

Attention: Mutual Fund Operations

For Back Office Personnel Only – Not for Distribution to the Public

IMPORTANT UPDATE FROM BLACKROCK FUNDS

MRO#: 5882, Alpha Code: PG

Please process the following name change at the opening of business on Monday, October 3, 2016. Your holdings in the fund(s) will remain the same and no changes will be made to the CUSIP numbers and trading symbols.

Current Fund Name	Share Class	Fund #	Cusip	Symbol	New Fund Name
BlackRock Investment Grade Bond Portfolio	Investor A	278	091937219	BLADX	BlackRock Managed Income Fund
BlackRock Investment Grade Bond Portfolio	Institutional	427	091937185	BLDIX	BlackRock Managed Income Fund
BlackRock Investment Grade Bond Portfolio	Class K	428	091937193	BLDRX	BlackRock Managed Income Fund

In addition to the name change, please update your system to reflect the new breakpoint schedule on the fund's Investor A share trade tickets as listed below. This new breakpoint schedule will be effective for purchases made on or after October 3, 2016. Purchases made prior to October 3, 2016 will adhere to the current fee schedule.

Current Schedule		
Breakpoint	Sales Charge As a % of Offering Price	Dealer Compensation As a % of Offering Price
\$0 – 24,999.99	4.00%	3.75%
\$25,000.00 – 99,999.99	3.75%	3.50%
\$100,000.00 – 249,999.99	3.50%	3.25%
\$250,000.00 – 499,999.99	2.50%	2.25%
\$500,000.00 – 749,999.99	2.00%	1.75%
\$750,000.00 – 999,999.99	1.50%	1.25%
\$1,000,000.00 - 2,999,999.99	0.00%	0.50%*
\$3,000,000.00 - 14,999,999.99	0.00%	0.25%*
\$15,000,000.00 and above	0.00%	0.15%*

* Investments of \$1,000,000 or more in Investor A Shares will not be assessed an initial sales charge. In that case, BlackRock compensates the Financial Intermediary from its own resources. Redemptions of Investor A shares within 18 months after purchase may be assessed a deferred sales charge of 0.50% of the lesser of the original cost of the shares being redeemed or the redemption proceeds.

New Schedule as of October 3, 2016		
Breakpoint	Sales Charge As a % of Offering Price	Dealer Compensation As a % of Offering Price
\$0 – 24,999.99	4.00%	3.75%
\$25,000.00 – 99,999.99	3.75%	3.50%
\$100,000.00 – 249,999.99	3.50%	3.25%
\$250,000.00 - 2,999,999.99	0.00%	0.50%*
\$3,000,000.00 - 14,999,999.99	0.00%	0.25%*
\$15,000,000.00 and above	0.00%	0.15%*

* Investments of \$250,000 or more in Investor A Shares will not be assessed an initial sales charge. In that case, BlackRock compensates the financial intermediary from its own resources. Redemptions of Investor A shares within 18 months after purchase may be assessed a deferred sales charge of 0.50% of the lesser of the original cost of the shares being redeemed or the redemption proceeds.

If you have any questions, DTCC participant firms may contact BNY Mellon Broker Dealer Services at 1-877-332-2371. Fund related inquiries can be directed to BlackRock Dealer Services at 1-800-882-3302.