MERRILL LYNCH **ALTERNATIVE INVESTMENTS**
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Merrill Lynch Zen Asset Finance Fund Ltd.

ZAM Asset Finance Fund Limited aims to provide investors with consistent long-term capital appreciation with low volatility and low correlation to traditional asset classes by investing in a diversified portfolio of listed and unlisted funds in asset finance strategies involving Asset-Based Loans ("ABL") and some Asset-Backed Securities ("ABS").

Merrill Lynch Zen Asset Finance Fund Ltd. (the "Fund') is a "feeder fund" sponsored by Merrill Lynch Alternative Investments LLC in order to provide qualified Merrill Lynch Clients with access to ZAM Asset Finance Fund Limited (the "ZAM Fund") in minimum investments substantially smaller than generally required to invest directly in the ZAM Fund. The Fund will invest substantially all of its assets in the ZAM Fund.

Investment Approach

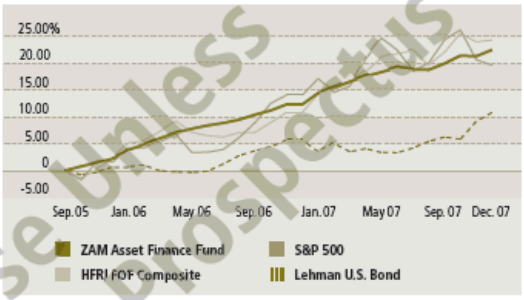
- Identify suitable asset finance strategies with favourable risk/reward profiles
- Perform quantitative and qualitative review of asset finance universe/peers
- Construct a diversified multi-manager portfolio of listed and unlisted funds in asset finance transactions
- The ZAM Fund may also invest up to 25% of its net assets in other strategies it considers appropriate

Potential Benefits

- Asset finance strategies can provide returns that have a low correlation to traditional asset classes and when included in a balanced portfolio can help reduce overall portfolio risk
- Asset finance strategies can provide an attractive risk/reward yield profile as they have the potential to earn a consistent stream of returns with low volatility from a highly collateralized asset class that historically has a low default rate and a high recovery rate. During periods of economic uncertainty and geopolitical instability, asset finance strategies may provide an attractive alternative to other yield based investments

The Fund is a speculative investment that involves a high degree of risk. There can be no assurance that the ZAM Fund will achieve its objectives or avoid substantial or total losses. No one should consider investing more than such investor can afford to lose.

ZAM Asset Finance Fund Ltd. – Performance History*



	ZAM Asset Finance Fund	S&P 500	HFRI FOF Composite	Lehman U.S. Bond Index
Cumulative Return	22.41%	19.54%	24.24%	10.77%
Annualised Std. Deviation	1.43%	7.86%	4.90%	2.81%
Sharpe Ratio (5%)	2.65	0.43	1.00	-0.10
Correlation	N/A	0.50	0.64	-0.35
% Positive Months	89%	70%	74%	67%

Low Correlation with Traditional Equity and Bond Markets

	S&P 500	ZAMAF
Oct. 2005	-1.77%	0.77%
Dec. 2005	-0.10%	0.73%
May 2006	-3.09%	0.68%
Feb. 2007	-2.18%	0.85%
Jun. 2007	-1.78%	0.72%
Jul. 2007	-3.20%	-0.31%
Nov. 2007	-4.40%	-0.10%
Dec. 2007	-0.86%	0.16%

	Lehman U.S. Bond Index	ZAMAF
Oct. 2005	-1.00%	0.77%
Nov. 2005	-0.80%	0.67%
Mar. 2006	-0.98%	1.08%
Apr. 2006	-0.18%	0.98%
May 2006	-0.11%	0.68%
Dec. 2006	-0.58%	0.98%
May 2007	-0.76%	0.65%
Jun. 2007	-0.30%	0.72%

ZAM Asset Finance Fund Ltd. – Net Monthly Performance*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007	0.90%	0.85%	0.97%	0.88%	0.65%	0.72%	-0.31%	-0.03%	0.98%	1.23%	-0.10%	0.16%	7.09%
2006	1.58%	1.02%	1.08%	0.98%	0.68%	0.56%	0.43%	0.57%	0.85%	0.70%	1.02%	0.98%	10.95%
2005										0.77%	0.67%	0.73%	2.19%

** **September 2005 through December 2007. Past performance is not indicative of future results.** The ZAM Fund has a limited operating history and its track record may not be representative of its long-term potential. Reflects the net performance of the ZAM Fund's U.S. Dollar share class, but does not reflect **(i)** sales commissions, sponsor fees and expenses applicable to an investment in the Fund or **(ii)** exchange-rate hedging costs or fluctuations applicable to the ZAM Fund's Euro denominated share class. The indices shown are provided solely as an indication of the performance of various capital markets and are not performance benchmarks. There can be no assurance that the performance of the ZAM Fund will not be highly correlated with traditional asset classes. Hedge funds are subject to the "risk of ruin" which is not reflected in the standard deviation of their returns, the only measure of risk used in calculating Sharpe Ratios. See "Notes to Performance."*

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