Global Structured Products

August 2006
Preliminary Information
Subject to Completion and Amendment

THE OFFERING: $500.2 million
Collateralized Debt Obligation Notes and Preference Shares issued by
Commendore CDO V, Ltd.
(“Commendore V”)}

Collateral Manager:
Fischer Francis Trees and Watts, Inc.

Collateral Assumptions

Minimum Weighted Average Fixed Coupon(1) [6.68%]
Minimum Weighted Average Floating Spread(1) [1.08%]
Minimum Weighted Average Life [47 years]
Principal Amount [$500,000,000]
Maximum Correlation Score(1) [-1.00%]
Expected Weighted Average Rating Factor(1) [R21 (Basal/Baa3)]
Minimum Weighted Average Rating Factor(1) [R21 (Basal/Baa3)]

Coverage Tests

Minimum Average Pay Ratio [125.3%]
Class A/B junior/subordinated test [125.3%]
Class B junior/subordinated test [125.3%]
Class C junior/subordinated test [125.3%]
Class D junior/subordinated test [125.3%]
Class E interest/dividend test [100.9%]

Ongoing Annual Fees and Expenses

Senior Management Fee [0.75%]
Subordinated Management Fee [0.75%]
Transaction Fee [0.75%]
Administrative Expense [0.75%]
Administrative Fee Cap [$25,000,000]
Incentive Management Fee [25% of excess cash flows after [X IBR to Preferred Shareholders]

Closing Fees and Expenses

On the Closing Date, a portion of the gross proceeds from the offering will be used to pay various fees and expenses, including: (i) fees and expenses incurred in connection with the underwriting, related, underwriting and placement agency, and any other expenses of the Trusts for their accounts.

For Further Information, Please Contact:

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BAC-ML-CDO-000082216
Global Structured Products

Representative Portfolio

NOTE: This is an illustrative portfolio. All information shown in the page is for illustrative purposes only. The actual structure of the final tranche, including the composition of the collateral, is to be announced at or around the time of pricing at that note based upon market conditions and other factors applicable at that time.

Merrill Lynch

About Fischer Francis Trees and Watts, Inc.

- FTFW has been an innovator in the market, launching new products in response to client and market needs for over 30 years.
- It is one of the few specialists in fixed income portfolio managers with global credit experience.
- $300 billion of credit and structured product assets under management.
- $2.2 billion of corporate credit
- $350 billion of ABS
- Over $1.7 billion in ABS CDOs
- Team of 24 dedicated credit specialists
- 11 structured securities specialists
- 13 corporate credit specialists
- Local expertise: credit specialists in New York, London, Singapore and Tokyo

Overview of FTFW System Resources

- FFIBM - Proprietary Internet based system which provides real-time exposure measurements of risk
- Geneca - Global portfolio accounting system
- Advanta Software - Wall Street Analytics - Real-time tracking and reporting of CDO collateral trends and eligibility criteria
- AIBS - Integrates asset backed deal performance data with securitization related content and provides software productivity tools for data analysis
- Xcel / VEA Applications - CDO portfolio management and various other analytical purposes

$6.5 billion in U.S. Structured Products

Global Credit Expertise

- ABS CDO Experience
  - Canadian CDO II Ltd.: $300 million issue size launched February 2002
  - Canadian CDO II U.S.: $300 million issue size launched December 2003
  - Canadian CDO II U.K.: $300 million issue size launched March 2005
  - Canadian CDO IV Ltd.: $300 million issue size launched August 2005
  - Canadian CDO V Ltd.: $500 million issue size (currently ramping)

U.S. Structured Products

- International Structured Products

Future market and economic conditions are unpredictable. Past market or economic conditions that materially differ from those on which the assumptions are based may have a negative impact on the performance of Commbond CDO V, Ltd. For these and other reasons, there are limitations on the value of this or any hypothetical illustration.

<table>
<thead>
<tr>
<th>RELATIVE DEFAULT RATES WITH</th>
<th>Based on a Break in Yield</th>
<th>Based on 5% Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Description (Moody's/AA)</td>
<td>Annual Default Rate</td>
<td>Cumulative Gross Defaults</td>
</tr>
<tr>
<td>Class A IA First Priority Floating Rate Notes (Aaa/AAA)</td>
<td>0.2%</td>
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</tr>
<tr>
<td>Class A IB Second Priority Floating Rate Notes (Aaa/AAA)</td>
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<td>0.3%</td>
</tr>
<tr>
<td>Class A IIB Third Priority Floating Rate Notes (Aaa/AAA)</td>
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<td>0.6%</td>
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<tr>
<td>Class A III Fourth Priority Floating Rate Notes (Aaa/AAA)</td>
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<td>0.7%</td>
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<tr>
<td>Class A IV Fifth Priority Floating Rate Notes (Aa1/AA)</td>
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<td>0.7%</td>
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<tr>
<td>Class B First Priority Floating Rate Notes (Aa1/AA)</td>
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<tr>
<td>Class B Second Priority Floating Rate Notes (Aa1/AA)</td>
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<td>1.7%</td>
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<tr>
<td>Class C First Priority Floating Rate Notes (Baa1/BBB)</td>
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<tr>
<td>Class C Second Priority Floating Rate Notes (Baa1/BBB)</td>
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<td>2.7%</td>
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<tr>
<td>Class D First Priority Floating Rate Notes (BB/BBB)</td>
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<tr>
<td>Class E First Priority Floating Rate Notes (Baa3/BB/BBB)</td>
<td>3.5%</td>
<td>3.7%</td>
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</tbody>
</table>

Preference Share (%)

- Please review "Section 4 - Risk Factors" and "Section 5 - Tax Considerations". In addition, risks of investing in the Offered Securities will be disclosed more fully in the preliminary and final offering circulars to be provided in connection with the offering of the Offered Securities.