

## Mitteilung an alle Anteilseigner des BlackRock Global Fund

Sehr geehrter Damen und Herren,

Anbei finden Sie die Information der Fondsgesellschaft BlackRock, folgender Fond ist betroffen:

LU0171304719	BGF World Financials Eur Fd T
LU0106831901	BGF World Financials Fund A Cap

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or you do not understand it, you should consult your financial adviser, stockbroker, accountant, solicitor or other independent adviser immediately.

## BlackRock Global Funds (SICAV)

ADDRESS: BlackRock (Luxembourg) S.A., 6D, route de Trèves, L-2633 Senningerberg  
Grand Duchy of Luxembourg  
R.C.S Luxembourg B127481

21 August 2014

Dear Shareholder

**BlackRock Global Funds World Financials Fund A2RF EUR, LU0171304719 (the "Fund")**

### **NOTICE OF SUCCESSFUL APPLICATION OF 'REPORTING FUNDS STATUS' EFFECTIVE FROM 1 SEPTEMBER 2013**

Following the recommendation of BlackRock Investment Management (UK) Limited, the UK investment adviser of the Fund, the directors of the Fund (the "Board") are writing to inform you that the Fund has successfully applied to Her Majesty's Revenue & Customs ("HMRC") to be a "Reporting Fund" for UK tax purposes in relation to the above share class with effect from 1 September 2013.

We have set out below the background to the Reporting Funds regime and the implications that it has for you as an investor in the Fund.

All investors should note that to reflect the change in status the term "RF" (Reporting Fund) is now included in the labelling of the share class.

**Please note that the offshore funds legislation is primarily aimed at UK taxpayers in offshore vehicles. If you are a non-UK taxpayer in the Fund we do not envisage that you will be impacted by this change, however if you are in any doubt about the implications of the changes described in this letter for you, please consult your own professional tax advisor.**

#### *Background*

The "Reporting Funds" regime was introduced for accounting periods beginning on or after 1 December 2009. The new regime replaces the UK Distributor Status regime. The regimes form part of the offshore funds legislation which was introduced by the UK Government in response to what HMRC perceived to be the avoidance of UK tax by UK investors through the use of offshore funds to roll up investment income. In these funds, income is accumulated within the fund and is added to the capital value of the shares in the fund. In the absence of the UK Distributor Status / Reporting Funds rules, the profits arising on disposal of the investor's interest in the fund (including the income accumulated in the capital value of the shares) should be subject to tax at the capital gains rate (currently the highest capital gains tax rate applicable to UK Individuals is 28%). In the absence of the offshore funds legislation, investors could convert income receipts into capital and therefore would expect to be subject to capital gains tax at a lower tax rate compared to the rate of income tax (up to and including tax year 2013/14 the highest income tax rate applicable to UK individuals is 45%).

To eliminate this perceived avoidance, the offshore funds legislation provides that, unless the share class invested into by the UK investor has successfully held Reporting Fund status (or UK Distributor Status) for the entire ownership period during which the investor has held his or her investment, any capital gain arising to the investor on disposal of their interest in the fund should be subject to tax as income at the appropriate income tax rate. Conversely, where the share class has successfully held Reporting Fund status (or UK Distributor Status) throughout the investor's entire ownership period, any capital gain arising to the investor on disposal of his or her interest in the fund should be subject to capital gains tax.

In order for the share class to successfully maintain Reporting Fund status, the share class should compute and "report" its income (calculated in accordance with UK tax principles) each year to investors so that investors may include their share of the fund's "reportable income" figure in their UK tax return for the relevant period. These reports should be made widely available to investors within 10 months of the year end.

In accordance with this requirement, the share class intends to provide details of its "reportable income" each year within 10 months of the year end of 31 August 2014. This information will be posted on the BlackRock website at [www.blackrock.co.uk/reportingfundstatus](http://www.blackrock.co.uk/reportingfundstatus), and investors should use this information to compute their share of the fund's "reportable income" figure for inclusion on their UK tax return for the relevant period.

#### *Share classes applying for Reporting Fund status*

The share class above has successfully applied for Reporting Fund status with effect from 1 September 2013, its ISIN reference number is also shown for ease of reference.

#### **Implications for UK Taxpayers**

##### *What does this mean for you?*

##### *Capital gains tax implications*

Reporting Fund status applies, as mentioned above, with effect from 1 September 2013.

Without any further action on your part this nevertheless means that on disposal of your shares, any capital gain should continue to be taxed as additional income.

However, it is possible for you to make a deemed disposal election, as at the close of the last accounting period of the fund, being 31 August 2014. If you make this election, any capital gain arising should be crystallised and be subject to tax as income at the appropriate income tax rate.

Any capital gain arising in the period from the date of conversion (when Reporting Fund Status was obtained), being 1 September 2013, to the date of any disposal, should then be subject to tax as a capital gain at the capital gains tax rate.

If you are a UK income tax payer, you would need to make the deemed disposal election in your tax return for 2013/14 to be filed on or before 31 January 2015. If you are a corporation tax payer, you would need to make the deemed disposal election in your corporation tax return for the accounting period which includes the deemed disposal date.

**Please note that we are not permitted to provide you with advice as to whether to make such an election. We would strongly recommend that you seek your own professional tax advice in this respect.**

##### *Reportable Income and Income Tax implications*

Going forward, if you are a UK taxpayer and you invest in one of the share classes listed above, you will need to look up the relevant information detailing the share class's "reportable income" for the year on the BlackRock website. You will then need to compute your share of the "reportable income" figure and include this amount in your UK tax return for the period which includes the date on which the fund reports its income. It is intended that the information relating to the year ending 31 August 2014 will be posted on the website within 10 months of year end.

Please note that we expect that the above changes will affect UK taxpayers holding shares in the share classes listed above. If you are a non-UK taxpayer holding shares in this fund, please consult your own professional tax advisor in order to understand the implications of the changes described in this letter for you.

##### *Note to investors – investment in Non – Reporting Funds*

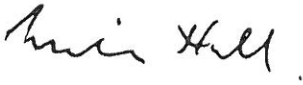
BlackRock recognises that investment in funds where mark-to-market treatment is required may introduce an element of tax inefficiency for UK investors. We have put processes in place to keep such investments to a minimum, however no guarantee is provided in this regard.

**Please note that the information provided above is intended as guidance only and does not constitute tax advice. Investors should seek their own professional tax advice in relation to their investment in the fund, including the tax implications arising to them on subscription, redemption and any distributions payable by the fund. The information provided above is based on the tax laws in force as at the date of this letter, which may be subject to change in future.**

#### Further information

If you would like further information, please contact our Investor Servicing Team on telephone number +44 207 743 3300, or via e-mail at [investor.services@blackrock.com](mailto:investor.services@blackrock.com)

Yours faithfully

A handwritten signature in black ink, appearing to read "Nicholas C D Hall".

Nicholas C D Hall  
Chairman

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21 August 2014

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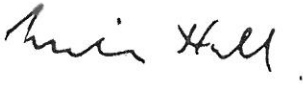
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Yours faithfully

A handwritten signature in black ink, appearing to read "Nicholas Hall", with a small dot at the end.

Nicholas C D Hall  
Chairman