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### Jupiter High-Grade CDO Term Sheet

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## Global Structured Products



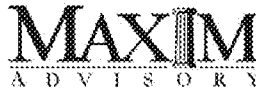
December 2004

## Final Information

## Jupiter High Grade CDO, Ltd.

**THE OFFERING:**

\$753.28 million Collateralized Debt Obligation ("CDO") Notes and Preferred Shares issued by Jupiter High Grade CDO, Ltd.

**COLLATERAL MANAGER:**

Maxim Advisory LLC ("Maxim"), a wholly-owned subsidiary of Maxim Partners LLC

	<b>CLASS A-1A NOTES</b> <sup>(1)(2)(4)</sup>	<b>CLASS A-1B NOTES</b> <sup>(1)(2)(4)</sup>	<b>CLASS A-2 NOTES</b> <sup>(1)(2)</sup>	<b>CLASS B NOTES</b> <sup>(1)(2)</sup>	<b>CLASS C NOTES</b> <sup>(1)(2)</sup>	<b>PREFERRED SHARES</b> <sup>(1)(2)</sup>
Principal	\$489,950,000	\$113,800,000	\$82,500,000	\$41,250,000	\$14,250,000	\$11,530,000
Percentage	65.0%	15.1%	10.9%	5.5%	1.9%	1.5%
Coupon Type	Floating	Floating	Floating	Floating	Floating	Residual
Coupon/Spread	3mL + 0.285%	3mL + 0.49%	3mL + 0.65%	3mL + 0.90%	3mL + 3.50%	NA
Expected Rating	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aa2/AA/AA	Baa2/BBB/BBB	NR
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	NR
Average Life <sup>(3)</sup>	5.5 yrs.	5.5 yrs.	8.0 yrs.	8.0 yrs.	7.2 yrs.	NA
Stated Maturity	January 4, 2041	January 4, 2041	January 4, 2041	January 4, 2041	January 4, 2041	January 4, 2041
Denomination	\$250,000 minimum \$1,000 increments	\$250,000 minimum \$1,000 increments	\$250,000 minimum \$1,000 increments	\$250,000 minimum \$1,000 increments	\$250,000 minimum \$1,000 increments	\$250,000 minimum <sup>(5)</sup> \$1,000 increments

(1) The transaction is at a structuring phase, the actual characteristics of the offered securities may differ from those presented herein. Definitions and other terms will be fully described in the offering circular.

(2) Payments on the Notes and Preferred Shares will be made quarterly.

(3) Based on a 8 year auction call.

(4) The Class A-1 Notes will not be fully funded at Closing

(5) With some limited exceptions

**STRUCTURE**

<b>Issuer:</b>	Jupiter High Grade CDO, Ltd.
<b>Collateral Manager:</b>	Maxim Advisory LLC, a wholly-owned subsidiary of Maxim Partners LLC
<b>Anticipated Closing Date:</b>	December 2, 2004
<b>Coupon Payment Dates:</b>	Quarterly, beginning April 4, 2005
<b>Ramp-Up Period:</b>	90 days. At least 75% of the Collateral Portfolio is expected to be purchased or identified at closing.
<b>Non-Call Period:</b>	3 years (thereafter, all of the Notes and Preferred Shares may be called by a majority vote of the Preferred Shares)
<b>Reinvestment Period:</b>	None. Immediate Principal Amortization
<b>OC and IC Test Cures:</b>	If the Class A/B IC or Class A/B OC test is breached, interest will be used to pay down the principal of the Class A-1, Class A-2, and then the Class B Notes. If the Class C IC or Class C OC test is breached, interest will be used to pay down the principal of the Class C Notes.
<b>"RAPID" Features:</b>	I. Principal amortization will be used to pay down the Notes on a sequential basis. II. Until the Class C Notes are fully paid down, the dividend on the Preferred Shares payable on each payment date will be capped at an annualized dividend yield of 14.7% and the excess cashflows will be used to pay down the Class C Notes.
<b>Mandatory Auction Call:</b>	8 years

**COVERAGE TESTS**

	<b>O/C Tests</b>	<b>Initial O/C</b>	<b>I/C Tests</b>	<b>Initial I/C</b>
Class A/B	102.1%	103.1%	103.0%	126.2%
Class C	100.4%	101.1%	101.0%	121.2%

**FEES AND EXPENSES**

Senior Management Fee:	5 bps per annum
Closing Fees and Expenses <sup>(1)</sup>	***

(1) On the Closing Date, the Co-Issuer will use a portion of the gross proceeds from the offering to pay various fees and expenses, including expenses, fees and commissions incurred in connection with the acquisition of the Collateral, structuring and placement agency fees payable to Merrill Lynch and legal, accounting, rating agency and other fees. Fees payable to Merrill Lynch and others will be determined on an arms' length basis. Closing fees and expenses reduce the amount of the gross proceeds of the offering available to purchase Collateral and, therefore, the return to purchasers of the Securities. Rating agencies will consider the amount of net proceeds available to purchase Collateral in determining any ratings assigned by them to the Securities. For information about the amount of such fees and expenses, please review the final Offering Circular before investing.

**COLLATERAL CHARACTERISTICS**

• Weighted Average Fixed Coupon:	5.57%	• Maximum CDOs: <sup>(3)</sup>	35%
• Weighted Average Floating Spread:	0.83%	• Maximum Weighted Average Life:	7.5 Years
• Maximum Weighted Average Rating: <sup>(1)</sup>	33 (Aa2/Aa3)	• Maximum Single Issuer Concentration:	2.00%
• Minimum Diversity Score: <sup>(1)</sup>	>=19	• Minimum Number of Obligors:	95
• Minimum Initial Rating at Purchase:	A3	• Maximum Obligations Rated Below Aaa:	55.0%
• Maximum Single Servicer Concentration:	7.5% <sup>(2)</sup>	• Maximum Fixed Collateral:	30.0%
• Maximum Obligations rated "A1", "A2", "A3":	15.0%		

(1) Based on a WARF-Diversity Score matrix

(2) With some exceptions (yet to be determined)

(3) Minimum CDO rating is Aa3

Global Structured Products	CDO Marketing/Global Structured Products	ABS Trading and Syndicate
<i>Institution Clients</i>	<i>Global Private Clients</i>	
Christopher Ricciardi (212) 449-9638	US: Doug Mallach (212) 449-6190	Cliff Lanier (212) 449-5383
Harin De Silva (212) 449-9359	Canada: Barry Dennis (212) 449-0394	Marie Walsh (212) 449-5383
Cecilia Pan (212) 449-0867	Europe: Bill Berry 44-20-7995-4678	Marco Pavoncelli +44-207-996-3743
Zach Smith (212) 449-0192	Asia: Taro Masuyama 81-3-3213-7473	Andrew Phelps (212) 449-3659
Josh Polsinelli (212) 449-8231		<i>Institutional Advisory Division</i>
		Mike Foggia (212) 449-6190

This term sheet may only be distributed along with the Confidential Discussion Materials to pre-qualified Merrill Lynch clients who are Qualified Purchasers within the meaning of Investment Company Act of 1940.



## Global Structured Products

### Why Invest in Structured Finance Securities?

Structured Finance Securities (including ABS, RMBS and CMBs) and CDOs have historically exhibited lower default rates, higher recovery upon default and better rating stability than comparably rated corporate bonds. Consequently, CDOs consisting of Structured Finance Securities and CDOs have outperformed other CDO types.<sup>(1)</sup>

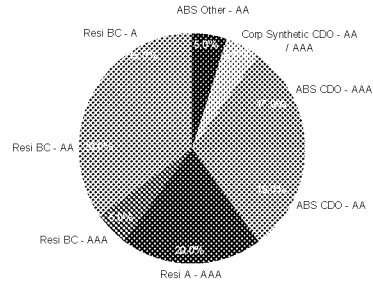
- According to a recent Moody's study, the long-term historical average (1983-2003) of unchanged ratings of Structured Finance Securities and CDOs was 92.3%, which compares favorably to the 76.6% average of unchanged ratings of corporate bonds for the same period.<sup>(1)</sup>

A Moody's study on recovery rates of Structured Finance Securities (including ABS, RMBS and CMBs) has concluded the following:<sup>(2)(3)</sup>

- Aa and A rated Structured Finance Securities have historically had an average recovery rate of 91% for bonds that have not matured.<sup>(4)</sup>
- Aaa rated Structured Finance Securities have historically had an average recovery rate of 98% for bonds that have not matured.<sup>(4)</sup>

(1) Structured Finance Rating Transitions: 1983-2003. Moody's Investors Service, February 2004.  
 (2) Moody's Investor Service, "Payment Defaults and Material Impairments of U.S. Structured Finance Securities, 1990-2002, December 2003.  
 (3) Because losses on defaulted structured finance securities accumulate gradually over time, complete information about the time losses on defaulted securities is available only for those few (84 in total) defaulters in the sample that have ceased making their payments (i.e., paid down or within close proximity), among the 54 defaulters that have had zero outstanding balances, four were from CMBs, all of which were cured before their last payment date, and hence suffered zero lifetime cumulative losses.  
 (4) Data for recovery rates as of December 31, 2002. Structured Finance Securities in this sample include securities that have not yet matured. These numbers are not intended to represent lifetime recovery rates. Cumulative recovery rates may decrease over time since losses on Structured Finance Securities accumulate gradually over time. Recovery rates computed by examining defaulted Structured Finance Securities that originated on or after January 1, 1993.

### REPRESENTATIVE PORTFOLIO\*



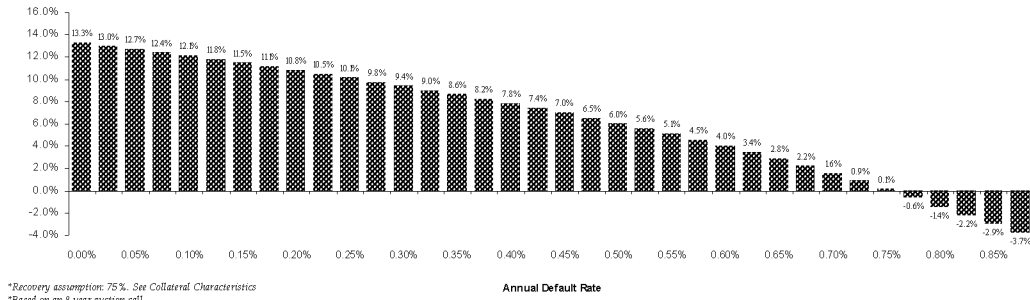
\* For illustrative purposes only. Subject to change.

### About Maxim Advisory LLC<sup>(1)</sup>

- Maxim Advisory LLC ("Maxim"), has recently entered the Structured Finance asset management business focusing on Mortgage-backed Securities ("MBS"), Asset-backed securities ("ABS"), and Collateralized Debt Obligations ("CDO"). Maxim is a wholly-owned subsidiary of Maxim Partners LLC and is a registered Investment Advisor under the Investment Advisor Act of 1940.
- Maxim intends to become an industry leader in the management of structured finance CDOs.
- Maxim is comprised of investment professionals with extensive backgrounds and experience in Structured Finance. Their portfolio management and credit experience includes investing in the ABS/MBS/CMBs/CDO sectors.
  - Jupiter High Grade CDO, the first CDO offered by Maxim, will benefit from the expertise afforded by the entire Maxim Family.
- Maxim Group LLC ("MG"), a sister affiliate of Maxim Advisory LLC, will provide a wide range of financial expertise and services to enhance Maxim's management capabilities.
- MG will provide support services to Maxim in a variety of areas including operations, systems, control, and risk management.

(1) Source: Maxim. As of July 2004.

### PROJECTED BEY ON PREFERRED SHARES



\*Recovery assumption: 75%. See Collateral Characteristics.  
 \*Based on an 8 year auction call.

Future market and economic conditions are impossible to predict. Future market or economic conditions that materially differ from those on which the assumptions are based may have a negative impact on the performance of Jupiter High Grade CDO, Ltd. For these and other reasons, there are limitations on the value of this or any hypothetical illustration.

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 A1 First Priority Senior Secured Floating Rate Delayed Draw Notes (Aaa/AAA/AAA)	18.0%	63.3%	26.6%	76.0%
Class A2 Second Priority Senior Secured Floating Rate Notes (Aaa/AAA/AAA)	6.9%	33.2%	10.6%	45.7%
Class B Third Priority Senior Secured Floating Rate Notes (Aa2/AA/AA)	3.1%	16.8%	4.8%	24.4%
Class C Fourth Priority Mezzanine Floating Rate Notes (Baa2/BBB/BBB)	1.4%	7.8%	2.1%	11.9%

- Break in yield is the default rate at which the first dollar loss occurs, and 0% yield is the default rate at which the cashflows over the life of the bond equal the initial investment.
- Assumes no default lockout, 75% immediate recoveries and forward LIBOR.
- Based on an auction call in 8 years.
- Definitions and other terms will be fully described in the Offering Circular.

THIS SUMMARY IS A SUMMARY OF THE "CONFIDENTIAL DISCUSSION MATERIAL" - JUPITER HIGH GRADE CDO, LTD. (THE "MATERIAL") AND SHOULD BE READ IN CONJUNCTION THEREWITH, INCLUDING "TRANSACTION HIGHLIGHTS - STRUCTURING ASSUMPTIONS" HERETO. THE MATERIAL OUTLINES CERTAIN CHARACTERISTICS OF A PROPOSED COLLATERALIZED DEBT OBLIGATION TRANSACTION. THE MATERIAL IS PRESENTED SOLELY FOR PURPOSES OF DISCUSSION TO ASSIST PROSPECTIVE INVESTORS IN DETERMINING WHETHER THEY HAVE A PRELIMINARY INTEREST IN INVESTING IN THE TRANSACTION WITH THE GENERAL CHARACTERISTICS DESCRIBED HEREIN. 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 (THE "SECURITIES"). NEITHER THE MATERIAL NOR THIS SUMMARY IS AN OFFER TO SELL, OR A SOLICITATION TO BUY, THE SECURITIES OR ANY OTHER INVESTMENT, AND ACCORDINGLY, IT WILL BE PURSUANT TO A FINAL OFFERING CIRCULAR RELATING TO THE SECURITIES (THE "OFFERING CIRCULAR") WHICH WILL CONTAIN MATERIAL INFORMATION NOT CONTAINED IN THE MATERIAL AND TO WHICH THE PROSPECTIVE PURCHASERS ARE DIRECTED. IN THE EVENT OF ANY SUCH OFFERING, THE MATERIAL AND THIS SUMMARY WILL BE DEEMED SUPERSEDED, AMENDED AND SUPPLEMENTED IN THEIR ENTIRETY BY THE OFFERING CIRCULAR (INCLUDING ANY PRELIMINARY VERSION THEREOF). THIS SUMMARY IS CONFIDENTIAL AND PROPRIETARY TO MERRILL LYNCH, PIERCE, FENNER & SMITH, INCORPORATED AND ITS AFFILIATES (COLLECTIVELY, "MERRILL LYNCH"), AND IS NOT TO BE DISCLOSED TO ANY OTHER PERSON OR ENTITY, EXCEPT AS DESCRIBED BELOW. THE SUMMARY IS TO BE TREATED AS STRICTLY CONFIDENTIAL AND PROPRIETARY INFORMATION WHICH WILL BE DISCLOSED TO THE RECIPIENT AND ITS ADVISERS OR USED FOR ANY PURPOSE OTHER THAN TO MAKE A PRELIMINARY ANALYSIS OF THE SECURITIES. NOTWITHSTANDING THE FOREGOING, RECIPIENTS OF THIS SUMMARY AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF ANY SUCH RECIPIENT MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. FEDERAL INCOME TAX TREATMENT AND TAX STRUCTURE OF THIS TRANSACTION AND ALL MATERIALS OF ANY KIND, INCLUDING OPINIONS OR OTHER TAX ANALYSES, THAT ARE PROVIDED TO THE RECIPIENTS RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. THIS AUTHORIZATION TO DISCLOSE SUCH TAX TREATMENT AND TAX STRUCTURE DOES NOT PERMIT DISCLOSURE OF INFORMATION IDENTIFYING THIS TRANSACTION, THE INVESTMENT ADVISER, COLLATERAL MANAGER OR ANY OTHER PARTY OR THE PRICING (EXCEPT TO THE EXTENT PRICING IS RELEVANT TO TAX STRUCTURE OR TAX TREATMENT) OF THIS TRANSACTION.

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INVESTING IN COLLATERALIZED DEBT OBLIGATIONS INVOLVES RISKS THAT ARE MORE FULLY DESCRIBED IN THE OFFERING CIRCULAR.