

QUESTIONS & ANSWERS

We recommend that you read the complete Combined Prospectus/Proxy Statement. For your convenience, we have provided a brief overview of the proposed Reorganizations (each, a “Proposal” and collectively, the “Proposals”).

Q: Why is a shareholder meeting being held?

A: You are a shareholder of the S&P 500 Index Target Fund, the Bond Target Fund, the Small Cap Index Target Fund, the International Index Target Fund, the Equity Target Fund, the Small/Mid Cap Equity Target Fund, the International Equity Target Fund and/or the Tax Advantaged Bond Target Fund. As a shareholder of a Target Fund, you are being asked to approve an Agreement and Plan of Reorganization (each, a “Reorganization Agreement”) between the Target Trust, on behalf of the applicable Target Fund, and each Acquiring Trust, on behalf of the corresponding Acquiring Fund, as set out in the table below:

Proposal No.	Target Fund		Acquiring Fund		Acquiring Master Portfolio	
1a	State Farm S&P 500 Index Fund (the “S&P 500 Index Target Fund”)	a series of State Farm Mutual Fund Trust (the “Target Trust”), a Delaware statutory trust	iShares S&P 500 Index Fund (the “S&P 500 Index Acquiring Fund”)	a series of BlackRock Funds III, a Delaware statutory trust	S&P 500 Index Master Portfolio (the “S&P 500 Index Acquiring Master Portfolio”)	a series of Master Investment Portfolio (“MIP”), a Delaware statutory trust
1b	State Farm Bond Fund (the “Bond Target Fund”)	a series of the Target Trust	BlackRock CoreAlpha Bond Fund (the “CoreAlpha Bond Acquiring Fund”)	a series of BlackRock Funds VI, a Delaware statutory trust	CoreAlpha Bond Master Portfolio (the “CoreAlpha Bond Acquiring Master Portfolio”)	a series of Master Investment Portfolio II (“MIP II”), a Delaware statutory trust
1c	State Farm Small Cap Index Fund (the “Small Cap Index Target Fund”)	a series of the Target Trust	iShares Russell 2000 Small-Cap Index Fund (the “Russell 2000 Small-Cap Index Acquiring Fund”)	a series of BlackRock Index Funds, Inc., a Maryland corporation	Master Small Cap Index Series (the “Russell 2000 Small-Cap Index Acquiring Master Series”)	a series of Quantitative Master Series LLC (“QMS”), a Delaware limited liability company
1d	State Farm International Index Fund (the “International Index Target Fund”)	a series of the Target Trust	iShares MSCI EAFE International Index Fund (the “MSCI EAFE International Index Acquiring Fund”)	a series of BlackRock Index Funds, Inc.	N/A	N/A

Proposal No.	Target Fund		Acquiring Fund		Acquiring Master Portfolio	
1e	State Farm Equity Fund (the “Equity Target Fund”)	a series of the Target Trust	BlackRock Advantage Large Cap Core Fund (the “Advantage Large Cap Core Acquiring Fund”)	a series of BlackRock Large Cap Series Funds, Inc., a Maryland corporation	Master Advantage Large Cap Core Portfolio (the “Advantage Large Cap Core Acquiring Master Portfolio” and, together with the S&P 500 Index Acquiring Master Portfolio, the CoreAlpha Bond Acquiring Master Portfolio and the Russell 2000 Small-Cap Index Acquiring Master Series, the “Acquiring Master Portfolios” and each, an “Acquiring Master Portfolio”)	a series of Master Large Cap Series LLC (“Master Large Cap Series LLC” and, together with MIP, MIP II and QMS, the “Acquiring Master Trusts” and each, an “Acquiring Master Trust”), a Delaware limited liability company
1f	State Farm Small/Mid Cap Equity Fund (the “Small/Mid Cap Equity Target Fund”)	a series of the Target Trust	BlackRock Advantage Small Cap Core Fund (the “Advantage Small Cap Core Acquiring Fund”)	a series of BlackRock Funds SM (together with BlackRock Funds III, BlackRock Funds VI, BlackRock Index Funds, Inc. and BlackRock Large Cap Series Funds, Inc., the “Acquiring Trusts” and each, an “Acquiring Trust”), a Massachusetts business trust	N/A	N/A
1g	State Farm International Equity Fund (the “International Equity Target Fund”)	a series of the Target Trust	BlackRock Advantage International Fund (the “Advantage International Acquiring Fund”)	a series of BlackRock Funds SM	N/A	N/A

Proposal No.	Target Fund		Acquiring Fund		Acquiring Master Portfolio	
1h	State Farm Tax Advantaged Bond Fund (the “Tax Advantaged Bond Target Fund” and, together with the S&P 500 Index Target Fund, the Bond Target Fund, the Small Cap Index Target Fund, the International Index Target Fund, the Equity Target Fund, the Small/Mid Cap Equity Target Fund and the International Equity Target Fund, the “Target Funds”)	a series of the Target Trust	iShares Municipal Bond Index Fund (the “Municipal Bond Index Acquiring Fund” and, together with the S&P 500 Index Acquiring Fund, the CoreAlpha Bond Acquiring Fund, the Russell 2000 Small-Cap Index Acquiring Fund, the MSCI EAFE International Index Acquiring Fund, the Advantage Large Cap Core Acquiring Fund, the Advantage Small Cap Core Acquiring Fund and the Advantage International Acquiring Fund, the “Acquiring Funds” and each, an “Acquiring Fund”)	a series of BlackRock Funds SM	N/A	N/A

Shareholders of the applicable Target Funds as of the close of business on May 25, 2018 (the “Record Date”) are entitled to vote on their respective Proposal.

Each Target Fund and each Acquiring Fund are referred to as a “Fund” and collectively referred to as the “Funds.”

Each Acquiring Fund and each Acquiring Master Portfolio, following completion of the applicable Reorganization (as defined below), may be referred to respectively, as a “Combined Fund” or a “Combined Master Portfolio.”

Each Target Fund is asking you to approve, as a shareholder in such Target Fund, a series of transactions with respect to such Target Fund, which will result in you becoming a shareholder of the corresponding Acquiring Fund, a mutual fund advised by BlackRock Fund Advisors (“BFA”), which is the sub-adviser to certain of the Target Funds, or BlackRock Advisors, LLC (“BAL” and together with BFA, the “Acquiring Fund Managers” and each, an “Acquiring Fund Manager”). Each of the S&P 500 Index Acquiring Fund, the CoreAlpha Bond Acquiring Fund, the Russell 2000 Small-Cap Index Acquiring Fund and the Advantage Large Cap Core Acquiring Fund is a “feeder” fund that invests all of its assets in a corresponding Acquiring Master Portfolio, each with the same investment objective as the corresponding Acquiring Fund, as set out in the table above. The proposed transactions include a reorganization (each, a “Reorganization” and together, the “Reorganizations”) of each Target Fund with the corresponding Acquiring Fund. The Reorganizations are described herein and throughout this Combined Prospectus/Proxy Statement as Proposals 1a, 1b, 1c, 1d, 1e, 1f, 1g and 1h.

Each of S&P 500 Index Target Fund and S&P 500 Index Acquiring Fund pursues an identical investment objective and substantially similar investment strategies to achieve its respective investment objective.

Each of Bond Target Fund and CoreAlpha Bond Acquiring Fund pursues a different investment objective and similar investment strategies to achieve its respective investment objective.

Each of Small Cap Index Target Fund and Russell 2000 Small-Cap Index Acquiring Fund pursues a substantially similar investment objective and substantially similar investment strategies to achieve its respective investment objective.

Each of International Index Target Fund and MSCI EAFE International Index Acquiring Fund pursues a substantially similar investment objective and similar investment strategies to achieve its respective investment objective.

Each of Equity Target Fund and Advantage Large Cap Core Acquiring Fund pursues an identical investment objective and similar investment strategies to achieve its respective investment objective.

Each of Small/Mid Cap Equity Target Fund and Advantage Small Cap Core Acquiring Fund pursues a substantially similar investment objective and similar investment strategies to achieve its respective investment objective.

Each of International Equity Target Fund and Advantage International Acquiring Fund pursues a substantially similar investment objective and similar investment strategies to achieve its respective investment objective.

Each of Tax Advantaged Bond Target Fund and Municipal Bond Index Acquiring Fund pursues a different investment objective and different investment strategies to achieve its respective investment objective.

If the applicable Reorganization is approved and completed, you will become a shareholder of the applicable Acquiring Fund, and the applicable Target Fund will be terminated, dissolved and liquidated as a series of the Target Trust. No Reorganization is contingent upon the approval of any other Reorganization. If any Reorganization is not consummated, then the Target Fund for which such Reorganization was not consummated will continue to exist and the Board of Trustees of the Target Trust will consider what action, if any, to take, which may include seeking a merger with a different fund, the liquidation of the applicable Target Fund or continuing current operations of such Target Fund. If approved by shareholders, the closing date for each Reorganization may vary, but it is currently anticipated that all closings are expected to be completed by the fourth quarter of 2018. Please refer to the Combined Prospectus/Proxy Statement for a detailed explanation of the Reorganizations and for a more complete description of each Acquiring Fund.

THE REORGANIZATIONS

Subject to approval by the shareholders of each Target Fund, the Agreement and Plan of Reorganization for each Reorganization provides for:

- Step 1: The transfer and delivery of all of the assets of the applicable Target Fund to the corresponding Acquiring Fund in exchange for the assumption by the Acquiring Fund of certain stated liabilities of such Target Fund and newly-issued shares of such Acquiring Fund (“Acquiring Fund Shares”).
- Step 2: The distribution of the Acquiring Fund Shares (including fractional shares) by the corresponding Target Fund to its shareholders.
- Step 3: The termination, dissolution and liquidation of such Target Fund as a series of the Target Trust.

Such assets will be transferred in-kind by such Acquiring Fund to the corresponding Acquiring Master Portfolio in exchange for interests in such Acquiring Master Portfolio, if such Acquiring Fund is part of a master-feeder arrangement.

Q: How does the Board of the Target Trust suggest that I vote?

A: After considering the fees and expenses, performance, investment objectives and strategies of each Acquiring Fund and the terms and conditions of each Reorganization, including the tax consequences, the Target Board, including all of the Trustees who are not “interested persons” (as defined in the Investment Company Act of 1940, as amended (the “1940 Act”)) of the Target Trust (the “Independent Trustees”), has determined that each proposed Reorganization is in the best interests of each applicable Target Fund and, therefore, unanimously recommends that you cast your vote “**FOR**” each such proposed Reorganization.

Q: In the Reorganizations, what class of shares of the applicable Acquiring Fund will I receive?

A: You will receive shares, including fractional shares, if any, of the applicable Acquiring Fund as follows (the “Share Class Mapping”):

Index Funds

Solely with respect to Reorganizations that involve Acquiring Funds that are index mutual funds, Target Fund shareholders who own Class A, Class B, Legacy Class B or Premier Shares (to the extent applicable) of the Target Fund will receive either Investor A or Investor P Shares of the Acquiring Fund as follows:

- With respect to Target Fund shareholders who hold such share classes in an account governed by a custodial account agreement with State Farm Bank:
 - Target Fund shareholders that are Coverdell Education Savings Accounts and Archer Medical Savings Accounts will receive Investor A Shares because such accounts will be held directly with BlackRock following the proposed Reorganization.
 - All other Target Fund shareholders will receive Investor P Shares.
- Target Fund shareholders that are 401(k) plans and hold such share classes of the Target Fund with Ascensus will receive Investor P Shares.
- Target Fund shareholders (i) that are 401(k) plans not held with Ascensus or trustee-directed 401(a) plans held in accounts that are not governed by a custodial account agreement with State Farm Bank or (ii) that hold such shares in taxable accounts, will receive Investor A Shares because such accounts will be held directly with BlackRock following the proposed Reorganization unless such shareholders consent to having their accounts moved to the RBC brokerage platform, in which case they will receive Investor P Shares.
- Such shares held in state escheatment accounts will receive Investor A Shares because such accounts will be held directly with BlackRock following the proposed Reorganization.
- All other Target Fund shareholders who own such shares will receive Investor P Shares.

Please call State Farm with any questions about what type of account you hold.

If you own the following S&P 500 Index Target Fund Shares

Class A Shares
 Class B Shares
 Legacy Class B Shares
 Premier Shares
 Class R-1 Shares
 Class R-2 Shares
 Class R-3 Shares
 Institutional Shares

You will receive the following S&P 500 Index Acquiring Fund Shares

Investor A Shares or Investor P Shares*
 Investor A Shares or Investor P Shares*
 Investor A Shares or Investor P Shares*
 Investor A Shares or Investor P Shares*
 Investor P Shares
 Investor P Shares
 Institutional Shares
 Institutional Shares

* See note above.

The S&P 500 Index Acquiring Fund also offers Investor C1 Shares, Service Shares and Class K Shares. No shares from these share classes will be issued in the Reorganization.

<i>If you own the following Small Cap Index Target Fund Shares</i>	<i>You will receive the following Russell 2000 Small-Cap Index Acquiring Fund Shares</i>
Class A Shares	Investor A Shares or Investor P Shares*
Class B Shares	Investor A Shares or Investor P Shares*
Legacy Class B Shares	Investor A Shares or Investor P Shares*
Premier Shares	Investor A Shares or Investor P Shares*
Class R-1 Shares	Investor P Shares
Class R-2 Shares	Investor P Shares
Class R-3 Shares	Institutional Shares
Institutional Shares	Institutional Shares

* See note above.

The Russell 2000 Small-Cap Index Acquiring Fund also offers Class K Shares. No shares from this share class will be issued in the Reorganization.

<i>If you own the following International Index Target Fund Shares</i>	<i>You will receive the following MSCI EAFE International Index Acquiring Fund Shares</i>
Class A Shares	Investor A Shares or Investor P Shares*
Class B Shares	Investor A Shares or Investor P Shares*
Legacy Class B Shares	Investor A Shares or Investor P Shares*
Premier Shares	Investor A Shares or Investor P Shares*
Class R-1 Shares	Investor P Shares
Class R-2 Shares	Investor P Shares
Class R-3 Shares	Institutional Shares
Institutional Shares	Institutional Shares

* See note above.

The MSCI EAFE International Index Acquiring Fund also offers Class K Shares. No shares from this share class will be issued in the Reorganization.

<i>If you own the following Tax Advantaged Bond Target Fund Shares</i>	<i>You will receive the following Municipal Bond Index Acquiring Fund Shares</i>
Class A Shares	Investor A Shares or Investor P Shares*
Class B Shares	Investor A Shares or Investor P Shares*
Legacy Class B Shares	Investor A Shares or Investor P Shares*
Premier Shares	Investor A Shares or Investor P Shares*

* See note above.

The Municipal Bond Index Acquiring Fund also offers Institutional Shares and Class K Shares. No shares from these share classes will be issued in the Reorganization.

Non-Index Funds

If you own the following Bond Target Fund Shares

Class A Shares
 Class B Shares
 Legacy Class B Shares
 Premier Shares
 Class R-1 Shares
 Class R-2 Shares
 Class R-3 Shares
 Institutional Shares

*You will receive the following CoreAlpha Bond
 Acquiring Fund Shares*

Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Institutional Shares
 Institutional Shares

The CoreAlpha Bond Acquiring Fund also offers Investor C Shares and Class K Shares. No shares from these share classes will be issued in the Reorganization.

If you own the following Equity Target Fund Shares

Class A Shares
 Class B Shares
 Legacy Class B Shares
 Premier Shares
 Class R-1 Shares
 Class R-2 Shares
 Class R-3 Shares
 Institutional Shares

*You will receive the following Advantage Large Cap
 Core Acquiring Fund Shares*

Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Institutional Shares
 Institutional Shares

The Advantage Large Cap Core Acquiring Fund also offers Investor C Shares, Class R Shares, Service Shares and Class K Shares. No shares from these share classes will be issued in the Reorganization.

*If you own the following Small/Mid Cap Equity Target
 Fund Shares*

Class A Shares
 Class B Shares
 Legacy Class B Shares
 Premier Shares
 Class R-1 Shares
 Class R-2 Shares
 Class R-3 Shares
 Institutional Shares

*You will receive the following Advantage Small Cap
 Core Acquiring Fund Shares*

Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Investor A Shares
 Institutional Shares
 Institutional Shares

The Advantage Small Cap Core Acquiring Fund also offers Investor C Shares and Class K Shares. No shares from these share classes will be issued in the Reorganization.

If you own the following International Equity Target

Fund Shares
Class A Shares
Class B Shares
Legacy Class B Shares
Premier Shares
Class R-1 Shares
Class R-2 Shares
Class R-3 Shares
Institutional Shares

You will receive the following Advantage

International Acquiring Fund Shares
Investor A Shares
Investor A Shares
Investor A Shares
Investor A Shares
Investor A Shares
Investor A Shares
Institutional Shares
Institutional Shares

The Advantage International Acquiring Fund also offers Investor C Shares, Class R Shares and Class K Shares. No shares from these share classes will be issued in the Reorganization.

Share class selection was primarily based on the shareholder eligibility requirements of each share class of both the Target Funds and Acquiring Funds, and on the similarities in the distribution payment structure of each share class of both the Target Funds and Acquiring Funds. In addition, similarities in shareholder privileges and shareholder services, total expense ratios, front-end sales charges, and contingent deferred sales charges were considered.

Q: Will I own the same number of shares of a Combined Fund as I currently own of my Target Fund?

A: No. You will receive shares, including fractional shares, if any, of the applicable Acquiring Fund with the same aggregate net asset value (“NAV”) as the shares of the corresponding Target Fund you own immediately prior to the Reorganization. However, the number of shares you receive will depend on the relative NAV per share for the applicable class of such Target Fund and the corresponding Acquiring Fund computed as of the close of regular trading on the New York Stock Exchange on the business day immediately prior to the closing of the applicable Reorganization (“Valuation Time”), after the declaration and payment of applicable dividends and/or other distributions. Thus, if as of the Valuation Time the NAV of a share of the applicable Acquiring Fund is lower than the NAV of the corresponding share class of the applicable Target Fund, you will receive a greater number of shares of such Acquiring Fund in the Reorganizations than you held in the Target Fund immediately prior to the applicable Reorganization. On the other hand, if the NAV of a share of the applicable Acquiring Fund is higher than the NAV of the corresponding share class of the applicable Target Fund, you will receive fewer shares of such Acquiring Fund in the applicable Reorganization than you held in the Target Fund immediately prior to such Reorganization. The aggregate NAV immediately after the applicable Reorganization of your Combined Fund shares will be the same as the aggregate NAV of your Target Fund shares immediately prior to such Reorganization. The NAV per share of each class of the Target Fund will be computed as of the Valuation Time in accordance with the Acquiring Fund’s valuation policies and procedures. See the subsection entitled “Comparison of the Funds—Purchase, Redemption, Exchange and Valuation of Shares” in the Combined Prospectus/Proxy Statement for information regarding such policies and procedures.

Q: Who will advise each Combined Fund once a Reorganization is completed?

A: Each Acquiring Fund is advised by either BFA or BAL, and certain Acquiring Funds are sub-advised by BFA or an investment advisory affiliate, and each Combined Fund will continue to be advised by BFA or BAL, as applicable, once the applicable Reorganization is completed, as set forth in the chart below. Each of BFA and BAL is an investment adviser to certain BlackRock mutual funds and an indirect wholly-owned subsidiary of BlackRock, Inc.

Acquiring Fund	Investment Adviser	Sub-Advisor
S&P 500 Index Acquiring Fund	BFA	N/A
CoreAlpha Bond Acquiring Fund	BAL	BlackRock International Limited (“BIL”) and BFA
Russell 2000 Small-Cap Index Acquiring Fund	BAL	BFA
MSCI EAFE International Index Acquiring Fund	BAL	BFA
Advantage Large Cap Core Acquiring Fund	BAL	N/A
Advantage Small Cap Core Acquiring Fund	BAL	N/A
Advantage International Acquiring Fund	BAL	N/A
Municipal Bond Index Acquiring Fund	BFA	N/A

Q: How will the Reorganization affect Fund fees and expenses?

A: Assuming the Reorganizations had occurred on (i) December 31, 2017 with respect to the S&P 500 Index Combined Fund, CoreAlpha Bond Combined Fund, Russell 2000 Small-Cap Index Combined Fund, MSCI EAFE International Index Combined Fund and Municipal Bond Index Combined Fund, (ii) March 31, 2018 with respect to the Advantage Large Cap Core Combined Fund and Advantage International Combined Fund, and (iii) May 31, 2018 with respect to the Advantage Small Cap Core Combined Fund, each Combined Fund would have total annual fund operating expenses for each of its share classes to be issued in the applicable Reorganization that are estimated to be the same or lower than those of each of the corresponding share classes of the applicable Target Fund prior to the Reorganizations. Each Combined Fund would have net annual fund operating expenses for each of its share classes to be issued in the applicable Reorganization that are estimated to be the same or lower than those of the corresponding share classes of the applicable Target Fund prior to the applicable Reorganization, as set forth in the table below, after giving effect to all applicable contractual expense reimbursements (which exclude the effect of certain fees and expenses) that BFA or BAL, as applicable, has agreed to continue through the dates indicated in the table below. With respect to CoreAlpha Bond Acquiring Fund, this analysis is based on the fees and expenses of the CoreAlpha Bond Predecessor Fund (as defined in the Combined Prospectus/Proxy Statement), as the Acquiring Fund is recently organized and had no outstanding shares as of the date of the Combined Prospectus/Proxy Statement.

Target Fund Name	Combined Fund Net Annual Fund Operating Expenses Expected to be Higher/Same/Lower than the Target Fund	Expiration Date of Contractual Expense Reimbursements
S&P 500 Index Target Fund	Lower	April 30, 2021
Bond Target Fund	Same for Premier Shares; lower for Class A Shares, Class B Shares, Legacy Class B Shares, Class R-1 Shares, Class R-2 Shares, Class R-3 Shares and Institutional Shares	April 30, 2021
Small Cap Index Target Fund	Lower	April 30, 2021
International Index Target Fund	Lower	April 30, 2021
Equity Target Fund	Lower	January 31, 2021
Small/Mid Cap Equity Target Fund	Lower	September 30, 2021
International Equity Target Fund	Lower	January 31, 2021
Tax Advantaged Bond Target Fund	Lower	September 30, 2021

Q: Will I have to pay any sales charge, commission or other similar fee in connection with the applicable Reorganization?

A: No, you will not have to pay any sales charge, commission or other similar fee in connection with the applicable Reorganization. However, if you purchase shares of the Combined Funds after the closing of the Reorganization, all applicable sales charges and/or contingent deferred sales charges (“CDSCs”) will apply to such purchases and/or redemptions of such shares in the Combined Funds.

Q: Are there any differences in front-end sales charges or CDSCs?

A: Yes. A maximum CDSC is assessed on certain redemptions of Investor A Shares of CoreAlpha Bond Acquiring Fund, Advantage Large Cap Core Acquiring Fund, Advantage Small Cap Core Acquiring Fund and Advantage International Acquiring Fund and Investor P Shares of Municipal Bond Index Acquiring Fund. A maximum CDSC is assessed on redemptions of Class B Shares of each of the Target Funds.

Investor A Shares of CoreAlpha Bond Acquiring Fund, Advantage Large Cap Core Acquiring Fund, Advantage Small Cap Core Acquiring Fund and Advantage International Acquiring Fund and Investor P Shares of S&P 500 Index Acquiring Fund, Russell 2000 Small-Cap Index Acquiring Fund, MSCI EAFE International Index Acquiring Fund and Municipal Bond Index Acquiring Fund are subject to a maximum front-end sales charge. Investor A Shares of S&P 500 Index Acquiring Fund, Russell 2000 Small-Cap Index Acquiring Fund, MSCI EAFE International Index Acquiring Fund and Municipal Bond Index Acquiring Fund and Institutional Shares of each Acquiring Fund do not charge a front-end sales charge. Class A Shares and Premier Shares of each Target Fund are subject to a maximum front-end sales charge and Class B Shares, Legacy Class B Shares, Class R-1 Shares, Class R-2 Shares, Class R-3 Shares and Institutional Shares of each Target Fund do not charge a front-end sales charge. Shareholders of each of Class R-1 Shares and Class R-2 Shares of each of the Target Funds will receive Investor A Shares or Investor P Shares, as applicable, of the applicable Acquiring Fund. Although shareholders of each of Class R-1 Shares and Class R-2 Shares will receive Investor A Shares or Investor P Shares, as applicable, which are subject to different front-end sales charges and CDSCs than Class R-1 Shares and Class R-2 Shares as detailed below, it is expected that such shareholders will be eligible to buy additional Investor A Shares or Investor P Shares, as applicable, without paying sales loads following the Reorganizations pursuant to the Acquiring Funds’ current sales charge waiver policy, which permits employer-sponsored retirement plans to buy Investor A Shares or Investor P Shares, as applicable, load-waived. Please see the following tables for a further illustration of each of the share classes and their respective front-end sales charges and CDSCs.

Target Fund Front-End Sales Charge	
S&P 500 Index Target Fund Class A and Premier Shares	5.00%
Small Cap Index Target Fund Class A and Premier Shares	
International Index Target Fund Class A and Premier Shares	
Equity Target Fund Class A and Premier Shares	
Small/Mid Cap Equity Target Fund Class A and Premier Shares	
International Equity Target Fund Class A and Premier Shares	
Bond Target Fund Class A and Premier Shares	3.00%
Tax Advantaged Bond Target Fund Class A and Premier Shares	
Legacy Class B	None
Class R-1	None
Class R-2	None
Class R-3	None
Institutional	None

Acquiring Fund Front-End Sales Charge	
S&P 500 Index Acquiring Fund Investor P Shares	5.25%
Russell 2000 Small-Cap Index Acquiring Fund Investor P Shares	
MSCI EAFE International Index Acquiring Fund Investor P Shares	
Advantage Large Cap Core Acquiring Fund Investor A Shares	
Advantage Small Cap Core Acquiring Fund Investor A Shares	
Advantage International Acquiring Fund Investor A Shares	4.00%
CoreAlpha Bond Acquiring Fund Investor A Shares	
Municipal Bond Index Acquiring Fund Investor P Shares	None
S&P 500 Index Acquiring Fund Investor A and Institutional Shares	
CoreAlpha Bond Acquiring Fund Institutional Shares	
Russell 2000 Small-Cap Index Acquiring Fund Investor A and Institutional Shares	
MSCI EAFE International Index Acquiring Fund Investor A and Institutional Shares	
Advantage Large Cap Core Acquiring Fund Institutional Shares	
Advantage Small Cap Core Acquiring Fund Institutional Shares	
Advantage International Acquiring Fund Institutional Shares	
Municipal Bond Index Acquiring Fund Investor A and Institutional Shares	

Target Fund CDSCs	
Class A	For an investment of \$500,000 or more in Class A Shares, a CDSC will be charged if shares are redeemed within 12 months following their purchase at the rate of 0.5% on the lesser of the value of the shares redeemed (exclusive of reinvested dividends and capital gains distributions) or the cost of such shares.
Class B	5.00%
Premier	For an investment of \$500,000 or more in Premier Shares, a CDSC will be charged if shares are redeemed within 12 months following their purchase at the rate of 0.5% on the lesser of the value of the shares redeemed (exclusive of reinvested dividends and capital gains distributions) or the cost of such shares.
Legacy Class B	3.00%
Class R-1	None
Class R-2	None

Acquiring Fund CDSCs	
<p>Advantage Large Cap Core Acquiring Fund Investor A Shares</p> <p>Advantage Small Cap Core Acquiring Fund Investor A Shares</p> <p>Advantage International Acquiring Fund Investor A Shares</p>	A CDSC of 1.00% is assessed on certain redemptions of Investor A Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.
CoreAlpha Bond Acquiring Fund Investor A Shares	A CDSC of 0.75% is assessed on certain redemptions of Investor A Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.
Municipal Bond Index Acquiring Fund Investor P Shares	A CDSC of 0.15% is assessed on certain redemptions of Investor P Shares made within 18 months after purchase where no initial sales charge was paid at time of purchase as part of an investment of \$1,000,000 or more.

Target Fund CDSCs		Acquiring Fund CDSCs	
Class R-3	None	S&P 500 Index Acquiring Fund Investor A, Investor P and Institutional Shares	None
Institutional	None	CoreAlpha Bond Acquiring Fund Institutional Shares	
		Russell 2000 Small-Cap Index Acquiring Fund Investor A, Investor P and Institutional Shares	
		MSCI EAFE International Index Acquiring Fund Investor A, Investor P and Institutional Shares	
		Advantage Large Cap Core Acquiring Fund Institutional Shares	
		Advantage Small Cap Core Acquiring Fund Institutional Shares	
		Advantage International Acquiring Fund Institutional Shares	

When redeeming shares of a Combined Fund received as a result of a Reorganization, the holding period for the Combined Fund shares will be calculated from the date the Target Fund shares were initially purchased by the shareholder.

Q: What happens to my shares if a Reorganization is approved? Will I have to take any action if a Reorganization is approved?

A: If a Reorganization is approved, no action is required on your part. Following approval, your shares will automatically be exchanged for shares of the applicable Acquiring Fund on the date of the completion of the applicable Reorganization. You will receive written confirmation that this change has taken place. No certificates for shares will be issued in connection with such Reorganization. The aggregate NAV of the applicable Acquiring Fund shares you receive in the applicable Reorganization will be equal to the aggregate NAV of the shares you own in the corresponding Target Fund immediately prior to such Reorganization.

Q: What happens if a Reorganization is not approved?

A: No Reorganization is contingent upon the approval of any other Reorganization. One or more Reorganizations may not be approved by shareholders of an applicable Target Fund. If a Reorganization is not approved by shareholders, the Target Board will consider other alternatives for such Target Fund in light of the best interests of such Target Fund's shareholders, which may include seeking a merger with a different fund (including a fund that is not managed by a BlackRock investment adviser), the liquidation of such Target Fund or continuing current operations of such Target Fund. If a Reorganization does not occur

as contemplated in this Combined Prospectus/Proxy Statement, SFIMC will promptly notify shareholders of that Target Fund as to the status of the transaction. Those Reorganizations that are approved will occur as contemplated in this Combined Prospectus/Proxy Statement.

Q: Will the applicable Reorganization create a taxable event for me?

- A: Each Reorganization is expected to qualify as a tax-free “reorganization” under Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”). In general, if the Reorganizations so qualify, the Target Funds and the Acquiring Funds will not recognize gain or loss for U.S. federal income tax purposes from the transactions contemplated by the Reorganizations (except for any gain or loss that may be required to be recognized solely as a result of the close of the Target Funds’ taxable year due to the Reorganizations or as a result of the transfer of certain assets). As a condition to the closing of the Reorganizations, the Acquiring Trusts, on behalf of each relevant Acquiring Fund, and the Target Trust, on behalf of each Target Fund, will receive an opinion from Dechert LLP to the effect that the corresponding Reorganization will qualify as a tax-free reorganization under Section 368 of the Code. An opinion of counsel is not binding on the Internal Revenue Service (the “IRS”) or any court and thus does not preclude the IRS from asserting, or a court from rendering, a contrary position.

At any time before the Reorganizations take place, a shareholder may redeem shares of the Target Funds. Generally, such redemptions would be taxable transactions.

S&P 500 Index Target Fund, Small Cap Index Target Fund and International Index Target Fund

The portfolio managers of each of the corresponding Acquiring Funds do not anticipate disposing, or requesting the disposition, of more than 5% of the holdings of S&P 500 Index Target Fund, Small Cap Index Target Fund and International Index Target Fund, respectively, in preparation for, or as a result of, the Reorganizations, other than in connection with the ordinary course of business. Consequently, minimal transaction costs are anticipated to be incurred in restructuring the portfolio holdings of these Target Funds in connection with their Reorganizations.

Bond Target Fund

The portfolio managers of the CoreAlpha Bond Acquiring Fund anticipate disposing of a significant portion (approximately 67%) of the Bond Target Fund acquired in the Reorganization in connection with realigning the CoreAlpha Bond Combined Fund’s portfolio in a manner consistent with its investment process. The portfolio managers of the CoreAlpha Bond Acquiring Fund anticipate that the portfolio securities of the Bond Target Fund to be sold following the Reorganization will consist mainly of treasury, corporate bonds and commercial mortgage backed securities, which are not aligned with the investment process and strategies of the CoreAlpha Bond Acquiring Fund.

As of December 31, 2017, treasury securities account for approximately 13% of the Bond Target Fund. Portfolio management intends to dispose of substantially all of the treasury securities acquired from the Bond Target Fund to better align with the underlying investments of the CoreAlpha Bond Acquiring Fund; the CoreAlpha Bond Acquiring Fund invests minimally in treasury securities.

As of December 31, 2017, corporate bonds account for approximately 71% of the Bond Target Fund and commercial mortgage backed securities (“CMBS”) account for approximately 14% of the Bond Target Fund. Portfolio management intends to dispose of approximately 62% of the corporate bonds and 80% of the CMBS acquired from the Target Fund and will seek to use the proceeds to better align with the investment process, strategies and profile of the Acquiring Fund. Such proceeds will be used to invest more significantly in below investment grade securities, agency-backed mortgages, residential mortgage-backed securities and asset-backed securities to bring the Combined Fund more in line with its asset allocation targets relative to its benchmark index, the Bloomberg Barclays Aggregate Bond Index.

The portfolio transaction costs relating to the sale of portfolio securities acquired from the Bond Target Fund in connection with the Combined Fund investing in corporate bonds and agency mortgages that align

with the investment objective to provide a combination of income and capital growth are estimated to be approximately 0.06% of the Combined Fund's net assets following the Reorganization.

The degree to which Bond Target Fund's portfolio holdings are sold will depend upon market conditions and the portfolio composition of the Target Fund at the time of the Reorganization. Assuming the Reorganization had been completed on December 31, 2017 and that, on December 31, 2017, the CoreAlpha Bond Combined Fund had sold 67% of the portfolio previously held by the Bond Target Fund anticipated to be disposed of in connection with the Reorganization, the sales would result in a net capital gain of \$2,505,223 or \$0.02 per share of the Combined Fund, assuming that State Farm Equity and Bond Fund, a separate series of the Target Trust, will have redeemed its shares and that all other Target Fund shareholders as of December 31, 2017, elect to participate in the Reorganization. These amounts do not take into account previously realized gain of \$360,680 or \$0.005 per share of the Target Fund prior to the Reorganization or any available capital loss carryforward, if any.

Equity Target Fund

The portfolio managers of the Advantage Large Cap Core Acquiring Fund anticipate that a significant portion (approximately 72%) of the Equity Target Fund will be disposed of prior to the Reorganization in connection with realigning the Equity Target Fund's portfolio in a manner more consistent with the investment process and strategies of the Advantage Large Cap Core Acquiring Fund. The Advantage Large Cap Core Acquiring Fund uses a quantitative investment management process while the Equity Target Fund utilizes a fundamental approach in its investment process. The Advantage Large Cap Core Acquiring Fund seeks to pursue its investment objective by investing in large cap securities in a disciplined manner, by using proprietary return forecast models that incorporate quantitative analysis. These forecast models are designed to identify aspects of mispricing across stocks which the Advantage Large Cap Core Acquiring Fund can seek to capture by over- and under-weighting particular equities while seeking to control incremental risk. Portfolio management then constructs and rebalances the Advantage Large Cap Core Acquiring Fund by integrating its investment insights with the model-based optimization process. The portfolio managers of the Advantage Large Cap Core Acquiring Fund anticipate that the portfolio securities of the Equity Target Fund to be sold in anticipation of the Reorganization will consist mainly of equity securities that are not aligned with the investment process and strategies of the Advantage Large Cap Core Acquiring Fund. It is currently estimated that the majority of the equities to be sold are in the Health Care, Industrial, and Telecom sectors. The portfolio management team expects that the proceeds from such disposition will be used to invest in large cap equity securities in the Consumer Discretionary, Energy, Financials, and Real Estate sectors that better align with the Advantage Large Cap Core Acquiring Fund's model-based investment approach.

The portfolio transaction costs relating to the sale of portfolio securities acquired from the Equity Target Fund in connection with the Equity Target Fund investing in equity securities that better align the portfolio holdings of the Equity Target Fund with that of the Advantage Large Cap Core Acquiring Fund are estimated to be approximately 0.03% of the Equity Target Fund's net assets prior to the Reorganization.

The degree to which Equity Target Fund's portfolio holdings are sold will depend upon market conditions and the portfolio composition of the Target Fund at the time of the Reorganization. If 72% of the portfolio was sold on March 31, 2018, the sales would result in a net capital gain position of \$141,905,421 or \$2.45 per share, which includes a previously realized gain of \$15,584,425 or \$0.27 per share, and an unrealized gain of \$126,320,996 or \$2.18 per share, assuming that State Farm Equity and Bond Fund, a separate series of the Target Trust, will have redeemed its shares and that all other Target Fund shareholders as of March 31, 2018, elect to participate in the Reorganization. These amounts do not take into account any available capital loss carryforward, if any. Based on the net unrealized and realized capital gain position of the Target Fund as of March 31, 2018, including any available capital loss carryforwards, the anticipated sales of portfolio holdings prior to the closing of the Reorganization may result in the distribution of net capital gains to shareholders of the Target Fund. The actual amount of capital gains or losses resulting from the sale of the Target Fund's portfolio holdings will differ from the amounts stated above due to changes in market conditions, portfolio composition and market values at the time of sale.

Small/Mid Cap Equity Target Fund

While the portfolio managers of Advantage Small Cap Core Acquiring Fund do not anticipate disposing of more than 5% of Small/Mid Cap Equity Target Fund's holdings following the closing of the Reorganization other than in connection with the ordinary course of business, they do anticipate requesting the disposition of substantially all of the holdings of the Target Fund in preparation for the Reorganization. The extent of these sales is to align the Target Fund portfolio with the investment process and principal investment strategies of the Acquiring Fund prior to the closing of the Reorganization. SFIMC has estimated that the brokerage commission and other portfolio transaction costs relating to the realignment of the Target Fund's portfolio prior to the Reorganization will be approximately \$190,795 or, based on shares outstanding as of May 31, 2018, \$0.008 per share.

The degree to which Small/Mid Cap Equity Target Fund's portfolio holdings are sold will depend upon market conditions and the portfolio composition of the Target Fund at the time of the Reorganization. If all such holdings were sold on May 31, 2018, the sales would result in a net capital gain position of \$19,468,600 or \$0.78 per share, which includes a previously realized gain of \$3,410,642 or \$0.14 per share, and an unrealized gain of \$16,057,958 or \$0.64 per share, assuming the redemption of seed capital by SFMAIC and that all other Target Fund shareholders as of May 31, 2018, elect to participate in the Reorganization (*i.e.*, do not redeem from the Target Fund). These amounts do not take into account any available capital loss carryforward, if any. Based on the net unrealized and realized capital gain position of the Target Fund as of May 31, 2018, including any available capital loss carryforwards, the anticipated sales of portfolio holdings prior to the closing of the Reorganization may result in the distribution of net capital gains to shareholders of the Target Fund. The actual amount of capital gains or losses resulting from the sale of the Target Fund's portfolio holdings will differ from the amounts stated above due to changes in market conditions, portfolio composition and market values at the time of sale.

International Equity Target Fund

While the portfolio managers of Advantage International Acquiring Fund do not anticipate disposing of more than 5% of International Equity Target Fund's holdings following the closing of the Reorganization other than in connection with the ordinary course of business, they do anticipate requesting the disposition of substantially all of the holdings of the Target Fund in preparation for the Reorganization. The extent of these sales is to align the Target Fund portfolio with the investment process of the Acquiring Fund prior to the closing of the Reorganization. SFIMC has estimated that the brokerage commission and other portfolio transaction costs relating to the realignment of the Target Fund's portfolio prior to the Reorganization will be approximately \$52,773 or, based on shares outstanding as of March 31, 2018, \$0.004 per share.

The degree to which International Equity Target Fund's portfolio holdings are sold will depend upon market conditions and the portfolio composition of the Target Fund at the time of the Reorganization. If all such holdings were sold on March 31, 2018, the sales would result in a net capital gain position of \$10,983,446 or \$0.88 per share, which includes a previously realized gain of \$1,744,565 or \$0.14 per share, and an unrealized gain of \$9,238,881 or \$0.74 per share, assuming the redemption of seed capital by SFMAIC and that all other Target Fund shareholders as of March 31, 2018, elect to participate in the Reorganization (*i.e.*, do not redeem from the Target Fund). These amounts do not take into account any available capital loss carryforward, if any. Based on the net unrealized and realized capital gain position of the Target Fund as of March 31, 2018, including any available capital loss carryforwards, the anticipated sales of portfolio holdings prior to the closing of the Reorganization may result in the distribution of net capital gains to shareholders of the Target Fund. The actual amount of capital gains or losses resulting from the sale of the Target Fund's portfolio holdings will differ from the amounts stated above due to changes in market conditions, portfolio composition and market values at the time of sale.

Tax Advantaged Bond Target Fund

Although the portfolio managers of the Municipal Bond Index Acquiring Fund do not anticipate requesting the disposition of the holdings of the Tax Advantaged Bond Target Fund in preparation for the

Reorganization, they do anticipate disposing of substantially all of the Tax Advantaged Bond Target Fund's holdings following the closing of the Reorganization, which may result in taxable income being recognized. The extent of these sales is to align the Combined Fund's portfolio with the investment objective, process and strategies of the Acquiring Fund. Transaction costs anticipated to be incurred by the Combined Fund in connection with the Reorganization are not expected to be material.

The Municipal Bond Index Acquiring Fund will not be in compliance with its investment policies immediately following the Reorganization while the portfolio management team transitions the holdings of the Combined Fund to align with the investment objective and strategies of the Combined Fund. It is expected that Municipal Bond Index Acquiring Fund's portfolio assets will be sold and it will be in compliance with its investment policies within approximately 60 to 75 days of the closing of the Reorganization.

The degree to which Tax Advantaged Bond Target Fund's portfolio holdings are sold will depend upon market conditions and the portfolio composition of the Target Fund at the time of the Reorganization. Assuming the Reorganization had been completed on December 31, 2017 and that, on December 31, 2017, the Combined Fund had sold substantially all of the portfolio previously held by the Tax Advantaged Bond Target Fund anticipated to be disposed of in connection with the Reorganization, the sales would result in a net capital gain of \$0 or \$0.00 per share of the Combined Fund, assuming the redemption of seed capital by SFMAIC and that all other Target Fund shareholders as of December 31, 2017, elect to participate in the Reorganization. These amounts do not take into account previously realized gain of \$363,580 or \$0.09 per share of the Target Fund prior to the Reorganization or any available capital loss carryforward, if any.

If any of the portfolio assets of the applicable Target Fund are sold, or deemed sold, as a result of the termination of the Target Fund's taxable year due to the Reorganizations or as a result of the transfer of an interest in a passive foreign investment company, the tax impact of such sales, deemed sales or transfers will depend on the difference between the price at which such portfolio assets are sold, deemed sold or transferred, and the Target Fund's basis in such assets. Any gains will be distributed to the applicable Target Fund's shareholders as either capital gain dividends (to the extent of long-term capital gains) or ordinary dividends (to the extent of short-term capital gains or ordinary income) during or with respect to the year of sale, deemed sale or transfer, and such distributions will be taxable to shareholders in non-tax qualified accounts. In addition, prior to the Reorganizations, each Target Fund, except Tax Advantaged Bond Target Fund, will distribute to its shareholders all investment company taxable income and net realized capital gains not previously distributed to shareholders, and such distribution of investment company taxable income, net tax-exempt income and net realized capital gains will be taxable to shareholders in non-tax qualified accounts.

You may wish to consult with your tax adviser concerning the tax consequences of the Reorganizations.

Q: What if I redeem my shares before the applicable Reorganization takes place?

A: If you choose to redeem your shares before the Reorganizations take place, then such redemption will be treated as a normal sale of shares and, generally, will be a taxable transaction.

Q: Who will pay for the Reorganizations?

A: The Acquiring Fund Managers or their affiliates will pay each Acquiring Fund's portion of the expenses incurred in connection with its respective Reorganization (including auditor and legal fees of the Acquiring Fund and the costs of preparing and filing the Combined Prospectus/Proxy Statement), other than legal fees associated with counsel to the trustees or directors who are not "interested persons" (as defined in the 1940 Act) ("Independent Trustee Counsel Fees") of its respective Acquiring Trust and any portfolio transaction costs relating to the realignment of the corresponding Target Fund's portfolio after its respective Reorganization. The Independent Trustee Counsel Fees are allocated based on the Acquiring Fund's net assets and are estimated to be \$39,360 for Proposal 1a, \$2,110 for Proposal 1b, \$3,030 for Proposal 1c, \$28,160 for Proposal 1d, \$7,020 for Proposal 1e, \$1,120 for Proposal 1f, \$1,820 for Proposal 1g and \$0 for Proposal 1h for the applicable Acquiring Fund and, with respect to each Acquiring Fund other than the MSCI EAFE International Index Acquiring Fund, will be borne indirectly by the Acquiring Fund Managers

or their affiliates due to the expense caps applicable to the Acquiring Fund. If the Reorganizations are not approved, however, the Acquiring Fund Managers or their affiliates will directly bear the Independent Trustee Counsel Fees.

SFIMC or its affiliates will reimburse each Target Fund for the Target Fund's portion of the expenses incurred in connection with its respective Reorganization (including auditor and legal fees of the Target Fund, solicitation fees and the costs of printing and mailing the Combined Prospectus/Proxy Statement), which are estimated to be \$309,000 for Proposal 1a, \$290,000 for Proposal 1b, \$118,000 for Proposal 1c, \$92,000 for Proposal 1d, \$234,000 for Proposal 1e, \$102,000 for Proposal 1f, \$51,000 for Proposal 1g and \$161,000 for Proposal 1h, other than any portfolio transaction costs relating to the realignment of the Target Fund's portfolio prior to its respective Reorganization. SFIMC or its affiliates will reimburse a Target Fund for expenses related to the Reorganizations simultaneously with the accrual of such expense on the Target Fund's financial statements. The simultaneous timing of the expense accrual and the reimbursement will prevent Target Fund shareholders from bearing these costs prior to reimbursement.

In addition, if the Reorganization of each of Equity Target Fund, Small/Mid Cap Equity Target Fund and International Equity Target Fund is approved, each such Target Fund will pay for any portfolio transaction costs relating to the realignment of its portfolio with that of the corresponding Acquiring Fund in connection with its Reorganization. Prior to the closing of its respective Reorganization, Advantage Large Cap Core Acquiring Fund will request the disposition of approximately 72% of the corresponding Target Fund's holdings and each of Advantage Small Cap Core Acquiring Fund and Advantage International Acquiring Fund will request the disposition of substantially all of the corresponding Target Fund's holdings.

SFIMC has estimated that the brokerage commission and other portfolio transaction costs relating to the realignment of the Equity Target Fund's portfolio with that of the corresponding Acquiring Fund prior to its respective Reorganization will be approximately \$150,244, or, based on shares outstanding as of March 31, 2018, \$0.003 per share. SFIMC has estimated that the brokerage commission and other portfolio transaction costs relating to the realignment of the Small/Mid Cap Equity Target Fund's portfolio with that of the corresponding Acquiring Fund prior to its respective Reorganization will be approximately \$190,795, or, based on shares outstanding as of May 31, 2018, \$0.008 per share. SFIMC has estimated that the brokerage commission and other portfolio transaction costs relating to the realignment of the International Equity Target Fund's portfolio with that of the corresponding Acquiring Fund prior to its respective Reorganization will be approximately \$52,773, or, based on shares outstanding as of March 31, 2018, \$0.004 per share.

Q: How do I vote my shares?

A: Voting is quick and easy! You may cast your vote by mail, phone or Internet or in person at the special meeting of the Target Funds ("Special Meeting"). To vote by mail, please mark your vote on the enclosed proxy card and sign, date and return the card/form in the postage-paid envelope provided. Please note that if you sign and date the proxy card, but do not indicate how the shares should be voted, your shares will be voted "For" the approval of the applicable Reorganization. To vote by telephone or over the Internet, please have the proxy card in hand and call the telephone number listed on the form(s) or go to the website address listed on the form(s) and follow the instructions.

If you wish to vote in person at the Special Meeting, please complete each proxy card and bring it to the Special Meeting. Even if you plan to attend the Special Meeting in person, please promptly follow the enclosed instructions to submit voting instructions by marking, signing and dating the enclosed proxy card and returning it in the accompanying postage-paid return envelope.

Whichever voting method you choose, please take the time to read the full text of the enclosed Combined Prospectus/Proxy Statement before you vote.

Q: When will the Reorganizations occur?

A: If approved by shareholders, each Reorganization is expected to occur during the fourth quarter of 2018.

Q: Whom do I contact if I have questions?

A: Direct shareholders may contact the applicable Target Fund at (800) 447-4930. You may also call Computershare Fund Services, our proxy solicitation firm, toll-free at (866) 209-6472.