

May 2007

07-134(0212)

**Glacier Funding CDO V, Ltd.  
Preliminary Information  
Subject to Completion and Amendment**

This Preliminary Information outlines certain characteristics of a proposed collateralized debt obligation transaction ("CDO"). This material is presented solely for purposes of discussion, to assist prospective investors in determining whether they have a preliminary interest in investing in a transaction with the general characteristics described. This transaction is in a structuring phase and there may be material changes to the structure and collateral prior to the securities being offered (such securities, the "Offered Securities").

<p><b>THE OFFERING:</b></p> <p>\$498.5 million Collateralized Debt Obligation ("CDO") Notes and Preference Shares issued by Glacier Funding CDO V, Ltd.</p>	<p><b>COLLATERAL MANAGER:</b></p> <p>Terwin Money Management LLC ("TMM"), part of The Winter Group ("TWG")</p>
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	CLASS A-1 NOTES <sup>(1)(2)</sup>	CLASS A-2 NOTES <sup>(1)(2)</sup>	CLASS A-3 NOTES <sup>(1)(2)</sup>	CLASS B NOTES <sup>(1)(2)</sup>	CLASS C NOTES <sup>(1)(2)</sup>	CLASS D NOTES <sup>(1)(2)</sup>	CLASS E NOTES <sup>(1)(2)(3)</sup>	CLASS F NOTES <sup>(1)(2)(3)</sup>	CLASS G NOTES <sup>(1)(2)(3)</sup>	PREFERENCE SHARES <sup>(1)(2)(3)</sup>
Principal <sup>(7)</sup>	200,000,000.00	122,000,000.00	46,000,000.00	44,000,000.00	15,000,000.00	20,500,000.00	26,500,000.00	5,500,000.00	6,500,000.00	12,500,000.00
Percentage	40.1%	24.5%	9.2%	8.8%	3.0%	4.1%	5.3%	1.1%	1.3%	2.5%
Coupon Type	1mL+18	1mL+50	1mL+52	1mL+65	1mL+70	1mL+250	1mL+575	1mL+675	1mL+900	Residual
Expected Rating <sup>(4)</sup>	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AA/AA	Aaa/AA-/AA-	A2/A/A	Baa2/BBB/BBB	Baa3/BBB-/BBB-	Ba1/BB+/BB+	Not Rated
Rating Agency	Moody's/S&P/Fitch	Moody's/S&P/Fitch	Moody's/S&P/Fitch	Moody's/S&P/Fitch	Moody's/S&P/Fitch	Moody's/S&P/Fitch	Moody's/S&P/Fitch	Moody's/S&P/Fitch	Moody's/S&P/Fitch	N/A
Average Life <sup>(5)</sup>	5.2 years	5.5 years	5.5 years	5.5 years	5.5 years	5.5 years	5.2 years	5.2 years	5.5 years	N/A
Legal Maturity	2051	2051	2051	2051	2051	2051	2051	2051	2051	2051
Denomination <sup>(6)</sup>	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments	\$250,000 min \$1,000 increments

- (1) Please see "Transaction Highlights - Structuring Assumptions" for further information on the modeling assumptions.
- (2) Payments on the Notes and Preference Shares will begin in August 2007.
- (3) Some limited exceptions may be permitted on the Closing Date to the minimum denomination requirements for the Preference Shares.
- (4) A credit rating is not a recommendation to buy, hold or sell securities and is subject to revision at any time. Please see "Risk Factors - Credit Ratings."
- (5) 15% of interest proceeds available to pay the Preference Shares will be used to pay down principal on the Class E Notes and Class F Notes pro rata.
- (6) Based on a 6 year auction call. See "Transaction Highlights" in the Confidential Discussion Material for a description on modeling assumptions.
- (7) Liquidation Preference in the case of the Preference Shares
- (8) The Class A-1 Notes will not be fully funded at Closing—they will be Delayed Draw.

**STRUCTURE**

<b>Issuer:</b>	Glacier Funding CDO V, Ltd.
<b>Collateral Manager:</b>	Terwin Money Management LLC
<b>Anticipated Closing Date:</b>	March 27, 2007
<b>Coupon Payment Dates:</b>	Monthly
<b>Ramp Up Period:</b>	It is assumed that at least 90% of the portfolio will have been purchased or identified by closing and that the deal will be fully ramped within 4 months of closing.
<b>Non Call Period:</b>	4 years (thereafter, all of the Notes and Preference Shares may be called by a majority vote of the Preference Shares)
<b>Mandatory Auction Call:</b>	6 years - Preference Share IRR for successful auction call: must be greater than or equal to 6% in years 6-7, 4% in years 8-9, and 0% thereafter
<b>Reinvestment Period (at the option of the Collateral Manager):</b>	4 years; up to 15% per annum may be traded on a discretionary basis and limited reinvestment of proceeds from the sale of Credit Risk and Credit Improved Securities will be allowed for an extended period
<b>Pro Rata Paydown:</b>	Principal amortization will be used to pay down the Notes on a pro rata basis until (a) the first date on which the aggregate principal balance of all pledged collateral debt securities held by the Issuer is less than 50% of the Net Outstanding Portfolio Collateral Balance on the Ramp-Up Completion Date, (b) the first measurement date on which the Class A Sequential Pay Test is not satisfied, (c) the first determination date on which an Event of Default has occurred and is continuing and (d) the first date on which the rating of any Outstanding Class of Notes by Standard & Poor's has been reduced or withdrawn. If such Sequential Pay Period has commenced, a Pro Rata Pay Period may not commence on any future date.
<b>Cash Sharing:</b>	Before the auction call, 15% of interest proceeds available to pay the Preference Shares will be used to pay down principal on the Class E Notes and Class F Notes pro rata. In addition, if the Class G Interest Diversion Test OC ratio falls below the Test Level, 75% of interest proceeds will be diverted to pay down the Class G Notes in years 2, 3, and 4. In the event of a failed auction call, 100% of interest proceeds available to pay the Preference Shares will be used to pay down principal on the Class G Notes, Class F Notes, Class E Notes, Class D Notes, Class C Notes, Class B Notes, Class A-3 Notes, Class A-2 Notes and Class A-1 Notes, reverse sequentially.

**Collateral Profile/Assumptions<sup>(4)</sup>**

Minimum Weighted Average Spread	2.31%	Maximum Collateral Rated Below Baa3	5%
Expected Weighted Average Spread	2.40%	Minimum Synthetics	60%
Maximum Weighted Average Rating Factor	475 (Baa2/Baa3) <sup>(1)</sup>	Maximum Synthetics	75%
Maximum Correlation Score	<=21% <sup>(1)</sup>	Maximum CDO Securities	10%
Maximum PIK Bucket	10%	Maximum Unrated Single Servicer Concentration	8%
Maximum Negative Amortization Securities	5%	Maximum S&P Above Average Rated Single Servicer Concentration	15%
Maximum Weighted Average Life	6.0 Years	Maximum S&P Strong Rated Single Servicer Concentration	25%
Maximum Fixed Collateral	5.00%	Maximum Single Issuer Concentration	1.0% <sup>(2)</sup>

**Coverage Tests**

	OC Tests <sup>(3)</sup>	Initial OC <sup>(4)</sup>
Class A Sequential Pay Test	131.87%	135.87%
Class G Interest Diversion Test	100.00%	102.88%

For the purposes of OC calculations: All collateral with an S&P rating below BB- and at least B- or a Moody's rating below Baa3 and at least Baa3 shall be haircut 20%. All collateral with an S&P rating below BB- and at least B- or a Moody's rating below Baa3 and at least B3 shall be haircut 30%. All collateral with an S&P rating below B- or a Moody's rating below B3 shall be haircut at the lower of 30% and fair market value.

The structuring assumptions are preliminary and conditional. It is important to understand the effects of the composition of the collateral and the interest rate at which the collateral is being subject, and none of such assumptions are meant to be a factual description or prediction of future performance. Because they are preliminary and conditional, they have certain inherent limitations, and their use for purposes of investment and other financial planning purposes may produce significantly different results. Furthermore, because the collateral provided by the Issuer may be different from the model portfolio assumed during the structuring phase, the actual characteristics of the investment portfolio may be different from the model portfolio assumed during the structuring phase. The use of the model portfolio for purposes of the OC tests is for informational purposes only and does not constitute a recommendation. The use of the model portfolio for purposes of the OC tests is for informational purposes only and does not constitute a recommendation. This information is provided to you on the understanding that, as a sophisticated investor, you will understand and accept its inherent limitations, will review such assumption carefully and make your own determination as to its accuracy, reasonableness, and will use it only for the purpose of discussing with Merrill Lynch your preliminary interest in investing in a transaction of the type described. A investor should rely only upon the final offering materials for the definitive conditions and terms of the offering.

**Ongoing Annual Fees and Expenses**

Senior Management Fee	15.0 bps
Subordinate Management Fee	5.0 bps
Trustee Fees	1.8 bps
Administrative Expenses	3.5 bps
Administrative Fee Cap	\$240,000 yr

**Closing Fees and Expenses**

Approximately 1.60% of the gross proceeds of the offering.

Includes, but is not limited to, expenses, fees and commissions incurred in connection with structuring and placing the Offered Securities (including the fees paid to Merrill Lynch as placement agent/distributor), upfront fees to the Collateral Manager, expenses, fees and commissions incurred in connection with the acquisition of the initial underlying collateral and legal, accounting and rating agency fees and expenses. These fees and expenses will be paid on the Closing date out of the gross proceeds of the offering, thus reducing the amount of the gross proceeds of the offering available to purchase collateral and therefore the amounts ultimately available to make payments on the Offered Securities.

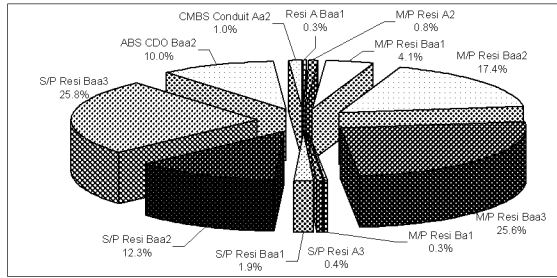
- (1) The expected Moody's Weighted Average Rating Factor and maximum Asset Correlation are included as structuring assumptions. However it is expected that the actual Moody's Weighted Average Rating Factor test and Asset Correlation test will be established at different combinations of values which may be satisfied together for both tests to be passed. The maximum Moody's Weighted Average Rating Factor on the WARP/Correlation Matrix will be 550. The maximum Asset Correlation on the WARP/Correlation Matrix is expected to be 25%.
- (2) Test Level represents the level that must be passed in order for the deal to pay principal on the Notes on a pro rata instead of sequential basis in the case of a breach of the "Class A Sequential Pay Test". Initial represents expected characteristics of target portfolio.
- (3) The initial Class A Sequential test ratio has been computed using the modeling assumptions specified herein and the structure of the transaction, including portfolio assumptions, currently contemplated. Because this transaction is in a structuring phase and there may be material changes to the structure, terms and assets prior to the offering of any securities, there can be no assurance that the actual sequential pay test ratio on the closing date will be the same as those indicated herein.
- (4) This transaction is in a structuring phase, and there may be material changes to the structure, terms and assets prior to the offering of any securities. Following the ramp up period, the expected initial weighted average coupon will be approximately Swaps + 0.39%, and the expected initial weighted average spread will be approximately 2.40% for original and for reinvested collateral. The Minimum Weighted Average Coupon is 5.40% for original collateral and for reinvested collateral. The Minimum Weighted Average Spread is 2.31% for original collateral and for reinvested collateral.
- (5) With a limited number of exceptions.

For further information on the Collateral Assumptions and the Coverage Tests, please see "Glacier Funding CDO V - Transaction Highlights" in the Confidential Discussion Material.

**For Further Information, Please Contact:**

Global Structured Products	CDO Marketing/Global Structured Products	ABS Trading and Syndicate
Harin De Silva (212) 449-9359	Institution Clients	Global Private Clients
Ken Margolis (212) 449-9396	US: David Moffitt (212) 449-7179	Trading
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Josh Laurito (212) 449-9316	Asia: Chandrakant Mohanty 852-2161-7292	Mike Foggia (212) 449-6190
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**Representative Portfolio**



NOTE: This is an indicative portfolio. All information shown on this page is for illustrative purposes only. The actual structure of the final transaction, including the composition of the collateral to be acquired, will be determined at or around the time of pricing of the Notes based upon market conditions and other factors applicable at that time.

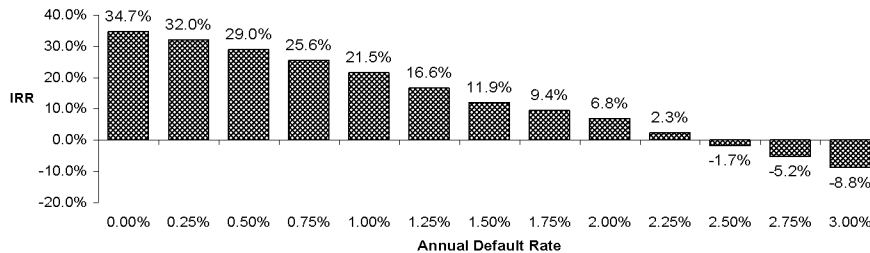
Up to 60% of the portfolio may be composed of Synthetic Securities. Synthetic securities may reference obligations in any of these asset classes but are expected to reference primarily ABS CDO securities. Please see "Risk Factors - Synthetic Securities" in the marketing book for additional risks relating to synthetic securities.

**About Terwin Money Management and The Winter Group\***

- Terwin Asset Management LLC ("TAM") is the asset management business of Terwin Holding LLC ("THLLC") doing business as The Winter Group ("TWG"), which focuses on credit related mortgage backed securities investments. Terwin Money Management LLC ("TMM") is part of TWG dedicated to the issuance and management of structured finance CDOs. TMM is not registered as an investment adviser under the U.S. Investment Advisers Act.
- TMM is comprised of individuals with extensive expertise in mortgage credit investing. Their portfolio management and credit experience includes managing mortgage credit for the largest publicly traded insurance group. TMM's objective is to insure delivery of the stated returns by purchasing high quality assets which have historically had excellent performance, and which form the core of the team's expertise.
- TMM has closed ten transactions to date: three high grade asset backed CDO transactions - "Cascade Funding CDO I", "Athos Funding Ltd.", and "Tazlina Funding CDO Ltd." and seven mezzanine Asset-backed CDO transactions - "Glacier Funding CDO I", "Glacier Funding CDO II", "Glacier Funding CDO III", "Glacier Funding CDO IV", "Northwall Funding CDO I", "Bering CDO I" and "Kefton CDO I".
- TMM receives considerable support from TWG, which has built an integrated capital markets residential mortgage acquisition, securitization, trading and distribution platform. TWG focuses primarily on non-agency jumbo, Alt-A, subprime, and fixed rate first and second lien mortgage product. The founding partners of TWG have extensive industry experience trading, sourcing and distributing mortgage credit risk.
- TWG will provide support services to TMM in a variety of areas including operations, systems, control, and risk management.

\* Source: Terwin Money Management LLC

**Preference Share IRR<sup>(6)</sup> - Base Case Amortization<sup>(6)</sup>**



**Break Even Default Rates <sup>(1)(2)(3)(4)</sup>**

Class Description (Moody's/S&P/Fitch)	Based on a Break in Yield		Based on 0% Yield	
	Annual Default Rate	Cumulative Gross Defaults	Annual Default Rate	Cumulative Gross Defaults
Class A-1 First Priority Delayed Draw Floating Rate Notes (Aaa/AAA/AAA) <sup>(6)</sup>	99.9%	99.9%	99.9%	99.9%
Class A-2 Second Priority Floating Rate Notes (Aaa/AAA/AAA)	19.3%	64.2%	28.7%	77.8%
Class A-3 Third Priority Floating Rate Notes (Aaa/AAA/AAA)	12.4%	48.5%	15.4%	56.0%
Class B Fourth Priority Floating Rate Notes (Aa2/AA/AA)	7.6%	33.7%	9.7%	40.6%
Class C Fifth Priority Floating Rate Notes (Aa3/AA-/AA-)	6.3%	28.8%	7.0%	31.7%
Class D Sixth Priority Floating Rate Notes (A2/A/A)	4.2%	20.4%	5.4%	25.4%
Class E Seventh Priority Floating Rate Notes (Baa2/BBB/BBB)	1.8%	9.6%	3.6%	18.1%
Class F Eighth Priority Floating Rate Notes (Baa3/BBB-/BBB-)	1.4%	6.8%	1.8%	9.5%
Class G Ninth Priority Floating Rate Notes (Ba1/BB+/BB+)	1.4%	6.8%	8.8%	37.7%

- "Break in yield" is the default rate at which the first dollar loss in principal occurs, and "0% Yield" is the default rate at which total cashflow received does not equal initial investment. Please see Appendix A for a description of Collateral Cashflow Formulas.
- Assuming annual constant defaults beginning immediately, 52% recovery rate, and forward LIBOR. Please see "Transaction Details - Structuring Assumptions" for a description of modeling assumptions. Assumes a weighted average spread of 2.40% and weighted average coupon of Swaps + 0.38%.
- All the information shown on this page is for illustrative purposes only. The transaction is at a structuring phase, and the actual structure of the transaction and characteristics of the Offered Securities may differ from those presented herein.
- Defaults are stated as constant immediate annual rates and are applied on the outstanding collateral balance at the beginning of each monthly Distribution Date. Defaulted assets are assumed to be sold immediately at a price equal to the applicable recovery rate.
- Amortization schedules provided by Terwin Money Management LLC.
- The Class A-1 Notes will not be fully funded at Closing—they will be Delayed Draw.

**RISK FACTORS**

- Transaction terms may change materially before closing.
- CDOs are very risky. You can lose all your investment.
- CDOs are highly illiquid. They are for buy-and-hold investors only.
- Taxation of CDOs is complex. You may have to file tax forms. Consult your tax advisers before investing.
- Preference shares (CDO equity) get paid after all of the Issuer's other obligations.
- The underlying collateral is subject to credit, market and other risks.
- Past performance of other CDOs managed by the sponsor/manager is not indicative of this CDO's future performance.
- Actual results may vary significantly from hypothetical illustrations. Expected IRRs may not be met or achieved due to market, CDO structure and collateral events.

Please see "Sensitivity Analysis" in the marketing book for further information on Break in Yield and 0% Yield Default Rates.

U.S. holders of equity (for U.S. Federal income tax purposes) in a CDO, including the Preference Shares being offered, are likely to be treated as owning an interest in a "passive foreign investment company" and possibly also a "controlled foreign corporation." U.S. investors in CDO securities will need to consult their personal tax advisors and consider filing certain tax disclosure forms in order to avoid the potential imposition of penalties associated with an undisclosed investment in a foreign entity. Investors should direct their attention to the Tax Considerations section of the Confidential Discussion Material.

YOU SHOULD READ CAREFULLY THE INFORMATION SET FORTH IN THE "RISK FACTORS" AND "TAX CONSIDERATIONS" SECTIONS CONTAINED IN THE MARKETING BOOK. THE OFFERING CIRCULAR WILL CONTAIN INFORMATION AS TO THE RISK FACTORS AND TAX CONSIDERATIONS THAT YOU SHOULD READ PRIOR TO THE PURCHASE OF ANY OFFERED SECURITIES.