UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

April 20, 2015

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Re: In the Matter of BlackRock Advisors, LLC
Waiver of Disqualification under Rule 506(d)(2)(ii) of Regulation D
Investment Advisers Act Release No. IA-4065, April 20, 2015
Administrative Proceeding File No. 3-16501

Dear Mr. Eckert and Ms. Kanter:

This responds to your letter dated April 17, 2015 ("Waiver Letter"), written on behalf of BlackRock Advisors, LLC ("BlackRock Advisors") and constituting an application for a waiver of disqualification under Rule 506(d)(2)(ii) of Regulation D under the Securities Act of 1933. In the Waiver Letter, you requested relief from any disqualification that may arise as to BlackRock Advisors under Rule 506 of Regulation D by virtue of the Commission's order entered today in In the Matter of BlackRock Advisors, LLC, Release No. IA-4065, pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (the "Order").

Based on the facts and representations in the Waiver Letter, and assuming BlackRock Advisors complies with the Order, the Division of Corporation Finance, acting for the Commission pursuant to delegated authority, has determined that BlackRock Advisors has made a showing of good cause under Rule 506(d)(2)(ii) of Regulation D that it is not necessary under the circumstances to deny reliance on Rule 506 of Regulation D by reason of the entry of the Order. Accordingly, the relief requested in the Waiver Letter regarding any disqualification that may arise as to BlackRock Advisors under Rule 506 of Regulation D by reason of the entry of the Order is granted on the condition that BlackRock Advisors fully complies with the terms of the Order. Any different facts from those represented or failure to comply with the terms of the Order would require us to revisit our determination that good cause has been shown and could constitute grounds to revoke or further condition the waiver. The Commission reserves the right, in its sole discretion, to revoke or further condition the waiver under those circumstances.

Very truly yours,

Sebastian Gomez Abero

Sebastian Gomez Abero
Chief, Office of Small Business Policy
Division of Corporation Finance

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April 17, 2015

BY E-MAIL AND FEDERAL EXPRESS

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Re: In the Matter of BlackRock Advisors, LLC; File No. HO-11916

Dear Mr. Gomez Abero:

We are writing on behalf of BlackRock Advisors, LLC ("BlackRock Advisors"), the settling respondent in the above-captioned administrative proceeding brought by the Securities and Exchange Commission ("Commission") in connection with an investigation by the Commission relating to a finding of a non-scienter based anti-fraud violation by BlackRock Advisors resulting from a conflict of interest of a former employee of BlackRock Advisors. The settlement will result in an order entered pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act") and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (the "Investment Company Act") against BlackRock Advisors ("Order") and the former chief compliance officer (the "Former CCO") of BlackRock Advisors.[1]

BlackRock Advisors requests, pursuant to Rule 506 of Regulation D ("Rule 506") promulgated under the Securities Act of 1933 ("Securities Act"), waivers of any disqualifications from relying on exemptions under Rule 506 that may arise with respect to BlackRock Advisors during the duration of the undertaking in the Order requiring BlackRock Advisors to engage a qualified compliance consultant to review certain of its policies and procedures.[2]

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[1] Neither BlackRock, Inc. (the ultimate parent of BlackRock Advisors) nor any of its subsidiaries other than BlackRock Advisors would be disqualified under Rule 506 in connection with the Order; therefore, relief from the disqualifications under Rule 506 is not necessary nor being requested for BlackRock, Inc. or any of its subsidiaries other than BlackRock Advisors (and with respect to the effects of the disqualifications on BlackRock Advisors' own subsidiaries and any investment accounts and entities with respect to which BlackRock Advisors acts in a capacity described in Rule 506 for the purposes of Rule 506(d)(1)(iv)).

[2] BlackRock Advisors is not requesting waivers of the disqualifications from relying on Regulation A and Rule 505 of Regulation D at this time because it does not now use or participate in transactions under such offering

BACKGROUND

The Staff of the Division of Enforcement has engaged in settlement discussions with BlackRock Advisors in connection with its investigation of potential violations of Sections 206(2) and 206(4) of the Advisers Act, Rule 206(4)-7 thereunder, and Rule 38a-1 of the Investment Company Act. As a result of these discussions, BlackRock Advisors submitted an Offer of Settlement (the "Offer"), and agreed to the Order, which was presented by the Staff to the Commission.

In the Offer, BlackRock Advisors agreed to consent to the issuance of the Order without admitting or denying the matters set forth therein (other than those relating to the jurisdiction of the Commission over it and the subject matter solely for purposes of that action).

The Order, among other things, finds that BlackRock Advisors willfully violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, and that BlackRock Advisors caused certain registered investment companies (the "Funds") for which it serves as an investment adviser to violate Rule 38a-1 of the Investment Company Act. The Order involves a conflict of interest at BlackRock Advisors during the period January 2007 through June 2012. Specifically, the Order finds that BlackRock Advisors did not disclose a conflict of interest involving a former portfolio manager (the "Former PM") to the Funds' boards of directors and to advisory clients. The Order finds that the Former PM managed certain energy funds and separate accounts that invested in securities with substantial natural resources assets (the "Energy Funds"). While serving as portfolio manager to the Energy Funds, the Former PM personally invested in a family-owned-and-operated company involved in the oil and natural gas business that entered into a joint venture with a public company in which certain of the Energy Funds were invested, Alpha Natural Resources, Inc. ("ANR"). The Order finds that the Former PM's involvement with and investments in the family company created a conflict of interest that BlackRock Advisors should have disclosed to the Funds' boards of directors and to its advisory clients. The Order also finds that the Former PM violated BlackRock Advisors' private investment policy by not obtaining pre-approval from BlackRock Advisors to make certain loans to the family company. The Order finds that BlackRock Advisors caused the Funds' failure to have the Funds' chief compliance officer report the Former PM's violation of the private investment policy to the Funds' boards and that the violation was a material compliance matter that BlackRock Advisors should have disclosed to the Funds' boards of directors when it became aware of the violation. In addition, the Order finds that BlackRock Advisors breached its fiduciary duty by failing to disclose to the Funds' boards and its advisory clients when

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exemptions. BlackRock Advisors understands that it may request such waivers in a separate request if circumstances change.

BlackRock Advisors permitted the Former PM to form, invest, and participate in an energy company while the Former PM was also managing energy sector assets held in funds and separate accounts advised by BlackRock Advisors.

Certain senior members of the Legal and Compliance Department for BlackRock Advisors, including the Former CCO, were aware of the Former PM's involvement with and investments in the family company. Such individuals took steps to address the conflict by placing certain restrictions on the Former PM in February 2010 and May 2011. In June 2012, BlackRock Advisors executed a separation agreement with the Former PM and announced that the Former PM would, among other things, no longer serve as a portfolio manager for the Energy Funds in order to address any perception of a conflict of interest. BlackRock Advisors reviewed all trading of ANR across all portfolios where the Former PM was the lead portfolio manager and that review concluded that there was no improper trading within the portfolios managed by the Former PM and that no clients were harmed. BlackRock Advisors further announced that the Former PM would retire from BlackRock Advisors, and such retirement occurred in December 2012.

For reasons unrelated to the conduct described in the Order, one of the senior members of BlackRock Advisors' Legal and Compliance Department involved in reviewing the Former PM's involvement with and investments in the family company separated from the firm in January 2012. In addition, the Former CCO who took on a reduced role in 2014 within the Legal and Compliance Department at BlackRock Advisors and at its parent company, BlackRock, Inc., will become a senior advisor to BlackRock, Inc. beginning in the second quarter of 2015 and will retire at the end of 2015. The other senior member of the Legal and Compliance Department involved in reviewing the Former PM's involvement with and investments in the family company continues in his same role at BlackRock Advisors and BlackRock, Inc. and understands the enhanced policies, procedures and controls regarding outside activities, which are discussed below. The other senior member was advised of these enhanced policies, procedures, and controls by other senior members of the Legal and Compliance Department and received these enhanced policies, procedures, and controls as part of a firm-wide announcement of them to all employees. Also, the other senior member participated, and will continue to participate in the future, in BlackRock's annual compliance training given by the Legal and Compliance Department, which covers these enhanced policies, procedures, and controls.

The Order also finds that BlackRock Advisors did not adopt and implement written policies and procedures addressing how the outside activities of its employees were to be assessed for conflicts purposes, as well as who was responsible for deciding whether the outside activity should be permitted. The Order finds that although BlackRock Advisors reviewed and approved certain of the Former PM's investments in the family company, BlackRock Advisors did not

follow up, monitor, or initiate any reassessment of the Former PM's involvement with the family company.

The Order finds that the Former CCO caused BlackRock Advisors' compliance-related violation. Specifically, the Order finds that the Former CCO caused BlackRock Advisors' violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, and that the Former CCO, together with BlackRock Advisors, caused the Funds' violations of Rule 38a-1 under the Investment Company Act.

None of the conduct described in the Order involved a scienter-based violation. In addition, the conduct described in the Order did not give rise to a criminal conviction.

The Order requires BlackRock Advisors to cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Advisers Act, Rule 206(4)-7 thereunder, and Rule 38a-1 of the Investment Company Act. The Order also censures BlackRock Advisors and requires it to pay a civil monetary penalty of $12 million and to comply with certain undertakings, including engaging a qualified compliance consultant to review certain of its policies and procedures.

The Order requires the Former CCO to cease and desist from committing or causing any violations and any future violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, and Rule 38a-1 of the Investment Company Act. The Order also requires the Former CCO to pay a civil monetary penalty of $60,000.

DISCUSSION

BlackRock Advisors understands that the entry of the Order would disqualify it from relying on the exemption under Rule 506 until the undertakings in the Order requiring BlackRock Advisors to engage a qualified compliance consultant to review certain of its policies and procedures and related tasks are completed. BlackRock Advisors is concerned that, should it be deemed to be an issuer, predecessor of the issuer, affiliated issuer, general partner or managing member of the issuer, beneficial owner of 20 percent or more of an issuer's outstanding voting equity securities, promoter, investment manager of a pooled investment fund, underwriter of securities or acting in any other capacity described in Rule 506 for the purposes of Rule 506(d)(l)(iv), BlackRock Advisors as well as the other issuers with which BlackRock Advisors is associated in one of the above-listed capacities and which rely upon or may rely upon this offering exemption when issuing securities would be prohibited from doing so. The Commission has the authority to waive the Rule 506 exemption disqualifications upon a showing of good cause that such disqualifications are not necessary under the circumstances. *See* 17 C.F.R. § 230.506(d)(2)(ii).

BlackRock Advisors requests that the Commission waive any disqualifying effects that the Order may have under Rule 506 during the duration of the undertaking in the Order requiring BlackRock Advisors to engage a qualified compliance consultant to review certain of its policies and procedures on the following grounds:

1. BlackRock Advisors' conduct covered by the Order related to the disclosure of conflicts of interest in connection with investments in certain companies. The conduct of BlackRock Advisors as addressed in the Order involved a non scienter-based violation relating to the Former PM who managed a limited number of funds and separate accounts.

2. BlackRock Advisors' conduct covered by the Order does not relate to the offer or sale of a security. Rather, the conduct covered by the Order relates to BlackRock Advisors' failure to disclose to the Funds' boards and its advisory clients a conflict of interest involving the outside business activity of the Former PM and the failure to adopt and implement written compliance policies and procedures concerning certain aspects of the outside activities of its employees.

3. The Order would require BlackRock Advisors to comply with certain undertakings relating to, among other things: (1) engaging an independent compliance consultant to review BlackRock Advisors' policies and procedures regarding employee outside activities and to submit a report describing its review and any recommendations; (2) requiring BlackRock Advisors to adopt the qualified compliance consultant's recommendations subject to a process allowing BlackRock Advisors to propose alternatives to unnecessary, inappropriate, or unduly burdensome recommendations; and (3) certifying, in writing, compliance with the undertakings.

4. BlackRock Advisors has taken remedial steps to address the conduct described in the Order. Specifically, BlackRock Advisors' Legal and Compliance Department conducted an extensive review of BlackRock Advisors' existing policies, procedures, and controls relating to employee outside activities. As a result of that review, BlackRock Advisors enhanced those policies, procedures, and controls (the "Enhanced Policies"), including by adopting a standalone outside activity policy which requires the reporting and pre-clearing of employee outside activities.[3] BlackRock Advisors also formed an outside activity review committee to (i) review certain employee requests to participate in outside activities involving a higher degree of risk, (ii) determine whether to permit those outside activities, (iii) ensure appropriate disclosures are made, as applicable, regarding such outside activities, and (iv)

[3] The outside activities covered by such policy generally include any activities conducted by a BlackRock employee where such employee acts as an employee, adviser, consultant, officer, director, general partner, managing member, trustee or in a similar capacity, or as a member of an investment or financial committee, for any third party organization. Certain limited types of activities are not covered by the policy, such as acting as a trustee for a family investment vehicle that only makes passive investments and that complies with BlackRock's investment policies.

monitor permitted outside activities, as appropriate. Under the Enhanced Policies, the type of outside activities described in the Order are subject to review and pre-approval by the outside activity review committee. Therefore, we believe under similar circumstances such policies would prevent the reoccurrence of the violative outside activity described in the Order.

The Enhanced Policies are designed to ensure that BlackRock Advisors' policies, procedures, and controls comply with the regulatory requirements that are the subject of the Order, and we believe the outside activities of the Former PM identified in the Order would not have been approved under the Enhanced Policy if such policies, procedures, and controls had been in place when the Former PM's activities were undertaken. Further, under the Enhanced Policy, the Funds' chief compliance officer is a member of the outside activity review committee, which will allow the chief compliance officer to review outside activities involving a higher degree of risk to determine whether any are material compliance matters requiring disclosure to the Funds' boards of directors under Rule 38a-1 of the Investment Company Act.

As discussed in the Order, BlackRock Advisors will take further remedial action designed to ensure compliance with the regulatory requirements that are the subject of the Order. Specifically, BlackRock Advisors will engage an independent compliance consultant to review BlackRock Advisors' written compliance policies and procedures regarding the outside activities of its employees and any conflicts of interest derived therefrom to ensure that they comply with Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder and Rule 38a-1 under the Investment Company Act, as appropriate. The independent compliance consultant will submit a report describing its review, the conclusions reached, and any recommendations for changes in or improvements to BlackRock Advisors' policies and procedures. BlackRock Advisors will (i) adopt the independent compliance consultant's recommendations subject to a process allowing BlackRock Advisors to propose alternatives to unnecessary, unduly burdensome, impractical or inappropriate recommendations, and (ii) certify in writing that it has adopted and implemented the recommendations. The certification will be completed by either BlackRock's General Counsel or its Global Chief Compliance Officer.

5. A disqualification of BlackRock Advisors from using (or participating in transactions using) the exemption under Rule 506 would, we believe, have an adverse impact on the third parties that have retained, or may retain in the future, BlackRock Advisors and other entities with which BlackRock Advisors is associated in one of those listed capacities in connection with transactions that rely on this exemption. In addition, such a disqualification could adversely impact any of the underlying portfolio companies in which BlackRock Advisors would be deemed to have beneficial ownership equal to or exceeding 20 percent.

BlackRock Advisors' wholly-owned subsidiary, BlackRock Capital Management, Inc. ("BCMI"), is currently the investment manager to four private funds that have relied on Rule 506 for securities offerings, including one private fund that is currently relying on Rule 506 for offerings raising approximately $2 million, and another for which it serves as investment manager and managing member that has previously relied on and currently relies on Rule 506 for offerings raising approximately $3 million. Both of these private funds are actively raising capital. BCMI intends to continue to act as investment manager and/or managing member to private funds that will rely on Rule 506 for future offerings. BCMI also was a promoter for a private fund in the last three years that relied on Rule 506 for its offering that raised at least $5 million,[4] and it is likely that BCMI and other affiliates of BlackRock Advisors will in the future engage in activities that may cause BlackRock Advisors to be deemed a promoter in Rule 506 offerings.

Under Securities Exchange Act Rule 13d-3, BlackRock Advisors may be deemed to be the beneficial owner of securities owned by its wholly-owned subsidiary, BlackRock Funding International, Ltd., which owns more than 20 percent of two private funds that have previously relied on Rule 506. These two private funds are not currently raising new capital.

A disqualification of BlackRock Advisors pursuant to Rule 506 would have an adverse impact on BlackRock Advisors, on the other issuers described above that engage in, or plan to engage in, Rule 506 offerings for which BlackRock Advisors serves in the roles specified in Rule 506(d), and on investors in the affected offerings. A disqualification of BlackRock Advisors would cause it and its covered affiliates to lose the current and future business acting as investment advisers and promoters for the issuers raising millions of dollars described above. Issuers would be unable to offer their securities in reliance on Rule 506, and would be required to either offer securities under an alternative exemption from registration or seek to replace BlackRock Advisors as investment advisor or otherwise terminate their relationship with BlackRock Advisors in the other roles described in Rule 506(d). This would place a burden on such issuers, causing them to delay, restrict, or even abandon their Rule 506 offering activities. Investors in such offerings may face the burden of having to find alternative investments if such offerings are delayed, restricted, or abandoned as a result of the disqualification. Investors' returns may also be negatively impacted by the disqualification, as the advisor's impaired ability to raise capital may cause redemptions, which may limit the advisor's ability to make investments. If all of the offering activities currently being conducted under Rule 506 as described above were to cease upon the disqualification of BlackRock Advisors, the aggregate amount of such affected offerings would be approximately $5 million and BlackRock Advisors' affiliate, BCMI, would experience a loss of fees of over $600,000 on a per annum basis (based on 2014 figures and assuming all investors redeem); however, the financial impact on BlackRock Advisors, other

[4] No fee was paid to BCMI for its role as promoter.

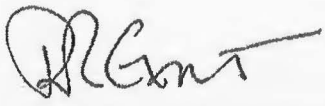
issuers and investors of a disqualification with respect to future offering activities is potentially much greater, although not currently estimable.

6. For the period of time during which BlackRock Advisors is subject to the Order's requirement to retain a qualified compliance consultant to review certain of its policies and procedures, BlackRock Advisors will furnish (or cause to be furnished) to each purchaser in a Rule 506 offering that would otherwise be subject to the disqualification under Rule 506(d)(1) as a result of the Order, a description in writing of the Order a reasonable time prior to sale.

In light of the grounds for relief discussed above, we believe that disqualification is not necessary under the circumstances and that BlackRock Advisors has shown good cause that relief should be granted. Accordingly, we respectfully urge the Commission, pursuant to Rule 506(d)(2)(ii) of Regulation D, to waive the disqualification provisions in Rule 506 to the extent they may be applicable as a result of the entry of the Order as to BlackRock Advisors.[5]

If you have any questions regarding any of the foregoing, please do not hesitate to contact us at our respective telephone numbers below.

Very truly yours,



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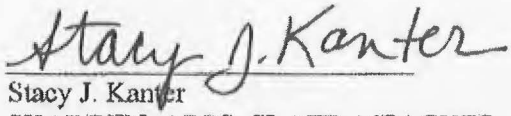

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[5] We note in support of this request that the Commission has granted relief under Rule 506 for similar reasons or in similar circumstances. *See, e.g., In the Matter of Barclays Capital Inc.*, Securities Act Rel. No. 9651 (Sept. 23, 2014); *In the Matter of Wells Fargo Advisors, LLC*, Securities Act Rel. No. 9649 (Sept. 22, 2014); *In the Matter of Dominick & Dominick LLC*, Securities Act Rel. No. 9619 (July 28, 2014); Jefferies LLC, SEC No-Action Letter (pub. avail. March 12, 2014); Credit Suisse Group AG, SEC No-Action Letter (pub. avail. February 21, 2014); and Instinet LLC, SEC No-Action Letter (pub. avail. Dec. 26, 2013).