



September 22, 2008

Dear Shareholder,

As you may be aware, the U.S. Treasury and the Federal Reserve Bank on Friday announced two separate programs intended to enhance investor confidence in the U.S. money market funds industry. While full details are still emerging, we wish to share the details of the program as we understand them thus far.

U.S. Treasury Guaranty Program for U.S. Registered Money Market Funds:

The press release announcing this program states, "For the next year, the U.S. Treasury will insure the holdings of any publicly offered eligible money market mutual fund - both retail and institutional - that pays a fee to participate in the program." (You can read the full press release on the U.S. Treasury's website at <http://www.ustreas.gov/press>)

Yesterday, the Treasury provided additional clarification, stating,

"While these details are being finalized, Treasury is making the following clarifications:

1. All money market mutual funds that are regulated under Rule 2a-7 of the Investment Company Act of 1940 and are publicly offered and registered with the Securities and Exchange Commission will be eligible to participate in the program.
2. Eligible funds include both taxable and tax-exempt money market funds. The Treasury and the IRS intend to issue guidance that will confirm that participation in the temporary guaranty program will not be treated as a federal guaranty that jeopardizes the tax-exempt treatment of payments by tax-exempt money market funds.
3. The temporary guaranty program will be designed to provide coverage to shareholders for amounts held by them in such funds as of the close of business on September 19, 2008.
4. Further details on other aspects of the temporary guaranty program and the required documentation for funds to participate will be provided in the coming days." (See the press release on the U.S. Treasury's website at <http://www.ustreas.gov/press>)

The obvious question our clients have asked is whether BlackRock will participate in this program. At this time, BlackRock is positively inclined toward the program, but we will obviously need to wait to review full details of the plan before we can make any decisions and comment formally regarding our possible participation.

Federal Reserve Announcement of Special Lending Program:

On Friday, the Federal Reserve announced a special program to facilitate the lending of Asset Backed Commercial Paper by U.S. registered money market funds to Fed member banks that, in turn, would be able to lend those securities to the Federal Reserve on a non-recourse basis.

While this announcement has received less attention in the media, it is of similar importance to investors in U.S. registered money market funds that invest in prime money market securities (also referred to as "Prime Funds"). This program is designed to support a strong marketplace to generate liquidity on Asset Backed Commercial Paper held in such funds. This, in turn, further enhances the ability of these funds to provide liquidity to their clients, as needed.

In a Federal Register Notice from the Board of Governors of the Federal Reserve System on Friday, September 19, 2008, the Federal Reserve summarized the program as follows:

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“To reduce liquidity and other strains being experienced by money market mutual funds, the Federal Reserve System adopted on September 19, 2008, a special lending facility (ABCP Lending Facility) that enables depository institutions and bank holding companies to borrow from the Federal Reserve Bank of Boston on a nonrecourse basis if they use the proceeds of the loan to purchase certain types of asset-backed commercial paper (ABCP) from money market mutual funds. To facilitate this Federal Reserve lending program, the Board of Governors of the Federal Reserve System (Board) also has adopted, on an interim final basis, an exemption from its leverage and risk-based capital rules for ABCP held by a state member bank or bank holding company as a result of its participation in this program. (You can read the full release on the Fed’s website at <http://www.federalreserve.gov/newsevent>)

As details emerge, we commit to continue providing updates to you on these and other developments related to your investments at BlackRock. Throughout the tumult of the markets of the last week and, indeed, the last year, money market funds managed by BlackRock have maintained a \$1.00 per share net asset value (based on third-party, independent pricing) and are operating normally. All credit exposure in BlackRock money market funds continues to receive the highest level of scrutiny and credits are maintained on money market approved lists based on our assessment of their ability to preserve principal and provide liquidity to our shareholders. BlackRock’s extensive experience through multiple interest rate cycles and market events, our rigorous credit standards, and our consistent focus on risk management have enabled us to deliver on our fundamental objectives of safety, liquidity and yield. This management approach is a primary reason that our investors have made BlackRock one of the largest managers of money market funds in the world. Current market events have not necessitated a reevaluation of our methods for managing this important asset class; rather, it has reinforced our commitment to the approach we have taken for more than thirty years.

Should you have any additional questions, please do not hesitate to contact your BlackRock representative.

Sincerely,

Simon Mendelson, Managing Director
COO Global Cash Management Group

Opinions expressed are as of September 22, 2008 and are subject to change based on market and economic conditions and factors. Past performance is no guarantee of future results; yields will fluctuate as market conditions change. Investments in money market funds are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the funds. An investor should consider carefully the investment objectives, risks, and charges and expenses of the investment company, and prior to investing or sending money, obtain and carefully read the prospectus, which contains this and other information about the investment company. An investment in mutual fund shares involves certain risks, including the possible loss of principal. For more complete information regarding any of the BlackRock Funds or BlackRock Liquidity Funds including charges and expenses, investors may obtain a prospectus by calling our Client Service Center at 800-821-7432. Prepared by BlackRock Investments, Inc.