

## Notice of Fund Termination

**BlackRock Global Small Cap Fund (ARSN: 096 140 304)**

**APIR Codes: MAL0125AU (Class A), MAL0129AU (Class C) and MAL0133AU (Class D)**

**BlackRock Hedged Global Small Cap Fund (ARSN: 096 140 260)**

**APIR Codes: MAL0127AU (Class A) MAL0131AU (Class C) and MAL0135AU (Class D)**

**(together, “the Funds”)**

BlackRock Investment Management (Australia) Limited (“BlackRock Australia”) would like to inform you that we are terminating the BlackRock Global Small Cap Fund **on 29 March 2017** and as a result, the BlackRock Hedged Global Small Cap Fund will also terminate on this date.

This decision follows changes announced by BlackRock, Inc. regarding the operation of its Global Active Equity business, including the proposed departure of the BlackRock Global Small Cap Team which currently manages the BlackRock Global Small Cap Fund.

In making this decision, BlackRock Australia considered a number of alternative options for the BlackRock Global Small Cap Fund, including transferring the assets to a different portfolio management team, however, believes it is in the best interests of unitholders as a whole to terminate the Fund.

Given that the BlackRock Hedged Global Small Cap Fund achieves its investment objective by investing in the BlackRock Global Small Cap Fund, BlackRock Australia has decided that this fund should also be terminated for the same reasons.

### **What happens next?**

This notice to unitholders in the Funds commences the process of winding up assets in the BlackRock Global Small Cap Fund.

The net proceeds of the sale of the assets of the BlackRock Global Small Cap Fund will be distributed to unitholders (including the BlackRock Hedged Global Small Cap Fund) and we expect the majority of these distributions to be made by the end of April 2017, with a small remainder to be returned by the end of the current financial year.

Management fees on the Funds will no longer be charged from 29 March 2017.

As we will be selling the assets of the Funds and to ensure equal treatment of all unitholders, applications and redemptions will no longer be processed.

The BlackRock Global Small Cap team will remain in place until the Funds have been wound up and governance oversight will be in place to ensure they are appropriately managed during this period.

Unitholders should be aware that the transaction costs incurred to sell the assets of the Funds during the termination period will be dependent upon market conditions as at the date of disposal of the assets, and therefore may be more or less than the transaction costs that would have been incurred had the Sell Spread, as disclosed in the Funds’ PDS, been applied. While transaction costs are an additional, they will be reflected in the final unit price.

### **What do you need to do?**

You do not need to take any action. Proceeds will be transferred either to your platform or directly the nominated bank account on our registry, which ever applies.

Please note, the closure of the Funds may have implications for your clients’ tax position. We therefore recommend that they speak to their tax adviser about their individual circumstances. A tax statement will be sent to clients after 30 June 2017.

## Further information

BlackRock continues to be committed to Australian investors and have a number of alternative options available for them to consider.

For more information about these options or further information regarding the closure of the Funds, please contact your Account Manager, BlackRock Client Services on **1300 366 100** or visit our website at [www.blackrock.com.au](http://www.blackrock.com.au).

Yours sincerely



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