Report of Organizational Actions Affecting Basis of Securities

Part I Reporting Issuer

- iShares Morningstar Multi-Asset Income ETF
- BlackRock Fund Advisors
- c/o BlackRock Inc., 1 University Square DR
- 07/31/2017
- Common Stock - Regulated Investment Company
- 46432F875

Part II Organizational Action

- The issuer paid monthly distributions to common shareholders during the fiscal year ended July 31, 2017. All or a portion of each distribution constitutes a non-taxable return of capital.

- The portion of the distribution that constitutes a non-taxable return of capital will decrease a U.S. taxpayer’s basis in the shares of Issuer. The non-taxable return of capital is as follows:

<table>
<thead>
<tr>
<th>Distribution Payable On</th>
<th>Per Share Reduction of Basis in Common Stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 8, 2017</td>
<td>$0.001168</td>
</tr>
<tr>
<td>March 8, 2017</td>
<td>$0.001349</td>
</tr>
<tr>
<td>April 10, 2017</td>
<td>$0.005641</td>
</tr>
<tr>
<td>May 8, 2017</td>
<td>$0.001306</td>
</tr>
<tr>
<td>June 8, 2017</td>
<td>$0.001637</td>
</tr>
<tr>
<td>July 12, 2017</td>
<td>$0.005464</td>
</tr>
</tbody>
</table>

- Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates. Issuer's current and accumulated earnings were compared to distributions paid during the year ended July 31, 2017. The non-taxable return of capital represents the amount of distributions paid during the taxable year ended July 31, 2017 in excess of Issuer's current and accumulated earnings and profits under IRC Section 316.
Part II  Organizational Action (continued)

17  List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

Internal Revenue Code Sections 301, 316, 852.

10  Can any resulting loss be recognized? ▶ No

19  Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

See Part II, Item 15 of this form for the per share amounts and dates of distributions impacted by this organizational action.

This organizational action is reportable with respect to calendar year 2017.

Sign Here

Signature ▶ [Signature]

Date ▶ 9/14/17

Print your name ▶ [Name]

Title ▶ [Title]

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check □ if self-employed

PTIN

Firm's name ▶

Firm's EIN ▶

Firm's address ▶

Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054