

November 1, 2005

Send to: [protocol@isda.org](mailto:protocol@isda.org)  
**International Swaps and Derivatives Association, Inc.**  
**360 Madison Avenue, 16th Floor**  
**New York, NY 10017**

Dear Sirs,

### **2005 Novation Protocol - Adherence**

The purpose of this letter is to confirm our adherence to the 2005 Novation Protocol as published by the International Swaps and Derivatives Association, Inc. on September 12, 2005 (the "Protocol"). This letter constitutes an Adherence Letter as referred to in the Protocol. The definitions and provisions contained in the Protocol are incorporated into this Adherence Letter, which will supplement and form part of the Master Agreement (now or in the future) between us and each other Adhering Party.

### **Specified Terms**

The terms of Annex 1 shall apply.

### **2. Appointment as Agent and Release**

We hereby appoint ISDA as our agent for the limited purposes of the Protocol and accordingly we waive, and hereby release ISDA from, any rights, claims, actions or causes of action whatsoever (whether in contract, tort or otherwise) arising out of or in any way relating to this Adherence Letter or our adherence to the Protocol or any actions contemplated as being required by ISDA.

### **3. Contact Details**

Our contact details for purposes of this Adherence Letter are:

Name: Thomas Musmanno

Address: 800 Scudders Mill Rd Plainsboro, NJ 08539

Telephone: (609) 282- 1586/ 3530

Fax: (609) 282 - 6628

E-mail: [THOMAS.F\\_MUSMANNO@ML.COM](mailto:THOMAS.F_MUSMANNO@ML.COM)

**Donald C. Burke**  
First Vice President  
& Treasurer

800 Scudders Mill Road, 2E  
Plainsboro, New Jersey 08536

Mailing Address:  
P.O. Box 9095  
Princeton, New Jersey 08543-9095

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[donald\\_burke@ml.com](mailto:donald_burke@ml.com)



We consent to the publication of the conformed copy of this letter by ISDA and to the disclosure by ISDA of the contents of this letter.

Your Faithfully,

Separately and not Jointly, Each Party A Listed on Exhibit A

Name: Donald C. Burke
Title: Treasurer
Signature: Donald C. Burke

**Donald C. Burke**  
First Vice President  
& Treasurer

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Exhibit A to the 2005 Novation Protocol Letter

**Party A**

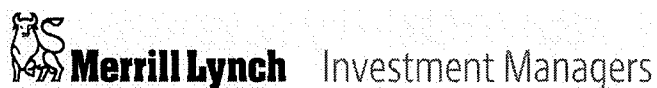
Master Basic Value Trust
Master Value Opportunities Trust
Merrill Lynch Balanced Capital Fund, Inc.
Merrill Lynch Disciplined Equity Fund, Inc.
Merrill Lynch Global Growth Fund, Inc.
Merrill Lynch Natural Resources Trust
Mercury Balanced Capital Strategy Portfolio of FAM Series Fund, Inc.
Mercury Core Bond Strategy Portfolio of FAM Series Fund, Inc.
Mercury Fundamental Growth Strategy Portfolio of FAM Series Fund, Inc.
Mercury Global Allocation Strategy Portfolio of FAM Series Fund, Inc.
Mercury High Yield Portfolio of FAM Series Fund, Inc.
Mercury Intermediate Government Bond Portfolio of FAM Series Fund, Inc.
Mercury Large Cap Core Strategy Portfolio of FAM Series Fund, Inc.
Mercury Low Duration Portfolio of FAM Series Fund, Inc.
Mercury Global SmallCap Portfolio of FAM Series Fund, Inc.
Mercury Equity Dividend Portfolio of FAM Series Fund, Inc.
Mercury Mid Cap Value Opportunities Portfolio of FAM Series Fund, Inc.
Mercury Small Cap Index Portfolio of FAM Series Fund, Inc.
Mercury International Index Portfolio of FAM Series Fund, Inc.
MuniYield Florida Insured Fund
MuniYield Michigan Insured Fund, Inc.
MuniYield New Jersey Insured Fund, Inc.
MuniYield Pennsylvania Insured Fund
Master Aggregate Bond Index Series of Quantitative Master Series Trust
Master Enhanced S&P 500 Series of Quantitative Master Series Trust
Master Enhanced International Series of Quantitative Master Series Trust
Master Extended Market Index Series of Quantitative Master Series Trust
Master International Index Series of Quantitative Master Series Trust
Master S&P 500 Index Series of Quantitative Master Series Trust
Master Small Cap Index Series of Quantitative Master Series Trust
Master Mid Cap Index Series of Quantitative Master Series Trust
Merrill Lynch Strategy Growth & Income Fund of Merrill Lynch Strategy Series, Inc.
Merrill Lynch Strategy Long-Term Growth Fund of Merrill Lynch Strategy Series, Inc.
Merrill Lynch Strategy All-Equity Fund of Merrill Lynch Strategy Series, Inc.
Debt Strategies Fund, Inc.
Global Financial Services Master Trust
Master U.S. High Yield Trust
Master Senior Floating Rate Trust
High Income Portfolio of Merrill Lynch Bond Fund, Inc.
Intermediate Term Portfolio of Merrill Lynch Bond Fund, Inc.
Merrill Lynch Developing Capital Markets Fund, Inc.

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Merrill Lynch Equity Dividend Fund, Inc.
Merrill Lynch EuroFund
Merrill Lynch Global Allocation Fund, Inc.
Merrill Lynch Global SmallCap Fund, Inc.
Merrill Lynch Global Technology Fund, Inc.
Merrill Lynch Global Value Fund, Inc.
Merrill Lynch Healthcare Fund, Inc.
Merrill Lynch Latin America Fund, Inc.
National Portfolio of Merrill Lynch Municipal Bond Fund, Inc.
Insured Portfolio of Merrill Lynch Municipal Bond Fund, Inc.
Merrill Lynch Municipal Intermediate Term Fund of Merrill Lynch Municipal Series Trust
Merrill Lynch Pacific Fund, Inc.
Merrill Lynch Utilities & Telecommunications Fund, Inc.
MuniHoldings Florida Insured Fund
MuniHoldings Fund, Inc.
MuniHoldings Fund II, Inc.
MuniHoldings Insured Fund, Inc.
MuniHoldings New Jersey Insured Fund, Inc.
MuniHoldings New York Insured Fund, Inc.
MuniVest Fund, Inc.
MuniVest Fund II, Inc.
Senior High Income Portfolio, Inc.
Apex Municipal Fund, Inc.
Corporate High Yield Fund, Inc.
Corporate High Yield Fund III, Inc.
Corporate High Yield Fund V, Inc.
Merrill Lynch Focus Value Fund, Inc.
Merrill Lynch Fundamental Growth Fund, Inc.
Merrill Lynch Short Term US Government Fund, Inc.
Merrill Lynch U.S. Government Fund
Mercury American Balanced V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Basic Value V.I. Fund of Merrill Lynch Variable Series Funds, Inc.
Mercury Core Bond V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Fundamental Growth V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Global Growth V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Global Allocation V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Government Bond V.I. Fund of FAM Variable Series Funds, Inc.
Mercury High Current Income V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Index 500 V.I. Fund of FAM Variable Series Funds, Inc.
Mercury International Value V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Large Cap Core V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Large Cap Growth V.I. Fund of FAM Variable Series Funds, Inc.
Merrill Lynch Large Cap Value V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Value Opportunities V.I. Fund of FAM Variable Series Funds, Inc.
Mercury Utilities & Telecommunications V.I. Fund of FAM Variable Series Funds, Inc.

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MuniAssets Fund, Inc.
MuniHoldings Insured Fund II, Inc.
MuniYield Insured Fund, Inc.
Merrill Lynch Mid Cap Value Opportunities Fund of The Asset Program, Inc.
Master Large Cap Growth Portfolio of Master Large Cap Series Trust
Master Large Cap Value Portfolio of Master Large Cap Series Trust
Master Large Cap Core Portfolio of Master Large Cap Series Trust
Master Focus Twenty Trust
Merrill Lynch California Insured Municipal Bond Fund of Merrill Lynch California Municipal Series Trust
Merrill Lynch Florida Municipal Bond Fund of Merrill Lynch Multi-State Municipal Series Trust
Merrill Lynch New Jersey Municipal Bond Fund of Merrill Lynch Multi-State Municipal Series Trust
Merrill Lynch New York Municipal Bond Fund of Merrill Lynch Multi-State Municipal Series Trust
Merrill Lynch Pennsylvania Municipal Bond Fund of Merrill Lynch Multi-State Municipal Series Trust
Merrill Lynch World Income Fund, Inc.
MuniEnhanced Fund, Inc.
MuniHoldings California Insured Fund, Inc.
MuniYield Fund, Inc.
MuniYield Arizona Fund, Inc.
MuniYield California Fund, Inc.
MuniYield California Insured Fund, Inc.
MuniYield Florida Fund
MuniYield Michigan Insured Fund II, Inc.
MuniYield New Jersey Fund, Inc.
MuniYield New York Insured Fund, Inc.
MuniYield Quality Fund, Inc.
MuniYield Quality Fund II, Inc.
Merrill Lynch Master Small Cap Growth Portfolio of Mercury Master Trust
Merrill Lynch Master International Portfolio of Mercury Master Trust
Low Duration Master Portfolio of Fund Asset Management Master Trust
Merrill Lynch Basic Value Principal Protected Fund of Merrill Lynch Principal Protected Trust
Merrill Lynch Fundamental Growth Principal Protected Fund of Merrill Lynch Principal Protected Trust
Preferred Income Strategies Fund, Inc.
Merrill Lynch International Value Fund of Mercury Funds II
Corporate High Yield Fund, VI, Inc.
Muni Intermediate Duration Fund, Inc.
Muni New York Intermediate Duration Fund, Inc.
Preferred and Corporate Income Strategies Fund, Inc.
Floating Rate Income Strategies Fund, Inc.
Master Core Bond Portfolio of Master Bond Trust
Master Inflation Protected Trust
Master Real Investment Trust
Capital and Income Strategies Fund, Inc.
Floating Rate Income Strategies Fund II, Inc.
Diversified Income Strategies Portfolio, Inc.
Enhanced Equity Yield Fund, Inc.

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Merrill Lynch Global Equity Opportunities Fund
Marsico Growth FDP Fund of FDP Series, Inc.
MFS Research International FDP Fund of FDP Series, Inc
Franklin Templeton Total Return FDP Fund of FDP Series, Inc.
Van Kampen Value FDP Fund of FDP Series, Inc.
U.S. Mortgage Portfolio of Managed Account Series
High Income Portfolio of Managed Account Series
Global SmallCap Portfolio of Managed Account Series
Mid Cap Value Opportunities Portfolio of Managed Account Series

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