

July 28, 2010

Dear BlackRock Client:

As you know, the SEC enacted changes to Rule 2a-7 (the rule that governs money market funds) back in January 2010. We have been supportive of many of these changes as they serve to improve the safety of money market funds for our clients. In addition, many of these changes are consistent with practices that BlackRock has historically employed - such as maintaining minimum liquidity levels and stress testing.

However, the SEC has stated that it is considering additional rule making in this area. Of particular concern is the potential that they might take the step of floating the \$1 Net Asset Value (NAV) of money market funds. We have long opposed this step as destructive to a product that has added tremendous value to our clients and to the economy over the last 40 years.

BlackRock has been a leading voice opposed to a floating NAV. As part of this effort, we have written the attached article - "The Case Against Floating the Net Asset Value". We are circulating it within the industry and in Washington and have attached a copy for your review.

If you feel as strongly about this issue as we do, we encourage you to do one of the following:

- Sign an industry letter. A number of trade associations have assembled group letters, the first of which was sent to both the Treasury and to the SEC on July 21, 2010. A copy is attached. This ongoing effort is being spearheaded by the U.S. Chamber of Commerce, working with the National Association of Corporate Treasurers, the Association for Finance Professionals, and Financial Executives International. If you are interested in adding your name, please contact us and we will include it in the next version of the letter. You may contact your BlackRock relationship manager, contact us by phone at 1-800-441-7450 or email ellen.bockius@blackrock.com.
- Send your own letter. If you prefer to send your own letter, we can forward a sample letter (written by the ICI) that you can use.

The timing for any further Rule 2a-7 changes is unclear. The Presidents' Working Group Report continues to be delayed, but could be issued at any time. It may urge the SEC to consider floating the NAV. After that, we expect that the SEC will take up this issue in the coming months. As a result, we encourage you to act as soon as possible.

At BlackRock, we remain committed to the future of money market funds and the value they provide. Money funds allow our clients to diversify credit exposure in a way that bank deposits cannot, and have historically provided incremental returns.

Please feel free to call if you would like to discuss this further.

Sincerely,

Simon Mendelson
COO, BlackRock Global Cash Management