



Blackrock iBLD Endura™ VC5.5 ER Index

AS OF DECEMBER 30TH, 2016

Overview

The BlackRock iBLD Endura™ VC 5.5 ER Index seeks to deliver long-term growth by minimizing losses during downturns and capturing meaningful gains during market upswings. The index employs a simple, rules-based approach designed to provide a low cost alternative for fixed index annuity providers.

The index is comprised of USMV (the iShares Edge MSCI Min Vol USA ETF) and SHY (the iShares 1-3 Year Treasury Bond ETF). By utilizing a minimum volatility strategy, the index invests in U.S. equities that seek to have superior risk-adjusted returns relative to the broader U.S. equity market. The index adjusts its allocation to short-term US Treasury bonds daily to help mitigate downside risk further and seeks to hold overall portfolio volatility below 5.5%. *Since this is an excess total return index, dividends are reinvested in the index calculation.*

Powered by BlackRock, the index harnesses the scale, advanced technology, insight and global reach of the firm's research and investment teams. Built with iShares ETFs, the index offers transparency and no hidden index fees.

Growth with Dual Risk Defense

Why U.S. Minimum Volatility?

Exposure to U.S. stocks that have historically delivered market-like returns with less risk¹

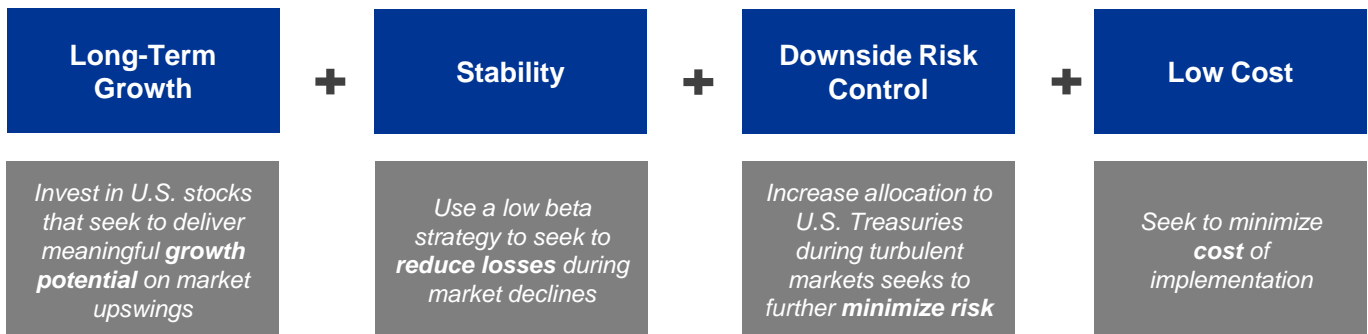
Low beta strategies seek to provide the potential for growth and greater stability during market fluctuations

Why Short Term Treasury Bonds?

Short-term U.S. Treasury bonds are a safe haven asset during times of market stress

Increasing allocation to these assets in turbulent markets can help preserve returns

Index Goals *Growth Potential • Stability • Volatility Control • Liquidity*



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This information should not be relied upon as investment advice, research, or a recommendation by BlackRock regarding (i) the underlying funds, (ii) the use or suitability of the BlackRock iBLD Endura™ VC5.5 ER Index or (iii) any security in particular. Sample weights are for illustrative purposes only and are subject to change. 1. Source: Morningstar as of 12/31/2015

Performance Summary

INDEX PERFORMANCE As of 12/30/2016

	QTD 2016	YTD 2016 ¹	Since Inception (6/15/2016)	Hypothetical Backtested Since 2/5/2003 ²
BlackRock iBLD Endura™ VC 5.5 ER Index	-0.07%	4.09%	0.46%	4.51%

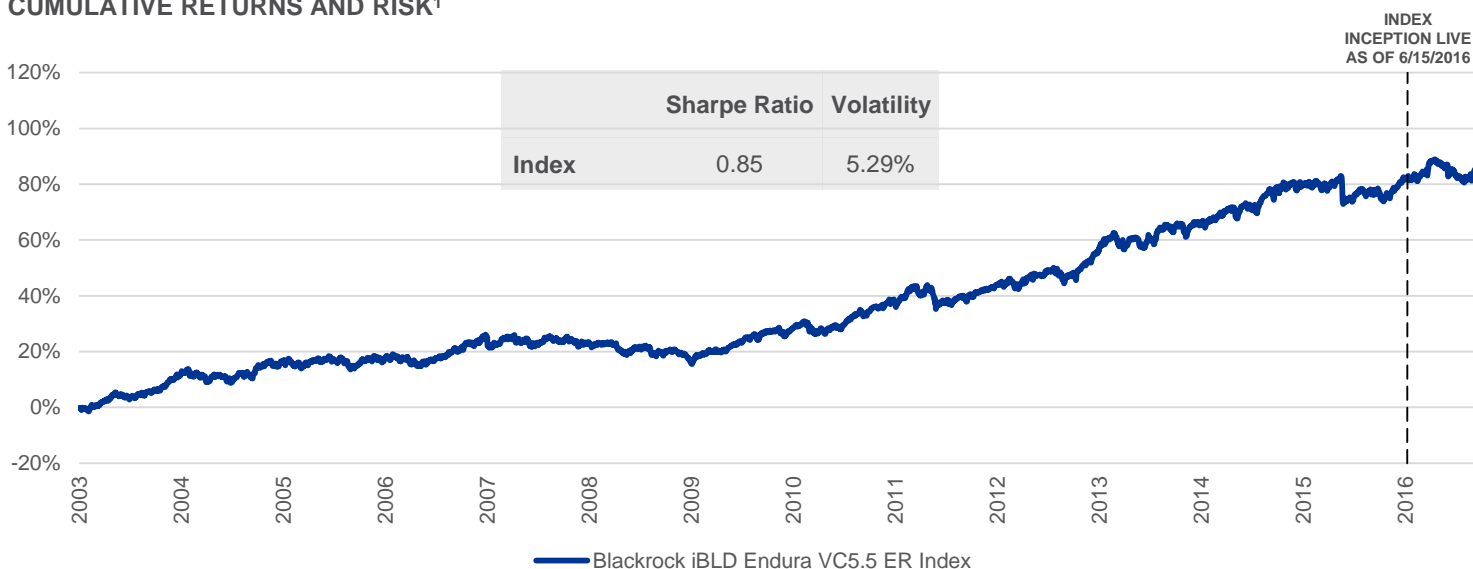
MONTHLY PERFORMANCE¹

	BlackRock iBLD Endura™ VC 5.5 ER Index
12/30/2016	1.31%
11/30/2016	0.08%
10/31/2016	-1.44%
9/30/2016	-0.55%
8/31/2016	-1.39%
7/29/2016	0.58%
6/30/2016	2.54%
5/31/2016	0.68%
4/29/2016	-0.23%
3/31/2016	2.38%
2/29/2016	0.53%
1/29/2016	-0.38%

YEAR-BY-YEAR PERFORMANCE¹

	BlackRock iBLD Endura™ VC 5.5 ER Index
2016	4.09%
2015	-0.16%
2014	7.03%
2013	13.05%
2012	3.99%
2011	3.88%
2010	6.97%
2009	5.16%
2008	-2.60%
2007	1.04%
2006	5.40%
2005	-0.14%

CUMULATIVE RETURNS AND RISK¹



¹All returns shown above are simulated through 6/14/2016 and live performance thereafter.

²Annualized performance and all returns shown above are simulated through 6/14/2016 and live performance thereafter.

The Index was inception on June 15, 2016. Data prior to the inception date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). Performance for periods longer than a year has been annualized using a geometric mean. Index returns are price-based total ETF returns (net of management fees) less 3-month Libor; Market benchmark returns are index total returns less 3-Month LIBOR and do not include any management fees. Sharpe Ratio uses the index's standard deviation and its excess return (difference between the index's return and the risk-free return of 3-Month LIBOR benchmark rate) to determine reward per unit of risk. The index performance shown is hypothetical prior to June 15, 2016, and for illustrative purposes only and does not represent the performance of a specific investment product. Past performance does not guarantee future results. This information should not be relied upon as investment advice, research, or a recommendation by BlackRock regarding (i) the underlying funds, (ii) the use or suitability of the BlackRock iBLD Endura™ VC5.5 ER Index or (iii) any security in particular.

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The Index was inception on June 15, 2016. Data prior to the inception date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). The index, allocations and data are subject to change. Data shown is for informational purposes only, does not represent an actual account, and is not the result of any actual trading. Actual investment outcomes may vary.

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Backtest Description:

The simulated index results were derived through a dynamic back-test using the BlackRock Endura™ VC5.5 ER Index methodology for the period of February 5, 2003 to June 14, 2016. The index employs daily volatility controls whereby the weight to short-dated fixed income or cash can be increased, pro-rata across assets, to maintain a target volatility below 5.5%. A copy of the index methodology document is available at <https://www.blackrock.com/investing/annuity/annuity-index-endura>. The above backtest was calculated by the BlackRock Multi-Asset Strategies Model Portfolios Solutions group, based on the methodology set forth in the Index Methodology for the BlackRock iBLD Endura™ VC5.5 ER Index. Backtested index performance is inherently unreliable, is subject to substantial limitations and should not form the basis of an investment decision.

Limitations:

In instances where an ETF in the Index had not inception before the beginning of the backtest, the ETF's reference index was used as a proxy. This can have a modest impact on returns and tracking error as returns based on the price performance of an ETF's reference benchmark do not reflect potential premiums or discounts that may exist on the price of an ETF. Simulated performance is based on criteria applied retroactively with the benefit of hindsight and knowledge of facts that may have positively affected performance and cannot account for all risk that may affect actual index performance. Actual performance of the index may vary significantly from the simulated performance record. Simulated performance records invariably show positive rates of return. No representation is being made that the index will perform similar to the simulated performance. Actual index returns could be higher or lower than the simulated performance. Reliance upon information in this material is at the sole discretion of the reader.

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