

# Multi-Asset Income Models

## Model Portfolio Summary

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# INVESTMENT GUIDING PRINCIPLES



## Balance income and risk

Generate attractive yield while diversifying risks



## Stay nimble via disciplined trading

Dynamically adapt through semi-annual trades with ad-hoc flexibility



## Diversify your return sources

Consistent income stream may complement your total return strategy and amplify your retirement income



## Broaden your scope

Flexible multi-asset universe across regions and sectors, with an emphasis on tax-advantaged municipal bonds



## Differentiated exposures

Built with iShares and 3rd party ETFs alongside targeted active funds



## +/- 10% max deviation

For equities and fixed income from benchmark

# INVESTMENT PROCESS

Our approach to portfolio construction

## 01.

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### **Set your risk Composition**

Determine desired total portfolio risk level relative to market views and benchmarks. Seek appropriate diversification across risk factors and mitigate uncompensated risks.

## 02.

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### **Asset class Selection**

Allocate capital across 10+ asset classes (US, Int'l and EM stocks, REITs, MLPs, Municipal Bonds, Sovereign Debt, Investment Grade, High Yield, Preferred Stock, MBS, EM Debt)

## 03.

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### **Investment vehicle selection**

Select appropriate investment vehicles that are efficient, cost-effective, and accurately express targeted exposures across both active and passive vehicles to diversify sources of return.

## 04.

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### **Monitor and adapt**

Monitor and change exposures as necessary across and within asset classes to seek attractive risk-adjusted return. Adjust portfolios to changing macroeconomic and market conditions/risks; typically 2-4 trades per year

# TRADE RATIONALE

As of 1/17/24

Key Takeaways

**Buying high quality Collateralized Loan Obligations (“CLOs”) while selling agency mortgages** to access more attractive spreads and modestly trim duration given the strength of the recent rate rally.

**Adding to an active multi-sector bond ETF** that offers enhanced diversification, flexibility and attractive risk-adjusted yields.

**In the more aggressive models, reducing international dividend stock underweight** in light of early signs of economic improvements outside the US.

## TRADE RATIONALE

We believe recession risk is low with the key factors to watch being the labor market and inflation. The December jobs report was robust with solid employment gains and wage growth. While inflation made meaningful progress in the past year, we believe the final stages of inflation normalization may prove more difficult. We expect the downtrend to continue this year but anticipate inflation will likely end the year modestly above the Fed's 2% target. In particular, we are attentive to developments in shelter inflation and some of stickier components on the service side of the economy. Overall, we think this sets the stage for a Federal Reserve that is done with its hiking campaign.

Despite our base case that the Fed will begin easing policy in 2024, we think markets may have gotten ahead of themselves anticipating an earlier start and greater magnitude of easing than is likely. If further progress on inflation proves challenging, it's possible the recent rate rally has overshoot the mark and we could see some retracement (e.g. underperformance from longer duration assets). In this environment, we would expect CLOs, which are pools of individual floating rates bank loans with no interest rate risk, to perform well. Conversely, we initially purchased mortgages given their attractive valuations and potential for downside protection in a risk-off environment. Given we are now less concerned about recession risk, this defensiveness is less valuable. In addition, AAA-CLOs, the highest quality segment of the CLO market, offer higher yields compared to other high quality bond markets, including Treasuries, mortgages, and even investment grade bonds.

We are also introducing exposure to a new position, the BlackRock Flexible Income ETF (“BINC”). This strategy offers diversification benefits via exposure to areas like securitized assets and non-US credit, amongst others, which can otherwise be difficult to access in a model portfolio. Additionally, it offers greater intra-rebalance dynamism given BINC's ability to trade daily. We have high conviction in the active portfolio management team and believe BINC's explicit focus on risk-adjusted yield is well aligned and complementary to the overall model portfolios' value proposition. We are sourcing this trade in a risk neutral fashion by selling a combination of investment grade, high yield and mortgages.

Finally, in the more aggressive risk profiles, we are reducing the extent of our international underweight given economic green shoots outside the US that may not be reflected in market pricing.

Views are subject to change.

# PERFORMANCE COMMENTARY

As of 11/30/23

## PERFORMANCE

The S&P 500 snapped a 3-month losing streak and delivered the best monthly return in over a year as consumer strength and moderating inflation data powered stocks higher. Meanwhile, interest rates rallied and the Bloomberg US Aggregate Bond index delivered its best monthly performance since 1985 as markets reacted to dovish data and Fed guidance indicating the bank would be on hold at its December meeting and rate hikes may be all but done (Source: Bloomberg). We maintain an optimistic but measured view heading into year-end.

Against this backdrop, all models posted positive total returns for the month of November and outperformed their benchmarks. All asset classes traded higher in the suite with equities and longer duration fixed income generally seeing the biggest gains. In particular, a global dividend income strategy and dividend growth exposures served as the top contributors, followed by a longer-duration investment grade corporate bond strategy. High yield bonds also contributed meaningfully, as did a higher risk diversified multi-asset strategy. Additionally, albeit a smaller position, a preferred stock exposure was a top performer this month and thus boosted returns in the more conservative profiles. Despite ending the month in positive territory, a floating rate bond exposure detracted relative to the sub-investment grade bond benchmark amidst the rate rally. However, an overweight to equities and strong equity selection more than offset this, largely driving active outperformance across the suite.

Past performance does not guarantee future results.

**Latest Holdings (%)**

Allocation as of 1/17/24

	<b>As of Date</b>	<b>Conservative</b>	<b>Moderate</b>	<b>Moderate Growth</b>	<b>Aggressive Growth</b>
<b>Net Expense Ratio (%)</b>	11/30/23	0.42	0.46	0.45	0.47
<b>Gross Expense Ratio (%)</b>	11/30/23	0.46	0.51	0.50	0.53
<b>US Equities</b>		<b>12.0</b>	<b>23.0</b>	<b>33.0</b>	<b>39.0</b>
BMCIX	BlackRock High Equity Income Fund Institutional Shares	6.0	8.0	12.0	15.0
DGRO	iShares Core Dividend Growth ETF	4.0	10.0	17.0	18.0
VYM	Vanguard High Dividend Yield Index Fund ETF Shares	2.0	5.0	4.0	6.0
<b>International/Global Equities</b>		<b>2.0</b>	<b>12.0</b>	<b>22.0</b>	<b>35.0</b>
BIBDX	BlackRock Global Dividend Portfolio Institutional Shares	2.0	9.0	13.0	19.0
IGRO	iShares International Dividend Growth ETF	-	3.0	5.0	13.0
SCHY	Schwab International Dividend Equity ETF	-	-	4.0	3.0
<b>US Fixed Income</b>		<b>69.0</b>	<b>48.0</b>	<b>28.0</b>	<b>4.0</b>
BFRIX	BlackRock Floating Rate Income Fund Institutional shares	4.0	3.0	-	-
BHYIX	BlackRock High Yield Bond Portfolio Institutional Shares	15.0	18.0	10.0	-
BINC	Blackrock Flexible Income ETF	5.0	5.0	5.0	-
BSIIX	BlackRock Strategic Income Opportunities Portfolio Institutional Shares	6.0	2.0	-	-
FALN	iShares Fallen Angels USD Bond ETF	4.0	4.0	4.0	-
IEF	iShares 7-10 Year Treasury Bond ETF	6.0	-	-	-
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	3.0	-	5.0	-
JAAA	Janus Henderson AAA CLO ETF	2.0	2.0	2.0	2.0
LQD	iShares iBoxx \$ Investment Grade Corporate Bond ETF	12.0	7.0	-	-
MBB	iShares MBS ETF	10.0	5.0	-	2.0
PFF	iShares Preferred and Income Securities ETF	2.0	2.0	2.0	-
<b>Multi-Asset</b>		<b>15.0</b>	<b>15.0</b>	<b>15.0</b>	<b>20.0</b>
BDHIX	BlackRock Dynamic High Income Portfolio Institutional	15.0	15.0	15.0	20.0
<b>Cash &amp; Cash Alternatives</b>		<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
CASH-USD	UNITED STATES DOLLAR	2.0	2.0	2.0	2.0

## Multi-Asset Income Models

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Allocations for the model portfolios are targets and subject to change. If a ratio is used in the model name, the ratio corresponds to the target percentage of equity and fixed income exposure within the model. For example, "60/40" means the model targets 60% in equity exposure and 40% in fixed income exposure. The target fixed income exposure may include an allocation to cash.

**Changes to Holdings (%)**

Allocation as of 1/17/24

		Conservative	Moderate	Moderate Growth	Aggressive Growth
<b>US Equities</b>		-	-	-4.0	-3.0
BMCIX	BlackRock High Equity Income Fund Institutional Shares	-	-	-	-
DGRO	iShares Core Dividend Growth ETF	-	-	-	-
VYM	Vanguard High Dividend Yield Index Fund ETF Shares	-	-	-4.0	-3.0
<b>International/Global Equities</b>		-	-	4.0	3.0
BIBDX	BlackRock Global Dividend Portfolio Institutional Shares	-	-	-	-
IGRO	iShares International Dividend Growth ETF	-	-	-	-
SCHY	Schwab International Dividend Equity ETF	-	-	+4.0	+3.0
<b>US Fixed Income</b>		-	-	-	-
BFRIX	BlackRock Floating Rate Income Fund Institutional shares	-	-	-	-
BHYIX	BlackRock High Yield Bond Portfolio Institutional Shares	-2.0	-2.0	-2.0	-
BINC	Blackrock Flexible Income ETF	+5.0	+5.0	+5.0	-
BSIIX	BlackRock Strategic Income Opportunities Portfolio Institutional Shares	-	-	-	-
FALN	iShares Fallen Angels USD Bond ETF	-	-	-	-
IEF	iShares 7-10 Year Treasury Bond ETF	-	-	-	-
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	-	-	-	-
JAAA	Janus Henderson AAA CLO ETF	+2.0	+2.0	+2.0	+2.0
LQD	iShares iBoxx \$ Investment Grade Corporate Bond ETF	-2.0	-2.0	-2.0	-
MBB	iShares MBS ETF	-3.0	-3.0	-3.0	-2.0
PFF	iShares Preferred and Income Securities ETF	-	-	-	-
<b>Multi-Asset</b>		-	-	-	-
BDHIX	BlackRock Dynamic High Income Portfolio Institutional	-	-	-	-
<b>Cash &amp; Cash Alternatives</b>		-	-	-	-
CASH-USD	UNITED STATES DOLLAR	-	-	-	-

Allocations for the model portfolios are targets and subject to change. If a ratio is used in the model name, the ratio corresponds to the target percentage of equity and fixed income exposure within the model. For example, "60/40" means the model targets 60% in equity exposure and 40% in fixed income exposure. The target fixed income exposure may include an allocation to cash.



**Performance (%)**

As of 11/30/23

Model	Performance Type	Last Month (%)	3 Month (%)	Year to Date (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Conservative	Gross of an advisory fee	5.34	1.40	6.27	4.82	1.47	3.71	-	3.36
	Net of 3% advisory fee	5.08	0.63	3.34	1.68	-1.57	0.59	-	0.26
Conservative Benchmark	Gross of an advisory fee	4.87	0.85	4.97	3.30	-1.42	3.43	-	3.52
Moderate	Gross of an advisory fee	5.91	1.50	7.38	5.36	2.21	3.92	-	3.80
	Net of 3% advisory fee	5.64	0.73	4.42	2.20	-0.85	0.80	-	0.69
Moderate Benchmark	Gross of an advisory fee	5.26	0.78	5.72	3.24	0.12	4.85	-	4.93
Moderate Growth	Gross of an advisory fee	6.22	1.36	7.19	4.52	3.10	4.36	-	3.76
	Net of 3% advisory fee	5.95	0.59	4.24	1.38	0.00	1.23	-	0.65
Moderate Growth Benchmark	Gross of an advisory fee	5.65	0.50	5.62	2.34	1.35	6.00	-	5.62
Aggressive Growth	Gross of an advisory fee	6.80	1.15	7.05	-	-	-	-	7.05
	Net of 3% advisory fee	6.53	0.38	4.11	-	-	-	-	4.11
Aggressive Growth Benchmark	Gross of an advisory fee	6.02	0.09	5.02	-	-	-	-	5.02

Inception date for the Conservative model is **12/31/16**. Inception date for the Moderate model is **1/31/17**. Inception date for the Moderate Growth model is **5/31/17**. Inception date for the Aggressive Growth model is **12/31/22**.

The performance benchmarks for the model portfolios are as follows: 20% MSCI World High Dividend Index, 38% iBoxx USD Liquid High Yield Index, 40% Bloomberg US Aggregate Bond TR Index, 2% Cash (Conservative); 40% MSCI World High Dividend Index, 40% iBoxx USD Liquid High Yield Index, 18% Bloomberg US Aggregate Bond TR Index, 2% Cash (Moderate); 60% MSCI World High Dividend Index, 30% iBoxx USD Liquid High Yield Index, 8% Bloomberg US Aggregate Bond TR Index, 2% Cash (Moderate Growth); 80% MSCI World High Dividend Index, 13% iBoxx USD Liquid High Yield Index, 5% Bloomberg US Aggregate Bond TR Index, 2% Cash (Growth). As of 1/1/23, the "Moderate Growth" name went into effect. Previously this model was labeled "Growth" (inception 5/31/17). As of 2/17/23, the "Aggressive Growth" name went into effect. Previously this model was briefly labeled "Growth" (inception 12/31/22).

**Past performance does not guarantee future results. For standardized performance of the underlying funds within the model portfolios, please see the Appendix. Index performance is for illustrative purposes only. Index performance does not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.** Performance is annualized for time periods greater than 1 year. The performance shown does not reflect the performance of actual client accounts. Each model portfolio includes allocations to underlying constituent securities and uses the underlying securities' historical performance. Where the constituent security is a fund, performance (i) assumes reinvestment of dividends and capital gains, (ii) reflects the deduction of fund expenses, including management fees and other expenses, and (iii) does not reflect any applicable sales charges. In addition, where the constituent security is a fund, performance shown is based on the performance of the share class (if applicable) featured in the model portfolio. A financial professional's client may or may not be eligible to hold the share class shown. A financial professional's client may or may not be eligible to hold the share class shown. The performance of actual client accounts may differ from the performance shown for a variety of reasons, including but not limited to: the financial professional is responsible for implementing trades in the accounts; differences in market conditions; client-imposed investment restrictions; the timing of client investments and withdrawals; fees payable by such accounts; cash flows into or out of such accounts; and/or other factors.

Gross performance does not reflect the deduction of any fees or expenses that may be charged by the financial professional. The fees and expenses that a client may incur in their account will reduce the account's return. Net performance reflects the deduction of an annual investment advisory fee, deducted monthly, that may be charged by the financial professional but does not reflect the deduction of any applicable custodial fees, platform fees or brokerage commissions. The default net performance reflects a hypothetical annual investment advisory fee of 3%; however a financial professional may input a different annual investment advisory fee or exclude the investment advisory fee. By changing the default investment advisory fee, the financial professional represents that such inputs reflect the fee that is applicable to the client's account. BlackRock does not independently verify the accuracy of such investment advisory fee inputs. Due to the compounding effect of these fees, annual net performance results may be lower than stated gross returns less the indicated annual fee. Actual advisory fees charged by a financial professional may vary.

# APPENDIX

## Fund Performance

### QUARTERLY RETURNS - NAV(%)

As of 12/31/23

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date
<b>BDHIX</b>	BlackRock Dynamic High Income Portfolio Institutional	14.31%	5.58%	-	4.49%	11/3/14
<b>BFRIX</b>	BlackRock Floating Rate Income Fund Institutional shares	12.58%	5.43%	4.06%	4.60%	3/18/11
<b>BHYIX</b>	BlackRock High Yield Bond Portfolio Institutional Shares	13.56%	5.62%	4.55%	6.71%	11/19/98
<b>BIBDX</b>	BlackRock Global Dividend Portfolio Institutional Shares	16.59%	9.23%	6.43%	6.46%	4/7/08
<b>BINC</b>	Blackrock Flexible Income ETF	-	-	-	7.41%	5/19/23
<b>BMCIX</b>	BlackRock High Equity Income Fund Institutional Shares	9.99%	10.12%	7.82%	12.28%	5/1/98
<b>BSIIX</b>	BlackRock Strategic Income Opportunities Portfolio Institutional Shares	7.26%	3.35%	2.82%	3.75%	2/5/08
<b>DGRO</b>	iShares Core Dividend Growth ETF	10.43%	12.89%	-	10.96%	6/10/14
<b>FALN</b>	iShares Fallen Angels USD Bond ETF	14.02%	6.82%	-	6.42%	6/14/16
<b>IEF</b>	iShares 7-10 Year Treasury Bond ETF	3.58%	0.22%	1.56%	3.51%	7/22/02
<b>IGRO</b>	iShares International Dividend Growth ETF	15.50%	8.59%	-	6.68%	5/17/16
<b>IGSB</b>	iShares 1-5 Year Investment Grade Corporate Bond ETF	6.42%	2.38%	1.78%	2.52%	1/5/07
<b>JAAA</b>	Janus Henderson AAA CLO ETF	8.58%	-	-	3.45%	10/16/20
<b>LQD</b>	iShares iBoxx \$ Investment Grade Corporate Bond ETF	9.27%	2.80%	3.03%	4.54%	7/22/02
<b>MBB</b>	iShares MBS ETF	4.99%	0.20%	1.28%	2.46%	3/13/07
<b>PFF</b>	iShares Preferred and Income Securities ETF	9.32%	3.59%	3.99%	3.55%	3/26/07
<b>SCHY</b>	Schwab International Dividend Equity ETF	14.68%	-	-	3.09%	4/28/21
<b>VYM</b>	Vanguard High Dividend Yield Index Fund ETF Shares	6.53%	10.95%	9.38%	8.11%	11/10/06

### QUARTERLY RETURNS - MARKET(%)

As of 12/31/23

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date
<b>BDHIX</b>	BlackRock Dynamic High Income Portfolio Institutional	-	-	-	-	11/3/14
<b>BFRIX</b>	BlackRock Floating Rate Income Fund Institutional shares	-	-	-	-	3/18/11
<b>BHYIX</b>	BlackRock High Yield Bond Portfolio Institutional Shares	-	-	-	-	11/19/98
<b>BIBDX</b>	BlackRock Global Dividend Portfolio Institutional Shares	-	-	-	-	4/7/08
<b>BINC</b>	Blackrock Flexible Income ETF	-	-	-	7.95%	5/19/23
<b>BMCIX</b>	BlackRock High Equity Income Fund Institutional Shares	-	-	-	-	5/1/98
<b>BSIIX</b>	BlackRock Strategic Income Opportunities Portfolio Institutional Shares	-	-	-	-	2/5/08

## Multi-Asset Income Models

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date
DGRO	iShares Core Dividend Growth ETF	10.49%	12.88%	-	11.10%	6/10/14
FALN	iShares Fallen Angels USD Bond ETF	13.46%	6.81%	-	6.29%	6/14/16
IEF	iShares 7-10 Year Treasury Bond ETF	3.64%	0.20%	1.58%	3.52%	7/22/02
IGRO	iShares International Dividend Growth ETF	15.41%	8.51%	-	6.79%	5/17/16
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	6.40%	2.42%	1.77%	2.51%	1/5/07
JAAA	Janus Henderson AAA CLO ETF	8.58%	-	-	3.48%	10/16/20
LQD	iShares iBoxx \$ Investment Grade Corporate Bond ETF	9.40%	2.80%	2.98%	4.53%	7/22/02
MBB	iShares MBS ETF	5.01%	0.19%	1.29%	2.46%	3/13/07
PFF	iShares Preferred and Income Securities ETF	9.20%	3.67%	4.05%	3.56%	3/26/07
SCHY	Schwab International Dividend Equity ETF	14.27%	-	-	2.96%	4/28/21
VYM	Vanguard High Dividend Yield Index Fund ETF Shares	6.57%	10.93%	9.38%	8.11%	11/10/06

## QUARTERLY RETURNS - LOAD ADJUSTED(%)

As of 12/31/23

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date	Max Front Load	Deferred Load
BDHIX	BlackRock Dynamic High Income Portfolio Institutional	14.31%	5.58%	-	4.49%	11/3/14	-	-
BFRIX	BlackRock Floating Rate Income Fund Institutional shares	12.58%	5.43%	4.06%	4.60%	3/18/11	-	-
BHYIX	BlackRock High Yield Bond Portfolio Institutional Shares	13.56%	5.62%	4.55%	6.71%	11/19/98	-	-
BIBDX	BlackRock Global Dividend Portfolio Institutional Shares	16.59%	9.23%	6.43%	6.46%	4/7/08	-	-
BINC	Blackrock Flexible Income ETF	-	-	-	7.41%	5/19/23	-	-
BMCIX	BlackRock High Equity Income Fund Institutional Shares	9.99%	10.12%	7.82%	12.28%	5/1/98	-	-
BSIIX	BlackRock Strategic Income Opportunities Portfolio Institutional Shares	7.26%	3.35%	2.82%	3.75%	2/5/08	-	-
DGRO	iShares Core Dividend Growth ETF	10.43%	12.89%	-	10.96%	6/10/14	-	-
FALN	iShares Fallen Angels USD Bond ETF	14.02%	6.82%	-	6.42%	6/14/16	-	-
IEF	iShares 7-10 Year Treasury Bond ETF	3.58%	0.22%	1.56%	3.51%	7/22/02	-	-
IGRO	iShares International Dividend Growth ETF	15.50%	8.59%	-	6.68%	5/17/16	-	-
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	6.42%	2.38%	1.78%	2.52%	1/5/07	-	-
JAAA	Janus Henderson AAA CLO ETF	8.58%	-	-	3.45%	10/16/20	-	-
LQD	iShares iBoxx \$ Investment Grade Corporate Bond ETF	9.27%	2.80%	3.03%	4.54%	7/22/02	-	-
MBB	iShares MBS ETF	4.99%	0.20%	1.28%	2.46%	3/13/07	-	-
PFF	iShares Preferred and Income Securities ETF	9.32%	3.59%	3.99%	3.55%	3/26/07	-	-
SCHY	Schwab International Dividend Equity ETF	14.68%	-	-	3.09%	4/28/21	-	-
VYM	Vanguard High Dividend Yield Index Fund ETF Shares	6.53%	10.95%	9.38%	8.11%	11/10/06	-	-

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end for the BlackRock and iShares Funds may be obtained by visiting [www.blackrock.com](http://www.blackrock.com) or [www.iShares.com](http://www.iShares.com). For month-end performance for other funds, please visit the respective providers' websites. Performance is annualized for time periods greater than 1 year. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Any applicable brokerage commissions will reduce returns. Beginning August 10, 2020, market price returns for BlackRock and iShares ETFs are calculated using the closing price and account for distributions from the fund. Prior to August 10, 2020, market price returns for BlackRock and iShares ETFs were calculated using the midpoint price and accounted for distributions from the fund. The midpoint is the average of the bid/ask prices at 4:00 PM ET (when NAV is

normally determined for most ETFs). The returns shown do not represent the returns you would receive if you traded shares at other times. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers. Source: Morningstar

## Fees

As of 12/31/23

Ticker	Name	Gross Expense Ratio
<b>BDHIX</b>	BlackRock Dynamic High Income Portfolio Institutional	0.87%
<b>BFRIX</b>	BlackRock Floating Rate Income Fund Institutional shares	0.70%
<b>BHYIX</b>	BlackRock High Yield Bond Portfolio Institutional Shares	0.60%
<b>BIBDX</b>	BlackRock Global Dividend Portfolio Institutional Shares	0.79%
<b>BINC</b>	Blackrock Flexible Income ETF	0.53%
<b>BMCIX</b>	BlackRock High Equity Income Fund Institutional Shares	1.00%
<b>BSIIX</b>	BlackRock Strategic Income Opportunities Portfolio Institutional Shares	0.71%
<b>DGRO</b>	iShares Core Dividend Growth ETF	0.08%
<b>FALN</b>	iShares Fallen Angels USD Bond ETF	0.25%
<b>IEF</b>	iShares 7-10 Year Treasury Bond ETF	0.15%
<b>IGRO</b>	iShares International Dividend Growth ETF	0.15%
<b>IGSB</b>	iShares 1-5 Year Investment Grade Corporate Bond ETF	0.04%
<b>JAAA</b>	Janus Henderson AAA CLO ETF	0.24%
<b>LQD</b>	iShares iBoxx \$ Investment Grade Corporate Bond ETF	0.14%
<b>MBB</b>	iShares MBS ETF	0.05%
<b>PFF</b>	iShares Preferred and Income Securities ETF	0.46%
<b>SCHY</b>	Schwab International Dividend Equity ETF	0.14%
<b>VYM</b>	Vanguard High Dividend Yield Index Fund ETF Shares	0.06%

Fees are as of current prospectus. A sponsor fee is shown in lieu of gross and net expense ratios for any iShares Trusts or other products registered only under the Securities Act of 1933. Source: Morningstar

## Glossary

**Gross Expense Ratio:** Weighted average prospectus gross expense ratio of the portfolio. Source: Morningstar

**Net Expense Ratio:** Weighted average prospectus net expense ratio of the portfolio. Source: Morningstar

# IMPORTANT INFORMATION

**This information should not be relied upon as investment advice, research, or a recommendation by BlackRock regarding (i) the funds, (ii) the use or suitability of the model portfolios or (iii) any security in particular. Only an investor and their financial professional know enough about their circumstances to make an investment decision.**

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Common shares for most closed-end funds are only available for purchase and sale at current market price on a stock exchange. Certain closed-end funds are "interval funds" that are not listed for trading on any securities exchange and are designed primarily for long-term investors. An investment in "interval funds", unlike an investment in a traditional listed closed-end fund, should be considered illiquid and is not suitable for investors who need access to the money they invest. Investors may be unable to reduce their exposure to such funds during any market downturn. Shares of an "interval fund" are not redeemable at an investor's option nor are they exchangeable for shares of any other fund, although the fund periodically offers to repurchase shares from outstanding shareholders. Please see the fund's prospectus for additional details. A closed-end fund's dividend yield, market price and NAV will fluctuate with market conditions.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities. Mortgage-backed securities ("MBS") and commercial mortgage-backed securities ("CMBS") are subject to prepayment and extension risk and therefore react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities. There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to federal or state income taxes or the Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable. An investment in a treasury Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and its return and yield will fluctuate with market conditions.

## Multi-Asset Income Models

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International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments. These risks often are heightened for investments in emerging/developing markets and in concentrations of single countries. Funds that concentrate investments in specific industries, sectors, markets or asset classes may underperform or be more volatile than other industries, sectors, markets or asset classes and the general securities market.

A fund's use of derivatives may reduce a fund's returns and/or increase volatility and subject the fund to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A fund could suffer losses related to its derivative positions because of a possible lack of liquidity in the secondary market and as a result of unanticipated market movements, which losses are potentially unlimited. There can be no assurance that any fund's hedging transactions will be effective.

There can be no assurance that performance will be enhanced or risk will be reduced for funds that seek to provide exposure to certain quantitative investment characteristics ("factors"). Exposure to such investment factors may detract from performance in some market environments, perhaps for extended periods. In such circumstances, a fund may seek to maintain exposure to the targeted investment factors and not adjust to target different factors, which could result in losses.

A fund's environmental, social and governance ("ESG") investment strategy limits the types and number of investment opportunities available to the fund and, as a result, the fund may underperform other funds that do not have an ESG focus. A fund's ESG investment strategy may result in the fund investing in securities or industry sectors that underperform the market as a whole or underperform other funds screened for ESG standards. In addition, companies selected by the index provider may not exhibit positive or favorable ESG characteristics.

Alternative investments present the opportunity for significant losses and some alternative investments have experienced periods of extreme volatility. Alternative investments may be less liquid than investments in traditional securities.

Commodities' prices may be highly volatile. Prices may be affected by various economic, financial, social and political factors, which may be unpredictable and may have a significant impact on the prices of precious metals.

Actively managed funds do not seek to replicate the performance of a specified index. Actively managed funds may have higher portfolio turnover than index funds.

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