

Perpetual WealthFocus Investment Advantage

Perpetual WealthFocus Wholesale Investment Advantage

Additional information relating to BlackRock Balanced investment option effective 17 April 2015

The following information forms part of and should be read in conjunction with:

- **Product Disclosure Statement issue number 6 dated 17 April 2015 for Perpetual WealthFocus Investment Advantage**
- **Product Disclosure Statement issue number 4 dated 17 April 2015 for Perpetual WealthFocus Wholesale Investment Advantage.**

The Australian Securities and Investments Commission (ASIC) requires specific additional information to be provided for certain funds that pursue complex investment strategies (eg via use of leverage, derivatives and short selling) and/or have other characteristics (eg complex structures and/or performance fees) that may result in increased risk.

The following table provides a summary of this additional information as it relates to the BlackRock Wholesale Balanced Fund (fund) and the responsible entity of the fund, BlackRock Investment Management (Australia) Limited (BlackRock). Further details about the fund and the underlying funds in which the fund invests can be found in the fund's product disclosure statement (as supplemented from time to time) and incorporation by reference document, both dated 3 February 2014 (the fund's PDS and Incorporation by Reference), issued by BlackRock, which are publicly available at BlackRock's website (www.blackrock.com.au).

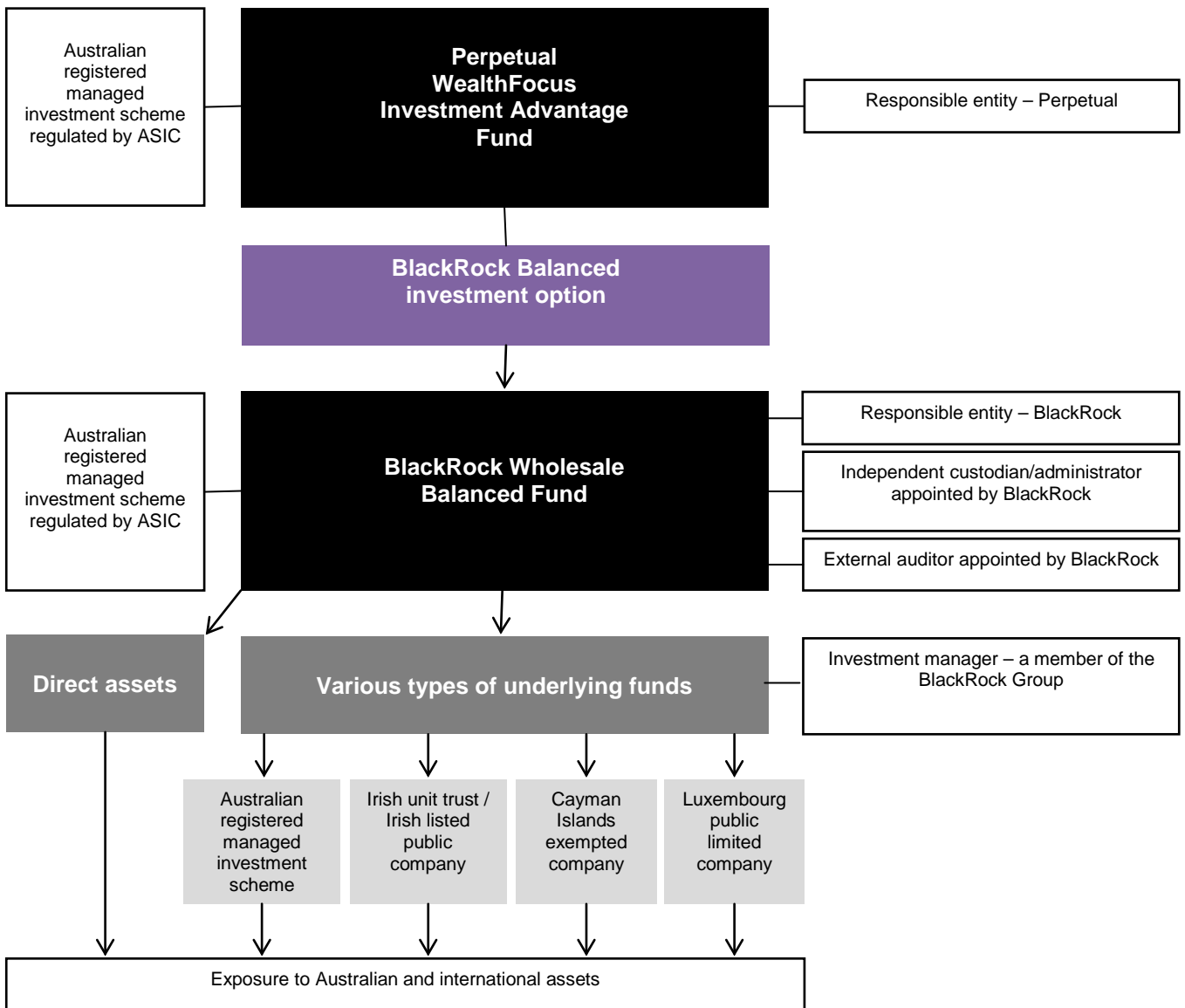
Feature	Details
Periodic reporting	<p>The following fund information will be publicly available at BlackRock's website on a monthly basis:</p> <ul style="list-style-type: none"> • the current total net asset value (NAV) of the fund and the redemption value of a unit in the fund as at the date on which the total NAV was calculated • changes to key service providers and their related party status • the net return of the fund's assets after fees, costs and taxes • any material change in the fund's risk profile • any material change in the fund's strategy • any changes in the individuals playing a key role in investment decisions for the fund <p>The following fund information will be publicly available at BlackRock's website on an annual basis:</p> <ul style="list-style-type: none"> • actual allocation to each asset type held by the fund • the liquidity profile of the fund's assets • the maturity profile of the fund's liabilities • the leverage ratio of the fund • derivatives counterparties engaged • annual investment returns • changes to key service providers and their related party status. <p>Where required information will also be provided with regards to the pooled investment vehicles (underlying funds) into which the fund invests either directly or indirectly.</p>
Investment strategy	<p>The objective, investment approach and investment guidelines for the BlackRock Balanced investment option are shown in the 'Investment options profiles' in the Investment Book.</p> <p>The fund may utilise or be exposed to investment strategies in underlying funds that include the use of short selling, derivatives or leverage – refer below for additional information.</p> <p>Further information about the fund's and underlying funds' investment strategies can be found in the fund's PDS and Incorporation by Reference, including details of:</p> <ul style="list-style-type: none"> • how the investment strategies will produce results and their key dependencies • what the fund and underlying funds invest in • what happens when there are changes to the investment strategies • specific risks associated with the investment strategies and key aspects of the fund's and the underlying funds' risk management strategy. <p>You should also refer to 'Understanding investment risk' in the Features Book for information about the risks of investing in the Fund and how these risks are managed.</p>

Feature	Details
Investment manager	<p>BlackRock is the responsible entity and investment manager for the fund. Each underlying fund is managed and/or has appointed as their investment manager a member of the BlackRock Group.</p> <p>As investment manager, BlackRock is responsible for managing assets of the fund. The implementation of the fund's and underlying funds' investment strategies are considered institutional BlackRock capabilities, meaning BlackRock considers that they do not rely on the involvement of any particular individual.</p> <p>Further details about the fund's investment manager and the appointed investment managers of the underlying funds, including details of the fund's constitution and the investment management arrangements of the underlying funds and the circumstances in which such arrangements may be terminated, can be found in the fund's PDS and Incorporation by Reference.</p>
Fund structure	<p>The BlackRock Balanced investment option invests into the BlackRock Wholesale Balanced Fund to gain exposure to its assets – refer 'Fund structure' below for further information. The fund invests into various types of underlying funds and may also hold assets directly. Further details about the fund structure, including the names of the underlying funds and the jurisdictions in which they operate, related party relationships within the structure, and the due diligence and selection process of underlying funds can be found in the fund's PDS and Incorporation by Reference.</p> <p>The BlackRock Balanced investment option's management costs include a management fee – refer 'Management costs' in the Features Book for details.</p>
Valuation, location and custody of assets	<p>Valuation of assets</p> <p>BlackRock implements a policy that requires the valuation of the fund's assets that are not exchange traded be provided by an independent administrator or an independent valuation service provider, except in certain circumstances set out in the paragraphs below. The managed investment schemes into which the fund invests, either directly or indirectly, that are also managed by BlackRock, are subject to the same policy.</p> <p>For the fund and underlying funds managed by BlackRock, in certain (generally infrequent) circumstances where a valuation cannot be obtained from an independent administrator or an independent valuation service provider for an asset, BlackRock can value the asset on another basis in accordance with its valuation policy. The valuation process depends on the nature of the asset and will involve having regard to relevant factors, to address any risks of lack of independence in valuations and related party conflicts of interest, which may include referring the matter to an internal BlackRock committee.</p> <p>The valuation of assets of the underlying funds into which the fund invests, either directly or indirectly, which are not managed by BlackRock (but which have appointed as their investment manager a member of the BlackRock Group), will depend on the valuation processes of the respective pooled investment vehicles.</p> <p>Further details about the valuation of assets of the fund and underlying funds are available in the fund's PDS.</p> <p>Location of assets</p> <p>As a global fund with a broad investment universe physical instruments held by the fund may be denominated in any global currency and may be located in any country of the world. Underlying funds are generally domiciled in Australia, the Cayman Islands, Luxembourg or Ireland and are generally denominated in either U.S. or Australian dollars.</p> <p>As a multi strategy fund, which invests in a number of underlying funds, which in turn have global strategies and given that the underlying funds have all appointed as their investment manager a member of the BlackRock Group, the fund does not specify permitted geographic locations with regards to the domicile of underlying funds, their managers, or the focus of their investing. The geographical location of underlying funds, their managers and their assets, however, are important considerations which BlackRock takes into account as part of its management of the investment strategy of the fund.</p> <p>Further information about the fund's and underlying funds' location and currency denomination of assets is available in the fund's PDS and Incorporation by Reference.</p> <p>Custody of assets</p> <p>The fund and underlying funds have each engaged an independent custodian to provide custodial services, including the safekeeping of their assets. Please refer to the 'Key service providers' section of this document for further information.</p>
Liquidity	<p>As at the date of this document, BlackRock reasonably expects, should the need arise, to be able to realise at least 80% of the fund's assets (including units in underlying funds), at the value ascribed to those assets in calculating the fund's net asset value, within 10 days.</p> <p>Given that the underlying funds have all appointed as their investment manager a member of the BlackRock Group, the fund does not set any specific restrictions in terms of the liquidity of underlying funds. The liquidity of underlying funds (and their assets), however, is an important consideration which BlackRock takes into account in managing the investment strategy of the fund. The BlackRock Group's risk management practices also include the regular monitoring of the liquidity characteristics of BlackRock Group funds, and the assets in which they invest, to ensure funds remain within permitted investment parameters.</p> <p>Further information about the liquidity of the underlying funds is available in the fund's Incorporation by Reference.</p>

Feature	Details
Leverage	<p>The fund does not enter into borrowing arrangements for investment purposes, other than temporary overdrafts which may be used as a means of managing certain cash flows. The fund may, however, gain leveraged market exposure through its exposure to underlying funds, which may use leverage in their investment program.</p> <p>Given that the underlying funds have all appointed as their investment manager a member of the BlackRock Group, the fund does not specify any particular acceptable types of leverage to be used by underlying funds or set any limits in terms of the gross level of leverage used, as this forms part of the investment strategy of each underlying fund. The leverage of the fund is, however, controlled at the fund and underlying fund level, through the oversight and management of the investment strategy of the fund and the underlying funds by their investment manager, which includes considering and monitoring leverage and exposure limits.</p> <p>While there is no explicit maximum level of gross leverage that the fund may be exposed to, as at the date of this document, it is anticipated that the gross level of leverage the fund may be exposed to from time to time will typically range between 1 to 4 times the fund's NAV. The leverage of the fund may fluctuate from time to time depending on changes to the embedded leverage to which the fund is exposed as a result of its exposure to the underlying funds. Such embedded leverage may change due to variations in the investment activity and security exposures of the underlying funds. For example, greater investment by an underlying fund in shorter dated, lower volatility, fixed income securities may require that underlying fund to increase its leverage exposure in order to achieve its stated investment objectives. Conversely, greater investment by an underlying fund in higher volatility securities, like equities or commodities, may require that underlying fund to reduce its leverage exposure in order to achieve its stated investment objectives. For comparison purposes, when calculating expected leverage, 10 year equivalent exposures are used for fixed income securities. Shorter duration fixed income securities are generally less volatile than fixed income securities with longer duration, therefore, adjusting fixed income exposures to 10 year equivalents provides a more comparable basis for the assessment of risk between different fixed income securities.</p> <p>While the fund may be exposed to leverage through its investment in underlying funds, any potential losses are limited to the capital allocated to each underlying fund.</p> <p>Further information about the fund's and underlying funds' use of leverage, including circumstances in which leverage may be used and restrictions on its use, sources of leverage, whether assets are used as collateral, the maximum and anticipated level of leverage of underlying funds and an example showing the impact of leverage can be found in the fund's PDS and Incorporation by Reference.</p>
Derivatives	<p>Derivatives are financial instruments whose value is derived from another security, commodity, currency, or index. The use of these instruments can dramatically reduce the costs of managing exposure to investment markets and makes possible a much wider universe of investment opportunities. Asset allocation positions of the fund may be implemented through derivatives, along with investments in underlying funds. Derivatives are also used to ensure that underlying asset exposures of the fund are consistent with the fund's benchmark.</p> <p>The fund and many of the underlying funds may use derivatives, both exchange traded and over-the-counter (OTC), and in some instances derivative use may be extensive. The types of derivatives used by the fund include, but are not limited to, futures, options, swaps and forwards. The fund may also use structured investment instruments from time to time in pursuit of its investment objective.</p> <p>Given that the underlying funds have all appointed as their investment manager a member of the BlackRock Group, the fund does not specify any particular approved types of derivatives to be used by underlying funds, or set any limits on derivative exposure, as this forms part of the investment strategy of each underlying fund. The derivative exposure of the fund is, however, controlled at the fund and underlying fund level, through the oversight and management of the investment strategy of the fund and underlying funds by their investment manager, which includes considering and monitoring derivative exposure.</p> <p>All counterparties of the fund and underlying funds are formally approved by the BlackRock Group's Risk and Quantitative Analysis Team (RQA), prior to a fund engaging in any transaction with a particular counterparty. Counterparty credit limits are also assigned to each counterparty, taking into account the types of securities to be transacted and RQA's assessment of the credit worthiness of the counterparty. No transaction may be entered into with a counterparty that has not previously been approved and assigned a counterparty credit limit.</p> <p>With respect to OTC derivatives, exposure to each counterparty is monitored and agreements are diversified to minimise exposure to individual counterparties. Positions are marked-to-market on a regular basis.</p> <p>Further information about the fund's and underlying funds' use of derivatives, including the types of derivative used, the criteria for engaging derivative counterparties and key risks associated with the use of derivatives can be found in the fund's PDS and Incorporation by Reference.</p>
Short selling	<p>While the fund itself does not engage in short selling a number of the underlying funds to which it is exposed, either directly or indirectly, may engage in short selling. The fund may be exposed to investment strategies that engage in short selling either directly through borrowing and selling physical securities or synthetically through derivatives such as futures, options or other instruments.</p> <p>Given that the underlying funds have all appointed as their investment manager a member of the BlackRock Group, the fund does not seek to restrict the investment strategies of underlying funds with regards to the use of short selling by such underlying funds, including the level of short selling that may be undertaken, as this forms part of each underlying fund's investment strategy. The fund's exposure to short selling is, however, controlled at the underlying fund level, through the oversight and management of the investment strategy of each underlying fund by its investment manager, which includes considering and monitoring the short selling exposure.</p> <p>Refer 'Short-position risk' in the Features Book for information about associated risks.</p> <p>Further information about the fund's and underlying funds' use of short selling, including an explanation of the purpose and rationale of short selling, the risks associated with short sell and how these risks will be managed can be found in the fund's PDS and Incorporation by Reference.</p>
Withdrawals	<p>You can generally withdraw all or part (minimum \$1,000) of your investment in the BlackRock Balanced investment option at any time as long as you maintain any required minimum balance (currently \$1,000) after any partial withdrawal – refer 'Withdrawals' and 'Suspension of applications, switches and withdrawals' in the Features Book for further information.</p>

Fund structure

The following diagram illustrates the investment structure that applies to the BlackRock Balanced investment option.



Key service providers

BlackRock has appointed the following independent key service providers for the BlackRock Wholesale Balanced Fund:

- custodian and administrator – JP Morgan Chase Bank, N.A.
- auditor – Deloitte Touche Tohmatsu.

Given that the underlying funds have all appointed as their investment manager a member of the BlackRock Group, the fund itself does not undertake any particular due diligence process in respect of the key service providers of underlying funds. BlackRock however considers and undertakes monitoring of key service providers as part of its management of the fund's investment strategy. The BlackRock Group also monitors the services provided by key service providers through day-to-day dealings with these key service providers.

Further information about key service providers to the fund and underlying funds, including details of appointed custodians, administrators, auditors and prime brokers can be found in the fund's PDS and Incorporation by Reference.

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