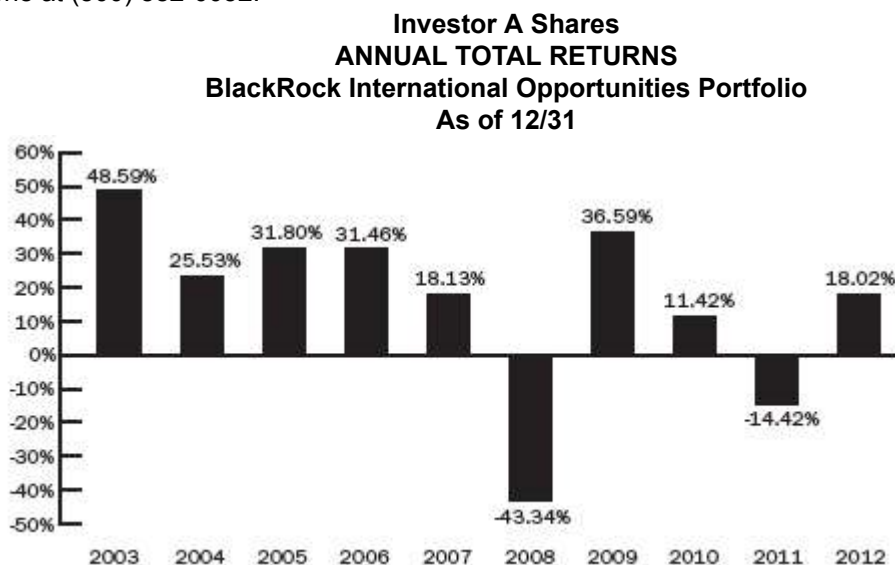
- Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering.

Small Cap Securities Risk – Small cap companies may have limited product lines or markets. They may be less

- financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

Performance Information

The information shows you how International Opportunities’ performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the average annual total returns of each class of the Fund’ s shares with that of the MSCI All Country World Index Ex-U.S. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund’ s returns would have been lower. Updated information on the Fund’ s results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.



During the ten-year period shown in the bar chart, the highest return for a quarter was 28.03% (quarter ended June 30, 2009) and the lowest return for a quarter was -24.50% (quarter ended September 30, 2008).

As of 12/31/12

Average Annual Total Returns

	1 Year	5 Years	10 Years
BlackRock International Opportunities Portfolio – Investor A			
Return Before Taxes	11.83%	(3.77)%	11.98%
Return After Taxes on Distributions	11.59%	(3.81)%	11.19%
Return After Taxes on Distributions and Sale of Shares	8.00%	(3.07)%	10.68%
BlackRock International Opportunities Portfolio – Investor B			
Return Before Taxes	12.50%	(3.88)%	11.89%
BlackRock International Opportunities Portfolio – Investor C			
Return Before Taxes	16.15%	(3.47)%	11.74%
BlackRock International Opportunities Portfolio – Institutional			
Return Before Taxes	18.38%	(2.45)%	12.95%
MSCI All Country World Index Ex-U.S.	16.83%	(2.89)%	9.74%
(Reflects no deduction for fees, expenses or taxes)			



□

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Investor A Shares only, and the after-tax returns for Investor B, Investor C and Institutional Shares will vary.

Investment Manager

International Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock"). The Fund's sub-adviser is BlackRock International Limited (the "Sub-Adviser"). Where applicable, "BlackRock" refers also to the Sub-Adviser.

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	1999	Managing Director of BlackRock, Inc.
Ian Jamieson, CFA	2011	Managing Director of BlackRock, Inc.
Nigel Hart, CFA	2012	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sales of Fund shares, tax information, and financial intermediary compensation, please turn to "Important Additional Information" on page 28 of the prospectus.

□

Fund Overview

Key Facts About BlackRock U.S. Opportunities Portfolio

Investment Objective

The investment objective of BlackRock U.S. Opportunities Portfolio (“U.S. Opportunities” or the “Fund”), a series of BlackRock FundsSM (the “Trust”), is to provide long-term capital appreciation.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of U.S. Opportunities. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$25,000 in the fund complex advised by BlackRock Advisors, LLC (“BlackRock”). More information about these and other discounts is available from your financial professional and in the “Details About the Share Classes” section on page 47 of the Fund’s prospectus and in the “Purchase of Shares” section on page II-58 of the Fund’s statement of additional information.

Shareholder Fees

(fees paid directly from your investment)

	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares
Maximum Sales Charge (Load) Imposed on Purchases (as percentage of offering price)	5.25%	None	None	None
Maximum Deferred Sales Charge (Load) (as percentage of offering price or redemption proceeds, whichever is lower)	None ¹	4.50% ²	1.00% ³	None

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares
Management Fees	1.06%	1.06%	1.06%	1.06%
Distribution (12b-1) and/or Service Fees	0.25%	1.00%	1.00%	None
Other Expenses	0.31%	0.36%	0.29%	0.24%
Acquired Fund Fees and Expenses ⁴	0.01%	0.01%	0.01%	0.01%
Total Annual Fund Operating Expenses ⁴	1.63%	2.43%	2.36%	1.31%
Fee Waivers and/or Expense Reimbursements ⁵	–	(0.10)%	(0.03)%	(0.27)%
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements ⁵	1.63%	2.33%	2.33%	1.04%

¹ A contingent deferred sales charge (“CDSC”) of 1.00% is assessed on certain redemptions of Investor A Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.

² The CDSC is 4.50% if shares are redeemed in less than one year. The CDSC for Investor B Shares decreases for redemptions made in subsequent years. After six years there is no CDSC on Investor B Shares. (See the section “Details About the Share Classes – Investor B Shares” in the Fund’s prospectus for the complete schedule of CDSCs.)

³ There is no CDSC on Investor C Shares after one year.

⁴ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund’s most recent annual report which does not include the Acquired Fund Fees and Expenses.

⁵ As described in the “Management of the Funds” section of the Fund’s prospectus on pages 62–70, 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) as a percentage of average daily net assets to 1.65% (for Investor A Shares), 2.32% (for Investor B and Investor C Shares) and 1.03% (for Institutional Shares) until February 1, 2014. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

Example:

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Investor A Shares	\$682	\$1,012	\$1,365	\$2,356
Investor B Shares	\$686	\$1,098	\$1,487	\$2,561
Investor C Shares	\$336	\$ 734	\$1,258	\$2,694
Institutional Shares	\$106	\$ 389	\$ 692	\$1,555

You would pay the following expenses if you did not redeem your shares:

	1 Year	3 Years	5 Years	10 Years
Investor B Shares	\$236	\$ 748	\$1,287	\$2,561
Investor C Shares	\$236	\$ 734	\$1,258	\$2,694

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 106% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, U.S. Opportunities invests at least 80% of its net assets in equity securities issued by U.S. emerging capitalization companies with relatively attractive earnings growth potential and valuation. Although a universal definition of emerging capitalization companies does not exist, the Fund generally defines these companies, at the time of the Fund's investment, as those with market capitalizations comparable in size to those within the universe of Russell Midcap[®] Index stocks (between approximately \$1.35 billion and \$17.40 billion as of June 22, 2012, the most recent rebalance date). In the future, the Fund may define emerging capitalization companies using a different index or classification system.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through initial public offerings ("IPOs").

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities (collectively, commonly known as derivatives). The primary purpose of using derivatives is to attempt to reduce risk to the Fund as a whole (hedge), but they may also be used to maintain liquidity and commit cash pending investment. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk.

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in U.S. Opportunities, 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 principal risks of investing in the Fund.

- **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

Derivatives Risk – The Fund’s use of derivatives may reduce the Fund’s returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A risk of the Fund’s use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. The possible lack of a liquid secondary market for derivatives and the

- resulting inability of the Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for the Fund to value accurately. Derivatives may give rise to a form of leverage and may expose the Fund to greater risk and increase its costs. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

- **Equity Securities Risk** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company’s financial condition and overall market and economic conditions.

- **Investment Style Risk** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

- **Leverage Risk** – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund’s portfolio will be magnified when the Fund uses leverage.

- **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.

- **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

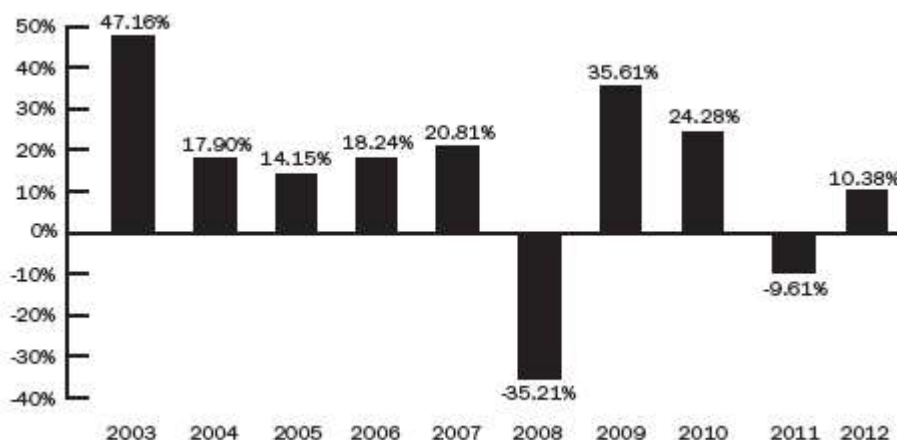
- **“New Issues” Risk** – “New Issues” are initial public offerings of equity securities of U.S. and non-U.S. issuers. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering.

- **Small Cap and Emerging Growth Securities Risk** – Small cap or emerging growth companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

Performance Information

The information shows you how U.S. Opportunities' performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the average annual total returns of each class of the Fund's shares with that of the Russell Midcap[®] Index. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund's returns would have been lower. Updated information on the Fund's results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Investor A Shares
ANNUAL TOTAL RETURNS
BlackRock U.S. Opportunities Portfolio
As of 12/31



During the ten-year period shown in the bar chart, the highest return for a quarter was 19.31% (quarter ended June 30, 2003) and the lowest return for a quarter was -22.42% (quarter ended September 30, 2011).

As of 12/31/12

Average Annual Total Returns

	1 Year	5 Years	10 Years
BlackRock U.S. Opportunities Portfolio – Investor A			
Return Before Taxes	4.59%	0.63%	11.31%
Return After Taxes on Distributions	4.21%	0.17%	11.06%
Return After Taxes on Distributions and Sale of Shares	3.49%	0.49%	10.13%
BlackRock U.S. Opportunities Portfolio – Investor B			
Return Before Taxes	4.98%	0.60%	11.25%
BlackRock U.S. Opportunities Portfolio – Investor C			
Return Before Taxes	8.59%	0.98%	11.10%
BlackRock U.S Opportunities Portfolio – Institutional			
Return Before Taxes	10.90%	2.23%	12.43%
Russell Midcap [®] Index (Reflects no deduction for fees, expenses or taxes)	17.28%	3.57%	10.65%

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Investor A Shares only, and the after-tax returns for Investor B, Investor C and Institutional Shares will vary.

Investment Manager

U.S. Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock").



Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	2002	Managing Director of BlackRock, Inc.
Jean Rosenbaum, CFA	2002	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sales of Fund shares, tax information, and financial intermediary compensation, please turn to “Important Additional Information” on page 28 of the prospectus.



Fund Overview

Key Facts About BlackRock Health Sciences Opportunities Portfolio

Investment Objective

The investment objective of BlackRock Health Sciences Opportunities Portfolio (“Health Sciences Opportunities” or the “Fund”), a series of BlackRock FundsSM (the “Trust”), is to provide long-term growth of capital.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of Health Sciences Opportunities. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$25,000 in the fund complex advised by BlackRock Advisors, LLC (“BlackRock”). More information about these and other discounts is available from your financial professional and in the “Details About the Share Classes” section on page 47 of the Fund’s prospectus and in the “Purchase of Shares” section on page II-58 of the Fund’s statement of additional information.

Shareholder Fees (fees paid directly from your investment)	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares	Class R Shares
Maximum Sales Charge (Load) Imposed on Purchases (as percentage of offering price)	5.25%	None	None	None	None
Maximum Deferred Sales Charge (Load) (as percentage of offering price or redemption proceeds, whichever is lower)	None ¹	4.50% ²	1.00 % ³	None	None

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares	Class R Shares
Management Fees	0.73%	0.73%	0.73%	0.73%	0.73%
Distribution (12b-1) and/or Service Fees	0.25%	1.00%	1.00%	None	0.50%
Other Expenses	0.31%	0.34%	0.28%	0.25%	0.47%
Acquired Fund Fees and Expenses ⁴	0.01%	0.01%	0.01%	0.01%	0.01%
Total Annual Fund Operating Expenses ⁴	1.30%	2.08%	2.02%	0.99%	1.71%
Fee Waivers and/or Expense Reimbursements ⁵	–	–	–	–	–
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements ⁵	1.30%	2.08%	2.02%	0.99%	1.71%

¹ A contingent deferred sales charge (“CDSC”) of 1.00% is assessed on certain redemptions of Investor A Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.

² The CDSC is 4.50% if shares are redeemed in less than one year. The CDSC for Investor B Shares decreases for redemptions made in subsequent years. After six years there is no CDSC on Investor B Shares. (See the section “Details About the Share Classes – Investor B Shares” in the Fund’s prospectus for the complete schedule of CDSCs.)

³ There is no CDSC on Investor C Shares after one year.

⁴ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund’s most recent annual report which does not include the Acquired Fund Fees and Expenses.

⁵ As described in the “Management of the Funds” section of the Fund’s prospectus on pages 62–70, 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) as a percentage of average daily net assets to 1.81% for Class R Shares until February 1, 2014. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

**Example:**

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Investor A Shares	\$650	\$ 915	\$1,200	\$2,010
Investor B Shares	\$661	\$1,002	\$1,319	\$2,211
Investor C Shares	\$305	\$ 634	\$1,088	\$2,348
Institutional Shares	\$101	\$ 315	\$ 547	\$1,213
Class R Shares	\$174	\$ 539	\$ 928	\$2,019

You would pay the following expenses if you did not redeem your shares:

	1 Year	3 Years	5 Years	10 Years
Investor B Shares	\$211	\$ 652	\$1,119	\$2,211
Investor C Shares	\$205	\$ 634	\$1,088	\$2,348

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 135% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, Health Sciences Opportunities invests at least 80% of total assets in equity securities, primarily common stock, of companies in health sciences and related industries. The health sciences sector can include companies in health care equipment and supplies, health care providers and services, biotechnology, and pharmaceuticals. Health sciences and related industries can include, but are not limited to, businesses involved in the development, production, and distribution or delivery of medical and pharmaceutical products and services, companies engaged in biotechnology and medical research and development, companies that may design, manufacture or distribute medical, dental and optical equipment and supplies, including diagnostic equipment, and companies that may also provide diagnostic services or operate health facilities and hospitals, or provide related administrative, management and financial support. The Fund will concentrate its investments (i.e., invest more than 25% of its assets) in health sciences or related industries, and may invest in companies located in non-U.S. countries.

The Fund reserves the right to invest up to 20% of total assets in other types of securities. These may include stocks of companies not associated with health sciences.

The Fund is classified as non-diversified under the Investment Company Act of 1940, as amended, which means that it can invest more of its assets in fewer companies than a diversified fund.

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in Health Sciences Opportunities, 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 principal risks of investing in the Fund.

- **Concentration Risk** – The Fund's strategy of concentrating in health sciences and related companies means that its performance will be closely tied to the performance of a particular market segment. The Fund's concentration in these companies may present more risks than if it were broadly diversified over numerous industries and sectors of the economy. A downturn in these companies would have a larger impact on the Fund than on a mutual fund that does not concentrate in such companies. At times, the performance of these companies will lag the performance of other industries or the broader market as a whole.



- **Equity Securities Risk** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.
- **Foreign Securities Risk** – Foreign investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. These risks include:
 - The Fund generally holds its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight.
 - Changes in foreign currency exchange rates can affect the value of the Fund's portfolio.
 - The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position.
 - The governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries.
 - Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws.
 - Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.
 - The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of the Fund's investments.
- **Healthcare-Related Securities Risk** – Many healthcare-related companies are smaller and less seasoned than companies in other sectors. Healthcare-related companies may also be strongly affected by scientific or technological developments and their products may quickly become obsolete. Many healthcare companies are heavily dependent on patent protection and the actual or perceived safety and efficiency of their products. The expiration of patents may adversely affect the profitability of these companies. Many healthcare companies are subject to extensive litigation based on product liability and similar claims. Finally, many healthcare-related companies offer products and services that are subject to governmental regulation and may be adversely affected by changes in governmental policies or laws. In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act designed to reform the healthcare industry. The Fund cannot predict the impact of this legislation on healthcare-related companies or what healthcare-related proposals might be proposed or enacted in the future.
- **Investment Style Risk** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.
- **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.
- **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.
- **Non-Diversification Risk** – The Fund is a non-diversified fund. Because the Fund may invest in securities of a smaller number of issuers, it may be more exposed to the risks associated with and developments affecting an individual issuer than a fund that invests more widely.
- **Small Cap Securities Risk** – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

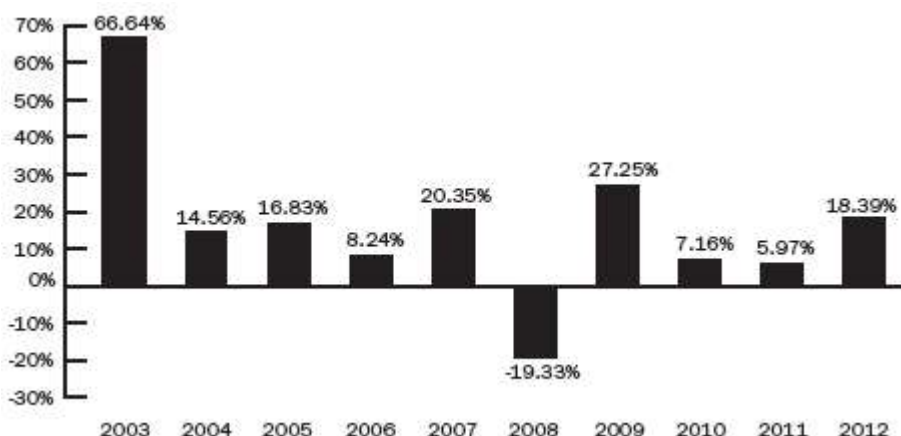
Performance Information

On January 31, 2005, Health Sciences Opportunities reorganized with the State Street Research Health Sciences Fund (the "SSR Fund"). For periods prior to January 31, 2005, the chart and table show performance information for the SSR Fund, which had investment objectives and strategies substantially similar to the Fund. The performance of Investor B and Investor C Shares for the period before they were launched is based on the performance of Investor A Shares, adjusted to reflect the class specific fees applicable to Investor B and Investor C Shares, respectively, at the time of such share class' launch. Class R Shares commenced operations on September 12, 2011, therefore the returns in the table for Class R Shares prior to commencement date are based on the Fund' s Institutional Shares, adjusted to reflect the fees and expenses applicable to Class R Shares. This information may be considered when assessing the Fund' s performance, but does not represent the actual performance of these share classes.

The information shows you how the Fund' s performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the Fund' s performance to that of the Standard & Poor' s ("S&P") 500[®]

Index. The table also compares the Fund' s performance to that of the Russell 3000[®] Health Care Index, which is relevant to the Fund because it has characteristics similar to the Fund' s investment strategies. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund' s returns would have been lower. Updated information on the Fund' s results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Investor A Shares ANNUAL TOTAL RETURNS BlackRock Health Sciences Opportunities Portfolio As of 12/31



During the ten-year period shown in the bar chart, the highest return for a quarter was 34.69% (quarter ended June 30, 2003) and the lowest return for a quarter was - 13.97% (quarter ended December 31, 2008).

As of 12/31/12

Average Annual Total Returns

	1 Year	5 Years	10 Years
BlackRock Health Sciences Opportunities Portfolio – Investor A			
Return Before Taxes	12.17%	5.51%	14.28%
Return After Taxes on Distributions	10.80%	4.51%	13.32%
Return After Taxes on Distributions and Sale of Shares	9.25%	4.42%	12.48%
BlackRock Health Sciences Opportunities Portfolio – Investor B			
Return Before Taxes	12.99%	5.50%	14.19%
BlackRock Health Sciences Opportunities Portfolio – Investor C			
Return Before Taxes	16.58%	5.89%	14.08%
BlackRock Health Sciences Opportunities Portfolio – Institutional			
Return Before Taxes	18.77%	6.99%	15.25%
BlackRock Health Sciences Opportunities Portfolio – Class R			
Return Before Taxes	17.92%	6.17%	14.35%
Russell 3000 [®] Health Care Index (Reflects no deduction for fees, expenses or taxes)	19.32%	5.52%	7.13%

S&P 500® Index

(Reflects no deduction for fees, expenses or taxes)

16.00%

1.66%

7.10%

21

□

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Investor A Shares only, and the after-tax returns for Investor B, Investor C, Institutional and Class R Shares will vary.

Investment Manager

Health Sciences Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock").

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	2005	Managing Director of BlackRock, Inc.
Erin Xie, PhD	2003	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sales of Fund shares, tax information, and financial intermediary compensation, please turn to "Important Additional Information" on page 28 of the prospectus.

□

Fund Overview

Key Facts About BlackRock Science & Technology Opportunities Portfolio

Investment Objective

The investment objective of BlackRock Science & Technology Opportunities Portfolio ("Science & Technology Opportunities" or the "Fund"), a series of BlackRock FundsSM (the "Trust"), is to provide long-term capital appreciation.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of Science & Technology Opportunities. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$25,000 in the fund complex advised by BlackRock Advisors, LLC ("BlackRock"). More information about these and other discounts is available from your financial professional and in the "Details About the Share Classes" section on page 47 of the Fund's prospectus and in the "Purchase of Shares" section on page II-58 of the Fund's statement of additional information.

Shareholder Fees (fees paid directly from your investment)	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares
Maximum Sales Charge (Load) Imposed on Purchases (as percentage of offering price)	5.25%	None	None	None
Maximum Deferred Sales Charge (Load) (as percentage of offering price or redemption proceeds, whichever is lower)	None ¹	4.50% ²	1.00% ³	None
Annual Fund Operating Expenses (expenses that are deducted from Fund assets)	Investor A Shares	Investor B Shares	Investor C Shares	Institutional Shares
Management Fees	0.90%	0.90%	0.90%	0.90%
Distribution (12b-1) and/or Service Fees	0.25%	1.00%	1.00%	None
Other Expenses	0.57%	0.62%	0.70%	0.55%
Acquired Fund Fees and Expenses ⁴	0.01%	0.01%	0.01%	0.01%
Total Annual Fund Operating Expenses ⁴	1.73%	2.53%	2.61%	1.46%
Fee Waivers and/or Expense Reimbursements ⁵	—	—	—	(0.06)%
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements ⁵	1.73%	2.53%	2.61%	1.40%

¹ A contingent deferred sales charge ("CDSC") of 1.00% is assessed on certain redemptions of Investor A Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.

² The CDSC is 4.50% if shares are redeemed in less than one year. The CDSC for Investor B Shares decreases for redemptions made in subsequent years. After six years there is no CDSC on Investor B Shares. (See the section "Details About the Share Classes – Investor B Shares" in the Fund's prospectus for the complete schedule of CDSCs.)

³ There is no CDSC on Investor C Shares after one year.

⁴ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund's most recent annual report which does not include the Acquired Fund Fees and Expenses.

⁵ As described in the "Management of the Funds" section of the Fund's prospectus on pages 62- 70, 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) as a percentage of average daily net assets to 1.80% (for Investor A Shares), 2.73% (for Investor B and Investor C Shares), 1.39% (for Institutional Shares) and 2.57% (for Class R Shares) until February 1, 2014. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

Example:

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Investor A Shares	\$692	\$1,041	\$1,414	\$2,459
Investor B Shares	\$706	\$1,138	\$1,545	\$2,670
Investor C Shares	\$364	\$ 811	\$1,385	\$2,944
Institutional Shares	\$143	\$ 456	\$ 792	\$1,741
Class R Shares	\$204	\$ 630	\$1,083	\$2,338

You would pay the following expenses if you did not redeem your shares:

	1 Year	3 Years	5 Years	10 Years
Investor B Shares	\$256	\$ 788	\$1,345	\$2,670
Investor C Shares	\$264	\$ 811	\$1,385	\$2,944

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 320% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, Science & Technology Opportunities invests at least 80% of its net assets in equity securities issued by U.S. and non-U.S. science and technology companies in all market capitalization ranges, selected for their rapid and sustainable growth potential from the development, advancement and use of science and/or use of technology. The Fund may invest up to 25% of its net assets in emerging market countries.

Some of the industries likely to be represented in the Fund's portfolio holdings include: application software, IT consulting and services, internet software and services, networking equipment, telecom equipment, computer hardware, computer storage and peripherals, electronic equipment and instruments, semiconductors and equipment, aerospace and defense, electrical components and equipment, biotechnology, pharmaceuticals, healthcare equipment and supplies, healthcare distribution and services, healthcare facilities, industrial gases, specialty chemicals, advanced materials, internet and catalog retail, integrated telecom services, alternative carriers and wireless telecommunication services.

The Fund seeks to invest primarily in common stock but may also invest in preferred stock and convertible securities. The Fund may also invest in Rule 144A securities, which are privately placed securities purchased by qualified institutional buyers. From time to time the Fund may invest in shares of companies through initial public offerings ("IPOs").

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in Science & Technology Opportunities, 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 principal risks of investing in the Fund.

■ **Concentration Risk** – The Fund's strategy of concentrating in science and technology and related companies means that its performance will be closely tied to the performance of a particular market segment. The Fund's concentration in these companies may present more risks than if it were broadly diversified over numerous industries and sectors of the economy. A downturn in these companies would have a larger impact on the Fund than on a mutual fund that does not concentrate in such companies. At times, the performance of these companies will lag the performance of other industries or the broader market as a whole.

■ **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

■ **Derivatives Risk** – The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A risk of the Fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. The possible lack of a liquid secondary market for derivatives and the resulting inability of the Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for the Fund to value accurately. Derivatives may give rise to a form of leverage and may expose the Fund to greater risk and increase its costs. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

■ **Emerging Markets Risk** – Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets.

■ **Equity Securities Risk** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

■ **Foreign Securities Risk** – Foreign investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. These risks include:

– The Fund generally holds its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight.

– Changes in foreign currency exchange rates can affect the value of the Fund's portfolio.

– The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position.

– The governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries.

– Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws.

– Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.



The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of the Fund' s investments.

- **Geographic Concentration Risk** – From time to time the Fund may invest a substantial amount of its assets in issuers located in a single country or a limited number of countries. If the Fund concentrates its investments in this manner, it assumes the risk that economic, political and social conditions in those countries will have a significant impact on its investment performance. The Fund' s investment performance may also be more volatile if it concentrates its investments in certain countries, especially emerging market countries.

- **Investment Style Risk** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

- **Leverage Risk** – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund' s portfolio will be magnified when the Fund uses leverage.

- **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.

- **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

- **“New Issues” Risk** – “New Issues” are initial public offerings of equity securities of U.S. and non-U.S. issuers. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering.

- **Small Cap Securities Risk** – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

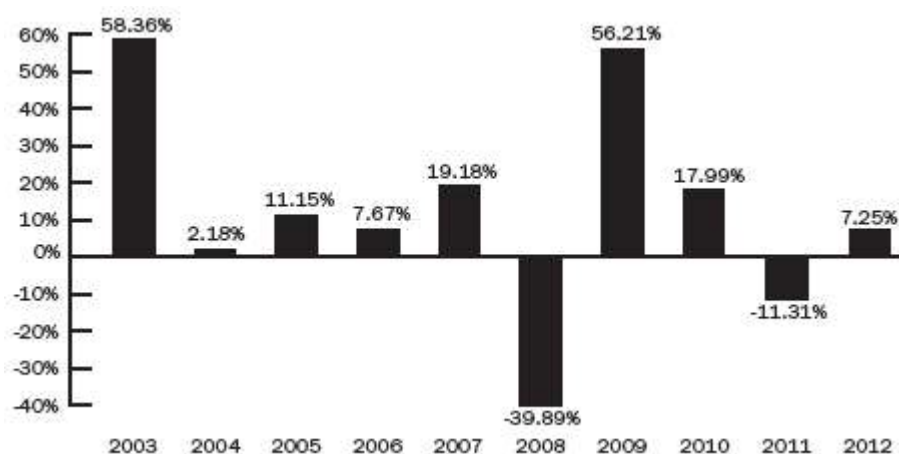
- **Technology Securities Risk** – Certain technology related companies may face special risks that their products or services may not prove to be commercially successful. Technology related companies are also strongly affected by worldwide scientific or technological developments. As a result, their products may rapidly become obsolete. Such companies are also often subject to governmental regulation and may, therefore, be adversely affected by governmental policies.

Performance Information

The information shows you how Science & Technology Opportunities' performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the Fund's performance to that of the NYSE Arca Tech 100 IndexSM. The returns for Class R Shares prior to October 2, 2006, the commencement of operations of Class R Shares, are based upon performance of the Fund's Institutional Shares. The returns for Class R Shares, however, are adjusted to reflect the class-specific fees applicable to Class R Shares at the time of such share class' launch. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund's returns would have been lower. Updated information on the Fund's results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Investor A Shares

ANNUAL TOTAL RETURNS¹ BlackRock Science & Technology Opportunities Portfolio As of 12/31



During the periods shown in the bar chart, the highest return for a quarter was 29.92% (quarter ended June 30, 2003) and the lowest return for a quarter was -22.29% (quarter ended December 31, 2008).

As of 12/31/12

Average Annual Total Returns

	1 Year	5 Years ¹	10 Years ¹
BlackRock Science & Technology Opportunities Portfolio – Investor A			
Return Before Taxes	1.66%	(0.02)%	8.70%
Return After Taxes on Distributions	1.66%	(0.02)%	8.70%
Return After Taxes on Distributions and Sale of Shares	1.08%	(0.02)%	7.74%
BlackRock Science & Technology Opportunities Portfolio – Investor B			
Return Before Taxes	1.94%	(0.23)%	8.57%
BlackRock Science & Technology Opportunities Portfolio – Investor C			
Return Before Taxes	5.31%	0.17%	8.36%
BlackRock Science & Technology Opportunities Portfolio – Institutional			
Return Before Taxes	7.57%	1.43%	9.72%
BlackRock Science & Technology Opportunities Portfolio – Class R			
Return Before Taxes	6.96%	0.72%	8.92%
NYSE Arca Tech 100 Index SM			
(Reflects no deduction for fees, expenses or taxes)	21.46%	7.62%	11.69%

¹ A portion of the Fund's total return was attributable to proceeds received in the fiscal year ended September 30, 2009 in a settlement of litigation.

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred

arrangements such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Investor A Shares only, and the after-tax returns for Investor B, Investor C, Institutional and Class R Shares will vary.



Investment Manager

Science & Technology Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock").

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	2000	Managing Director of BlackRock, Inc.
Jean Rosenbaum, CFA	2000	Managing Director of BlackRock, Inc.
Erin Xie, PhD	2005	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sales of Fund shares, tax information, and financial intermediary compensation, please see "Important Additional Information" below.

Important Additional Information

Purchase and Sale of Fund Shares

You may purchase or redeem shares of a Fund each day the New York Stock Exchange is open. To purchase or sell shares you should contact your financial intermediary or financial professional, or, if you hold your shares through a Fund, you should contact the Fund by phone at (800) 441-7762, by mail (c/o BlackRock Funds, P.O. Box 9819, Providence, Rhode Island 02940-8019), or by the Internet at www.blackrock.com/funds. Each Fund's initial and subsequent investment minimums generally are as follows, although the Fund may reduce or waive the minimums in some cases:

	Investor A and Investor C Shares	Investor B Shares	Institutional Shares	Class R Shares ¹
Minimum Initial Investment	\$1,000 for all accounts except: · \$250 for certain fee- based programs. · \$100 for retirement plans. · \$50, if establishing an Automatic Investment Plan.	Available only through exchanges and dividend reinvestments by current holders and for purchase by certain qualified employee benefit plans.	\$2 million for institutions and individuals. Institutional Shares are available to clients of registered investment advisors who have \$250,000 invested in the Fund.	\$100 for all accounts.
Minimum Additional Investment	\$50 for all accounts except certain retirement plans and payroll deduction programs may have a lower minimum.	N/A	No subsequent minimum.	No subsequent minimum.

¹ Class R Shares are currently offered only by Global Opportunities, Health Sciences Opportunities and Science & Technology Opportunities.

□

Tax Information

Each Fund's dividends and distributions may be subject to Federal income taxes and may be taxed as ordinary income or capital gains, unless you are a tax-exempt investor or are investing through a retirement plan, in which case you may be subject to Federal income tax upon withdrawal from such tax-deferred arrangements.

Payments to Broker/Dealers and Other Financial Intermediaries

If you purchase shares of a Fund through a broker-dealer or other financial intermediary, the Fund and BlackRock Investments, LLC, the Fund's distributor, or its affiliates may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other financial intermediary and your individual financial professional to recommend the Fund over another investment. Ask your individual financial professional or visit your financial intermediary's website for more information.

□

Details About the Funds

Included in this prospectus are sections that tell you about buying and selling shares, management information, and shareholder features of BlackRock Global Opportunities Portfolio (“Global Opportunities”), BlackRock International Opportunities Portfolio (“International Opportunities”), BlackRock U.S. Opportunities Portfolio (“U.S. Opportunities”), BlackRock Health Sciences Opportunities Portfolio (“Health Sciences Opportunities”) and BlackRock Science & Technology Opportunities Portfolio (“Science & Technology Opportunities”) (each, a “Fund” and, collectively, the “Funds”), each a series of BlackRock FundsSM (the “Trust”), and your rights as a shareholder.

How Each Fund Invests

Should the Trust’s Board of Trustees (the “Board”) determine that the investment objective of a Fund should be changed, shareholders will be given at least 30 days’ notice before any such change is made. However, such change can be effected without shareholder approval.

Global Opportunities

Investment Objective

The investment objective of Global Opportunities is to provide long-term capital appreciation.

Investment Process

BlackRock considers a variety of factors when choosing investments for Global Opportunities, such as:

- identifying securities that have above-average return potential, influenced by factors such as relative value and earnings estimate revisions; and
- identifying opportunities in the global securities markets for investments in global equity securities of any market capitalization, as well as fixed income investments and foreign currency transactions.

The Fund generally will sell a security when, in the Fund management team’s opinion, the security reaches its price target, or there is a deterioration in the company’s fundamentals, a change in macroeconomic outlook, technical deterioration, a need to rebalance the portfolio or a better opportunity elsewhere. The team uses a broad set of quantitative tools to enhance the timing of purchase or sell decisions.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal conditions, Global Opportunities will invest at least 75% of its total assets in global equity securities of any market capitalization, selected for their above-average return potential. Under normal circumstances, the Fund will seek to allocate a substantial amount (approximately 40% or more – unless market conditions are not deemed favorable by BlackRock, in which case the Fund would invest at least 30%) of its total assets in securities (i) of foreign government issuers, (ii) of issuers organized or located outside the United States, (iii) of issuers which primarily trade in a market located outside the United States or (iv) of issuers doing a substantial amount of business outside the United States, which the Fund considers to be companies that derive at least 50% of their revenue or profits from business outside the United States or have at least 50% of their sales or assets outside the United States. The Fund will allocate its assets among various regions and countries, including the United States (but in no less than three different countries). For temporary defensive purposes the Fund may deviate very substantially from the allocation described above. The Fund may invest up to 25% of its total assets in stocks of issuers in emerging market countries.

Investment in fixed income securities will be made on an opportunistic basis. Securities will be identified based on factors such as relative value and earnings estimate revisions. The Fund may invest up to 25% of its total assets in global fixed income securities, including corporate bonds, U.S. government debt securities, non-U.S. government and supranational debt securities, asset-backed securities, mortgage-backed securities, emerging market debt securities and non-investment grade debt securities (high yield or junk bonds). Split rated bonds will be considered to have the higher credit rating.

From time to time, the Fund may invest in shares of companies through IPOs. The Fund will invest in securities of non-U.S. issuers that can be U.S.-dollar based or non-U.S.-dollar based on a hedged or unhedged basis. The Fund may enter into currency transactions on a hedged or unhedged basis in order to seek total return.

With respect to equity investments, the Fund seeks to buy primarily common stock but may also invest in preferred stock and convertible securities.

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). An option is the right to buy or sell a security or an index of securities at a specific price on or before a specific date. A future is an agreement to buy or sell a security or an index of securities at a specific price on a specific date. A swap is an agreement whereby one party exchanges its right to receive or its obligation to pay one type of currency for another party's obligation to pay or its right to receive another type of currency in the future or for a period of time. The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

The Fund does not limit its investments to companies of any particular size, and may invest in securities of companies with small to large capitalizations.

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF GLOBAL OPPORTUNITIES

Global Opportunities is managed by a team of financial professionals. Thomas Callan, CFA, Ian Jamieson, CFA, and Nigel Hart, CFA, are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see "Management of the Funds – Portfolio Manager Information" for additional information about the portfolio management team.

International Opportunities

Investment Objective

The investment objective of International Opportunities is to seek long-term capital appreciation.

Investment Process

BlackRock considers a variety of factors when choosing investments for International Opportunities, such as:

- identifying companies that appear to have above-average earnings growth potential;
- identifying companies and industries that appear to have the potential for above-average long-term performance based on projections of supply and demand of a resource and the state of the market; and
- identifying companies that are expected to show above-average return potential based on factors such as relative value and earnings estimate revisions, depending on market conditions.

The Fund generally will sell a stock when, in the Fund management team's opinion, the stock reaches its price target, there is a deterioration in the company's fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, International Opportunities invests at least 80% of its net assets (which means net assets plus any borrowings for investment purposes) in equity securities issued by foreign companies of any market capitalization. The Fund will allocate its assets among various regions and countries (but in no less than three different countries). For temporary defensive purposes the Fund may deviate very substantially from the allocation described above. The Fund may invest up to 40% of its net assets in stocks of issuers in emerging market countries.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through IPOs.

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). An option is the right to buy or sell a security or an index of securities at a specific price on or before a specific date. A future is an agreement to buy or sell a security or an index of securities at a specific price on a specific date. A swap is an agreement whereby one party exchanges its right to receive or its obligation to pay one type of currency for another party's obligation to pay or its right to receive another type of currency in the future or for a period of time. The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future). The Fund does not limit its investments to companies of any particular size, and may invest in securities of companies with small to large capitalizations.

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF INTERNATIONAL OPPORTUNITIES

International Opportunities is managed by a team of financial professionals. Thomas Callan, CFA, Ian Jamieson, CFA, and Nigel Hart, CFA, are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see "Management of the Funds – Portfolio Manager Information" for additional information about the portfolio management team.

U.S. Opportunities

Investment Objective

The investment objective of U.S. Opportunities is to seek long-term capital appreciation.

Investment Process

BlackRock considers a variety of factors when choosing investments for U.S. Opportunities, such as:

- identifying companies and industries that appear to have the potential for above-average long-term performance based on projections of supply and demand of a resource and the state of the market; and
- identifying companies that are expected to show above-average growth over the long-term as well as those that appear to be trading below their true worth.

The Fund generally will sell a stock when, in the Fund management team's opinion, the stock reaches its price target, there is a deterioration in the company's fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, U.S. Opportunities invests at least 80% of its net assets (which means net assets plus any borrowings for investment purposes) in equity securities issued by U.S. emerging capitalization companies with relatively attractive earnings growth potential and valuation. Although a universal definition of emerging capitalization companies does not exist, the Fund generally defines these companies, at the time of the Fund's investment, as those with market capitalizations comparable in size to those within the universe of Russell Midcap[®] Index stocks (between approximately \$1.35 billion and \$17.40 billion as of June 22, 2012, the most recent rebalance date). In the future, the Fund may define emerging capitalization companies using a different index or classification system.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through IPOs.

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities (collectively, commonly known as derivatives). An option is the right to buy or sell a security or an index of securities at a specific price on or before a specific date. A future is an agreement to buy or sell a security or an index of securities at a specific price on a specific date. The primary purpose of using derivatives is to attempt to

reduce risk to the Fund as a whole (hedge), but they may also be used to maintain liquidity and commit cash pending investment. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk.

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF U.S. OPPORTUNITIES

U.S. Opportunities is managed by a team of financial professionals. Jean Rosenbaum, CFA, and Thomas Callan, CFA, are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see “Management of the Funds – Portfolio Manager Information” for additional information about the portfolio management team.

Health Sciences Opportunities

Investment Objective

The investment objective of Health Sciences Opportunities is to provide long-term growth of capital.

Investment Process

BlackRock considers a variety of factors when choosing investments for Health Sciences Opportunities, such as:

- identifying companies and industries that appear to have the potential for above-average returns; and
- identifying companies that are expected to show above-average growth over the long-term as well as those that appear to be trading below their true worth.

The Fund expects to invest in health sciences companies comparable in size to those in the health sector of the Russell 3000[®] Health Care Index or in similar companies, including non-U.S. companies.

The Fund generally will sell a stock when, in the Fund management team’s opinion, the stock reaches its price target, there is a deterioration in the company’s fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, Health Sciences Opportunities invests at least 80% of total assets in equity securities, primarily common stock, of companies in health sciences and related industries. The health sciences sector can include companies in health care equipment and supplies, health care providers and services, biotechnology, and pharmaceuticals. Health sciences and related industries can include, but are not limited to, businesses involved in the development, production, and distribution or delivery of medical and pharmaceutical products and services, companies engaged in biotechnology and medical research and development, companies that may design, manufacture or distribute medical, dental and optical equipment and supplies, including diagnostic equipment, and companies that may also provide diagnostic services or operate health facilities and hospitals, or provide related administrative, management and financial support. The Fund will concentrate its investments (i.e., invest more than 25% of its assets) in health sciences or related industries, and may invest in companies located in non-U.S. countries. The Fund does not limit its investments to companies of any particular size.

The Fund reserves the right to invest up to 20% of total assets in other types of securities. These may include stocks of companies not associated with health sciences.

The Fund is classified as non-diversified under the Investment Company Act of 1940, as amended, which means that it can invest more of its assets in fewer companies than a diversified fund.

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF HEALTH SCIENCES OPPORTUNITIES

Health Sciences Opportunities is managed by a team of financial professionals. Erin Xie, PhD, and Thomas Callan, CFA, are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see “Management of the Funds – Portfolio Manager Information” for additional information about the portfolio management team.

Science & Technology Opportunities

Investment Objective

The investment objective of Science & Technology Opportunities is to provide long-term capital appreciation.

Investment Process

BlackRock considers a variety of factors when choosing investments for Science & Technology Opportunities, such as:

- selecting companies with the potential for rapid and sustainable growth from the development, advancement and use of science and/or technology; and
- identifying companies that have above-average return potential based on factors such as revenue and earnings growth, estimate revisions, profitability and relative value. The factors and the weight assigned to a factor may change depending on market conditions.

In addition, a variety of countries, including emerging market countries, and industries are likely to be represented.

The Fund generally will sell a stock when, in the Fund management team's opinion, there is a deterioration in the company's fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere. The team uses a broad set of quantitative tools to enhance the timing of purchase or sell decisions.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, Science & Technology Opportunities invests at least 80% of its net assets (which means net assets plus any borrowings for investment purposes) in equity securities issued by U.S. and non-U.S. science and technology companies in all market capitalization ranges, selected for their rapid and sustainable growth potential from the development, advancement and use of science and/or use of technology. The Fund may invest up to 25% of its net assets in emerging market countries.

Some of the industries likely to be represented in the Fund's portfolio holdings include: application software, IT consulting and services, internet software and services, networking equipment, telecom equipment, computer hardware, computer storage and peripherals, electronic equipment and instruments, semiconductors and equipment, aerospace and defense, electrical components and equipment, biotechnology, pharmaceuticals, healthcare equipment and supplies, healthcare distribution and services, healthcare facilities, industrial gases, specialty chemicals, advanced materials, internet and catalog retail, integrated telecom services, alternative carriers and wireless telecommunication services.

The Fund seeks to invest primarily in common stock but may also invest in preferred stock and convertible securities. The Fund may also invest in Rule 144A securities, which are privately placed securities purchased by qualified institutional buyers. From time to time the Fund may invest in shares of companies through IPOs.

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). An option is the right to buy or sell a security or an index of securities at a specific price on or before a specific date. A future is an agreement to buy or sell a security or an index of securities at a specific price on a specific date. A swap is an agreement whereby one party exchanges its right to receive or its obligation to pay one type of currency for another party's obligation to pay or its right to receive another type of currency in the future or for a period of time. The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF SCIENCE & TECHNOLOGY OPPORTUNITIES

Science & Technology Opportunities is managed by a team of financial professionals. Thomas Callan, CFA, Jean Rosenbaum, CFA, and Erin Xie, PhD are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see "Management of the Funds – Portfolio Manager Information" for additional information about the portfolio management team.

Other Strategies Applicable to the Funds

In addition to the principal strategies discussed above, each Fund (except as noted below) may also invest or engage in the following investments/strategies:

■ **Convertible Securities (Health Sciences Opportunities)** – The Fund may invest in convertible securities, which generally are debt securities or preferred stock that may be converted into common stock. Convertible securities typically pay current income as either interest (debt security convertibles) or dividends (preferred stock). A convertible security's value usually reflects both the stream of current income payments and the market value of the underlying common stock.

■ **Credit Default Swaps (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities)** – Each Fund may invest in credit default swaps, whereby one party would pay a counterparty a periodic stream of payments over the term of the contract, provided that no event of default on a specific bond has occurred. In return, upon any event of default on such bond, the first party would receive from the counterparty a payment equal to the par (or other agreed-upon) value of such bond.

■ **Depository Receipts** – Each Fund may invest in securities of foreign issuers in the form of depository receipts or other securities that are convertible into securities of foreign issuers. American Depository Receipts are receipts typically issued by an American bank or trust company that evidence underlying securities issued by a foreign corporation. European Depository Receipts (issued in Europe) and Global Depository Receipts (issued throughout the world) each evidence a similar ownership arrangement. The Funds may invest in unsponsored depository receipts.

■ **Derivative Transactions (Health Sciences Opportunities)** – The Fund may use derivatives to hedge its investment portfolio against market, interest rate and currency risks or to seek to enhance its return. The derivatives that the Fund may use include indexed and inverse securities, options, futures, swaps and forward foreign exchange transactions.

■ **Foreign Securities (U.S. Opportunities)** – The Fund may invest in companies located in countries other than the United States.

■ **Illiquid/Restricted Securities** – Each Fund may invest up to 15% of its net assets in illiquid securities that it cannot sell within seven days at approximately current value. Each Fund may also invest in restricted securities, which are securities that cannot be offered for public resale unless registered under the applicable securities laws or that have a contractual restriction that prohibits or limits their resale (i.e., Rule 144A securities). They may include private placement securities that have not been registered under the applicable securities laws. Restricted securities may not be listed on an exchange and may have no active trading market and therefore may be considered to be illiquid. Rule 144A securities are restricted securities that can be resold to qualified institutional buyers but not to the general public and may be considered to be liquid securities.

■ **Indexed and Inverse Securities** – Each Fund may invest in securities the potential return of which is based on the change in a specified interest rate or equity index (an “indexed security”). For example, a Fund may invest in a security that pays a variable amount of interest or principal based on the current level of the French or Korean stock markets. A Fund may also invest in securities whose return is inversely related to changes in an interest rate or index (“inverse securities”). In general, the return on inverse securities will decrease when the underlying index or interest rate goes up and increase when that index or interest rate goes down.

■ **Investment Companies** – Each Fund has the ability to invest in other investment companies, such as exchange-traded funds, unit investment trusts, and open-end and closed-end funds. Each Fund may invest in affiliated investment companies, including affiliated money market funds and affiliated exchange traded funds.

■ **Money Market Securities** – Each Fund may invest in high quality money market securities pending investments or when it expects to need cash to pay redeeming shareholders. A Fund will not be deemed to deviate from its normal strategies if it holds these securities pending investments.

■ **“New Issues” (Health Sciences Opportunities)** – The Fund may invest in shares of companies through initial public offerings.

■ **Real Estate Investment Trusts (REITs) (Global Opportunities, International Opportunities and U.S. Opportunities)** – Each Fund may invest in REITs. REITs are companies that own interests in real estate or in real estate related loans or other interests, and have revenue primarily consisting of rent derived from owned, income producing real estate properties and capital gains from the sale of such properties. REITs can generally be classified as equity REITs, mortgage REITs and hybrid REITs. Equity REITs invest the majority of their assets directly in real property and derive their income primarily from rents. Equity REITs can also realize capital gains by selling properties that have appreciated in value. Mortgage REITs invest the majority of their assets in real estate mortgages and derive their



income primarily from interest payments. Hybrid REITs combine the characteristics of both equity REITs and mortgage REITs. REITs are not taxed on income distributed to shareholders provided they comply with the requirements of the Internal Revenue Code of 1986, as amended.

Repurchase Agreements and Purchase and Sale Contracts (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities) – Each Fund may enter into certain types of

repurchase agreements or purchase and sale contracts. Under a repurchase agreement, the seller agrees to repurchase a security at a mutually agreed-upon time and price. A purchase and sale contract is similar to a repurchase agreement, but purchase and sale contracts also provide that the purchaser receives any interest on the security paid during the period.

Securities Lending – Each Fund may lend securities with a value up to 33 $\frac{1}{3}$ % of its total assets to financial institutions that provide cash or securities issued or guaranteed by the U.S. Government as collateral.

Temporary Defensive Strategies – It is possible that in extreme market conditions each Fund temporarily may invest some or all of its assets in high quality money market securities. Such a temporary defensive strategy would be inconsistent with the Fund's primary investment strategies. The reason for acquiring money market securities would be to avoid market losses. However, if market conditions improve, this strategy could result in reducing the potential gain from the market upswing, thus reducing the Fund's opportunity to achieve its investment objective.

Warrants – A warrant gives a Fund the right to buy stock. The warrant specifies the amount of underlying stock, the purchase (or "exercise") price and the date the warrant expires. The Fund has no obligation to exercise the warrant and buy the stock. A warrant has value only if the Fund is able to exercise it or sell it before it expires.

When-Issued and Delayed Delivery Securities and Forward Commitments (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities) – The purchase or sale of securities on a when-issued basis or on a delayed delivery basis or through a forward commitment involves the purchase or sale of securities by a Fund at an established price with payment and delivery taking place in the future. A Fund enters into these transactions to obtain what is considered an advantageous price to a Fund at the time of entering into the transaction.

Investment Risks

This section contains a discussion of the general risks of investing in the Funds. The "Investment Objectives and Policies" section in the Statement of Additional Information ("SAI") also includes more information about the Funds, their investments and the related risks. There can be no guarantee that any Fund will meet its objective or that a Fund's performance will be positive for any period of time. An investment in a Fund is not a deposit in any bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or by any bank or governmental agency.

Principal Risks of Investing in the Funds

Concentration Risk (Health Sciences Opportunities and Science & Technology Opportunities) – Each Fund's strategy of concentrating in health sciences and related companies (Health Sciences Opportunities) or science and technology and related companies (Science & Technology Opportunities) means that its performance will be closely tied to the performance of a particular market segment. Each Fund's concentration in these companies may present more risks than if it were broadly diversified over numerous industries and sectors of the economy. A downturn in these companies would have a larger impact on a Fund than on a mutual fund that does not concentrate in such companies. At times, the performance of these companies will lag the performance of other industries or the broader market as a whole.

Convertible Securities Risk (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

Debt Securities Risk (Global Opportunities) – Debt securities, such as bonds, involve credit risk. Credit risk is the risk that the borrower will not make timely payments of principal and interest. 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. The degree of credit risk depends on the issuer's financial condition and on the terms of the securities. Debt

securities are also subject to 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.

Derivatives Risk (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – A Fund’s use of derivatives may reduce the Fund’s returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. A risk of a Fund’s use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. In addition, some derivatives are more sensitive to interest rate changes and market price fluctuations than other securities. The possible lack of a liquid secondary market for derivatives and the resulting inability of a Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for a Fund to value accurately. A Fund could also suffer losses related to its derivatives positions as a result of unanticipated market movements, which losses are potentially unlimited. Finally, BlackRock may not be able to predict correctly the direction of securities prices, interest rates and other economic factors, which could cause the Fund’s derivatives positions to lose value. When a derivative is used as a hedge against a position that the Fund holds, any loss generated by the derivative generally should be substantially offset by gains on the hedged investment, and vice versa. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains. Hedges are sometimes subject to imperfect matching between the derivative and the underlying security, and there can be no assurance that the Fund’s hedging transactions will be effective. The income from certain derivatives may be subject to Federal income tax. Swap agreements involve the risk that the party with whom a Fund has entered into the swap will default on its obligation to pay the Fund and the risk that the Fund will not be able to meet its obligations to pay the other party to the agreement. Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities may each invest in credit default swaps. Credit default swaps involve special risks in addition to those mentioned above because they are difficult to value, are highly susceptible to liquidity and credit risk, and generally pay a return to the party that has paid the premium only in the event of an actual default by the issuer of the underlying obligation (as opposed to a credit downgrade or other indication of financial difficulty). Each of the Funds may invest in foreign forward currency exchange contracts. Forward foreign currency exchange contracts do not eliminate fluctuations in the value of non-U.S. securities but rather allow the Fund to establish a fixed rate of exchange for a future point in time. This strategy can have the effect of reducing returns and minimizing opportunities for gain. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

Emerging Growth Securities Risk (U.S. Opportunities) – Emerging growth companies are subject to the growth investment style risk described under “Investment Style Risk” and the risk of investing in small cap companies described under “Small Cap Securities Risk.”

Emerging Markets Risk (Global Opportunities, International Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – The risks of foreign investments are usually much greater for emerging markets. Investments in emerging markets may be considered speculative. Emerging markets include those in countries defined as emerging or developing by the World Bank, the International Finance Corporation or the United Nations. Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. They are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging markets have far lower trading volumes and less liquidity than developed markets. Since these markets are often small, they may be more likely to suffer sharp and frequent price changes or long-term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. In addition, traditional measures of investment value used in the United States, such as price to earnings ratios, may not apply to certain small markets. Also, there may be less publicly available information about issuers in emerging markets than would be available about issuers in more developed capital markets, and such issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which U.S. companies are subject.

Many emerging markets have histories of political instability and abrupt changes in policies. As a result, their governments are more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments. In the past, governments of such nations have expropriated substantial amounts of private property, and most claims of the property owners have never been fully settled. There is no assurance that such expropriations will not reoccur. In such an event, it is possible that the Fund could lose the entire



value of its investments in the affected market. Some countries have pervasiveness of corruption and crime that may hinder investments. Certain emerging markets may also face other significant internal or external risks, including the risk of war, and ethnic, religious and racial conflicts. In addition, governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth. National policies that may limit the Fund's investment opportunities include restrictions on investment in issuers or industries deemed sensitive to national interests.

Emerging markets may also have differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. governmental laws or restrictions applicable to such investments. Sometimes, they may lack or be in the relatively early development of legal structures governing private and foreign investments and private property. In addition to withholding taxes on investment income, some countries with emerging markets may impose differential capital gains taxes on foreign investors.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because a Fund will need to use brokers and counterparties that are less well capitalized, and custody and registration of assets in some countries may be unreliable. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognize that ownership exists in some emerging markets, and, along with other factors, could result in ownership registration being completely lost. A Fund would absorb any loss resulting from such registration problems and may have no successful claim for compensation. In addition, communications between the United States and emerging market countries may be unreliable, increasing the risk of delayed settlements or losses of security certificates.

Equity Securities Risk – Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate and can decline and reduce the value of a portfolio investing in equities. The value of equity securities purchased by a Fund could decline if the financial condition of the companies the Fund invests in decline or if overall market and economic conditions deteriorate. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or an increase in production costs and competitive conditions within an industry. In addition, they may decline due to general market conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor sentiment.

Foreign Securities Risk (Global Opportunities, International Opportunities, Health Sciences Opportunities and Science & Technology Opportunities Principal Risk; U.S. Opportunities Other Risk) – Securities traded in foreign markets have often (though not always) performed differently from securities traded in the United States. However, such investments often involve special risks not present in U.S. investments that can increase the chances that a Fund will lose money. In particular, a Fund is subject to the risk that because there may be fewer investors on foreign exchanges and a smaller number of securities traded each day, it may be more difficult for a Fund to buy and sell securities on those exchanges. In addition, prices of foreign securities may go up and down more than prices of securities traded in the United States.

Certain Risks of Holding Fund Assets Outside the United States – The Funds generally holds their foreign securities and cash in foreign banks and securities depositories. Some foreign banks and securities depositories may be recently organized or new to the foreign custody business. In addition, there may be limited or no regulatory oversight of their operations. Also, the laws of certain countries limit a Fund's ability to recover its assets if a foreign bank, depository or issuer of a security, or any of their agents, goes bankrupt. In addition, it is often more expensive for a Fund to buy, sell and hold securities in certain foreign markets than in the United States. The increased expense of investing in foreign markets reduces the amount a Fund can earn on its investments and typically results in a higher operating expense ratio for a Fund than for investment companies invested only in the United States.

Currency Risk – Securities and other instruments in which a Fund invests may be denominated or quoted in currencies other than the U.S. dollar. For this reason, changes in foreign currency exchange rates can affect the value of a Fund's portfolio.

Generally, when the U.S. dollar rises in value against a foreign currency, a security denominated in that currency loses value because the currency is worth fewer U.S. dollars. Conversely, when the U.S. dollar decreases in value against a foreign currency, a security denominated in that currency gains value because the currency is worth more U.S. dollars. This risk, generally known as "currency risk," means that a strong U.S. dollar will reduce returns for U.S. investors while a weak U.S. dollar will increase those returns.

Foreign Economy Risk – The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position. Certain foreign economies may rely heavily on particular industries or



foreign capital and are more vulnerable to diplomatic developments, the imposition of economic sanctions against a particular country or countries, changes in international trading patterns, trade barriers and other protectionist or retaliatory measures. Investments in foreign markets may also be adversely affected by governmental actions such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets or the imposition of punitive taxes. In addition, the governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries. Any of these actions could severely affect securities prices or impair a Fund's ability to purchase or sell foreign securities or transfer a Fund's assets or income back into the United States, or otherwise adversely affect the Fund's operations.

Other potential foreign market risks include foreign exchange controls, difficulties in pricing securities, defaults on foreign government securities, difficulties in enforcing legal judgments in foreign courts and political and social instability. Diplomatic and political developments, including rapid and adverse political changes, social instability, regional conflicts, terrorism and war, could affect the economies, industries and securities and currency markets, and the value of a Fund's investments, in non-U.S. countries. These factors are extremely difficult, if not impossible, to predict and take into account with respect to a Fund's investments.

Governmental Supervision and Regulation/Accounting Standards – Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as such regulations exist in the United States. They also may not have laws to protect investors that are comparable to U.S. securities laws. For example, some foreign countries may have no laws or rules against insider trading. Insider trading occurs when a person buys or sells a company's securities based on material non-public information about that company. In addition, some countries may have legal systems that may make it difficult for a Fund to vote proxies, exercise shareholder rights, and pursue legal remedies with respect to its foreign investments. Accounting standards in other countries are not necessarily the same as in the United States. If the accounting standards in another country do not require as much detail as U.S. accounting standards, it may be harder for Fund management to completely and accurately determine a company's financial condition.

Settlement Risk – Settlement and clearance procedures in certain foreign markets differ significantly from those in the United States. Foreign settlement and clearance procedures and trade regulations also may involve certain risks (such as delays in payment for or delivery of securities) not typically associated with the settlement of U.S. investments.

At times, settlements in certain foreign countries have not kept pace with the number of securities transactions. These problems may make it difficult for a Fund to carry out transactions. If a Fund cannot settle or is delayed in settling a purchase of securities, it may miss attractive investment opportunities and certain of its assets may be uninvested with no return earned thereon for some period. If a Fund cannot settle or is delayed in settling a sale of securities, it may lose money if the value of the security then declines or, if it has contracted to sell the security to another party, a Fund could be liable for any losses incurred.

European Economic Risk – The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of a Fund's investments.

Responses to the financial problems by European governments, central banks and others, including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world. In addition, one or more countries may abandon the Euro, the common currency of the European Union, and/ or withdraw from the European Union. The impact of these actions, especially if they occur in a disorderly fashion, is not clear but could be significant and far reaching.

Geographic Concentration Risk (Science & Technology Opportunities) – From time to time Science & Technology Opportunities may invest a substantial amount of its assets in issuers located in a single country or a limited number of countries. If the Fund concentrates its investments in this manner, it assumes the risk that economic, political and social conditions in those countries will have a significant impact on its investment performance. The Fund's investment performance may also be more volatile if it concentrates its investments in certain countries, especially emerging market countries.

Healthcare-Related Securities Risk (Health Sciences Opportunities) – Many healthcare-related companies are smaller and less seasoned than companies in other sectors. Healthcare-related companies may also be strongly affected by scientific or technological developments and their products may quickly become obsolete. Many healthcare

companies are heavily dependent on patent protection and the actual or perceived safety and efficiency of their products. The expiration of patents may adversely affect the profitability of these companies. Many healthcare companies are subject to extensive litigation based on product liability and similar claims. Finally, many healthcare-related companies offer products and services that are subject to governmental regulation and may be adversely affected by changes in governmental policies or laws. In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act designed to reform the healthcare industry. The Fund cannot predict the impact of this legislation on healthcare-related companies or what healthcare-related proposals might be proposed or enacted in the future.

Investment Style Risk – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by a Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

Leverage Risk (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose a Fund to greater risk and increase its costs. As an open-end investment company registered with the Securities and Exchange Commission (the “SEC”), each Fund is subject to the federal securities laws, including the Investment Company Act of 1940, as amended (the “Investment Company Act”), the rules thereunder, and various SEC and SEC staff interpretive positions. In accordance with these laws, rules and positions, each Fund must “set aside” liquid assets (often referred to as “asset segregation”), or engage in other SEC- or staff-approved measures, to “cover” open positions with respect to certain kinds of instruments. The use of leverage may cause a Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of a Fund’s portfolio will be magnified when the Fund uses leverage.

Market Risk and Selection Risk – Market risk is the risk that one or more markets in which a 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.

Mid-Cap Securities Risk – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

“New Issues” Risk (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – “New Issues” are initial public offerings of equity securities of U.S. and non-U.S. issuers. Investments in companies that have recently gone public have the potential to produce substantial gains for a Fund. However, there is no assurance that a Fund will have access to profitable IPOs and therefore investors should not rely on these past gains as an indication of future performances. The investment performance of a Fund during periods when it is unable to invest significantly or at all in IPOs may be lower than during periods when a Fund is able to do so. In addition, as a Fund increases in size, the impact of IPOs on a Fund’s performance will generally decrease. Securities issued in IPOs are subject to many of the same risks as investing in companies with smaller market capitalizations. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering. When an initial public offering is brought to the market, availability may be limited and a Fund may not be able to buy any shares at the offering price, or, if it is able to buy shares, it may not be able to buy as many shares at the offering price as it would like.

Non-Diversification Risk (Health Sciences Opportunities) – Health Sciences Opportunities is a non-diversified fund. Because the Fund may invest in securities of a smaller number of issuers, it may be more exposed to the risks associated with and developments affecting an individual issuer than a fund that invests more widely.

Small Cap Securities Risk – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a small number of key personnel. If a product fails or there are other adverse developments, or if management changes, the Fund’s investment in a small cap company may lose substantial value. In addition, it is more difficult to get information on smaller companies, which tend to be less well known, have shorter operating histories, do not have significant ownership by large investors and are followed by relatively few securities analysts.

The securities of small cap companies generally trade in lower volumes and are subject to greater and more unpredictable price changes than larger cap securities or the market as a whole. In addition, small cap securities may be particularly sensitive to changes in interest rates, borrowing costs and earnings. Investing in small cap securities requires a longer term view.

Technology Securities Risk (Science & Technology Opportunities) – Certain technology related companies may face special risks that their products or services may not prove to be commercially successful. Technology related companies are also strongly affected by worldwide scientific or technological developments. As a result, their products may rapidly become obsolete. Such companies are also often subject to governmental regulation and may, therefore, be adversely affected by governmental policies.

Other Risks of Investing in the Funds

Each Fund (except as noted below) may also be subject to certain other risks associated with its investments and investment strategies, including:

Borrowing Risk – Borrowing may exaggerate changes in the net asset value of Fund shares and in the return on a Fund's portfolio. Borrowing will cost the Fund interest expense and other fees. The costs of borrowing may reduce a Fund's return. Borrowing may cause a Fund to liquidate positions when it may not be advantageous to do so to satisfy its obligations.

Depository Receipts Risk – The issuers of unsponsored depository receipts are not obligated to disclose information that is, in the United States, considered material. Therefore, there may be less information available regarding these issuers and there may not be a correlation between such information and the market value of the depository receipts. Depository receipts are generally subject to the same risks as the foreign securities that they evidence or into which they may be converted.

Expense Risk – Fund expenses are subject to a variety of factors, including fluctuations in the Fund's net assets. Accordingly, actual expenses may be greater or less than those indicated. For example, to the extent that a Fund's net assets decrease due to market declines or redemptions, a Fund's expenses will increase as a percentage of Fund net assets. During periods of high market volatility, these increases in a Fund's expense ratio could be significant.

Extension Risk (Global Opportunities) – 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. Rising interest rates tend to extend the duration of securities, making them more sensitive to changes in interest rates. The value of longer-term securities generally changes more in response to changes in interest rates than shorter-term securities. As a result, in a period of rising interest rates, securities may exhibit additional volatility and may lose value.

High Portfolio Turnover Risk – Each Fund may engage in active and frequent trading of its portfolio securities. High portfolio turnover (more than 100%) may result in increased transaction costs to a Fund, including brokerage commissions, dealer mark-ups and other transaction costs on the sale of the securities and on reinvestment in other securities. The sale of Fund portfolio securities may result in the realization and/or distribution to shareholders of higher capital gains or losses as compared to a fund with less active trading policies. These effects of higher than normal portfolio turnover may adversely affect Fund performance.

Indexed and Inverse Securities Risk – Certain indexed and inverse securities have greater sensitivity to changes in interest rates or index levels than other securities, and a Fund's investment in such instruments may decline significantly in value if interest rates or index levels move in a way Fund management does not anticipate.

Investment in Other Investment Companies Risk – As with other investments, investments in other investment companies are subject to market and selection risk. In addition, if a Fund acquires shares of investment companies, including ones affiliated with the Fund, shareholders bear both their proportionate share of expenses in the Fund (including management and advisory fees) and, indirectly, the expenses of the investment companies. To the extent a Fund is held by an affiliated fund, the ability of the Fund itself to hold other investment companies may be limited.

Junk Bonds Risk (Global Opportunities) – Although junk bonds generally pay higher rates of interest than investment grade bonds, junk bonds are high risk investments that may cause income and principal losses for the Fund. The major risks of junk bond investments include:

- Junk bonds may be issued by less creditworthy issuers. Issuers of junk bonds may have a larger amount of outstanding debt relative to their assets than issuers of investment grade bonds. In the event of an issuer's bankruptcy, claims of other creditors may have priority over the claims of junk bond holders, leaving few or no assets available to repay junk bond holders.

Prices of junk bonds are subject to extreme price fluctuations. Adverse changes in an issuer's industry and general economic conditions may have a greater impact on the prices of junk bonds than on other higher rated fixed-income securities.

■ Issuers of junk bonds may be unable to meet their interest or principal payment obligations because of an economic downturn, specific issuer developments, or the unavailability of additional financing.

Junk bonds frequently have redemption features that permit an issuer to repurchase the security from a Fund before it matures. If the issuer redeems junk bonds, the Fund may have to invest the proceeds in bonds with lower yields and may lose income.

Junk bonds may be less liquid than higher rated fixed-income securities, even under normal economic conditions. There are fewer dealers in the junk bond market, and there may be significant differences in the prices quoted for junk bonds by the dealers. Because they are less liquid, judgment may play a greater role in valuing certain of the Fund's securities than is the case with securities trading in a more liquid market.

■ The Fund may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a defaulting issuer.

The credit rating of a high yield security does not necessarily address its market value risk. Ratings and market value may change from time to time, positively or negatively, to reflect new developments regarding the issuer.

Liquidity Risk – Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investments in illiquid securities may reduce the returns of the Fund because it may be difficult to sell the illiquid securities at an advantageous time or price. To the extent that the Fund's principal investment strategies involve derivatives or securities with substantial market and/or credit risk, the Fund will tend to have the greatest exposure to liquidity risk. Liquid investments may become illiquid after purchase by a Fund, particularly during periods of market turmoil. Illiquid investments may be harder to value, especially in changing markets, and if a Fund is forced to sell these investments to meet redemption requests or for other cash needs, the Fund may suffer a loss. In addition, when there is illiquidity in the market for certain securities, a Fund, due to limitations on illiquid investments, may be subject to purchase and sale restrictions.

Mortgage- and Asset-Backed Securities Risk (Global Opportunities) – Mortgage-backed securities (residential and commercial) and asset-backed securities represent interests in "pools" of mortgages or other assets, including consumer loans or receivables held in trust. Although asset-backed and commercial mortgage-backed securities ("CMBS") generally experience less prepayment than residential mortgage-backed securities, mortgage-backed and asset-backed securities, like traditional fixed-income securities, are subject to credit, interest rate, prepayment and extension risks.

Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain mortgage-backed securities. The Fund's investments in asset-backed securities are subject to risks similar to those associated with mortgage-related securities, as well as additional risks associated with the nature of the assets and the servicing of those assets. These securities also are subject to the risk of default on the underlying mortgage or assets, particularly during periods of economic downturn. Certain CMBS are issued in several classes with different levels of yield and credit protection. The Fund's investments in CMBS with several classes may be in the lower classes that have greater risks than the higher classes, including greater interest rate, credit and prepayment risks.

Mortgage-backed securities may be either pass-through securities or collateralized mortgage obligations ("CMOs"). Pass-through securities represent a right to receive principal and interest payments collected on a pool of mortgages, which are passed through to security holders. CMOs are created by dividing the principal and interest payments collected on a pool of mortgages into several revenue streams ("tranches") with different priority rights to portions of the underlying mortgage payments. Certain CMO tranches may represent a right to receive interest only ("IOs"), principal only ("POs") or an amount that remains after floating-rate tranches are paid (an "inverse floater"). These securities are frequently referred to as "mortgage derivatives" and may be extremely sensitive to changes in interest rates. Interest rates on inverse floaters, for example, vary inversely with a short-term floating rate (which may be reset periodically). Interest rates on inverse floaters will decrease when short-term rates increase, and will increase when short-term rates decrease. These securities have the effect of providing a degree of investment leverage. In response to changes in market interest rates or other market conditions, the value of an inverse floater may increase or decrease at a multiple of the increase or decrease in the value of the underlying securities. If the Fund invests in CMO tranches (including CMO tranches issued by government agencies) and interest rates move in a manner not anticipated by Fund management, it is possible that the Fund could lose all or substantially all of its investment.

The mortgage market in the United States at times has experienced difficulties that may adversely affect the performance and market value of certain of the Fund's mortgage-related investments. Delinquencies and losses on mortgage loans (including subprime and second-lien mortgage loans) generally have increased and may continue to increase, and a decline in or flattening of real-estate values (as has been experienced and may continue to be experienced in many housing markets) may exacerbate such delinquencies and losses. Also, a number of mortgage loan originators have recently experienced serious financial difficulties or bankruptcy. Reduced investor demand for mortgage loans and mortgage-related securities and increased investor yield requirements have caused limited liquidity in the secondary market for mortgage-related securities, which can adversely affect the market value of mortgage-related securities. It is possible that such limited liquidity in such secondary markets could continue or worsen.

Asset-backed securities entail certain risks not presented by mortgage-backed securities, including the risk that in certain states it may be difficult to perfect the liens securing the collateral backing certain asset-backed securities. In addition, certain asset-backed securities are based on loans that are unsecured, which means that there is no collateral to seize if the underlying borrower defaults. Certain mortgage-backed securities in which each Fund may invest may also provide a degree of investment leverage, which could cause the Fund to lose all or substantially all of its investment.

Prepayment Risk (Global Opportunities) – 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. In periods of falling interest rates, the rate of prepayments tends to increase (as does price fluctuation) as borrowers are motivated to pay off debt and refinance at new lower rates. During such periods, reinvestment of the prepayment proceeds by the management team will generally be at lower rates of return than the return on the assets that were prepaid. Prepayment reduces the yield to maturity and the average life of the security.

REIT Investment Risk (Global Opportunities, International Opportunities and U.S. Opportunities) – In addition to the risks facing real estate-related securities, such as a decline in property values due to increasing vacancies, a decline in rents resulting from unanticipated economic, legal or technological developments or a decline in the price of securities of real estate companies due to a failure of borrowers to pay their loans or poor management, investments in REITs involve unique risks. REITs may have limited financial resources, may trade less frequently and in limited volume and may be more volatile than other securities.

Repurchase Agreements and Purchase and Sale Contracts Risk (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities) – If the other party to a repurchase agreement or purchase and sale contract defaults on its obligation under the agreement, a 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 in either situation and the market value of the security declines, a Fund may lose money.

Securities Lending Risk – Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the Fund may lose money and there may be a delay in recovering the loaned securities. A Fund could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. These events could trigger adverse tax consequences for the Fund.

Warrants Risk – If the price of the underlying stock does not rise above the exercise price before the warrant expires, the warrant generally expires without any value and the Fund loses any amount it paid for the warrant. Thus, investments in warrants may involve substantially more risk than investments in common stock. Warrants may trade in the same markets as their underlying stock; however, the price of the warrant does not necessarily move with the price of the underlying stock.

When-Issued and Delayed Delivery Securities and Forward Commitments Risk (Global Opportunities, International Opportunities, U.S. Opportunities and Science & Technology Opportunities) – When-issued and delayed delivery securities and forward commitments involve the risk that the security a 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, a 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.

Account Information

How to Choose the Share Class that Best Suits Your Needs

Each Fund currently offers multiple share classes (Investor A, Investor B, Investor C and Institutional Shares in this prospectus for International Opportunities and U.S. Opportunities; Investor A, Investor B, Investor C, Institutional and Class R Shares in this prospectus for Global Opportunities, Science & Technology Opportunities and Health Sciences Opportunities), each with its own sales charge and expense structure, allowing you to invest in the way that best suits your needs. Each share class represents an ownership interest in the same investment portfolio of the particular Fund. When you choose your class of shares, you should consider the size of your investment and how long you plan to hold your shares. Either your financial professional or your selected securities dealer, broker, investment adviser, service provider, or industry professional (“financial intermediary”) can help you determine which share class is best suited to your personal financial goals. Investor A, Investor B and Investor C Shares are sometimes referred to herein collectively as “Investor Shares.”

For example, if you select Institutional Shares of a Fund, you will not pay any sales charge. However, only certain investors may buy Institutional Shares. If you select Investor A Shares of a Fund, you generally pay a sales charge at the time of purchase and an ongoing service fee of 0.25% per year. You may be eligible for a sales charge reduction or waiver. If you select Investor C or Class R Shares (if available for your Fund), you will invest the full amount of your purchase price, but you will be subject to a distribution fee of 0.75% per year for Investor C Shares and 0.25% per year for Class R Shares, and a service fee of 0.25% per year for both classes of shares under a plan adopted pursuant to Rule 12b-1 under the Investment Company Act. Because these fees are paid out of a Fund’s assets on an ongoing basis, over time these fees increase the cost of your investment and may cost you more than paying other types of sales charges. In addition, you may be subject to a deferred sales charge when you sell Investor C Shares. Classes with the lower expenses will have higher net asset values and dividends relative to other share classes.

Investor B Shares are offered on a very limited basis as described below. Investor B Shares are subject to ongoing service and distribution fees and may be subject to a deferred sales charge.

Each Fund’s shares are distributed by BlackRock Investments, LLC (the “Distributor”), an affiliate of BlackRock.

The table on the following pages summarizes key features of each of the share classes offered by this prospectus.

Share Classes at a Glance¹

	Investor A Shares	Investor B Shares	Investor C Shares ^{3,4}	Institutional Shares	Class R Shares ²
Availability	Generally available through financial Intermediaries.	Available only through exchanges and dividend reinvestments by current holders and for purchase by certain qualified employee benefit plans.	Generally available through financial Intermediaries.	Limited to certain investors, including: <ul style="list-style-type: none"> · Current Institutional shareholders that meet certain requirements. · Certain retirement plans. · Participants in certain programs sponsored by BlackRock, its affiliates or other financial intermediaries. · Certain employees and affiliates of BlackRock or its affiliates. 	Available only to certain retirement and other similar plans.
Minimum Investment	\$1,000 for all accounts except: <ul style="list-style-type: none"> · \$250 for certain fee-based programs. · \$100 for retirement plans. · \$50, if establishing an Automatic Investment Plan. 	Investor B Shares are generally not available for purchase (see above).	\$1,000 for all accounts except: <ul style="list-style-type: none"> · \$250 for certain fee-based programs. · \$100 for retirement plans. · \$50, if establishing an Automatic Investment Plan. 	\$2 million for institutions and individuals. Institutional Shares are available to clients of registered investment advisors who have \$250,000 invested in a Fund.	\$100 for all accounts.
Initial Sales Charge?	Yes. Payable at time of purchase. Lower sales charges are available for larger investments.	No. Entire purchase price is invested in shares of the Fund.	No. Entire purchase price is invested in shares of the Fund.	No. Entire purchase price is invested in shares of the Fund.	No. Entire purchase price is invested in shares of the Fund.
Deferred Sales Charge?	No. (May be charged for purchases of \$1 million or more that are redeemed within eighteen months).	Yes. Payable if you redeem within six years of purchase.	Yes. Payable if you redeem within one year of purchase.	No.	No.
Distribution and Service (12b-1) Fees?	No Distribution Fee. 0.25% Annual Service Fee.	0.75% Annual Distribution Fee. 0.25% Annual Service Fee.	0.75% Annual Distribution Fee. 0.25% Annual Service Fee.	No.	0.25% Annual Distribution Fee. 0.25% Annual Service Fee.
Redemption Fees?	No.	No.	No.	No.	No.
Conversion to Investor A Shares?	N/A	Yes, automatically after	No.	No.	No.

approximately
eight years.

(footnotes appear on the following page)

45



Share Classes at a Glance¹

	Investor A Shares	Investor B Shares	Investor C Shares ^{3,4}	Institutional Shares	Class R Shares ²
Advantage	Makes sense for investors who are eligible to have the sales charge reduced or eliminated or who have a long term investment horizon because there are no ongoing distribution fees.	No up-front sales charge so you start off owning more shares.	No up-front sales charge so you start off owning more shares. These shares may make sense for investors who have a shorter investment horizon relative to Investor A Shares.	No up-front sales charge so you start off owning more shares.	No up-front sales charge so you start off owning more shares.
Disadvantage	You pay a sales charge up-front, and therefore you start off owning fewer shares.	Limited availability. You pay ongoing distribution fees each year you own Investor B Shares, which means that over the long term you can expect higher total fees than Investor A Shares and, as a result, lower total performance.	You pay ongoing distribution fees each year you own Investor C Shares, which means that over the long term you can expect higher total fees than Investor A Shares and, as a result, lower total performance.	Limited availability.	Limited availability. You pay ongoing distribution fees each year you own Class R Shares, which means that over the long term you can expect higher total fees than Investor A Shares and, as a result, lower total performance.

¹ Please see “Details About the Share Classes” for more information about each share class.

² Class R Shares are currently offered only by Global Opportunities, Health Sciences Opportunities and Science & Technology Opportunities.

³ If you establish a new account directly with the Fund and do not have a financial intermediary associated with your account, you may only invest in Investor A Shares. Applications without a financial intermediary that select Investor C Shares will not be accepted.

⁴ The Funds will not accept a purchase order of \$500,000 or more for Investor C Shares. Your financial intermediary may set a lower maximum for Investor C Shares.

The following pages will cover the additional details of each share class, including the Institutional and Class R Share requirements, the sales charge table for Investor A Shares, reduced sales charge information, Investor B and Investor C Share CDSC information, and sales charge waivers.

More information about existing sales charge reductions and waivers is available free of charge in a clear and prominent format via hyperlink at www.blackrock.com and in the SAI, which is available on the website or on request.

Details About the Share Classes

Investor A Shares – Initial Sales Charge Options

The following table shows the front-end sales charges that you may pay if you buy Investor A Shares. The offering price for Investor A Shares includes any front-end sales charge. The front-end sales charge expressed as a percentage of the offering price may be higher or lower than the charge described below due to rounding. Similarly, any contingent deferred sales charge paid upon certain redemptions of Investor A Shares expressed as a percentage of the applicable redemption amount may be higher or lower than the charge described below due to rounding. You may qualify for a reduced front-end sales charge. Purchases of Investor A Shares at certain fixed dollar levels, known as “breakpoints”, cause a reduction in the front-end sales charge. Once you achieve a breakpoint, you pay that sales charge on your entire purchase amount (and not just the portion above the breakpoint). If you select Investor A Shares, you will pay a sales charge at the time of purchase as shown in the following table.

Your Investment	Sales Charge as a % of Offering Price	Sales Charge as a % of Your Investment ¹	Dealer Compensation as a % of Offering Price
Less than \$25,000	5.25%	5.54%	5.00%
\$25,000 but less than \$50,000	4.75%	4.99%	4.50%
\$50,000 but less than \$100,000	4.00%	4.17%	3.75%
\$100,000 but less than \$250,000	3.00%	3.09%	2.75%
\$250,000 but less than \$500,000	2.50%	2.56%	2.25%
\$500,000 but less than \$750,000	2.00%	2.04%	1.75%
\$750,000 but less than \$1,000,000	1.50%	1.52%	1.25%
\$1,000,000 and over ²	0.00%	0.00%	– ²

¹ Rounded to the nearest one-hundredth percent.

If you invest \$1,000,000 or more in Investor A Shares, you will not pay an initial sales charge. In that case, BlackRock compensates the financial intermediary from its own resources. However, if you redeem your shares within 18 months

² after purchase, you may be charged a deferred sales charge of 1.00% of the lesser of the original cost of the shares being redeemed or your redemption proceeds. Such deferred sales charge may be waived in connection with certain fee-based programs.

No initial sales charge applies to Investor A Shares that you buy through reinvestment of Fund dividends or capital gains.

Sales Charges Reduced or Eliminated for Investor A Shares

There are several ways in which the sales charge can be reduced or eliminated. Purchases of Investor A Shares at certain fixed dollar levels, known as “breakpoints,” cause a reduction in the front-end sales charge (as described above in the “Investor A Shares – Initial Shares Charge Option” section). Additionally, the front-end sales charge can be reduced or eliminated through one or a combination of the following: a Letter of Intent, the right of accumulation, the reinstatement privilege (described under “Account Services and Privileges”), or a waiver of the sales charge (described below). Reductions or eliminations through the Letter of Intent or right of accumulation will apply to the value of all qualifying holdings in shares of mutual funds sponsored and advised by BlackRock or its affiliates (“BlackRock Funds”) owned by: (a) the investor, or (b) the investor’s spouse and any children and a trust, custodial account or fiduciary account for the benefit of any such individuals. For this purpose, the value of an investor’s holdings means the offering price of the newly purchased shares (including any applicable sales charge) plus the current value (including any sales charges paid) of all other shares the investor already holds taken together.

Qualifying Holdings: Investor Shares, Institutional Shares (in most BlackRock Funds) and investments in the BlackRock CollegeAdvantage 529 Program

Qualifying holdings may include shares held in accounts held at a financial intermediary, including personal accounts, certain retirement accounts, UGMA/UTMA accounts, Joint Tenancy accounts, trust accounts and Transfer on Death accounts, as well as shares purchased by a trust of which the investor is a beneficiary. For purposes of the Letter of Intent and right of accumulation the investor may not combine with the investor’s other holdings shares held in pension, profit sharing or other employee benefit plans if those shares are held in the name of a nominee or custodian.

In order to receive a reduced sales charge, at the time an investor purchases shares of the Fund, the investor should inform the financial intermediary and/or BlackRock Funds of any other shares of the Fund or any other BlackRock Fund that qualify for a reduced sales charge. Failure by the investor to notify the financial intermediary or BlackRock Funds, may result in the investor not receiving the sales charge reduction to which the investor is otherwise entitled.

The financial intermediary or BlackRock Funds may request documentation – including account statements and records of the original cost of the shares owned by the investor, the investor’s spouse and/or children showing that the investor qualifies for a reduced sales charge. The investor should retain these records because – depending on where an account is held or the type of account – the Fund and/or the investor’s financial intermediary or BlackRock Funds may not be able to maintain this information.

For more information, see the SAI or contact your financial intermediary.

Letter of Intent

An investor may qualify for a reduced front-end sales charge immediately by signing a “Letter of Intent” stating the investor’s intention to buy a specified amount of Investor A, Investor C or Institutional Shares and/or make an investment through the BlackRock CollegeAdvantage 529 Program in one or more BlackRock Funds within the next 13 months that would, if bought all at once, qualify the investor for a reduced sales charge. The initial investment must meet the minimum initial purchase requirement. The 13-month Letter of Intent period commences on the day that the Letter of Intent is received by the Fund, and the investor must tell the Fund that later purchases are subject to the Letter of Intent. Purchases submitted prior to the date the Letter of Intent is received by the Fund are not counted toward the sales charge reduction. During the term of the Letter of Intent, the Fund will hold Investor A Shares representing up to 5% of the indicated amount in an escrow account for payment of a higher sales load if the full amount indicated in the Letter of Intent is not purchased. If the full amount indicated is not purchased within the 13-month period, and the investor does not pay the higher sales load within 20 days, the Fund will redeem enough of the Investor A Shares held in escrow to pay the difference.

Right of Accumulation

Investors have a “right of accumulation” under which the current value of (i) an investor’s existing BlackRock Funds Investor A and A1, Investor B, B1, B2 and B3, Investor C, C1, C2 and C3 and Institutional Shares and/or (ii) the investment in the BlackRock CollegeAdvantage 529 Program by the investor or by or on behalf of the investor’s spouse and children may be combined with the amount of the current purchase in determining whether an investor qualifies for a breakpoint and a reduced front-end sales charge. Financial intermediaries may value current holdings of their customers differently for purposes of determining whether an investor qualifies for a breakpoint and a reduced front-end sales charge, although customers of the same financial intermediary will be treated similarly. In order to use this right, the investor must alert BlackRock to the existence of any previously purchased shares.

Other Front-End Sales Charge Waivers

The following persons may also buy Investor A Shares without paying a sales charge:

- Authorized qualified employee benefit plans or savings plans;
 - Rollovers of current investments through authorized qualified employee benefit plans or savings plans, provided the shares are transferred to the same BlackRock Fund as either a direct rollover, or subsequent to distribution, the rolled-over proceeds are contributed to a BlackRock individual retirement account (“IRA”) through an account directly with the Fund;
- Persons investing through an authorized payroll deduction plan;
- Persons investing through an authorized investment plan for organizations that operate under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”);
- Registered investment advisers, trust companies and bank trust departments exercising discretionary investment authority with respect to amounts to be invested in the Fund;
 - Persons participating in a fee-based program (such as a wrap account) under which they (i) pay advisory fees to a broker-dealer or other financial institution or (ii) pay fees to a broker-dealer or other financial institution for providing transaction processing and other administrative services, but not investment advisory services;
- Financial intermediaries who have entered into an agreement with the Distributor and have been approved by the Distributor to offer Fund shares to self-directed investment brokerage accounts that may or may not charge a transaction fee;
 - Persons associated with the Funds, the Funds’ manager, the Funds’ sub-advisers, transfer agent, Distributor, fund accounting agents, Barclays PLC (“Barclays”) and their respective affiliates (to the extent permitted by these firms) including: (a) officers, directors and partners; (b) employees and retirees; (c) employees of firms who have entered into selling agreements to distribute shares of BlackRock-advised funds; (d) immediate family members of such persons; and (e) any trust, pension, profit-sharing or other benefit plan for any of the persons set forth in (a) through (d); and
- Certain state sponsored 529 college savings plans.



Investor A Shares at Net Asset Value

If you invest \$1,000,000 or more in Investor A Shares, you will not pay any initial sales charge. However, if you redeem your Investor A Shares within 18 months after purchase, you may be charged a deferred sales charge of 1.00% of the lesser of the original cost of the shares being redeemed or your redemption proceeds. For a discussion on waivers see “Contingent Deferred Sales Charge Waivers”.

If you are eligible to buy both Investor A and Institutional Shares, you should buy Institutional Shares since Investor A Shares are subject to a front end sales charge and an annual 0.25% service fee, while Institutional Shares are not. The Distributor normally pays the annual Investor A Shares service fee to dealers as a shareholder servicing fee on a monthly basis.

Investor B and Investor C Shares – Deferred Sales Charge Options

Investor B Shares are currently available for purchase only through exchanges and dividend reinvestments by current holders of Investor B Shares and for purchase by certain employee benefit plans. If you select Investor C Shares, you do not pay an initial sales charge at the time of purchase. However, if you redeem your Investor B Shares within six years after purchase or your Investor C Shares within one year after purchase, you may be required to pay a deferred sales charge. The charge will apply to the lesser of the original cost of shares being redeemed or the proceeds of your redemption. No deferred sales charge applies to shares that you acquire through reinvestment of dividends or capital gains. You will also pay distribution fees of 0.75% and service fees of 0.25% for both classes of shares each year. Because these fees are paid out of each Fund’s assets on an ongoing basis, over time these fees increase the cost of your investment and may cost you more than paying other types of sales charges. The Distributor uses the money that it receives from the deferred sales charges and the distribution fees to cover the costs of marketing, advertising and compensating the financial intermediary who assists you in purchasing Fund shares.

The Distributor currently pays a sales concession of 4.00% of the purchase price of Investor B Shares to dealers from its own resources at the time of sale. The Distributor also normally pays the annual Investor B Shares service fee to dealers as a shareholder servicing fee on a monthly basis. The Distributor normally retains the Investor B Shares distribution fee.

The Distributor currently pays dealers a sales concession of 1.00% of the purchase price of Investor C Shares from its own resources at the time of sale. The Distributor pays the annual Investor C Shares distribution fee and the annual Investor C Shares service fee as an ongoing concession and as a shareholder servicing fees, respectively, to dealers for Investor C Shares held for over a year and normally retains the Investor C Shares distribution fee and service fee during the first year after purchase. For certain qualified employee benefit plans, the Distributor will pay the full Investor C Shares distribution fee and service fee to dealers beginning in the first year after purchase in lieu of paying the sales concession.

Investor B Shares

If you redeem Investor B Shares of a Fund within six years after purchase, you may be charged a deferred sales charge. No deferred sales charge applies to shares that you buy through reinvestment of dividends or capital gains. When you redeem Investor B Shares, the redemption order is processed so that the lowest deferred sales charge is charged. Investor B Shares that are not subject to the deferred sales charge are redeemed first. After that, the Fund redeems the shares that have been held the longest. The amount of the charge gradually decreases as you hold your shares over time, according to the following schedule:

Years Since Purchase	Sales Charge ¹
0 - 1	4.50%
1 - 2	4.00%
2 - 3	3.50%
3 - 4	3.00%
4 - 5	2.00%
5 - 6	1.00%
6 and thereafter	0.00%

The percentage charge will apply to the lesser of the original cost of the shares being redeemed or the proceeds of your redemption. Not all BlackRock Funds have identical deferred sales charge schedules. If you exchange your shares for shares of another BlackRock Fund, the original deferred sales charge schedule will apply.

Any CDSC paid on a redemption of Investor B Shares expressed as a percentage of the applicable redemption amount may be higher or lower than the charge described due to rounding.

Your Investor B Shares convert automatically into Investor A Shares approximately eight years after purchase. Any Investor B Shares received through reinvestment of dividends paid on converting shares will also convert pro rata based on the amount of shares being converted. Investor A Shares are subject to lower annual expenses than Investor B Shares. The conversion of Investor B Shares to Investor A Shares is not a taxable event for federal income tax purposes.

Different conversion schedules apply to Investor B Shares of different BlackRock Funds. For example, Investor B Shares of a fixed income fund typically convert approximately ten years after purchase compared to approximately eight years for equity funds. If you acquire your Investor B Shares in an exchange from another BlackRock Fund with a different conversion schedule, the conversion schedule that applies to the shares you acquire in the exchange will apply. The length of time that you hold both the original and exchanged Investor B Shares in both BlackRock Funds will count toward the conversion schedule. The conversion schedule may be modified in certain other cases as well.

Investor C Shares

If you redeem Investor C Shares within one year after purchase, you may be charged a deferred sales charge of 1.00%. The charge will apply to the lesser of the original cost of the shares being redeemed or the proceeds of your redemption. When you redeem Investor C Shares, the redemption order is processed so that the lowest deferred sales charge is charged. Investor C Shares that are not subject to the deferred sales charge are redeemed first. In addition, you will not be charged a deferred sales charge when you redeem shares that you acquire through reinvestment of Fund dividends or capital gains. Any CDSC paid on the redemptions of Investor C Shares expressed as a percentage of the applicable redemption amount may be higher or lower than the charge described due to rounding.

Investor C Shares do not offer a conversion privilege.

Contingent Deferred Sales Charge Waivers

The deferred sales charge relating to Investor Shares may be reduced or waived in certain circumstances, such as:

- Redemptions of shares purchased through authorized qualified employee benefit plans or savings plans and rollovers of current investments in a Fund through such plans;
- Exchanges pursuant to the exchange privilege, as described in “How to Exchange Shares or Transfer your Account”;
- Redemptions made in connection with minimum required distributions from IRA or 403(b)(7) accounts due to the shareholder reaching the age of 70½;
- Certain post-retirement withdrawals from an IRA or other retirement plan if you are over 59½ years old;
- Redemptions made with respect to certain retirement plans sponsored by a Fund, BlackRock or an affiliate;
- Redemptions resulting from shareholder death as long as the waiver request is made within one year of death or, if later, reasonably promptly following completion of probate (including in connection with the distribution of account assets to a beneficiary of the decedent);
- Withdrawals resulting from shareholder disability (as defined in the Internal Revenue Code) as long as the disability arose subsequent to the purchase of the shares;
- Involuntary redemptions made of shares in accounts with low balances;
- Certain redemptions made through the Systematic Withdrawal Plan offered by a Fund, BlackRock or their affiliates;
- Redemptions related to the payment of BNY Mellon Investment Servicing Trust Company custodial IRA fees; and
- Redemptions when a shareholder can demonstrate hardship, in the absolute discretion of the Fund.

More information about existing sales charge reductions and waivers is available free of charge in a clear and prominent format via hyperlink at www.blackrock.com and in the SAI, which is available on the website or on request.

Institutional Shares

Institutional Shares are not subject to any sales charge. Only certain investors are eligible to buy Institutional Shares. Your financial intermediary can help you determine whether you are eligible to buy Institutional Shares. The Fund may permit a lower initial investment to certain investors if their purchase, combined with purchases by other investors received together by the Fund, meets the minimum investment requirement.

Eligible Institutional investors include the following:

- Investors who currently own Institutional Shares of a Fund may make additional purchases of Institutional Shares of that Fund directly from the Fund;





- Institutional and individual retail investors with a minimum investment of \$2 million who purchase directly from the Fund;
- Certain qualified retirement plans;
- Investors in selected fee based programs;
- Clients of registered investment advisors who have \$250,000 invested in the Fund;
- Trust department clients of PNC Bank and Bank of America, N.A. and their affiliates for whom they (i) act in a fiduciary capacity (excluding participant directed employee benefit plans); (ii) otherwise have investment discretion; or (iii) act as custodian for at least \$2 million in assets;
- Unaffiliated banks, thrifts or trust companies that have agreements with the Distributor;
- Holders of certain Merrill Lynch & Co., Inc. ("Merrill Lynch") sponsored unit investment trusts ("UITs") who reinvest dividends received from such UITs in shares of a Fund; and
- Employees, officers and directors/trustees of BlackRock Inc., BlackRock Funds, Merrill Lynch, The PNC Financial Services Group, Inc. ("PNC"), Barclays or their respective affiliates.

Class R Shares (offered only by Global Opportunities, Health Sciences Opportunities and Science & Technology Opportunities)

Class R Shares are available only to certain retirement and other similar plans. If you buy Class R Shares, you will pay neither an initial sales charge nor a contingent deferred sales charge. However, Class R Shares are subject to a distribution fee of 0.25% per year and a service fee of 0.25% per year. Because these fees are paid out of a Fund's assets on an ongoing basis, over time these fees increase the cost of your investment and may cost you more than paying other types of sales charges. Class R Shares do not offer a conversion privilege.

The Distributor currently pays the annual Class R Shares distribution fee and annual Class R Shares service fee to dealers as an ongoing concession and as a shareholder servicing fee, respectively, on a monthly basis.

Distribution and Service Payments

The Trust, on behalf of the Funds, has adopted a plan (the "Plan") with respect to the Investor Shares and Class R Shares that allows each Fund to pay a distribution fee for the sale of its shares under Rule 12b-1 of the Investment Company Act and shareholder servicing fees for certain services provided to its shareholders.

Plan Payments

Under the Plan, Investor B, Investor C and Class R Shares pay a fee ("distribution fee") to the Distributor and/or its affiliates, including PNC and its affiliates, for distribution and sales support services. The distribution fee may be used to pay the Distributor for distribution services and to pay the Distributor and affiliates of BlackRock and PNC for sales support services provided in connection with the sale of Investor B, Investor C and Class R Shares. The distribution fee may also be used to pay brokers, dealers, financial institutions and industry professionals (including BlackRock, PNC and their respective affiliates) (each a "Financial Intermediary") for sales support services and related expenses. All Investor B, Investor C and Class R Shares pay a maximum distribution fee per year that is a percentage of the average daily net asset value of the applicable Fund attributable to Investor B, Investor C and Class R Shares. Institutional and Investor A Shares do not pay a distribution fee.

Under the Plan, the Trust also pays shareholder servicing fees (also referred to as shareholder liaison services fees) on behalf of each Fund to Financial Intermediaries for providing support services to their customers who own Investor A, Investor B, Investor C and Class R Shares. The shareholder servicing fee payment is calculated as a percentage of the average daily net asset value of Investor A, Investor B, Investor C and Class R Shares of the Fund. All Investor A, Investor B, Investor C and Class R Shares pay this shareholder servicing fee. Institutional Shares do not pay a shareholder servicing fee.

In return for the shareholder servicing fee, Financial Intermediaries (including BlackRock) may provide one or more of the following services to their customers who own Investor A, Investor B, Investor C and Class R Shares:

- Responding to customer questions on the services performed by the Financial Intermediary and investments in Investor A, Investor B, Investor C and Class R Shares;
- Assisting customers in choosing and changing dividend options, account designations and addresses; and
- Providing other similar shareholder liaison services.



The shareholder servicing fees payable pursuant to the Plan are paid to compensate Financial Intermediaries for the administration and servicing of shareholder accounts and are not costs which are primarily intended to result in the sale of a Fund's shares. Because the fees paid by the Funds under the Plan are paid out of Fund assets on an ongoing basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges. In addition, the distribution fees paid by Investor B, Investor C and Class R Shares may over time cost investors more than the front-end sales charge on Investor A Shares. For more information on the Plan, including a complete list of services provided thereunder, see the SAI.

Other Payments by the Fund

In addition to, rather than in lieu of, fees that a Fund may pay to a Financial Intermediary pursuant to the Plan and fees that a Fund pays to its transfer agent, BNY Mellon Investment Servicing (US) Inc. (the "Transfer Agent"), BlackRock, on behalf of a Fund, may enter into non-Plan agreements with a Financial Intermediary pursuant to which the Fund will pay a Financial Intermediary for administrative, networking, recordkeeping, sub-transfer agency and shareholder services. These non-Plan payments are generally based on either (1) a percentage of the average daily net assets of Fund shareholders serviced by a Financial Intermediary or (2) a fixed dollar amount for each account serviced by a Financial Intermediary. The aggregate amount of these payments may be substantial.

Other Payments by BlackRock

The Plan permits BlackRock, the Distributor and their affiliates to make payments relating to distribution and sales support activities out of their past profits or other sources available to them (and not as an additional charge to the Funds). From time to time, BlackRock, the Distributor or their affiliates also may pay a portion of the fees for administrative, networking, recordkeeping, sub-transfer agency and shareholder services described above at its or their own expense and out of its or their legitimate profits. BlackRock, the Distributor and their affiliates may compensate affiliated and unaffiliated Financial Intermediaries for the sale and distribution of shares of the Funds or for these other services to the Funds and shareholders. These payments would be in addition to the Fund payments described in this prospectus and may be a fixed dollar amount, may be based on the number of customer accounts maintained by the Financial Intermediary, or may be based on a percentage of the value of shares sold to, or held by, customers of the Financial Intermediary. The aggregate amount of these payments by BlackRock, the Distributor and their affiliates may be substantial. Payments by BlackRock may include amounts that are sometimes referred to as "revenue sharing" payments. In some circumstances, these revenue sharing payments may create an incentive for a Financial Intermediary, its employees or associated persons to recommend or sell shares of a Fund to you. Please contact your Financial Intermediary for details about payments it may receive from a Fund or from BlackRock, the Distributor or their affiliates. For more information, see the SAI.

How to Buy, Sell, Exchange and Transfer Shares

The chart on the following pages summarizes how to buy, sell, exchange and transfer shares through your financial professional or other financial intermediary. You may also buy, sell, exchange and transfer shares through BlackRock, if your account is held directly with BlackRock. To learn more about buying, selling, exchanging or transferring shares through BlackRock, call (800) 441-7762. Because the selection of a mutual fund involves many considerations, your financial intermediary may help you with this decision.

Each Fund may reject any purchase order, modify or waive the minimum initial or subsequent investment requirements for any shareholders and suspend and resume the sale of any share class of the Fund at any time for any reason. In addition, the Funds may waive certain requirements regarding the purchase, sale, exchange or transfer of shares described below. Under certain circumstances, if no activity occurs in an account within a time period specified by state law, a shareholder's shares in a Fund may be transferred to that state.



How to Buy Shares

	Your Choices	Important Information for You to Know
Initial Purchase	First, select the share class appropriate for you	<p>Refer to the “Share Classes at a Glance” table in this prospectus (be sure to read this prospectus carefully). When you place your initial order, you must indicate which share class you select (if you do not specify a share class and do not qualify to purchase Institutional Shares, you will receive Investor A Shares).</p> <p>Certain factors, such as the amount of your investment, your time frame for investing, and your financial goals, may affect which share class you choose. Your financial intermediary can help you determine which share class is appropriate for you.</p> <p>Class R Shares are available only to certain retirement and other similar plans.</p>
	Next, determine the amount of your investment	<p>Refer to the minimum initial investment in the “Share Classes at a Glance” table of this prospectus. Be sure to note the maximum investment amounts for Investor C Shares.</p> <p>See “Account Information – Details About the Share Classes” for information on a lower initial investment requirement for certain Fund investors if their purchase, combined with purchases by other investors received together by the Fund, meets the minimum investment requirement.</p>
	Have your financial intermediary submit your purchase order	<p>The price of your shares is based on the next calculation of the Fund’s net asset value after your order is placed. Any purchase orders placed prior to the close of business on the New York Stock Exchange (the “Exchange”) (generally 4:00 p.m. Eastern time) will be priced at the net asset value determined that day. Certain financial intermediaries, however, may require submission of orders prior to that time. Purchase orders placed after that time will be priced at the net asset value determined on the next business day. A broker-dealer or financial institution maintaining the account in which you hold shares may charge a separate account, service or transaction fee on the purchase or sale of Fund shares that would be in addition to the fees and expenses shown in the applicable Fund’s “Fees and Expenses” table.</p> <p>The Fund may reject any order to buy shares and may suspend the sale of shares at any time. Other financial intermediaries may charge a processing fee to confirm a purchase.</p>
	Or contact BlackRock (for accounts held directly with BlackRock)	<p>To purchase shares directly from BlackRock, call (800) 441-7762 and request a new account application. Mail the completed application along with a check payable to “BlackRock Funds” to the Transfer Agent at the address on the application.</p>
Add to Your Investment	Purchase additional shares	<p>For Investor A and Investor C Shares, the minimum investment for additional purchases is generally \$50 for all accounts except that certain retirement plans and payroll deduction programs may have a lower minimum for additional purchases. Institutional and Class R Shares have no minimum for additional purchases.</p>

Have your financial intermediary submit your purchase order for additional shares

Or contact BlackRock (for accounts held directly with BlackRock)

To purchase additional shares you may contact your financial intermediary. For more details on purchasing by Internet see below.

Purchase by Telephone: Call (800) 441-7762 and speak with one of our representatives. The Funds have the right to reject any telephone request for any reason.

Purchase in Writing: You may send a written request to BlackRock at the address on the back cover of this prospectus.

Purchase by VRU: Investor Shares may also be purchased by use of the Fund's automated voice response unit service ("VRU") at (800) 441-7762.



How to Buy Shares (continued)

Your Choices		Important Information for You to Know
Add to Your Investment (continued)	Or contact BlackRock (for accounts held directly with BlackRock) (continued)	<p>Purchase by Internet: You may purchase your shares, and view activity in your account, by logging onto the BlackRock website at www.blackrock.com/funds. Purchases made on the Internet using the Automated Clearing House Network (“ACH”) will have a trade date that is the day after the purchase is made. Certain institutional clients’ purchase orders for Institutional Shares placed by wire prior to the close of business on the Exchange will be placed at the net asset value determined that day. Contact your financial intermediary or BlackRock for further information. Each Fund limits Internet purchases in shares of the Fund to \$25,000 per trade. Different maximums may apply to certain institutional investors.</p> <p>Please read the On-Line Services Disclosure Statement and User Agreement, the Terms and Conditions page and the Consent to Electronic Delivery Agreement (if you consent to electronic delivery), before attempting to transact online.</p> <p>The Funds employ reasonable procedures to confirm that transactions entered over the Internet are genuine. By entering into the User Agreement with the Fund in order to open an account through the website, the shareholder waives any right to reclaim any losses from the Fund or any of its affiliates, incurred through fraudulent activity.</p>
	Acquire additional shares by reinvesting dividends and capital gains	All dividends and capital gains distributions are automatically reinvested without a sales charge. To make any changes to your dividend and/or capital gains distributions options, please call (800) 441-7762, or contact your financial intermediary (if your account is not held directly with BlackRock).
	Participate in the Automatic Investment Plan (AIP)	BlackRock’s Automatic Investment Plan (“AIP”) allows you to invest a specific amount on a periodic basis from your checking or savings account into your investment account. Refer to the “Account Services and Privileges” section of this prospectus for additional information.
How to Pay for Shares	Making payment for purchases	<p>Payment for an order must be made in Federal funds or other immediately available funds by the time specified by your financial intermediary, but in no event later than 4:00 p.m. (Eastern time) on the third business day (in the case of Investor Shares) or the first business day (in the case of Institutional Shares) following BlackRock’s receipt of the order. If payment is not received by this time, the order will be canceled and you and your financial intermediary will be responsible for any loss to the Fund.</p> <p>For shares purchased directly from the Fund, a check payable to BlackRock Funds which bears the name of the Fund you are purchasing must accompany a completed purchase application.</p> <p>There is a \$20 fee for each purchase check that is returned due to insufficient funds. The Funds do not accept third-party checks. You may also wire Federal funds to the Funds to purchase shares, but you must call</p>

(800) 441-7762 before doing so to confirm the wiring instructions.



How to Sell Shares

Your Choices

Important Information for You to Know

Full or Partial Redemption of Shares

Have your financial intermediary submit your sales order

You can also make redemption requests through your financial intermediary. Shareholders should indicate whether they are redeeming Investor A, Investor B, Investor C, Institutional or Class R Shares. The price of your shares is based on the next calculation of the Fund's net asset value after your order is placed. For your redemption request to be priced at the net asset value on the day of your request, you must submit your request to your financial intermediary prior to that day's close of business on the Exchange (generally 4:00 p.m. Eastern time). Certain financial intermediaries, however, may require submission of orders prior to that time. Any redemption request placed after that time will be priced at the net asset value at the close of business on the next business day.

Financial intermediaries may charge a fee to process a redemption of shares. Shareholders should indicate which class of shares they are redeeming. Each Fund may reject an order to sell shares under certain circumstances.

Selling shares held directly with BlackRock

Methods of Redeeming

Redeem by Telephone: You may sell Investor Shares held directly with BlackRock by telephone request if certain conditions are met and if the amount being sold is less than (i) \$100,000 for payments by check or (ii) \$250,000 for payments through ACH or wire transfer. Certain redemption requests, such as those in excess of these amounts, must be in writing with a medallion signature guarantee. For Institutional Shares, certain redemption requests may require written instructions with a medallion signature guarantee. Call (800) 441-7762 for details. You can obtain a medallion signature guarantee stamp from a bank, securities dealer, securities broker, credit union, savings and loan association, national securities exchange or registered securities association. A notary public seal will not be acceptable.

Each Fund, its administrators and the Distributor will employ reasonable procedures to confirm that instructions communicated by telephone are genuine. Each Fund and its service providers will not be liable for any loss, liability, cost or expense for acting upon telephone instructions that are reasonably believed to be genuine in accordance with such procedures. Each Fund may refuse a telephone redemption request if it believes it is advisable to do so. During periods of substantial economic or market change, telephone redemptions may be difficult to complete. Please find below alternative redemption methods.

Redeem by VRU: Investor shares may also be redeemed by use of the Fund's automated VRU service. Payment for Investor shares redeemed by VRU may be made for non-retirement accounts in amounts up to \$25,000, either through check, ACH or wire.

Redeem by Internet: You may redeem in your account by logging onto the BlackRock website at

www.blackrock.com/funds. Proceeds from Internet redemptions may be sent via check, ACH or wire to the bank account of record. Payment for Investor shares redeemed by Internet may be made for non-retirement accounts in amounts up to \$25,000, either through check, ACH or wire. Different maximums may apply to investors in Institutional Shares.



How to Sell Shares (continued)

	Your Choices	Important Information for You to Know
Full or Partial Redemption of Shares (continued)	Selling shares held directly with BlackRock (continued)	<p>Redeem in Writing: You may sell shares held with BlackRock by writing to BlackRock, P.O. Box 9819, Providence, Rhode Island 02940- 8019, or for overnight delivery, 4400 Computer Drive, Westborough, Massachusetts 01588. All shareholders on the account must sign the letter. A medallion signature guarantee will generally be required but may be waived in certain limited circumstances. You can obtain a medallion signature guarantee stamp from a bank, securities dealer, securities broker, credit union, savings and loan association, national securities exchange or registered securities association. A notary public seal will not be acceptable. If you hold stock certificates, return the certificates with the letter. Proceeds from redemptions may be sent via check, ACH or wire to the bank account of record.</p> <p>Payment of Redemption Proceeds Redemption proceeds may be paid by check or, if the Fund has verified banking information on file, through ACH or by wire transfer.</p> <p>Payment by Check: BlackRock will normally mail redemption proceeds within seven days following receipt of a properly completed request. Shares can be redeemed by telephone and the proceeds sent by check to the shareholder at the address on record. Shareholders will pay \$15 for redemption proceeds sent by check via overnight mail. You are responsible for any additional charges imposed by your bank for this service.</p> <p>Payment by Wire Transfer: Payment for redeemed shares for which a redemption order is received before 4:00 p.m. (Eastern time) on a business day is normally made in Federal funds wired to the redeeming shareholder on the next business day, provided that the Fund's custodian is also open for business. Payment for redemption orders received after 4:00 p.m. (Eastern time) or on a day when the Fund's custodian is closed is normally wired in Federal funds on the next business day following redemption on which the Fund's custodian is open for business. Each Fund reserves the right to wire redemption proceeds within seven days after receiving a redemption order if, in the judgment of the Fund, an earlier payment could adversely affect a Fund.</p> <p>If a shareholder has given authorization for expedited redemption, shares can be redeemed by Federal wire transfer to a single previously designated bank account. Shareholders will pay \$7.50 for redemption proceeds sent by Federal wire transfer. You are responsible for any additional charges imposed by your bank for this service. No charge for wiring redemption payments with respect to Institutional Shares is imposed by the Fund.</p> <p>The Funds are not responsible for the efficiency of the Federal wire system or the shareholder's firm or bank. To change the name of the single, designated bank account to receive wire redemption proceeds, it is necessary to send a written request to the Fund at the address on the back cover of this prospectus.</p>

Payment by ACH: Redemption proceeds may be sent to the shareholder's bank account (checking or savings) via ACH. Payment for redeemed shares for which a redemption order is received before 4:00 p.m. (Eastern time) on a business day is normally sent to the redeeming shareholder the next business day, with receipt at the receiving bank within the next two business days (48-72 hours); provided that the Fund's custodian is also open for business. Payment for redemption orders received after 4:00 p.m. (Eastern time) or on a day when the Fund's custodian is closed is normally sent on the next business day following redemption on which the Fund's custodian is open for business.

The Funds reserve the right to send redemption proceeds within seven days after receiving a redemption order if, in the judgment of the Funds, an earlier payment could adversely affect the Fund. No charge for sending redemption payments via ACH is imposed by the Funds.

* * *

If you make a redemption request before a Fund has collected payment for the purchase of shares, the Fund may delay mailing your proceeds. This delay will usually not exceed ten days.



How to Exchange Shares or Transfer your Account

	Your Choices	Important Information for You to Know
Exchange Privilege	Selling shares of one fund to purchase shares of another BlackRock Fund (“exchanging”)	<p>Investor and Institutional Shares of the Funds are generally exchangeable for shares of the same class of another BlackRock Fund. No exchange privilege is available for Class R Shares.</p> <p>You can exchange \$1,000 or more of Investor A, Investor B or Investor C Shares from one fund into the same class of another fund which offers that class of shares (you can exchange less than \$1,000 of Investor Shares if you already have an account in the fund into which you are exchanging). Investors who currently own Institutional Shares of a Fund may make exchanges into institutional Shares of other BlackRock Funds except for investors holding shares through certain client accounts at financial intermediaries that are omnibus with the Fund and do not meet applicable minimums. There is no required minimum amount with respect to exchanges of Institutional Shares. You may only exchange into a share class and fund that are open to new investors or in which you have a current account if the fund is closed to new investors. Some of the BlackRock Funds impose a different deferred sales charge schedule. The CDSC will continue to be measured from the date of original purchase. The CDSC schedule applicable to your original purchase will apply to the shares you receive in the exchange and any subsequent exchange.</p> <p>To exercise the exchange privilege, you may contact your financial intermediary. Alternatively, if your account is held directly with BlackRock, you may: (i) call (800) 441-7762 and speak with one of our representatives, (ii) make the exchange via the Internet by accessing your account online at www.blackrock.com/funds, or (iii) send a written request to the Fund at the address on the back cover of this prospectus. Please note, if you indicated on your New Account Application that you did not want the Telephone Exchange Privilege, you will not be able to place exchanges via the telephone until you update this option either in writing or by calling (800) 441-7762. The Funds have the right to reject any telephone request for any reason.</p> <p>Although there is currently no limit on the number of exchanges that you can make, the exchange privilege may be modified or terminated at any time in the future. Each Fund may suspend or terminate your exchange privilege at any time for any reason, including if the Fund believes, in its sole discretion that you are engaging in market timing activities. See “Short-Term Trading Policy” below. For Federal income tax purposes a share exchange is a taxable event and a capital gain or loss may be realized. Please consult your tax adviser or other financial professional before making an exchange request.</p>
Transfer Shares to Another	Transfer to a participating financial intermediary	You may transfer your shares of the Fund only to another financial intermediary that has entered into an agreement with the Distributor. Certain shareholder services may not

**Financial
Intermediary**

be available for the transferred shares. All future trading of these assets must be coordinated by the receiving firm. If your account is held directly with BlackRock, you may call (800) 441-7762 with any questions; otherwise please contact your financial intermediary to accomplish the transfer of shares.

Transfer to a non-
participating financial
intermediary

You must either:

- Transfer your shares to an account with the Fund; or
- Sell your shares, paying any applicable deferred sales charge.

If your account is held directly with BlackRock, you may call (800) 441-7762 with any questions; otherwise please contact your financial intermediary to accomplish the transfer of shares.

Account Services and Privileges

The following table provides examples of account services and privileges available in your BlackRock account. Certain of these account services and privileges are only available to shareholders of Investor Shares whose accounts are held directly with BlackRock. If your account is held directly with BlackRock, please call (800) 441-7762 or visit www.blackrock.com/funds for additional information as well as forms and applications. Otherwise, please contact your financial intermediary for assistance in requesting one or more of the following services and privileges.

Automatic Investment Plan (AIP)	Allows systematic investments on a periodic basis from your checking or savings account.	BlackRock's AIP allows you to invest a specific amount on a periodic basis from your checking or savings account into your investment account. You may apply for this option upon account opening or by completing the Automatic Investment Plan application. The minimum investment amount for an automatic investment plan is \$50 per portfolio. This is no longer available for purchase of Investor B Shares. If a shareholder has an AIP for purchase of Investor B Shares, the investor must redirect investment into Investor A or Investor C Shares.
Dividend Allocation Plan	Automatically invests your distributions into another BlackRock Fund of your choice pursuant to your instructions, without any fees or sales charges.	Dividend and capital gains distributions may be reinvested in your account to purchase additional shares or paid in cash. Using the Dividend Allocation Plan, you can direct your distributions to your bank account (checking or savings), to purchase shares of another fund at BlackRock without any fees or sales charges, or by check to special payee. Please call (800) 441-7762 for details. The fund into which you request your distribution be invested must be open to new purchases.
EZ Trader	Allows an investor to purchase or sell Investor class shares by telephone or over the Internet through ACH.	(NOTE: This option is offered to shareholders whose accounts are held directly with BlackRock. Please speak with your financial intermediary if your account is held elsewhere). Prior to establishing an EZ Trader account, please contact your bank to confirm that it is a member of the ACH system. Once confirmed, complete an application, making sure to include the appropriate bank information, and return the application to the address listed on the form. Prior to placing a telephone or internet purchase or sale order, please call (800) 441-7762 to confirm that your bank information has been updated on your account. Once this is established, you may place your request to sell shares with the Fund by telephone or Internet. Proceeds will be sent to your pre-designated bank account.
Systematic Exchange	This feature can be used by investors to systematically exchange money from one fund to up to four other funds.	A minimum of \$10,000 in the initial BlackRock Fund is required and investments in any additional funds must meet minimum initial investment requirements.
Systematic Withdrawal Plan (SWP)	This feature can be used by investors who want to receive regular distributions from their accounts.	To start an SWP a shareholder must have a current investment of \$10,000 or more in a BlackRock Fund. Shareholders can elect to receive cash payments of \$50 or more at any interval they choose. Shareholders may sign up by completing the SWP Application Form which may be obtained from BlackRock. Shareholders should realize that if withdrawals exceed

income the invested principal in their account will be depleted.

To participate in the SWP, shareholders must have their dividends reinvested. Shareholders may change or cancel the SWP at any time, with a minimum of 24 hours notice. If a shareholder purchases additional Investor A Shares of a fund at the same time he or she redeems shares through the SWP, that investor may lose money because of the sales charge involved. No CDSC will be assessed on redemptions of Investor Shares made through the SWP that do not exceed 12% of the account's net asset value on an annualized basis. For example, monthly, quarterly, and semi-annual SWP redemptions of Investor Shares will not be subject to the CDSC if they do not exceed 1%, 3% and 6%, respectively, of an account's net asset value on the redemption date. SWP redemptions of Investor Shares in excess of this limit will still pay any applicable CDSC. Ask your financial adviser or financial intermediary for details.

Reinstatement Privilege

If you redeem Investor A or Institutional Shares, and within 60 days buy new Investor A Shares of the same or another BlackRock Fund (equal to all or a portion of the redemption amount), you will not pay a sales charge on the new purchase amount. This right may be exercised once a year and within 60 days of the redemption, provided that the Investor A Share class of that fund is currently open to new investors or the shareholder has a current account in that closed fund. Shares will be purchased at the net asset value calculated at the close of trading on the day the request is received. To exercise this privilege, the Fund must receive written notification from the shareholder of record or the financial intermediary of record at the time of the purchase. Investors should consult a tax advisor concerning the tax consequences of exercising this reinstatement privilege.

Funds' Rights

Each Fund may:

- Suspend the right of redemption if trading is halted or restricted on the Exchange or under other emergency conditions described in the Investment Company Act;
- Postpone date of payment upon redemption if trading is halted or restricted on the Exchange or under other emergency conditions described in the Investment Company Act or if a redemption request is made before the Fund has collected payment for the purchase of shares;
- Redeem shares for property other than cash if conditions exist which make cash payments undesirable in accordance with its rights under the Investment Company Act; and
- Redeem shares involuntarily in certain cases, such as when the value of a shareholder account falls below a specified level.

Note on Low Balance Accounts. Because of the high cost of maintaining smaller shareholder accounts, BlackRock has set a minimum balance of \$500 in each Fund position you hold within your account ("Fund Minimum"), and may take one of two actions if the balance in your Fund falls below the Fund Minimum.

First, the Fund may redeem the shares in your account (without charging any deferred sales charge) if the net asset value of your account falls below \$250 for any reason, including market fluctuation. You will be notified that the value of your account is less than \$250 before the Fund makes an involuntary redemption. The notification will provide you with a 90 calendar day period to make an additional investment in order to bring the value of your account to at least \$250 before the Fund makes an involuntary redemption or to the Fund Minimum in order not to be assessed an annual low balance fee of \$20, as set forth below. This involuntary redemption may not apply to accounts of authorized qualified employee benefit plans, selected fee-based programs, accounts established under the Uniform Gifts or Transfers to Minors Acts, and certain intermediary accounts.

Second, the Fund charges an annual \$20 low balance fee on all Fund accounts that have a balance below the Fund Minimum for any reason, including market fluctuation. The low balance fee will be assessed on Fund accounts in all BlackRock Funds, regardless of a Fund's minimum investment amount. The fee will be deducted from the Fund account only once per calendar year. You will be notified that the value of your account is less than the Fund Minimum before the fee is imposed. You will then have a 90 calendar day period to make an additional investment to bring the value of your account to the Fund Minimum before the Fund imposes the low balance fee. This low balance fee does not apply to accounts of authorized qualified employee benefit plans, selected fee-based programs, or, accounts established under the Uniform Gifts or Transfers to Minors Acts.

Participation in Fee-Based Programs

If you participate in certain fee-based programs offered by BlackRock or an affiliate of BlackRock or by financial intermediaries that have agreements with the Distributor or in certain fee-based programs in which BlackRock participates, you may be able to buy Institutional Shares, including by exchanges from other share classes. Sales charges on the shares being exchanged may be reduced or waived under certain circumstances. You generally cannot transfer shares held through a fee-based program into another account. Instead, you will have to redeem your shares held through the program

and purchase shares of another class, which may be subject to distribution and service fees. This may be a taxable event and you will pay any applicable sales charges or redemption fee.



Shareholders that participate in a fee-based program generally have two options at termination. The program can be terminated and the shares liquidated or the program can be terminated and the shares held in an account. In general, when a shareholder chooses to continue to hold the shares, whatever share class was held in the program can be held after termination. Shares that have been held for less than specified periods within the program may be subject to a fee upon redemption. Shareholders that held Investor A or Institutional Shares in the program are eligible to purchase additional shares of the respective share class of a Fund, but may be subject to upfront sales charges with respect to Investor A Shares. Additional purchases of Institutional Shares are available only if you have an existing position at the time of purchase or are otherwise eligible to purchase Institutional Shares.

Details about these features and the relevant charges are included in the client agreement for each fee-based program and are available from your financial intermediary.

Short-Term Trading Policy

The Board has determined that the interests of long-term shareholders and each Fund's ability to manage its investments may be adversely affected when shares are repeatedly bought, sold or exchanged in response to short-term market fluctuations – also known as “market timing”. The Funds are not designed for market timing organizations or other entities using programmed or frequent purchases and sales or exchanges. The exchange privilege is not intended as a vehicle for short-term trading. Excessive purchase and sale or exchange activity may interfere with portfolio management, increase expenses and taxes and may have an adverse effect on the performance of a Fund and its returns to shareholders. For example, large flows of cash into and out of a Fund may require the management team to allocate a significant amount of assets to cash or other short-term investments or sell securities, rather than maintaining such assets in securities selected to achieve the Fund's investment objective. Frequent trading may cause a Fund to sell securities at less favorable prices, and transaction costs, such as brokerage commissions, can reduce a Fund's performance.

Each Fund's investment in non-U.S. securities is subject to the risk that an investor may seek to take advantage of a delay between the change in value of the Fund's portfolio securities and the determination of the Fund's net asset value as a result of different closing times of U.S. and non-U.S. markets by buying or selling Fund shares at a price that does not reflect their true value. A similar risk exists for Funds that invest in securities of small capitalization companies, securities of issuers located in emerging markets or high yield securities (“junk bonds”) that are thinly traded and therefore may have actual values that differ from their market prices. This short-term arbitrage activity can reduce the return received by long-term shareholders. Each Fund will seek to eliminate these opportunities by using fair value pricing, as described in “Valuation of Fund Investments” below.

The Funds discourage market timing and seek to prevent frequent purchases and sales or exchanges of Fund shares that they determine may be detrimental to a Fund or long-term shareholders. The Board has approved the policies discussed below to seek to deter market timing activity. The Board has not adopted any specific numerical restrictions on purchases, sales and exchanges of Fund shares because certain legitimate strategies will not result in harm to the Funds or shareholders.

If as a result of its own investigation, information provided by a financial intermediary or other third party, or otherwise, a Fund believes, in its sole discretion, that your short-term trading is excessive or that you are engaging in market timing activity, it reserves the right to reject any specific purchase or exchange order. If a Fund rejects your purchase or exchange order, you will not be able to execute that transaction, and the Fund will not be responsible for any losses you therefore may suffer. For transactions placed directly with a Fund, the Fund may consider the trading history of accounts under common ownership or control for the purpose of enforcing these policies. Transactions placed through the same financial intermediary on an omnibus basis may be deemed part of a group for the purpose of this policy and may be rejected in whole or in part by a Fund. Certain accounts, such as omnibus accounts and accounts at financial intermediaries, however, include multiple investors and such accounts typically provide a Fund with net purchase or redemption and exchange requests on any given day where purchases, redemptions and exchanges of shares are netted against one another and the identity of individual purchasers, redeemers and exchangers whose orders are aggregated may not be known by a Fund. While the Funds monitor for market timing activity, the Funds may be unable to identify such activities because the netting effect in omnibus accounts often makes it more difficult to locate and eliminate market timers from the Funds. The Distributor has entered into agreements with respect to financial intermediaries that maintain omnibus accounts with the Funds pursuant to which such financial professionals and other financial intermediaries undertake to cooperate with the Distributor in monitoring purchase, exchange and redemption orders by their customers in order to detect and prevent short-term or excessive trading in the Funds' shares through such accounts. Identification of market timers may also be limited by operational systems and

□

technical limitations. In the event that a financial intermediary is determined by the Fund to be engaged in market timing or other improper trading activity, the Funds' Distributor may terminate such financial intermediary's agreement with the Distributor, suspend such financial intermediary's trading privileges or take other appropriate actions.

There is no assurance that the methods described above will prevent market timing or other trading that may be deemed abusive.

The Funds may from time to time use other methods that they believe are appropriate to deter market timing or other trading activity that may be detrimental to a Fund or long-term shareholders.

□

Management of the Funds

BlackRock

BlackRock, each Fund's manager, manages the Fund's investments and its business operations subject to the oversight of the Trust's Board. While BlackRock is ultimately responsible for the management of the Funds, it is able to draw upon the trading, research and expertise of its asset management affiliates for portfolio decisions and management with respect to certain portfolio securities. BlackRock is an indirect, wholly-owned subsidiary of BlackRock, Inc.

BlackRock, a registered investment adviser, was organized in 1994 to perform advisory services for investment companies. BlackRock Financial Management, Inc. ("BFM"), a registered investment adviser and commodity pool operator organized in 1994 and an affiliate of BlackRock, acts as sub-adviser for a portion of the assets of Global Opportunities. BlackRock International Limited ("BIL"), a registered investment adviser organized in 1995 and also an affiliate of BlackRock, acts as sub-adviser for International Opportunities. BFM and BIL may be referred to herein individually as a "Sub-Adviser" and collectively as the "Sub-Advisers." BlackRock and its affiliates had approximately \$3.792 trillion in investment company and other portfolio assets under management as of December 31, 2012.

BlackRock serves as manager to each Fund pursuant to a management agreement (the "Management Agreement"). BlackRock has entered into a sub-advisory agreement with each Sub-Adviser, under which BlackRock pays each Sub-Adviser for services it provides to the applicable Fund a fee equal to a percentage of the management fee paid by such Fund to BlackRock under the Management Agreement. Each Sub-Adviser is responsible for the day-to-day management of the applicable Fund's portfolio (or in the case of Global Opportunities, a portion of the portfolio). Pursuant to the Management Agreement, BlackRock is entitled to fees computed daily and payable monthly as described below. BlackRock has agreed to cap net expenses (excluding (i) interest, taxes, dividends tied to short sales, brokerage commissions, and other expenditures which are capitalized in accordance with generally accepted accounting principles; (ii) expenses incurred directly or indirectly by the Fund as a result of investments in other investment companies and pooled investment vehicles; (iii) other expenses attributable to, and incurred as a result of, the Fund's investments; and (iv) other extraordinary expenses (including litigation expenses) not incurred in the ordinary course of the Fund's business, if any), of each share class of certain Funds at the levels shown below (and in the case of contractual caps, at the levels shown both below and in a Fund's fees and expenses table in the "Fund Overview" section of this prospectus). Items (i), (ii), (iii) and (iv) in the preceding sentence are referred to in this prospectus as "Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses." To achieve these expense caps, BlackRock has agreed to waive or reimburse fees or expenses if these operating expenses exceed a certain limit.

Global Opportunities Total Annual Management Fee

With respect to Global Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	0.900%
\$1 billion - \$2 billion	0.850%
\$2 billion - \$3 billion	0.800%
Greater than \$3 billion	0.750%

With respect to Global Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses to the amounts noted in the table below.

	Contractual Caps¹ on Total Annual Fund Operating Expenses² (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)	Total Annual Fund Operating Expenses¹ after giving effect to all applicable expense limitation provisions (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)
Investor A	1.33%	1.33%
Investor B	2.18%	2.18%
Investor C	2.14%	2.14%
Institutional	1.06%	1.06%
Class R	1.72%	1.65%

¹ As a percentage of average daily net assets.

The contractual cap is in effect until February 1, 2015. The contractual agreement may be terminated upon 90 days'

² 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.

International Opportunities Total Annual Management Fee

With respect to International Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	1.000%
\$1 billion - \$2 billion	0.950%
\$2 billion - \$3 billion	0.900%
Greater than \$3 billion	0.850%

With respect to International Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses to the amounts noted in the table below.

	Contractual Caps¹ on Total Annual Fund Operating Expenses² (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)
Investor A	1.98%
Investor B	2.75%
Investor C	2.75%
Institutional	1.49%

¹ As a percentage of average daily net assets.

The contractual cap is in effect until February 1, 2014. The contractual agreement may be terminated upon 90 days'

² 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.

U.S. Opportunities Total Annual Management Fee

With respect to U.S. Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	1.100%
\$1 billion - \$2 billion	1.050%
\$2 billion - \$3 billion	1.025%

Greater than \$3 billion

1.000%

With respect to U.S. Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses to the amounts noted in the table below.

	Contractual Caps¹ on Total Annual Fund Operating Expenses² (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)	Total Annual Fund Operating Expenses¹ after giving effect to all applicable expense limitation provisions (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)
Investor A	1.65%	1.51%
Investor B	2.32%	2.30%
Investor C	2.32%	2.25%
Institutional	1.03%	1.03%

¹ As a percentage of average daily net assets.

The contractual cap is in effect until February 1, 2014. The contractual agreement may be terminated upon 90 days'

² 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.

Health Sciences Opportunities Total Annual Management Fee

With respect to Health Sciences Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	0.750%
\$1 billion - \$2 billion	0.700%
\$2 billion - \$3 billion	0.675%
Greater than \$3 billion	0.650%

With respect to Health Sciences Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses to the amounts noted in the table below.

	Contractual Cap¹ on Total Annual Fund Operating Expenses² (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)
Class R	1.81%

¹ As a percentage of average daily net assets.

The contractual cap is in effect until February 1, 2014. The contractual agreement may be terminated upon 90 days'

² 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.

Science & Technology Opportunities Total Annual Management Fee

With respect to Science & Technology Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	0.900%
\$1 billion - \$2 billion	0.850%
\$2 billion - \$3 billion	0.800%
Greater than \$3 billion	0.750%

With respect to Science & Technology Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses to the amounts noted in the table below.



**Contractual Caps¹ on Total
Annual Fund Operating Expenses²
(excluding Dividend Expense,
Interest Expense, Acquired Fund
Fees and Expenses and certain
other Fund expenses)**

Investor A	1.80%
Investor B	2.73%
Investor C	2.73%
Institutional	1.39%
Class R	2.57%

¹ As a percentage of average daily net assets.

The contractual cap is in effect until February 1, 2014. 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.

With respect to each contractual agreement, if during a Fund's fiscal year the operating expenses of a share class, that at any time during the prior two fiscal years received a waiver or reimbursement from BlackRock, are less than the expense limit for that share class, the share class is required to repay BlackRock up to the lesser of (a) the amount of fees waived or expenses reimbursed during those prior two fiscal years under the agreement and (b) the amount by which the expense limit for that share class exceeds the operating expenses of the share class for the current fiscal year, provided that (i) the Fund of which the share class is a part has more than \$50 million in assets and (ii) BlackRock or an affiliate serves as the Fund's manager or administrator.

For the fiscal year ended September 30, 2012, each Fund paid BlackRock management fees, net of any applicable waivers, as a percentage of each Fund's average daily net assets as follows:

Global Opportunities	0.89%
International Opportunities	0.98%
U.S. Opportunities	0.95%
Health Sciences Opportunities	0.73%
Science & Technology Opportunities	0.90%

A discussion of the basis for the Board's approval of the Management Agreement and sub-advisory agreement, if any, with respect to each of the Funds is included in the respective Fund's annual shareholder report for the fiscal year ended September 30, 2012.

From time to time, a manager, analyst, or other employee of BlackRock or its affiliates may express views regarding a particular asset class, company, security, industry or market sector. The views expressed by any such person are the views of only that individual as of the time expressed and do not necessarily represent the views of BlackRock or any other person within the BlackRock organization. Any such views are subject to change at any time based upon market or other conditions and BlackRock disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for the Funds are based on numerous factors, may not be relied on as an indication of trading intent on behalf of the Funds.

Portfolio Manager Information

Information regarding the portfolio managers of each Fund is set forth below. Further information regarding the portfolio managers, including other accounts managed, compensation, ownership of Fund shares, and possible conflicts of interest, is available in the Fund's SAI.

**Global Opportunities
Portfolio Manager**

	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2006	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock' s Global Opportunities equity team.
Ian Jamieson, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2011	Managing Director of BlackRock, Inc. since 2012; Director of BlackRock, Inc. from 2007 to 2011; Vice President of BlackRock, Inc. from 2004 to 2006.
Nigel Hart, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2012	Managing Director of BlackRock, Inc. since 2012; Managing Partner and Portfolio Manager of ReachCapital Management LP from 2000 to 2010.

**International Opportunities
Portfolio Manager**

	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	1999	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock' s Global Opportunities equity team.
Ian Jamieson, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2011	Managing Director of BlackRock, Inc. since 2012; Director of BlackRock, Inc. from 2007 to 2011; Vice President of BlackRock, Inc. from 2004 to 2006.
Nigel Hart, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2012	Managing Director of BlackRock, Inc. since 2012; Managing Partner and Portfolio Manager of ReachCapital Management LP from 2000 to 2010.

**U.S. Opportunities
Portfolio Manager**

	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2002	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock' s Global Opportunities equity team.
Jean Rosenbaum, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2002	Managing Director of BlackRock, Inc. since 2006; Director of BlackRock, Inc. from 2002 to 2005.



Health Sciences Opportunities

Portfolio Manager	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2005	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock' s Global Opportunities equity team.
Erin Xie, PhD	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2003	Managing Director of BlackRock, Inc. since 2006; Director of BlackRock, Inc. in 2005; Senior Vice President of State Street Research & Management from 2001 to 2005.

Science & Technology Opportunities

Portfolio Manager	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2000	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock' s Global Opportunities equity team.
Jean Rosenbaum, CFA	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2000	Managing Director of BlackRock, Inc. since 2006; Director of BlackRock, Inc. from 2002 to 2005.
Erin Xie, PhD	Jointly and primarily responsible for the day-to-day management of the Fund' s portfolio, including setting the Fund' s overall investment strategy and overseeing the management of the Fund.	2005	Managing Director of BlackRock, Inc. since 2006; Director of BlackRock, Inc. in 2005; Senior Vice President of State Street Research & Management from 2001 to 2005.

Conflicts of Interest

The investment activities of BlackRock and its affiliates (including BlackRock, Inc. and PNC and their affiliates, directors, partners, trustees, managing members, officers and employees (collectively, the "Affiliates")) in the management of, or their interest in, their own accounts and other accounts they manage, may present conflicts of interest that could disadvantage the Funds and their shareholders. BlackRock and its Affiliates provide investment management services to other funds and discretionary managed accounts that follow an investment program similar to that of the funds. BlackRock and its Affiliates are involved worldwide with a broad spectrum of financial services and asset management activities and may engage in the ordinary course of business in activities in which their interests or the interests of their clients may conflict with those of the Funds. One or more Affiliates act or may act as an investor, investment banker, research provider, investment manager, financier, advisor, market maker, trader, prime broker, lender, agent and principal, and have other direct and indirect interests, in securities, currencies and other instruments in which the Funds directly and indirectly invest. Thus, it is likely that the Funds will have multiple business relationships with and will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which an Affiliate performs or seeks to perform investment banking or other services. One or more Affiliates may engage in proprietary trading and advise accounts and funds that have investment objectives similar to those of the Funds and/or that engage in and compete for transactions in the same types of securities, currencies and other instruments as the Funds. The trading activities of these Affiliates are carried out without reference to positions held directly or indirectly by the Funds and may result in an Affiliate having positions that are adverse to those of the Funds. No Affiliate is under any obligation to share any investment opportunity, idea or strategy with the Funds. As a result, an Affiliate may compete with the Funds for appropriate investment opportunities. The results of the

Funds' investment activities, therefore, may differ from those of an Affiliate and of other accounts managed by an Affiliate, and it is possible that the Funds could sustain losses during periods in which one or more



Affiliates and other accounts achieve profits on their trading for proprietary or other accounts. The opposite result is also possible. In addition, the Funds may, from time to time, enter into transactions in which an Affiliate or its other clients have an adverse interest. Furthermore, transactions undertaken by Affiliate-advised clients may adversely impact the Funds. Transactions by one or more Affiliate-advised clients or BlackRock may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of the Funds. The Funds' activities may be limited because of regulatory restrictions applicable to one or more Affiliates, and/or their internal policies designed to comply with such restrictions. In addition, the Funds may invest in securities of companies with which an Affiliate has or is trying to develop investment banking relationships or in which an Affiliate has significant debt or equity investments. The Funds also may invest in securities of companies for which an Affiliate provides or may some day provide research coverage. An Affiliate may have business relationships with and purchase or distribute or sell services or products from or to distributors, consultants or others who recommend the Funds or who engage in transactions with or for the Funds, and may receive compensation for such services. The Funds may also make brokerage and other payments to Affiliates in connection with the Funds' portfolio investment transactions.

Under a securities lending program approved by the Board, the Trust, on behalf of the Funds, has retained an Affiliate of BlackRock to serve as the securities lending agent for the Funds to the extent that the Funds participate in the securities lending program. For these services, the lending agent may receive a fee from the Funds, including a fee based on the returns earned on the Funds' investment of the cash received as collateral for the loaned securities. In addition, one or more Affiliates may be among the entities to which the Funds may lend their portfolio securities under the securities lending program.

The activities of Affiliates may give rise to other conflicts of interest that could disadvantage the Funds and their shareholders. BlackRock has adopted policies and procedures designed to address these potential conflicts of interest. See the SAI for further information.

Valuation of Fund Investments

When you buy shares, you pay the net asset value, plus any applicable sales charge. This is the offering price. Shares are also redeemed at their net asset value, minus any applicable deferred sales charge. A Fund calculates the net asset value of each class of its shares (generally by using market quotations) each day the Exchange is open as of the close of business on the Exchange, based on prices at the time of closing. The Exchange generally closes at 4:00 p.m. Eastern time. The net asset value used in determining your share price is the next one calculated after your purchase or redemption order is placed.

Generally, Institutional Shares will have the highest net asset value because that class has the lowest expenses, Investor A Shares will have a higher net asset value than Investor B, Investor C or Class R Shares, and Class R Shares will have a higher net asset value than Investor B or Investor C Shares. Also, dividends paid on Investor A, Institutional and Class R Shares will generally be higher than dividends paid on Investor B and Investor C Shares because Investor A, Institutional and Class R Shares have lower expenses.

Each Fund's assets and liabilities are valued primarily on the basis of market quotations. Equity investments and other investments for which market quotations are readily available are valued at market value, which is generally determined using the last reported sale price on the exchange or market on which the security or instrument is primarily traded at the time of valuation. Each Fund values fixed income portfolio securities and non-exchange traded derivatives using market prices provided directly from one or more broker-dealers, market makers, or independent third-party pricing services which may use matrix pricing and valuation models to derive values, each in accordance with valuation procedures approved by the Board. Short-term debt securities with remaining maturities of 60 days or less may be valued on the basis of amortized cost.

Foreign currency exchange rates are generally determined as of the close of business on the Exchange. Foreign securities owned by a Fund may trade on weekends or other days when the Fund does not price its shares. As a result, a Fund's net asset value may change on days when you will not be able to purchase or redeem the Fund's shares. Generally, trading in foreign securities, U.S. government securities and money market instruments and certain fixed income securities is substantially completed each day at various times prior to the close of business on the Exchange. The values of such securities used in computing the net asset value of a Fund's shares are determined as of such times.

When market quotations are not readily available or are not believed by BlackRock to be reliable, a Fund's investments are valued at fair value. Fair value determinations are made by BlackRock in accordance with procedures approved by the Board. BlackRock may conclude that a market quotation is not readily available or is unreliable if a security or other asset or liability does not have a price source due to its lack of liquidity, if BlackRock believes a market quotation

from a broker-dealer or other source is unreliable, where the security or other asset or other liability is thinly traded (e.g., municipal securities, certain small cap and emerging growth companies, and certain non-U.S. securities) or where there is a significant event subsequent to the most recent market quotation. For this purpose, a "significant event" is deemed to occur if BlackRock determines, in its business judgment prior to or at the time of pricing a Fund's assets or liabilities, that it is likely that the event will cause a material change to the last closing market price of one or more assets or liabilities held by the Fund. For instance, significant events may occur between the foreign market close and the close of business on the Exchange that may not be reflected in the computation of a Fund's net assets. If such event occurs, those instruments may be fair valued. Similarly, foreign securities whose values are affected by volatility that occurs in U.S. markets on a trading day after the close of foreign securities markets may be fair valued.

For certain foreign securities, a third-party vendor supplies evaluated, systematic fair value pricing based upon the movement of a proprietary multi-factor model after the relevant foreign markets have closed. This systematic fair value pricing methodology is designed to correlate the prices of foreign securities following the close of the local markets to the price that might have prevailed as of a Fund's pricing time.

Fair value represents a good faith approximation of the value of a security. The fair value of one or more securities may not, in retrospect, be the price at which those assets could have been sold during the period in which the particular fair values were used in determining a Fund's net asset value.

The Fund may accept orders from certain authorized financial intermediaries or their designees. The Fund will be deemed to receive an order when accepted by the intermediary or designee, and the order will receive the net asset value next computed by the Fund after such acceptance. If the payment for a purchase order is not made by a designated later time, the order will be canceled and the financial intermediary could be held liable for any losses.

Dividends, Distributions and Taxes

BUYING A DIVIDEND

Unless your investment is in a tax deferred account, you may want to avoid buying shares shortly before the Fund pays a dividend. The reason? If you buy shares when a Fund has declared but not yet distributed ordinary income or capital gains, you will pay the full price for the shares and then receive a portion of the price back in the form of a taxable dividend. Before investing you may want to consult your tax adviser.

Each Fund will distribute net investment income, if any, and net realized capital gain, if any, at least annually. Each Fund may also pay a special distribution at the end of the calendar year to comply with Federal tax requirements. Dividends may be reinvested automatically in shares of a Fund at net asset value without a sales charge or may be taken in cash. If you would like to receive dividends in cash, contact your financial professional, financial intermediary or the applicable Fund. Although this cannot be predicted with any certainty, each Fund anticipates that the majority of its dividends, if any, will consist of capital gains. Capital gains may be taxable to you at different rates depending on how long the Fund held the assets sold.

You will pay tax on dividends from a Fund whether you receive them in cash or additional shares. If you redeem Fund shares or exchange them for shares of another fund, you generally will be treated as having sold your shares and any gain on the transaction may be subject to tax. In addition, each Fund is generally required by law to provide you and the Internal Revenue Service with cost basis information on the redemption or exchange of any of your shares in the Fund acquired on or after January 1, 2012 (including any shares that you acquire through reinvestment of distributions). Certain dividend income received by a Fund, including dividends received from qualifying foreign corporations, and long-term capital gains are eligible for taxation at a reduced rate that applies to non-corporate shareholders. To the extent a Fund makes any distributions derived from long-term capital gains and qualifying dividend income, such distributions will be eligible for taxation at the reduced rate.

If you are neither a tax resident nor a citizen of the United States or if you are a foreign entity, each Fund's ordinary income dividends (which include distributions of net short-term capital gain) will generally be subject to a 30% U.S. withholding tax, unless a lower treaty rate applies. However, for taxable years beginning before January 1, 2014, certain distributions reported by a Fund as either interest related dividends or short term capital gain dividends and paid to a foreign shareholder will be eligible for an exemption from U.S. withholding tax.

A 3.8% Medicare contribution tax will be imposed on the net investment income (which includes interest, dividends and capital gains) of U.S. individuals with income exceeding \$200,000 or \$250,000 if married and filing jointly, and of trusts and estates, for taxable years beginning after December 31, 2012.

A 30% withholding tax on dividends paid after December 31, 2013 and redemption proceeds paid after December 31, 2016 will be imposed on (i) certain foreign financial institutions and investment funds, unless they agree to collect and disclose to the Internal Revenue Service information regarding their direct and indirect U.S. account holders and (ii) certain other foreign entities unless they certify certain information regarding their direct and indirect U.S. owners. Under some circumstances, a foreign shareholder may be eligible for refunds or credits of such taxes.

Dividends and interest received by a Fund may give rise to withholding and other taxes imposed by foreign countries. Tax conventions between certain countries and the United States may reduce or eliminate such taxes. You may be able to claim a credit or take a deduction for foreign taxes paid by the Fund if certain requirements are met.

By law, your dividends and redemption proceeds will be subject to a withholding tax if you have not provided a taxpayer identification number or social security number or the number you have provided is incorrect.

This section summarizes some of the consequences under current Federal tax law of an investment in a Fund. It is not a substitute for personal tax advice. Consult your personal tax adviser about the potential tax consequences of an investment in a Fund under all applicable tax laws.



Financial Highlights

The Financial Highlights tables are intended to help you understand each Fund's financial performance for the periods shown. Certain information reflects the financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned or lost on an investment in the indicated Fund (assuming reinvestment of all dividends and/or distributions). The information has been audited by Deloitte & Touche LLP, whose report, along with each Fund's financial statements, is included in each Fund's Annual Report, which is available upon request.

Global Opportunities

	Institutional				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 9.32	\$ 10.52	\$ 10.13	\$ 9.96	\$ 13.31
Net investment income ¹	0.14	0.08	0.06	0.06	0.09
Net realized and unrealized gain (loss)	1.67	(1.20) ²	0.48 ²	0.12 ²	(2.77) ²
Net increase (decrease) from investment operations	1.81	(1.12)	0.54	0.18	(2.68)
Dividends and distributions from:					
Net investment income	(0.02)	(0.08)	(0.15)	(0.01)	(0.17)
Net realized gain	—	—	—	—	(0.50)
Total dividends and distributions	(0.02)	(0.08)	(0.15)	(0.01)	(0.67)
Net asset value, end of year	\$ 11.11	\$ 9.32	\$ 10.52	\$ 10.13	\$ 9.96
Total Investment Return³					
Based on net asset value	19.45%	(10.81)% ⁴	5.32% ⁴	1.78% ⁴	(21.16)% ⁴
Ratios to Average Net Assets					
Total expenses	1.25%	1.53%	1.43%	1.50%	1.33%
Total expenses excluding recoupment of past waived fees	1.25%	1.52%	1.42%	1.49%	1.33%
Total expenses after fees waived, reimbursed and paid indirectly	1.06%	1.34%	1.37%	1.36%	1.32%
Net investment income	1.35%	0.68%	0.64%	0.70%	0.77%
Supplemental Data					
Net assets, end of year (000)	\$54,448	\$58,793	\$21,699	\$16,971	\$36,625
Portfolio turnover	122%	137%	146%	190%	181%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.



Financial Highlights (continued)

Global Opportunities (continued)

	Investor A				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 9.26	\$ 10.45	\$ 10.08	\$ 9.92	\$ 13.27
Net investment income (loss) ¹	0.11	0.05	0.03	0.04	0.06
Net realized and unrealized gain (loss)	1.66	(1.20) ²	0.46 ²	0.12 ²	(2.77) ²
Net increase (decrease) from investment operations	1.77	(1.15)	0.49	0.16	(2.71)
Dividends and distributions from:					
Net investment income	(0.01)	(0.04)	(0.12)	–	(0.14)
Net realized gain	–	–	–	–	(0.50)
Total dividends and distributions	(0.01)	(0.04)	(0.12)	–	(0.64)
Net asset value, end of year	\$ 11.02	\$ 9.26	\$ 10.45	\$ 10.08	\$ 9.92
Total Investment Return³					
Based on net asset value	19.16%	(11.11)% ⁴	4.92% ⁴	1.61% ⁴	(21.44)% ⁴
Ratios to Average Net Assets					
Total expenses	1.52%	1.76%	1.72%	1.81%	1.60%
Total expenses excluding recoupment of past waived fees	1.52%	1.74%	1.70%	1.80%	1.60%
Total expenses after fees waived, reimbursed and paid indirectly	1.33%	1.61%	1.67%	1.66%	1.60%
Net investment income (loss)	1.06%	0.42%	0.32%	0.49%	0.49%
Supplemental Data					
Net assets, end of year (000)	\$195,961	\$210,299	\$39,280	\$45,110	\$37,529
Portfolio turnover	122%	137%	146%	190%	181%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.





Financial Highlights (continued)
Global Opportunities (continued)

	Investor B				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 9.10	\$ 10.31	\$ 9.93	\$ 9.83	\$ 13.16
Net investment income (loss) ¹	0.02	(0.04)	(0.04)	(0.02)	(0.04)
Net realized and unrealized gain (loss)	1.63	(1.17) ²	0.45 ²	0.12 ²	(2.76) ²
Net increase (decrease) from investment operations	1.65	(1.21)	0.41	0.10	(2.80)
Dividends and distributions from:					
Net investment income	—	—	(0.03)	—	(0.03)
Net realized gain	—	—	—	—	(0.50)
Total dividends and distributions	—	—	(0.03)	—	(0.53)
Net asset value, end of year	\$10.75	\$ 9.10	\$10.31	\$ 9.93	\$ 9.83
Total Investment Return³					
Based on net asset value	18.13%	(11.74)% ⁴	4.09% ⁴	1.02% ⁴	(22.13)% ⁴
Ratios to Average Net Assets					
Total expenses	2.21%	2.56%	2.45%	2.65%	2.37%
Total expenses excluding recoupment of past waived fees	2.20%	2.53%	2.45%	2.63%	2.37%
Total expenses after fees waived, reimbursed and paid indirectly	2.18%	2.42%	2.43%	2.42%	2.36%
Net investment income (loss)	0.21%	(0.39)%	(0.44)%	(0.25)%	(0.30)%
Supplemental Data					
Net assets, end of year (000)	\$5,412	\$ 6,750	\$3,617	\$4,351	\$ 5,665
Portfolio turnover	122%	137%	146%	190%	181%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.



**Financial Highlights** (continued)**Global Opportunities** (continued)

	Investor C				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 9.06	\$ 10.27	\$ 9.91	\$ 9.82	\$ 13.16
Net investment income (loss) ¹	0.03	(0.04)	(0.04)	(0.02)	(0.03)
Net realized and unrealized gain (loss)	1.62	(1.17) ²	0.45 ²	0.11 ²	(2.77) ²
Net increase (decrease) from investment operations	1.65	(1.21)	0.41	0.09	(2.80)
Dividends and distributions from:					
Net investment income	–	–	(0.05)	–	(0.04)
Net realized gain	–	–	–	–	(0.50)
Total dividends and distributions	–	–	(0.05)	–	(0.54)
Net asset value, end of year	\$ 10.71	\$ 9.06	\$ 10.27	\$ 9.91	\$ 9.82
Total Investment Return³					
Based on net asset value	18.21%	(11.78)% ⁴	4.13% ⁴	0.92% ⁴	(22.14)% ⁴
Ratios to Average Net Assets					
Total expenses	2.32%	2.59%	2.49%	2.62%	2.38%
Total expenses excluding recoupment of past waived fees	2.32%	2.57%	2.49%	2.62%	2.38%
Total expenses after fees waived, reimbursed and paid indirectly	2.14%	2.42%	2.44%	2.42%	2.37%
Net investment income (loss)	0.26%	(0.38)%	(0.40)%	(0.26)%	(0.26)%
Supplemental Data					
Net assets, end of year (000)	\$54,332	\$58,687	\$19,554	\$16,348	\$18,074
Portfolio turnover	122%	137%	146%	190%	181%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.





Financial Highlights (continued)
Global Opportunities (concluded)

	Class R	
	Year Ended	Period
	September 30,	September 12, 2011¹ to
	2012	September 30, 2011
Per Share Operating Performance		
Net asset value, beginning of period	\$ 9.26	\$ 9.76
Net investment income (loss) ²	0.08	0.00 ³
Net realized and unrealized gain (loss)	1.65	(0.50) ⁴
Net increase (decrease) from investment operations	1.73	(0.50)
Dividends and distributions from:		
Net investment income	(0.00) ⁵	—
Net realized gain	—	—
Total dividends and distributions	—	—
Net asset value, end of period.	\$ 10.99	\$ 9.26
Total Investment Return⁶		
Based on net asset value	18.72%	(4.83)% ^{7,8}
Ratios to Average Net Assets		
Total expenses	1.80%	1.98% ⁹
Total expenses excluding recoupment of past waived fees	1.79%	1.98% ⁹
Total expenses after fees waived, reimbursed and paid indirectly	1.65%	1.72% ⁹
Net investment income (loss)	0.74%	0.23% ⁹
Supplemental Data		
Net assets, end of period (000)	\$14,704	\$ 14,891
Portfolio turnover	122%	137%

¹ Commencement of operations.

² Based on average shares outstanding.

³ Less than \$0.01 per share.

⁴ Includes redemption fees, which are less than \$0.01 per share.

⁵ Less than \$(0.01) per share.

⁶ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁷ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁸ Aggregate total investment return.

⁹ Annualized.



**Financial Highlights** (continued)**International Opportunities** (continued)

	Institutional				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 28.37	\$ 32.76	\$ 31.36	\$ 29.44	\$ 51.08
Net investment income ¹	0.56	0.49	0.28	0.34	0.47
Net realized and unrealized gain (loss)	4.49	(4.52) ²	1.58 ²	1.68 ²	(13.66) ²
Net increase (decrease) from investment operations	5.05	(4.03)	1.86	2.02	(13.19)
Dividends and distributions from:					
Net investment income	(0.60)	(0.36)	(0.46)	(0.10)	(1.21)
Net realized gain	—	—	—	—	(7.24)
Total dividends and distributions	(0.60)	(0.36)	(0.46)	(0.10)	(8.45)
Net asset value, end of year	\$ 32.82	\$ 28.37	\$ 32.76	\$ 31.36	\$ 29.44
Total Investment Return³					
Based on net asset value	18.08%	(12.50)% ⁴	5.99% ⁴	6.99% ⁴	(30.87)% ^{4,5}
Ratios to Average Net Assets					
Total expenses	1.29%	1.26%	1.35%	1.45%	1.25%
Total expenses excluding recoupment of past waived fees	1.29%	1.26%	1.34%	1.45%	1.25%
Total expenses after fees waived, reimbursed and paid indirectly	1.29%	1.26%	1.35%	1.43%	1.25%

Net investment income	1.83%	1.41%	0.91%	1.36%	1.18%
Supplemental Data					
Net assets, end of year (000)	\$798,205	\$792,695	\$802,167	\$673,420	\$450,605
Portfolio turnover	99%	116%	116%	143%	138%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Payment from affiliate of \$112,880 received by the Fund is reflected in total return calculations. There was no impact to the return.

76



**Financial Highlights** (continued)**International Opportunities** (continued)

	Investor A				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 27.10	\$ 31.33	\$ 30.02	\$ 28.14	\$ 49.19
Net investment income (loss) ¹	0.45	0.39	0.21	0.27	0.33
Net realized and unrealized gain (loss)	4.30	(4.34) ²	1.50 ²	1.62 ²	(13.09) ²
Net increase (decrease) from investment operations	4.75	(3.95)	1.71	1.89	(12.76)
Dividends and distributions from:					
Net investment income	(0.52)	(0.28)	(0.40)	(0.01)	(1.05)
Net realized gain	—	—	—	—	(7.24)
Total dividends and distributions	(0.52)	(0.28)	(0.40)	(0.01)	(8.29)
Net asset value, end of year	\$ 31.33	\$ 27.10	\$ 31.33	\$ 30.02	\$ 28.14
Total Investment Return³					
Based on net asset value	17.74%	(12.77)% ⁴	5.73% ⁴	6.73% ⁴	(31.09)% ^{4,5}
Ratios to Average Net Assets					
Total expenses	1.57%	1.54%	1.59%	1.68%	1.58%
Total expenses excluding recoupment of past waived fees	1.57%	1.54%	1.59%	1.68%	1.58%
Total expenses after fees waived, reimbursed and paid indirectly	1.57%	1.53%	1.59%	1.68%	1.58%

Net investment income (loss)	1.52%	1.16%	0.72%	1.15%	0.87%
Supplemental Data					
Net assets, end of year (000)	\$692,445	\$703,201	\$794,034	\$604,283	\$482,526
Portfolio turnover	99%	116%	116%	143%	138%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Payment from affiliate of \$112,880 received by the Fund is reflected in total return calculations. There was no impact to the return.



Financial Highlights (continued)

International Opportunities (continued)

	Investor B				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 25.18	\$ 29.10	\$ 27.83	\$ 26.29	\$ 46.43
Net investment income (loss) ¹	0.16	0.10	(0.05)	0.09	(0.06)
Net realized and unrealized gain (loss)	4.03	(4.01) ²	1.42 ²	1.45 ²	(12.16) ²
Net increase (decrease) from investment operations	4.19	(3.91)	1.37	1.54	(12.22)
Dividends and distributions from:					
Net investment income	(0.22)	(0.01)	(0.10)	–	(0.68)
Net realized gain	–	–	–	–	(7.24)
Total dividends and distributions	(0.22)	(0.01)	(0.10)	–	(7.92)
Net asset value, end of year	\$ 29.15	\$ 25.18	\$ 29.10	\$ 27.83	\$ 26.29
Total Investment Return³					
Based on net asset value	16.72%	(13.45)% ⁴	4.92% ⁴	5.86% ⁴	(31.63)% ^{4,5}
Ratios to Average Net Assets					
Total expenses	2.41%	2.32%	2.38%	2.49%	2.35%
Total expenses excluding recoupment of past waived fees	2.41%	2.32%	2.38%	2.49%	2.35%
Total expenses after fees waived, reimbursed and paid indirectly	2.41%	2.32%	2.38%	2.49%	2.35%
Net investment income (loss)	0.60%	0.34%	(0.18)%	0.41%	(0.15)%
Supplemental Data					
Net assets, end of year (000)	\$10,813	\$15,568	\$25,080	\$33,094	\$42,927
Portfolio turnover	99%	116%	116%	143%	138%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

5 Payment from affiliate of \$112,880 received by the Fund is reflected in total return calculations. There was no impact to the return.

78

Financial Highlights (continued)

International Opportunities (concluded)

	Investor C				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 24.98	\$ 28.92	\$ 27.74	\$ 26.21	\$ 46.34
Net investment income (loss) ¹	0.20	0.11	(0.02)	0.08	0.03
Net realized and unrealized gain (loss)	3.98	(3.98) ²	1.39 ²	1.45 ²	(12.20) ²
Net increase (decrease) from investment operations	4.18	(3.87)	1.37	1.53	(12.17)
Dividends and distributions from:					
Net investment income	(0.25)	(0.07)	(0.19)	—	(0.72)
Net realized gain	—	—	—	—	(7.24)
Total dividends and distributions	(0.25)	(0.07)	(0.19)	—	(7.96)
Net asset value, end of year	\$ 28.91	\$ 24.98	\$ 28.92	\$ 27.74	\$ 26.21
Total Investment Return³					
Based on net asset value	16.83%	(13.44)% ⁴	4.95% ⁴	5.84% ⁴	(31.61)% ^{4,5}
Ratios to Average Net Assets					
Total expenses	2.34%	2.31%	2.36%	2.49%	2.32%
Total expenses excluding recoupment of past waived fees	2.34%	2.31%	2.36%	2.49%	2.32%
Total expenses after fees waived, reimbursed and paid indirectly	2.34%	2.31%	2.36%	2.48%	2.32%

Net investment income (loss)	0.73%	0.37%	(0.06)%	0.38%	0.08%
Supplemental Data					
Net assets, end of year (000)	\$148,910	\$169,481	\$224,958	\$187,246	\$194,068
Portfolio turnover	99%	116%	116%	143%	138%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Payment from affiliate of \$112,880 received by the Fund is reflected in total return calculations. There was no impact to the return.



**Financial Highlights** (continued)**U.S. Opportunities**

	Institutional				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 33.86	\$ 36.94	\$ 32.20	\$ 31.69	\$ 37.05
Net investment income (loss) ¹	0.19	0.05	0.04	0.09	0.09
Net realized and unrealized gain (loss)	6.31	(2.44) ²	4.77 ²	0.42 ²	(5.45) ²
Net increase (decrease) from investment operations	6.50	(2.39)	4.81	0.51	(5.36)
Dividends and distributions from:					
Net investment income	–	–	(0.07)	(0.01)	–
Net realized gains	(3.94)	(0.69)	–	–	–
Total dividends and distributions	(3.94)	(0.69)	(0.07)	(0.01)	–
Redemption fees added to paid-in capital	–	0.00 ³	0.00 ³	0.01	0.00 ³
Net asset value, end of year	\$ 36.42	\$ 33.86	\$ 36.94	\$ 32.20	\$ 31.69
Total Investment Return⁴					
Based on net asset value	20.40%	(6.75)% ⁵	14.96% ^{5,6}	1.63% ⁷	(14.47)% ⁵
Ratios to Average Net Assets					
Total expenses	1.30%	1.36%	1.30%	1.40%	1.42%
Total expenses excluding recoupment of past waived fees	1.30%	1.36%	1.30%	1.40%	1.42%
Total expenses after fees waived,	1.03%	1.03%	1.03%	1.01%	1.00%

reimbursed
and paid
indirectly

Net investment income (loss)	0.52%	0.12%	0.13%	0.36%	0.26%
Supplemental Data					
Net assets, end of year (000)	\$1,294,928	\$1,905,254	\$1,588,509	\$890,264	\$298,166
Portfolio turnover	106%	120%	123%	166%	164%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Less than \$0.01 per share.

⁴ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁶ Includes proceeds received from a settlement of litigation, which had no impact on the Fund' s total return.

⁷ Redemption fee of 2.00% is reflected in total return calculations. The impact to the return from redemption fees received during the period was an increase of 0.03%.

80

Financial Highlights (continued)

U.S. Opportunities (continued)

	Investor A				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 32.08	\$ 35.02	\$ 30.61	\$ 30.29	\$ 35.57
Net investment income (loss) ¹	0.01	(0.13)	(0.12)	(0.04)	(0.08)
Net realized and unrealized gain (loss)	5.97	(2.31) ²	4.53 ²	0.35 ²	(5.20) ²
Net increase (decrease) from investment operations	5.98	(2.44)	4.41	0.31	(5.28)
Distributions from net realized gains	(3.76)	(0.50)	—	—	—
Redemption fees added to paid-in capital	—	0.00 ³	0.00 ³	0.01	0.00 ³
Net asset value, end of year	\$ 34.30	\$ 32.08	\$ 35.02	\$ 30.61	\$ 30.29
Total Investment Return⁴					
Based on net asset value	19.82%	(7.19)% ⁵	14.41)% ^{5,6}	1.06)% ⁷	(14.84)% ⁵
Ratios to Average Net Assets					
Total expenses	1.62%	1.59%	1.64%	1.76%	1.73%
Total expenses excluding recoupment of past waived fees	1.62%	1.59%	1.64%	1.75%	1.73%
Total expenses after fees waived, reimbursed and paid indirectly	1.51%	1.49%	1.51%	1.56%	1.48%
Net investment loss	0.03%	(0.34)%	(0.37)%	(0.15)%	(0.22)%
Supplemental Data					

Net assets, end of year (000)	\$610,343	\$888,293	\$1,158,626	\$855,127	\$495,656
Portfolio turnover	106%	120%	123%	166%	164%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Less than \$0.01 per share.

⁴ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁶ Includes proceeds received from a settlement of litigation, which had no impact on the Fund' s total return.

⁷ Redemption fee of 2.00% is reflected in total return calculations. The impact to the return from redemption fees received during the period was an increase of 0.04%.

**Financial Highlights** (continued)**U.S. Opportunities** (continued)

	Investor B				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 29.11	\$ 31.96	\$ 28.16	\$ 28.06	\$ 33.20
Net investment income (loss) ¹	(0.23)	(0.40)	(0.35)	(0.17)	(0.31)
Net realized and unrealized gain (loss)	5.39	(2.06) ²	4.15 ²	0.26 ²	(4.83) ²
Net increase (decrease) from investment operations	5.16	(2.46)	3.80	0.09	(5.14)
Distributions from net realized gains	(3.55)	(0.39)	–	–	–
Redemption fees added to paid-in capital	–	0.00 ³	0.00 ³	0.01	0.00 ³
Net asset value, end of year	\$ 30.72	\$ 29.11	\$ 31.96	\$ 28.16	\$ 28.06
Total Investment Return⁴					
Based on net asset value	18.87%	(7.90)% ⁵	13.49% ^{5,6}	0.36% ⁷	(15.48)% ⁵
Ratios to Average Net Assets					
Total expenses	2.42%	2.39%	2.44%	2.59%	2.56%
Total expenses excluding recoupment of past waived fees	2.42%	2.37%	2.44%	2.59%	2.56%
Total expenses after fees waived, reimbursed and paid indirectly	2.30%	2.28%	2.30%	2.27%	2.22%
Net investment loss	(0.74)%	(1.12)%	(1.18)%	(0.77)%	(0.95)%
Supplemental Data					
Net assets, end of year (000)	\$12,833	\$15,047	\$20,255	\$21,849	\$20,998
Portfolio turnover	106%	120%	123%	166%	164%

¹ Based on average shares outstanding.² Includes redemption fees, which are less than \$0.01 per share.³ Less than \$0.01 per share.⁴ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.⁵ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.⁶ Includes proceeds received from a settlement of litigation, which had no impact on the Fund' s total return.

7 Redemption fee of 2.00% is reflected in total return calculations. The impact to the return from redemption fees received during the period was an increase of 0.04%.

82

**Financial Highlights** (continued)**U.S. Opportunities** (concluded)

	Investor C				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 29.11	\$ 31.95	\$ 28.14	\$ 28.04	\$ 33.18
Net investment loss ¹	(0.21)	(0.38)	(0.33)	(0.19)	(0.30)
Net realized and unrealized gain (loss)	5.39	(2.07) ²	4.14 ²	0.28 ²	(4.84) ²
Net increase (decrease) from investment operations	5.18	(2.45)	3.81	0.09	(5.14)
Distributions from net realized gains	(3.54)	(0.39)	–	–	–
Redemption fees added to paid-in capital	–	0.00 ³	0.00 ³	0.01	0.00 ³
Net asset value, end of year	\$ 30.75	\$ 29.11	\$ 31.95	\$ 28.14	\$ 28.04
Total Investment Return⁴					
Based on net asset value	18.94%	(7.87)% ⁵	13.54% ^{5,6}	0.36% ⁷	(15.49)% ⁵
Ratios to Average Net Assets					
Total expenses	2.35%	2.34%	2.39%	2.52%	2.46%
Total expenses excluding recoupment of past waived fees	2.35%	2.33%	2.38%	2.52%	2.46%
Total expenses after fees waived, reimbursed and paid indirectly	2.25%	2.24%	2.27%	2.28%	2.21%
Net investment loss	(0.69)%	(1.08)%	(1.12)%	(0.85)%	(0.95)%
Supplemental Data					

Net assets, end of year (000)	\$226,350	\$282,586	\$334,958	\$238,819	\$145,626
Portfolio turnover	106%	120%	123%	166%	164%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Less than \$0.01 per share.

⁴ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁶ Includes proceeds received from a settlement of litigation, which had no impact on the Fund' s total return.

⁷ Redemption fee of 2.00% is reflected in total return calculations. The impact to the return from redemption fees received during the period was an increase of 0.04%.

**Financial Highlights** (continued)**Health Sciences Opportunities**

	Institutional				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 28.77	\$ 28.92	\$ 26.29	\$ 28.77	\$ 30.41
Net investment income (loss) ¹	0.15	0.02	0.06	0.08	0.08
Net realized and unrealized gain (loss)	7.26	1.23 ²	2.57 ²	(0.14) ²	(0.49) ²
Net increase (decrease) from investment operations	7.41	1.25	2.63	(0.06)	(0.41)
Dividends and distributions from:					
Net investment income	–	(0.05)	–	–	–
Net realized gain	(1.56)	(1.35)	–	(2.42)	(1.23)
Total dividends and distributions	(1.56)	(1.40)	–	(2.42)	(1.23)
Net asset value, end of year	\$ 34.62	\$ 28.77	\$ 28.92	\$ 26.29	\$ 28.77
Total Investment Return³					
Based on net asset value	27.06%	4.41% ⁴	10.00% ^{4,5}	1.91% ⁴	(1.64)% ⁴
Ratios to Average Net Assets					
Total expenses	0.98%	1.00%	1.00%	1.03%	1.00%
Total expenses excluding recoupment of past waived fees	0.98%	1.00%	1.00%	1.03%	1.00%
Total expenses after fees waived, reimbursed and paid indirectly	0.98%	1.00%	1.00%	1.03%	1.00%
Net investment income (loss)	0.47%	0.07%	0.21%	0.36%	0.28%
Supplemental Data					

Net assets, end of year (000)	\$473,193	\$362,292	\$232,697	\$171,607	\$185,933
Portfolio turnover	135%	135%	184%	153%	91%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which had no impact on the Fund' s total return.

84



Financial Highlights (continued)

Health Sciences Opportunities (continued)

	Investor A				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 28.00	\$ 28.18	\$ 25.69	\$ 28.14	\$ 29.77
Net investment income (loss) ¹	0.05	(0.07)	(0.03)	0.01	(0.02)
Net realized and unrealized gain (loss)	7.07	1.19 ²	2.52 ²	(0.15) ²	(0.49) ²
Net increase (decrease) from investment operations	7.12	1.12	2.49	(0.14)	(0.51)
Distributions from net realized gain	(1.48)	(1.30)	–	(2.31)	(1.12)
Net asset value, end of year	\$ 33.64	\$ 28.00	\$ 28.18	\$ 25.69	\$ 28.14
Total Investment Return³					
Based on net asset value	26.68%	4.03% ⁴	9.69% ^{4,5}	1.57% ⁴	(1.97)% ⁴
Ratios to Average Net Assets					
Total expenses	1.29%	1.31%	1.31%	1.37%	1.35%
Total expenses excluding recoupment of past waived fees	1.29%	1.31%	1.31%	1.37%	1.35%
Total expenses after fees waived, reimbursed and paid indirectly	1.28%	1.31%	1.31%	1.37%	1.35%
Net investment income (loss)	0.17%	(0.24)%	(0.11)%	0.02%	(0.06)%
Supplemental Data					
Net assets, end of year (000)	\$1,018,429	\$825,046	\$682,857	\$478,273	\$564,943

Portfolio turnover	135%	135%	184%	153%	91%
--------------------	------	------	------	------	-----

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which had no impact on the Fund' s total return.



Financial Highlights (continued)

Health Sciences Opportunities (continued)

	Investor B				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 26.26	\$ 26.39	\$ 24.25	\$ 26.73	\$ 28.28
Net investment income (loss) ¹	(0.17)	(0.28)	(0.23)	(0.17)	(0.23)
Net realized and unrealized gain (loss)	6.63	1.14 ²	2.37 ²	(0.16) ²	(0.49) ²
Net increase (decrease) from investment operations	6.46	0.86	2.14	(0.33)	(0.72)
Distributions from net realized gain	(1.26)	(0.99)	–	(2.15)	(0.83)
Net asset value, end of year	\$ 31.46	\$ 26.26	\$ 26.39	\$ 24.25	\$ 26.73
Total Investment Return³					
Based on net asset value	25.70%	3.27% ⁴	8.82% ^{4,5}	0.73% ⁴	(2.78)% ⁴
Ratios to Average Net Assets					
Total expenses	2.07%	2.06%	2.10%	2.20%	2.14%
Total expenses excluding recoupment of past waived fees	2.07%	2.06%	2.10%	2.17%	2.14%
Total expenses after fees waived, reimbursed and paid indirectly	2.07%	2.06%	2.09%	2.20%	2.14%
Net investment income (loss)	(0.59)%	(0.99)%	(0.88)%	(0.80)%	(0.85)%
Supplemental Data					
Net assets, end of year (000)	\$40,452	\$46,180	\$47,855	\$57,835	\$80,269
Portfolio turnover	135%	135%	184%	153%	91%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which had no impact on the Fund's total return.

Financial Highlights (continued)

Health Sciences Opportunities (continued)

	Investor C				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 26.18	\$ 26.37	\$ 24.22	\$ 26.70	\$ 28.27
Net investment loss ¹	(0.16)	(0.27)	(0.21)	(0.15)	(0.21)
Net realized and unrealized gain (loss)	6.62	1.14 ²	2.36 ²	(0.16) ²	(0.47) ²
Net increase (decrease) from investment operations	6.46	0.87	2.15	(0.31)	(0.68)
Distributions from net realized gain	(1.30)	(1.06)	—	(2.17)	(0.89)
Net asset value, end of year	\$ 31.34	\$ 26.18	\$ 26.37	\$ 24.22	\$ 26.70
Total Investment Return³					
Based on net asset value	25.80%	3.32% ⁴	8.88% ^{4,5}	0.81% ⁴	(2.66)% ⁴
Ratios to Average Net Assets					
Total expenses	2.01%	2.02%	2.04%	2.09%	2.05%
Total expenses excluding recoupment of past waived fees	2.01%	2.02%	2.04%	2.09%	2.05%
Total expenses after fees waived, reimbursed and paid indirectly	2.01%	2.02%	2.04%	2.09%	2.05%
Net investment loss	(0.55)%	(0.95)%	(0.83)%	(0.70)%	(0.76)%
Supplemental Data					
Net assets, end of year (000)	\$384,910	\$327,855	\$285,428	\$255,340	\$305,015

Portfolio turnover	135%	135%	184%	153%	91%
--------------------	------	------	------	------	-----

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which had no impact on the Fund' s total return.



Financial Highlights (continued)

Health Sciences Opportunities (concluded)

	Class R	
	Year Ended September 30, 2012	Period September 12, 2011¹ to September 30, 2011
Per Share Operating Performance		
Net asset value, beginning of period	\$ 28.00	\$ 28.19
Net investment loss ²	(0.07)	(0.01)
Net realized and unrealized gain (loss)	7.05	(0.18) ³
Net increase (decrease) from investment operations	6.98	(0.19)
Distributions from net realized gain	(1.52)	–
Net asset value, end of period.	\$ 33.46	\$ 28.00
Total Investment Return⁴		
Based on net asset value .	26.17%	(0.64)% ^{5,6}
Ratios to Average Net Assets		
Total expenses	1.70%	1.75% ⁷
Total expenses excluding recoupment of past waived fees	1.70%	1.75% ⁷
Total expenses after fees waived, reimbursed and paid indirectly	1.68%	1.75% ⁷
Net investment loss	(0.24)%	(0.82)% ⁷
Supplemental Data		
Net assets, end of period (000)	\$14,613	\$ 9,580
Portfolio turnover	135%	135%

¹ Commencement of operations.

² Based on average shares outstanding.

³ Includes redemption fees, which are less than \$0.01 per share.

⁴ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁶ Aggregate total investment return.

⁷ Annualized.

**Financial Highlights** (continued)**Science & Technology Opportunities**

	Institutional				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 8.61	\$ 9.02	\$ 7.79	\$ 6.98	\$ 9.03
Net investment loss ¹	(0.06)	(0.06)	(0.05)	(0.02)	(0.05)
Net realized and unrealized gain (loss)	1.46	(0.35) ²	1.28 ²	0.83 ²	(2.00) ²
Net increase (decrease) from investment operations	1.40	(0.41)	1.23	0.81	(2.05)
Net asset value, end of year	\$ 10.01	\$ 8.61	\$ 9.02	\$ 7.79	\$ 6.98
Total Investment Return³					
Based on net asset value	16.26%	(4.55)% ⁴	15.79% ^{4,5}	11.60% ^{4,6}	(22.70)% ⁴
Ratios to Average Net Assets					
Total expenses	1.45%	1.46%	1.55%	1.90%	1.70%
Total expenses excluding recoupment of past waived fees	1.44%	1.46%	1.55%	1.90%	1.70%
Total expenses after fees waived, reimbursed and paid indirectly	1.39%	1.39%	1.39%	1.36%	1.35%
Net investment loss	(0.63)%	(0.60)%	(0.59)%	(0.27)%	(0.55)%
Supplemental Data					
Net assets, end of year (000)	\$34,022	\$33,982	\$33,135	\$27,013	\$42,886
Portfolio turnover	320%	103%	97%	158%	89%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which impacted the Fund's total return. Excluding these proceeds, the Fund's total return would have been 15.53%.

⁶ Includes proceeds received from a settlement of litigation, which impacted the Fund's total return. Excluding these proceeds, the Fund's total return would have been 9.03%.



**Financial Highlights** (continued)**Science & Technology Opportunities** (continued)

	Investor A				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 8.21	\$ 8.62	\$ 7.48	\$ 6.73	\$ 8.74
Net investment loss ¹	(0.09)	(0.09)	(0.08)	(0.04)	(0.06)
Net realized and unrealized gain (loss)	1.39	(0.32) ²	1.22 ²	0.79 ²	(1.95) ²
Net increase (decrease) from investment operations	1.30	(0.41)	1.14	0.75	(2.01)
Net asset value, end of year	\$ 9.51	\$ 8.21	\$ 8.62	\$ 7.48	\$ 6.73
Total Investment Return³					
Based on net asset value	15.84%	(4.76)% ⁴	15.24% ^{4,5}	11.14% ^{4,6}	(23.00)% ⁴
Ratios to Average Net Assets					
Total expenses	1.72%	1.79%	1.82%	2.24%	2.04%
Total expenses excluding recoupment of past waived fees	1.70%	1.71%	1.81%	2.24%	2.04%
Total expenses after fees waived, reimbursed and paid indirectly	1.71%	1.78%	1.79%	1.77%	1.75%
Net investment loss	(0.95)%	(0.98)%	(0.99)%	(0.68)%	(0.77)%
Supplemental Data					
Net assets, end of year (000)	\$106,466	\$106,632	\$105,577	\$83,734	\$72,659
Portfolio turnover	320%	103%	97%	158%	89%

- ¹ Based on average shares outstanding.
- ² Includes redemption fees, which are less than \$0.01 per share.
- ³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.
- ⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.
- ⁵ Includes proceeds received from a settlement of litigation, which impacted the Fund' s total return. Excluding these proceeds, the Fund' s total return would have been 14.97%.
- ⁶ Includes proceeds received from a settlement of litigation, which impacted the Fund' s total return. Excluding these proceeds, the Fund' s total return would have been 8.47%.

**Financial Highlights** (continued)**Science & Technology Opportunities** (continued)

	Investor B				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 7.48	\$ 7.93	\$ 6.94	\$ 6.30	\$ 8.26
Net investment loss ¹	(0.15)	(0.16)	(0.14)	(0.08)	(0.13)
Net realized and unrealized gain (loss)	1.27	(0.29) ²	1.13 ²	0.72 ²	(1.83) ²
Net increase (decrease) from investment operations	1.12	(0.45)	0.99	0.64	(1.96)
Net asset value, end of year	\$ 8.60	\$ 7.48	\$ 7.93	\$ 6.94	\$ 6.30
Total Investment Return³					
Based on net asset value	14.97%	(5.68)% ⁴	14.27% ^{4,5}	10.16% ^{4,6}	(23.73)% ⁴
Ratios to Average Net Assets					
Total expenses	2.52%	2.67%	2.70%	3.13%	2.96%
Total expenses excluding recoupment of past waived fees	2.52%	2.44%	2.65%	3.00%	2.96%
Total expenses after fees waived, reimbursed and paid indirectly	2.52%	2.66%	2.69%	2.65%	2.65%
Net investment loss	(1.76)%	(1.87)%	(1.90)%	(1.53)%	(1.70)%
Supplemental Data					
Net assets, end of year (000)	\$2,645	\$3,130	\$4,390	\$6,538	\$11,473
Portfolio turnover	320%	103%	97%	158%	89%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which impacted the Fund's total return. Excluding these proceeds, the Fund's total return would have been 13.98%.

⁶ Includes proceeds received from a settlement of litigation, which impacted the Fund's total return. Excluding these proceeds, the Fund's total return would have been 7.30%.



Financial Highlights (continued)

Science & Technology Opportunities (continued)

	Investor C				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 7.47	\$ 7.92	\$ 6.94	\$ 6.29	\$ 8.25
Net investment loss ¹	(0.15)	(0.16)	(0.14)	(0.09)	(0.13)
Net realized and unrealized gain (loss)	1.26	(0.29) ²	1.12 ²	0.74 ²	(1.83) ²
Net increase (decrease) from investment operations	1.11	(0.45)	0.98	0.65	(1.96)
Net asset value, end of year	\$ 8.58	\$ 7.47	\$ 7.92	\$ 6.94	\$ 6.29
Total Investment Return³					
Based on net asset value	14.86%	(5.68)% ⁴	14.12% ^{4,5}	10.33% ^{4,6}	(23.76)% ⁴
Ratios to Average Net Assets					
Total expenses	2.60%	2.68%	2.73%	3.23%	2.73%
Total expenses excluding recoupment of past waived fees	2.59%	2.59%	2.73%	3.23%	2.73%
Total expenses after fees waived, reimbursed and paid indirectly	2.60%	2.67%	2.71%	2.68%	2.62%
Net investment loss	(1.84)%	(1.88)%	(1.92)%	(1.59)%	(1.67)%
Supplemental Data					
Net assets, end of year (000)	\$26,543	\$27,651	\$27,053	\$22,575	\$22,003
Portfolio turnover	320%	103%	97%	158%	89%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which impacted the Fund's total return. Excluding these proceeds, the Fund's total return would have been 13.83%.

⁶ Includes proceeds received from a settlement of litigation, which impacted the Fund's total return. Excluding these proceeds, the Fund's total return would have been 7.47%.

**Financial Highlights** (concluded)**Science & Technology Opportunities** (concluded)

	Class R				
	Year Ended September 30,				Period September 8, 2008 ¹ to September 30, 2008
	2012	2011	2010	2009	
Per Share Operating Performance					
Net asset value, beginning of period	\$ 8.43	\$ 8.88	\$ 7.72	\$ 6.97	\$ 7.38
Net investment loss ²	(0.12)	(0.12)	(0.11)	(0.06)	(0.01)
Net realized and unrealized gain (loss)	1.43	(0.33) ³	1.27 ³	0.81 ³	(0.40) ³
Net increase (decrease) from investment operations	1.31	(0.45)	1.16	0.75	(0.41)
Net asset value, end of period	\$ 9.74	\$ 8.43	\$ 8.88	\$ 7.72	\$ 6.97
Total Investment Return⁴					
Based on net asset value	15.54%	(5.07)% ⁵	15.03% ^{5,6}	10.76% ^{5,7}	(5.56)% ^{5,8}
Ratios to Average Net Assets					
Total expenses	2.00%	2.00%	2.10%	2.42%	2.36% ⁹
Total expenses excluding recoupment of past waived fees	1.99%	2.00%	2.10%	2.42%	2.36% ⁹
Total expenses after fees waived, reimbursed and paid indirectly	1.99%	2.00%	2.09%	2.13%	2.13% ⁹
Net investment loss	(1.23)%	(1.21)%	(1.29)%	(1.04)%	(1.49)% ⁹
Supplemental Data					
Net assets, end of period (000)	\$4,329	\$3,518	\$2,961	\$1,904	\$ 1,362
Portfolio turnover	320%	103%	97%	158%	89%

¹ Commencement of operations.

² Based on average shares outstanding.

³ Includes redemption fees, which are less than \$0.01 per share.

⁴ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁶ Includes proceeds received from a settlement of litigation, which impacted the Fund's total return. Excluding these proceeds, the Fund's total return would have been 14.77%.

⁷ Includes proceeds received from a settlement of litigation, which impacted the Fund' s total return. Excluding these proceeds, the Fund' s total return would have been 8.18%.

⁸ Aggregate total investment return.

⁹ Annualized.



General Information

Shareholder Documents

Electronic Access to Annual Reports, Semi-Annual Reports and Prospectuses

Electronic copies of most financial reports and prospectuses are available on BlackRock's website. Shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports and prospectuses by enrolling in a Fund's electronic delivery program. To enroll:

Shareholders Who Hold Accounts with Investment Advisers, Banks or Brokerages: Please contact your financial professional. Please note that not all investment advisers, banks or brokerages may offer this service.

Shareholders Who Hold Accounts Directly With BlackRock:

■ Access the BlackRock website at <http://www.blackrock.com/edelivery>; and

■ Log into your account.

Delivery of Shareholder Documents

The Funds deliver only one copy of shareholder documents, including prospectuses, shareholder reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is known as "householding" and is intended to eliminate duplicate mailings and reduce expenses. Mailings of your shareholder documents may be househanded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact your Fund at (800) 441-7762.

Certain Fund Policies

Anti-Money Laundering Requirements

The Funds are subject to the USA PATRIOT Act (the "Patriot Act"). The Patriot Act is intended to prevent the use of the U.S. financial system in furtherance of money laundering, terrorism or other illicit activities. Pursuant to requirements under the Patriot Act, a Fund may request information from shareholders to enable it to form a reasonable belief that it knows the true identity of its shareholders. This information will be used to verify the identity of investors or, in some cases, the status of financial professionals; it will be used only for compliance with the requirements of the Patriot Act.

The Funds reserve the right to reject purchase orders from persons who have not submitted information sufficient to allow a Fund to verify their identity. Each Fund also reserves the right to redeem any amounts in a Fund from persons whose identity it is unable to verify on a timely basis. It is the Funds' policy to cooperate fully with appropriate regulators in any investigations conducted with respect to potential money laundering, terrorism or other illicit activities.

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former Fund investors and individual clients (collectively, "Clients") and to safeguarding their nonpublic personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal nonpublic information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our website.

BlackRock does not sell or disclose to nonaffiliated third parties any nonpublic personal information about its Clients, except as permitted by law, or as is necessary to respond to regulatory requests or to service Client accounts. These nonaffiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to nonpublic personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the nonpublic personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

Statement of Additional Information

If you would like further information about the Funds, including how each Fund invests, please see the SAI.

For a discussion of the each Fund's policies and procedures regarding the selective disclosure of its portfolio holdings, please see the SAI. The Funds make their top ten holdings available on a monthly basis at www.blackrock.com generally within 5 business days after the end of the month to which the information applies.

Glossary

This glossary contains an explanation of some of the common terms used in this prospectus. For additional information about the Funds, please see the SAI.

Acquired Fund Fees and Expenses – fees and expenses charged by other investment companies in which a Fund invests a portion of its assets.

Annual Fund Operating Expenses – expenses that cover the costs of operating a Fund.

Distribution Fees – fees used to support the Fund's marketing and distribution efforts, such as compensating financial professionals and other financial intermediaries, advertising and promotion.

Management Fee – a fee paid to BlackRock for managing a Fund.

MSCI All Country World Index – a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI All Country World Index consists of 45 country indices comprising 24 developed and 21 emerging market country indices.

MSCI All Country World Index Ex-U.S. – a market capitalization weighted index designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. The MSCI All Country World Index Ex-U.S. includes both developed and emerging markets.

NYSE Arca Tech 100 Index – a price-weighted index comprised of common stocks and ADRs of technology-related companies listed on US exchanges. Modeled as a multi-industry technology index, the objective of the NYSE Arca Tech 100 Index is to provide a benchmark for measuring the performance of companies using technology innovation across a broad spectrum of industries.

Other Expenses – include accounting, transfer agency, custody, professional and registration fees.

Russell 3000[®] Health Care Index – an unmanaged index representative of companies involved in medical services or health care in the Russell 3000[®] Index, which is comprised of the 3,000 largest U.S. companies as determined by total market capitalization.

Russell Midcap[®] Index – a market index that measures the performance of the mid-cap segment of the U.S. equities universe. It is a subset of the Russell 1000[®] Index including approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap[®] Index represents approximately 31% of the total market capitalization of the Russell 1000[®] companies.

S&P 500[®] Index – an unmanaged total return index, which covers 500 industrial, utility, transportation, and financial companies of the U.S. markets (mostly New York Stock Exchange ("NYSE") issues) representing about 75% of NYSE market capitalization and 30% of NYSE issues.

Service Fees – fees used to compensate securities dealers and other financial intermediaries for certain shareholder servicing activities.

Shareholder Fees – fees paid directly by a shareholder, including sales charges that you may pay when you buy or sell shares of a Fund.

□

[This page intentionally left blank]

□

□

[This page intentionally left blank]

□

For More Information

Funds and Service Providers

FUNDS

BlackRock FundsSM

BlackRock Global Opportunities Portfolio
BlackRock International Opportunities Portfolio
BlackRock U.S. Opportunities Portfolio
BlackRock Health Sciences Opportunities Portfolio
BlackRock Science & Technology
Opportunities Portfolio

100 Bellevue Parkway
Wilmington, Delaware 19809

Written Correspondence:

P.O. Box 9819
Providence, Rhode Island 02940-8019

Overnight Mail:

4400 Computer Drive
Westborough, Massachusetts 01588
(800) 441-7762

MANAGER AND CO-ADMINISTRATOR

BlackRock Advisors, LLC
100 Bellevue Parkway
Wilmington, Delaware 19809

SUB-ADVISERS

To BlackRock Global Opportunities Portfolio:

BlackRock Financial Management, Inc.
55 East 52nd Street
New York, New York 10055

To BlackRock International Opportunities Portfolio:

BlackRock International Limited
40 Torphichen Street
Edinburgh, Scotland EH3 8JB

CO-ADMINISTRATOR

BNY Mellon Investment Servicing (US) Inc.
301 Bellevue Parkway
Wilmington, Delaware 19809

TRANSFER AGENT

BNY Mellon Investment Servicing (US) Inc.
301 Bellevue Parkway
Wilmington, Delaware 19809

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP
1700 Market Street
Philadelphia, Pennsylvania 19103

ACCOUNTING SERVICES PROVIDER

BNY Mellon Investment Servicing (US) Inc.
301 Bellevue Parkway
Wilmington, Delaware 19809

DISTRIBUTOR

BlackRock Investments, LLC
40 East 52nd Street
New York, New York 10022

CUSTODIAN

The Bank of New York Mellon
One Wall Street
New York, New York 10286

COUNSEL

Sidley Austin LLP
787 Seventh Avenue
New York, New York 10019-6018



Additional Information

This prospectus contains important information you should know before investing, including information about risks. Read it carefully and keep it for future reference. More information about the Funds is available at no charge upon request. This information includes:

Annual/Semi-Annual Reports

These reports contain additional information about each of the Funds' investments. The annual report describes each Fund's performance, lists portfolio holdings, and discusses recent market conditions, economic trends and Fund investment strategies that significantly affected the Fund's performance for the last fiscal year.

Statement of Additional Information

A Statement of Additional Information ("SAI"), dated January 28, 2013, has been filed with the Securities and Exchange Commission ("SEC"). The SAI, which includes additional information about each Fund, may be obtained free of charge, along with the Fund's annual and semi-annual reports, by calling (800) 441-7762. The SAI, as supplemented from time to time, is incorporated by reference into this prospectus.

BlackRock Investor Services

Representatives are available to discuss account balance information, mutual fund prospectuses, literature, programs and services available. Hours: 8:00 a.m. to 6:00 p.m. (Eastern time), on any business day. Call: (800) 441-7762.

Purchases and Redemptions

Call your financial professional or BlackRock Investor Services at (800) 441-7762.

World Wide Web

General fund information and specific fund performance, including SAI and annual/semi-annual reports, can be accessed free of charge at www.blackrock.com/prospectus. Mutual fund prospectuses and literature can also be requested via this website.

Written Correspondence

BlackRock FundsSM
P.O. Box 9819
Providence, RI 02940-8019

Overnight Mail

BlackRock FundsSM
4400 Computer Drive
Westborough, MA 01588

Internal Wholesalers/Broker Dealer Support

Available to support investment professionals 8:30 a.m. to 6:00 p.m. (Eastern time), on any business day. Call: (800) 882-0052

Portfolio Characteristics and Holdings

A description of a Fund's policies and procedures related to disclosure of portfolio characteristics and holdings is available in the SAI.

For information about portfolio holdings and characteristics, BlackRock fund shareholders and prospective investors may call (800) 882-0052.

Securities and Exchange Commission

You may also view and copy public information about each Fund, including the SAI, by visiting the EDGAR database on the SEC's website (<http://www.sec.gov>) or the SEC's Public Reference Room in Washington, D.C. Copies of this information can be obtained, for a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing to the Public Reference Room of the SEC, Washington, D.C. 20549. Information about obtaining documents on the SEC's website without charge can be obtained by calling the SEC directly at (800) SEC-0330.

You should rely only on the information contained in this Prospectus. No one is authorized to provide you with information that is different from information contained in this Prospectus.

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

BLACKROCK FUNDSSM
INVESTMENT COMPANY ACT FILE NO. 811-05742

PRO-OPP-0113

BLACKROCK®



PROSPECTUS

BLACKROCK®

BlackRock FundsSM | Service Shares

- > BlackRock International Opportunities Portfolio
Service: BRESX
- > BlackRock U.S. Opportunities Portfolio
Service: BMCSX
- > BlackRock Health Sciences Opportunities Portfolio
Service: SHISX
- > BlackRock Science & Technology Opportunities Portfolio
Service: BSTSX

This Prospectus contains information you should know before investing, including information about risks. Please read it before you invest and keep it for future reference.

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

Not FDIC Insured No Bank Guarantee May Lose Value

Table of Contents

Fund Overview	Key facts and details about the Funds, including investment objectives, principal strategies, risk factors, fee and expense information, and historical performance information	
	Key Facts About BlackRock International Opportunities Portfolio	3
	Key Facts About BlackRock U.S. Opportunities Portfolio	8
	Key Facts About BlackRock Health Sciences Opportunities Portfolio	12
	Key Facts About BlackRock Science & Technology Opportunities Portfolio	17
	Important Additional Information	21
Details About the Funds	How Each Fund Invests	22
	Investment Risks	27
Account Information	Information about account services, sales charges & waivers, shareholder transactions, and distribution and other payments	
	How to Choose the Share Class that Best Suits Your Needs	34
	Distribution and Service Payments	34
	How to Buy, Sell and Transfer Shares	35
	Funds' Rights	38
	Short-Term Trading Policy	39
Management of the Funds	Information about BlackRock and the Portfolio Managers	
	BlackRock	40
	Portfolio Manager Information	42
	Conflicts of Interest	44
	Valuation of Fund Investments	45
	Dividends, Distributions and Taxes	46
Financial Highlights	Financial Performance of the Funds	47
General Information	Shareholder Documents	51
	Certain Fund Policies	51
	Statement of Additional Information	52
Glossary	Glossary of Investment Terms	53
For More Information	Funds and Service Providers	Inside Back Cover
	Additional Information	Back Cover

Fund Overview

Key Facts About BlackRock International Opportunities Portfolio

Investment Objective

The investment objective of BlackRock International Opportunities Portfolio ("International Opportunities" or the "Fund"), a series of BlackRock FundsSM (the "Trust"), is to seek long-term capital appreciation.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold Services Shares of International Opportunities.

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	Service Shares
Management Fee	0.98%
Distribution and/or Service (12b-1) Fees	0.25%
Other Expenses	0.67%
Acquired Fund Fees and Expenses ¹	0.01%
Total Annual Fund Operating Expenses ¹	1.91%
Fee Waivers and/or Expense Reimbursements ²	(0.10)%
Total Annual Fund Operating Expenses After Waivers and/or Expense Reimbursements ²	1.81%

¹ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund's most recent annual report which does not include the Acquired Fund Fees and Expenses.

As described in the "Management of the Funds" section of the Fund's prospectus on pages 40-46, BlackRock Advisors, LLC ("BlackRock") has contractually agreed to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses After Waivers and/or Expense Reimbursements (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses) to 1.80% of average daily net assets until February 1, 2014. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

Example:

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Service Shares	\$184	\$590	\$1,022	\$2,225

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 99% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, International Opportunities invests at least 80% of its net assets in equity securities issued by foreign companies of any market capitalization. The Fund may invest up to 40% of its net assets in stocks of issuers in emerging market countries.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through initial public offerings ("IPOs").

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in International Opportunities, 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 principal risks of investing in the Fund.

■ **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

■ **Derivatives Risk** – The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A risk of the Fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. The possible lack of a liquid secondary market for derivatives and the resulting inability of the Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for the Fund to value accurately. Derivatives may give rise to a form of leverage and may expose the Fund to greater risk and increase its costs. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

■ **Emerging Markets Risk** – Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets.

■ **Equity Securities Risk** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

■ **Foreign Securities Risk** – Foreign investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. These risks include:

- The Fund generally holds its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight.
- Changes in foreign currency exchange rates can affect the value of the Fund's portfolio.

– The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position.

– The governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries.

– Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws.

– Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.

– The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of the Fund's investments.

■ **Investment Style Risk** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

■ **Leverage Risk** – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

■ **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.

■ **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

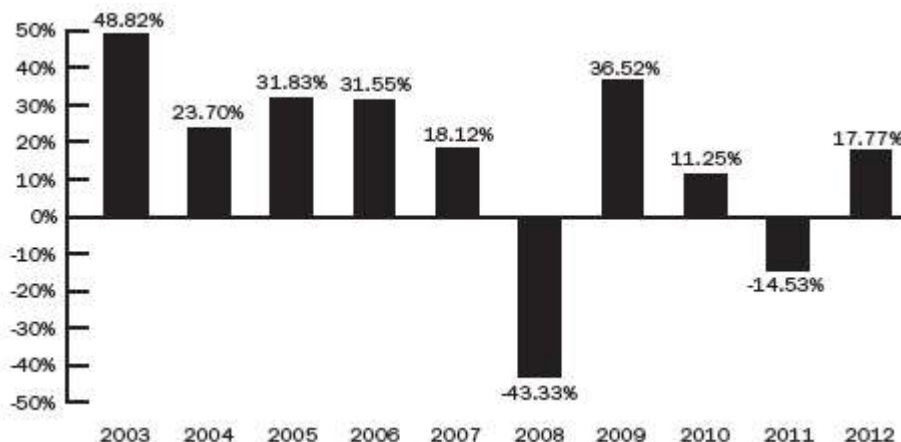
■ **"New Issues" Risk** – "New Issues" are initial public offerings of equity securities of U.S. and non-U.S. issuers. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering.

■ **Small Cap Securities Risk** – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

Performance Information

The information shows you how International Opportunities' performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the Fund's performance to that of the MSCI All Country World Index Ex-U.S. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund's returns would have been lower. Updated information on the Fund's results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Service Shares
ANNUAL TOTAL RETURNS
BlackRock International Opportunities Portfolio
As of 12/31



During the ten-year period shown in the bar chart, the highest return for a quarter was 28.04% (quarter ended June 30, 2009) and the lowest return for a quarter was -24.50% (quarter ended September 30, 2008).

As of 12/31/12

Average Annual Total Returns

	1 Year	5 Years	10 Years
BlackRock International Opportunities Portfolio – Service			
Return Before Taxes	17.77%	(2.83)%	12.57%
Return After Taxes on Distributions	17.56%	(2.91)%	11.75%
Return After Taxes on Distributions and Sale of Shares	11.82%	(2.35)%	11.19%
MSCI All Country World Index Ex-U.S.	16.83%	(2.89)%	9.74%
(Reflects no deduction for fees, expenses or taxes)			

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Investment Manager

International Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock"). The Fund's sub-adviser is BlackRock International Limited (the "Sub-Adviser"). Where applicable, "BlackRock" refers also to the Sub-Adviser.

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	1999	Managing Director of BlackRock, Inc.
Ian Jamieson, CFA	2011	Managing Director of BlackRock, Inc.
Nigel Hart, CFA	2012	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sale of Fund shares, tax information, and financial intermediary compensation, please turn to "Important Additional Information" on page 21 of the prospectus.

Fund Overview

Key Facts About BlackRock U.S. Opportunities Portfolio

Investment Objective

The investment objective of BlackRock U.S. Opportunities Portfolio ("U.S. Opportunities" or the "Fund"), a series of BlackRock FundsSM (the "Trust"), is to provide long-term capital appreciation.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold Services Shares of U.S. Opportunities.

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	—Service Shares
Management Fee	1.06%
Distribution and/or Service (12b-1) Fees	0.25%
Other Expenses	0.31%
Acquired Fund Fees and Expenses ¹	0.01%
Total Annual Fund Operating Expenses ¹	1.63%
Fee Waivers and/or Expense Reimbursements ²	—
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements ²	1.63%

¹ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund's most recent annual report which does not include the Acquired Fund Fees and Expenses.

As described in the "Management of the Funds" section of the Fund's prospectus on pages 40-46, BlackRock Advisors, LLC ("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 1.65% of average daily net assets until February 1, 2014. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

Example:

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Service Shares	\$166	\$514	\$887	\$1,933

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 106% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, U.S. Opportunities invests at least 80% of its net assets in equity securities issued by U.S. emerging capitalization companies with relatively attractive earnings growth potential and valuation. Although a universal definition of emerging capitalization companies does not exist, the Fund generally defines these companies,

at the time of the Fund's investment, as those with market capitalizations comparable in size to those within the universe of Russell Midcap[®] Index stocks (between approximately \$1.35 billion and \$17.40 billion as of June 22, 2012, the most recent rebalance date). In the future, the Fund may define emerging capitalization companies using a different index or classification system.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through initial public offerings ("IPOs").

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities (collectively, commonly known as derivatives). The primary purpose of using derivatives is to attempt to reduce risk to the Fund as a whole (hedge), but they may also be used to maintain liquidity and commit cash pending investment. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk.

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in U.S. Opportunities, 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 principal risks of investing in the Fund.

■ ***Convertible Securities Risk*** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

■ ***Derivatives Risk*** – The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A risk of the Fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. The possible lack of a liquid secondary market for derivatives and the resulting inability of the Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for the Fund to value accurately. Derivatives may give rise to a form of leverage and may expose the Fund to greater risk and increase its costs. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

■ ***Equity Securities Risk*** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

■ ***Investment Style Risk*** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

■ ***Leverage Risk*** – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

■ ***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.

■ ***Mid-Cap Securities Risk*** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

“New Issues” Risk – “New Issues” are initial public offerings of equity securities of U.S. and non-U.S. issuers.

- Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering.

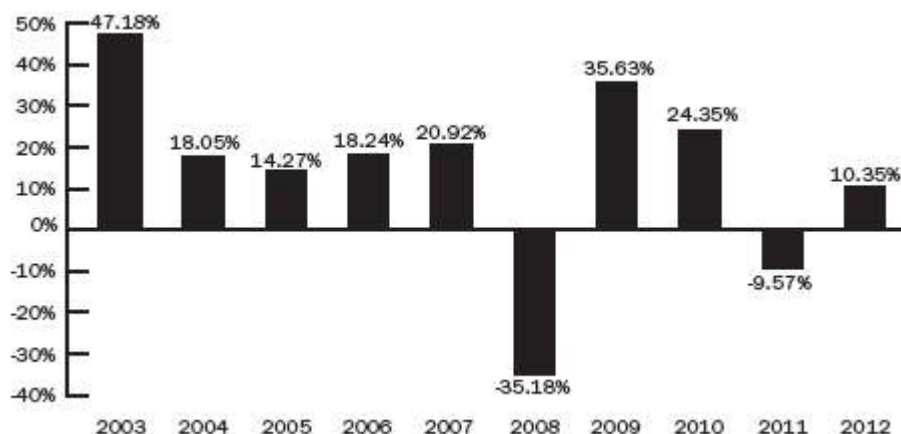
Small Cap and Emerging Growth Securities Risk – Small cap or emerging growth companies may have limited

- product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

Performance Information

The information shows you how U.S. Opportunities’ performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the Fund’s performance to that of the Russell Midcap[®] Index. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund’s returns would have been lower. Updated information on the Fund’s results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Service Shares ANNUAL TOTAL RETURNS BlackRock U.S. Opportunities Portfolio As of 12/31



During the ten-year period shown in the bar chart, the highest return for a quarter was 19.27% (quarter ended June 30, 2003) and the lowest return for a quarter was -22.40% (quarter ended September 30, 2011).

As of 12/31/12

Average Annual Total Returns

	1 Year	5 Years	10 Years
BlackRock U.S. Opportunities Portfolio – Service			
Return Before Taxes	10.35%	1.75%	11.97%
Return After Taxes on Distributions	9.93%	1.29%	11.71%
Return After Taxes on Distributions and Sale of Shares	7.27%	1.44%	10.74%
Russell Midcap [®] Index	17.28%	3.57%	10.65%
(Reflects no deduction for fees, expenses or taxes)			

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor’s tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Investment Manager

U.S. Opportunities’ investment manager is BlackRock Advisors, LLC (previously defined as “BlackRock”).

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	2002	Managing Director of BlackRock, Inc.
Jean Rosenbaum, CFA	2002	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sale of Fund shares, tax information, and financial intermediary compensation, please turn to “Important Additional Information” on page 21 of the prospectus.

Fund Overview

Key Facts About BlackRock Health Sciences Opportunities Portfolio

Investment Objective

The investment objective of BlackRock Health Sciences Opportunities Portfolio (“Health Sciences Opportunities” or the “Fund”), one portfolio of BlackRock FundsSM (the “Trust”), is to provide long-term growth of capital.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold Services Shares of Health Sciences Opportunities.

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	—Service Shares
Management Fee	0.73%
Distribution and/or Service (12b-1) Fees	0.25%
Other Expenses	0.30%
Acquired Fund Fees and Expenses ¹	0.01%
Total Annual Fund Operating Expenses ¹	1.29%

¹ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund’s most recent annual report which does not include the Acquired Fund Fees and Expenses.

Example:

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Service Shares	\$131	\$409	\$708	\$1,556

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 135% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, Health Sciences Opportunities invests at least 80% of total assets in equity securities, primarily common stock, of companies in health sciences and related industries. The health sciences sector can include companies in health care equipment and supplies, health care providers and services, biotechnology, and pharmaceuticals. Health sciences and related industries can include, but are not limited to, businesses involved in the development, production, and distribution or delivery of medical and pharmaceutical products and services, companies engaged in biotechnology and medical research and development, companies that may design, manufacture or distribute medical, dental and optical equipment and supplies, including diagnostic equipment, and companies that may also provide diagnostic services or operate health facilities and hospitals, or provide related administrative, management and financial support. The Fund will concentrate its investments (i.e., invest more than 25% of its assets) in health sciences or related industries, and may invest in companies located in non-U.S. countries.

The Fund reserves the right to invest up to 20% of total assets in other types of securities. These may include stocks of companies not associated with health sciences.

The Fund is classified as non-diversified under the Investment Company Act of 1940, as amended, which means that it can invest more of its assets in fewer companies than a diversified fund.

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in Health Sciences Opportunities, 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 principal risks of investing in the Fund.

■ **Concentration Risk** – The Fund's strategy of concentrating in health sciences and related companies means that its performance will be closely tied to the performance of a particular market segment. The Fund's concentration in these companies may present more risks than if it were broadly diversified over numerous industries and sectors of the economy. A downturn in these companies would have a larger impact on the Fund than on a mutual fund that does not concentrate in such companies. At times, the performance of these companies will lag the performance of other industries or the broader market as a whole.

■ **Equity Securities Risk** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

■ **Foreign Securities Risk** – Foreign investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. These risks include:

– The Fund generally holds its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight.

– Changes in foreign currency exchange rates can affect the value of the Fund's portfolio.

– The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position.

– The governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries.

– Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws.

– Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.

– The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of the Fund's investments.

■ **Healthcare-Related Securities Risk** – Many healthcare-related companies are smaller and less seasoned than companies in other sectors. Healthcare-related companies may also be strongly affected by scientific or technological developments and their products may quickly become obsolete. Many healthcare companies are heavily dependent on patent protection and the actual or perceived safety and efficiency of their products. The expiration of patents may adversely affect the profitability of these companies. Many healthcare companies are subject to extensive litigation based on product liability and similar claims. Finally, many healthcare-related companies offer products and services that are subject to governmental regulation and may be adversely affected by changes in governmental policies or laws. In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act designed to reform the healthcare industry. The Fund cannot predict the impact of this legislation on healthcare-related companies or what healthcare-related proposals might be proposed or enacted in the future.

■ **Investment Style Risk** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

■ **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.

■ **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

■ **Non-Diversification Risk** – The Fund is a non-diversified fund. Because the Fund may invest in securities of a smaller number of issuers, it may be more exposed to the risks associated with and developments affecting an individual issuer than a fund that invests more widely.

■ **Small Cap Securities Risk** – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

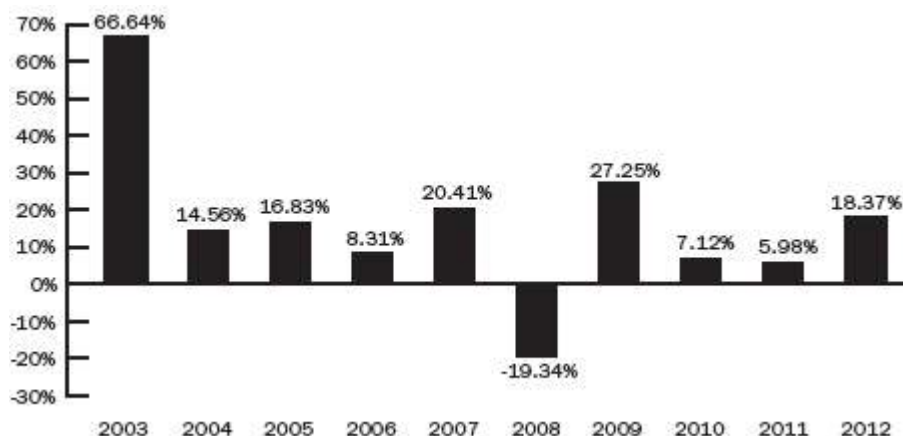
Performance Information

On January 31, 2005, Health Sciences Opportunities reorganized with the State Street Research Health Sciences Fund (the "SSR Fund"), which had investment objectives and strategies substantially similar to the Fund. For periods prior to January 31, 2005, the chart and table show performance information for the SSR Fund. The performance of Service Shares for the period before January 28, 2005 is based on the performance of Investor A Shares, adjusted to reflect the class specific fees applicable to Service Shares at the time of such share class' launch. This information may be considered when assessing the Fund' s performance, but does not represent the actual performance of Service Shares.

The information shows you how the Fund' s performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the Fund' s performance to that of the Standard & Poor' s (S&P) 500® Index.

The table also compares the Fund' s performance to that of the Russell 3000® Health Care Index, which is relevant to the Fund because it has characteristics similar to the Fund' s investment strategies. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund' s returns would have been lower. Updated information on the Fund' s results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Service Shares ANNUAL TOTAL RETURNS BlackRock Health Sciences Opportunities Portfolio As of 12/31



During the ten-year period shown in the bar chart, the highest return for a quarter was 34.69% (quarter ended June 30, 2003) and the lowest return for a quarter was - 13.96% (quarter ended December 31, 2008).

As of 12/31/12

Average Annual Total Returns

BlackRock Health Sciences Opportunities Portfolio – Service Shares

	1 Year	5 Years	10 Years
Return Before Taxes	18.37%	6.64%	14.92%
Return After Taxes on Distributions	16.93%	5.63%	13.95%
Return After Taxes on Distributions and Sale of Shares	13.34%	5.41%	13.09%
Russell 3000® Health Care Index (Reflects no deduction for fees, expenses or taxes)	19.32%	5.52%	7.13%
S&P 500® Index (Reflects no deduction for fees, expenses or taxes)	16.00%	1.66%	7.10%

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor' s tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Investment Manager

Health Sciences Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock").

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	2005	Managing Director of BlackRock, Inc.
Erin Xie, PhD	2003	Managing Director of BlackRock, Inc.

* * *

For more important information about purchase and sale of Fund shares, tax information, and financial intermediary compensation, please turn to "Important Additional Information" on page 21 of the prospectus.

Fund Overview

Key Facts About BlackRock Science & Technology Opportunities Portfolio

Investment Objective

The investment objective of BlackRock Science & Technology Opportunities Portfolio ("Science & Technology Opportunities" or the "Fund"), a series of BlackRock FundsSM (the "Trust"), is to provide long-term capital appreciation.

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold Services Shares of Science & Technology Opportunities.

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	—Service Shares
Management Fee	0.90%
Distribution and/or Service (12b-1) Fees	0.25%
Other Expenses	0.42%
Acquired Fund Fees and Expenses ¹	0.01%
Total Annual Fund Operating Expenses ¹	1.58%
Fee Waivers and/or Expense Reimbursements ²	—
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements ²	1.58%

¹ The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets given in the Fund's most recent annual report which does not include the Acquired Fund Fees and Expenses.

As described in the "Management of the Funds" section of the Fund's prospectus on pages 40-46, BlackRock Advisors, LLC ("BlackRock") has contractually agreed to waive 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 1.78% of average daily net assets until February 1, 2014. The Fund may have to repay some of these waivers and/or reimbursements to BlackRock in the following two years. The 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.

Example:

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Service Shares	\$161	\$499	\$860	\$1,878

Portfolio Turnover:

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 320% of the average value of its portfolio.

Principal Investment Strategies of the Fund

Under normal market conditions, Science & Technology Opportunities invests at least 80% of its net assets in equity securities issued by U.S. and non-U.S. science and technology companies in all market capitalization ranges, selected for their rapid and sustainable growth potential from the development, advancement and use of science and/or use of technology. The Fund may invest up to 25% of its net assets in emerging market countries.

Some of the industries likely to be represented in the Fund's portfolio holdings include: application software, IT consulting and services, internet software and services, networking equipment, telecom equipment, computer hardware, computer storage and peripherals, electronic equipment and instruments, semiconductors and equipment, aerospace and defense, electrical components and equipment, biotechnology, pharmaceuticals, healthcare equipment and supplies, healthcare distribution and services, healthcare facilities, industrial gases, specialty chemicals, advanced materials, internet and catalog retail, integrated telecom services, alternative carriers and wireless telecommunication services.

The Fund seeks to invest primarily in common stock but may also invest in preferred stock and convertible securities. The Fund may also invest in Rule 144A securities, which are privately placed securities purchased by qualified institutional buyers. From time to time the Fund may invest in shares of companies through initial public offerings ("IPOs").

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

Principal Risks of Investing in the Fund

Risk is inherent in all investing. The value of your investment in Science & Technology Opportunities, 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 principal risks of investing in the Fund.

■ **Concentration Risk** – The Fund's strategy of concentrating in science and technology and related companies means that its performance will be closely tied to the performance of a particular market segment. The Fund's concentration in these companies may present more risks than if it were broadly diversified over numerous industries and sectors of the economy. A downturn in these companies would have a larger impact on the Fund than on a mutual fund that does not concentrate in such companies. At times, the performance of these companies will lag the performance of other industries or the broader market as a whole.

■ **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

■ **Derivatives Risk** – The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A risk of the Fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. The possible lack of a liquid secondary market for derivatives and the resulting inability of the Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for the Fund to value accurately. Derivatives may give rise to a form of leverage and may expose the Fund to greater risk and increase its costs. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

■ **Emerging Markets Risk** – Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets.

■ **Equity Securities Risk** – Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

■ **Foreign Securities Risk** – Foreign investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. These risks include:

– The Fund generally holds its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and may be subject to only limited or no regulatory oversight.

– Changes in foreign currency exchange rates can affect the value of the Fund's portfolio.

– The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position.

– The governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries.

– Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws.

– Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.

– The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of the Fund's investments.

■ **Geographic Concentration Risk** – From time to time the Fund may invest a substantial amount of its assets in issuers located in a single country or a limited number of countries. If the Fund concentrates its investments in this manner, it assumes the risk that economic, political and social conditions in those countries will have a significant impact on its investment performance. The Fund's investment performance may also be more volatile if it concentrates its investments in certain countries, especially emerging market countries.

■ **Investment Style Risk** – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

■ **Leverage Risk** – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

■ **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.

■ **Mid-Cap Securities Risk** – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

“New Issues” Risk – “New Issues” are initial public offerings of equity securities of U.S. and non-U.S. issuers. Securities issued in
■ IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering.

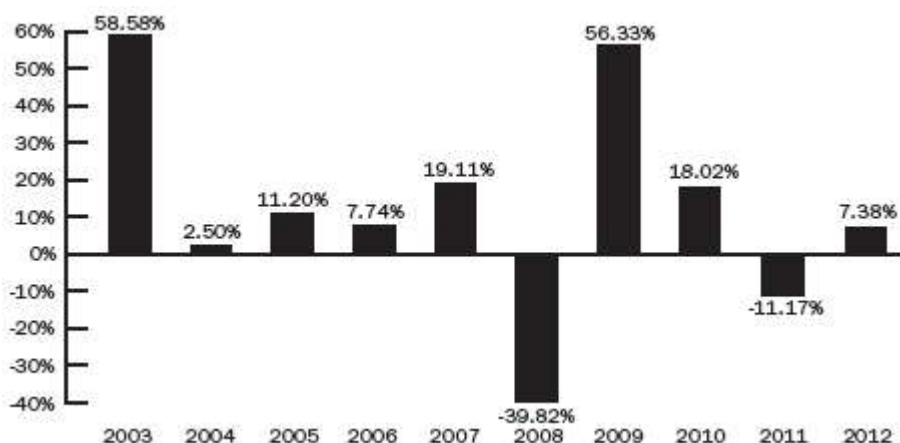
Small Cap Securities Risk – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies.

Technology Securities Risk – Certain technology related companies may face special risks that their products or services may not prove to be commercially successful. Technology related companies are also strongly affected by worldwide scientific or technological developments. As a result, their products may rapidly become obsolete. Such companies are also often subject to governmental regulation and may, therefore, be adversely affected by governmental policies.

Performance Information

The information shows you how Science & Technology Opportunities' performance has varied year by year and provides some indication of the risks of investing in the Fund. The table compares the Fund's performance to that of the NYSE Arca Tech 100 IndexSM. As with all such investments, past performance (before and after taxes) is not an indication of future results. Sales charges are not reflected in the bar chart. If they were, returns would be less than those shown. However, the table includes all applicable fees and sales charges. If BlackRock and its affiliates had not waived or reimbursed certain Fund expenses during these periods, the Fund's returns would have been lower. Updated information on the Fund's results can be obtained by visiting <http://www.blackrock.com/funds> or can be obtained by phone at (800) 882-0052.

Service Shares
ANNUAL TOTAL RETURNS¹
BlackRock Science & Technology Opportunities Portfolio
As of 12/31



During the ten-year period shown in the bar chart, the highest return for a quarter was 30.03% (quarter ended June 30, 2003) and the lowest return for a quarter was -22.21% (quarter ended December 31, 2008).

As of 12/31/12

Average Annual Total Returns

BlackRock Science & Technology Opportunities Portfolio – Service Shares

	1 Year	5 Years ¹	10 Years ¹
Return Before Taxes	7.38%	1.16%	9.40%
Return After Taxes on Distributions	7.38%	1.16%	9.40%
Return After Taxes on Distributions and Sale of Shares	4.80%	0.99%	8.39%
NYSE Arca Tech 100 Index SM	21.46%	7.62%	11.69%
(Reflects no deduction for fees, expenses or taxes)			

¹ A portion of the Fund's total return was attributable to proceeds received in the fiscal year ended September 30, 2009 in a settlement of litigation. After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Investment Manager

Science & Technology Opportunities' investment manager is BlackRock Advisors, LLC (previously defined as "BlackRock").

Portfolio Managers

Name	Portfolio Manager of the Fund Since	Title
Thomas Callan, CFA	2000	Managing Director of BlackRock, Inc.
Jean Rosenbaum, CFA	2000	Managing Director of BlackRock, Inc.
Erin Xie, PhD	2005	Managing Director of BlackRock, Inc.

* * *

For important information about purchase and sale of Fund shares, tax information, and financial intermediary compensation, please see "Important Additional Information" below.

Important Additional Information**Purchase and Sale of Fund Shares**

You may purchase or redeem shares of a Fund each day the New York Stock Exchange is open. You should contact your financial intermediary or financial professional, or, if you hold your shares through a Fund, you should contact the Fund by phone at (800) 537-4942, by mail (c/o BlackRock Funds, P.O. Box 9819, Providence, Rhode Island 02940-8019), or by the Internet at www.blackrock.com/funds. Each Fund's initial and subsequent investment minimums for Service Shares generally are as follows, although the Fund may reduce or waive the minimums in some cases:

Service Shares	
Minimum Initial Investment	\$5,000
Minimum Additional Investment	No subsequent minimum.

Tax Information

The Fund's dividends and distributions may be subject to Federal income taxes and may be taxed as ordinary income or capital gains, unless you are a tax-exempt investor or are investing through a retirement plan, in which case you may be subject to Federal income tax upon withdrawal from such tax-deferred arrangements.

Payments to Broker/Dealers and Other Financial Intermediaries

If you purchase shares of the Fund through a broker-dealer or other financial intermediary, the Fund and BlackRock Investments, LLC, the Fund's distributor, or its affiliates may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other financial intermediary and your individual financial professional to recommend the Fund over another investment. Ask your individual financial professional or visit your financial intermediary's website for more information.

Details About the Funds

Included in this prospectus are sections that tell you about buying and selling shares, management information, and shareholder features of BlackRock International Opportunities Portfolio (“International Opportunities”), BlackRock U.S. Opportunities Portfolio (“U.S. Opportunities”), BlackRock Health Sciences Opportunities Portfolio (“Health Sciences Opportunities”) and BlackRock Science & Technology Opportunities Portfolio (“Science & Technology Opportunities”) (each, a “Fund” and, collectively, the “Funds”), each a series of BlackRock FundsSM (the “Trust”), and your rights as a shareholder.

How Each Fund Invests

Should the Trust’s Board of Trustees (the “Board”) determine that the investment objective of a Fund should be changed, shareholders will be given at least 30 days’ notice before any such change is made. However, such change can be effected without shareholder approval.

International Opportunities

Investment Objective

The investment objective of International Opportunities is to seek long-term capital appreciation.

Investment Process

BlackRock considers a variety of factors when choosing investments for International Opportunities, such as:

- identifying companies that appear to have above-average earnings growth potential;
- identifying companies and industries that appear to have the potential for above-average long-term performance based on projections of supply and demand of a resource and the state of the market; and
- identifying companies that are expected to show above-average return potential based on factors such as relative value and earnings estimate revisions, depending on market conditions.

The Fund generally will sell a stock when, in the Fund management team’s opinion, the stock reaches its price target, there is a deterioration in the company’s fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, International Opportunities invests at least 80% of its net assets (which means net assets plus any borrowings for investment purposes) in equity securities issued by foreign companies of any market capitalization. The Fund will allocate its assets among various regions and countries (but in no less than three different countries). For temporary defensive purposes the Fund may deviate very substantially from the allocation described above. The Fund may invest up to 40% of its net assets in stocks of issuers in emerging market countries.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through IPOs.

The Fund may, when consistent with the Fund’s investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). An option is the right to buy or sell a security or an index of securities at a specific price on or before a specific date. A future is an agreement to buy or sell a security or an index of securities at a specific price on a specific date. A swap is an agreement whereby one party exchanges its right to receive or its obligation to pay one type of currency for another party’s obligation to pay or its right to receive another type of currency in the future or for a period of time. The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily

invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

The Fund does not limit its investments to companies of any particular size, and may invest in securities of companies with small to large capitalizations.

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF INTERNATIONAL OPPORTUNITIES

International Opportunities is managed by a team of financial professionals. Thomas Callan, CFA, Ian Jamieson, CFA, and Nigel Hart, CFA, are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see "Management of the Funds – Portfolio Manager Information" for additional information about the portfolio management team.

U.S. Opportunities

Investment Objective

The investment objective of U.S. Opportunities is to seek long-term capital appreciation.

Investment Process

BlackRock considers a variety of factors when choosing investments for U.S. Opportunities, such as:

- identifying companies and industries that appear to have the potential for above-average long-term performance based on projections of supply and demand of a resource and the state of the market; and
- identifying companies that are expected to show above-average growth over the long-term as well as those that appear to be trading below their true worth.

The Fund generally will sell a stock when, in the Fund management team's opinion, the stock reaches its price target, there is a deterioration in the company's fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, U.S. Opportunities invests at least 80% of its net assets (which means net assets plus any borrowings for investment purposes) in equity securities issued by U.S. emerging capitalization companies with relatively attractive earnings growth potential and valuation. Although a universal definition of emerging capitalization companies does not exist, the Fund generally defines these companies, at the time of the Fund's investment, as those with market capitalizations comparable in size to those within the universe of Russell Midcap[®] Index stocks (between approximately \$1.35 billion and \$17.40 billion as of June 22, 2012, the most recent rebalance date). In the future, the Fund may define emerging capitalization companies using a different index or classification system.

The Fund seeks to buy primarily common stock but can also invest in preferred stock and convertible securities. From time to time the Fund may invest in shares of companies through IPOs.

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities (collectively, commonly known as derivatives). An option is the right to buy or sell a security or an index of securities at a specific price on or before a specific date. A future is an agreement to buy or sell a security or an index of securities at a specific price on a specific date. The primary purpose of using derivatives is to attempt to reduce risk to the Fund as a whole (hedge), but they may also be used to maintain liquidity and commit cash pending investment. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk.

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF U.S. OPPORTUNITIES

U.S. Opportunities is managed by a team of financial professionals. Jean Rosenbaum, CFA, and Thomas Callan, CFA, are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see “Management of the Funds – Portfolio Manager Information” for additional information about the portfolio management team.

Health Sciences Opportunities

Investment Objective

The investment objective of Health Sciences Opportunities is to provide long-term growth of capital.

Investment Process

BlackRock considers a variety of factors when choosing investments for Health Sciences Opportunities, such as:

- identifying companies and industries that appear to have the potential for above-average returns; and
- identifying companies that are expected to show above-average growth over the long-term as well as those that appear to be trading below their true worth.

The Fund expects to invest in health sciences companies comparable in size to those in the health sector of the Russell 3000[®] Health Care Index or in similar companies, including non-U.S. companies.

The Fund generally will sell a stock when, in the Fund management team’s opinion, the stock reaches its price target, there is a deterioration in the company’s fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, Health Sciences Opportunities invests at least 80% of total assets in equity securities, primarily common stock, of companies in health sciences and related industries. The health sciences sector can include companies in health care equipment and supplies, health care providers and services, biotechnology, and pharmaceuticals. Health sciences and related industries can include, but are not limited to, businesses involved in the development, production, and distribution or delivery of medical and pharmaceutical products and services, companies engaged in biotechnology and medical research and development, companies that may design, manufacture or distribute medical, dental and optical equipment and supplies, including diagnostic equipment, and companies that may also provide diagnostic services or operate health facilities and hospitals, or provide related administrative, management and financial support. The Fund will concentrate its investments (i.e., invest more than 25% of its assets) in health sciences or related industries, and may invest in companies located in non-U.S. countries. The Fund does not limit its investments to companies of any particular size.

The Fund reserves the right to invest up to 20% of total assets in other types of securities. These may include stocks of companies not associated with health sciences.

The Fund is classified as non-diversified under the Investment Company Act of 1940, as amended, which means that it can invest more of its assets in fewer companies than a diversified fund.

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF HEALTH SCIENCES OPPORTUNITIES

Health Sciences Opportunities is managed by a team of financial professionals. Erin Xie, PhD, and Thomas Callan, CFA, are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see “Management of the Funds – Portfolio Manager Information” for additional information about the portfolio management team.

Science & Technology Opportunities

Investment Objective

The investment objective of Science & Technology Opportunities is to provide long-term capital appreciation.

Investment Process

BlackRock considers a variety of factors when choosing investments for Science & Technology Opportunities, such as:

- selecting companies with the potential for rapid and sustainable growth from the development, advancement and use of science and/or technology; and
- identifying companies that have above-average return potential based on factors such as revenue and earnings growth, estimate revisions, profitability and relative value. The factors and the weight assigned to a factor may change depending on market conditions.

In addition, a variety of countries, including emerging market countries, and industries are likely to be represented.

The Fund generally will sell a stock when, in the Fund management team's opinion, there is a deterioration in the company's fundamentals, a change in macroeconomic outlook, technical deterioration, valuation issues, a need to rebalance the portfolio or a better opportunity elsewhere. The team uses a broad set of quantitative tools to enhance the timing of purchase or sell decisions.

The Fund may engage in active and frequent trading of portfolio securities to achieve its primary investment strategies.

Principal Investment Strategies

Under normal market conditions, Science & Technology Opportunities invests at least 80% of its net assets (which means net assets plus any borrowings for investment purposes) in equity securities issued by U.S. and non-U.S. science and technology companies in all market capitalization ranges, selected for their rapid and sustainable growth potential from the development, advancement and use of science and/or use of technology. The Fund may invest up to 25% of its net assets in emerging market countries.

Some of the industries likely to be represented in the Fund's portfolio holdings include: application software, IT consulting and services, internet software and services, networking equipment, telecom equipment, computer hardware, computer storage and peripherals, electronic equipment and instruments, semiconductors and equipment, aerospace and defense, electrical components and equipment, biotechnology, pharmaceuticals, healthcare equipment and supplies, healthcare distribution and services, healthcare facilities, industrial gases, specialty chemicals, advanced materials, internet and catalog retail, integrated telecom services, alternative carriers and wireless telecommunication services.

The Fund seeks to invest primarily in common stock but may also invest in preferred stock and convertible securities. The Fund may also invest in Rule 144A securities, which are privately placed securities purchased by qualified institutional buyers. From time to time the Fund may invest in shares of companies through IPOs.

The Fund may, when consistent with the Fund's investment objective, buy or sell options or futures on a security or an index of securities and may buy options on a currency or a basket of currencies, or enter into foreign currency transactions, including swaps (collectively, commonly known as derivatives). An option is the right to buy or sell a security or an index of securities at a specific price on or before a specific date. A future is an agreement to buy or sell a security or an index of securities at a specific price on a specific date. A swap is an agreement whereby one party exchanges its right to receive or its obligation to pay one type of currency for another party's obligation to pay or its right to receive another type of currency in the future or for a period of time. The Fund typically uses derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks, such as currency risk. The Fund may also use derivatives to enhance returns, in which case their use would involve leveraging risk. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as reverse repurchase agreements or dollar rolls). The Fund may also use forward foreign currency exchange contracts (obligations to buy or sell a currency at a set rate in the future).

ABOUT THE PORTFOLIO MANAGEMENT TEAM OF SCIENCE & TECHNOLOGY OPPORTUNITIES

Science & Technology Opportunities is managed by a team of financial professionals. Thomas Callan, CFA, Jean Rosenbaum, CFA, and Erin Xie, PhD are the portfolio managers and are jointly and primarily responsible for the day-to-day management of the Fund. Please see "Management of the Funds – Portfolio Manager Information" for additional information about the portfolio management team.

Other Strategies Applicable to the Funds

In addition to the principal strategies discussed above, each Fund (except as noted below) may also invest or engage in the following investments/strategies:

- **Convertible Securities (Health Sciences Opportunities)** – The Fund may invest in convertible securities, which generally are debt securities or preferred stock that may be converted into common stock. Convertible securities typically pay current income as either interest (debt security convertibles) or dividends (preferred stock). A convertible security's value usually reflects both the stream of current income payments and the market value of the underlying common stock.

- **Credit Default Swaps (International Opportunities, U.S. Opportunities and Science & Technology Opportunities)** – Each Fund may invest in credit default swaps, whereby one party would pay a counterparty a periodic stream of payments over the term of the contract, provided that no event of default on a specific bond has occurred. In return, upon any event of default on such bond, the first party would receive from the counterparty a payment equal to the par (or other agreed-upon) value of such bond.

- **Depository Receipts** – Each Fund may invest in securities of foreign issuers in the form of depository receipts or other securities that are convertible into securities of foreign issuers. American Depository Receipts are receipts typically issued by an American bank or trust company that evidence underlying securities issued by a foreign corporation. European Depository Receipts (issued in Europe) and Global Depository Receipts (issued throughout the world) each evidence a similar ownership arrangement. The Funds may invest in unsponsored depository receipts.

- **Derivative Transactions (Health Sciences Opportunities)** – The Fund may use derivatives to hedge its investment portfolio against market, interest rate and currency risks or to seek to enhance its return. The derivatives that the Fund may use include indexed and inverse securities, options, futures, swaps and forward foreign exchange transactions.

- **Foreign Securities (U.S. Opportunities)** – The Fund may invest in companies located in countries other than the United States.

- **Illiquid/Restricted Securities** – Each Fund may invest up to 15% of its net assets in illiquid securities that it cannot sell within seven days at approximately current value. Each Fund may also invest in restricted securities, which are securities that cannot be offered for public resale unless registered under the applicable securities laws or that have a contractual restriction that prohibits or limits their resale (i.e., Rule 144A securities). They may include private placement securities that have not been registered under the applicable securities laws. Restricted securities may not be listed on an exchange and may have no active trading market and therefore may be considered to be illiquid. Rule 144A securities are restricted securities that can be resold to qualified institutional buyers but not to the general public and may be considered to be liquid securities.

- **Indexed and Inverse Securities** – Each Fund may invest in securities the potential return of which is based on the change in a specified interest rate or equity index (an “indexed security”). For example, a Fund may invest in a security that pays a variable amount of interest or principal based on the current level of the French or Korean stock markets. A Fund may also invest in securities whose return is inversely related to changes in an interest rate or index (“inverse securities”). In general, the return on inverse securities will decrease when the underlying index or interest rate goes up and increase when that index or interest rate goes down.

- **Investment Companies** – Each Fund has the ability to invest in other investment companies, such as exchange-traded funds, unit investment trusts, and open-end and closed-end funds. Each Fund may invest in affiliated investment companies, including affiliated money market funds and affiliated exchange traded funds.

- **Money Market Securities** – Each Fund may invest in high quality money market securities pending investments or when it expects to need cash to pay redeeming shareholders. A Fund will not be deemed to deviate from its normal strategies if it holds these securities pending investments.

- **“New Issues” (Health Sciences Opportunities)** – The Fund may invest in shares of companies through initial public offerings.

- **Real Estate Investment Trusts (REITs) (International Opportunities and U.S. Opportunities)** – Each Fund may invest in REITs. REITs are companies that own interests in real estate or in real estate related loans or other interests, and have revenue primarily consisting of rent derived from owned, income producing real estate properties and capital gains from the sale of such properties. REITs can generally be classified as equity REITs, mortgage REITs and hybrid REITs. Equity REITs invest the majority of their assets directly in real property and derive their income primarily from rents. Equity REITs can also realize capital gains by selling properties that have appreciated in value. Mortgage REITs invest the majority of their assets in real estate mortgages and derive their

income primarily from interest payments. Hybrid REITs combine the characteristics of both equity REITs and mortgage REITs. REITs are not taxed on income distributed to shareholders provided they comply with the requirements of the Internal Revenue Code of 1986, as amended.

Repurchase Agreements and Purchase and Sale Contracts (International Opportunities, U.S. Opportunities and Science & Technology Opportunities) – Each Fund may enter into certain types of repurchase agreements or

- purchase and sale contracts. Under a repurchase agreement, the seller agrees to repurchase a security at a mutually agreed-upon time and price. A purchase and sale contract is similar to a repurchase agreement, but purchase and sale contracts also provide that the purchaser receives any interest on the security paid during the period.

- ***Securities Lending*** – Each Fund may lend securities with a value up to 33⅓% of its total assets to financial institutions that provide cash or securities issued or guaranteed by the U.S. Government as collateral.

Temporary Defensive Strategies – It is possible that in extreme market conditions each Fund temporarily may invest some or all of its assets in high quality money market securities. Such a temporary defensive strategy would be

- inconsistent with the Fund's primary investment strategies. The reason for acquiring money market securities would be to avoid market losses. However, if market conditions improve, this strategy could result in reducing the potential gain from the market upswing, thus reducing the Fund's opportunity to achieve its investment objective.

Warrants – A warrant gives a Fund the right to buy stock. The warrant specifies the amount of underlying stock, the

- purchase (or "exercise") price and the date the warrant expires. The Fund has no obligation to exercise the warrant and buy the stock. A warrant has value only if the Fund is able to exercise it or sell it before it expires.

When-Issued and Delayed Delivery Securities and Forward Commitments (International Opportunities, U.S.

Opportunities and Science & Technology Opportunities) – The purchase or sale of securities on a when-issued basis

- or on a delayed delivery basis or through a forward commitment involves the purchase or sale of securities by a Fund at an established price with payment and delivery taking place in the future. A Fund enters into these transactions to obtain what is considered an advantageous price to a Fund at the time of entering into the transaction.

Investment Risks

This section contains a discussion of the general risks of investing in the Funds. The "Investment Objectives and Policies" section in the Statement of Additional Information ("SAI") also includes more information about the Funds, their investments and the related risks. There can be no guarantee that any Fund will meet its objective or that a Fund's performance will be positive for any period of time. An investment in a Fund is not a deposit in any bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or by any bank or governmental agency.

Principal Risks of Investing in a Fund

Concentration Risk (Health Sciences Opportunities and Science & Technology Opportunities) – Each Fund's strategy of concentrating in health sciences and related companies (Health Sciences Opportunities) or science and technology and related companies (Science & Technology Opportunities) means that its performance will be closely tied to the performance of a particular market segment. Each Fund's concentration in these companies may present more risks than if it were broadly diversified over numerous industries and sectors of the economy. A downturn in these companies would have a larger impact on a Fund than on a mutual fund that does not concentrate in such companies. At times, the performance of these companies will lag the performance of other industries or the broader market as a whole.

Convertible Securities Risk (International Opportunities, U.S. Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

Derivatives Risk (International Opportunities, U.S. Opportunities and Science & Technology Opportunities

Principal Risk; Health Sciences Opportunities Other Risk) – A Fund's use of derivatives may reduce the Fund's returns and/or increase volatility. Volatility is defined as the characteristic of a security, an index or a market to fluctuate significantly in price within a short time period. A risk of a Fund's use of derivatives is that the fluctuations in their values may not

correlate perfectly with the overall securities markets. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. In addition, some derivatives are more sensitive to interest rate changes and market price fluctuations than other securities. The possible lack of a liquid secondary market for derivatives and the resulting inability of a Fund to sell or otherwise close a derivatives position could expose the Fund to losses and could make derivatives more difficult for a Fund to value accurately. A Fund could also suffer losses related to its derivatives positions as a result of unanticipated market movements, which losses are potentially unlimited. Finally, BlackRock may not be able to predict correctly the direction of securities prices, interest rates and other economic factors, which could cause the Fund's derivatives positions to lose value. When a derivative is used as a hedge against a position that the Fund holds, any loss generated by the derivative generally should be substantially offset by gains on the hedged investment, and vice versa. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains. Hedges are sometimes subject to imperfect matching between the derivative and the underlying security, and there can be no assurance that the Fund's hedging transactions will be effective. The income from certain derivatives may be subject to Federal income tax. Swap agreements involve the risk that the party with whom a Fund has entered into the swap will default on its obligation to pay the Fund and the risk that the Fund will not be able to meet its obligations to pay the other party to the agreement. International Opportunities, U.S. Opportunities and Science & Technology Opportunities may each invest in credit default swaps. Credit default swaps involve special risks in addition to those mentioned above because they are difficult to value, are highly susceptible to liquidity and credit risk, and generally pay a return to the party that has paid the premium only in the event of an actual default by the issuer of the underlying obligation (as opposed to a credit downgrade or other indication of financial difficulty). Each of the Funds may invest in foreign forward currency exchange contracts. Forward foreign currency exchange contracts do not eliminate fluctuations in the value of non-U.S. securities but rather allow the Fund to establish a fixed rate of exchange for a future point in time. This strategy can have the effect of reducing returns and minimizing opportunities for gain. Recent legislation calls for new regulation of the derivatives markets. The extent and impact of the regulation is not yet known and may not be known for some time. New regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the value or performance of derivatives.

Emerging Growth Securities Risk (U.S. Opportunities) – Emerging growth companies are subject to the growth investment style risk described under “Investment Style Risk” and the risk of investing in small cap companies described under “Small Cap Securities Risk”.

Emerging Markets Risk (International Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – The risks of foreign investments are usually much greater for emerging markets. Investments in emerging markets may be considered speculative. Emerging markets include those in countries defined as emerging or developing by the World Bank, the International Finance Corporation or the United Nations. Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. They are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging markets have far lower trading volumes and less liquidity than developed markets. Since these markets are often small, they may be more likely to suffer sharp and frequent price changes or long-term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. In addition, traditional measures of investment value used in the United States, such as price to earnings ratios, may not apply to certain small markets. Also, there may be less publicly available information about issuers in emerging markets than would be available about issuers in more developed capital markets, and such issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which U.S. companies are subject.

Many emerging markets have histories of political instability and abrupt changes in policies. As a result, their governments are more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments. In the past, governments of such nations have expropriated substantial amounts of private property, and most claims of the property owners have never been fully settled. There is no assurance that such expropriations will not reoccur. In such an event, it is possible that the Fund could lose the entire value of its investments in the affected market. Some countries have pervasiveness of corruption and crime that may hinder investments. Certain emerging markets may also face other significant internal or external risks, including the risk of war, and ethnic, religious and racial conflicts. In addition, governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth. National policies that may limit the Fund's investment opportunities include restrictions on investment in issuers or industries deemed sensitive to national interests.

Emerging markets may also have differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. governmental laws or restrictions applicable to such investments. Sometimes, they may lack or be in the relatively early development of legal structures governing private and foreign investments and private property. In addition to withholding taxes on investment income, some countries with emerging markets may impose differential capital gains taxes on foreign investors.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because a Fund will need to use brokers and counterparties that are less well capitalized, and custody and registration of assets in some countries may be unreliable. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognize that ownership exists in some emerging markets, and, along with other factors, could result in ownership registration being completely lost. A Fund would absorb any loss resulting from such registration problems and may have no successful claim for compensation. In addition, communications between the United States and emerging market countries may be unreliable, increasing the risk of delayed settlements or losses of security certificates.

Equity Securities Risk – Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate and can decline and reduce the value of a portfolio investing in equities. The value of equity securities purchased by a Fund could decline if the financial condition of the companies the Fund invests in decline or if overall market and economic conditions deteriorate. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or an increase in production costs and competitive conditions within an industry. In addition, they may decline due to general market conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor sentiment.

Foreign Securities Risk (International Opportunities, Health Sciences Opportunities and Science & Technology Opportunities Principal Risk; U.S. Opportunities Other Risk) – Securities traded in foreign markets have often (though not always) performed differently from securities traded in the United States. However, such investments often involve special risks not present in U.S. investments that can increase the chances that a Fund will lose money. In particular, a Fund is subject to the risk that because there may be fewer investors on foreign exchanges and a smaller number of securities traded each day, it may be more difficult for a Fund to buy and sell securities on those exchanges. In addition, prices of foreign securities may go up and down more than prices of securities traded in the United States.

Certain Risks of Holding Fund Assets Outside the United States – The Funds generally holds their foreign securities and cash in foreign banks and securities depositories. Some foreign banks and securities depositories may be recently organized or new to the foreign custody business. In addition, there may be limited or no regulatory oversight of their operations. Also, the laws of certain countries limit a Fund's ability to recover its assets if a foreign bank, depository or issuer of a security, or any of their agents, goes bankrupt. In addition, it is often more expensive for a Fund to buy, sell and hold securities in certain foreign markets than in the United States. The increased expense of investing in foreign markets reduces the amount a Fund can earn on its investments and typically results in a higher operating expense ratio for a Fund than for investment companies invested only in the United States.

Currency Risk – Securities and other instruments in which a Fund invests may be denominated or quoted in currencies other than the U.S. dollar. For this reason, changes in foreign currency exchange rates can affect the value of a Fund's portfolio.

Generally, when the U.S. dollar rises in value against a foreign currency, a security denominated in that currency loses value because the currency is worth fewer U.S. dollars. Conversely, when the U.S. dollar decreases in value against a foreign currency, a security denominated in that currency gains value because the currency is worth more U.S. dollars. This risk, generally known as "currency risk," means that a strong U.S. dollar will reduce returns for U.S. investors while a weak U.S. dollar will increase those returns.

Foreign Economy Risk – The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position. Certain foreign economies may rely heavily on particular industries or foreign capital and are more vulnerable to diplomatic developments, the imposition of economic sanctions against a particular country or countries, changes in international trading patterns, trade barriers and other protectionist or retaliatory measures. Investments in foreign markets may also be adversely affected by governmental actions such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets or the imposition of punitive taxes. In addition, the governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries. Any of these actions could severely affect securities prices or impair a Fund's ability to purchase or sell foreign securities or transfer a Fund's assets or income back into the United States, or otherwise adversely affect the Fund's operations.

Other potential foreign market risks include foreign exchange controls, difficulties in pricing securities, defaults on foreign government securities, difficulties in enforcing legal judgments in foreign courts and political and social instability. Diplomatic and political developments, including rapid and adverse political changes, social instability, regional conflicts, terrorism and war, could affect the economies, industries and securities and currency markets, and the value of a Fund's investments, in non-U.S. countries. These factors are extremely difficult, if not impossible, to predict and take into account with respect to a Fund's investments.

Governmental Supervision and Regulation/Accounting Standards – Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as such regulations exist in the United States. They also may not have laws to protect investors that are comparable to U.S. securities laws. For example, some foreign countries may have no laws or rules against insider trading. Insider trading occurs when a person buys or sells a company's securities based on material non-public information about that company. In addition, some countries may have legal systems that may make it difficult for a Fund to vote proxies, exercise shareholder rights, and pursue legal remedies with respect to its foreign investments. Accounting standards in other countries are not necessarily the same as in the United States. If the accounting standards in another country do not require as much detail as U.S. accounting standards, it may be harder for Fund management to completely and accurately determine a company's financial condition.

Settlement Risk – Settlement and clearance procedures in certain foreign markets differ significantly from those in the United States. Foreign settlement and clearance procedures and trade regulations also may involve certain risks (such as delays in payment for or delivery of securities) not typically associated with the settlement of U.S. investments.

At times, settlements in certain foreign countries have not kept pace with the number of securities transactions. These problems may make it difficult for a Fund to carry out transactions. If a Fund cannot settle or is delayed in settling a purchase of securities, it may miss attractive investment opportunities and certain of its assets may be uninvested with no return earned thereon for some period. If a Fund cannot settle or is delayed in settling a sale of securities, it may lose money if the value of the security then declines or, if it has contracted to sell the security to another party, a Fund could be liable for any losses incurred.

European Economic Risk – The European financial markets have recently experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. These events have adversely affected the exchange rate of the Euro and may spread to other countries in Europe, including countries that do not use the Euro. These events may affect the value and liquidity of certain of a Fund's investments.

Responses to the financial problems by European governments, central banks and others, including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world. In addition, one or more countries may abandon the Euro, the common currency of the European Union, and/ or withdraw from the European Union. The impact of these actions, especially if they occur in a disorderly fashion, is not clear but could be significant and far reaching.

Geographic Concentration Risk (Science & Technology Opportunities) – From time to time Science & Technology Opportunities may invest a substantial amount of its assets in issuers located in a single country or a limited number of countries. If the Fund concentrates its investments in this manner, it assumes the risk that economic, political and social conditions in those countries will have a significant impact on its investment performance. The Fund's investment performance may also be more volatile if it concentrates its investments in certain countries, especially emerging market countries.

Healthcare-Related Securities Risk (Health Sciences Opportunities) – Many healthcare-related companies are smaller and less seasoned than companies in other sectors. Healthcare-related companies may also be strongly affected by scientific or technological developments and their products may quickly become obsolete. Many healthcare companies are heavily dependent on patent protection and the actual or perceived safety and efficiency of their products. The expiration of patents may adversely affect the profitability of these companies. Many healthcare companies are subject to extensive litigation based on product liability and similar claims. Finally, many healthcare-related companies offer products and services that are subject to governmental regulation and may be adversely affected by changes in governmental policies or laws. In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act designed to reform the healthcare industry. The Fund cannot predict the impact of this legislation on healthcare-related companies or what healthcare-related proposals might be proposed or enacted in the future.

Investment Style Risk – Under certain market conditions, growth investments have performed better during the later stages of economic expansion. Therefore, this investment style may over time go in and out of favor. At times when the investment style used by a Fund is out of favor, the Fund may underperform other equity funds that use different investment styles.

Leverage Risk (International Opportunities, U.S. Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – Some transactions may give rise to a form of economic leverage. These transactions may include, among others, derivatives, and may expose a Fund to greater risk and increase its costs. As an open-end investment company registered with the Securities and Exchange Commission (the “SEC”), each Fund is subject to the federal securities laws, including the Investment Company Act of 1940, as amended (the “Investment Company Act”), the rules thereunder, and various SEC and SEC staff interpretive positions. In accordance with these laws, rules and positions, each Fund must “set aside” liquid assets (often referred to as “asset segregation”), or engage in other SEC- or staff-approved measures, to “cover” open positions with respect to certain kinds of instruments. The use of leverage may cause a Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of a Fund’s portfolio will be magnified when the Fund uses leverage.

Market Risk and Selection Risk – Market risk is the risk that one or more markets in which a 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.

Mid-Cap Securities Risk – The securities of mid-cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

“New Issues” Risk (International Opportunities, U.S. Opportunities and Science & Technology Opportunities Principal Risk; Health Sciences Opportunities Other Risk) – “New Issues” are initial public offerings of equity securities of U.S. and non-U.S. issuers. Investments in companies that have recently gone public have the potential to produce substantial gains for a Fund. However, there is no assurance that a Fund will have access to profitable IPOs and therefore investors should not rely on these past gains as an indication of future performances. The investment performance of a Fund during periods when it is unable to invest significantly or at all in IPOs may be lower than during periods when a Fund is able to do so. In addition, as a Fund increases in size, the impact of IPOs on a Fund’s performance will generally decrease. Securities issued in IPOs are subject to many of the same risks as investing in companies with smaller market capitalizations. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the initial public offering. When an initial public offering is brought to the market, availability may be limited and a Fund may not be able to buy any shares at the offering price, or, if it is able to buy shares, it may not be able to buy as many shares at the offering price as it would like.

Non-Diversification Risk (Health Sciences Opportunities) – Health Sciences Opportunities is a non-diversified fund. Because the Fund may invest in securities of a smaller number of issuers, it may be more exposed to the risks associated with and developments affecting an individual issuer than a fund that invests more widely.

Small Cap Securities Risk – Small cap companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a small number of key personnel. If a product fails or there are other adverse developments, or if management changes, the Fund’s investment in a small cap company may lose substantial value. In addition, it is more difficult to get information on smaller companies, which tend to be less well known, have shorter operating histories, do not have significant ownership by large investors and are followed by relatively few securities analysts.

The securities of small cap companies generally trade in lower volumes and are subject to greater and more unpredictable price changes than larger cap securities or the market as a whole. In addition, small cap securities may be particularly sensitive to changes in interest rates, borrowing costs and earnings. Investing in small cap securities requires a longer term view.

Technology Securities Risk (Science & Technology Opportunities) – Certain technology related companies may face special risks that their products or services may not prove to be commercially successful. Technology related companies are also strongly affected by worldwide scientific or technological developments. As a result, their products may rapidly become obsolete. Such companies are also often subject to governmental regulation and may, therefore, be adversely affected by governmental policies.

Other Risks of Investing in a Fund

Each Fund (except as noted below) may also be subject to certain other risks associated with its investments and investment strategies, including:

Borrowing Risk – Borrowing may exaggerate changes in the net asset value of Fund shares and in the return on a Fund's portfolio. Borrowing will cost the Fund interest expense and other fees. The costs of borrowing may reduce a Fund's return. Borrowing may cause a Fund to liquidate positions when it may not be advantageous to do so to satisfy its obligations.

Depository Receipts Risk – The issuers of unsponsored depository receipts are not obligated to disclose information that is, in the United States, considered material. Therefore, there may be less information available regarding these issuers and there may not be a correlation between such information and the market value of the depository receipts. Depository receipts are generally subject to the same risks as the foreign securities that they evidence or into which they may be converted.

Expense Risk – Fund expenses are subject to a variety of factors, including fluctuations in the Fund's net assets. Accordingly, actual expenses may be greater or less than those indicated. For example, to the extent that a Fund's net assets decrease due to market declines or redemptions, a Fund's expenses will increase as a percentage of Fund net assets. During periods of high market volatility, these increases in a Fund's expense ratio could be significant.

High Portfolio Turnover Risk – Each Fund may engage in active and frequent trading of its portfolio securities. High portfolio turnover (more than 100%) may result in increased transaction costs to a Fund, including brokerage commissions, dealer mark-ups and other transaction costs on the sale of the securities and on reinvestment in other securities. The sale of Fund portfolio securities may result in the realization and/or distribution to shareholders of higher capital gains or losses as compared to a fund with less active trading policies. These effects of higher than normal portfolio turnover may adversely affect Fund performance.

Indexed and Inverse Securities Risk – Certain indexed and inverse securities have greater sensitivity to changes in interest rates or index levels than other securities, and a Fund's investment in such instruments may decline significantly in value if interest rates or index levels move in a way Fund management does not anticipate.

Investment in Other Investment Companies Risk – As with other investments, investments in other investment companies are subject to market and selection risk. In addition, if a Fund acquires shares of investment companies, including ones affiliated with the Fund, shareholders bear both their proportionate share of expenses in the Fund (including management and advisory fees) and, indirectly, the expenses of the investment companies. To the extent a Fund is held by an affiliated fund, the ability of the Fund itself to hold other investment companies may be limited.

Liquidity Risk – Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investments in illiquid securities may reduce the returns of the Fund because it may be difficult to sell the illiquid securities at an advantageous time or price. To the extent that the Fund's principal investment strategies involve derivatives or securities with substantial market and/or credit risk, the Fund will tend to have the greatest exposure to liquidity risk. Liquid investments may become illiquid after purchase by a Fund, particularly during periods of market turmoil. Illiquid investments may be harder to value, especially in changing markets, and if a Fund is forced to sell these investments to meet redemption requests or for other cash needs, the Fund may suffer a loss. In addition, when there is illiquidity in the market for certain securities, a Fund, due to limitations on illiquid investments, may be subject to purchase and sale restrictions.

REIT Investment Risk (International Opportunities and U.S. Opportunities) – In addition to the risks facing real estate-related securities, such as a decline in property values due to increasing vacancies, a decline in rents resulting from unanticipated economic, legal or technological developments or a decline in the price of securities of real estate companies due to a failure of borrowers to pay their loans or poor management, investments in REITs involve unique risks. REITs may have limited financial resources, may trade less frequently and in limited volume and may be more volatile than other securities.

Repurchase Agreements and Purchase and Sale Contracts Risk (International Opportunities, U.S. Opportunities and Science & Technology Opportunities) – If the other party to a repurchase agreement or purchase and sale contract defaults on its obligation under the agreement, a 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 in either situation and the market value of the security declines, a Fund may lose money.

Securities Lending Risk – Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the Fund may lose money and there may be a delay in recovering the loaned securities. A Fund could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. These events could trigger adverse tax consequences for the Fund.

Warrants Risk – If the price of the underlying stock does not rise above the exercise price before the warrant expires, the warrant generally expires without any value and the Fund loses any amount it paid for the warrant. Thus, investments in warrants may involve substantially more risk than investments in common stock. Warrants may trade in the same markets as their underlying stock; however, the price of the warrant does not necessarily move with the price of the underlying stock.

When-Issued and Delayed Delivery Securities and Forward Commitments Risk (International Opportunities, U.S. Opportunities and Science & Technology Opportunities) – When-issued and delayed delivery securities and forward commitments involve the risk that the security a 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, a 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.

Account Information

How to Choose the Share Class that Best Suits Your Needs

Each Fund currently offers multiple share classes (Service Shares in this prospectus), allowing you to invest in the way that best suits your needs. Each share class represents an ownership interest in the same investment portfolio of the particular Fund. When you choose your class of shares, you should consider the size of your investment and how long you plan to hold your shares. Either your financial professional or your selected dealer, broker, investment adviser, service provider or industry professional (“financial intermediary”) can help you determine which share class is best suited to your personal financial goals.

Each Fund’s shares are distributed by BlackRock Investments, LLC (the “Distributor”), an affiliate of BlackRock. The table below summarizes key features of the Service Share class offered by this prospectus.

Service Share Class at a Glance

	Service Shares
Availability	Limited to certain investors, including: financial intermediaries (such as banks and brokerage firms) acting on behalf of their customers, certain persons who were shareholders of the Compass Capital Group of Funds at the time of its combination with The PNC [®] Fund in 1996 and investors that participate in the Capital Directions SM asset allocation program. Service Shares will normally be held by financial intermediaries or in the name of nominees of financial intermediaries on behalf of their customers. Service Shares are normally purchased through a customer’s account at a financial intermediary through procedures established by such financial intermediary. In these cases, confirmation of share purchases and redemptions will be sent to the financial intermediaries. A customer’s ownership of shares will be recorded by the financial intermediary and reflected in the account statements provided by such financial intermediaries to their customers. Investors wishing to purchase Service Shares should contact their financial intermediaries.
Minimum Investment	\$5,000. However, financial intermediaries may set a higher minimum for their customers.
Initial Sales Charge?	No. Entire purchase price is invested in shares of the Fund.
Deferred Sales Charge?	No.
Service and Distribution Fees?	No Distribution Fee. 0.25% Annual Service Fee.
Redemption Fees?	No.
Advantage	No up-front sales charge so you start off owning more shares.
Disadvantage	Limited availability.

Distribution and Service Payments

The Trust, on behalf of the Funds, has adopted a plan (the “Plan”) that allows each Fund to pay a distribution fee for the sale of its shares under Rule 12b-1 of the Investment Company Act and shareholder servicing fees for certain services provided to its shareholders. The Funds do not make distribution payments under the Plan with respect to Service Shares.

Plan Payments

Under the Plan, the Trust also pays shareholder servicing fees (also referred to as shareholder liaison services fees) on behalf of each Fund to brokers, dealers, financial institutions and industry professionals (including BlackRock, The PNC Financial Services Group, Inc. (“PNC”) and their respective affiliates) (each a “Financial Intermediary”) for providing support services to their customers who own Service Shares. The shareholder servicing fee payment is calculated as a percentage of the average daily net asset value of Service Shares of each Fund. All Service Shares pay this shareholder servicing fee.

In return for the shareholder servicing fee, Financial Intermediaries (including BlackRock) may provide one or more of the following services to their customers who own Service Shares:

- Responding to customer questions on the services performed by the Financial Intermediary and investments in Service Shares;
- Assisting customers in choosing and changing dividend options, account designations and addresses; and
- Providing other similar shareholder liaison services.

The shareholder servicing fees payable pursuant to the Plan are paid to compensate Financial Intermediaries for the administration and servicing of shareholder accounts and are not costs which are primarily intended to result in the sale of a Fund's shares. Because the fees paid by the Funds under the Plan are paid out of Fund assets on an ongoing basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges. For more information on the Plan, including a complete list of services provided thereunder, see the SAI.

Other Payments by the Fund

In addition to, rather than in lieu of, fees that a Fund may pay to a Financial Intermediary pursuant to the Plan and fees that a Fund pays to its transfer agent, BNY Mellon Investment Servicing (US) Inc. (the "Transfer Agent"), BlackRock, on behalf of a Fund, may enter into non-Plan agreements with a Financial Intermediary pursuant to which the Fund will pay a Financial Intermediary for administrative, networking, recordkeeping, sub-transfer agency and shareholder services. These non-Plan payments are generally based on either (1) a percentage of the average daily net assets of Fund shareholders serviced by a Financial Intermediary or (2) a fixed dollar amount for each account serviced by a Financial Intermediary. The aggregate amount of these payments may be substantial.

Other Payments by BlackRock

The Plan permits BlackRock, the Distributor and their affiliates to make payments relating to distribution and sales support activities out of their past profits or other sources available to them (and not as an additional charge to the Funds). From time to time, BlackRock, the Distributor or their affiliates also may pay a portion of the fees for administrative, networking, recordkeeping, sub-transfer agency and shareholder services described above at its or their own expense and out of its or their profits. BlackRock, the Distributor and their affiliates may compensate affiliated and unaffiliated Financial Intermediaries for the sale and distribution of shares of the Funds or for these other services to the Funds and shareholders. These payments would be in addition to the Fund payments described in this prospectus and may be a fixed dollar amount, may be based on the number of customer accounts maintained by the Financial Intermediary, or may be based on a percentage of the value of shares sold to, or held by, customers of the Financial Intermediary. The aggregate amount of these payments by BlackRock, the Distributor and their affiliates may be substantial. Payments by BlackRock may include amounts that are sometimes referred to as "revenue sharing" payments. In some circumstances, these revenue sharing payments may create an incentive for a Financial Intermediary, its employees or associated persons to recommend or sell shares of a Fund to you. Please contact your Financial Intermediary for details about payments it may receive from a Fund or from BlackRock, the Distributor or their affiliates. For more information, see the SAI.

How to Buy, Sell and Transfer Shares

The chart on the following pages summarizes how to buy, sell and transfer shares through your financial professional or other financial intermediary. You may also buy, sell and transfer shares through BlackRock, if your account is held directly with BlackRock. To learn more about buying, selling or transferring shares through BlackRock, call (800) 537-4942. Because the selection of a mutual fund involves many considerations, your financial intermediary may help you with this decision.

Each Fund may reject any purchase order, modify or waive the minimum initial or subsequent investment requirements for any shareholders and suspend and resume the sale of any share class of the Fund at any time for any reason. In addition, the Fund may waive certain requirements regarding the purchase, sale or transfer of shares described below.

Persons who were shareholders of an investment portfolio of the Compass Capital Group of Funds in 1996 at the time the portfolio combined with the PNC® Fund may purchase and redeem Service Shares of the same fund and for the same account in which they held shares on that date through the procedures described in this section.

Under certain circumstances, if no activity occurs in an account within a time period specified by state law, a shareholder's shares in a Fund may be transferred to that state.

How to Buy Shares

	Your Choices	Important Information for You to Know
Initial Purchase	Determine the amount of your investment	Refer to the minimum initial investment in the "Service Share Class at a Glance" table in this prospectus.
	Have your financial intermediary submit your purchase order	<p>The price of your shares is based on the next calculation of a Fund's net asset value after your order is placed. Any purchase orders placed prior to the close of business on the New York Stock Exchange (the "Exchange") (generally 4:00 p.m. Eastern time) will be priced at the net asset value determined that day. Certain financial intermediaries, however, may require submission of orders prior to that time. Purchase orders placed after that time will be priced at the net asset value determined on the next business day. A broker-dealer or financial institution maintaining the account in which you hold shares may charge a separate account, service or transaction fee on the purchase or sale of Fund shares that would be in addition to the fees and expenses shown in the applicable Fund's "Fees and Expenses" table.</p> <p>The Fund may reject any order to buy shares and may suspend the sale of shares at any time. Financial intermediaries may charge a processing fee to confirm a purchase.</p>
Add to your investment	Purchase additional shares	There is no minimum amount for additional investments.
	Have your financial intermediary submit your purchase order for additional shares	To purchase additional shares you may contact your financial intermediary.
	Or contact BlackRock (for accounts held directly with BlackRock)	<p>Purchase by Telephone: Call the Fund at (800) 537-4942 and speak with one of our representatives. The Fund has the right to reject any telephone request for any reason.</p> <p>Purchase by Internet: You may purchase your shares, and view activity in your account, by logging onto the BlackRock website at www.blackrock.com/funds. Purchases made on the Internet using the Automated Clearing House Network ("ACH") will have a trade date that is the day after the purchase is made. Certain institutional clients' purchase orders placed by wire prior to the close of business on the Exchange will be priced at the net asset value determined that day. Contact your financial intermediary or BlackRock for further information. Limits on amounts that may be purchased via Internet may vary. For additional information call BlackRock at (800) 537-4942.</p> <p>Please read the On-Line Services Disclosure Statement and User Agreement, the Terms and Conditions page and the Consent to Electronic Delivery Agreement (if you consent to electronic delivery), before attempting to transact online.</p> <p>The Funds employ reasonable procedures to confirm that transactions entered over the Internet are genuine. By entering into the User Agreement with a Fund in order to open an account through the website, the shareholder waives any right to reclaim any losses from a Fund or any of its affiliates, incurred through fraudulent activity.</p>
	Acquire additional shares by reinvesting dividends and capital gains	All dividends and capital gains distributions are automatically reinvested without a sales charge. To make any changes to your dividend and/or capital gains distributions options, please call BlackRock at (800) 537-4942, or contact your financial intermediary (if your account is not held directly with BlackRock).
How to Pay for Shares	Making payment for purchases	Payment for Service Shares must normally be made in Federal funds or other immediately available funds by your financial intermediary but in no event later than 4:00 p.m. (Eastern time) on the first business day following receipt of the order. Payment may also, at the discretion of the Fund, be made in the form of securities that are permissible investments for the respective

fund. If payment is not received by this time, the order will be canceled and you and your financial intermediary will be responsible for any loss to the Fund.

How to Sell Shares

Full or Partial Redemption of Shares

Your Choices

Have your financial intermediary submit your sales order

Selling shares held directly with BlackRock

Important Information for You to Know

You can also make redemption requests through your financial intermediary in accordance with the procedures applicable to your accounts. These procedures may vary according to the type of account and the financial intermediary involved and customers should consult their financial intermediary in this regard. Financial intermediaries are responsible for transmitting redemption orders and crediting their customers' accounts with redemption proceeds on a timely basis. Information relating to such redemption services and charges to process a redemption of shares, if any, should be obtained by customers from their financial intermediaries. Financial intermediaries may place redemption orders by telephoning (800) 537-4942. The price of your shares is based on the next calculation of net asset value after your order is placed. For your redemption request to be priced at the net asset value on the day of your request, you must submit your request to your financial intermediary prior to that day's close of business on the Exchange (generally 4:00 p.m. Eastern time). Certain financial intermediaries, however, may require submission of orders prior to that time. Any redemption request placed after that time will be priced at the net asset value at the close of business on the next business day. Shareholders who hold more than one class should indicate which class of shares they are redeeming. The Funds may reject an order to sell shares under certain circumstances.

Methods of Redeeming:

Redeem by Telephone: Financial intermediaries may place redemption orders by telephoning (800) 537-4942. Each Fund, its administrators and the Distributor will employ reasonable procedures to confirm that instructions communicated by telephone are genuine. Each Fund and its service providers will not be liable for any loss, liability, cost or expense for acting upon telephone instructions that are reasonably believed to be genuine in accordance with such procedures. Each Fund may refuse a telephone redemption request if it believes it is advisable to do so.

During periods of substantial economic or market change, telephone redemptions may be difficult to complete. Please find below alternative redemption methods.

Redeem by Internet: You may redeem in your account, by logging onto the BlackRock website at www.blackrock.com/funds. Proceeds from Internet redemptions will be sent via wire to the bank account of record.

Redeem in Writing: Redemption requests may be sent in proper form to BlackRock Funds, P.O. Box 9819, Providence, RI 02940-8019. Under certain circumstances, a medallion signature guarantee will be required.

Payment of Redemption Proceeds by Wire Transfer: Payment for redeemed shares for which a redemption order is received before 4:00 p.m. (Eastern time) on a business day is normally made in Federal funds wired to the redeeming shareholder on the next business day, provided that the Funds' custodian is also open for business. Payment for redemption orders received after 4:00 p.m. (Eastern time) or on a day when the Funds' custodian is closed is normally wired in Federal funds on the next business day following redemption on which the Funds' custodian is open for business. Each Fund reserves the right to wire redemption proceeds within seven days after receiving a redemption order if, in the judgment of the Fund, an earlier payment could adversely affect a Fund.

How to Sell Shares (continued)

	Your Choices	Important Information for You to Know
Full or Partial Redemption of Shares (continued)	Selling shares held directly with BlackRock (continued)	<p>Shares can be redeemed by Federal wire transfer to a single previously designated bank account. No charge for wiring redemption payments with respect to Service Shares is imposed by the Fund, although financial intermediaries may charge their customers for redemption services. Information relating to such redemption services and charges, if any, should be obtained by customers from their financial intermediaries. You are responsible for any additional charges imposed by your bank for wire transfers.</p> <p>The Funds are not responsible for the efficiency of the Federal wire system or the shareholder's firm or bank. To change the name of the single, designated bank account to receive wire redemption proceeds, it is necessary to send a written request to the Funds at the address on the back cover of this prospectus.</p> <p style="text-align: center;">* * *</p> <p>If you make a redemption request before a Fund has collected payment for the purchase of shares, the Fund may delay mailing your proceeds. This delay will usually not exceed ten days.</p>

How to Transfer your Account

Transfer Shares to Another Financial Intermediary	Transfer to a participating financial intermediary	You may transfer your shares of a Fund only to another financial intermediary that has an agreement with the Distributor. Certain shareholder services may not be available for the transferred shares. All future trading of these assets must be coordinated by the receiving firm.
	Transfer to a non-participating financial intermediary	You must either: <ul style="list-style-type: none">· Transfer your shares to an account with a Fund; or· Sell your shares, paying any applicable deferred sales charge.

Funds' Rights

Each Fund may:

- Suspend the right of redemption if trading is halted or restricted on the Exchange or under other emergency conditions described in the Investment Company Act;
- Postpone date of payment upon redemption if trading is halted or restricted on the Exchange or under other emergency conditions described in the Investment Company Act or if a redemption request is made before the Fund has collected payment for the purchase of shares;
- Redeem shares for property other than cash if conditions exist which make cash payments undesirable in accordance with its rights under the Investment Company Act; and
- Redeem shares involuntarily in certain cases, such as when the value of a shareholder account falls below a specified level.

Note on Low Balance Accounts. Because of the high cost of maintaining smaller shareholder accounts, BlackRock has set a minimum balance of \$500 in each Fund position you hold within your account ("Fund Minimum"), and may take one of two actions if the balance in your Fund falls below the Fund Minimum.

First, the Fund may redeem the shares in your account (without charging any deferred sales charge) if the net asset value of your account falls below \$250 for any reason, including market fluctuation. You will be notified that the value of your account is less than \$250 before the Fund makes an involuntary redemption. The notification will provide you with a 90 calendar day period to make an additional investment in order to bring the value of your account to at least \$250 before the Fund makes an involuntary redemption or to the Fund Minimum in order not to be assessed an annual low balance fee of \$20, as set forth below. This involuntary redemption may not apply to accounts of authorized qualified employee benefit plans, selected fee-based programs, accounts established under the Uniform Gifts or Transfers to Minors Acts, and certain intermediary accounts.

Second, the Fund charges an annual \$20 low balance fee on all Fund accounts that have a balance below the Fund Minimum for any reason, including market fluctuation. The low balance fee will be assessed on Fund accounts in all mutual funds sponsored and advised by BlackRock or its affiliates, regardless of a Fund's minimum investment

amount. The fee will be deducted from the Fund account only once per calendar year. You will be notified that the value of your account is less than the Fund Minimum before the fee is imposed. You will then have a 90 calendar day period to make an additional investment to bring the value of your account to the Fund Minimum before the Fund imposes the low balance fee. This low balance fee does not apply to accounts of authorized qualified employee benefit plans, selected fee-based programs, or, accounts established under the Uniform Gifts or Transfers to Minors Acts.

Short-Term Trading Policy

The Board has determined that the interests of long-term shareholders and each Fund's ability to manage its investments may be adversely affected when shares are repeatedly bought, sold or exchanged in response to short-term market fluctuations – also known as “market timing.” The Funds are not designed for market timing organizations or other entities using programmed or frequent purchases and sales or exchanges. The exchange privilege is not intended as a vehicle for short-term trading. Excessive purchase and sale or exchange activity may interfere with portfolio management, increase expenses and taxes and may have an adverse effect on the performance of a Fund and its returns to shareholders. For example, large flows of cash into and out of a Fund may require the management team to allocate a significant amount of assets to cash or other short-term investments or sell securities, rather than maintaining such assets in securities selected to achieve the Fund's investment objective. Frequent trading may cause a Fund to sell securities at less favorable prices, and transaction costs, such as brokerage commissions, can reduce a Fund's performance.

Each Fund's investment in non-U.S. securities is subject to the risk that an investor may seek to take advantage of a delay between the change in value of the Fund's portfolio securities and the determination of the Fund's net asset value as a result of different closing times of U.S. and non-U.S. markets by buying or selling Fund shares at a price that does not reflect their true value. A similar risk exists for Funds that invest in securities of small capitalization companies, securities of issuers located in emerging markets or high yield securities (“junk bonds”) that are thinly traded and therefore may have actual values that differ from their market prices. This short-term arbitrage activity can reduce the return received by long-term shareholders. Each Fund will seek to eliminate these opportunities by using fair value pricing, as described in “Valuation of Fund Investments” below.

The Funds discourage market timing and seek to prevent frequent purchases and sales or exchanges of Fund shares that they determine may be detrimental to a Fund or long-term shareholders. The Board has approved the policies discussed below to seek to deter market timing activity. The Board has not adopted any specific numerical restrictions on purchases, sales and exchanges of Fund shares because certain legitimate strategies will not result in harm to the Funds or shareholders.

If as a result of its own investigation, information provided by a financial intermediary or other third party, or otherwise, a Fund believes, in its sole discretion, that your short-term trading is excessive or that you are engaging in market timing activity, it reserves the right to reject any specific purchase or exchange order. If a Fund rejects your purchase or exchange order, you will not be able to execute that transaction, and the Fund will not be responsible for any losses you therefore may suffer. For transactions placed directly with a Fund, the Fund may consider the trading history of accounts under common ownership or control for the purpose of enforcing these policies. Transactions placed through the same financial intermediary on an omnibus basis may be deemed part of a group for the purpose of this policy and may be rejected in whole or in part by a Fund. Certain accounts, such as omnibus accounts and accounts at financial intermediaries, however, include multiple investors and such accounts typically provide a Fund with net purchase or redemption and exchange requests on any given day where purchases, redemptions and exchanges of shares are netted against one another and the identity of individual purchasers, redeemers and exchangers whose orders are aggregated may not be known by a Fund. While the Funds monitor for market timing activity, the Funds may be unable to identify such activities because the netting effect in omnibus accounts often makes it more difficult to locate and eliminate market timers from the Funds. The Distributor has entered into agreements with respect to financial professionals, and other financial intermediaries that maintain omnibus accounts with the Funds pursuant to which such financial professionals and other financial intermediaries undertake to cooperate with the Distributor in monitoring purchase, exchange and redemption orders by their customers in order to detect and prevent short-term or excessive trading in the Funds' shares through such accounts. Identification of market timers may also be limited by operational systems and technical limitations. In the event that a financial intermediary is determined by the Fund to be engaged in market timing or other improper trading activity, the Funds' Distributor may terminate such financial intermediary's agreement with the Distributor, suspend such financial intermediary's trading privileges or take other appropriate actions.

There is no assurance that the methods described above will prevent market timing or other trading that may be deemed abusive.

The Funds may from time to time use other methods that they believe are appropriate to deter market timing or other trading activity that may be detrimental to a Fund or long-term shareholders.



Management of the Funds

BlackRock

BlackRock manages the Fund's investments and its business operations subject to the oversight of the Trust's Board. While BlackRock is ultimately responsible for the management of the Funds, it is able to draw upon the trading, research and expertise of its asset management affiliates for portfolio decisions and management with respect to certain portfolio securities. BlackRock is an indirect, wholly-owned subsidiary of BlackRock, Inc.

BlackRock, a registered investment adviser, was organized in 1994 to perform advisory services for investment companies. BlackRock International Limited (the "Sub-Adviser"), a registered investment adviser organized in 1995 and an affiliate of BlackRock, acts as sub-adviser for International Opportunities. BlackRock and its affiliates had approximately \$3.792 trillion in investment company and other portfolio assets under management as of December 31, 2012.

BlackRock serves as manager to each Fund pursuant to a management agreement (the "Management Agreement"). BlackRock has entered into a sub-advisory agreement with the Sub-Adviser with respect to International Opportunities, under which BlackRock pays the Sub-Adviser for services it provides a fee equal to a percentage of the management fee paid to BlackRock under the Management Agreement. Pursuant to the Management Agreement, BlackRock is entitled to fees computed daily and payable monthly as described below.

BlackRock has agreed to cap net expenses (excluding (i) interest, taxes, dividends tied to short sales, brokerage commissions, and other expenditures which are capitalized in accordance with generally accepted accounting principles; (ii) expenses incurred directly or indirectly by the Fund as a result of investments in other investment companies and pooled investment vehicles; (iii) other expenses attributable to, and incurred as a result of, the Fund's investments; and (iv) other extraordinary expenses (including litigation expenses) not incurred in the ordinary course of the Fund's business, if any), of Service Shares of certain Funds at the levels shown below (and in the case of contractual caps, at the levels shown both below and in a Fund's fees and expenses table in the "Fund Overview" section of this prospectus). Items (i), (ii), (iii) and (iv) in the preceding sentence are referred to in this prospectus as "Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses." To achieve these expense caps, BlackRock has agreed to waive or reimburse fees or expenses if these operating expenses exceed a certain limit.

International Opportunities Total Annual Management Fee

With respect to International Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	1.000%
\$1 billion - \$2 billion	0.950%
\$2 billion - \$3 billion	0.900%
Greater than \$3 billion	0.850%

With respect to International Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses for Service Shares to the amounts noted in the table below.

	Contractual Cap¹ on Total Annual Fund Operating Expenses² (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)
International Opportunities	1.80%

¹ As a percentage of average daily net assets

² The contractual cap is in effect until February 1, 2014. 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.

U.S. Opportunities Total Annual Management Fee

With respect to U.S. Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	1.100%
\$1 billion - \$2 billion	1.050%
\$2 billion - \$3 billion	1.025%
Greater than \$3 billion	1.000%

With respect to U.S. Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses for Service Shares to the amounts noted in the table below.

	Contractual Cap¹ on Total Annual Fund Operating Expenses² (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)
U.S. Opportunities	1.65%

¹ As a percentage of average daily net assets

² The contractual cap is in effect until February 1, 2014. 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.

Health Sciences Opportunities Total Annual Management Fee

With respect to Health Sciences Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	0.750%
\$1 billion - \$2 billion	0.700%
\$2 billion - \$3 billion	0.675%
Greater than \$3 billion	0.650%

Science & Technology Opportunities Total Annual Management Fee

With respect to Science & Technology Opportunities, the maximum annual management fees that can be paid to BlackRock (as a percentage of average daily net assets) are calculated as follows:

Average Daily Net Assets	Rate of Management Fee
First \$1 billion	0.900%
\$1 billion - \$2 billion	0.850%
\$2 billion - \$3 billion	0.800%
Greater than \$3 billion	0.750%

With respect to Science & Technology Opportunities, BlackRock has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses for Service Shares to the amounts noted in the table below.

	Contractual Cap ¹ on Total Annual Fund Operating Expenses ² (excluding Dividend Expense, Interest Expense, Acquired Fund Fees and Expenses and certain other Fund expenses)
Science & Technology Opportunities	1.78%

¹ As a percentage of average daily net assets

² The contractual cap is in effect until February 1, 2014. 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.

With respect to each contractual agreement, if during a Fund's fiscal year the operating expenses of a share class, that at any time during the prior two fiscal years received a waiver or reimbursement from BlackRock, are less than the expense limit for that share class, the share class is required to repay BlackRock up to the lesser of (a) the amount of fees waived or expenses reimbursed during those prior two fiscal years under the agreement and (b) the amount by which the expense limit for that share class exceeds the operating expenses of the share class for the current fiscal year, provided that (i) the Fund of which the share class is a part has more than \$50 million in assets and (ii) BlackRock or an affiliate serves as the Fund's manager or administrator.

For the fiscal year ended September 30, 2012, each Fund paid BlackRock management fees, net of any applicable waiver, as a percentage of the Fund's average daily net assets as follows:

International Opportunities	0.98%
U.S. Opportunities	0.95%
Health Sciences Opportunities	0.73%
Science & Technology Opportunities	0.90%

A discussion of the basis for the Board's approval of the Management Agreement and sub-advisory agreement, if any, with respect to each of the Funds is included in the respective Fund's annual shareholder report for the fiscal year ended September 30, 2012.

From time to time, a manager, analyst, or other employee of BlackRock or its affiliates may express views regarding a particular asset class, company, security, industry or market sector. The views expressed by any such person are the views of only that individual as of the time expressed and do not necessarily represent the views of BlackRock or any other person within the BlackRock organization. Any such views are subject to change at any time based upon market or other conditions and BlackRock disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for the Funds are based on numerous factors, may not be relied on as an indication of trading intent on behalf of the Funds.

Portfolio Manager Information

Information regarding the portfolio managers of each Fund is set forth below. Further information regarding the portfolio managers, including other accounts managed, compensation, ownership of Fund shares, and possible conflicts of interest, is available in the Fund's SAI.

**International Opportunities
Portfolio Manager**

	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	1999	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock's Global Opportunities equity team.
Ian Jamieson, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2011	Managing Director of BlackRock, Inc. since 2012; Director of BlackRock, Inc. from 2007 to 2011; Vice President of BlackRock, Inc. from 2004 to 2006.
Nigel Hart, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2012	Managing Director of BlackRock, Inc. since 2012; Managing Partner and Portfolio Manager of ReachCapital Management LP from 2000 to 2010.

**U.S. Opportunities
Portfolio Manager**

	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2002	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock's Global Opportunities equity team.
Jean Rosenbaum, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2002	Managing Director of BlackRock, Inc. since 2006; Director of BlackRock, Inc. from 2002 to 2005.

**Health Sciences Opportunities
Portfolio Manager**

	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2005	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock's Global Opportunities equity team.
Erin Xie, PhD	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2003	Managing Director of BlackRock, Inc. since 2006; Director of BlackRock, Inc. in 2005; Senior Vice President of State Street Research & Management from 2001 to 2005.

Science & Technology Opportunities

Portfolio Manager	Primary Role	Since	Title and Recent Biography
Thomas Callan, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2000	Managing Director of BlackRock, Inc. since 1998; Head of BlackRock's Global Opportunities equity team.
Jean Rosenbaum, CFA	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2000	Managing Director of BlackRock, Inc. since 2006; Director of BlackRock, Inc. from 2002 to 2005.
Erin Xie, PhD	Jointly and primarily responsible for the day-to-day management of the Fund's portfolio, including setting the Fund's overall investment strategy and overseeing the management of the Fund.	2005	Managing Director of BlackRock since 2006; Director of BlackRock, Inc. in 2005; Senior Vice President of State Street Research & Management from 2001 to 2005.

Conflicts of Interest

The investment activities of BlackRock and its affiliates (including BlackRock, Inc. and PNC and their affiliates, directors, partners, trustees, managing members, officers and employees (collectively, the "Affiliates")) in the management of, or their interest in, their own accounts and other accounts they manage, may present conflicts of interest that could disadvantage the Funds and their shareholders. BlackRock and its Affiliates provide investment management services to other funds and discretionary managed accounts that follow an investment program similar to that of the funds. BlackRock and its Affiliates are involved worldwide with a broad spectrum of financial services and asset management activities and may engage in the ordinary course of business in activities in which their interests or the interests of their clients may conflict with those of the Funds. One or more Affiliates act or may act as an investor, investment banker, research provider, investment manager, financier, advisor, market maker, trader, prime broker, lender, agent and principal, and have other direct and indirect interests, in securities, currencies and other instruments in which the Funds directly and indirectly invest. Thus, it is likely that the Funds will have multiple business relationships with and will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which an Affiliate performs or seeks to perform investment banking or other services. One or more Affiliates may engage in proprietary trading and advise accounts and funds that have investment objectives similar to those of the Funds and/or that engage in and compete for transactions in the same types of securities, currencies and other instruments as the Funds. The trading activities of these Affiliates are carried out without reference to positions held directly or indirectly by the Funds and may result in an Affiliate having positions that are adverse to those of the Funds. No Affiliate is under any obligation to share any investment opportunity, idea or strategy with the Funds. As a result, an Affiliate may compete with the Funds for appropriate investment opportunities. The results of the Funds' investment activities, therefore, may differ from those of an Affiliate and of other accounts managed by an Affiliate, and it is possible that the Funds could sustain losses during periods in which one or more Affiliates and other accounts achieve profits on their trading for proprietary or other accounts. The opposite result is also possible. In addition, the Funds may, from time to time, enter into transactions in which an Affiliate or its other clients have an adverse interest. Furthermore, transactions undertaken by Affiliate-advised clients may adversely impact the Funds. Transactions by one or more Affiliate-advised clients or BlackRock may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of the Funds. The Funds' activities may be limited because of regulatory restrictions applicable to one or more Affiliates, and/or their internal policies designed to comply with such restrictions. In addition, the Funds may invest in securities of companies with which an Affiliate has or is trying to develop investment banking relationships or in which an Affiliate has significant debt or equity investments. The Funds also may invest in securities of companies for which an Affiliate provides or may some day provide research coverage. An Affiliate may have business relationships with and purchase or distribute or sell services or products from or to distributors, consultants or others who recommend the Funds or who engage in transactions with or for the Funds, and may receive compensation for such services. The Funds may also make brokerage and other payments to Affiliates in connection with the Funds' portfolio investment transactions.

Under a securities lending program approved by the Board, the Trust, on behalf of the Funds, has retained an Affiliate of BlackRock to serve as the securities lending agent for the Funds to the extent that the Funds participate in the securities lending program. For these services, the lending agent may receive a fee from the Funds, including a fee based on the returns earned on the Funds' investment of the cash received as collateral for the loaned securities. In addition, one or more Affiliates may be among the entities to which the Funds may lend their portfolio securities under the securities lending program.

The activities of Affiliates may give rise to other conflicts of interest that could disadvantage the Funds and their shareholders. BlackRock has adopted policies and procedures designed to address these potential conflicts of interest. See the SAI for further information.

Valuation of Fund Investments

When you buy shares, you pay the net asset value, plus any applicable sales charge. This is the offering price. Shares are also redeemed at their net asset value, minus any applicable deferred sales charge. A Fund calculates the net asset value of each class of its shares (generally by using market quotations) each day the Exchange is open as of the close of business on the Exchange, based on prices at the time of closing. The Exchange generally closes at 4:00 p.m. Eastern time. The net asset value used in determining your share price is the next one calculated after your purchase or redemption order is placed.

Each Fund's assets and liabilities are valued primarily on the basis of market quotations. Equity investments and other investments for which market quotations are readily available are valued at market value, which is generally determined using the last reported sale price on the exchange or market on which the security or instrument is primarily traded at the time of valuation. Each Fund values fixed income portfolio securities and non-exchange traded derivatives using market prices provided directly from one or more broker-dealers, market makers, or independent third-party pricing services which may use matrix pricing and valuation models to derive values, each in accordance with valuation procedures approved by the Board. Short-term debt securities with remaining maturities of 60 days or less may be valued on the basis of amortized cost.

Foreign currency exchange rates are generally determined as of the close of business on the Exchange. Foreign securities owned by a Fund may trade on weekends or other days when the Fund does not price its shares. As a result, a Fund's net asset value may change on days when you will not be able to purchase or redeem the Fund's shares. Generally, trading in foreign securities, U.S. government securities and money market instruments and certain fixed income securities is substantially completed each day at various times prior to the close of business on the Exchange. The values of such securities used in computing the net asset value of a Fund's shares are determined as of such times.

When market quotations are not readily available or are not believed by BlackRock to be reliable, a Fund's investments are valued at fair value. Fair value determinations are made by BlackRock in accordance with procedures approved by the Board. BlackRock may conclude that a market quotation is not readily available or is unreliable if a security or other asset or liability does not have a price source due to its lack of liquidity, if BlackRock believes a market quotation from a broker-dealer or other source is unreliable, where the security or other asset or other liability is thinly traded (e.g., municipal securities, certain small cap and emerging growth companies, and certain non-U.S. securities) or where there is a significant event subsequent to the most recent market quotation. For this purpose, a "significant event" is deemed to occur if BlackRock determines, in its business judgment prior to or at the time of pricing a Fund's assets or liabilities, that it is likely that the event will cause a material change to the last closing market price of one or more assets or liabilities held by the Fund. For instance, significant events may occur between the foreign market close and the close of business on the Exchange that may not be reflected in the computation of a Fund's net assets. If such event occurs, those instruments may be fair valued. Similarly, foreign securities whose values are affected by volatility that occurs in U.S. markets on a trading day after the close of foreign securities markets may be fair valued.

For certain foreign securities, a third-party vendor supplies evaluated, systematic fair value pricing based upon the movement of a proprietary multi-factor model after the relevant foreign markets have closed. This systematic fair value pricing methodology is designed to correlate the prices of foreign securities following the close of the local markets to the price that might have prevailed as of a Fund's pricing time.

Fair value represents a good faith approximation of the value of a security. The fair value of one or more securities may not, in retrospect, be the price at which those assets could have been sold during the period in which the particular fair values were used in determining a Fund's net asset value.

The Fund may accept orders from certain authorized financial intermediaries or their designees. The Fund will be deemed to receive an order when accepted by the intermediary or designee, and the order will receive the net asset value next computed by the Fund after such acceptance. If the payment for a purchase order is not made by a designated later time, the order will be canceled and the financial intermediary could be held liable for any losses.

Dividends, Distributions and Taxes

BUYING A DIVIDEND

Unless your investment is in a tax deferred account, you may want to avoid buying shares shortly before the Fund pays a dividend. The reason? If you buy shares when a Fund has declared but not yet distributed ordinary income or capital gains, you will pay the full price for the shares and then receive a portion of the price back in the form of a taxable dividend. Before investing you may want to consult your tax adviser.

Each Fund will distribute net investment income, if any, and net realized capital gain, if any, at least annually. Each Fund may also pay a special distribution at the end of the calendar year to comply with Federal tax requirements. Dividends may be reinvested automatically in shares of a Fund at net asset value without a sales charge or may be taken in cash. If you would like to receive dividends in cash, contact your financial professional, financial intermediary or the applicable Fund. Although this cannot be predicted with any certainty, each Fund anticipates that the majority of its dividends, if any, will consist of capital gains. Capital gains may be taxable to you at different rates depending on how long the Fund held the assets sold.

You will pay tax on dividends from a Fund whether you receive them in cash or additional shares. If you redeem Fund shares or exchange them for shares of another fund, you generally will be treated as having sold your shares and any gain on the transaction may be subject to tax. In addition, each Fund is generally required by law to provide you and the Internal Revenue Service with cost basis information on the redemption or exchange of any of your shares in the Fund acquired on or after January 1, 2012 (including any shares that you acquire through reinvestment of distributions). Certain dividend income received by a Fund, including dividends received from qualifying foreign corporations, and long-term capital gains are eligible for taxation at a reduced rate that applies to non-corporate shareholders. To the extent a Fund makes any distributions derived from long-term capital gains and qualifying dividend income, such distributions will be eligible for taxation at the reduced rate.

If you are neither a tax resident nor a citizen of the United States or if you are a foreign entity, each Fund's ordinary income dividends (which include distributions of net short-term capital gain) will generally be subject to a 30% U.S. withholding tax, unless a lower treaty rate applies. However, for taxable years beginning before January 1, 2014, certain distributions reported by a Fund as either interest related dividends or short term capital gain dividends and paid to a foreign shareholder will be eligible for an exemption from U.S. withholding tax.

A 3.8% Medicare contribution tax will be imposed on the net investment income (which includes interest, dividends and capital gains) of U.S. individuals with income exceeding \$200,000 or \$250,000 if married and filing jointly, and of trusts and estates, for taxable years beginning after December 31, 2012.

A 30% withholding tax on dividends paid after December 31, 2013 and redemption proceeds paid after December 31, 2016 will be imposed on (i) certain foreign financial institutions and investment funds, unless they agree to collect and disclose to the Internal Revenue Service information regarding their direct and indirect U.S. account holders and (ii) certain other foreign entities unless they certify certain information regarding their direct and indirect U.S. owners. Under some circumstances, a foreign shareholder may be eligible for refunds or credits of such taxes.

Dividends and interest received by a Fund may give rise to withholding and other taxes imposed by foreign countries. Tax conventions between certain countries and the United States may reduce or eliminate such taxes. You may be able to claim a credit or take a deduction for foreign taxes paid by the Fund if certain requirements are met.

By law, your dividends and redemption proceeds will be subject to a withholding tax if you have not provided a taxpayer identification number or social security number or the number you have provided is incorrect.

This Section summarizes some of the consequences under current Federal tax law of an investment in a Fund. It is not a substitute for personal tax advice. Consult your personal tax adviser about the potential tax consequences of an investment in a Fund under all applicable tax laws.

Financial Highlights

The Financial Highlights tables are intended to help you understand each Fund's financial performance for the periods shown. Certain information reflects the financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned or lost on an investment in the indicated Fund (assuming reinvestment of all dividends and/or distributions). The information has been audited by Deloitte & Touche LLP, whose report, along with each Fund's financial statements, is included in each Fund's Annual Report, which is available upon request.

International Opportunities

	Service				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 27.34	\$ 31.58	\$ 30.26	\$ 28.36	\$ 49.52
Net investment income ¹	0.39	0.34	0.16	0.27	0.28
Net realized and unrealized gain (loss)	4.33	(4.37) ²	1.53 ²	1.63 ²	(13.14) ²
Net increase (decrease) from investment operations	4.72	(4.03)	1.69	1.90	(12.86)
Dividends and distributions from:					
Net investment income	(0.44)	(0.21)	(0.37)	–	(1.06)
Net realized gain	–	–	–	–	(7.24)
Total dividends and distributions	(0.44)	(0.21)	(0.37)	–	(8.30)
Net asset value, end of year	\$ 31.62	\$ 27.34	\$ 31.58	\$ 30.26	\$ 28.36
Total Investment Return³					
Based on net asset value	17.48%	(12.88)% ⁴	5.63% ⁴	6.70% ⁴	(31.10)% ^{4,5}
Ratios to Average Net Assets					
Total expenses	1.90%	1.66%	1.72%	1.75%	1.58%
Total expenses excluding recoupment of past waived fees	1.90%	1.66%	1.69%	1.73%	1.58%
Total expenses after fees waived, reimbursed and paid indirectly	1.80%	1.65%	1.72%	1.70%	1.58%
Net investment income	1.31%	1.02%	0.53%	1.13%	0.72%
Supplemental Data					
Net assets, end of year (000)	\$47,598	\$47,846	\$70,365	\$83,093	\$64,368
Portfolio turnover	99%	116%	116%	143%	138%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Payment from affiliate of \$112,880 received by the Fund is reflected in total return calculations. There was no impact to the return.

Financial Highlights (continued)

U.S. Opportunities

	Service				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 32.44	\$ 35.40	\$ 30.93	\$ 30.58	\$ 35.89
Net investment income (loss) ¹	0.02	(0.12)	(0.11)	(0.01)	(0.06)
Net realized and unrealized gain (loss)	6.03	(2.34) ²	4.58 ²	0.35 ²	(5.25) ²
Net increase (decrease) from investment operations	6.05	(2.46)	4.47	0.34	(5.31)
Dividends and distributions from:					
Net investment income	—	—	—	—	—
Net realized gains	(3.78)	(0.50)	—	—	—
Total dividends and distributions	(3.78)	(0.50)	—	—	—
Redemption fees added to paid-in capital	—	0.00 ³	0.00 ³	0.01	0.00 ³
Net asset value, end of year	\$ 34.71	\$ 32.44	\$ 35.40	\$ 30.93	\$ 30.58
Total Investment Return⁴					
Based on net asset value	19.80%	(7.16)% ⁵	14.45% ^{5,6}	1.14% ⁷	(14.80)% ⁵
Ratios to Average Net Assets					
Total expenses	1.62%	1.57%	1.60%	1.71%	1.68%
Total expenses excluding recoupment of past waived fees	1.62%	1.57%	1.60%	1.70%	1.68%
Total expenses after fees waived, reimbursed and paid indirectly	1.51%	1.46%	1.48%	1.49%	1.43%
Net investment income (loss)	0.05%	(0.30)%	(0.34)%	(0.06)%	(0.17)%
Supplemental Data					
Net assets, end of year (000)	\$159,939	\$183,604	\$235,926	\$191,318	\$109,679
Portfolio turnover	106%	120%	123%	166%	164%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Less than \$0.01 per share.

⁴ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁶ Includes proceeds received from a settlement of litigation, which had no impact on the Fund's total return.

⁷ Redemption fee of 2.00% is reflected in total return calculations. The impact to the return from redemption fees received during the period was an increase of 0.03%.

Financial Highlights (continued)**Health Sciences Opportunities**

	Service				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 28.05	\$ 28.22	\$ 25.74	\$28.20	\$29.85
Net investment income (loss) ¹	0.05	(0.07)	(0.03)	0.01	(0.02)
Net realized and unrealized gain (loss)	7.10	1.19 ²	2.51 ²	(0.14) ²	(0.49) ²
Net increase (decrease) from investment operations	7.15	1.12	2.48	(0.13)	(0.51)
Dividends and distributions from:					
Net investment income	—	—	—	—	—
Net realized gain	(1.48)	(1.29)	—	(2.33)	(1.14)
Total dividends and distributions	(1.48)	(1.29)	—	(2.33)	(1.14)
Net asset value, end of year	\$ 33.72	\$ 28.05	\$ 28.22	\$25.74	\$28.20
Total Investment Return³					
Based on net asset value	26.73%	4.04% ⁴	9.64% ^{4,5}	1.59% ⁴	(1.98)% ⁴
Ratios to Average Net Assets					
Total expenses	1.28%	1.32%	1.33%	1.37%	1.35%
Total expenses excluding recoupment of past waived fees	1.28%	1.31%	1.33%	1.35%	1.35%
Total expenses after fees waived, reimbursed and paid indirectly	1.28%	1.31%	1.32%	1.36%	1.35%
Net investment income (loss)	0.18%	(0.24)%	(0.12)%	0.03%	(0.06)%
Supplemental Data					
Net assets, end of year (000)	\$14,921	\$13,478	\$11,704	\$8,110	\$5,764
Portfolio turnover	135%	135%	184%	153%	91%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which had no impact on the Fund's total return.

Financial Highlights (concluded)**Science & Technology Opportunities**

	Service				
	Year Ended September 30,				
	2012	2011	2010	2009	2008
Per Share Operating Performance					
Net asset value, beginning of year	\$ 8.32	\$ 8.72	\$ 7.56	\$ 6.80	\$ 8.83
Net investment loss ¹	(0.08)	(0.07)	(0.08)	(0.04)	(0.06)
Net realized and unrealized gain (loss)	1.42	(0.33) ²	1.24 ²	0.80 ²	(1.97) ²
Net increase (decrease) from investment operations	1.34	(0.40)	1.16	0.76	(2.03)
Net asset value, end of year	\$ 9.66	\$ 8.32	\$ 8.72	\$ 7.56	\$ 6.80
Total Investment Return³					
Based on net asset value	16.11%	(4.59)% ⁴	15.34% ^{4,5}	11.18% ^{4,6}	(22.99)% ⁴
Ratios to Average Net Assets					
Total expenses	1.57%	1.55%	1.76%	1.96%	2.01%
Total expenses excluding recoupment of past waived fees	1.56%	1.54%	1.67%	1.96%	2.01%
Total expenses after fees waived, reimbursed and paid indirectly	1.57%	1.53%	1.74%	1.75%	1.73%
Net investment loss	(0.81)%	(0.74)%	(0.94)%	(0.71)%	(0.75)%
Supplemental Data					
Net assets, end of year (000)	\$ 944	\$ 851	\$ 659	\$ 193	\$ 106
Portfolio turnover	320%	103%	97%	158%	89%

¹ Based on average shares outstanding.

² Includes redemption fees, which are less than \$0.01 per share.

³ Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Redemption fee of 2.00% is reflected in total return calculations. There was no impact to the return.

⁵ Includes proceeds received from a settlement of litigation, which impacted the Fund' s total return. Excluding these proceeds, the Fund' s total return would have been 15.08%.

⁶ Includes proceeds received from a settlement of litigation, which impacted the Fund' s total return. Excluding these proceeds, the Fund' s total return would have been 8.53%.

General Information

Shareholder Documents

Electronic Access to Annual Reports, Semi-Annual Reports and Prospectuses

Electronic copies of most financial reports and prospectuses are available on BlackRock's website. Shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports and prospectuses by enrolling in a Fund's electronic delivery program. To enroll:

Shareholders Who Hold Accounts with Investment Advisers, Banks or Brokerages: Please contact your financial professional. Please note that not all investment advisers, banks or brokerages may offer this service.

Shareholders Who Hold Accounts Directly With BlackRock:

- Access the BlackRock website at <http://www.blackrock.com/edelivery>; and

- Log into your account.

Delivery of Shareholder Documents

The Funds deliver only one copy of shareholder documents, including prospectuses, shareholder reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is known as "householding" and is intended to eliminate duplicate mailings and reduce expenses. Mailings of your shareholder documents may be househanded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact your Fund at (800) 537-4942.

Certain Fund Policies

Anti-Money Laundering Requirements

The Funds are subject to the USA PATRIOT Act (the "Patriot Act"). The Patriot Act is intended to prevent the use of the U.S. financial system in furtherance of money laundering, terrorism or other illicit activities. Pursuant to requirements under the Patriot Act, a Fund may request information from shareholders to enable it to form a reasonable belief that it knows the true identity of its shareholders. This information will be used to verify the identity of investors or, in some cases, the status of financial professionals; it will be used only for compliance with the requirements of the Patriot Act.

The Funds reserve the right to reject purchase orders from persons who have not submitted information sufficient to allow a Fund to verify their identity. Each Fund also reserves the right to redeem any amounts in a Fund from persons whose identity it is unable to verify on a timely basis. It is the Funds' policy to cooperate fully with appropriate regulators in any investigations conducted with respect to potential money laundering, terrorism or other illicit activities.

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former Fund investors and individual clients (collectively, "Clients") and to safeguarding their nonpublic personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal nonpublic information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our website.

BlackRock does not sell or disclose to nonaffiliated third parties any nonpublic personal information about its Clients, except as permitted by law, or as is necessary to respond to regulatory requests or to service Client accounts. These nonaffiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to nonpublic personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the nonpublic personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

Statement of Additional Information

If you would like further information about the Funds, including how each Fund invests, please see the SAI.

For a discussion of the each Fund's policies and procedures regarding the selective disclosure of its portfolio holdings, please see the SAI. The Funds make their top ten holdings available on a monthly basis at www.blackrock.com generally within 5 business days after the end of the month to which the information applies.

Glossary

This glossary contains an explanation of some of the common terms used in this prospectus. For additional information about the Funds, please see the SAI.

Acquired Fund Fees and Expenses – fees and expenses charged by other investment companies in which a Fund invests a portion of its assets.

Annual Fund Operating Expenses – expenses that cover the costs of operating a Fund.

Distribution Fees – fees used to support the Fund's marketing and distribution efforts, such as compensating financial professionals and other financial intermediaries, advertising and promotion.

Management Fee – a fee paid to BlackRock for managing a Fund.

MSCI All Country World Index Ex-U.S. – a market capitalization weighted index designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. The MSCI All Country World Index Ex-U.S. includes both developed and emerging markets.

NYSE Arca Tech 100 Index – a price-weighted index comprised of common stocks and ADRs of technology-related companies listed on US exchanges. Modeled as a multi-industry technology index, the objective of the NYSE Arca Tech 100 Index is to provide a benchmark for measuring the performance of companies using technology innovation across a broad spectrum of industries.

Other Expenses – include accounting, transfer agency, custody, professional and registration fees.

Russell 3000[®] Health Care Index – an unmanaged index representative of companies involved in medical services or health care in the Russell 3000[®] Index, which is comprised of the 3,000 largest U.S. companies as determined by total market capitalization.

Russell Midcap[®] Index – a market index that measures the performance of the mid-cap segment of the U.S. equities universe. It is a subset of the Russell 1000[®] Index including approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap[®] Index represents approximately 31% of the total market capitalization of the Russell 1000[®] companies.

S&P 500[®] Index – an unmanaged total return index, which covers 500 industrial, utility, transportation, and financial companies of the U.S. markets (mostly New York Stock Exchange ("NYSE") issues) representing about 75% of NYSE market capitalization and 30% of NYSE issues.

Service Fees – fees used to compensate securities dealers and other financial intermediaries for certain shareholder servicing activities.

Shareholder Fees – fees paid directly by a shareholder, including sales charges that you may pay when you buy or sell shares of a Fund.

[This page intentionally left blank]

For More Information

Funds and Service Providers

FUNDS

BlackRock FundsSM

BlackRock International Opportunities Portfolio

BlackRock U.S. Opportunities Portfolio

BlackRock Health Sciences Opportunities Portfolio

BlackRock Science & Technology Opportunities
Portfolio

100 Bellevue Parkway

Wilmington, Delaware 19809

Written Correspondence:

P.O. Box 9819

Providence, Rhode Island 02940-8019

Overnight Mail:

4400 Computer Drive

Westborough, Massachusetts 01588

(800) 537-4942

MANAGER AND CO-ADMINISTRATOR

BlackRock Advisors, LLC

100 Bellevue Parkway

Wilmington, Delaware 19809

SUB-ADVISER

To BlackRock International Opportunities Portfolio:

BlackRock International Limited

40 Torphichen Street

Edinburgh, Scotland EH3 8JB

CO-ADMINISTRATOR

BNY Mellon Investment Servicing (US) Inc.

301 Bellevue Parkway

Wilmington, Delaware 19809

TRANSFER AGENT

BNY Mellon Investment

Servicing (US) Inc.

301 Bellevue Parkway

Wilmington, Delaware

19809

INDEPENDENT

REGISTERED PUBLIC

ACCOUNTING FIRM

Deloitte & Touche LLP

1700 Market Street

Philadelphia,

Pennsylvania 19103

ACCOUNTING

SERVICES PROVIDER

BNY Mellon Investment

Servicing (US) Inc.

301 Bellevue Parkway

Wilmington, Delaware

19809

DISTRIBUTOR

BlackRock Investments,

LLC

40 East 52nd Street
New York, New York
10022

CUSTODIAN

The Bank of New York
Mellon
One Wall Street
New York, New York
10286

COUNSEL

Sidley Austin LLP
787 Seventh Avenue
New York, New York
10019-6018

Additional Information

This prospectus contains important information you should know before investing, including information about risks. Read it carefully and keep it for future reference. More information about the Funds is available at no charge upon request. This information includes:

Annual/ Semi- Annual Reports

These reports contain additional information about each Fund's investments. The annual report describes each Fund's performance, lists portfolio holdings, and discusses recent market conditions, economic trends and Fund investment strategies that significantly

affected the
Fund' s
performance
for the last
fiscal year.

**Statement
of
Additional
Information
(SAI)**

A Statement
of Additional
Information
("SAI"),
dated
January 28,
2013, has
been filed
with the
Securities
and
Exchange
Commission
("SEC"). The
SAI, which
includes
additional
information
about each
Fund, may
be obtained
free of
charge,
along with
the Fund' s
annual and
semi-annual
reports, by
calling (800)
537-4942.

The SAI, as
supplemented
from time to
time, is
incorporated
by reference
into this
prospectus.

**BlackRock
Investor
Services**

Representatives
are available
to discuss
account
balance
information,
mutual fund
prospectuses,

literature,
programs
and services
available.

Hours: 8:00
a.m. to 6:00
p.m. (Eastern
time), on any
business day.

Call: (800)
537-4942.

**Purchases
and
Redemptions**

Call your
financial
professional
or BlackRock
Investor
Services at
(800)
537-4942.

**World Wide
Web**

General fund
information
and specific
fund
performance,
including SAI
and annual/
semi-annual
reports, can
be accessed
free of
charge at
[www.blackrock.com/
prospectus](http://www.blackrock.com/prospectus).
Mutual fund
prospectuses
and literature
can also be
requested via
this website.

**Written
Correspondence**

BlackRock
FundsSM
P.O. Box
9819
Providence,
RI
02940-8019

**Overnight
Mail**
BlackRock
FundsSM

4400
Computer
Drive
Westborough,
Massachusetts
01588

**Internal
Wholesalers/
Broker
Dealer
Support**

Available
to
support
investment
professionals
8:30
a.m.

to
6:00
p.m.
(Eastern
time),
on
any
business
day.

Call:
(800)
882-0052

**Portfolio
Characteristics
and
Holdings**

A
description
of a
Fund' s
policies
and
procedures
related
to
disclosure
of
portfolio
characteristics
and
holdings
is
available
in the
SAI.
For
information
about
portfolio
holdings
and

characteristics,
BlackRock
fund
shareholders
and
prospective
investors
may
call
(800)
882-0052.

**Securities
and
Exchange
Commission**

You
may
also
view
and
copy
public
information
about
each
Fund,
including
the
SAI,
by
visiting
the
EDGAR
database
on the
SEC' s
website
(<http://www.sec.gov>)
or the
SEC' s
Public
Reference
Room
in
Washington,
D.C.
Copies
of this
information
can
be
obtained,
for a
duplicating
fee,
by
electronic
request
at the

following
e-mail
address:
publicinfo@sec.gov,
or by
writing
to the
Public
Reference
Room
of the
SEC,
Washington,
D.C.
20549.
Information
about
obtaining
documents
on the
SEC' s
website
without
charge
can
be
obtained
by
calling
the
SEC
directly
at
(800)
SEC-0330.

**You
should
rely
only
on
the
information
contained
in
this
Prospectus.
No
one is
authorized
to
provide
you
with
information
that
is
different
from
information**

**contained
in
this
Prospectus.**

The
Securities
and
Exchange
Commission
has
not
approved
or
disapproved
these
securities
or
passed
upon
the
adequacy
of this
Prospectus.

Any
representation
to the
contrary
is a
criminal
offense.

BLACKROCK
FUNDSSM
INVESTMENT
COMPANY
ACT
FILE
NO.
811-05742

PRO-
OPP-
SVC-0113

BLACKROCK®

██████████

STATEMENT
OF
ADDITIONAL
INFORMATION

BlackRock
FundsSM
BlackRock
Global
Opportunities
Portfolio
BlackRock
International
Opportunities
Portfolio
BlackRock
U.S.
Opportunities
Portfolio
BlackRock
Health
Sciences
Opportunities
Portfolio
BlackRock
Science
&
Technology
Opportunities
Portfolio

100
Bellevue
Parkway,
Wilmington,
Delaware
19809

Phone
No.
(800)
441-7762

This
Statement
of
Additional
Information
of
BlackRock
Global
Opportunities
Portfolio,
BlackRock
International

Opportunities
Portfolio,
BlackRock
U.S.
Opportunities
Portfolio,
BlackRock
Health
Sciences
Opportunities
Portfolio
and
BlackRock
Science
&
Technology
Opportunities
Portfolio
(each,
a
“Fund,”
and
collectively,
the
“Funds”),
each a
series
of
BlackRock
FundsSM
(the
“Trust”)
is not a
prospectus
and
should
be read
in
conjunction
with
the
Prospectuses
of the
Funds,
dated
January
28,
2013,
as
amended
or
supplemented,
which
have
been
filed
with
the
Securities

and
Exchange
Commission
(the
“Commission”)

and
can be
obtained,
without
charge,
by
calling
(800)
441-7762

or by
writing
to the
Funds
at the
above
address.

Each
Fund’s
Prospectus
is
incorporated

by
reference
into
this
Statement
of

Additional
Information,
and

Part I
of this
Statement
of

Additional
Information
and the
portions

of Part
II of
this
Statement
of

Additional
Information
that

relate
to the
Funds
have
been
incorporated

by
reference

into
each
Fund' s
Prospectus.
The
portions
of Part
II of
this
Statement
of
Additional
Information
that do
not
relate
to the
Funds
do not
form a
part of
the
Funds'
Statement
of
Additional
Information,
have
not
been
incorporated
by
reference
into
the
Fund' s
Prospectuses
and
should
not be
relied
upon
by
investors
in the
Funds.
The
audited
financial
statements
of each
Fund
are
incorporated
into
this
Statement
of
Additional

Information
by
reference
to each
Fund' s
2012
Annual
Report.
You
may
request
a copy
of each
Annual
Report
at no
charge
by
calling
(800)
441-7762
between
8:00
a.m.
and
6:00
p.m.
Eastern
time
on any
business
day.

References
to the
Investment
Company
Act of
1940,
as
amended
(the
“Investment
Company
Act”),
or
other
applicable
law,
will
include
any
rules
promulgated
thereunder
and
any
guidance,
interpretations
or

modifications
by the
Commission,
Commission
staff or
other
authority
with
appropriate
jurisdiction,
including
court
interpretations,
and
exemptive,
no-
action
or
other
relief
or
permission
from
the
Commission,
Commission
staff or
other
authority.

BlackRock
Advisors,
LLC

Manager
BlackRock
Investments,
LLC

Distributor

<u>Class</u>	<u>BlackRock Global Opportunities Portfolio</u>	<u>BlackRock International Opportunities Portfolio</u>	<u>BlackRock U.S. Opportunities Portfolio</u>	<u>BlackRock Health Sciences Opportunities Portfolio</u>	<u>BlackRock Science & Technology Opportunities Portfolio</u>
Investor A Shares	BROAX	BREAX	BMEAX	SHSAX	BGSAX
Investor B Shares	BROBX	BREBX	BRMBX	SHSPX	BGSBX
Investor C Shares	BROCX	BRECX	BMECX	SHSCX	BGSCX
Institutional Shares	BROIX	BISIX	BMCIX	SHSSX	BGSIX
Class R Shares	BGORX	—	—	BHSRX	BGSRX
Service Shares	—	BRESX	BMCSX	SHISX	BSTSX

The
date of
this
Statement
of
Additional
Information
is
January
28,
2013.

**TABLE
OF
CONTENTS
PART I:
INFORMATION
ABOUT
BLACKROCK
GLOBAL
OPPORTUNITIES
PORTFOLIO,
BLACKROCK
INTERNATIONAL
OPPORTUNITIES
PORTFOLIO,
BLACKROCK
U.S.
OPPORTUNITIES
PORTFOLIO,
BLACKROCK
HEALTH
SCIENCES
OPPORTUNITIES
PORTFOLIO AND
BLACKROCK
SCIENCE &
TECHNOLOGY
OPPORTUNITIES
PORTFOLIO**

Investment	
Objectives and	I-1
Policies	
Investment	I-5
Restrictions	
Information on	
Trustees and	I-7
Officers	
Management and	
Advisory	I-21
Arrangements	
Information on Sales	
Charges and	I-27
Distribution Related	
Expenses	
Computation of	
Offering Price Per	I-31
Share	
Portfolio	
Transactions and	I-31
Brokerage	
Additional	I-32
Information	
Financial Statements	I-38

PART II	
Investment Risks	II-1
and Considerations	
Management and	
Other Service	II-47
Arrangements	
Selective Disclosure	
of Portfolio	II-50
Holdings	
Purchase of Shares	II-58

Redemption of Shares	II-68
Shareholder Services	II-70
Pricing of Shares	II-74
Portfolio	
Transactions and Brokerage	II-76
Dividends and Taxes	II-80
Performance Data	II-85
Proxy Voting	
Policies and Procedures	II-86
General Information	II-87
Appendix A – Description of Bond Ratings	A-1
Appendix B – Proxy Voting Policy	B-1

■■■■■

**PART
I:
BLACKROCK
GLOBAL
OPPORTUNITIES
PORTFOLIO,
BLACKROCK
INTERNATIONAL
OPPORTUNITIES
PORTFOLIO,
BLACKROCK
U.S.
OPPORTUNITIES
PORTFOLIO,
BLACKROCK
HEALTH
SCIENCES
OPPORTUNITIES
PORTFOLIO
AND
BLACKROCK
SCIENCE
&
TECHNOLOGY
OPPORTUNITIES
PORTFOLIO**

Part
I of
this
Statement
of
Additional
Information
sets
forth
information
about
BlackRock
Global
Opportunities
Portfolio
("Global
Opportunities"),
BlackRock
International
Opportunities
Portfolio
("International
Opportunities"),
BlackRock
U.S.
Opportunities
Portfolio
("U.S.
Opportunities"),
BlackRock
Health

Sciences
Opportunities
Portfolio
("Health
Sciences
Opportunities")
and
BlackRock
Science
&
Technology
Opportunities
Portfolio
("Science
&
Technology
Opportunities")
(each,
a
"Fund"
and
collectively,
the
"Funds"),
each a
series
of
BlackRock
FundsSM
(the
"Trust").
It
includes
information
about
the
Trust's
Board
of
Trustees
(the
"Board"),
the
management
services
provided
to the
Funds,
performance
data
for the
Funds,
and
information
about
other
fees
paid
by and

services
provided
to the
Funds.
This
Part I
should
be read
in
conjunction
with
each
Fund' s
Prospectus
and
those
portions
of Part
II of
this
Statement
of
Additional
Information
that
pertain
to each
Fund.

**I.
Investment
Objectives
and
Policies**

Please
see the
section
“Details
About
the
Funds
– How
Each
Fund
Invests”
in each
Fund' s
Prospectus
for
information
about a
Fund' s
investment
objectives
and
policies.

The
Funds
that
are

subject
to Rule
35d-1
under
the
Investment
Company
Act
will
not
change
their
investment
policies
required
by that
Rule
without
giving
shareholders
60
days
prior
written
notice.

All
Funds
~~Funds~~
Fund
may
invest
in
rights
offerings
and
warrants.

A
Fund
will
not
invest
more
than
5% of
its net
assets,
taken
at
market
value,
in
warrants,
or
more
than
2% of
its net
assets,
taken
at

market
value,
in
warrants
not
listed
on the
New
York
Stock
Exchange
("NYSE")
or
NYSE
Alternext
U.S.
(formerly
known
as The
American
Stock
Exchange).
Warrants
acquired
by a
Fund
in
units
or
attached
to
other
securities
are not
subject
to this
restriction.

**Global
Options
Exempt
Derivatives.**

The
Fund
may
hold
tax-
exempt
derivatives
which
may be
in the
form
of
tender
option
bonds,
participations,
beneficial
interests
in a

trust,
partnership
interests
or
other
forms.
A
number
of
different
structures
have
been
used.
For
example,
interests
in
long-
term
fixed-
rate
municipal
debt
obligations,
held
by a
bank
as
trustee
or
custodian,
are
coupled
with
tender
option,
demand
and
other
features
when
the
tax-
exempt
derivatives
are
created.
Together,
these
features
entitle
the
holder
of the
interest
to
tender
(or
put)

the
underlying
municipal
debt
obligation
to a
third
party
at
periodic
intervals
and to
receive
the
principal
amount
thereof.
In
some
cases,
municipal
debt
obligations
are
represented
by
custodial
receipts
evidencing
rights
to
receive
specific
future
interest
payments,
principal
payments,
or
both,
on the
underlying
securities
held
by the
custodian.
Under
such
arrangements,
the
holder
of the
custodial
receipt
has the
option
to
tender
the
underlying

securities
at their
face
value
to the
sponsor
(usually
a bank
or
broker
dealer
or
other
financial
institution),
which
is paid
periodic
fees
equal
to the
difference
between
the
securities'
fixed
coupon
rate
and the
rate
that
would
cause
the
securities,
coupled
with
the
tender
option,
to
trade
at par
on the
date of
a rate
adjustment.
A
participation
interest
gives
the
Fund
an
undivided
interest
in a
municipal
obligation,
such as

short-term obligations issued by or on behalf of states, territories and possessions of the United States, the District of Columbia and their political subdivisions, agencies, instrumentalities and authorities and related tax-exempt derivative securities the interest on which is exempt from regular Federal income tax (“Municipal Obligation”), in the proportion the Fund’s participation bears to the total principal amount of the Municipal Obligation,

and
typically
provides
for a
repurchase
feature
for all
or any
part of
the full
principal
amount
of the
participation
interest,
plus
accrued
interest.
Trusts
and
partnerships
are
typically
used to
convert
long-
term
fixed
rate
high
quality
bonds
of a
single
state or
municipal
issuer
into
variable
or
floating
rate
demand
instruments.
The
Internal
Revenue
Service
has not
ruled
on
whether
the
interest
received
on tax-
exempt
derivatives
in the
form

of
participation
interests
or
custodial
receipts
is tax-
exempt,
and
accordingly,
purchases
of any
such
interests
or
receipts
are
based
on the
opinions
of
counsel
to the
sponsors
of such
derivative
securities.
Neither
the
Fund
nor
BlackRock
Advisors,
LLC
("BlackRock"
or the
"Manager")
will
review
the
proceedings
related
to the
creation
of any
tax-
exempt
derivatives
or the
basis
for
such
opinions.

I-1

**Tax-
Exempt
Preferred
Shares.**

The
Fund
may
invest
in
preferred
interests
of
other
investment
funds
that
pay
dividends
that
are
exempt
from
regular
Federal
income
tax.
Such
funds
in turn
invest
in
municipal
bonds
and
other
assets
that
pay
interest
or
make
distributions
that
are
exempt
from
regular
Federal
income
tax,
such as
revenue
bonds
issued
by
state or
local

agencies
to fund
the
development
of low-
income,
multi-
family
housing.
Investment
in such
tax-
exempt
preferred
shares
involves
many
of the
same
issues
as
investing
in
other
open-
or
closed-
end
investment
companies
as
discussed
below.
These
investments
also
have
additional
risks,
including
liquidity
risk,
the
absence
of
regulation
governing
investment
practices,
capital
structure
and
leverage,
affiliated
transactions
and
other
matters,
and

concentration
of
investments
in
particular
issuers
or
industries.

**Variable
and
Floating
Rate
Instruments.**

The
Fund
may
purchase
rated
and
unrated
variable
and
floating
rate
instruments.

These
instruments
may
include
variable
amount
master
demand
notes
that
permit
the
indebtedness
thereunder
to vary
in
addition
to
providing
for
periodic
adjustments
in the
interest
rate.

The
Fund
may
invest
up to
10% of
its
total
assets

in
leveraged
inverse
floating
rate
debt
instruments
("inverse
floaters").
Tender
option
bonds
(including
residual
interests
thereon)
are
excluded
from
this
10%
limitation.
The
interest
rate of
an
inverse
floater
resets
in the
opposite
direction
from
the
market
rate of
interest
on a
security
or
index
to
which
it is
related.
An
inverse
floater
may be
considered
to be
leveraged
to the
extent
that its
interest
rate
varies
by a

magnitude
that
exceeds
the
magnitude
of the
change
in the
index
rate of
interest,
and is
subject
to
many
of the
same
risks
as
derivatives.
The
higher
degree
of
leverage
inherent
in
inverse
floaters
is
associated
with
greater
volatility
in their
market
values.
To
seek to
limit
the
volatility
of
these
securities,
the
Fund
may
purchase
inverse
floating
obligations
that
have
shorter-
term
maturities
or that
contain

limitations
on the
extent
to
which
the
interest
rate
may
vary.
Certain
investments
in such
obligations
may be
illiquid.
BlackRock
believes
that
indexed
and
inverse
floating
obligations
represent
flexible
Fund
management
instruments
for the
Fund
that
allow
the
Fund
to seek
potential
investment
rewards,
hedge
other
Fund
positions
or vary
the
degree
of
investment
leverage
relatively
efficiently
under
different
market
conditions.
The
Fund
may
invest

in
indexed
and
inverse
securities
for
hedging
purposes
or to
seek to
increase
returns.
When
used
for
hedging
purposes,
indexed
and
inverse
securities
involve
correlation
risk.
Furthermore,
where
such a
security
includes
a
contingent
liability,
in the
event
of an
adverse
movement
in the
underlying
index
or
interest
rate,
the
Fund
may be
required
to pay
substantial
additional
margin
to
maintain
the
position.
With
respect
to
purchasable

variable
and
floating
rate
instruments,
the
Manager
will
consider
the
earning
power,
cash
flows
and
liquidity
ratios
of the
issuers
and
guarantors
of such
instruments
and, if
the
instruments
are
subject
to a
demand
feature,
will
monitor
their
financial
status
to
meet
payment
on
demand.
Such
instruments
may
include
variable
amount
master
demand
notes
that
permit
the
indebtedness
thereunder
to vary
in
addition
to

providing
for
periodic
adjustments
in the
interest
rate.
The
absence
of an
active
secondary
market
with
respect
to
particular
variable
and
floating
rate
instruments
could
make
it
difficult
for the
Fund
to
dispose
of a
variable
or
floating
rate
note if
the
issuer
defaulted
on its
payment
obligation
or
during
periods
that
the
Fund
is not
entitled
to
exercise
its
demand
rights,
and the
Fund
could,
for

these
or
other
reasons,
suffer
a loss
with
respect
to such
instruments.
* * *

Set
forth
below
is a
listing
of
some
of the
types
of
investments
and
investment
strategies
that
the
Funds
may
use,
and the
risks
and
considerations
associated
with
those
investments
and
investment
strategies.
Please
see
Part II
of this
Statement
of
Additional
Information
for
further
information
on
these
investments
and
investment
strategies.

Only
information
that is
clearly
identified
as
applicable
to a
Fund
is
considered
to
form a
part of
the
Fund' s
Statement
of
Additional
Information.

	Global Opportunities	International Opportunities	U.S. Opportunities	Health Sciences Opportunities	Science & Technology Opportunities
144A Securities	X	X	X	X	X
Asset-Backed Securities	X	X	X	X	X
Asset-Based Securities					
Precious Metal- Related Securities	X	X	X	X	X
Bank Loans	X				
Borrowing and Leverage	X	X	X	X	X
Cash Flows; Expenses					
Cash Management					
Collateralized Debt Obligations	X	X	X		X
Collateralized Loan Obligations	X	X	X		X

I-2

■■■■■

	Global Opportunities	International Opportunities	U.S. Opportunities	Health Sciences Opportunities	Science & Technology Opportunities
Collateralized Bond Obligations	X	X	X		X
Commercial Paper					
Commodity-Linked Derivative Instruments and Hybrid Instruments					
Qualifying Hybrid Instruments					
Hybrid Instruments Without Principal Protection					
Limitations on Leverage					
Counterparty Risk					
Convertible Securities	X	X	X	X	X
Debt Securities	X	X	X	X	X
Depository Receipts (ADRs, EDRs and GDRs)	X	X	X	X	X
Derivatives	X	X	X	X	X
Hedging	X	X	X	X	X
Indexed and Inverse Securities	X	X	X	X	X
Swap Agreements	X	X	X	X	X
Credit Default Swap Agreements and Similar Instruments	X	X	X		X
Credit Linked Securities	X				
Interest Rate Transactions and Swaptions	X	X	X		X
Total Return Swap Agreements	X	X	X		X
Types of Options	X	X	X	X	X

Options on Securities and Securities Indices	X	X	X	X	X
Call Options	X	X	X	X	X
Put Options	X	X	X	X	X
Risks Associated with Options	X	X	X	X	X
Futures	X	X	X	X	X
Risks Associated with Futures	X	X	X	X	X
Foreign Exchange Transactions	X	X	X	X	X
Forward Foreign Exchange Transactions	X	X	X	X	X
Currency Futures	X	X		X	X
Currency Options	See note 1 below	See note 1 below		See note 1 below	See note 1 below
Currency Swaps	X	X		X	X
Limitations on Currency Transactions					
Risk Factors in Hedging Foreign Currency	X	X		X	X
Risk Factors in Derivatives	X	X	X	X	X
Credit Risk	X	X	X	X	X
Currency Risk	X	X	X	X	X
Leverage Risk	X	X	X	X	X
Liquidity Risk	X	X	X	X	X
Correlation Risk	X	X	X	X	X
Index Risk	X	X	X	X	X
Additional Risk Factors of OTC Transactions; Limitations on the Use of OTC Derivatives	X	X	X	X	X
Distressed Securities	X				
Dollar Rolls	X	X			X
Equity Securities	X	X	X	X	X

Exchange Traded Notes ("ETNs")					
Foreign Investment Risks	X	X	X	X	X
Foreign Market Risk	X	X	X	X	X
Foreign Economy Risk	X	X	X	X	X
Currency Risk and Exchange Risk	X	X	X	X	X
Governmental Supervision and Regulation/Accounting Standards	X	X	X	X	X

¹ Fund
may
purchase
(but not
write)
currency
options.
I-3

■■■■■

	Global Opportunities	International Opportunities	U.S. Opportunities	Health Sciences Opportunities	Science & Technology Opportunities
Certain Risks of Holding Fund Assets Outside the United States	X	X	X	X	X
Publicly Available Information	X	X	X	X	X
Settlement Risk	X	X	X	X	X
Funding Agreements					
Guarantees	X	X	X	X	X
Illiquid or Restricted Securities	X	X	X	X	X
Inflation-Indexed Bonds					
Inflation Risk	X	X	X	X	X
Information Concerning the Indices					
Standard & Poor's 500 Index					
Russell 2000 Index					
EAFE Index					
Initial Public Offering ("IPO") Risk	X	X	X	X	X
Investment Grade Debt Obligations	X	X	X	X	X
Investment in Emerging Markets	X	X	X	X	X
Brady Bonds					
Investment in Other Investment Companies	X	X	X	X	X
Exchange Traded Funds	X	X	X	X	X
Junk Bonds	X				
Lease Obligations	X	X	X		X
Liquidity Management	X	X	X	X	X
Master Limited Partnerships	X	X	X		X

Merger Transaction Risk					
Mezzanine Investments	X				
Money Market Obligations of Domestic Banks, Foreign Banks and Foreign Branches of U.S. Banks	X	X	X	X	X
Mortgage-Related Securities	X	X	X	X	X
Mortgage-Backed Securities	X	X	X	X	X
Collateralized Mortgage Obligations ("CMOs")	X	X	X	X	X
Adjustable Rate Mortgage Securities					
CMO Residuals					
Stripped Mortgage-Backed Securities					
Tiered Index Bonds					
Municipal Bonds					
General Obligation Bonds					
Revenue Bonds					
PABs					
Participation Notes					
Pay-in-Kind Bonds	X	X	X		X
Portfolio Turnover Rates	X	X	X	X	X
Preferred Stock	X	X	X	X	X
Real Estate Related Securities	X	X	X		
Real Estate Investment Trusts ("REITS")	X	X	X		X
Repurchase Agreements and Purchase and Sale Contracts	X	X	X		X

Reverse Repurchase Agreements	X	X	X		X
Rights Offerings and Warrants to Purchase	X	X	X	X	X
Securities Lending	X	X	X	X	X
Securities of Smaller or Emerging Growth Companies	X	X	X	X	X
Short Sales	See note 2 below	See note 2 below	See note 2 below		See note 2 below

² Fund

may
only
make
short
sales
against
the box
and with
respect
to
futures
contracts
and
related
options.

I-4

■■■■■

	Global Opportunities	International Opportunities	U.S. Opportunities	Health Sciences Opportunities	Science & Technology Opportunities
Sovereign Debt	X	X			X
Standby Commitment Agreements					
Stripped Securities	X	X	X	X	X
Structured Notes					
Supranational Entities	X	X	X	X	X
Trust Preferred Securities					
U.S. Government Obligations	X	X	X		X
U.S. Treasury Obligations	X	X	X		X
Utility Industries	X	X	X	X	X
When Issued Securities, Delayed Delivery Securities and Forward Commitments	X	X	X		X
Yields and Ratings	X	X	X	X	X
Zero Coupon Securities	X	X	X	X	X

**Regulation
Regarding
Derivatives.**

Effective
December
31,
2012,
the
Commodity
Futures
Trading
Commission
("CFTC")
adopted
certain
regulatory
changes
that

subject
registered
investment
companies
and
advisers
to
registered
investment
companies
to
regulation
by the
CFTC
if a
fund
invests
more
than a
prescribed
level
of its
liquidation
value
in
CFTC-
regulated
futures,
options
and
swaps
("CFTC
Derivatives"),
or if
the
fund
markets
itself
as
providing
investment
exposure
to such
instruments.
To the
extent
a Fund
uses
CFTC-
regulated
futures,
options
and
swaps,
it
intends
to do
so
below

such
prescribed
levels
and
will
not
market
itself
as a
“commodity
pool”
or a
vehicle
for
trading
such
instruments.
Accordingly,
BlackRock
has
claimed
an
exclusion
from
the
definition
of the
term
“commodity
pool
operator”
under
the
Commodity
Exchange
Act
(“CEA”)
pursuant
to
Rule
4.5
under
the
CEA.
BlackRock
is not,
therefore,
subject
to
registration
or
regulation
as a
“commodity
pool
operator”
under
the
CEA

in
respect
of the
Funds.

II. Investment Restrictions

Each
Fund
has
adopted
restrictions
and
policies
relating
to the
investment
of the
Fund's
assets
and its
activities.
Certain
of the
restrictions
are
fundamental
policies
of the
Fund
and
may
not be
changed
without
the
approval
of the
holders
of a
majority
of the
Fund's
outstanding
voting
securities
(which
for this
purpose
and
under
the
Investment
Company
Act,
means
the
lesser
of (i)

67% of
the
shares
represented
at a
meeting
at
which
more
than
50% of
the
outstanding
shares
are
represented
or (ii)
more
than
50% of
the
outstanding
shares).

Each
of the
Funds
(other
than
Health
Sciences
Opportunities)
may
not
purchase
securities
of any
one
issuer
(other
than
securities
issued
or
guaranteed
by the
U.S.
Government,
its
agencies
or
instrumentalities
or
certificates
of
deposit
for any
such
securities)
if more

than
5% of
the
value
of the
Fund' s
total
assets
would
(taken
at
current
value)
be
invested
in the
securities
of such
issuer,
or
more
than
10% of
the
issuer' s
outstanding
voting
securities
would
be
owned
by the
Fund
or the
Trust,
except
that up
to 25%
of the
value
of the
Fund' s
total
assets
may
(taken
at
current
value)
be
invested
without
regard
to
these
limitations.
For
purposes
of this

limitation,
a
security
is
considered
to be
issued
by the
entity
(or
entities)
whose
assets
and
revenues
back
the
security.

A
guarantee
of a
security
shall
not be
deemed
to be a
security
issued
by the
guarantors
when
the
value
of all
securities
issued
and
guaranteed
by the
guarantor,
and
owned
by the
Fund,
does
not
exceed
10% of
the
value
of the
Fund's
total
assets.

Each
of the
Funds
(other
than

Global
Opportunities)
may
not
borrow
money
or
issue
senior
securities,
except
that
each
Fund
may
borrow
from
banks
and
enter
into
reverse
repurchase
agreements
for
temporary
purposes
in
amounts
up to
one-
third
of the
value
of its
total
assets
at the
time of
such
borrowing;
or
mortgage,
pledge
or
hypothecate
any
assets,
except
in
connection
with
any
such
borrowing
and
then in
amounts
not in

excess
of one-
third
of the
value
of the
Fund' s
total
assets
at the
time of
such
borrowing.
No
Fund
will
purchase
securities
while
its
aggregate
borrowings
(including
reverse
repurchase
agreements
and
borrowings
from
banks)
in
excess
of 5%
of its
total
assets
are
outstanding.
Securities
held in
escrow
or
separate
accounts
in
connection
with a
Fund' s
investment
practices
are not
deemed
to be
pledged
for
purposes
of this
limitation.

Global
Opportunities
may
not
issue
senior
securities,
borrow
money
or
pledge
its
assets,
except
that
the
Fund
may
borrow
from
banks
or
enter
into
reverse
repurchase
agreements
or
dollar
rolls in
amounts
aggregating
not
more
than
33⅓%
of the
value
of its
total
assets
(calculated
when
the
loan is
made)
to take
advantage
of
investment
opportunities
and
may
pledge
up to
33⅓%
of the
value
of its

total
assets
to
secure
such
borrowings.

The
Fund
is

I-5

also
authorized
to
borrow
an
additional
5% of
its
total
assets
without
regard
to the
foregoing
limitations
for
temporary
purposes
such as
clearance
of
portfolio
transactions
and
share
redemptions.
For
purposes
of
these
restrictions,
the
purchase
or sale
of
securities
on a
“when-
issued,”
delayed
delivery
or
forward
commitment
basis,
the
purchase
and
sale of
options
and
futures
contracts
and
collateral
arrangements
with

respect
thereto
are not
deemed
to be
the
issuance
of a
senior
security,
a
borrowing
or a
pledge
of
assets.

No
Fund
may:

1.

Purchase

any
securities
which
would
cause
25%
or
more
of
the
value
of
the
Fund' s
total
assets
at
the
time
of
purchase
to
be
invested
in
the
securities
of
one
or
more
issuers
conducting
their
principal
business
activities
in

the
same
industry,
provided
that
(a)
there
is
no
limitation
with
respect
to
(i)
instruments
issued
or
guaranteed
by
the
United
States
and
tax
exempt
instruments
issued
by
any
state,
territory
or
possession
of
the
United
States,
the
District
of
Columbia
or
any
of
their
authorities,
agencies,
instrumentalities
or
political
subdivisions,
and
(ii)
repurchase
agreements
secured
by
the
instruments

described
in
clause
(i);
(b)
wholly-
owned
finance
companies
will
be
considered
to
be
in
the
industries
of
their
parents
if
their
activities
are
primarily
related
to
financing
the
activities
of
the
parents;
(c)
utilities
will
be
divided
according
to
their
services;
for
example,
gas,
gas
transmission,
electric
and
gas,
electric
and
telephone
will
each
be
considered
a
separate

industry;
(d)
Science
&
Technology
Opportunities
may
cause
25%
or
more
of
its
total
assets
at
the
time
of
purchase
to
be
invested
in
the
securities
of
one
or
more
issuers
conducting
their
principal
business
activities
in
a
single
industry
in
the
science
and
technology
sectors
as
defined
in
its
prospectuses;
and
(e)
Health
Sciences
Opportunities
will
cause
25%

or
more
of
its
total
assets
at
the
time
of
purchase
to
be
invested
in
the
securities
of
one
or
more
issuers
conducting
their
principal
business
activities
in
health
sciences
or
related
industries
as
described
in
the
prospectuses.

2.

Purchase

or
sell
real
estate,
except
that
each
Fund
may
purchase
securities
of
issuers
which
deal
in
real
estate
and

may
purchase
securities
which
are
secured
by
interests
in
real
estate.

3.

Acquire
any
other
investment
company
or
investment
company
security
except
in
connection
with
a
merger,
consolidation,
reorganization
or
acquisition
of
assets
or
where
otherwise
permitted
by
the
Investment
Company
Act.

4.

Act
as
an
underwriter
of
securities
within
the
meaning
of
the
Securities
Act
of
1933,
as

amended,
except
to
the
extent
that
the
purchase
of
obligations
directly
from
the
issuer
thereof,
or
the
disposition
of
securities,
in
accordance
with
the
Fund' s
investment
objective,
policies
and
limitations
may
be
deemed
to
be
underwriting.

5.

Write

or
sell
put
options,
call
options,
straddles,
spreads,
or
any
combination
thereof,
except
for
transactions
in
options
on
securities
and
securities

indices,
futures
contracts
and
options
on
futures
contracts.

6.

Purchase
securities
of
companies
for
the
purpose
of
exercising
control.

7.

Purchase
securities
on
margin,
make
short
sales
of
securities
or
maintain
a
short
position,
except
that
(a)
this
investment
limitation
shall
not
apply
to
a
Fund' s
transactions
in
futures
contracts
and
related
options
or
a
Fund' s
sale
of
securities

short
against
the
box,
and
(b)
a
Fund
may
obtain
short-
term
credit
as
may
be
necessary
for
the
clearance
of
purchases
and
sales
of
portfolio
securities.

8.

Purchase
or
sell
commodity
contracts,
or
invest
in
oil,
gas
or
mineral
exploration
or
development
programs,
except
that
each
Fund
may,
to
the
extent
appropriate
to
its
investment
policies,
purchase
securities

of
companies
engaging
in
whole
or
in
part
in
such
activities
and
may
enter
into
futures
contracts
and
related
options.

9.

Make
loans,
except
that
each
Fund
may
purchase
and
hold
debt
instruments
and
enter
into
repurchase
agreements
in
accordance
with
its
investment
objective
and
policies
and
may
lend
portfolio
securities.

10.

Purchase
or
sell
commodities
except
that
each

Fund
may,
to
the
extent
appropriate
to
its
investment
policies,
purchase
securities
of
companies
engaging
in
whole
or
in
part
in
such
activities,
may
engage
in
currency
transactions
and
may
enter
into
futures
contracts
and
related
options.
Unless
otherwise
indicated,
all
limitations
apply
only at
the
time
that a
transaction
is
undertaken.
Any
change
in the
percentage
of a
Fund's
assets
invested
in

certain
securities
or
other
instruments
resulting
from
market
fluctuations
or
other
changes
in the
Fund's
total
assets
will
not
require
the
Fund
to
dispose
of an
investment
until
BlackRock
Advisors,
LLC
("BlackRock"
or the
"Manager")
determines
that it
is
practicable
to sell
or
close
out the
investment
without
undue
market
or tax
consequences.

I-6



**III.
Information
on
Trustees
and
Officers**

The Board consists of fourteen individuals (each, a “Trustee”), twelve of whom are not “interested persons” of the Trust as defined in the Investment Company Act (the “Independent Trustees”). The registered investment companies advised by the Manager or its affiliates (the “BlackRock-advised Funds”) are organized into one complex of closed-end funds (the “Closed-End

Complex”),
two
complexes
of
open-
end
funds
(the
“Equity-
Liquidity
Complex”
and the
“Equity-
Bond
Complex”),
and
one
complex
of
exchange
traded
funds
(each,
a
“BlackRock
Fund
Complex”).
The
Trust
is
included
in the
BlackRock
Fund
Complex
referred
to as
the
Equity-
Liquidity
Complex.
The
Trustees
also
oversee
as
board
members
the
operation
of the
other
open-
end
registered
investment
companies
included
in the

Equity-
Liquidity
Complex.
The
Board
has the
overall
responsibility
for the
oversight
of the
Trust
and of
each
Fund.
The
Co-
Chairs
of the
Board
are
Independent
Trustees,
and the
Chair
of each
Board
committee
(each,
a
“Committee”)
is an
Independent
Trustee.
The
Board
has
five
standing
Committees:
an
Audit
Committee,
a
Governance
and
Nominating
Committee,
a
Compliance
Committee,
a
Performance
Oversight
and
Contract
Committee
and an
Executive

Committee.

The
role of
the
Co-
Chairs
of the
Board
is to
preside
at all
meetings
of the
Board
and to
act as a
liaison
with
service
providers,
officers,
attorneys
and
other
Trustees
generally
between
meetings.

The
Chair
of each
Committee
performs
a
similar
role
with
respect
to the
Committee.

The
Co-
Chairs
of the
Board
or the
Chair
of a
Committee
may
also
perform
such
other
functions
as may
be
delegated
by the

Board
or the
Committee
from
time to
time.
The
Independent
Trustees
meet
regularly
outside
the
presence
of
Fund
management,
in
executive
session
or with
other
service
providers
of each
Fund.
The
Board
has
regular
meetings
five
times a
year
and
may
hold
special
meetings
if
required
before
its next
regular
meeting.
Each
Committee
meets
regularly
to
conduct
the
oversight
functions
delegated
to that
Committee
by the
Board

and
reports
its
findings
to the
Board.
The
Board
and
each
standing
Committee
conduct
annual
assessments
of their
oversight
function
and
structure.
The
Board
has
determined
that
the
Board' s
leadership
structure
is
appropriate
because
it
allows
the
Board
to
exercise
independent
judgment
over
management
and to
allocate
areas
of
responsibility
among
Committees
and the
full
Board
to
enhance
effective
oversight.
The
Board
has

engaged
the
Manager
to
manage
each
Fund
on a
day-to-
day
basis.
The
Board
is
responsible
for
overseeing
the
Manager,
other
service
providers,
the
operations
of the
Fund
and
associated
risks in
accordance
with
the
provisions
of the
Investment
Company
Act,
state
law,
other
applicable
laws,
the
Trust' s
charter
and
each
Fund' s
investment
objective
and
strategies.
The
Board
reviews,
on an
ongoing
basis,
each

Fund' s
performance,
operations
and
investment
strategies
and
techniques.
The
Board
also
conducts
reviews
of the
Manager
and its
role in
running
the
operations
of each
Fund.

Day-
to-day
risk
management
with
respect
to a
Fund
is the
responsibility
of the
Manager
or of
sub-
advisers
or
other
service
providers
(depending
on the
nature
of the
risk),
subject
to the
supervision
of the
Manager.
Each
Fund
is
subject
to a
number
of
risks,

including investment, compliance, operational and valuation risks, among others. While there are a number of risk management functions performed by the Manager and the sub-advisers or other service providers, as applicable, it is not possible to eliminate all of the risks applicable to a Fund. Risk oversight forms part of the Board' s general oversight of a Fund and is addressed as part of various Board and Committee activities. The

Board,
directly
or
through
a
Committee,
also
reviews
reports
from,
among
others,
management,
the
independent
registered
public
accounting
firm
for
each
Fund,
sub-
advisers
and
internal
auditors
for the
Manager
or its
affiliates,
as
appropriate,
regarding
risks
faced
by a
Fund
and
management' s
or the
service
provider' s
risk
functions.
The
Committee
system
facilitates
the
timely
and
efficient
consideration
of
matters
by the
Trustees
and

facilitates
effective
oversight
of
compliance
with
legal
and
regulatory
requirements
and of
the
Fund' s
activities
and
associated
risks.
The
Board
has
appointed
a Chief
Compliance
Officer,
who
oversees
the
implementation
and
testing
of the
Fund' s
compliance
program
and
reports
to the
Board
regarding
compliance
matters
for
each
Fund
and its
service
providers.
The
Independent
Trustees
have
engaged
independent
legal
counsel
to
assist
them
in

performing
oversight
responsibilities.

The
members
of the
Audit
Committee
(the
“Audit
Committee”)
are
Kenneth
L.
Urish
(Chair),
Herbert
I.
London,
Robert
C.
Robb,
Jr. and
Frederick
W.
Winter,
all of
whom
are
Independent
Trustees.
The
principal
responsibilities
of the
Audit
Committee
are to
approve
the
selection,
retention,
termination
and
compensation
of the
Trust’s
independent
registered
public
accounting
firm
(the
“independent
auditors”)
and to
oversee
the
independent

auditors'
work.
The
Audit
Committee' s
responsibilities
include,
without
limitation,
to (1)
evaluate
the
qualifications
and
independence
of the
independent
auditors;
(2)
approve
all
audit
engagement
terms
and
fees
for the
Trust;
(3)
review
the
conduct
and
results
of each
independent
audit
of the
Trust' s
financial
statements;
(4)
review

I-7

■■■■■

any
issues
raised
by the
independent
auditors
or
Fund
management
regarding
the
accounting
or
financial
reporting
policies
and
practices
of each
Fund
and the
internal
controls
of each
Fund
and
certain
service
providers;
(5)
oversee
the
performance
of (a)
each
Fund' s
internal
audit
function
provided
by its
investment
adviser
and (b)
the
independent
auditors;
(6)
discuss
with
Fund
management
its
policies
regarding
risk
assessment

and
risk
management
as such
matters
relate
to a
Fund's
financial
reporting
and
controls;
and (7)
resolve
any
disagreements
between
Fund
management
and the
independent
auditors
regarding
financial
reporting.

The
Board
has
adopted
a
written
charter
for the
Audit
Committee.

During
the
fiscal
year
ended
September
30,
2012,
the
Audit
Committee
met
four
times.

The
members
of the
Governance
and
Nominating
Committee
(the
"Governance
Committee")

are Dr.
Matina
S.
Horner
(Chair),
Herbert
I.
London,
Cynthia
A.
Montgomery,
Robert
C.
Robb,
Jr. and
Toby
Rosenblatt,
all of
whom
are
Independent
Trustees.
The
principal
responsibilities
of the
Governance
Committee
are to
(1)
identify
individuals
qualified
to
serve
as
Independent
Trustees
of the
Trust
and
recommend
Independent
Trustee
nominees
for
election
by
shareholders
or
appointment
by the
Board;
(2)
advise
the
Board
with
respect

to
Board
composition,
procedures
and
Committees
(other
than
the
Audit
Committee);
(3)
oversee
periodic
self-
assessments
of the
Board
and
Committees
of the
Board
(other
than
the
Audit
Committee);
(4)
review
and
make
recommendations
regarding
Independent
Trustee
compensation;
and (5)
monitor
corporate
governance
matters
and
develop
appropriate
recommendations
to the
Board.
The
Governance
Committee
may
consider
nominations
for the
office
of
Trustee
made
by

Trust
shareholders
as it
deems
appropriate.
Trust
shareholders
who
wish to
recommend
a
nominee
should
send
nominations
to the
Secretary
of the
Trust
that
include
biographical
information
and set
forth
the
qualifications
of the
proposed
nominee.
The
Board
has
adopted
a
written
charter
for the
Governance
Committee.
During
the
fiscal
year
ended
September
30,
2012,
the
Governance
Committee
met
five
times.
The
members
of the
Compliance
Committee

(the
“Compliance
Committee”)
are
Joseph
P. Platt
(Chair),
Rodney
D.
Johnson,
Ian A.
MacKinnon
and
Cynthia
A.
Montgomery,
all of
whom
are
Independent
Trustees.
The
Compliance
Committee’ s
purpose
is to
assist
the
Board
in
fulfilling
its
responsibility
to
oversee
regulatory
and
fiduciary
compliance
matters
involving
the
Trust,
the
fund-
related
activities
of
BlackRock
and the
Trust’ s
third-
party
service
providers.
The
Compliance
Committee’ s
responsibilities

include,
without
limitation,
to (1)
oversee
the
compliance
policies
and
procedures
of the
Trust
and its
service
providers
and
recommend
changes
or
additions
to such
policies
and
procedures;
(2)
review
information
on and,
where
appropriate,
recommend
policies
concerning
the
Trust' s
compliance
with
applicable
law;
and (3)
review
reports
from,
and
oversee
the
annual
performance
review
of, and
make
certain
recommendations
regarding
the
Trust' s
Chief
Compliance
Officer.

The Board has adopted a written charter for the Compliance Committee. During the fiscal year ended September 30, 2012, the Compliance Committee met ten times.

The members of the Performance Oversight and Contract Committee (the “Performance Oversight Committee”) are David O. Beim (Chair), Toby Rosenblatt (Vice Chair), Ronald W. Forbes, Ian A. MacKinnon and Frederick W. Winter, all of whom are Independent Trustees.

The
Performance
Oversight
Committee' s
purpose
is to
assist
the
Board
in
fulfilling
its
responsibility
to
oversee
each
Fund' s
investment
performance
relative
to its
agreed-
upon
performance
objectives
and to
assist
the
Independent
Trustees
in their
consideration
of
investment
advisory
agreements.
The
Performance
Oversight
Committee' s
responsibilities
include,
without
limitation,
to (1)
review
each
Fund' s
investment
objective,
policies
and
practices
and
each
Fund' s
investment
performance;
(2)

review
information
on
appropriate
benchmarks
and
competitive
universes
and
unusual
or
exceptional
investment
matters;

(3)
review
personnel
and
resources
devoted
to
management
of each
Fund
and
evaluate
the
nature
and
quality
of
information
furnished
to the
Performance
Oversight
Committee;

(4)
recommend
any
required
action
regarding
change
in
fundamental
and
non-
fundamental
investment
policies
and
restrictions,
Fund
mergers
or
liquidations;

(5)
request

and
review
information
on the
nature,
extent
and
quality
of
services
provided
to the
shareholders;
and (6)
make
recommendations
to the
Board
concerning
the
approval
or
renewal
of
investment
advisory
agreements.

The
Board
has
adopted
a
written
charter
for the
Performance
Oversight
Committee.

During
the
fiscal
year
ended
September
30,
2012,
the
Performance
Oversight
Committee
met six
times.

The
members
of the
Executive
Committee
(the
“Executive

Committee”)
are
Ronald
W.
Forbes
and
Rodney
D.
Johnson,
both of
whom
are
Independent
Trustees,
and
Paul L.
Audet,
who
serves
as an
interested
Trustee.
The
principal
responsibilities
of the
Executive
Committee
are to
(1) act
on
routine
matters
between
meetings
of the
Board
of
Trustees;
(2) act
on
such
matters
as may
require
urgent
action
between
meetings
of the
Board
of
Trustees;
and (3)
exercise
such
other
authority
as may

from
time to
time
be
delegated
to the
Committee
by the
Board
of
Trustees.

I-8

██████████

The Board has adopted a written charter for the Executive Committee. During the fiscal year ended September 30, 2012, the Executive Committee did not hold a formal meeting.

The Governance Committee has adopted a statement of policy that describes the experience, qualifications, skills and attributes that are necessary and desirable for potential Independent Trustee candidates (the “Statement of Policy”). The

Board
believes
that
each
Independent
Trustee
satisfied,
at the
time
he or
she
was
initially
elected
or
appointed
a
Trustee,
and
continues
to
satisfy,
the
standards
contemplated
by the
Statement
of
Policy.
Furthermore,
in
determining
that a
particular
Trustee
was
and
continues
to be
qualified
to
serve
as a
Trustee,
the
Board
has
considered
a
variety
of
criteria,
none
of
which,
in
isolation,
was
controlling.

The Board believes that, collectively, the Trustees have balanced and diverse experience, skills, attributes and qualifications, which allow the Board to operate effectively in governing the Trust and protecting the interests of shareholders. Among the attributes common to all Trustees are their ability to review critically, evaluate, question and discuss information provided to them, to interact effectively with a Fund's investment

adviser,
sub-
advisers,
other
service
providers,
counsel
and
independent
auditors,
and to
exercise
effective
business
judgment
in the
performance
of their
duties
as
Trustees.

Each
Trustee's
ability
to
perform
his or
her
duties
effectively
is
evidenced
by his
or her
educational
background
or
professional
training;
business,
consulting,
public
service
or
academic
positions;
experience
from
service
as a
board
member
of the
Corporation
and the
other
funds
in the
BlackRock

Fund
Complex
(and
any
predecessor
funds),
other
investment
funds,
public
companies,
or non-
profit
entities
or
other
organizations;
ongoing
commitment
and
participation
in
Board
and
Committee
meetings,
as well
as his
or her
leadership
of
standing
and *ad
hoc*
committees
throughout
the
years;
or
other
relevant
life
experiences.

The
table
below
discusses
some
of the
experiences,
qualifications
and
skills
of each
of the
Trustees
that
support
the

conclusion
that
each
Trustee
should
serve
(or
continue
to
serve)
on the
Board.

Trustees
*Independent
Trustees*

Experience, Qualifications and Skills

David O.
Beim

David O. Beim has served for approximately 14 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy Merrill Lynch Investment Managers, LP (“MLIM”) funds. Mr. Beim has served as a professor of finance and economics at the Columbia University Graduate School of Business since 1991 and has taught courses on corporate finance, international banking and emerging financial markets. The Board benefits from the perspective and background gained by his almost 20 years of academic experience. He has published numerous articles and books on a range of topics, including, among others, banking and finance. In addition, Mr. Beim spent 25 years in investment banking, including starting and running the investment banking business at Bankers Trust Company.

Ronald W.
Forbes

Ronald W. Forbes has served for more than 30 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy MLIM funds. This length of service provided Mr. Forbes with direct knowledge of the operation of the Funds and the business and regulatory issues facing the Funds. He currently serves as professor emeritus at the School of Business at the State University of New York at Albany, and has served as a professor of finance thereof since 1989. Mr. Forbes’ experience as a professor of finance provides valuable background for his service on the board. Mr. Forbes has also served as a member of the task force on municipal securities markets for Twentieth Century Fund.

Trustees	Experience, Qualifications and Skills
Dr. Matina S. Horner	<p>Dr. Matina S. Horner has served for approximately eight years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy BlackRock funds. The Board benefits from her service as executive vice president of Teachers Insurance and Annuity Association and College Retirement Equities Fund. This experience provides Dr. Horner with management and corporate governance experience. In addition, Dr. Horner served as a professor in the Department of Psychology at Harvard University and served as President of Radcliffe College for 17 years. Dr. Horner also served on various public, private and non-profit boards.</p>
Rodney D. Johnson	<p>Rodney D. Johnson has served for over 20 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity- Liquidity Complex and its predecessor funds, including the legacy BlackRock funds. He has over 25 years of experience as a financial advisor covering a range of engagements, which has broadened his knowledge of and experience with the investment management business. Prior to founding Fairmount Capital Advisors, Inc., Mr. Johnson served as Chief Investment Officer of Temple University for two years. He served as Director of Finance and Managing Director, in addition to a variety of other roles, for the City of Philadelphia, and has extensive experience in municipal finance. Mr. Johnson was also a tenured associate professor of finance at Temple University and a research economist with the Federal Reserve Bank of Philadelphia.</p>
Herbert I. London	<p>Herbert I. London has served for over 20 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity- Liquidity Complex and its predecessor funds, including the legacy MLIM funds. Dr. London's experience as president of the Hudson Institute, a world renowned think tank in Washington D.C., since 1997 and in various positions at New York University provide both background and perspective on financial, economic and global issues, which enhance his service on the Board. He has authored</p>

several books and numerous articles, which have appeared in major newspapers and journals throughout the United States.

Ian A.
MacKinnon

Ian A. MacKinnon recently joined as a member of the boards of the funds in the Equity-Liquidity Complex. Mr. MacKinnon spent over 25 years in fixed income investing. He served over 20 years as a portfolio manager at The Vanguard Group and was managing director and head of the Vanguard Fixed Income Group. The Board benefits from the perspective and experience he has gained over 25 years in portfolio management and his expertise in the fixed income markets. Mr. MacKinnon has also served as a board member of the Municipal Securities Rulemaking Board.

Cynthia A.
Montgomery

Cynthia A. Montgomery has served for over 15 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy MLIM funds. The Board benefits from Ms. Montgomery's more than 20 years of academic experience as a professor at Harvard Business School where she taught courses on corporate strategy and corporate governance. Ms. Montgomery also has business management and corporate governance experience through her service on the corporate boards of a variety of public companies. She has also authored numerous articles and books on these topics.

Trustees**Experience, Qualifications and Skills**

Joseph P.
Platt

Joseph P. Platt has served for over 12 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy BlackRock funds. Mr. Platt currently serves as general partner at Thorn Partners, LP, a private investment company. Prior to his joining Thorn Partners, LP, he was an owner, director and executive vice president with Johnson and Higgins, an insurance broker and employee benefits consultant. He has over 25 years experience in the areas of insurance, compensation and benefits. Mr. Platt also serves on the boards of public, private and non-profit companies.

Robert C.
Robb, Jr.

Robert C. Robb, Jr. has served for over 12 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy BlackRock funds. Mr. Robb has over 30 years of experience in management consulting and has worked with many companies and business associations located throughout the United States. Mr. Robb brings to the Board a wealth of practical business experience across a range of industries.

Toby
Rosenblatt

Toby Rosenblatt has served for over 20 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy BlackRock funds. He has served as president and general partner of Founders Investments, Ltd., a private investment limited partnership, since 1999, providing him with relevant experience with the issues faced by investment management firms and their clients. Mr. Rosenblatt has been active in the civic arena and has served as a trustee of a number of community and educational organizations for over 30 years.

Kenneth
L. Urish

Kenneth L. Urish has served for over 12 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the

legacy BlackRock funds. He has over 30 years of experience in public accounting. Mr. Urish has served as a managing member of an accounting and consulting firm. Mr. Urish has been determined by the Audit Committee to be an audit committee financial expert, as such term is defined in the applicable SEC rules.

Frederick
W. Winter

Frederick W. Winter has served for over 12 years on the boards of registered investment companies, most recently as a member of the boards of the funds in the Equity-Liquidity Complex and its predecessor funds, including the legacy BlackRock funds. The Board benefits from Mr. Winter's years of academic experience, having served as a professor and dean emeritus of the Joseph M. Katz Graduate School of Business at the University of Pittsburgh since 2005, and dean thereof from 1997 to 2005. He is widely regarded as a specialist in marketing strategy, marketing management, business-to-business marketing and services marketing. He has also served as a consultant to more than 50 different firms.

I-11

Trustees*Interested
Trustees***Experience, Qualifications and Skills**

Paul L.
Audet

Paul L. Audet has a wealth of experience in the investment management industry, including more than 13 years with BlackRock and over 30 years in finance and asset management. His expertise in finance is demonstrated by his positions as Chief Financial Officer of BlackRock and Head of BlackRock's Global Cash Management business. Mr. Audet currently is a member of BlackRock's Global Operating and Corporate Risk Management Committees, the BlackRock Alternative Investors Executive Committee and the Investment Committee for the Private Equity Fund of Funds. Prior to joining BlackRock, Mr. Audet was the Senior Vice President of Finance at PNC Bank Corp. and Chief Financial Officer of the investment management and mutual fund processing businesses and Head of PNC's Mergers and Acquisitions unit.

Henry
Gabbay

Henry Gabbay's many years of experience in finance provide the Board with a wealth of practical business knowledge and leadership. In particular, Mr. Gabbay's experience as a Consultant for and Managing Director of BlackRock, Inc., Chief Administrative Officer of BlackRock and President of BlackRock Funds provides the Funds with greater insight into the analysis and evaluation of both its existing investment portfolios and potential future investments as well as enhanced oversight of their investment decisions and investment valuation processes. In addition, Mr. Gabbay's former positions as Chief Administrative Officer of BlackRock and as Treasurer of certain closed-end funds in the BlackRock Fund Complex provide the Board with direct knowledge of the operations of the Funds and their investment advisers. Mr. Gabbay's previous service on and long-standing relationship with the Board also provides him with a specific understanding of the Funds, their operations, and the business and regulatory issues facing the Funds.

**Biographical
Information**

Certain
biographical
and
other
information
relating
to the
Trustees
of the
Trust
is set
forth
below,
including
address
and
year of
birth,
principal
occupations
for at
least
the last
five
years,
length
of time
served,
and
total
number
of
registered
investment
companies
and
investment
portfolios
overseen
in the
BlackRock-
advised
Funds
and
any
currently
held
public
company
and
investment
company
directorships.

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Number of BlackRock- Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen</u>	<u>Public Co and Inves Comp Director</u>
Independent Trustees¹					
David O. Beim ³ 55 East 52nd Street New York, NY 10055 1940	Trustee	2007 to present	Professor of Professional Practice at the Columbia University Graduate School of Business since 1991; Trustee, Phillips Exeter Academy since 2002; Chairman, Wave Hill Inc. (public garden and cultural center) from 1990 to 2006.	33 RICs consisting of 106 Portfolios	None
Ronald W. Forbes ⁴ 55 East 52nd Street New York, NY 10055 1940	Trustee	2007 to present	Professor Emeritus of Finance, School of Business, State University of New York at Albany since 2000.	33 RICs consisting of 106 Portfolios	None
Dr. Matina S. Horner ⁵ 55 East 52nd Street New York, NY 10055 1939	Trustee	2004 to present	Executive Vice President of Teachers Insurance and Annuity Association and College Retirement Equities Fund from 1989 to 2003.	33 RICs consisting of 106 Portfolios	NSTAR (e and gas ut
Rodney D. Johnson ⁴ 55 East 52nd Street New York, NY 10055 1941	Trustee	2007 to present	President, Fairmount Capital Advisors, Inc. since 1987; Member of the Archdiocesan Investment Committee of the Archdiocese of Philadelphia since 2004; Director, The Committee of Seventy (civic) since 2006; Director, Fox Chase Cancer Center from 2004 to 2011.	33 RICs consisting of 106 Portfolios	None
Herbert I. London 55 East 52nd Street New York, NY 10055 1939	Trustee	2007 to present	Professor Emeritus, New York University since 2005; John M. Olin Professor of Humanities, New York University from 1993 to 2005 and Professor thereof from 1980 to 2005; President Emeritus, Hudson Institute (policy research organization) since 2011, President thereof from 1997 to 2011 and Trustee since 1980; Chairman of	33 RICs consisting of 106 Portfolios	AIMS Worldwide (marketing

the Board of Trustees for
Grantham University
since 2006; Director,
InnoCentive, Inc.
(strategic solutions
company) since 2005;
Director, Cerego, LLC
(software development
and design) since 2005;
Director, Cybersettle
(dispute resolution
technology) since 2009.

I-13

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Number of BlackRock- Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen</u>	<u>Public Co and Inve Comp Director</u>
Ian A. MacKinnon 55 East 52nd Street New York, NY 10055 1948	Trustee	2012 to present	Director, Kennett Capital, Inc. (investments) since 2006; Director, Free Library of Philadelphia from 1999 to 2008.	33 RICs consisting of 106 Portfolios	None
Cynthia A. Montgomery 55 East 52nd Street New York, NY 10055 1952	Trustee	2007 to present	Professor, Harvard Business School since 1989; Director, McLean Hospital since 2005; Director, Harvard Business School Publishing from 2005 to 2010.	33 RICs consisting of 106 Portfolios	Newell Rubberman (manufact
Joseph P. Platt ⁶ 55 East 52nd Street New York, NY 10055 1947	Trustee	2007 to present	Director, The West Penn Allegheny Health System (a not-for-profit health system) since 2008; Director, Jones and Brown (Canadian insurance broker) since 1998; General Partner, Thorn Partners, LP (private investments) since 1998; Director, WQED Multi-Media (public broadcasting not- for-profit) since 2001; Partner, Amarna Corporation, LLC (private investment company) from 2002 to 2008.	33 RICs consisting of 106 Portfolios	Greenlight Capital R (reinsuran company)
Robert C. Robb, Jr. 55 East 52nd Street New York, NY 10055 1945	Trustee	2007 to present	Partner, Lewis, Eckert, Robb and Company (management and financial consulting firm) since 1981.	33 RICs consisting of 106 Portfolios	None
Toby Rosenblatt ⁷ 55 East 52nd Street New York, NY 10055 1938	Trustee	2005 to present	President, Founders Investments Ltd. (private investments) since 1999; Director, Forward Management, LLC since 2007; Director, College Access Foundation of California (philanthropic	33 RICs consisting of 106 Portfolios	None

foundation) since 2009;
Director, A.P. Pharma,
Inc. (pharmaceuticals)
from 1983 to 2011;
Director, The James
Irvine Foundation
(philanthropic
foundation) from 1998 to
2008.

I-14

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Number of BlackRock- Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen</u>	<u>Public Com and Invest Compa Directors</u>
Kenneth L. Urish ⁸ 55 East 52nd Street New York, NY 10055 1951	Trustee	2007 to present	Managing Partner, Urish Popeck & Co., LLC (certified public accountants and consultants) since 1976; Chairman of the Professional Ethics Committee of the Pennsylvania Institute of Certified Public Accountants since 2010 and Committee Member thereof since 2007; Member of External Advisory Board, The Pennsylvania State University Accounting Department since 2001; Trustee, The Holy Family Institute from 2001 to 2010; President and Trustee, Pittsburgh Catholic Publishing Associates from 2003 to 2008; Director, Inter-Tel from 2006 to 2007.	33 RICs consisting of 106 Portfolios	None
Frederick W. Winter 55 East 52nd Street New York, NY 10055 1945	Trustee	2007 to present	Professor and Dean Emeritus of the Joseph M. Katz School of Business, University of Pittsburgh since 2005 and Dean thereof from 1997 to 2005; Director, Alkon Corporation (pneumatics) since 1992; Director, Tippman Sports (recreation) since 2005; Director, Indotronix International (IT services) from 2004 to 2008.	33 RICs consisting of 106 Portfolios	None
Interested Trustees^{1,9}					
Paul L. Audet 55 East 52nd Street New York, NY 10055 1953	Trustee	2011 to present	Senior Managing Director of BlackRock, Inc. and Head of U.S. Mutual Funds since 2011; Chair of The U.S. Mutual Funds	158 RICs consisting of 280 Portfolios	None

Committee reporting to the Global Executive Committee since 2011; Head of BlackRock's Real Estate business from 2008 to 2011; Member of BlackRock's Global Operating and Corporate Risk Management Committees and of the BlackRock Alternative Investors Executive Committee and Investment Committee for the Private Equity Fund of Funds business since 2008; Head of BlackRock's Global Cash Management business from 2005 to 2010; Acting Chief Financial Officer of BlackRock from 2007 to 2008; Chief Financial Officer of BlackRock from 1998 to 2005.

I-15

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Length of Time Served²</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Number of BlackRock- Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen</u>	<u>Public Com and Investr Compan Directorsh</u>
Henry Gabbay 55 East 52nd Street New York, NY 10055 1947	Trustee	2007 to present	Consultant, BlackRock, Inc. from 2007 to 2008; Managing Director, BlackRock, Inc. from 1989 to 2007; Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; President of BlackRock Funds and BlackRock Bond Allocation Target Shares from 2005 to 2007 and Treasurer of certain closed-end funds in the BlackRock fund complex from 1989 to 2006.	158 RICs consisting of 280 Portfolios	None

Trustees
serve until
their
resignation,
removal or
death, or
until
December
31 of the
year in
which they
turn 72.
1 The Board
has
approved
one-year
extensions
in the
terms of
Trustees
who turn
72 prior to
December
31, 2013.

2 Following
the
combination
of MLIM
and

BlackRock,
Inc. in
September
2006, the
various
legacy
MLIM and
legacy
BlackRock
fund boards
were
realigned
and
consolidated
into three
new fund
boards in
2007. As a
result,
although the
chart shows
certain
Independent
Trustees as
joining the
Trust' s
board in
2007, those
Independent
Trustees first
became
members of
the boards of
other legacy
MLIM or
legacy
BlackRock
funds as
follows:
David O.
Beim, 1998;
Ronald W.
Forbes,
1977; Dr.
Matina S.
Horner,
2004;
Rodney D.
Johnson,
1995;
Herbert I.
London,
1987;
Cynthia A.
Montgomery,
1994; Joseph
P. Platt,
1999; Robert

C. Robb, Jr.,
1999; Toby
Rosenblatt,
2005;
Kenneth L.
Urish, 1999;
and
Frederick W.
Winter,
1999.

3 Chair of the
Performance
Oversight
Committee.

4 Co-
Chair
of the
Board.

5 Chair of the
Governance
Committee.

6 Chair of the
Compliance
Committee.


7 Vice Chair
of the
Performance
Oversight
Committee.

8 Chair of
the Audit
Committee.

Mr. Audet
is an
“interested
person,” as
defined in
the
Investment
Company
Act, of the
Trust based
on his
9 position
with
BlackRock,
Inc. and its
affiliates.

Mr.
Gabbay is
an
“interested
person” of
the Trust
based on

his former
positions
with
BlackRock,
Inc. and its
affiliates as
well as his
ownership
of
BlackRock,
Inc. and
The PNC
Financial
Services
Group, Inc.
securities.
I-16



Certain
biographical
and
other
information
relating
to the
officers
of the
Trust
is set
forth
below,
including
their
address
and
year of
birth,
their
principal
occupations
for at
least
the last
five
years,
length
of time
served,
the
total
number
of
registered
investment
companies
and
investment
portfolios
overseen
in the
BlackRock-
advised
Funds
and
any
currently
held
public
company
and
investment
company
directorships:

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Length of Time Served¹</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Number of BlackRock- Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen</u>	<u>Public Com and Invest Compan Directors</u>
John M. Perlowski 55 East 52nd Street New York, NY 10055 1964	President and Chief Executive Officer	2009 to present	Managing Director of BlackRock, Inc. since 2009; Global Head of BlackRock Fund Administration since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009.	62 RICs consisting of 188 Portfolios	None
Richard Hoerner, CFA 55 East 52nd Street New York, NY 10055 1958	Vice President	2009 to present	Managing Director of BlackRock, Inc. since 2000; Co-head of BlackRock's Cash Management Portfolio Management Group since 2002; Member of the Cash Management Group Executive Committee since 2005.	24 RICs consisting of 94 Portfolios	None
Brendan Kyne 55 East 52nd Street New York, NY 10055 1977	Vice President	2009 to present	Managing Director of BlackRock, Inc. since 2010; Director of BlackRock, Inc. from 2008 to 2009; Head of Product Development and Management for BlackRock's U.S. Retail Group since 2009, and Co-head thereof from 2007 to 2009; Vice President of BlackRock, Inc. from 2005 to 2008.	158 RICs consisting of 280 Portfolios	None
Simon Mendelson 55 East 52nd Street New York, NY 10055	Vice President	2009 to present	Managing Director of BlackRock, Inc. since 2005; Co-Head of the	24 RICs consisting of 94 Portfolios	None

1964

I-17

Global Cash and Securities Lending Group since 2010; Chief Operating Officer and Head of the Global Client Group for BlackRock's Global Cash Management Business from 2007 to 2010; Head of BlackRock's Strategy and Development Group from 2005 to 2007; Partner of McKinsey & Co. from 1997 to 2005.

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Length of Time Served¹</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Number of BlackRock- Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen</u>	<u>Public and C Dir</u>
Christopher Stavrakos, CFA 55 East 52nd Street New York, NY 10055 1959	Vice President	2009 to present	Managing Director of BlackRock, Inc. since 2006; Co-head of BlackRock's Cash Management Portfolio Management Group since 2006; Senior Vice President, CIO, and Director of Liability Management for the Securities Lending Group at Mellon Bank from 1999 to 2006.	24 RICs consisting of 94 Portfolios	
Neal J. Andrews 55 East 52nd Street New York, NY 10055 1966	Chief Financial Officer and Assistant Treasurer	2007 to present	Managing Director of BlackRock, Inc. since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006.	158 RICs consisting of 280 Portfolios	None
Jay M. Fife 55 East 52nd Street New York, NY 10055 1970	Treasurer	2007 to present	Managing Director of BlackRock, Inc. since 2007; Director of BlackRock, Inc. in 2006; Assistant Treasurer of MLIM and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.	158 RICs consisting of 280 Portfolios	None
Brian P. Kindelan 55 East 52nd Street New York, NY 10055 1959	Chief Compliance Officer and Anti- Money Laundering Officer	2007 to present	Chief Compliance Officer of the BlackRock-advised funds since 2007; Managing Director and Senior Counsel, BlackRock, Inc. since 2005.	158 RICs consisting of 280 Portfolios	None
Benjamin Archibald 55 East 52nd Street New York, NY 10055	Secretary	2012 to present	Director of BlackRock, Inc. since 2010; Assistant Secretary to the	62 RICs consisting of 188 Portfolios	None

1975

Trust from 2010 to 2012;
General Counsel and
Chief Operating Officer
of Uhuru Capital
Management from 2009
to 2010; Executive
Director and Counsel of
Goldman Sachs Asset
Management from 2005
to 2009.

Officers
of the
Trust
1 serve at
the
pleasure
of the
Board.
I-18

relating to each Trustee's share ownership in the Funds and in all BlackRock-advised Funds that are overseen by the respective Trustee ("Supervised Funds") as of December 31, 2012 is set forth in the chart below:

Interested Trustees:

	None	None	None	Over \$100,000												
Henry Gabbay	None	None	None	None					None						Over \$100,000	
<i>Independent Trustees:</i>																
David O. Beim	None	None	None	None					None						Over \$100,000	
Ronald W. Forbes	\$10,001-\$50,000	\$1-\$10,000	\$10,001-\$50,000	\$50,001-\$100,000					\$10,001-\$50,000						Over \$100,000	
Dr. Matina S. Horner	None	Over \$100,000	None	None					None						Over \$100,000	
Rodney D. Johnson	\$50,001-\$100,000	None	Over \$100,000	None					None						Over \$100,000	
Herbert I. London	None	\$10,001-\$50,000	\$10,001-\$50,000	None					None						\$50,001-\$100,000	
Ian A. MacKinnon	None	None	None	None					None						None	
Cynthia A. Montgomery	None	None	Over \$100,000	None					Over \$100,000						Over \$100,000	
Joseph P. Platt	None	None	Over \$100,000	None					None						Over \$100,000	
Robert C. Robb, Jr.	None	None	None	None					None						Over \$100,000	
Toby Rosenblatt	Over \$100,000	\$10,001-\$50,000	Over \$100,000	None					None						Over \$100,000	

Kenneth L. Urish	\$10,001-\$50,000	\$1-\$10,000	\$50,001-\$100,000	\$1-\$10,000	None	Over \$100,000
Frederick W. Winter	\$10,001-\$50,000	None	\$10,001-\$50,000	None	None	Over \$100,000

As of January 1, 2013, the following persons held outstanding shares of the common stock of the company beneficially or constructively:

Compensation

Each Trustee and Executive Officer of the company, as a Board member, receives a fee for attending meetings, for up to 10 hours per month, on a case-by-case basis, for services relating to attending meetings as a Trustee, Chair of the Audit Committee, Vice-Chair of the Audit Committee, or as a member of the Equity-Liquidity Committee.

Mr. Gabbay, the Equity-Liquidity Committee member, receives services as a board member, for up to 10 hours per month, in arrears, allocated on a case-by-case basis, for services relating to attending meetings as a Trustee, Chair of the Audit Committee, Vice-Chair of the Audit Committee, or as a member of the Equity-Liquidity Committee. The fee for attending meetings up to 10 hours per month is to be determined by the Board of Directors, based on policy on travel and per diem, and the amount of funds in the treasury. The fee for attending meetings (with or without travel) is to be determined on such boards.

compensation for
modifications.

The following
and the aggregate

Name

Independent Trustees

David O. Beim²

Ronald W. Forbes³

Dr. Matina S. Horne

Rodney D. Johnson

Herbert I. London

Ian A. MacKinnon⁵

Cynthia A. Montgomerie

Joseph P. Platt⁶

Robert C. Robb, Jr.

Toby Rosenblatt⁷

Kenneth L. Urish⁸

Frederick W. Winter

Interested Trustees

Paul L. Audet

Henry Gabbay

¹ For the number of
beginning of the

² Chair of the

³ Co-Chair of the

⁴ Chair of the

⁵ Mr. MacKinnon
Liquidity Co

⁶ Chair of the

⁷ Vice-Chair of the

⁸ Chair of the

The Trust, or its agent, shall be entitled to receive fees for its services, including management fees, as set forth in the Schedule indicated.

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Careers
Science & Technology

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Careers
Science & Technology

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Careers
Science & Technology

BlackRock Management, Inc. together with BFM each Sub-Advisor a percentage of the fees for the day-to-day management of the Fund to BFM with respect to

September 30, 20
September 30, 20
September 30, 20

Administration

BlackRock (U.S.) Inc. (“PN “Administration longer considered (US) Inc. (previ with statistical a data processing prepare and file contractual exp Trust’ s indepen to the Trust and

Under the A and payable mo of the next \$500 billion and (ii) . next \$500 millio Fund in excess o

Under the A Trust’ s service acting as liaison and support serv

The Admini law or for any lo resulting from w of their respecti their affiliates a neither BlackRo faith, gross negl

For the last Administrators

Fund

Global Opportuni International Opp U.S. Opportunitie Health Sciences C Science & Techno

Global Opportunities

Name of Portfolio

Thomas Callan, CFA

Ian Jamieson, CFA

Nigel Hart, CFA

International Opportunities

Name of Portfolio

Thomas Callan, CFA

Ian Jamieson, CFA

Nigel Hart, CFA

U.S. Opportunities

Name of Portfolio

Thomas Callan, CFA

Jean Rosenbaum, CFA

Health Sciences

Name of Portfolio

Thomas Callan, CFA

Erin Xie, PhD

Science & Technology

Name of Portfolio

Thomas Callan, CFA

Other Compensation

be eligible to receive

Incentive Stock

eligible to participate

Purchase Plan (the

of eligible payee

compensation under

registered investment

direction set by the

fund that corresponds

common stock and

to the purchase price

Messrs. Callan, Smith

Portfolio Manager

As of September 30,

owned by each person

Portfolio Manager

Thomas Callan, CFA

Ian Jamieson, CFA

Nigel Hart, CFA

Jean M. Rosenbaum

Erin Xie, PhD

Portfolio Manager

BlackRock Investment

designed to provide

procedures that

and other potential

BlackRock funds

consistent with

funds or have paid

of such fees), with

shareholders and

and sale BlackRock

shareholder, employee

with respect to the

companies of which

officers, or companies

shareholders or public information strategy utilized managing hedge incentive fees. No any incentive fee

As a fiduciary securities for me to allocate invest end, BlackRock with sufficient f as appropriate.

Custodian and

The Bank of the custodian for balances and ca any overdraft ch be carried forwa the end of a give

BNY Mellon 19809, serves as

Credit Agreem

The Trust, a with a group of to meet shareho Fund may borro or contractual li expenses. The c fees on the aggr charged interest

V. Information

Set forth be Fund, including (“BRIL” or the **Global Opport**

For the Fiscal Ye

2012
2011
2010

The tables below show the fees payable under each Fund for the various activities for Investors A, B, C and Investor B, Investor C.

For the two years ending 31 December 2013, the servicing fees payable under the following Funds are:

Investor A Shares

Fund

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Capital
Science & Technology

Investor B Shares

Fund

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Capital
Science & Technology

Investor C Shares

Fund

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Capital
Science & Technology

Service Shares

Fund

International Opportunities
U.S. Opportunities
Health Sciences Capital
Science & Technology

Class R Shares

Fund

Global Opportunities
Health Sciences Capital
Science & Technology

VI. Computations
An illustration of the computation of the net asset value of Investor A net of sales charge

Net Assets
Number of Shares
Net Asset Value Per Share
(net assets divided by number of shares outstanding)
Sales Charge (5.2% of net asset value)
Offering Price

¹ Rounded to the nearest cent.
The offering price of the shares of Investor A Shares is based on the information on the Statement of Assets and Liabilities.
VII. Portfolio Information
See "Portfolio Information"

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Opportunities
Science & Technology Opportunities

The following table sets forth the approximate net asset value of the fund and the approximate sales charge for the fund as of the end of the most recent period for which data is available, and the approximate net asset value of the fund and the approximate sales charge for the fund as of the end of the most recent period for which data is available, and the approximate net asset value of the fund and the approximate sales charge for the fund as of the end of the most recent period for which data is available.

Fund

Global Opportunities
International Opportunities
U.S. Opportunities
Health Sciences Opportunities
Science & Technology Opportunities

U.S. Opportunities
brokers or dealers

The value of
or dealers (as de
year ended Sept
Regular Broker/

Global Opportuni
JPMorgan Secu
CitiGroup Glob
Deutsche Bank
Barclays Bank
Goldman, Sach
BNP Paribas Se

International Opp
Deutsche Bank
Barclays Bank
BNP Paribas Se
RBC Capital M

For the last t

Fund

Global Opportuni
International Opp
U. S. Opportunitie
Health Sciences C
Science & Techno

Portfolio Turno

Science & T
ended Septembe
year ended Sept
to the general m
to the historical
conditions.

VIII. Addition

The Trust

The Trust w
Act as an open
Effective Januar
to issue an unlin
series and classe

Under Mass
the obligations o
liability in conn
other undertakin
Declaration of T
of his or her bei

The Declaration
for any act or ob
The Declara
Trust property f
damage, judge
any business of
such Trustee' s
stated, the Decl
incurred by suc
which he or she
representatives a

Principal S

To the know
Fund' s shares a
Global Opport
Name

*Merrill Lynch, P
Fenner & Smith I

*Merrill Lynch, P
Fenner & Smith I

*First Clearing, L

*Pershing LLC

*NFS LLC FEBO

*Morgan Stanley

*Merrill Lynch, P
Fenner & Smith I

*Morgan Stanley

*First Clearing, L

*Merrill Lynch, P
Fenner & Smith I

*Charles Schwab

*State Street Ban
(FBO) ADP Acce

*Merrill Lynch, P
Fenner & Smith I

*Hartford Security
As Agent For Rel

* Record holder
International C
Name

*Merrill Lynch, P
Fenner & Smith I

*Charles Schwab

*UBS WM USA

*Pershing LLC

*American Enterprise

*NFS LLC FEBC

*Morgan Stanley

*First Clearing, L

*Merrill Lynch, P
Fenner & Smith I

*Pershing LLC

*NFS LLC FEBC

*Charles Schwab

*Merrill Lynch, P
Fenner & Smith I

*Morgan Stanley

*First Clearing, L

*Raymond James
Mutual Funds

*UBS WM USA



*Merrill Lynch, P
Fenner & Smith I

Name									
									*Morgan Stanley
									*Pershing LLC
									*UBS WM USA
									*First Clearing, L
									*NFS LLC FEBO
									*Merrill Lynch, P Fenner & Smith I
									*NFS LLC FEBO
									*Morgan Stanley
									*First Clearing, L
									*Charles Schwab
									*NFS LLC FEBO
									*TD Ameritrade I
									*Pershing LLC
									*Merrill Lynch, P Fenner & Smith I
									*Hartford Securit As Agent For Rel
									* Record holde
Science & Tech Name									
									*Merrill Lynch, P Fenner & Smith I

[illegible]

*Merrill Lynch, P
Fenner & Smith I

Name									
									*Pershing LLC
									*Morgan Stanley
									*First Clearing, L
									*Merrill Lynch, P
									Fenner & Smith I
									*Morgan Stanley
									*First Clearing, L
									*Pershing LLC
									*Merrill Lynch, P
									Fenner & Smith I
									*First Clearing, L
									*Morgan Stanley
									*NFS LLC FEBO
									*TD Ameritrade I
									*Ed Sabo, Martin
									Dave Kotowski F
									Specialty Chemica
									401(K) Profit Sha
									*Pershing LLC
									*Merrill Lynch, P
									Fenner & Smith I
									*Michael Dimitro
									FBO Landmark P

* Record holder
IX. Financial S
The Funds'
in this Statement
Report at no cha

Throughout this
collectively with

Each Fund is org
jurisdiction, nor
referred to herei
or directors of e
manager of each
management ag
Incorporation or
Act of 1940, as
to herein as the

Certain Funds a
portfolio (each,
objective and str
sometimes calle
the underlying M
its Master Portfo

In addition to co
BlackRock-advi

Set forth below
and the risks an
the “Investment
risks. Informati
strategies applie
of investment or
not form a part
Fund.

Only informatio
Statement of Ac

144A Securities

Rule 144A unde
tradable in their
adopted by the I
determining and
be responsible f
offered under R
investment prac
become for a tir

Asset-Backed S

receivables or o
of expenses — r
value of asset-ba
decreases when
potential for pre
securities and th
underlying asset



thereby reducing the proceeds of a premium was prepaid. To the extent of the premium received, the increase current to shareholders, but may occur at a slower rate than considered short-term, generally fluctuates, extension risk could be a prepayment feature of interest may also

Asset-Based Securities

or conversion term referred to as “asset-backed securities” have outstanding ratings (“Fitch” or “Moody’s”) or by rating category, downgraded than other similar factors market prices for there may not be a claim on the underlying preferred dividend cash at the stated instance, because the secondary market principal amount

Precious Metals

precious metals be purchased when the values are uncertain or in companies involved in prices during such companies, which

The major producer of gold by Russia and Economic, financial

Bank Loans. Commercial

Usually, they are through private (“Lenders”). A portion of Loans for purposes of its Lender, not with entitlement only from connection with of the loan agreement any collateral supplied by the borrower and



Fund may be tre
The Fund will a
Fund's manager
the borrower on
Assignments on
Assignment at s
Purchases and F

A Fund may hav
highly liquid, an
institutional inv
on the Fund's ab
deterioration in
determined by th
and Participation
of the Fund's as

Leading financi
agent arranges t
Fund may not re

The Loans in wh
provide collateral
collateral may n
creditors under
erode during a b
long delay in rec

Borrowing and
meet redemption
5% of their total
have been obtain
investments. Th
increases the Fu
leverage by a Fu
may exaggerate
borrowings will
create interest e
income or capita
on the borrowin
appreciation fro
Fund will be les
will be reduced.
position if it exp
reduced return.

Certain types of
coverage, portfo
the Manager fro
of any such cov
the Fund to disp

Each Fund may
those available i

investment char
target index. Inv
take into account
operating costs o
the total return o
investment.

Cash Management
anticipated rede
portion of a Fun
purposes. Such
political subdivi
higher by S&P o
including negoti
Fund invests in
debt rated Aa or
obligations rated
quality in the op

Collateralized L
bond obligation
asset-backed sec
diversified pool
CLO is ordinari
domestic and no
rated below inve
enhancement in
be present, and
contracts to crea
instruments des
to those of a Fun

For both CBOs
The riskiest port
protect the other
defaults, a senio
rated investment
actual defaults,
coverage tests, i
of defaults as w
or deferred and
default risk with

The risks of an i
invests. Normal
As a result, inve
for CDOs, allow
securities and as
to: (i) the possib
that the collater
("NRSRO"); (ii)
the transaction a
investment retur
readily available
failures; and (vi



Commercial Pa

“Section 4(2) pa
afforded by Sec
is frequently sol
make a market i
registration exer
of purchase) “A
issues rated “A-

Commodity-Lin

markets primari
one or more con
option contract,
instruments bec
because at least
measurable econ

The prices of co
debt securities v
periods of rising
rates. Conversel
historically tend
future, and at ce
securities. Comm
financial assets.
may not provide
expected to und
expected to exh

Qualifying Hybr

Commodity Exc
regulation must
hybrid instrume
delivery of the h
issuer in addition
life of the hybrid
mark-to-market
delivery (or opti
principal protec
will pay, at a mi
linked declines
protected hybrid
on the underlyin
the underlying c
In addition, the
depends on the c
either the stated
commodity, ind
protected hybrid
variable to whic
protected hybrid

Hybrid Instrume

At maturity, the
sufficiently in v
discretion, may



note without pri
commodity futu
factors that the l

Limitations on L
undue leverage
the leverage of t
instrument's "le
economic variab
the expected inc
contract, index c
underlying econ
instrument with
"Portfolio levera
market values o
use of leverage
with the applica
in its investment

Counterparty R
are standard con
contract, an inve
and typically ha
clearinghouse m
counterparty cre
perform its oblig

Convertible Sec
or exchanged fo
period of time a
the dividend pai
conversion, con
stable stream of
comparable non
value declining
may have an eff
corporation's ca
subject to redem

The characterist
total return from
value of the und
common stock c
nature. As a res
less than would

In analyzing con
and the potentia

Convertible secu
convertible secu
of the country w
security is denon
respect to conve
may be based on

Apart from current market prices, the value of convertible securities is comparable to the value of common stock. If the price of the underlying stock changes, the value of the convertible security will change. The value of the convertible security would be obtained by adding the value of the common stock to the value of the convertible security. The value of the convertible security increases to a point where it is equal to the value of the common stock, principally by its conversion into common stock. The place value on the convertible security is the premium of conversion value to affect the value of the common stock.

Holders of convertible securities are subordinated to the holders of common stock at a price established by the issuer. If a convertible security is issued, the holder of the convertible security is entitled to the underlying common stock, which entitles the holder of the convertible security under the terms of the convertible security to the underlying common stock.

A Fund may also invest in Convertibles or Convertible Securities. Convertibles or Convertible Securities are securities in all states of the common stock of a company that have a cash amount to be paid to the holder of the convertible security when the convertible security is converted into common stock. The convertible securities are income components of the fund's investment in non-convertible securities. The convertibility of the convertible securities ("equity features") is determined at a specific time at a specific price. The underlying stock of the convertible securities is the common stock of the company.

A Manufactured Security is a security, which is a security, each of which has a fixed value of its fixed value.

More flexibility. Because many convertible securities have a feature with respect to the underlying stock that is unavailable in the common stock of the company, the convertible securities are more objective than a common stock. A fixed income security is an instrument to create a fixed income security. A Manufactured Security is a security upon purchasing a warrant for every share of common stock. A warrant pending

convertible of si
income securitie

Debt Securities.

principal and int
Changes in an is
investment in th
securities, howe
interest rates mo
adversely affect
down more in re

During periods o
principal payme
mortgage-relate
these securities

The value of fix
income securitie
and depreciation
purchasing indiv

Depository Rec

Receipts or othe
the same curren
unsponsored An
("GDRs") and o
ownership of un
Receipts, are rec
domestic underl
basis. Unspons
underlying secu
and GDRs, and
the issuer. Depo
may be converte
Investment Risk

Derivatives

Each Fund may
from another se
Index or the pri
quickly and effi
Funds may also
is primarily seek
purposes, the Fu
cost. Unless oth
prohibited by its

Hedging. Hedgi
other investmen
hedging can red
anticipated by th
the risk that cha
case any losses

futures contract
to engage in hed

A Fund may use

Indexed and Inve
an illustration, a
prime rate. A Fu
basket of securiti
return of which
opposite directio
interest when a
increases. If a F
event of an adve
certain indexed
indexed and inv
of an adverse m
maintain the pos

Swap Agreemen
a few weeks to m
of return) earne
gross returns to
return on or incr
representing a p

Each Fund, othe
into an equity sw
principal amount

Whether a Fund
objectives will c
produce greater
seven days, swa
received under a
swap agreement
such a transacti
also subject to th
segregated acco
value of the liab
investment, plus
grown substanti
utilizing standar
unregulated. It i
Fund's ability to

Credit Default S
agreements, and
obligations one
obligated to pay
generally that ne
the "par value"
entity described
may be either th
swap is held thr
the swap in excl

months and three months notional value of the swap or no value.

Credit default swaps since, in addition to the credit default swap, nationally recognized by the Manager and the swap is sold by the seller, coupled with the swap, resulting in a loss to many of the same parties to the contract net

Credit Linked Securities issued by a limited liability company such as credit default swaps, for instance, a Fund may be required to remain fully invested

Like an investment in the form of distribution, the issuer's receipt of other securities would receive a payment to the reference entity would be obligated to reduce the amount subject to the risk of counterparty risk. registration under the Securities Act constitute illiquid

Interest Rate Transactions agreements including interest rate swaps, to the extent that interest rate swaps agree to make payments more liquid than swap agreements or to the terms. A Fund may be based on liability for transactions primarily for the purpose of technique or to provide used for speculation

A Fund will use the option to receive or paying, as the case may be

Depending on the swap option than its premium it has paid, the option the Fund

party to an inter
contractually en

Total Return Sw
another party ba
of securities or s
or the total retur
without owning
effectively add
exposure on the

Total return swa
Swap agreemen
enter into total r
paying, as the ca
over its entitlem
aggregate net as
entered into on e
the Fund's oblig
total return swa
any amount the

Types of Option

Options on Secu
securities or sec
securities or an
counter ("OTC")
parties to post m
guaranteed by th
the seller, but g
greater liquidity

Call Options. A
call option gives
the option perio
that, rather than
the holder the ri
the exercise pri

A Fund also is a
into closing pur
for a premium, g
time of the cont
return than wou
option is in effe
ability to sell the
transaction. A c
of an identical o
of the premium

A call option is
price of the call
written provide
records to the ex



A Fund also is a currently held by the ownership of sufficient margin to be purchased for segregate unencumbered amounts owed by (as calculated per its obligations will limit the Fund's be a profitable source there is no undue potential for loss obligation. Therefore purchase. If the

Put Options. A Fund's return. By buying limiting the Fund's amount of any amount premium paid for transaction and put option plus the means of an offset uncovered put option

A Fund also has provided that sufficient premium for written Fund's assets will

A Fund is also a to which the Fund value of the put uncovered put or market value. As instruments decrease option will expire exercise price. In the Fund's exposure ensure that a Fund of the Fund's portfolio

Risks Associated there are significant markets, causing whether traded or may be insufficient transactions or classes or series national securities be adequate to hedge decide or be covered event the second

Futures

A Fund may engage a purchaser to take a price. No price is deposit collateral futures position prior day or be covered involve substantial

The sale of a futures contract the futures contract the portfolio holder

The purchase of market value for market the Fund anticipatory hedging

A Fund is also a Generally, these types of investment futures contracts its securities. Since the purchase of Fund intends to

To maintain greater instruments may value of a security of investing in foreign

Risks Associated correlation between (b) possible lack (c) losses caused predict correctly possibility that the

Each Fund has Rule 4.5 of the to registration of

Foreign Exchange and sell options Instruments”) for against the U.S. hedges on foreign be purchased by in a yen-denominated sell a specified amount of the yen relative cost of acquiring

type that may be
restriction that r

Forward Foreign
amount of a spe
exchange transa
transactions for
enhance returns
purchasing a cur
receiving a divid
by selling forwa
anticipates acqu
are transactions
currency on a fo
the value of exis
is exposed is dif
whose changes
are, or are expect
other transaction
fluctuates in val
various currenci
Fund may also c
value relative to
may hold both C
Canadian dollar
dollars, although
exchange transa
by entering into
hedge”). A Fund
the currency in
currency in whic
than executing a

Some of the for
are cash-settled,
the profit or loss
the spot rate at t
The fixing date
calculated. The
commonly quot
used to gain exp

Currency Future
currency futures
standardized, ex
involve substant

Currency Option
currency option
the writing of cu
premium the wr
specified amount
engage in transa
options, it may

Currency Swaps
portfolio position
currency on a sp
Fund and another
principal value o
delivery of the e
value of a curren

Limitations on C
it owns (includin
denominated in
covered by the s
be covered as de

Risk Factors in
correlation risk.
asset value of th
be used with the
anticipated curre
extent that a Fun
return as the res
not be engaging

In connection w
or domestic sec
on daily price m
There have been
prices with an u
to sell. Governm
forward contrac
to perform with
its commitments

It may not be po
(i) the currency
effective price, c
available and it
transactions var
prevailing. Sinc
involved.

Risk Factors in

Derivatives are

Credit Risk — th
risk that the refe

Currency Risk —
terms) of an inv

Leverage Risk —
increase the amo
Certain investm

Correlation Risk
that are being he

Index Risk — If
index. If the ind
below what that
may create lever
index.

A Fund intends
instruments or, i
under “Addition
assurance that, a
sell such instrum
substantial losse

Certain transact
expose a Fund t
the Fund will de
basis, to the tran
assets available

Additional Risk

Certain derivati
The absence of
absence of liqui
therefore, acqui
at which the ins
day at least two
may be used.

Because derivat
payment of mar
the Fund is at ri
minimize these
substantial capit

Distressed Secu
bankruptcy proc
of acquisition by
organizations (f
Manager of equ
risks.

A Fund will gen
Securities will n
securities in retu
such a plan of re
makes its invest
this period, it is
significant unce
required to bear
appreciation thr
diminished. The

exchange offer i
assurance that th
not have a lower
securities receiv
if a Fund partici
Distressed Secu
such proceeding
investor. The Fu

Dollar Rolls. A
agreement by th
bear the same in
different prepay
receive interest
Fund, and the in
appreciation and
will diminish th
rolls. At the tim
in an amount eq
maintained.

Dollar rolls invo
below, or the ma
forward commit
of the current sa
whether to enfor
techniques that
date, the Fund w
enhance return.
sale of a substan
ability to correc

Equity Securities
(including conv
warrants and rig
For a discussion
securities, see y

Exchange Trad
usually a financ
or more underly
traded in the sec
pay a return link
certain fees. Un

The value of an
and lack of liqui
changes in the is
that is tied to a r
not incurred by
may be difficult
any form. While
incurred if the in

demand in the market
underlying the market

There may be risks
The Fund's decision
lose some or all

Foreign Investment
market countries
risks not typical
the chances that

Securities issued
deemed to be U.S.
securities traded
issuer of securities

In addition to equities
sovereign governments
municipality; (b)
(d) debt obligations
and (f) foreign convertible securities

Dividends or interest

Foreign Market
only in the United States
securities traded
the chances that
foreign exchange
exchanges. In addition
Investments in foreign
addition, the government
markets or in certain
foreign securities
operations. Other
government securities
diplomatic relations
exchange controls
available to investors
or monetary policy
adversely affect
foreign countries

Foreign Economic
respect to such
Certain such economic
developments, trade
patterns, trade balance

Currency Risk
currencies, the value
by changes in exchange

generally known
will increase the

Governmental S
brokers and the
to the U.S. secu
occurs when a p
in other countri
much detail as U
financial conditi
otherwise, on fo
necessary for th

Certain Risks of
banks and secur
custody busines
may put limits o
bankrupt. In add
United States. T
typically results
States.

Publicly Availab
respect to U.S. c
requirements ap
increased in rec
investments may
addition, there i
countries than in

Settlement Risk.
Foreign settleme
securities) not ty
market countries
on physical settl
these problems
securities, it may
some period. If
declines or, if it

Funding Agreee
with these invest
company then c
agreements prov
agreement becom
insurance comp
companies, and

Guarantees. A
Generally, the g
issuer is unable

Illiquid or Rest
trading market c
price to be obtai

Illiquid securities
securities may r

to take advantage of
require cash, such as
requirements or

A Fund may invest in
sold in private placement
other established
jurisdiction or domestic
securities may be
may be resold in the
originally paid for
subject to the discount
any privately placed
before being resold
placements may
greater risks. The
management group
may restrict the

Some of these securities
and may not fund
the Fund's ability
the Fund may have
may have a subject
costs that are high
illiquid securities
actually permitted
to develop, the

Inflation-Indexed
instruments which
Treasury and some
the Consumer Price

Inflation-indexed
securities with a
fixed percentage
value of \$1,000
mid-year par value
inflation during
would be \$1,030

If the periodic amount
and, consequently
Repayment of the
indexed bonds,
Certain Funds may
principal is not paid
addition, if the
inflation index rises

The value of inflation
tied to the relationship
nominal interest rate
nominal interest rate

While these securities may experience a decline in value, the Fund does not guarantee that investors in these securities will not experience a decline in value.

In general, the Fund's investments in Urban Consumer Services may be subject to changes in the competitive environment by a foreign government, which may result in no assurance that the Fund will receive services. Moreover, the Fund's investments in the United States may be subject to changes in the competitive environment by a foreign government, which may result in no assurance that the Fund will receive services.

Any increase in the value of the Fund's investments may not result in a corresponding increase in the value of the Fund's assets.

Inflation Risk. The Fund's investments in income from investments may be subject to inflation risk. If the value of a Fund's assets declines, the Fund's investments may not be able to keep pace with inflation.

Information on the Fund's Investments

Standard & Poor's 500 Index. The Fund's investments in the Standard & Poor's 500 Index are subject to the trademarks of The Standard & Poor's Company, which are not endorsed, sold or distributed by the Fund. The Fund does not make any representation as to the advisability of investing in or the performance of the Standard & Poor's 500 Index or any member of the Standard & Poor's Company. The Fund's investments in the Standard & Poor's 500 Index are subject to the trademarks of The Standard & Poor's Company, which are not endorsed, sold or distributed by the Fund. The Fund does not make any representation as to the advisability of investing in or the performance of the Standard & Poor's 500 Index or any member of the Standard & Poor's Company. The Fund's investments in the Standard & Poor's 500 Index are subject to the trademarks of The Standard & Poor's Company, which are not endorsed, sold or distributed by the Fund. The Fund does not make any representation as to the advisability of investing in or the performance of the Standard & Poor's 500 Index or any member of the Standard & Poor's Company.

S&P does not guarantee the accuracy of the information it provides and has no liability for any loss or damage caused by or resulting from the use of the information by a Fund, owner, or investor. S&P makes no representation as to the purpose or use of the information. S&P has no obligation to update the information or to calculate the S&P 500 Index or the time to be converted to the S&P 500 Index.

Russell® Indexes. The Fund's investments in the Russell Indexes are subject to the trademarks of the Russell Indexes, which are not endorsed, sold or distributed by the Fund. The Fund does not make any representation as to the advisability of investing in or the performance of the Russell Indexes or any member of the Russell Indexes.

Frank Russell Company makes no representation as to the advisability of investing in or the performance of the Russell Indexes or any member of the Russell Indexes. Frank Russell Company makes no representation as to the purpose or use of the information. Frank Russell Company has no obligation to update the information or to calculate the Russell Indexes or the time to be converted to the Russell Indexes.

Frank Russell Company makes no representation as to the attractiveness of the Russell Indexes or any member of the Russell Indexes. Frank Russell Company makes no representation as to the purpose or use of the information. Frank Russell Company has no obligation to update the information or to calculate the Russell Indexes or the time to be converted to the Russell Indexes.

kind, including,
Russell Indexes

MSCI Europe, A
of MSCI, Inc. (“

No Fund is sponsor
owners of shares
particularly or the
service marks an
of shares of a Fu
not participated
or calculation of
shares of a Fund

Although MSCI
considers reliab
MSCI makes no
of shares of a Fu
rights licensed b
warranties of me
limiting any of t
other damages (

Initial Public O
the secondary m
availability may
be able to buy a
offerings are oft
produce substan
rely on any past
it is unable to in
increases in size
same risks as in
information abo

Investment Gra
highest rating ca
a Fund’s Manag
obligations rate
speculative chan
Fund is subsequ
the Fund should
securities a Fun
extent.

See Appendix A

Investment in E
capital markets.
Corporation, the
markets can be

Investments in t
not generally ap
volume, resultin
issuers in more
potential for exp

that may limit a national interest private property differential capi

Political and eco these countries n environment, th for a Fund. In th property owners possible that a F including the ris developments m small size and in these countries n countries.

Also, there may more developed requirements co standards vary v not be applicabl company shares acquisition or di

Practices in rela in part because a in some countri recognize owne completely lost. compensation.

Investment in ne either a currency or conversion in may engage in f would adversely (including optio “Derivatives—F

Risks of Investin markets, the dev Certain Funds m market capitaliz concentration of more establishe typically are few regulatory requi potentially fewe

Many of the dev than is the case (i) authoritarian through extra-co conditions; (iii)

upon international
countries, as do
and, therefore, a

The legal system
while the potent
amount of the sl
Similarly, the rig
corporations. It

Governments of
many aspects of
country. Accord
Asia-Pacific cou
portfolio. In add
more developed

In addition to th
such issuers ma
accounting rules
currency, for bo
express items in
certain developi

Satisfactory cus
result in the Fun
such countries.

Certain develop
and foreign gov

On March 11, 2
including damag
impact on a Fun
conduct their bu

Fund managem
appropriate to in
including manag

Restrictions on
restrictions on in
illustrations, cer
investment by fo
of a company w
available for pur
timely manner. I
securities may h
industries deem

The manner in v
such investment
such countries to
the Fund. Re-reg

permissible allocation of investment at the time of the investment.

Substantial limitations on the repatriation of proceeds of sale of assets owned by the company or governmental agency may be possible that certain assets may not be available for sale or the proceeds may be subject to currency controls or other restrictions to meet redemption obligations. Repatriation may be restricted and/or only at an agreed upon rate.

In certain countries, the proceeds of sale may not be available for investment in the most recent fiscal year. These provisions may vary by country.

Political and economic conditions in these countries may result in these countries may have heightened risk to private companies. In addition, the availability to a company to sell its assets in markets in certain countries may be illiquid. Accounting information may not reflect the value or profitability of the company.

The expense ratio of the fund is primarily in domestic markets. The cost of custody of the fund's assets arising from delisting of the fund's assets may be significant.

Risks of Investment
of the recent foreign exchange clearing and registration in the company's jurisdiction and are not effective. They are licensed with the company to lose its registration. They may be appropriately share registers that may be amended or changed. Applicable Russian law may not enforce any rights of the company. The company intends to invest in the company and not result in a loss of the company's assets.

Brady Bonds. Certain governmental debt may be existing commercial restructuring plan.

--	--	--	--	--	--	--

restructurings ha
Dominican Rep

Brady Bonds may be traded in the over-the-counter market, denominated, convertible, collateralized in whole or in part by payments on the underlying amount that, in the event of default, initially is equal to the principal and intervals thereafter, supplemental interest, attached value received, or four valuation dates (iii) the uncollateralized amounts constitute

Most Mexican Brady Bonds are coupon bonds (or zero-coupon bonds) with a rolling-forward interest rate and the Argentine and Venezuelan (or comparable) Brady Bonds (Venezuela) or 12% coupon collateral agent.

Brady Bonds in the event of defaults with respect to the risk of Brady Bonds, there can be no assurance of new credit, v

Investment in
(including investments in ("ETFs"), which are Company Act, of such investments if such acquisitions and a Fund may total assets to be of its assets in the above, a Fund may BlackRock-advised company. Pursuant to these percentages apply to investments relief from the Commission to certain conditions exemptive order of the Investment Commission to certain other conditions

As with other investments, Shares of investments at market prices could be exchanged could be at market price of the Fund were to sell the shares, the Fund



In addition, if a
both their propo
at the Fund leve
waived by Blac
been waived by
not be deemed a

To the extent st
companies may
investing signif
affiliated underl

A number of pu
developing coun
such funds. The
companies. The
invest indirectly

Junk Bonds. No
bonds” are debt
management be
grade debt secur
and their yields
agencies (rated
does not necess
developments re
capacity of the i
have more credi

The major risks

- Junk bo
industry
obligati
- The issu
grade bo
its debt
of high
- Junk bo
obligati
principa
lower d
- Junk bo
If an iss
- Prices o
the price
- Junk bo
certain c
limited
significa



available
Fund's p

The sec
seconda
are mos
addition
markets
conditio
certain I
• may adv
issue an
securitie
purchas
availabl
Fund's s

- A Fund
issuer.

- The jun
of adver
affected
investm
• the valu
legislati
and limi
past.

- The rati
security
• may not
sub-adv
Fund's p
higher-r

In selecting non
of issuers, the ra
adviser continu
principal and in
security's rating
the Fund should

In the event that
forced to sell its
is based.

The costs attrib
costs and higher

Lease Obligation
contract ("lease

The Manager w
lease obligation

lease, the likelihood of the lease being longer deemed a lease in the event of future changes in lease limitations which would increase the lease obligation.

Municipal leasehold improvements are leases to make improvements to real property. The burdens are allocated to the lessee, and the reduction of income is not a potential decrease in the event of bankruptcy and interest on such debt is not tax-deductible. The Fund is entitled. To ensure the security of the asset value of the Fund would not be reduced. Assets may not be subject to the Revenue Code of 1986. Such assets, because they are not included in its income.

Liquidity Management
may invest with the following instruments: government obligations, including U.S. securities, obligations of state and local governments, may mature within the next 12 months.

Master Limited Partnership
partnerships or limited liability companies for development, management, or the marketing of real property. When the general partner is a partnership or limited liability company owned by a partnership or limited liability company. The general partner is a partnership or limited liability company. MLP plus, in many cases, through ownership.

MLPs are typically required to make distributions up to 95% of their taxable income. Interests also accrue interest. If interest has not been paid, subordinated interest is not paid. Distributable cash is generally used for the business in a way that increases cash distribution. Cash distribution is incremental dollar amounts. Streamline costs and quarterly cash distribution.

units have limited
preference over

Merger Transaction
transaction prior
in cash, stock of
company's stock
case a Fund's ho

Mezzanine Investment
certain high yield
private placement
with or without
ten years, but th
subordinate to o

Money Market
broad range of s
obligations that
acceptances ("B
institutions, dom
purchase in exce
branch or subsid

- (a) U.S. d
total as
- (b) high q
rated (
high q
- (c) unrated
determ
- (d) asset-b
card re
- (e) securit
related
- (f) dollar-
author
- (g) fundin
- (h) securit
- (i) repurc
- (j) munic
agenci
- (k) fixed a
A-2 or

(1) tax-ex
F-2 or

- (m) munic
- (n) unrated
the Fu
- (o) munic
instru

To the extent co
and banks, and n
as well as Europ

Mortgage-Rela

Mortgage-Back
principal and im
on the residential
securities). Mor
interest in fixed

Mortgage-backe
value if the valu
backed securitie
operative docum
securities are “p
mortgages are p
typically increas
traditional fixed
mortgage-backe
are based on a m
interest rates, bo
and the average
circumstances, i

To the extent tha
result in a loss to
and unscheduled
distributed to sh
mortgages may
security that wa
securities genera
extension risk co
to recoup fully i

There are curren
instrumentalities.
Association (“F
that represent an
agencies or instr
mortgage loans
enhancement.

Ginnie Mae is a
is authorized to
securities issued

to the timely pay
States. Ginnie M
Ginnie Mae cert
make payments
Pass-Through C
Fannie Mae. Th
Fannie Mae to b
chartered by Co
Freddie Mac Me
corporation char
Banks and do ne
holder to timely
payment of all p
of principal, Fre
default on an un
James Lockhart
Mac. In addition
an as needed ba

Private mortgag
securities and an
investment bank

Pools created by
related pools be
timely payment
individual loan,
entities, private
be considered in
assurance that th
Private mortgag
experience and p
standards. Any
mortgage and cr

In addition, mor
underlying mort
guarantee. As a
collateral, credit
have wider varia
pools more freq
and maturities o
those included i
made to borrow
the loans underl
requirements.

The risk of non-
a level of risk ex
turndown, high
in interest rates

Privately issued
especially when

Collateralized Mortgage Obligations (CMOs). CMOs are securities created from pools of mortgage loans or residential mortgage-backed securities. They may be collateralized by a single pool of mortgages or portfolios of mortgages. CMOs may be structured to pay interest and principal to investors in a series of payments, known as REMICs.

Certain issuers of
invest in the sec
other investment
qualifying CMC
acquiring intere
unmanaged, fix
(3) operate unde
registered or reg
cannot rely on th
and may not acc

Classes of CMOs generally require Certificates generally interest currently is taken into account tranches generally “supports” or “c



TACs are similar to classes of REMIC mortgages. If mortgages do not perform as expected or if sequential payments

Adjustable Rate mortgages with mortgage interest rates are

ARMs contain more risk. In addition, certain for any single adjustable maximum rate, ARM security will

Certain ARMs do not to pay the interest repaid through the applicable mortgage, the remaining term

CMO Residuals by private originator commercial bank underlying a series of related administrative remaining after represents income. things, the character administrative extremely sensitive stripped mortgage, to maturity on the adjustments are

CMO residuals brokers or dealers more established of the character have been registered “regular” CMO

Stripped Mortgage instrumentalities involve two classes of assets. A common principal from the remainder of the principal. While yield to maturity underlying assets adverse effect on principal, a Fund

may be increased
generally will pay
with certain purpo
presenting a grea
be diminished so
fixed rate securi

Tiered Index Bonds
bond is tied to a
rate on the tiered
rate of the tiered
floater, will move
considerably more

Municipal Bonds
States and the D
opinion of bond
Municipal Bonds
range of public
public institution
privately owned
solid waste dispos
interest paid the
types of private
industrial or com
on the size of su
principal classifi
category include

General Obligation
payment of prin
constitution or l
population decli
the ability to tax
the extent to wh
control. Accordi
principal when c

Revenue Bonds
cases, from the
financed; accord
special obligatio

Revenue bonds
in addition to th
income to pay e
rights of others
property, may b
completed and r
more difficult fo

PABs. PABs are
through a loan c
used by the enti
which may or m

taxing power of
the revenues of

Preferred Stock liquidation (and market value of credit risk, while preferred stock is greater changes interest payment stock also may be



Real Estate Rel

issuers that are p
ownership of rea
of real estate; ris
limitations on ac
increase in comp
regulation; costs
tenant bankrupt
natural disasters
are not complete
Fund's investme
of the foregoing
subject to the ris

In addition, if a
securities the Fu
investment com

Real Estate Inv

certain risks wh
or finance real e
shopping malls,

REITs are subje
costs of the REI
Equity REITs in
rents. Mortgage
main source of t

Investing in RE
general. The ma
factors, includin
of prospective t
management, m
new properties,
their exemption
adverse changes
issuers of the RI
capital. As REIT
the Fund's inves
from REIT shar
received by a Fu
eligible for the r
dividend income
dividends eligib

REITs (especial
higher annual y
rates also genera
During periods
mortgage REITs
distributions to

Investing in cert
capitalization co

S&P 500 Index.
REIT and may be
other circumstan

Repurchase Ag
party agrees, up
price in a specif

A purchase and
by the Fund and
prices at which
and sale contrac
party” repurchas
counterparties a

Repurchase agre
term of the agre
repurchase agre
be dependent up
those securities.
from market flu

Both types of ag
construed to be
repurchase agre
require the seller
during the term
of purchase and
subject to repur
Federal Reserve

In the event of c
not owned by th
suffer time dela
and subject to li
securities may b
To minimize thi
least equal to th
the extent proce

A Fund may not
together with th
and sale contrac
guaranteed by a

Reverse Repur
enter into repur
repurchase them
interest income
transaction.

At the time a Fu
price (including
speculative. Fur
proceeds will be

In addition, if the Fund or its trustee or recordkeeper holds securities and the

Rights Offering

privileges issued for the specified price of the rights or warrants. The Fund's shares is not exercising the effective price of the subscribed securities. The Fund will not make the Fund's underlying stock more speculative than the

Securities Lending

prescribed by applicable securities issued by the Fund's portfolio companies. The Investment Committee will determine the value of the loan and so that the securities "Procedures" below. The period for the securities

A Fund receives cash collateral, the Fund receives cash collateral. As a result, the Fund's borrowed securities are collateral to the Fund's cash collateral and obligations with the borrowed securities. The Fund could also incur administrative and

Each Fund has no obligation to retain an affiliate of the securities lender as collateral. In connection with the Fund, investment cash collateral is provided by the lending agent or the Fund's investment company manager. The market fund, shares of the entities. However, the Fund may advisory fees, distribution fees, and redemption fees,

A Fund would not have had the securities lender's cash collateral requirements denominated in



BlackRock Invest
be paid a fee for
lending program

Securities of Sm
than is customar
companies may
in general. Thes
management gro

While smaller o
investments in s
management be
a rate substantia
time.

Small cap and e
not be traded ev
portfolio securit
to sell these sec
not desirable.

The process of s
results; however
Careful initial se
factors necessar
addition, many i

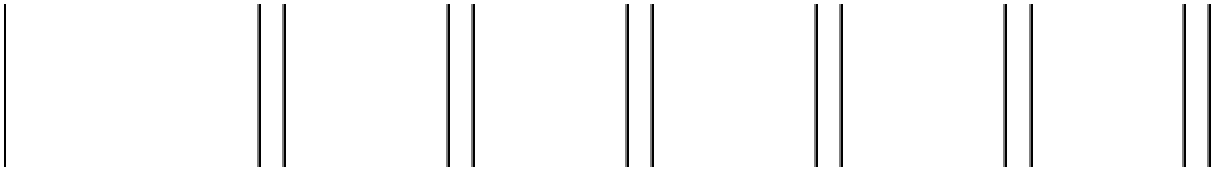
Small companies
Fund managem
enterprises. A F
technology, a un
develop into ma
by the investme

Equity securities
portions of econ
valuation of sma
various points d

Smaller compan
from the Federa

Short Sales. Ce
security or to re
investment restr
time of the sale,
When a Fund m
sale. A Fund ma
borrowed securi

A Fund secures
Government sec
required to depo
aggregate is at a



made with the b
Fund may not re

Because making sales involve spreading the date of the sales of securities that in the future will realize a gain, the issuer is able to close out its position in which it sold the securities, which the securities

Sovereign Debt. of sovereign debt. A governmental entity, for factors, its cash flow, when it is due, the relationship with the International Monetary Fund, also be dependent on the principal and interest arrears, and disbursements made by the issuer of such debtor's securities, interest when due, and may further impact the issuer's sovereign credit

Holders of sovereign debt entities. In the event of a default

Standby Commitment. amount of securities, the commitment to provide security is ultimately the commitment at the aggregate purchase price will not exceed the aggregate purchase price equal to the purchase price

There can be no delivery of securities on the delivery of securities, the option of the issuer in the value of the securities

The purchase of securities on which the securities calculation of a securities event the securities

Stand-by commitment, opinion, present, exercise its right. Accordingly, within the period during which the securities exercised or expected

Stripped Securities. and sells them at a discount interest only or at a

may have a mat
Fund may not fu
prepayments of
interest rates and

Structured Note
obligations whe
market or intere
principal amount
reference measu
therefore, may r
product may var

Structured notes
decrease in the r
applying a mult
leverage that wi

The purchase of
more volatile, le
securities. The s
them. The possi
note could expo

Supranational L
International Ba
Development Ba
capital contribut
supranational en
will continue to
pay interest or r

Trust Preferred
by corporations,
trust of a corpor
trust preferred s
stated maturity c

Trust preferred s
and fully subord
the payment of i
capital structure
certain other fea
payments on the
traditional prefere

Trust preferred s
securities ("MIF
income preferre
preferred securit

Trust preferred s
final maturity da

Many trust preferred securities have a direct obligation to the issuer, which enables the operating company to obtain a trust or special purpose vehicle of the trust preferred securities. Accordingly, payment of the trust preferred securities. The trust or special purpose vehicle, the operating company is subordinated to the claims of the corresponding operating company.

U.S. Government Securities
agencies and instruments of the U.S. faith and credit of the U.S. Government are supported or guaranteed by the U.S. Government will not be subject to Certain U.S. Treasury Securities, Treasury receipts ("TIGR") and other stripped securities. U.S. Government securities, including stripped mortgage-backed securities, principal and interest payments.

Examples of the U.S. Treasury Bonds, Treasury Inflation Protected Securities, the United States Postal Service, the Administration, the Federal Reserve, Federal Intermediate Credit Fund, Authority and Warrant, U.S. Government Securities, Freddie Mac, Securities.

U.S. Treasury Securities
characteristics. Certain U.S. Treasury Securities are not backed by the full faith and credit of the U.S. financial support.

Utility Industries

Risks that are inherent in financing large capital expenditures attributable to energy periods of high volatility, products obsolete, fuel, occasional natural energy licensing, regulatory associated with regulatory practice to time. There is to permit the payment of regulatory legislation the Fund's portfolio policies and impact.

changes in climate
expenses of a ut

Electric. The electric energy, favorably affected by many of these costs to some degree of outside of their increases in fuel associated with declined, many lowered allowed part with customer costs. The constant Nuclear Regulatory operating costs of authorizations of nuclear power



The rating agency
extent in the fut
be assigned less
that focus on tra
may see higher

A number of sta
result of such de
security prices.
power, to becom
ratepayers and i
gain experience
which have bur
However, dereg

Telecommunica
market coverage
limited markets.
competitive nati
provide access t
wireless telepho
internet services
continue to gain
industry and the
opportunities wi
Still, increasing
utilities and the
traditional telep
residential, corp

Gas. Gas transm
transmission co
Many companie
recent decade, g
increased conce
gas industry out
shifts in fuel co
regulatory chang

Water. Water sup
industry is highl
mature and are c
certain compani
that favorable in
regulation, incre

Utility Industrie
privatization and

When Issued Se
entitled to receiv
forward commit
a Fund at an est
what is consider
these transaction



In addition to the severe market c

interest, a Fund's securities are held

Suitability (All

The economic b
affiliates. Each
any particular in
and such investo

Investment Res

See “Investmen
fundamental inv
the restrictions o

The staff of the
are illiquid secu
options (includi
options currentl
currently outstar
contracts would
determined to b
the Federal Res
the dealer at a p
repurchase price
the option’s strik
multiple of the p
options is not a
the Fund’s share

Each Fund’s inv
Code. See “Divi
close of each qu
other regulated
any one issuer, t
such issuer and
securities of oth
determined to b
qualified public
market, other th
permitted mutua

Foreign govern
and the securitie
may be changed
that is “diversifi
its total assets.

Directors and C

See “Informatio
in Part I of each
and officers of y

Management A

Management Se
of the Board of
in light of its ow

The responsibility
of the other adm
each Fund.

Each Feeder Fun
assets in a Mast
Feeder Funds, p

Management Fe
for its services t
regarding specif
applicable perio

For Funds that c
and to pay all co
economic resear
persons of the F
expenses for leg
statements of ad
charges of the c
registering the s
defined in the In
interest; brokerag
Fund. Certain ac
Investment Serv
Fund pays a fee
Manager a fee fr
offering of share
Rule 12b-1 unde

Sub-Advisory Fe
Agreements”) w
the Sub-Adviser
paid by the Man
applicable perio

Organization of
California corpo
subsidiaries and
account manage
investment acco

Duration and Te
Agreement will
Directors or by
who are not part
Agreement auto
either party ther



Other Service A

Administrative S
Agreement”) wi
(each an “Admi
each applicable
periods indicate

For Funds that h
services to the F
facilities and ne
those officers an

Duration and Te
Agreement will
each applicable
Directors of the
such party. Such
party thereto or

Transfer Agency
Bank of New Yo
Agency and Sha
Agency Agreem
maintenance of
account and the
fee of 0.10% of
affiliates. For pu
the Transfer Ag
system. Effectiv

Independent Re
interested Direc
statements. Plea
public accountin

Custodian Servi
page of the Fun
the receipt and c
establish separa
United States an

For certain Feed

With respect to
positive and neg
fees, including t
the end of a giv
will not expire.

Accounting Serv
BNY Mellon pr
provides similar
to each Fund an



See “Management
for information
Administrator for

Distribution Expenses
offering of each
pay certain expenses
additional information
printing and distribution
for other supplies
and termination

Code of Ethics

Each Fund, the
Investment Company
Employees subject
be purchased or

The Board of Directors
Distribution Guidelines
portfolio information
equal access to portfolio
providers) have

Pursuant to the
with respect to a
employees of the
Fund’s and Management
Guidelines are proprietary
proprietary information
that has been publicly
publicly-available

Except as otherwise
employed by BlackRock
disclosed to the
disclosed to the
BlackRock’s General
disclosure to this
Information may

Examples of instances
include: (i) disclosure
disclosure to a non-
fund consistent
legal, auditing, or
ranking organization

Asset and Return
fund returns (net
data providers use
benchmark return



generally available
released after m

Portfolio Chara
distribution, dur
of the fund held

1. Month-e
the fifth
2. Fund Fa
sharehol
calendar
3. Money M
average
intermed
upon rec

Portfolio Holdin
shares and mark
value for fixed i
average life, dur

The following s

- Genera
interme
after th
Global
Variabl
(based

The following in
Confidential Inf

- Weekly
the nex
- Weekly
Bloom
period.

Other Informati
security-specific
bankruptcy).

Implementation.
prospective shar
compliance with
necessary or app

¹ The precise nu
day falls on a w



Ongoing Arrangements
to the following:

1. Fund's Board of Directors
2. Fund's Trustees
3. Fund's Custodian
4. Fund's Administrator
5. Fund's independent member of its Board of Directors
6. Fund's accounting firm
7. Independent member of the Board of Directors
8. Information
- Investment Solutions
9. Sponsors of the Fund
10. Consultant
- Investment Consultant
- Investments (M&A)
11. Pricing Vendor
- Research Systems
- Service, Lehman
- IBOXX Index, N
- Company, Nom
12. Portfolio
13. Third-party
- Transamerica, S
- service provider
14. Affiliated
- Market Fund Lt
15. Other —

With respect to the
information is supplied
information provided
with such arrangements

The Funds and the
has been disclosed
conditions of the
entities in possession

own benefit —
Manager's secur
any trades on th
personnel of the
Confidential Inf
disclosure of po

Potential Confl

*The PNC Finan
Advisors, LLC,
Act. Certain act
affiliates (collec
by BlackRock or*

BlackRock is on
retail, business a
partners, trustee
investment activ
management and
investors in a Fu
These activities
instruments, and

BlackRock and
separate account
or that engage in
major participan
accounts of cust
currencies, and
currencies, and
transactions, par
transactions and

When BlackRock
actually purchas
some cases, this
investments by
disadvantaging
capitalization, e
research or other
portfolio decisio
Fund, market im
costs of implem
Affiliates may, i
cause a Fund to
desirable for it t

Conflicts may a
Affiliates. For e
security sold sho
of a short positio
Affiliates or the

BlackRock and
those activities r



may be negative
impaired or effe

The results of a
their proprietary
by them. It is po
substantially mo
periods in which
other accounts.
and accounts un
which limitation

From time to tim
and/or their inte
BlackRock, and
instruments with
reached.

In connection w
models develop
a Fund in accor
to make availab
accounts manag
such information
Affiliates, or the
transactions and

In addition, cert
As a result, the p
which investors

BlackRock may
BlackRock or it
principal or issu
may have no inc
the purchase, ho
more Affiliates
which may be th
applicable law, I
also enter into tr

At times, these a
take actions adv
and its Affiliates
information syst
and its Affiliates

One or more Af
that the commis
commitment fee
view commercia
amounts that are

Subject to applic
that they receive
capacities and n
Funds or their sh



When an Affilia
take commercial
business relation
will have any ob
it expected that
creditworthiness.

Purchases and s
BlackRock and
accounts are ma
client direction.

Prevailing tradin
securities purcha
average price. T
certain circumst
bunched or aggr

BlackRock may
accounts or other
which provide, i
respect to future
permitted by law
analysis; trade i
services obtained
connection with
service arrange
Funds based on
research or other
addition, other F
discounts in com
the extent that E

BlackRock may
broker-dealer. T
dollars may exis
execution, clear

BlackRock may
order to ensure t
process. BlackR
may also enter i
including, where
credits to anothe
arrangements, m

BlackRock may
securities. These
similar to comm
would generally
connection with
discounts that w
BlackRock. Bla

BlackRock has
it makes on beh

units of BlackRock
obligations. For

It is also possible
of a Fund. Incre
that tend to redu
shares of a Fund
significantly red
diversification a
whether to redee

It is possible tha
relationships as
an Affiliate mak
provide research
BlackRock or it
public informati
time to time, the
engaged in an u
recommending t

BlackRock and
respect to Black
Funds or other p
products that mi
portion of the fe
also benefit from
services, and the
of or managemen

BlackRock and
which BlackRock
compensation m
arrangements, in
create a financial
investment advi

BlackRock and
and the valuation
investments assi
sources unavaila
determinations t
accountants assi
or recommended

As disclosed in
when market qu
at fair value by
value,” BlackRock
arm’s-length tra
selling an asset
factors that Black
BlackRock usin
security. The fair
the period in wh
redemption of it
procedures) at fa



To the extent per
or similarly-man
permitted by the
result in a Fund

BlackRock and
accounts, and m
investment strat
same, different
adversely affect
Section 17(j) of
others who norm
reviewed and co
Commission's v
EDGAR Databa
fee, by e-mail at

BlackRock and
that the Fund m
affiliated with th
the Funds and/o
determined that
another client of
may be restricte
designed to com
not be subject to
transactions, or
which an Affilia
example, when
Funds may be p
to provide advis
securities of tha
information abo
companies the s
with BlackRock
may purchase se
assignment by a
BlackRock or it

In certain circum
certain emerging
aggregate amou
Funds) that may
BlackRock, the
clients (includin
(including votin
restrictions on o

In those circum
opportunities eq
When ownershi
weighting in the
exceed an applic
be necessary to
sold prior to ber



In addition to the authorities, and security or asset

BlackRock and performance of Affiliates may be their indices to BlackRock Affiliates will be

BlackRock and funds advised by such exchange t

The custody arrangement BlackRock when Funds. This is because Funds leave cash reduces the amount having the potential offset fund custodian keep uninvested

Present and future this section, may

Most BlackRock Company Act. If Shares are sold no longer available benefit plans. Shares automatically comply the Rule 12b-1 and continue in Shares, which are Service Shares, appropriate Prospects has different ex

The applicable order purchase order to accept such order ("NYSE") (general close of business business on the NYSE, such order payment on a time canceled, notice Orders of less than

The minimum investment minimum programs. Each

and suspend and
a Fund's Manag
deduction progr

Under certain ci
class of shares t
consequences re

Each Fund or th
conditions in the
a Fund or the D
placing orders to

The term "purch
individual, (ii) c
for his, her or th
single fiduciary
"company," as t
been in existenc
other registered
participants are
or clients of an i

In-Kind Purcha
permissible inve
In connection w
day of purchase
will have good a
form for transfe
the securities. A
engaged in the i
purchased in ex

Institutional Sh

Institutional Sha
Institutional Sha
not subject to an

Eligible Instituti

Institutional Sha
relationship with
conditions on th
other fees on the
a schedule of an
Shareholders wh
conditions.

Payment for Ins
time) on the fir
investor may be

Investors who c
Fund in that acc

qualified retirement
invested in the F
(i) act in a fiduciary
(iii) act as custodian
Distributor; certain
(UITs) who reinvest

Purchase Privilege
& Co., Inc., The
benefit plan for
employees, officers
Funds' former T
paying a sales com
without paying a
of these persons
satisfy the Fund

Initial Sales Charge

Investors who purchase
continuously offered
currently hold Institutional
Shares are some

Investors qualify
because similar
investments in Institutional
(sometimes referred to as
maintain their investments
accumulated on a
and service fee.
Institutional Shares
CDSC share holder
initial sales charge
higher expense ratio
load shares' service
and have a lower

See "Information
Fund's Statement of
Investor A1 Shares

The Distributor
discounts. At times
intermediaries seek
to be underwritten

Reduced Initial

Certain investors
efforts necessary

Reinvested Dividends

behalf of the inv
an investor qual
their customers
charge, although
alert BlackRock

Letter of Intent.
investor's intent
Funds within the
investment must
Letter of Intent
Purchases subm
During the term
escrow account
amount indicate
Fund will redee

Other. The follo
plans or savings
provided the sha
over proceeds an
authorized payro
Section 501(c)(3)
investment auth
account) under r
other financial i
(g) certain state
liquidation buy
separate account
fund accounting
charge to the ex
of firms who ha
such persons ("I
parents and sibl
Investors who q

If you invest \$1
redeem your Inv
The deferred sal
through authoriz
plans; (b) excha
distributions due
from an IRA or
(e) redemptions
(i) within one y
distribution of a
Code) subsequen
balances; (h) cer
payment of PFP
absolute discreti

If a dealer waive
to purchases of

BlackRock may

For the table above, we used the following values for the volatility of Investments (Volatility) on the

Acquisition of C
of the assets of,

Purchases Through
a Fund through
standards establ

Investor B, Investor C
(Investor B Shares)
for dividend and
Investor B1, Investor C1
effect exchanges

Investors choosing to purchase a new car, they intend to have a car in the next 12 months. A Fur-

If you select Inv
Investor C1, Inv
qualified emplo
dividend and ca

The deferred sales charges. CDSC will not apply to the extent any return is received from the B2 or Investor E after a conversion.

BlackRock com
own funds. Pro
Distributor to de
services to each
facilitates the ab
“Distribution Pl
sales charge rule

Dealers will gen
Distribution and
or Investor B3 S
fees under the D

fees and commi
Investor C3 Sha

Dealers will gen
under the Fund?
Investor C1, Inv
affiliates, but ma
may be differen
Investor A1, Inv

Contingent Defe
Investor B3 Sha
indicated in the
charged. The ch
redeemed. Acco
CDSC will be a
over six years in
the order of thos
If you exchange
schedule that ap

The following ta

Yes

6

* The percenta
reinvestment
sales charge s
at that time. N
will apply.

To provide an ex
purchase, the ne
reinvestment. If
subject to a CD
applied only to
redemption proc

Conversion of In
years after purch
convert automa
each month (on
Date, without th
for Federal inco

Shares acquired
automatically to

reinvestment shall be made if the shares were outstanding

Class R Shares

distribution effort
fees are used to
time, these fees
classes.

Class K Shares

Certain of the F
(i) qualified rece
maintained with
greater than \$10
qualified and no

Service Shares

Certain Funds o
banks and broke
Group of Funds
allocation progr
0.25% per year.

BlackRock Sha

Certain Funds o
charge to institu

Distribution Pl

Each Fund has a
continuous basis
amount of share

Pursuant to the
Investor C1, Inv
affiliate or signi
only Investor B,
expense of distr
professionals (in
provision of per
paid by the Fun

Each Fund's Pla
Directors must c
class of shareho
reasonable likel
that: (i) the Boa
which such exp
the Board of Dir
be approved by
Investment Com
into in connecti
increase materia
upon approval b
the Plan remain
committed to th

Payments under
expenses incurred
the related class
consideration qu
related expenses
processing expe
with respect to c
different compe

The Plan is term
of the holders o

See “Distribution
paid by your Fu

Limitations on

The maximum s
the distribution
This limitation o
aggregate of dis
and Class R Sha
(2) interest on th
the maximum an
“Information on
Fund’s Statemen
the Investor B, I

Other Compens

BlackRock and
profits or other s
affiliates may co
BlackRock, Mer
shares of a Fund
of, among other
training and info
purchase by its c
sharing” for pro
share balances;
BRIL, BlackRo
held by, custom
described above
and do not chan
from such sales.

As of the date o
Organizations a
Advisors LLC, C
Services, Comm
Financial Partne
New England S
Associates, Sage
Inc., UBS Finan
and/or broker de

the assets attributable to the assets in the sentence are subject to the assets may make fixed or variable payments sold to, or held by, the assets

Other Distribution

Certain Funds are subject to certain circumstances, such as the distribution of assets to UBS AG plus certain other assets

In lieu of payment of the Service Organization's fees, the amount that would otherwise be paid to the Service Organization

If investment advisors are not their financial costs, in addition, depending on the financial incentives, **and review carefully the information about the**

Furthermore, BlackRock, Inc. the sale of shares of the fund may receive prizes or awards affiliates may also be salespersons in connection with charitable events and their salespersons

BlackRock, Inc. and servicing with respect to predominantly in connection with a Plan. The fees for the funds: 0.20% of the net assets).

Service Organization's customers a service fee determined and payable in amounts and are subject to Your Service Organization's

Pursuant to the terms of the will render certain services to Investor A, Investor B. Such services will be the services provided in payment of the assets limited to: (i) and (ii) redemptions of the fund. Customers in connection with the

agreements with
recordkeeping, s
of the average d
served by a Se
BRIL or their af
sub-transfer age

Shares normally
some or all of it
computing a Fun
shareholder that
assets at its disc
redeeming share
however, to be g
cash up to the le
redemption pric
shares of each F
market value of
will be no redem
you will receive

The right to red
period during w
than customary
as a result of wh
(iii) for such oth
suspend or postp

Each Fund, with
syndicate of ban
shareholders in

The Fund may r
make full-paym
a shareholder. T
determines, in it
redemption the
redemption pric

Redemption

Investor, Institu

Redeem by Tel
the amount bein
House Network
(i) the Fund doe
address, must be
Rule 17Ad-15 u
Transfer Agent
instructions with
stamp from a ba
registered secur

If you make a redemption proceeds. This covers all procedures to complete it if: (i) the account has not been verified by joint tenants; (ii) issued on the account registered on the title; (iii) liable for any loss or damage in accordance with the terms of the mortgage; (iv) the account must be repaid over periods of substantial time; (v) redemption method.

Redeem by VR
Payment for Inv
through check, A

Redeem in Writing
Transfer Agent,
requests delivery
Computer Drive
accompanied by
be required but
dealer, securities
notary public se
redemptions ma

If you redeem shares, you must give us 10 days' notice of redemption. If you redeem by certified check or money order, we must receive it 10 days before the redemption date. If you redeem by fractional share

Copyright © 2013 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

\$250 before the
of \$20, as set fo

selected fee-bas
accounts.

Second, the Fun
reason, includin
notified that the
period to make a
balance fee. Thi
programs, or acc

Repurchase

A Fund normal
asset value of th
Distributor by c
NYSE (generall
close of busines
on that day. If th
are deemed rece

These repurchas
redemption fee)
firms that do no
repurchase to th
rejected by a Fu

Reinstatement

Upon redemptio
redemption proc
a front-end sales
Share class of th
purchased at the
Fund must recei
purchase. Invest

Each Fund offer
can obtain more
Distributor, you
available only to

Investment Acc

If your account
Transfer Agent.
The statements
confirmations fo
your Investment
Transfer Agent.
shares out of an
name may be op

your shares, pay
You also may re
Agent registered
other financial i
because of the o
on its register m
shares as if certi

If you are consi
securities dealer
delivery of share
transferred to th
dealer for those

Exchange Privi

U.S. shareholder
Investor C3 and
exchanges of In
into which you a
have a current a
you may be cha
effective prospe
the exchanged s

Exchanges of In
other Funds. Inv

Exchanges of In
shares of a mon
Exchanges of In
Fund, or for sha

Exchanges of In
Shareholders of
Investor C3 Sha
C Shares, respec
relative net asse
schedules. If yo
applies to the sh
Investor C Share
Shares will coun
Shares of a Fun
half years, the 3
decide to redeem
adding the two-
Fund's Investor

Exchanges for S
market fund. If
Series Trust, yo
will receive Inv
C1, Investor C2
Summit back in
or Investor C SH

0.75% of average
other than Summ
charged in conn
determining the
received in exch
the holding peri

Exchanges by P
mutual fund adv
securities dealer

Exercise of the E
Agent, who will
wire through yo
exchange applic

A shareholder w
following addre
exchange privile
add this feature
filed with the Tr
simply contact t
change, telephon
Agent in writing

If the exchanging
account will be
which shares are
guarantor institu
Withdrawal Plan

Any share excha
available for sal
accordingly, a c
financial advise
shareholder is m

The Fund reserv
of any material
exchange reques
established from

The Fund, the ad
are genuine. The
instructions reas
authorizes the F
the investor and
instructions are
shareholders. Th

Each Fund reserv
suspend the con
exchange privile
may be applicab



If you participate in another financial instrument, you participate, you are being exchanged in a based program in another class, with charges or redemptions.

Shareholders that
the shares liquid
continue to hold
less than speci
Institutional Sha
subject to upfro
you have an exi

Details about the
from your finan

Individual retirement plans, including 401(k) plans, are subject to the same rules as these plans, including the rules regarding the treatment of distributions. For more information, see the discussion of distributions in other sections of this chapter.

Dividends received in the case of Roth IRA participation in attorneys or tax

Investor class shares are not eligible for the time of its contribution to the company's deductions from the company's income through certain intermediary foreign entities. Shareholders who own shares in the company.

Each Fund will distribute distributions are relevant Fund un Agent, and will each day on “se day after a purch days of receipt. amount of the d within ten days distributed by ea



Systematic With

Shareholders may
of the SWP, the
payments of \$50
processed on the
thereafter. An in
by visiting our v

Shareholders sh
participate in the
at any time, upo
the Fund concun
discouraged. No
Investor C2 or I
For example, m
Investor C1, Inv
(quarterly) and
B, Investor B1,
subject to the ap

For this reason,
and Exchange S

Dividend Alloc

The Dividend A
Fund (which me
such Eligible Fu
initially funded

Determination

Valuation of Sh
hours on the NY

Valuation of sec

Equity Investm
exchange or thr
independent pri
price on that Ex
means of determ
market value of
security held by
available, will b
price will be app
available on a d
prior day's price

Fixed Income I
securities' most
pricing services

| || || || || || ||

approved by the
or less remainin

participation not
from independent
securities may b
benchmark yield
tranche. Fixed in
that make a valu
perceived market
or prices of secu
conditions.

Options, Futures

are valued at the
In the event that
values such opti
no bid or ask pr
determines that
value asset. OT
Financial future
the close of such
makers or by a p

Underlying Fun

end funds or oth

General Valuat

In determining t
use, without lim
specific adjustm
had the matrix c
face value.

Prices obtained
other assets and
pricing service c
service quotatio
circumstances s

In the event that
representative o
method specifie
quotations are n
faith by the Fun
translated into U

Certain of the se
Fund's net asset
when investors c

Fair Value. Wh

valued at fair va
Fund's Board. E
liability does no
dealer or other s
security or other

thinly traded or
“significant eve

assets or liabilities at the fair value of one or more foreign assets or liabilities, in which the investor is not aware of a liability, in which the investor supplies evaluations of foreign markets following the close of the trading day.

BlackRock, with the assistance of its valuation committee, may modify or reject the fair value of an asset or liability receives from an external valuator to evaluate the value of the asset or liability subsequently reported.

When determining the fair value of an asset or liability, the Fund will determine the price of the asset or liability at the time of the transaction. The Fund will determine the fair value of an asset or liability at a time when the asset or liability is not actively traded, and the factors that the Fund will consider in determining the analytical value of the asset or liability.

Fair value represents the price that would be received for an asset or liability in a transaction between willing parties, may not, in retrospect, be the price that would have been received if the fair values were determined at the time the asset or liability was acquired, at a time when a market for the asset or liability existed, or existing shareholders.

Each Fund's annual financial statements are prepared in accordance with the United States Generally Accepted Accounting Standards. The Fund establishes a framework for determining the fair value measurement of the asset or liability.

Generally, ASC 820-10-35-2 requires that the fair value of an asset or liability be determined based on the price that would be received for the asset or liability in a transaction between willing parties, third-party determination of the fair value of the asset or liability, liquidity due to the asset or liability.

Computation of Fair Value

See Part I, Section 1.1, for a description of the computation of the fair value of the asset or liability.

Transactions in the Market

Subject to policy, the Fund will enter into transactions and will seek to obtain the best execution of the transaction, commission or other costs, and positioning block.



Research-oriented individuals, working with individuals in the market, economic assistance in the value of servicing some of the broker personnel, or personnel between such



personnel. Any research services provided by BlackRock will be on a best-efforts basis. When this occurs, BlackRock will allocate the costs of the service. The allocation will be based on a fair and equitable basis. BlackRock will not be responsible for any loss of income or other damages resulting from the allocation, and the allocation is not designed to ensure that the allocation is fair and equitable.

Payments of commissions (or affiliated persons) for the purchase or sale of securities (or affiliated persons) policies established by the Master Portfolio.

From time to time, a member of the staff of the Fund may be engaged by the Fund to provide "credits" in the Fund's portfolio. Such credits may not fall within the scope of the Fund's investment objectives.

BlackRock does not have a policy of portfolio transactions. BlackRock neither buys nor sells securities for the Fund.

Each Fund anticipates that its principal stock and bond investments will be made in over-the-counter markets. Securities traded in the United States on a basis in U.S. dollars to the extent of the Fund's assets will have a significant impact on the Fund's performance.

See "Portfolio Transactions" for more information on commissions paid to the Fund.

Each Fund may, in the particular circumstances, engage an Investment Company from dealing with the Fund. The Fund may obtain from the Investment Company for their own account, transactions. However, provided that, and subject to the terms and conditions, or commission rates, for the purchase or sale of securities during the period in which PNC's rules adopted by the Fund.

Over-the-counter securities traded on a "net" basis are primarily engaged by using a broker. The difference between the dealer's normal

Purchases of mo
to incur any bro
basis with deale
includes a profit
less as determin
relatively high.
market fund, the

Securities purch
underwriter's co
are paid.

The Manager on
paper to consid
adjusted to refle
desirable. Any s
commercial pap

Investment deci
independently o
equitable manne
or strategies for
of an account, (i
level, (v) size of
(viii) minimum
BlackRock's ge
following consid
account over an
client or prospec
or benefits to be

Equity securities
rata allocation m
securities will b

Initial public of
BlackRock is gi
client accounts i
fairly and equita
will indicate to i
which that team
accounts that are
of the security a
the offering is ta
offering will be
supply is too lin
investment oppo
over time. Other

Because differen
the same time fo
example, Blackl
is buying that se
period may incr
on price. For ex
security, adverse



consideration at
investment man
deemed equitab

In certain instan
contemporaneou
management by
trade would pro
costs associated
particular portfo
in the order will
While in some c
in other cases it
the same period
effect on price.
best execution o
receipt and bun

A Fund will not
BlackRock, PNC
procedures adop
portfolio securit
permitted by Co

Portfolio Turnover

While a Fund ge
any holding per
particular comp
is calculated by
government sec
average value o
such as increase
form of dealer s

Dividends

Each Fund inter
paid as set forth
gains, if any, as
the calendar year
distributed durin
distributed at lea

For information
Services — Aut
Dividends are ta
per share divid
Institutional Sha
applicable to fro
the per share div
Service Shares a
applicable to CL
Shares as a resu



Taxes

Each Fund inter
Code. As long a
investment com
at least 90% of i
as a RIC, a Func
assets. See Part
diversification r
which it has inv
applicable to RI

Each Fund inter
under the Code,
ordinary corpora
shareholders wo
and the dividen
treated as a sepa
treatment under
certain organiza
following discus

The Code requir
98% of its ordin
if the RIC's taxa
to distribute its
that a sufficient
In such event, a

Dividends paid
(together referre
excess of net lon
options) ("capita
shareholder has
regular federal i
to non-corporate
when paid by a
the extent a Fun
income tax purp

Recently enacte
proceeds) of cer

A Fund's net ca
distribution requ
may designate th
required to inclu
deemed to have
liability) their p
the excess of the

Distributions in
adjusted tax bas
(assuming the sh
are allocated fir

A provision adding agreements, including contracts.” This contract is ordinarily may be taxable. are to be treated the Fund having income and less



Certain Funds may have deferred interest in such investments, equal, generally, to the principal amount that the securities represent. Such cash income, then, is not available to investors in order to satisfy their interest obligations or referenced debt obligations. Such increase or acceleration of such investment

Ordinary income may be subject to withholding tax on dividends, capital gains and qualified interest income who are nonresident aliens. The extent proper for withholding tax on dividends. However, interest-related income is not subject to withholding tax from withholding tax on dividends. How certification requirements apply in the case of shareholders who are related or short-term investors. These rules to the extent related dividend

Recently enacted legislation may be paid after December 31, 2012, collect and disclose information on foreign entities and circumstances, and

Distributions to shareholders under the Code and Treasury Regulations. Property interest in property holding shares as shareholders as to rates applicable to shareholder to file for December 31, 2012, redemptions of shares of foreign sharehold

Shareholders that are subject to consequences to the extent of the

Under certain provisions, gain dividends are not taxable to corporate shareholders who have furnished a statement that is correct and that the amount withheld is the required information

That a loss is rep
is proper. Share
circumstances.

Dividends and i
conventions bet
than 50% by val
credits with resp
example, certain
securities held i
a security only i
these holding pe
a credit or a ded
with respect to a
take a foreign ta
with the IRS pu
their U.S. incom
shares in compu
deductions for f
that is a nonresi
Fund's election
taxes treated as
foreign taxes an

Certain transact
character of gain
(c) accelerate th
satisfy distributi
of distributions
(i.e., treat them
receipt of cash.
elections and ma
disqualification

A Fund that inv
foreign subsidia
Subsidiary will
tax purposes. If
whether that inc
income is distrib
realized by the S
is not expected t

If a Fund purcha
generally be trea
may be subject t
having been def
a company (coll
its shareholders.
election is made
with consent fro
of the close of th
previously recog
charge with resp
the distributions



If the Fund were
requirements, th
the qualified ele
distribution requ
information from

The foregoing g
effect on the dat
significantly cha

An investment i
advisers.

From time to tim
equivalent yield
equivalent yield
total return is de

Quotations of av
compounded rat
investments ove
each period. Ave
applicable recur
CDSC that wou
and Investor C S

Quotations of av
annual compoun
each period assu
distributions is c
applicable recur
that would be ap
Investor C Share
Federal individu
character (includ
taxable amount
adjusted to refle
The effects of st
Federal law. The
consequences as

Quotations of av
finding the aver
investment at th
redemption. Ave
less the taxes du
including the ma
redemption of th
classes of shares
complete redem
presumed tax be
calculated by ap

over the measur
are taken into ac

A Fund also ma
percentage and
those noted in P
that (1) as requi
be quoted and (2
calculations. As
charges, actual a
rates of return re
since the aggreg

Yield quotations
during the perio
multiplied by th
dividing (a) the
the Fund's yield

A Fund's total r
expenses and th
will fluctuate an

In order to refle
applicable to cer
data quoted by a
charge or may ta
charges or the w

On occasion, a l
the Value Line C
Lipper Inc., Mo
Fortune Magazi
statistical measu
other performan
period. In additi
Morningstar in a
other applicable
Funds may also
designed to help
about past, curre
investing such a
philosophy, stra
or types of inve
quote various m
those of other fu

The Board of D
Manager's prox
interests of the I
stockholders, or
event, provided
aware of the rea

follow its general
Committee may

clients. If the M
fiduciary, the C
and/or the Mana
notwithstanding

Information on
available without

Description of

Shareholders of
Directors and ge
distribution and
and shareholder
such expenses c
of the shares vo
holders of the re

No Fund intend
shareholders to
(iii) approval of
non-assessable a
Prospectus. Eac
Fund and in the

For Funds organ
the written requ
with applicable

Certain of the F
under certain cir
trust, a copy of
office of the Sec
obligations of th
held personally
insurance (for e
officers, employ
account of share
to meet its oblig

Certain Funds a

See "Additional
capital stock inf

Additional Info

Under a separat
(i) withdraw its
adviser and (ii)

See Part I, Secti
Information for



							AA
							A
							BBB
							BB
							B
							CCC
							CC
							C
							BB
							B
							CCC
							CC
							C
							D

NR

*The ratings from major rating cat

Short-Term Iss

A-1

A-2

A-3

B

C

D

							AA
							A
							BBB
							BB
							B
							CCC
							CC
							C
							NR
							WD
							<i>Note:</i> The modi not added to the
							Description of
							A short-term iss stream and relat obligation. Shor convention. Typ obligations in U
							Fitch short-term
							F1
							F2

							F3
							B
							C
							RD
							D
							NR
							WD

I. Introduction

The Trustees/Directors of the Fund (the "Trustees/Directors") relating to portfolio management, shall have the authority to delegate that responsibility to an investment advisor. The Trustees/Directors hereby direct BlackRock Advisors, L.P. ("BlackRock Advisors") to determine the appropriate actions to be taken in accordance with this Policy. The Trustees/Directors shall act in accordance with

Rule 206(4)-6 under the Investment Advisers Act of 1940 ("Rule 206(4)-6") and shall exercise their voting authority in the best interests of the Fund and in the best interests of the investors of the Fund that they may obtain.

BlackRock has adopted this Policy. BlackRock Advisors, L.P. ("BlackRock Advisors") is the investment advisor to the Fund and its clients, including the Fund. BlackRock Advisors is a subsidiary of BlackRock Administration, L.P. ("BlackRock Administration").

BlackRock votes on behalf of the Fund in accordance with its business judgment and in the best economic interests of the Fund. BlackRock will consider the relationship between the Fund and the issuer of the securities being evaluated and the economic value of the securities being evaluated. BlackRock will cast a vote on the securities being evaluated in the best economic interests of the Fund, taking into account the consequences of the vote and whether any other action would be in the best economic interests of the Fund.

BlackRock will follow its voting guidelines and may, in the exercise of its discretion, cast a proxy vote on behalf of the Fund. BlackRock will vote on behalf of the Fund in the best economic interests of the Fund (such as the Fund's investment objectives) to the extent that such action is consistent with the Fund's investment objectives and to encourage the issuer to improve its proper value on the securities being evaluated.

II. Proxy Voting

A. Boards of Directors

The Funds generally support the independence of the board of directors (shareholders) is a key element of the therefore best-practice of corporate governance. The Funds believe that the interests of shareholders are best served over time. In addition, the Funds support the director of the company.

B. Auditors

These proposals generally support the belief that corporate governance and propriety of financial reporting are a corporation's core interests as auditors.

C. Compensation

These proposals generally support the general matter, the Funds believe that compensation proposals to "management" are therefore generally in the best interests of shareholders.

D. Capital Structure

These proposals generally support the structure of a company's capital requests that it be in the best interests of shareholders.

E. Corporate Governance

These proposals generally support the Funds generally support transactions that are in the best interests of shareholders.

F. Environmental, Social and Governance

These are shareholder issues. The Funds and the Fund invest in companies that promote the long-term corporate practice of micromanagement.

positioned to rep
responsibility an

III. Conflicts M

BlackRock main
shareholder of th
on BlackRock's
proxies as a furt
fiduciary may e
BlackRock vote

IV. Reports to

BlackR

Exhibit Number	Description
1	Articles of Incorporation
(a)	Declaration of Intent to Incorporate
(b)	Post-Incorporation "Regulation" of the Corporation
(c)	American Express Company (1)(c)
(d)	American Express Company Post-Incorporation
(e)	American Express Company (1)(e)
(f)	Certification of Effectiveness
(g)	Certification of Effectiveness
(h)	Certification of Effectiveness
(i)	Certification of Post-Incorporation
(j)	Certification of Post-Incorporation
(k)	Certification of Effectiveness
(l)	Certification of Effectiveness
(m)	Certification of Post-Incorporation
2	By-laws
(a)	American Express Company Exhibits
3	Instruments
(a)	Section 27, 1934 Act, referred to in the Effectiveness

Exhibit Number	Description
4	Investment
(a)	Formal exception Registered
(b)	Formal income State
(c)	Formal income State
(d)	Formal income State
(e)	Formal income State
(f)	Formal income State
(g)	Formal (Mau Amer
(h)	Formal Corpo Effect
(i)	Formal the In No. 1
(j)	Formal respe income State

Exhibit Number	Descripti
(k)	Form respe Amer
(l)	Form to Bl is inc Stater
(m)	Form Black Amer
(n)	Form Black 257 t
(o)	Form respe Risk Regis
(p)	Form to Bl Amer
(q)	Form to Bl refer 2013
(r)	Form Black No. 2
5	Unde
(a)	Form Inc.) Stater
(b)	Exhib refer 21, 2
(c)	Form Advis Regis
6	Bonu
(a)	None
7	Custo
(a)	Amer Comp Regis
(b)	Reser
(c)	Reser

- (d) Reser
- Sub-C
- (e) Manh
- Regis
- Glob
- (f) incor
- State
- Form
- (g) refer
- 24, 2

[illegible]

Exhibit Number	Descripti
(j)	Form of No refer Fund
(k)	Form of No refer Fund
(l)	Form of No refer Fund
(m)	Form Nove Exhib Cap S
(n)	Form a syn incor Form
(o)	Form Mana Stater
9	Legat
(a)	None
10	Other
(a)	Cons
11	Omit
(a)	None
12	Initial
(a)	Form F-2, C B-2, R-3, U-4, AA-4 Z-5, 7 DD-3 II-3, 7 incor Stater
(b)	Form MM- Regis

[illegible]

Exhibit Number	Description
(q)	Form XX-212(q)
(r)	Form ZZ-212(r) Registered
(s)	Form incorp State
(t)	Form BBB-EEE by re Nov
(u)	Form HHH Amer
(v)	Form III-3, Registered
(w)	Form JJJ-3, Registered
(x)	Form R-9, Exhib
(y)	Form Inc.) Effect
(z)	Form Fund Registered
(aa)	Form incorp State
(bb)	Form incorp State

Exhibit Number	Descripti
(cc)	Form Short Regis
(dd)	Form Strate Regis
(ee)	Form Mark to Re
(ff)	Form Treas Regis
(gg)	Form Oblig Effec
(hh)	Form Equit State
(ii)	Form Retur State
(jj)	Form Alloc Regis
13	Rule
(a)	Form Black Regis
(b)	Form Amer
14	Rule
(a)	Amer herei Octo
15	Reser
16	Code
(a)	Code 44 to Read
(b)	Code refer Asset 2009

Code
(c) Amer
Merr
99 Powe
Powe
Cynth
(a) Paul
the R
333-5
(b) Powe
142 t

Item 29. Person

The Registrant c

Item 30. Indem

Indemnificat

Agreement inco

Administrators i

7(a), Section 12

Administration

carrier a trustees

Registrant' s De

Indemnificat

liabilities and ex

fees) reasonably

criminal, in whi

having been suc

willful misfeasa

payment by suc

expenses shall b

Trustees to the e

bad faith had be

accruing to any

person may satis

advance payment

given a written r

indemnification

The Trustee o

indemnification

Insofar as inc

controlling pers

the Securities an

unenforceable. I

incurred or paid

asserted by such

opinion of its co

whether such in

such issue.

Section 9.6 o

shareholders of

Indemnificat

reason of his be

former Sharehol

its corporate or

designation as t

arising from suc

Shareholder for

Item 31. Busine

(a) BlackRoc

in 1994 for the p

officers and dire

employment of

Schedules A and

801-47710).

(b) BlackRock
such as pension
officers and dire
nature engaged
ADV, filed by B

(c) BlackRock
Management Li
as to any other b
the past two year
Act of 1940 (SE

(d) BlackRock
BIM, together w
such officers an
pursuant to the l

(e) BlackRock
with information
directors during
Investment Adv

(f) BlackRock
advisory service
agencies. The in
business, profes
years, is incorpo
1940 (SEC File

(g) BlackRock
advisory service
required by this
or employment
to Schedules A

Item 32. *Princip*

(a) BlackRock
following open-
BBIF Governme
BBIF Money Fu
BBIF Tax-Exem
BBIF Treasury I
BIF Governmen
BIF Money Fun
BIF Multi-State
BIF Tax-Exemp
BIF Treasury Fu
BlackRock Bala
BlackRock Basi
BlackRock Bon
BlackRock Bon
BlackRock Cali
BlackRock Cap
BlackRock Eme
BlackRock Equ
BlackRock Euro
BlackRock Fina
BlackRock Focu
BlackRock Fun
BlackRock Fun
BlackRock Fun

BRIL also acts as a
company: BlackRock
(b) Set forth the name of each
person is 40 characters or less.

Name

Laurence Fink
Robert Fairbairn
Anne Ackerley
Matthew Malloy
Harris Olinier
Paul Greenberg
Sally George
Francis Porcellio
Brenda Sklar
Richard Turnill
Lisa Hill
Joseph Craven
Daniel Adams
Chris Nugent
James Smith
Robert Kapito
Daniel Waltchen

(c) Not Applicable

Item 33. Location of principal executive offices

All accounts, books, records, and documents required to be maintained by the registrant under the Securities Act of 1933 and the Securities Exchange Act of 1934, and thereunder are maintained at the following locations:

(a) Registrant's principal executive offices

(b) BlackRock's principal executive offices

and placement agent for the offering.

(c) BlackRock's principal executive offices

investment adviser for the offering.

(d) BlackRock's principal executive offices

investment adviser for the offering.

(e) BlackRock's principal executive offices

adviser).

(f) BlackRock's principal executive offices

functions as sub-adviser).

(g) BlackRock's principal executive offices

sub-adviser).

(h) BlackRock's principal executive offices

its functions as sub-adviser).

(i) BlackRock's principal executive offices

functions as sub-adviser).

(j) BNY Mel
functions as co-
(k) State Stre
administrator, ac
(l) The Bank
(m) The Cha
functions as sub
(n) Citibank,
(o) BlackRoc
regulations and
Item 34. *Manag*
None.
Item 35. *Under*
None.

Pursuant to t
meets all require
under the Secur
authorized, in th

Pursuant to t
signed below by

/s/ JOH

(Joh

/s/ N

(N

DA

(D

RONA

(Ro

DR. MA

(Dr. I

RODN

(Ro

HERB

(He

IAN A

(Ian

CYNTHIA

(Cynth

JOS

(J

ROBE

(Rob

TOBY

(T

KEN (K
FREDE (Fre
PA
HE (H
*By: _____/S (Benja

						Exhibit	
						Number	Descripti
						10 (a)	- Cons

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Post-Effective Amendment No. 267 to Registration Statement No. 33-26305 on Form N-1A of our report dated November 21, 2012, relating to the financial statements and financial highlights of BlackRock Global Opportunities Portfolio, BlackRock Health Sciences Opportunities Portfolio, BlackRock International Opportunities Portfolio, BlackRock Science & Technology Opportunities Portfolio and BlackRock U.S. Opportunities Portfolio, each a series of BlackRock Funds, appearing in the Annual Report on Form N-CSR of BlackRock Funds for the year ended September 30, 2012, and to the references to us under the headings “Financial Highlights” and “Independent Registered Public Accounting Firm” in the Prospectuses and “Financial Statements” in the Statement of Additional Information, which are part of such Registration Statement.

/s/ Deloitte & Touche LLP

Philadelphia, Pennsylvania
January 24, 2013
