

BLACKROCK MUNIYIELD QUALITY FUND II, INC.
Form N-CSR
July 07, 2010
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-06728

Name of Fund: BlackRock MuniYield Quality Fund II, Inc. (MQT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock MuniYield Quality Fund II, Inc., 55 East 52nd Street, New York, NY 10055.

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 04/30/2010

Date of reporting period: 04/30/2010

Item 1 – Report to Stockholders

Annual Report

APRIL 30, 2010

BlackRock MuniYield Fund, Inc. (MYD)

BlackRock MuniYield Quality Fund, Inc. (MQY)

BlackRock MuniYield Quality Fund II, Inc. (MQT)

NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

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Dear Shareholder

Although overall global economic and financial conditions have generally improved over the past year, the period ended with high levels of market volatility and diminishing investor confidence sparked by the sovereign debt crisis in Europe, concerns over the strength of the economic recovery and uncertainty surrounding the future of interest rate policies. Additionally, as the period drew to a close, the increasing likelihood of more stringent financial market regulations added to the overall sense of investment uncertainty. Despite the uneven nature of recent market conditions, we continue to believe that the Great Recession likely ended at some point last summer, thanks primarily to massive fiscal and monetary stimulus, and that the global economy remains in recovery mode.

Global equity markets bottomed in early 2009 and since that time have moved unevenly higher as investors were lured back into the markets by depressed valuations, desire for higher yields and improvements in corporate earnings prospects. There have been several corrections along the way and volatility levels have remained elevated – reflections of mixed economic data, lingering deflation issues (especially in Europe) and uncertainty surrounding financial regulations. On balance, however, improving corporate revenues and profits and a positive macro backdrop helped push stock prices higher over the last twelve and six months. From a geographic perspective, US equities have outpaced their international counterparts in recent months, as the domestic economic recovery has been more pronounced and as credit-related issues have held European markets down.

Within fixed income markets, yields have been moving unevenly as improving economic conditions have been acting to push Treasury yields higher (and prices correspondingly lower), while concerns over ongoing deflation threats have acted as a counterweight. As the period drew to a close, Treasury yields were falling as investors flocked to the safe haven asset class in the face of escalating uncertainty. Over the course of the last twelve and six months, however, Treasuries underperformed other areas of the bond market, particularly the high yield sector, which has been benefiting from increased investor demand. Meanwhile, municipal bonds slightly outperformed taxable sectors over both the six- and twelve-month periods thanks to continued high demand levels, but have continued to face the headwinds of ongoing state and local budget problems. As in the taxable arena, high yield municipals have been outperforming the rest of the market.

Regarding cash investments, yields on money market securities remain near all-time lows (producing returns only marginally above zero percent), with the Federal Open Market Committee reiterating that economic circumstances are likely to necessitate an accommodative interest rate stance for an extended period.

Against this backdrop, the major market averages posted the following returns:

| Total Returns as of April 30, 2010 | 6-month | 12-month |
|--|----------------|-----------------|
| US equities (S&P 500 Index) | 15.66% | 38.84% |
| Small cap US equities (Russell 2000 Index) | 28.17 | 48.95 |
| International equities (MSCI Europe, Australasia, Far East Index) | 2.48 | 34.43 |
| 3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index) | 0.04 | 0.15 |
| US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index) | (0.54) | (1.32) |
| Taxable fixed income (Barclays Capital US Aggregate Bond Index) | 2.54 | 8.30 |
| Tax-exempt fixed income (Barclays Capital Municipal Bond Index) | 3.68 | 8.85 |
| High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index) | 11.60 | 42.53 |

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

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Global financial markets continue to show signs of improvement, but questions about the strength and sustainability of the recovery abound. Through periods of uncertainty, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. For additional market perspective and investment insight, visit www.blackrock.com/shareholdermagazine, where you'll find the most recent issue of our award-winning *Shareholder*[®] magazine, as well as its quarterly companion newsletter, *Shareholder Perspectives*. As always, we thank you for entrusting BlackRock with your investments, and we look forward to your continued partnership in the months and years ahead.

Sincerely,
Rob Kapito
President, BlackRock Advisors, LLC

THIS PAGE NOT PART OF YOUR FUND REPORT

3

Fund Summary as of April 30, 2010

BlackRock MuniYield Fund, Inc.

Investment Objective

BlackRock MuniYield Fund, Inc. (MYD) (the Fund) seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, investment grade municipal obligations, the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the 12 months ended April 30, 2010, the Fund returned 27.75% based on market price and 28.44% based on net asset value (NAV). For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 28.13% on a market price basis and 22.67% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Positive performance was attributable in part to sector allocation decisions and included concentrations in health care, housing and corporate-related debt, which all performed well. Increasing risk appetite has also proven beneficial given the portfolio's focus on lower-rated credits. Additionally, portfolio positioning with respect to a modestly long duration stance and an emphasis on longer-dated bonds was additive in an environment where yields on the long end of the curve fell substantially. Negative factors include underweight positioning in the tax-backed and education sectors, which have performed well on a relative basis.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

| | |
|---|-------------------|
| Symbol on New York Stock Exchange (NYSE) | MYD |
| Initial Offering Date | November 29, 1991 |
| Yield on Closing Market Price as of April 30, 2010 (\$13.70) ¹ | 6.70% |
| Tax Equivalent Yield ² | 10.31% |
| Current Monthly Distribution per Common Share ³ | \$0.0765 |
| Current Annualized Distribution per Common Share ³ | \$0.9180 |
| Leverage as of April 30, 2010 ⁴ | 37% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The Monthly Distribution per Common Share, declared on June 1, 2010, was increased to \$0.0800. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect

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the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

- ⁴ Represents Auction Market Preferred Shares (Preferred Shares) and tender option bond trusts (TOBs) as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 7.

The table below summarizes the changes in the Fund's market price and NAV per share:

| | 4/30/10 | 4/30/09 | Change | High | Low |
|-----------------|---------|---------|--------|---------|---------|
| Market Price | \$13.70 | \$11.45 | 19.65% | \$13.95 | \$11.09 |
| Net Asset Value | \$13.87 | \$11.53 | 20.29% | \$13.87 | \$11.53 |

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

| | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Health | 22% | 18% |
| Corporate | 16 | 12 |
| State | 14 | 24 |
| Transportation | 12 | 6 |
| Education | 9 | 10 |
| County/City/Special District/School District | 9 | 9 |
| Utilities | 8 | 8 |
| Housing | 6 | 9 |
| Tobacco | 4 | 4 |

Credit Quality Allocations⁵

| | 4/30/10 | 4/30/09 |
|------------------------|---------|---------|
| AAA/Aaa | 19% | 28% |
| AA/Aa | 31 | 26 |
| A | 22 | 20 |
| BBB/Baa | 10 | 9 |
| BB/Ba | 2 | 1 |
| B | 3 | 2 |
| CCC/Caa | 3 | 2 |
| Not Rated ⁶ | 10 | 12 |

⁵ Using the higher of Standard and Poor's (S&P's) or Moody's Investor Service (Moody's) ratings.

⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2010 and April 30, 2009, the market value of these securities was \$6,821,060 representing 1% and \$18,072,535 representing 2%, respectively, of the Fund's long-term investments.

Fund Summary as of April 30, 2010

BlackRock MuniYield Quality Fund, Inc.

Investment Objective

BlackRock MuniYield Quality Fund, Inc. (MQY) (the Fund) seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, high-grade municipal obligations, the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the 12 months ended April 30, 2010, the Fund returned 24.86% based on market price and 17.12% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 24.79% on a market price basis and 15.40% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. Among the factors that contributed to Fund performance during the reporting period were the Fund's constructive posture toward the market during a period of declining yields; exposure to the long end of the yield curve during a period of curve flattening; a general tightening of credit spreads, which drove performance in the Fund's holdings of insured bonds with weaker underlying credits; and the Fund's exposure to the transportation and escrowed sectors. Conversely, lower relative exposure to the public utility and education sectors detracted from Fund performance as both segments performed well. The Fund's holdings of zero-coupon bonds also detracted from performance as spreads in this sector generally underperformed relative to spreads on coupon bonds.

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Fund Information

| | |
|---|---------------|
| Symbol on NYSE | MQY |
| Initial Offering Date | June 26, 1992 |
| Yield on Closing Market Price as of April 30, 2010 (\$14.48) ¹ | 6.17% |
| Tax Equivalent Yield ² | 9.49% |
| Current Monthly Distribution per Common Share ³ | \$0.0745 |
| Current Annualized Distribution per Common Share ³ | \$0.8940 |
| Leverage as of April 30, 2010 ⁴ | 39% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The Monthly Distribution per Common Share, declared on June 1, 2010, was increased to \$0.0770. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect

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the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 7.

The table below summarizes the changes in the Fund's market price and NAV per share:

| | 4/30/10 | 4/30/09 | Change | High | Low |
|-----------------|---------|---------|--------|---------|---------|
| Market Price | \$14.48 | \$12.32 | 17.53% | \$14.54 | \$11.80 |
| Net Asset Value | \$14.63 | \$13.27 | 10.25% | \$15.03 | \$13.04 |

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

| | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Transportation | 25% | 26% |
| County/City/Special District/School District | 24 | 20 |
| Utilities | 16 | 16 |
| State | 14 | 18 |
| Health | 9 | 7 |
| Tobacco | 4 | 5 |
| Education | 3 | 2 |
| Corporate | 3 | 4 |
| Housing | 2 | 2 |

Credit Quality Allocations⁵

| | 4/30/10 | 4/30/09 |
|-----------|---------|---------|
| AAA/Aaa | 39% | 39% |
| AA/Aa | 31 | 42 |
| A | 24 | 14 |
| BBB/Baa | 5 | 5 |
| Not Rated | 1 | 6 |

- ⁵ Using the higher of S&P's or Moody's ratings.

- ⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2010, the market value of these securities was \$7,592,058, representing 1% of the Fund's long-term investments.

Fund Summary as of April 30, 2010

BlackRock MuniYield Quality Fund II, Inc.

Investment Objective

BlackRock MuniYield Quality Fund II, Inc. (MQT) (the Fund) seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, high-grade municipal obligations, the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. The Fund invests primarily in insured municipal bonds.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the 12 months ended April 30, 2010, the Fund returned 31.18% based on market price and 17.15% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 24.79% on a market price basis and 15.40% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. Among the factors that contributed to Fund performance during the reporting period were the Fund's constructive posture toward the market during a period of declining yields; exposure to the long end of the yield curve during a period of curve flattening; a general tightening of credit spreads, which drove performance in the Fund's holdings of insured bonds with weaker underlying credits; and the Fund's exposure to the transportation and housing sectors. Conversely, lower relative exposure to the public utility and education sectors detracted from Fund performance as both segments performed well. The Fund's holdings of zero-coupon bonds also detracted from performance as spreads in this sector generally underperformed relative to spreads on coupon bonds.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

| | |
|---|-----------------|
| Symbol on NYSE | MQT |
| Initial Offering Date | August 28, 1992 |
| Yield on Closing Market Price as of April 30, 2010 (\$12.52) ¹ | 6.42% |
| Tax Equivalent Yield ² | 9.88% |
| Current Monthly Distribution per Common Share ³ | \$0.067 |
| Current Annualized Distribution per Common Share ³ | \$0.804 |
| Leverage as of April 30, 2010 ⁴ | 39% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution is not constant and is subject to change.

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⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 7.

The table below summarizes the changes in the Fund's market price and NAV per share:

| | 4/30/10 | 4/30/09 | Change | High | Low |
|-----------------|---------|---------|--------|---------|---------|
| Market Price | \$12.52 | \$10.16 | 23.23% | \$12.53 | \$10.10 |
| Net Asset Value | \$12.71 | \$11.55 | 10.04% | \$13.06 | \$11.36 |

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

| | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Transportation | 26% | 29% |
| County/City/Special District/School District | 26 | 23 |
| State | 15 | 18 |
| Utilities | 11 | 13 |
| Health | 9 | 3 |
| Housing | 8 | 7 |
| Education | 3 | 2 |
| Corporate | 2 | 3 |
| Tobacco | | 2 |

Credit Quality Allocations⁵

| | 4/30/10 | 4/30/09 |
|---------|---------|---------|
| AAA/Aaa | 48% | 46% |
| AA/Aa | 30 | 36 |
| A | 18 | 15 |
| BBB/Baa | 4 | 3 |

⁵ Using the higher of S&P's or Moody's ratings.

The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV of their Common Shares. However, these objectives cannot be achieved in all interest rate environments.

To leverage, the Funds issue Preferred Shares, which pay dividends at prevailing short-term interest rates, and invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund's Common Shareholders will benefit from the incremental net income.

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the securities purchased by the Fund with assets received from the Preferred Shares issuance earn the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the Fund's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup on the Common Shares will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Fund pays dividends on the higher short-term interest rates whereas the Fund's total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Funds' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Funds' Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds' NAV positively or negatively in addition to the impact on Fund performance from leverage from Preferred Shares discussed above.

The Funds may also leverage their assets through the use of tender option bond (TOB) programs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Funds with economic benefits in periods of declining short-term interest rates, but expose the Funds to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Funds, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB trust may adversely affect each Fund's NAV per share.

The use of leverage may enhance opportunities for increased income to the Funds and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds' NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Funds' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Fund's net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Shareholders will be reduced. Each Fund may be required to sell portfolio securities at inopportune times or distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Fund to incur losses. The use of leverage may limit each Fund's ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate preferred shares issued by the Funds. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

Under the Investment Company Act of 1940, the Funds are permitted to issue Preferred Shares in an amount of up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Fund anticipates that the total economic leverage from Preferred Shares and/or TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of April 30, 2010, the Funds had economic leverage from Preferred Shares and TOBs as a percentage of their total managed assets as follows:

**Percent of
Leverage**

| | |
|-----|-----|
| MYD | 37% |
| MQY | 39% |
| MQT | 39% |

Derivative Financial Instruments

The Funds may invest in various derivative instruments, including financial futures contracts, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset or illiquidity of the derivative instrument. The Funds ability to successfully use a derivative instrument depends on the investment advisor's ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require the Funds to sell or purchase portfolio securities at inopportune times or for distressed values, may limit the amount of appreciation the Funds can realize on an investment or may cause the Funds to hold a security that it might otherwise sell. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments April 30, 2010

BlackRock MuniYield Fund, Inc. (MYD)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| Alabama 0.7% | | |
| County of Jefferson Alabama, RB, Series A, 5.50%, 1/01/22 | \$ 5,250 | \$ 4,521,143 |
| Arizona 10.9% | | |
| Arizona State Transportation Board, RB, Sub-Series A: 5.00%, 7/01/21 | 5,825 | 6,405,927 |
| 5.00%, 7/01/22 | 7,030 | 7,568,147 |
| 5.00%, 7/01/23 | 5,240 | 5,616,494 |
| Maricopa County IDA Arizona, RB, Arizona Charter Schools Project, Series A, 6.75%, 7/01/29 | 3,300 | 2,268,288 |
| Maricopa County IDA Arizona, Refunding RB, Series A-1 (GNMA): | | |
| 6.00%, 10/20/31 | 3,530 | 3,717,090 |
| 6.05%, 10/20/36 | 3,530 | 3,614,402 |
| Phoenix IDA Arizona, Refunding RB, America West Airlines Inc. Project, AMT: | | |
| 6.25%, 6/01/19 | 3,000 | 2,456,010 |
| 6.30%, 4/01/23 | 5,090 | 3,980,533 |
| Pima County IDA, IDRIB, Tucson Electric Power, Series A, 6.38%, 9/01/29 | 3,000 | 3,046,170 |
| Pima County IDA, Refunding IDRIB, Tucson Electric Power, 5.75%, 9/01/29 | 2,240 | 2,279,379 |
| Pima County IDA, Refunding RB, Charter Schools II, Series A, 6.75%, 7/01/31 | 755 | 728,175 |
| Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38 | 3,975 | 4,154,909 |
| Salt Verde Financial Corp., RB, Senior: | | |
| 5.00%, 12/01/32 | 7,365 | 6,679,613 |
| 5.00%, 12/01/37 | 7,900 | 7,005,325 |
| Vistancia Community Facilities District Arizona, GO: 5.50%, 7/15/20 | 3,000 | 2,988,150 |
| 5.75%, 7/15/24 | 2,125 | 2,106,491 |
| Yavapai County IDA Arizona, RB, Yavapai Regional Medical Center, Series A, 6.00%, 8/01/33 | 3,900 | 3,922,386 |
| | | 68,537,489 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| California 15.5% | | |
| California Health Facilities Financing Authority, RB, Cedars-Sinai Medical Center, 5.00%, 8/15/39 | \$ 1,700 | \$ 1,644,053 |

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| | | |
|---|--------|------------|
| California Health Facilities Financing Authority, Refunding RB, Series A: | | |
| Catholic Healthcare West, 6.00%, 7/01/34 | 3,155 | 3,394,149 |
| St. Joseph Health System, 5.75%, 7/01/39 | 4,425 | 4,600,363 |
| California State Public Works Board, RB: | | |
| Department of Mental Health, Coalinga, Series A, 5.13%, 6/01/29 | 3,000 | 2,874,750 |
| Various Capital Projects, Sub-Series I-1, 6.38%, 11/01/34 | 2,385 | 2,555,170 |
| California Statewide Communities Development Authority, RB, John Muir Health, 5.13%, 7/01/39 | 4,375 | 4,242,656 |
| Golden State Tobacco Securitization Corp. California, RB, ARS, Asset-Backed, Series A-4, 7.80%, 6/01/13 (a) | 7,500 | 8,980,275 |
| Golden State Tobacco Securitization Corp. California, Refunding RB, Asset-Backed, Senior Series A-1, 5.13%, 6/01/47 | 2,090 | 1,452,048 |
| Los Angeles Department of Airports, RB, Series A, 5.25%, 5/15/39 | 1,605 | 1,663,390 |
| Los Angeles Department of Airports, Refunding RB, Senior, Los Angeles International Airport, Series A, 5.00%, 5/15/40 | 11,970 | 12,196,951 |
| San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39 | 19,075 | 19,761,128 |
| State of California, GO: | | |
| (AMBAC), 5.00%, 4/01/31 | 10 | 10,010 |
| Various Purpose, 5.25%, 11/01/25 | 5,000 | 5,105,650 |
| Various Purpose, 5.00%, 6/01/32 | 7,685 | 7,689,227 |
| Various Purpose, 6.00%, 3/01/33 | 5,085 | 5,597,110 |
| Various Purpose, 6.50%, 4/01/33 | 14,075 | 15,957,813 |
| | | 97,724,743 |

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedules of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

| | |
|--------------|--|
| AGC | Assured Guaranty Corp. |
| AGM | Assured Guaranty Municipal Corp. |
| AMBAC | American Municipal Bond Assurance Corp. |
| AMT | Alternative Minimum Tax (subject to) |
| ARB | Airport Revenue Bonds |
| ARS | Auction Rate Securities |
| BHAC | Berkshire Hathaway Assurance Corp. |
| CAB | Capital Appreciation Bonds |
| CIFG | CDC IXIS Financial Guaranty |
| COP | Certificate of Participation |
| EDA | Economic Development Authority |
| EDC | Economic Development Corp. |
| ERB | Economic Revenue Bonds |
| FGIC | Financial Guaranty Insurance Co. |
| FHA | Federal Housing Administration |
| GAN | Grant Anticipation Notes |
| GNMA | Government National Mortgage Association |
| GO | General Obligation Bonds |

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| | |
|----------------|---|
| HDA | Housing Development Authority |
| HFA | Housing Finance Agency |
| HRB | Housing Revenue Bonds |
| IDA | Industrial Development Authority |
| IDRB | Industrial Development Revenue Bond |
| ISD | Independent School District |
| MRB | Mortgage Revenue Bonds |
| NPFGC | National Public Finance Guarantee Corp. |
| PSF-GTD | Permanent School Fund Guaranteed |
| RB | Revenue Bonds |
| S/F | Single-Family |
| SO | Special Obligation |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Fund, Inc. (MYD)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------------|
| Colorado 3.9% | | |
| City & County of Denver Colorado, RB, Series D, AMT (AMBAC), 7.75%, 11/15/13 | \$ 5,065 | \$ 5,575,856 |
| Colorado Housing & Finance Authority, Refunding RB, S/F Program, Senior Series D-2, AMT, 6.90%, 4/01/29 | 155 | 165,765 |
| Elk Valley Public Improvement Corp., RB, Public Improvement Fee, Series A: 7.10%, 9/01/14 | 700 | 714,819 |
| 7.35%, 9/01/31 | 5,065 | 4,676,109 |
| Plaza Metropolitan District No. 1 Colorado, Tax Allocation Bonds: Public Improvement Fee, Tax Increment, 8.00%, 12/01/25 | 6,850 | 6,857,672 |
| Subordinate Public Improvement Fee, Tax Increment, 8.13%, 12/01/25 | 1,885 | 1,797,838 |
| University of Colorado, RB, Series A: 5.25%, 6/01/30 | 2,250 | 2,416,297 |
| 5.38%, 6/01/32 | 1,250 | 1,343,325 |
| 5.38%, 6/01/38 | 830 | 884,913 |
| | | <u>24,432,594</u> |
| Connecticut 1.7% | | |
| Connecticut State Health & Educational Facility Authority, RB: Ascension Health Senior Credit, 5.00%, 11/15/40 | 2,770 | 2,846,120 |
| Wesleyan University, 5.00%, 7/01/35 (b) | 2,225 | 2,365,286 |
| Wesleyan University, 5.00%, 7/01/39 (b) | 5,000 | 5,294,050 |
| | | <u>10,505,456</u> |
| District of Columbia 1.9% | | |
| Metropolitan Washington Airports Authority, RB: CAB, 2nd Senior Lien, Series B (AGC), 7.00%, 10/01/31 (c) | 10,000 | 2,860,200 |
| CAB, 2nd Senior Lien, Series B (AGC), 7.03%, 10/01/32 (c) | 15,000 | 4,055,550 |
| CAB, 2nd Senior Lien, Series B (AGC), 7.05%, 10/01/33 (c) | 13,410 | 3,427,998 |
| First Senior Lien, Series A, 5.25%, 10/01/44 | 1,500 | 1,568,190 |
| | | <u>11,911,938</u> |
| Florida 7.8% | | |

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| | | |
|--|--------|------------|
| City of Clearwater Florida, RB, Series A, 5.25%, 12/01/39 | 3,435 | 3,565,874 |
| County of Broward Florida, RB, Series A, 5.25%, 10/01/34 | 2,155 | 2,248,721 |
| County of Miami-Dade Florida, RB, Water & Sewer System, 5.00%, 10/01/34 | 11,450 | 11,663,771 |
| County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41 | 7,530 | 7,616,520 |
| Greater Orlando Aviation Authority Florida, RB, Special Purpose, JetBlue Airways Corp., AMT, 6.50%, 11/15/36 | 2,500 | 2,312,575 |
| Hillsborough County IDA, RB, AMT National Gypsum Co.: | | |
| Series A, 7.13%, 4/01/30 | 11,500 | 10,016,615 |
| Series B, 7.13%, 4/01/30 | 5,000 | 4,355,050 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|-------------------|
| Florida (concluded) | | |
| Midtown Miami Community Development District, Special Assessment Bonds, Series B, 6.50%, 5/01/37 | \$ 5,255 | \$ 5,092,778 |
| Santa Rosa Bay Bridge Authority, RB, 6.25%, 7/01/28 | 4,620 | 2,515,821 |
| | | <u>49,387,725</u> |

| | | |
|---|-------|------------------|
| Georgia 1.4% | | |
| De Kalb Private Hospital Authority, Refunding RB, Children s Healthcare, 5.25%, 11/15/39 | 1,700 | 1,764,566 |
| Metropolitan Atlanta Rapid Transit Authority, RB, Third Series, 5.00%, 7/01/39 | 6,945 | 7,309,751 |
| | | <u>9,074,317</u> |

| | | |
|----------------------------------|-------|------------------|
| Guam 0.7% | | |
| Territory of Guam, GO, Series A: | | |
| 6.00%, 11/15/19 | 1,270 | 1,314,717 |
| 6.75%, 11/15/29 | 1,815 | 1,930,361 |
| 7.00%, 11/15/39 | 1,200 | 1,281,408 |
| | | <u>4,526,486</u> |

| | | |
|--|--------|------------|
| Idaho 1.6% | | |
| Power County Industrial Development Corp., RB, FMC Corp. Project, AMT, 6.45%, 8/01/32 | 10,000 | 10,058,300 |

| | | |
|---|-------|-----------|
| Illinois 1.0% | | |
| Bolingbrook Special Service Area No. 1, Special Tax Bonds, Forest City Project, 5.90%, 3/01/27 | 1,000 | 803,520 |
| Illinois Finance Authority, Refunding RB: | | |
| Central DuPage Health, Series B, 5.50%, 11/01/39 | 3,235 | 3,361,133 |
| Friendship Village Schaumburg, Series A, 5.63%, 2/15/37 | 875 | 697,261 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 1,275 | 1,328,397 |

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| | | |
|--|-------|------------|
| | | 6,190,311 |
| Indiana 3.5% | | |
| County of St. Joseph Indiana, Refunding RB, Notre Dame du Lac Project, 5.00%, 3/01/36 | 4,545 | 4,813,428 |
| Indiana Finance Authority, RB, Sisters of St. Francis Health, 5.25%, 11/01/39 | 1,690 | 1,720,369 |
| Indiana Finance Authority, Refunding RB: Duke Energy Indiana Inc., Series C, 4.95%, 10/01/40 | 6,705 | 6,627,825 |
| Parkview Health System, Series A, 5.75%, 5/01/31 | 6,645 | 6,832,921 |
| Indiana Municipal Power Agency, RB, Indiana Municipal Power Agency, Series B, 6.00%, 1/01/39 | 2,230 | 2,409,582 |
| | | 22,404,125 |
| Kansas 1.4% | | |
| City of Lenexa Kansas, RB, Lakeview Village Inc., Series C, 6.88%, 5/15/12 (a) | 1,250 | 1,410,725 |
| Kansas Development Finance Authority, Refunding RB, Adventist Health, 5.75%, 11/15/38 | 7,100 | 7,588,906 |
| | | 8,999,631 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Fund, Inc. (MYD)
 (Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|-------------------|
| Kentucky 0.4% | | |
| Kentucky Economic Development Finance Authority, Refunding RB, Series A: Norton, 6.63%, 10/01/28 | \$ 650 | \$ 659,848 |
| Owensboro Medical Health System, 6.38%, 6/01/40 | 2,040 | 2,097,120 |
| | | <u>2,756,968</u> |
| Louisiana 4.7% | | |
| East Baton Rouge Sewerage Commission, RB, Series A, 5.25%, 2/01/39 | 1,610 | 1,686,958 |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Projects, 6.75%, 11/01/32 | 9,000 | 9,254,880 |
| Port of New Orleans Louisiana, Refunding RB, Continental Grain Co. Project, 6.50%, 1/01/17 | 19,000 | 18,947,180 |
| | | <u>29,889,018</u> |
| Maine 0.5% | | |
| Maine Health & Higher Educational Facilities Authority, RB, Series A, 5.00%, 7/01/39 | 3,140 | 3,204,621 |
| Maryland 1.5% | | |
| County of Prince George s Maryland, SO, National Harbor Project, 5.20%, 7/01/34 | 1,500 | 1,284,555 |
| Maryland Community Development Administration, Refunding RB, Residential, Series A, AMT, 4.65%, 9/01/32 | 2,225 | 2,109,322 |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35 | 880 | 898,859 |
| Maryland Health & Higher Educational Facilities Authority, RB, Peninsula Regional Medical Center, 5.00%, 7/01/36 | 2,000 | 2,021,000 |
| Maryland Industrial Development Financing Authority, RB, Our Lady of Good Counsel School, Series A, 6.00%, 5/01/35 | 500 | 474,025 |
| Maryland State Energy Financing Administration, RB, Cogeneration, AES Warrior Run, AMT, 7.40%, 9/01/19 | 3,000 | 3,000,870 |
| | | <u>9,788,631</u> |
| Massachusetts 1.0% | | |
| | 3,500 | 2,874,165 |

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Massachusetts Development Finance Agency, RB,
Seven Hills Foundation & Affiliates (Radian),
5.00%, 9/01/35

| | | |
|---|-------|-----------|
| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare, Series J1, 5.00%, 7/01/39 | 3,640 | 3,690,560 |
| | | 6,564,725 |

Michigan 2.9%

| | | |
|--|-------|------------|
| City of Detroit Michigan, RB, Senior Lien, Series B (AGM), 7.50%, 7/01/33 | 1,835 | 2,203,395 |
| Michigan State Hospital Finance Authority, Refunding RB, Hospital, Henry Ford Health, 5.75%, 11/15/39 | 6,085 | 5,999,749 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital: 8.00%, 9/01/29 | 2,000 | 2,361,340 |
| 8.25%, 9/01/39 | 6,365 | 7,512,800 |
| | | 18,077,284 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|------------|
| Minnesota 0.5% | | |
| City of Eden Prairie Minnesota, RB, Rolling Hills Project, Series A (GNMA): 6.00%, 8/20/21 | \$ 420 | \$ 448,665 |
| 6.20%, 2/20/43 | 2,000 | 2,124,180 |
| City of Minneapolis Minnesota, HRB, Gaar Scott Loft Project, AMT, 5.95%, 5/01/30 | 885 | 891,823 |
| | | 3,464,668 |

| | | |
|---|-----|---------|
| Mississippi 0.0% | | |
| University of Southern Mississippi, RB, Campus Facilities Improvements Project, 5.38%, 9/01/36 | 280 | 299,373 |

| | | |
|---|-------|-----------|
| New Hampshire 0.5% | | |
| New Hampshire Health & Education Facilities Authority, Refunding RB, Elliot Hospital, Series B, 5.60%, 10/01/22 | 3,285 | 3,292,917 |

| | | |
|--|--------|------------|
| New Jersey 8.7% | | |
| New Jersey EDA, RB: Cigarette Tax, 5.50%, 6/15/24 | 10,000 | 9,902,600 |
| Continental Airlines Inc. Project, AMT, 6.25%, 9/15/19 | 3,905 | 3,752,276 |
| Continental Airlines Inc. Project, AMT, 6.25%, 9/15/29 | 14,000 | 13,133,400 |
| First Mortgage, Lions Gate Project, Series A, 5.75%, 1/01/25 | 710 | 626,376 |
| First Mortgage, Lions Gate Project, Series A, 5.88%, 1/01/37 | 230 | 191,245 |
| First Mortgage, Presbyterian Homes, Series A, 6.38%, 11/01/31 | 3,000 | 2,658,960 |

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| | | |
|---|--------|------------|
| Motor Vehicle Surcharge, Series A (NPFGC), 5.00%, 7/01/29 | 18,800 | 18,953,408 |
| New Jersey Health Care Facilities Financing Authority, RB, Pascack Valley Hospital Association (d)(e): 6.00%, 7/01/13 | 1,335 | 13 |
| 6.63%, 7/01/36 | 1,835 | 18 |
| New Jersey Transportation Trust Fund Authority, RB, CAB, Transportation System, Series C (AMBAC), 5.05%, 12/15/35 (c) | 13,110 | 2,811,177 |
| Tobacco Settlement Financing Corp. New Jersey, Refunding RB, Series 1A, 5.00%, 6/01/41 | 4,220 | 2,918,088 |
| | | 54,947,561 |

New York 8.5%

| | | |
|--|--------|------------|
| City of New York New York, GO, Series O, 5.00%, 6/01/33 | 2,500 | 2,597,675 |
| City of Troy New York, Refunding RB, Rensselaer Polytechnic, Series A, 5.13%, 9/01/40 | 2,755 | 2,813,599 |
| Dutchess County Industrial Development Agency New York, Refunding RB, St. Francis Hospital, Series A, 7.50%, 3/01/29 | 2,200 | 2,186,514 |
| Metropolitan Transportation Authority, Refunding RB, Series B, 5.00%, 11/15/34 | 4,910 | 5,141,359 |
| New York City Industrial Development Agency, RB, British Airways Plc Project, AMT, 7.63%, 12/01/32 | 1,250 | 1,235,950 |
| New York State Dormitory Authority, ERB, Series F, 5.00%, 3/15/35 | 16,720 | 17,266,075 |
| New York State Dormitory Authority, Refunding RB, Mount Sinai Health, Series A, 6.75%, 7/01/20 | 1,855 | 1,881,286 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Fund, Inc. (MYD)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|-------------------|
| New York (concluded) | | |
| Tobacco Settlement Financing Corp. New York, RB, Asset-Backed, Series B-1C, 5.50%, 6/01/21 | \$ 6,525 | \$ 7,012,613 |
| Triborough Bridge & Tunnel Authority, RB, Subordinate Bonds, 5.25%, 11/15/30 | 10,000 | 10,569,900 |
| Westchester County Industrial Development Agency New York, MRB, Kendal on Hudson Project, Series A, 6.38%, 1/01/24 | 3,450 | 3,226,440 |
| | | <u>53,931,411</u> |
| North Carolina 2.4% | | |
| City of Charlotte North Carolina, RB, Series B, 5.00%, 7/01/38 | 1,910 | 2,058,254 |
| North Carolina HFA, RB: Home Ownership, Series 8A, AMT, 6.20%, 7/01/16 | 140 | 140,179 |
| S/F, Series II (FHA), 6.20%, 3/01/16 | 510 | 511,081 |
| North Carolina Medical Care Commission, RB: Duke University Health System, Series A, 5.00%, 6/01/39 | 1,270 | 1,295,032 |
| Duke University Health System, Series A, 5.00%, 6/01/42 | 2,805 | 2,847,860 |
| First Mortgage, Arbor Acres Community Project, 6.38%, 3/01/12 (a) | 1,000 | 1,105,400 |
| North Carolina Medical Care Commission, Refunding RB, First Mortgage, Presbyterian Homes, 5.40%, 10/01/27 | 5,000 | 4,750,750 |
| North Carolina Municipal Power Agency No. 1 Catawba, Refunding RB, Series A, 5.00%, 1/01/30 | 2,145 | 2,194,850 |
| | | <u>14,903,406</u> |
| Ohio 2.1% | | |
| Buckeye Tobacco Settlement Financing Authority, RB, Asset-Backed, Senior Series A-2, 6.50%, 6/01/47 | 7,460 | 6,121,974 |
| County of Lucas Ohio, Refunding RB, Sunset Retirement, Series A, 6.63%, 8/15/30 | 2,175 | 2,191,660 |
| County of Montgomery Ohio, Refunding RB, Catholic Healthcare, Series A, 5.00%, 5/01/39 | 2,840 | 2,918,753 |
| Toledo-Lucas County Port Authority, RB, St. Mary Woods Project, Series A: 6.00%, 5/15/24 | 750 | 533,558 |
| 6.00%, 5/15/34 | 2,250 | 1,370,948 |
| | | <u>13,136,893</u> |
| Oregon 0.3% | | |
| | 1,725 | 1,743,268 |

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State of Oregon, GO, Refunding, Veterans Welfare,
Series 80A, 5.70%, 10/01/32

Pennsylvania 5.7%

Allegheny County Hospital Development Authority,
Refunding RB, Health System, West Penn, Series A,
5.38%, 11/15/40

4,395 3,527,119

Montgomery County Higher Education & Health
Authority, Refunding RB, Abington Memorial
Hospital, Series A, 5.13%, 6/01/33

2,365 2,367,436

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

Pennsylvania (concluded)

Pennsylvania Economic Development Financing
Authority, RB:

Aqua Pennsylvania Inc. Project,
5.00%, 11/15/40

\$ 3,805 \$ 3,918,427

National Gypsum Co., Series A, AMT,
6.25%, 11/01/27

5,270 4,207,199

Pennsylvania HFA, Refunding RB, Series 97A, AMT,
4.60%, 10/01/27

1,125 1,129,084

Pennsylvania Higher Educational Facilities Authority,
Refunding RB, Allegheny Delaware Valley
Obligation, Series C (NPFGC), 5.88%, 11/15/16

5,410 5,342,104

Pennsylvania Turnpike Commission, RB,
Sub-Series B, 5.25%, 6/01/39

13,905 14,371,096

Philadelphia Authority for Industrial Development,
RB, Commercial Development, AMT,
7.75%, 12/01/17

1,265 1,266,379

36,128,844

Puerto Rico 2.8%

Commonwealth of Puerto Rico, GO, Refunding,
Public Improvement, Series C, 6.00%, 7/01/39

6,000 6,319,200

Puerto Rico Sales Tax Financing Corp., RB, First
Sub-Series A, 6.50%, 8/01/44

10,120 11,432,665

17,751,865

Rhode Island 1.0%

Central Falls Detention Facility Corp., Refunding RB,
7.25%, 7/15/35

4,240 3,637,962

City of Woonsocket Rhode Island, GO (NPFGC):
6.00%, 10/01/17

1,225 1,250,370

6.00%, 10/01/18

1,195 1,218,840

6,107,172

Tennessee 0.9%

Hardeman County Correctional Facilities Corp.
Tennessee, RB, 7.75%, 8/01/17

3,505 3,358,666

Rutherford County Health & Educational Facilities
Board, RB, Ascension Health Senior Credit Group,
5.00%, 11/15/40

2,065 2,102,604

5,461,270

Texas 13.9%

| | | |
|---|-------|-----------|
| Alliance Airport Authority Texas, Refunding RB, American Airlines Inc. Project, AMT, 5.75%, 12/01/29 | 3,500 | 2,589,125 |
| Bexar County Housing Finance Corp., RB, Waters at Northern Hills Apartments, Series A (NPFGC): 5.80%, 8/01/21 | 775 | 672,754 |
| 6.00%, 8/01/31 | 2,360 | 1,897,322 |
| 6.05%, 8/01/36 | 1,000 | 789,910 |
| Brazos River Authority, Refunding RB, TXU Electric Co. Project, Series C, AMT, 5.75%, 5/01/36 | 7,500 | 7,290,750 |
| City of Houston Texas, RB: Senior Lien, Series A, 5.50%, 7/01/39 | 3,100 | 3,303,205 |
| Special Facilities, Continental Airlines, Series E, AMT, 7.38%, 7/01/22 | 3,500 | 3,552,325 |
| Special Facilities, Continental Airlines, Series E, AMT, 7.00%, 7/01/29 | 3,000 | 3,031,080 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Fund, Inc. (MYD)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| Texas (concluded) | | |
| Dallas-Fort Worth International Airport Facilities Improvement Corp., Refunding RB, American Airlines Inc. Project, AMT, 5.50%, 11/01/30 | \$ 12,500 | \$ 9,063,500 |
| Guadalupe-Blanco River Authority, RB, E.I. du Pont de Nemours & Co. Project, AMT, 6.40%, 4/01/26 | 5,000 | 5,003,750 |
| Gulf Coast IDA, RB, Citgo Petroleum Corp. Project, AMT, 7.50%, 5/01/25 | 3,900 | 4,009,356 |
| Houston Industrial Development Corp., RB, Senior, Air Cargo, AMT, 6.38%, 1/01/23 | 1,585 | 1,543,917 |
| La Vernia Higher Education Finance Corp., RB, KIPP Inc., 6.38%, 8/15/44 | 2,360 | 2,434,788 |
| Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, Series A, 6.30%, 11/01/29 | 4,320 | 4,676,486 |
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F, 6.13%, 1/01/31 | 12,140 | 12,947,796 |
| San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply: 5.50%, 8/01/23 | 3,500 | 3,565,730 |
| 5.50%, 8/01/25 | 6,365 | 6,429,987 |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, Note Mobility, 6.88%, 12/31/39 | 7,820 | 8,169,710 |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.50%, 8/15/39 | 6,500 | 6,559,215 |
| | | 87,530,706 |
| U.S. Virgin Islands 1.0% | | |
| Virgin Islands Public Finance Authority, RB, Senior Secured, Hovensa Refinery, AMT, 6.13%, 7/01/22 | 6,250 | 6,295,188 |
| Utah 1.2% | | |
| City of Riverton Utah, RB, IHC Health Services Inc., 5.00%, 8/15/41 | 7,310 | 7,434,489 |
| Virginia 2.5% | | |
| James City County EDA, RB, First Mortgage, Williamsburg Lodge, Series A: 5.35%, 9/01/26 | 1,500 | 1,402,200 |
| 5.50%, 9/01/34 | 2,000 | 1,746,000 |
| Tobacco Settlement Financing Corp. Virginia, Refunding RB, Senior Series B1, 5.00%, 6/01/47 | 13,755 | 9,467,979 |
| Virginia Small Business Financing Authority, Refunding RB, Sentara Healthcare, 5.00%, 11/01/40 | 1,940 | 1,979,809 |

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| | | |
|--|-------|------------------|
| Winchester IDA Virginia, RB, Westminster-Canterbury, Series A, 5.20%, 1/01/27 | 1,000 | 944,520 |
| | | <hr/> 15,540,508 |

Washington 0.3%

| | | |
|--|-------|-----------------|
| Vancouver Housing Authority Washington, HRB, Teal Pointe Apartments Project, AMT: | | |
| 6.00%, 9/01/22 | 945 | 855,357 |
| 6.20%, 9/01/32 | 1,250 | 1,064,275 |
| | | <hr/> 1,919,632 |

| | | |
|------------------------|----------------------|--------------|
| Municipal Bonds | Par (000) | Value |
|------------------------|----------------------|--------------|

Wisconsin 4.7%

| | | |
|--|--------|------------------|
| City of Milwaukee Wisconsin, RB, Senior, Air Cargo, AMT, 6.50%, 1/01/25 | \$ 600 | \$ 586,098 |
| State of Wisconsin, Refunding RB, Series A, 6.00%, 5/01/36 | 14,300 | 15,895,880 |
| Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/33 | 4,970 | 5,064,331 |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Franciscan Sisters Healthcare, 5.00%, 9/01/26 | 7,220 | 6,677,417 |
| | | <hr/> 28,223,726 |

Wyoming 1.9%

| | | |
|--|-------|------------------|
| County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, 5.25%, 7/15/26 | 6,195 | 6,549,602 |
| Wyoming Community Development Authority, RB, Series 3, AMT, 4.75%, 12/01/37 | 5,315 | 5,124,776 |
| Wyoming Municipal Power Agency, RB, Series A, 5.00%, 1/01/42 | 595 | 590,282 |
| | | <hr/> 12,264,660 |

| | | |
|-------------------------------------|--|-------------------|
| Total Municipal Bonds 121.9% | | <hr/> 768,933,062 |
|-------------------------------------|--|-------------------|

**Municipal Bonds Transferred to
Tender Option Bond Trusts (f)**

Alabama 0.7%

| | | |
|--|-------|-----------|
| Alabama Special Care Facilities Financing Authority- Birmingham, Refunding RB, Ascension Health Senior Credit, Series C-2, 5.00%, 11/15/36 | 4,538 | 4,588,512 |
|--|-------|-----------|

California 3.1%

| | | |
|--|-------|-----------|
| Bay Area Toll Authority, Refunding RB, San Francisco Bay Area, Series F-1, 5.63%, 4/01/44 | 6,581 | 7,165,212 |
|--|-------|-----------|

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| | | |
|---|-------|-----------|
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/18 | 5,310 | 5,694,019 |
| Los Angeles Community College District California, GO, Election 2001, Series A (AGM), 5.00%, 8/01/32 | 4,650 | 4,760,391 |
| San Diego Community College District California, GO, Election 2002, 5.25%, 8/01/33 | 2,154 | 2,261,652 |

19,881,274

Colorado 2.7%

| | | |
|--|-------|-----------|
| Colorado Health Facilities Authority, RB, Catholic Health (AGM): Series C-3, 5.10%, 10/01/41 | 7,490 | 7,538,835 |
| Series C-7, 5.00%, 9/01/36 | 4,800 | 4,825,152 |
| Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 | 4,299 | 4,559,008 |

16,922,995

Connecticut 3.1%

| | | |
|--|-------|-----------|
| Connecticut State Health & Educational Facility Authority, RB, Yale University: Series T-1, 4.70%, 7/01/29 | 9,130 | 9,577,918 |
| Series X-3, 4.85%, 7/01/37 | 9,270 | 9,661,287 |

19,239,205

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Fund, Inc. (MYD)
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender Option Bond Trusts (f) | Par (000) | Value |
|--|--------------|-------------------|
| Georgia 1.1% | | |
| Private Colleges & Universities Authority, Refunding RB, Emory University, Series C, 5.00%, 9/01/38 | \$ 6,398 | \$ 6,713,123 |
| New Hampshire 0.7% | | |
| New Hampshire Health & Education Facilities Authority, Refunding RB, Dartmouth College, 5.25%, 6/01/39 | 4,048 | 4,394,979 |
| New York 0.6% | | |
| New York City Municipal Water Finance Authority, RB, Series FF-2, 5.50%, 6/15/40 | 3,194 | 3,552,178 |
| North Carolina 3.6% | | |
| North Carolina Capital Facilities Finance Agency, Refunding RB: Duke University Project, Series A, 5.00%, 10/01/41 | 18,897 | 19,653,685 |
| Wake Forest University, 5.00%, 1/01/38 | 3,120 | 3,299,618 |
| | | <u>22,953,303</u> |
| Ohio 4.6% | | |
| State of Ohio, Refunding RB, Cleveland Clinic Health, Series A, 5.50%, 1/01/39 | 27,900 | 29,149,083 |
| South Carolina 2.8% | | |
| Charleston Educational Excellence Finance Corp., RB, Charleston County School (AGC): 5.25%, 12/01/28 | 7,795 | 8,096,199 |
| 5.25%, 12/01/29 | 6,920 | 7,156,318 |
| 5.25%, 12/01/30 | 2,510 | 2,588,211 |
| | | <u>17,840,728</u> |
| Tennessee 1.8% | | |
| Shelby County Health Educational & Housing Facilities Board, Refunding RB, St. Jude's Children's Research Hospital, 5.00%, 7/01/31 | 11,240 | 11,624,745 |
| Virginia 8.9% | | |
| Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35 | 6,266 | 6,636,174 |
| University of Virginia, Refunding RB, General, 5.00%, 6/01/40 | 10,620 | 11,241,801 |

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| | | |
|--|---------------|----------------|
| Virginia HDA, RB, Sub-Series H-1 (NPFGC): | | |
| 5.35%, 7/01/31 | 6,720 | 6,781,623 |
| 5.38%, 7/01/36 | 30,930 | 31,166,305 |
| | | 55,825,903 |
| Washington 0.9% | | |
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32 | | |
| | 5,384 | 5,665,767 |
| Wisconsin 1.9% | | |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health Inc., 5.25%, 4/01/39 | | |
| | 11,457 | 11,735,613 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 36.5% | | 230,087,408 |
| Total Long-Term Investments (Cost \$984,417,546) 158.4% | | 999,020,470 |
| Short-Term Securities | | |
| | Shares | Value |
| FII Institutional Tax-Exempt Fund, 0.25% (g)(h) | 2,366,896 | \$ 2,366,896 |
| Total Short-Term Securities (Cost \$2,366,896) 0.4% | | 2,366,896 |
| Total Investments (Cost \$986,784,442*) 158.8% | | 1,001,387,366 |
| Liabilities in Excess of Other Assets (0.6%) | | (3,924,446) |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (18.3%) | | (115,364,457) |
| Preferred Shares, at Redemption Value (39.9%) | | (251,490,542) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 630,607,921 |

* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 869,325,400 |
| Gross unrealized appreciation | \$ 37,909,609 |
| Gross unrealized depreciation | (21,116,266) |
| Net unrealized appreciation | \$ 16,793,343 |

(a)

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US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

- (b) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized Appreciation |
|------------------------|--------------|----------------------------|
| Goldman Sachs Bank USA | \$ 7,659,336 | \$ 44,234 |

- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (d) Issuer filed for bankruptcy and/or is in default of interest payments.
- (e) Non-income producing security.
- (f) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (g) Investments in companies considered to be an affiliate of the Fund during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Shares Held at April 30, 2009 | Net Activity | Shares Held at April 30, 2010 | Income |
|-----------------------------------|----------------------------------|-----------------|----------------------------------|-----------|
| FFI Institutional Tax-Exempt Fund | 2,105,032 | 261,864 | 2,366,896 | \$ 19,781 |

- (h) Represents the current yield as of report date.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Fund, Inc. (MYD)

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities | | | Total |
|------------------------------------|---------------------------|----------------|---------|------------------|
| | Level 1 | Level 2 | Level 3 | |
| Assets: | | | | |
| Long-Term Investments ¹ | | \$ 999,020,470 | | \$ 999,020,470 |
| Short-Term Securities | \$ 2,366,896 | | | 2,366,896 |
| Total | \$ 2,366,896 | \$ 999,020,470 | | \$ 1,001,387,366 |

¹ See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

Schedule of Investments April 30, 2010

BlackRock MuniYield Quality Fund, Inc. (MQY)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| Alabama 2.2% | | |
| County of Jefferson Alabama, RB, Series A, 4.75%, 1/01/25 | \$ 3,000 | \$ 2,372,400 |
| University of Alabama, RB, Series A (NPFGC), 5.00%, 7/01/34 | 7,125 | 7,346,017 |
| | | 9,718,417 |
| Alaska 1.0% | | |
| Borough of Matanuska-Susitna Alaska, RB, Goose Creek Correctional Center (AGC), 6.00%, 9/01/32 | 3,925 | 4,423,750 |
| Arizona 0.6% | | |
| State of Arizona, COP, Department of Administration, Series A (AGM): | | |
| 5.00%, 10/01/27 | 1,850 | 1,896,028 |
| 5.25%, 10/01/28 | 800 | 830,064 |
| | | 2,726,092 |
| California 19.2% | | |
| Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.52%, 10/01/25 (a) | 4,150 | 3,327,594 |
| Arcadia Unified School District California, GO, CAB, Election 2006, Series A (AGM), 4.96%, 8/01/39 (b) | 2,200 | 360,558 |
| Cabrillo Community College District California, GO, CAB, Election 2004, Series B (NPFGC) (b): | | |
| 5.18%, 8/01/37 | 3,250 | 567,677 |
| 4.87%, 8/01/38 | 7,405 | 1,211,236 |
| California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.75%, 7/01/39 | 775 | 805,713 |
| California State University, RB, Systemwide, Series A (NPFGC), 5.00%, 11/01/35 | 2,400 | 2,413,944 |
| Carlsbad Unified School District, GO, Election, Series B, 6.09%, 5/01/34 (a) | 5,000 | 2,986,600 |
| Chino Valley Unified School District, GO, Election 2002, Series C (NPFGC), 5.25%, 8/01/30 | 1,200 | 1,220,256 |
| City of San Jose California, Refunding RB, Series A, AMT (AMBAC), 5.50%, 3/01/32 | 5,100 | 5,151,612 |
| Coast Community College District California, GO, Refunding, CAB, Election 2002, Series C (AGM), 5.52%, 8/01/31 (a) | 2,800 | 2,287,124 |
| El Monte Union High School District California, GO, Election 2002, Series C (AGM), 5.25%, 6/01/28 | 6,110 | 6,434,441 |

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| | | |
|---|--------|------------|
| Fresno Unified School District California, GO, Election 2001, Series E (AGM), 5.00%, 8/01/30 | 1,230 | 1,255,043 |
| Golden State Tobacco Securitization Corp. California, RB, Enhanced Asset-Backed, Series B (Syncora), 5.50%, 6/01/13 (c) | 10,000 | 11,290,000 |
| Hartnell Community College District California, GO, CAB, Election of 2002, Series D, 7.35%, 8/01/34 (b) | 4,125 | 2,061,056 |
| Los Angeles Municipal Improvement Corp., RB, Series B1 (NPFGC), 4.75%, 8/01/37 | 3,210 | 3,018,331 |
| Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC): 5.00%, 10/01/29 | 4,000 | 4,125,240 |
| 5.00%, 10/01/36 | 2,275 | 2,323,617 |
| Mount Diablo Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/27 | 2,000 | 2,012,080 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| California (concluded) | | |
| Orange County Sanitation District, COP: (NPFGC), 5.00%, 2/01/33 | \$ 2,750 | \$ 2,795,980 |
| Series B (AGM), 5.00%, 2/01/30 | 3,500 | 3,677,625 |
| Series B (AGM), 5.00%, 2/01/31 | 1,200 | 1,258,020 |
| Port of Oakland, RB, Series K, AMT (NPFGC), 5.75%, 11/01/29 | 2,405 | 2,404,856 |
| Poway Redevelopment Agency California, Tax Allocation Bonds, Refunding, Paguay Redevelopment Project (AMBAC), 5.13%, 6/15/33 | 2,000 | 1,798,640 |
| Sacramento Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/30 | 2,500 | 2,543,075 |
| San Bernardino Community College District California, GO, CAB, Election, Series B, 6.52%, 8/01/34 (a) | 10,000 | 5,902,700 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/38 | 3,000 | 3,085,650 |
| San Jose Unified School District Santa Clara County California, GO, Election 2002, Series B (NPFGC), 5.00%, 8/01/29 | 2,825 | 2,900,880 |
| San Mateo County Community College District, GO, Election of 2001, Series A (NPFGC), 5.00%, 9/01/26 | 2,725 | 2,798,493 |
| State of California, GO: 5.13%, 6/01/27 | 30 | 30,101 |
| 5.50%, 4/01/28 | 5 | 5,143 |
| Ventura County Community College District, GO, Election 2002, Series B (NPFGC), 5.00%, 8/01/30 | 3,150 | 3,227,175 |
| | | 85,280,460 |

| | | |
|---|-------|-----------|
| Colorado 1.1% | | |
| Colorado Health Facilities Authority, RB, Covenant Retirement Communities, Series A (Radian): 5.50%, 12/01/27 | 1,600 | 1,472,960 |
| 5.50%, 12/01/33 | 900 | 807,048 |
| E-470 Public Highway Authority Colorado, Refunding RB, CAB, Series B (NPFGC), 5.51%, 9/01/29 (b) | 9,000 | 2,530,800 |
| | | 4,810,808 |

Florida 7.5%

| | | |
|--|-------|------------|
| City of Tallahassee Florida, RB (NPFGC), 5.00%, 10/01/32 | 2,700 | 2,753,541 |
| County of Duval Florida, COP, Master Lease Program (AGM), 5.00%, 7/01/33 | 4,050 | 4,061,826 |
| County of Miami-Dade Florida, GO, Building Better Communities Program, Series B, 6.38%, 7/01/28 | 3,300 | 3,766,059 |
| County of Miami-Dade Florida, RB, Water & Sewer System (AGM), 5.00%, 10/01/39 | 4,000 | 4,097,801 |
| County of Miami-Dade Florida, Refunding RB, AMT, Miami International Airport: (AGC), 5.00%, 10/01/40 | 8,200 | 7,806,236 |
| Series A (CIFG), 5.00%, 10/01/38 | 2,900 | 2,677,019 |
| County of Orange Florida, Refunding RB, Series B (NPFGC), 5.13%, 1/01/32 | 2,200 | 2,221,406 |
| Florida State Department of Environmental Protection, RB, Series B (NPFGC), 5.00%, 7/01/27 | 2,545 | 2,618,754 |
| Sarasota County Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39 | 375 | 388,691 |
| South Florida Water Management District, COP (AGC), 5.00%, 10/01/22 | 2,700 | 2,884,059 |
| | | 33,275,392 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|-------------------|
| Georgia 0.9% | | |
| Augusta-Richmond County Georgia, RB (AGM), 5.25%, 10/01/39 | \$ 2,820 | \$ 2,932,433 |
| Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41 | 1,125 | 1,143,540 |
| | | <u>4,075,973</u> |
| Illinois 21.5% | | |
| Chicago Board of Education Illinois, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26 | 2,000 | 2,241,740 |
| City of Chicago Illinois, ARB, General, 3rd Lien, Series B-2, AMT: (AGM), 5.75%, 1/01/23 | 3,400 | 3,530,390 |
| (AGM), 5.75%, 1/01/24 | 4,000 | 4,137,040 |
| (Syncora), 6.00%, 1/01/29 | 3,300 | 3,431,538 |
| City of Chicago Illinois, GO, CAB, City Colleges (NPFGC), 5.89%, 1/01/31 (b) | 13,000 | 4,382,820 |
| City of Chicago Illinois, RB, Series A (AGC), 5.00%, 1/01/38 | 4,000 | 4,084,000 |
| City of Chicago Illinois, Refunding ARB, General, Third Lien, Series A-2, AMT (AGM), 5.75%, 1/01/21 | 2,665 | 2,783,673 |
| City of Chicago Illinois, Refunding RB, General Airport, Third Lien, Series A, AMT (NPFGC): 5.75%, 1/01/21 | 13,665 | 14,031,085 |
| 5.50%, 1/01/22 | 5,000 | 5,101,000 |
| 5.38%, 1/01/32 | 12,500 | 12,318,125 |
| County of Cook Illinois, GO, Capital Improvement, Series C (AMBAC), 5.50%, 11/15/12 (c) | 5,080 | 5,661,101 |
| Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.55%, 6/15/30 (a) | 28,525 | 28,819,093 |
| Regional Transportation Authority, RB, Series B (NPFGC), 5.75%, 6/01/33 | 3,200 | 3,551,424 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 1,700 | 1,771,196 |
| | | <u>95,844,225</u> |
| Indiana 2.4% | | |
| Indiana Municipal Power Agency, RB: Series A (NPFGC), 5.00%, 1/01/37 | 2,750 | 2,765,290 |
| Series B, 5.75%, 1/01/34 | 550 | 580,816 |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Airport Authority Project, Series B, AMT (NPFGC): | | |

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| | | |
|----------------|-------|------------|
| 5.25%, 1/01/28 | 2,370 | 2,377,892 |
| 5.25%, 1/01/30 | 5,055 | 5,042,312 |
| | | 10,766,310 |

Iowa 1.8%

| | | |
|---|-------|-----------|
| Iowa Finance Authority, RB, Series A (AGC), 5.63%, 8/15/37 | 7,700 | 8,218,672 |
|---|-------|-----------|

Louisiana 0.7%

| | | |
|--|-------|-----------|
| Louisiana Public Facilities Authority, Refunding RB, Christus Health, Series B (AGC), 6.50%, 7/01/30 | 1,800 | 2,022,930 |
| Louisiana State Transportation Authority, RB, CAB, Senior Lien, Louisiana 1 Project, Series B (AMBAC), 5.31%, 12/01/27 (b) | 1,335 | 531,837 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

Louisiana (concluded)

| | | |
|--|--------|------------|
| Rapides Finance Authority Louisiana, RB, Cleco Power LLC Project, AMT (AMBAC), 4.70%, 11/01/36 | \$ 800 | \$ 692,272 |
|--|--------|------------|

3,247,039

Maryland 0.3%

| | | |
|---|-------|-----------|
| Maryland Community Development Administration, Refunding RB, Residential, Series A, AMT, 5.75%, 9/01/39 | 1,210 | 1,258,255 |
|---|-------|-----------|

Massachusetts 1.8%

| | | |
|---|-------|-----------|
| Massachusetts HFA, RB, AMT (AGM): Rental Mortgage, Series C, 5.60%, 1/01/45 | 4,000 | 4,030,480 |
| S/F Housing, Series 128, 4.80%, 12/01/27 | 2,200 | 2,151,358 |
| Massachusetts Water Resources Authority, Refunding RB, General, Series A (NPFGC), 5.00%, 8/01/34 | 1,800 | 1,870,848 |

8,052,686

Michigan 7.0%

| | | |
|--|-------|-----------|
| City of Detroit Michigan, RB, System, Second Lien, Series B (NPFGC), 5.00%, 7/01/36 | 3,650 | 3,551,085 |
| City of Detroit Michigan, Refunding RB, Second Lien, Series E (BHAC), 5.75%, 7/01/31 | 8,300 | 8,798,332 |
| Michigan Higher Education Student Loan Authority, Refunding RB, Student Loan, Series XVII-G, AMT (AMBAC), 5.20%, 9/01/20 | 2,140 | 2,151,513 |
| Michigan Strategic Fund, RB, Detroit Edison Co. Project, Series C, AMT (Syncora), 5.45%, 12/15/32 | 5,800 | 5,517,540 |
| Michigan Strategic Fund, Refunding RB, AMT (Syncora): Detroit Edison Co., Pollution, Series C, 5.65%, 9/01/29 | 1,935 | 1,932,581 |
| Detroit Edison Co. Project, Series A, 5.50%, 6/01/30 | 1,700 | 1,632,068 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39 | 3,510 | 4,142,959 |

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| | | |
|--|--------|------------|
| State of Michigan, RB, GAN (AGM), 5.25%, 9/15/26 | 3,350 | 3,521,051 |
| | | 31,247,129 |
| Minnesota 0.7% | | |
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38 | 2,700 | 3,028,536 |
| Nevada 8.8% | | |
| City of Carson City Nevada, RB, Carson-Tahoe Hospital Project, Series A (Radian), 5.50%, 9/01/33 | 4,100 | 3,781,225 |
| City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/34 | 1,150 | 1,270,198 |
| County of Clark Nevada, RB: Southwest Gas Corp. Project, Series A, AMT (FGIC), 4.75%, 9/01/36 | 45 | 37,288 |
| Southwest Gas Corp. Project, Series D, AMT (NPFGC), 5.25%, 3/01/38 | 12,000 | 10,860,240 |
| Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/30 | 2,000 | 2,004,340 |
| Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/36 | 19,100 | 18,988,265 |
| Las Vegas Valley Water District, GO, Refunding, Series A (NPFGC), 5.00%, 6/01/24 | 2,050 | 2,143,439 |
| | | 39,084,995 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------------|
| New Jersey 7.3% | | |
| New Jersey EDA, RB: | | |
| Cigarette Tax (Radian), 5.75%, 6/15/29 | \$ 710 | \$ 697,035 |
| Cigarette Tax (Radian), 5.50%, 6/15/31 | 1,285 | 1,217,358 |
| Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/31 | 20,065 | 20,318,020 |
| School Facilities Construction, Series O, 5.13%, 3/01/30 | 7,500 | 7,721,700 |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A (NPFGC), 5.75%, 6/15/25 | 2,200 | 2,546,588 |
| | | <u>32,500,701</u> |
| New York 2.3% | | |
| City of New York New York, GO, Series B (NPFGC), 5.88%, 8/01/10 (c) | 10,000 | 10,241,400 |
| Ohio 0.4% | | |
| Ohio Higher Educational Facility Commission, Refunding RB, Summa Health System, 2010 Project (AGC), 5.25%, 11/15/40 (d) | 1,700 | 1,664,742 |
| Pennsylvania 1.5% | | |
| Pennsylvania HFA, Refunding RB, AMT: | | |
| S/F, Series 73A, 5.45%, 10/01/32 | 2,120 | 2,130,812 |
| Series 99A, 5.25%, 10/01/32 | 2,000 | 2,019,420 |
| Pennsylvania Turnpike Commission, RB, CAB, Sub-Series E, 6.47%, 12/01/38 (a) | 4,100 | 2,751,469 |
| | | <u>6,901,701</u> |
| Puerto Rico 2.2% | | |
| Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.38%, 8/01/39 | | |
| | 4,700 | 5,277,301 |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.74%, 8/01/41 (b) | 28,000 | 4,422,600 |
| | | <u>9,699,901</u> |
| Texas 15.0% | | |
| Bell County Health Facility Development Corp. Texas, RB, Lutheran General Health Care System, 6.50%, 7/01/19 (e) | | |
| | 1,000 | 1,238,890 |
| City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC), 6.00%, 11/15/35 | 2,850 | 3,269,520 |

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| | | |
|--|-------|-----------|
| Dallas-Fort Worth International Airport Facilities Improvement Corp., Refunding RB, Joint Series A, AMT (NPFGC): | | |
| 5.88%, 11/01/17 | 1,835 | 1,902,656 |
| 5.88%, 11/01/18 | 2,145 | 2,218,338 |
| 5.88%, 11/01/19 | 2,385 | 2,461,749 |
| Gregg County Health Facilities Development Corp. Texas, RB, Good Shepherd Medical Center Project (Radian) (c): | | |
| 6.38%, 10/01/10 | 2,600 | 2,686,918 |
| 6.88%, 10/01/10 | 3,000 | 3,106,500 |
| Harris County-Houston Sports Authority, Refunding RB, Senior Lien, Series G (NPFGC), 5.75%, 11/15/20 | | |
| | 3,900 | 3,958,149 |
| Lewisville ISD Texas, GO, Refunding, CAB, School Building (NPFGC), 4.67%, 8/15/24 (b) | | |
| | 6,150 | 3,041,421 |
| Lone Star College System, GO, 5.00%, 8/15/33 | | |
| | 4,800 | 5,018,352 |
| Mansfield ISD Texas, GO, School Building (PSF-GTD), 5.00%, 2/15/33 | | |
| | 2,300 | 2,422,889 |
| North Harris County Regional Water Authority, RB, Senior Lien (NPFGC), 5.13%, 12/15/35 | | |
| | 1,610 | 1,640,735 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| Texas (concluded) | | |
| North Texas Tollway Authority, Refunding RB, First Tier: CAB, System (AGC), 5.73%, 1/01/31 (b) | | |
| | \$ 10,000 | \$ 3,123,300 |
| Series A, 6.00%, 1/01/28 | | |
| | 3,380 | 3,684,639 |
| System (NPFGC), 5.75%, 1/01/40 | | |
| | 12,300 | 12,872,811 |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC): | | |
| 5.75%, 8/15/38 | | |
| | 7,200 | 7,304,040 |
| 5.00%, 8/15/42 | | |
| | 7,000 | 6,718,180 |
| | | 66,669,087 |

| | | |
|---|--------|------------|
| Utah 3.9% | | |
| City of Salt Lake City Utah, Refunding RB, IHC Hospitals Inc. (NPFGC), 6.30%, 2/15/15 (e) | | |
| | 15,000 | 17,391,150 |

| | | |
|---|-------|-----------|
| Vermont 0.4% | | |
| Vermont HFA, Refunding RB, Multiple Purpose, Series C, AMT (AGM), 5.50%, 11/01/38 | | |
| | 1,800 | 1,836,648 |

| | | |
|--|-------|-----------|
| Washington 1.8% | | |
| City of Tacoma Washington, RB (NPFGC), 5.00%, 12/01/32 | | |
| | 5,100 | 5,170,125 |
| Port of Tacoma Washington, RB, Series A (AMBAC), 5.25%, 12/01/34 (c) | | |
| | 2,400 | 2,790,456 |
| | | 7,960,581 |

| | | |
|--|-------|-----------|
| Wisconsin 0.8% | | |
| Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/33 | | |
| | 1,850 | 1,885,113 |
| Wisconsin Housing & EDA, Refunding RB, Series C, AMT, 4.88%, 3/01/36 | | |
| | 1,780 | 1,683,649 |

3,568,762

Total Municipal Bonds 113.1%

503,493,412

**Municipal Bonds Transferred to
Tender Option Bond Trusts (f)****California 9.8%**

| | | |
|---|--------|------------|
| Anaheim Public Financing Authority California, RB, Electric System Distribution Facilities, Series A (AGM), 5.00%, 10/01/31 | 1,244 | 1,251,335 |
| Golden State Tobacco Securitization Corp., RB, Enhanced Asset-Backed, Series B (CIFG), 5.63%, 6/01/13 (c) | 14,160 | 16,040,165 |
| Los Angeles Community College District California, GO, Series A: 2001 Election (NPFGC), 5.00%, 8/01/32 | 6,120 | 6,257,700 |
| 2008 Election, 6.00%, 8/01/33 | 2,639 | 2,958,956 |
| San Diego Community College District California, GO, Election 2002, 5.25%, 8/01/33 | 508 | 534,001 |
| San Diego County Water Authority, COP, Refunding: Series 2008-A (AGM), 5.00%, 5/01/33 | 5,170 | 5,331,614 |
| Series A (NPFGC), 5.00%, 5/01/32 | 9,003 | 9,120,686 |
| Tamalpais Union High School District California, GO, Election 2001 (AGM), 5.00%, 8/01/28 | 1,950 | 2,005,984 |
| | | 43,500,441 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender Option Bond Trusts (f) | Par (000) | Value |
|--|--------------|-------------------|
| Colorado 0.3% | | |
| Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 | \$ 1,220 | \$ 1,293,486 |
| District of Columbia 0.3% | | |
| District of Columbia, RB, Series A, 5.50%, 12/01/30 | 1,320 | 1,481,911 |
| Florida 9.2% | | |
| City of Tallahassee Florida, RB (NPFGC), 5.00%, 10/01/37 | 6,000 | 6,070,200 |
| County of Miami-Dade Florida, RB, Water & Sewer System (AGM), 5.00%, 10/01/39 | 8,728 | 8,941,545 |
| County of Seminole Florida, Refunding RB, Series B (NPFGC), 5.25%, 10/01/31 | 6,300 | 6,935,796 |
| Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 | 2,399 | 2,502,564 |
| Jacksonville Electric Authority Florida, RB, Sub-Series A, 5.63%, 10/01/32 | 4,310 | 4,659,670 |
| Miami-Dade County School Board, COP, Refunding, Series B (AGC), 5.25%, 5/01/27 | 11,350 | 11,725,799 |
| | | <u>40,835,574</u> |
| Georgia 3.4% | | |
| Augusta-Richmond County Georgia, RB (AGM), 5.25%, 10/01/34 | 5,000 | 5,215,700 |
| City of Atlanta Georgia, RB, General, Subordinate Lien, Series C (AGM), 5.00%, 1/01/33 | 10,000 | 10,096,700 |
| | | <u>15,312,400</u> |
| Hawaii 1.4% | | |
| Honolulu City & County Board of Water Supply, RB, Series A (NPFGC), 5.00%, 7/01/33 | 6,000 | 6,130,800 |
| Illinois 3.9% | | |
| City of Chicago Illinois, Refunding RB, Second Lien (AGM), 5.25%, 11/01/33 | 14,429 | 15,270,009 |
| Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33 | 2,000 | 2,172,593 |
| | | <u>17,442,602</u> |
| Massachusetts 3.9% | | |
| Massachusetts School Building Authority, RB, Series A (AGM), 5.00%, 8/15/30 | 16,500 | 17,278,542 |

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Nevada 1.8%

| | | |
|---|-------|-----------|
| City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/39 | 5,007 | 5,488,235 |
| Clark County Water Reclamation District, GO, Series B, 5.75%, 7/01/34 | 2,429 | 2,693,676 |
| | | 8,181,911 |

New Hampshire 2.3%

| | | |
|---|--------|------------|
| New Hampshire Health & Education Facilities Authority, RB, Dartmouth-Hitchcock Obligation (AGM), 5.50%, 8/01/27 | 10,000 | 10,197,000 |
|---|--------|------------|

Municipal Bonds Transferred to Tender Option Bond Trusts (f)

**Par
(000)**

Value

New York 5.4%

| | | |
|--|----------|--------------|
| Erie County Industrial Development Agency, RB, City School District of Buffalo Project, Series A (AGM), 5.75%, 5/01/28 | \$ 2,007 | \$ 2,185,918 |
| New York City Municipal Water Finance Authority, RB, Fiscal 2009, Series A, 5.75%, 6/15/40 | 3,509 | 3,970,472 |
| New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36 | 1,545 | 1,751,412 |
| New York State Thruway Authority, RB, Series G (AGM), 5.00%, 1/01/32 | 14,200 | 14,576,016 |
| Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34 | 1,500 | 1,613,160 |
| | | 24,096,978 |

Ohio 0.2%

| | | |
|--|-----|---------|
| State of Ohio, RB, Cleveland Clinic Health, Series B, 5.50%, 1/01/34 | 780 | 822,253 |
|--|-----|---------|

South Carolina 1.2%

| | | |
|--|-------|-----------|
| South Carolina State Public Service Authority, RB, Santee Cooper, Series A, 5.50%, 1/01/38 | 4,695 | 5,113,043 |
|--|-------|-----------|

Texas 2.6%

| | | |
|---|-------|------------|
| Clear Creek ISD Texas, GO, Refunding, School Building (PSF-GTD), 5.00%, 2/15/33 | 5,900 | 6,372,856 |
| Cypress-Fairbanks ISD, GO, Refunding, Schoolhouse (PSF-GTD), 5.00%, 2/15/32 | 4,750 | 5,015,335 |
| | | 11,388,191 |

Virginia 0.8%

| | | |
|---|-------|-----------|
| Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35 | 450 | 476,280 |
| Virginia HDA, RB, Sub-Series H-1 (NPFGC), 5.35%, 7/01/31 | 3,195 | 3,224,298 |
| | | 3,700,578 |

Washington 0.6%

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| | | |
|--|---------------|-----------------------|
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32 | 2,504 | 2,635,607 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 47.1% | | 209,411,317 |
| Total Long-Term Investments (Cost \$697,903,349) 160.2% | | 712,904,729 |
| Short-Term Securities | | |
| | Shares | |
| FPI Institutional Tax-Exempt Fund, 0.25% (g)(h) | 8,066,496 | 8,066,496 |
| Total Short-Term Securities (Cost \$8,066,496) 1.8% | | 8,066,496 |
| Total Investments (Cost \$705,969,845*) 162.0% | | 720,971,225 |
| Other Assets Less Liabilities 1.3% | | 5,690,699 |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (23.6)% | | (104,848,767) |
| Preferred Shares, at Redemption Value (39.7)% | | (176,652,927) |
| Net Assets Applicable to Common Shares 100.0% | | <u>\$ 445,160,230</u> |

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Quality Fund, Inc. (MQY)

* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 601,505,958 |
| Gross unrealized appreciation | \$ 23,840,449 |
| Gross unrealized depreciation | (9,116,555) |
| Net unrealized appreciation | \$ 14,723,894 |

- (a) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield.
- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (d) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized Appreciation |
|---------------------|--------------|----------------------------|
| JPMorgan Securities | \$ 1,664,742 | \$ 7,650 |

- (e) Security is collateralized by Municipal or US Treasury obligations.
- (f) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (g) Investments in companies considered to be an affiliate of the Fund during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Shares Held at April 30, 2009 | Net Activity | Shares Held at April 30, 2010 | Income |
|--------------------------------------|----------------------------------|-----------------|----------------------------------|-----------|
| FFI Institutional Tax-Exempt Fund | 10,909,154 | (2,842,658) | 8,066,496 | \$ 26,271 |

(h) Represents the current yield as of report date.

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Fund's investments:

| Investments in Securities | | | | |
|------------------------------------|---------------------|-----------------------|---------|-----------------------|
| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
| Assets: | | | | |
| Long-Term Investments ¹ | | \$ 712,904,729 | | \$ 712,904,729 |
| Short-Term Securities | \$ 8,066,496 | | | 8,066,496 |
| Total | \$ 8,066,496 | \$ 712,904,729 | | \$ 720,971,225 |

¹ See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

Schedule of Investments April 30, 2010

BlackRock MuniYield Quality Fund II, Inc. (MQT)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|------------------|
| Alabama 0.8% | | |
| Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/39 | \$ 650 | \$ 705,666 |
| County of Jefferson Alabama, RB, Series A, 4.75%, 1/01/25 | 2,000 | 1,581,600 |
| | | <u>2,287,266</u> |
| Arizona 1.2% | | |
| State of Arizona, COP, Department of Administration, Series A (AGM): | | |
| 5.00%, 10/01/27 | 2,300 | 2,357,224 |
| 5.00%, 10/01/29 | 925 | 937,450 |
| | | <u>3,294,674</u> |
| California 20.1% | | |
| Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.47%, 10/01/25 (a) | 7,150 | 5,733,085 |
| Antelope Valley Community College District, GO, Election 2004, Series B (NPFGC), 5.25%, 8/01/39 | 550 | 565,983 |
| Arcadia Unified School District California, GO, CAB, Election 2006, Series A (AGM), 4.96%, 8/01/39 (b) | 1,400 | 229,446 |
| Cabrillo Community College District California, GO, CAB, Election 2004, Series B (NPFGC) (b): | | |
| 5.18%, 8/01/37 | 2,100 | 366,807 |
| 4.87%, 8/01/38 | 4,800 | 785,136 |
| California Health Facilities Financing Authority, RB, Kaiser Permanente, Series A (AGM), 5.50%, 6/01/22 (c) | 5,000 | 5,005,800 |
| California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.75%, 7/01/39 | 500 | 519,815 |
| Coast Community College District California, GO, Refunding, CAB, Election 2002, Series C (AGM), 5.52%, 8/01/31 (a) | 1,800 | 1,470,294 |
| East Side Union High School District, GO (AGM), 4.91%, 8/01/29 (b) | 15,000 | 4,711,800 |
| El Monte Union High School District California, GO, Election 2002, Series C (AGM), 5.25%, 6/01/28 | 4,000 | 4,212,400 |
| Fairfield-Suisun Unified School District California, GO, Election 2002 (NPFGC), 5.50%, 8/01/28 | 2,770 | 2,920,660 |
| Fresno Unified School District California, GO, Election 2001, Series E (AGM), 5.00%, 8/01/30 | 800 | 816,288 |
| | 2,815 | 2,875,072 |

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| | | |
|--|--------|-----------|
| John Swett Unified School District, GO, Series A (AGM), 5.50%, 8/01/26 | | |
| Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC): | | |
| 5.00%, 10/01/29 | 2,600 | 2,681,406 |
| 5.00%, 10/01/36 | 1,475 | 1,506,521 |
| Monterey Peninsula Community College District, GO, CAB, Series C (AGM), 5.08%, 8/01/28 (b) | 11,975 | 4,108,862 |
| Orange County Sanitation District, COP (NPFGC), 5.00%, 2/01/33 | 2,300 | 2,338,456 |
| Palm Springs Financing Authority, Refunding RB, Convention Center Project, Series A (NPFGC), 5.50%, 11/01/29 | 2,900 | 3,004,052 |
| Port of Oakland, RB, Series K, AMT (NPFGC), 5.75%, 11/01/29 | 2,000 | 1,999,880 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| California (concluded) | | |
| Poway Redevelopment Agency California, Tax Allocation Bonds, Refunding, Paguay Redevelopment Project (AMBAC), 5.13%, 6/15/33 | \$ 1,250 | \$ 1,124,150 |
| Sacramento Municipal Utility District, RB, Series N (NPFGC), 5.00%, 8/15/28 | 4,300 | 4,322,102 |
| Sacramento Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/30 | 1,600 | 1,627,568 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/38 | 2,015 | 2,072,528 |
| State of California, GO, 5.13%, 6/01/27 | 20 | 20,067 |
| Ventura County Community College District, GO, Election 2002, Series B (NPFGC), 5.00%, 8/01/30 | 2,025 | 2,074,613 |
| | | 57,092,791 |

| | | |
|--|-------|-----------|
| Colorado 1.2% | | |
| Colorado Health Facilities Authority, RB, Covenant Retirement Communities, Series A (Radian): | | |
| 5.50%, 12/01/27 | 1,200 | 1,104,720 |
| 5.50%, 12/01/33 | 675 | 605,286 |
| E-470 Public Highway Authority Colorado, Refunding RB, CAB, Series B (NPFGC), 5.62%, 9/01/32 (b) | 7,500 | 1,702,500 |
| | | 3,412,506 |

| | | |
|---|--------|------------|
| Florida 13.0% | | |
| Broward County School Board Florida, COP, Series A (AGM), 5.25%, 7/01/33 | 1,400 | 1,444,926 |
| County of Duval Florida, COP, Master Lease Program (AGM), 5.00%, 7/01/33 | 2,600 | 2,607,592 |
| County of Miami-Dade Florida, RB: | | |
| Jackson Health System (AGC), 5.63%, 6/01/34 | 2,000 | 2,094,760 |
| Water & Sewer System (AGM), 5.00%, 10/01/39 | 6,900 | 7,068,705 |
| County of Miami-Dade Florida, Refunding RB, Miami International Airport, AMT (AGC), 5.00%, 10/01/40 | 12,550 | 11,947,349 |
| County of Orange Florida, Refunding RB, Series B (NPFGC), 5.13%, 1/01/32 | 1,575 | 1,590,325 |
| Hillsborough County Aviation Authority Florida, RB, Series A, AMT (AGC), 5.38%, 10/01/33 | 3,250 | 3,272,815 |
| | 1,625 | 1,678,560 |

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| | | |
|--|-------|------------|
| Miami-Dade County School Board, COP, Refunding, Series B (AGC), 5.25%, 5/01/31 | | |
| Orange County School Board, COP, Series A (AGC), 5.50%, 8/01/34 | 2,850 | 3,036,874 |
| Sarasota County Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39 | 250 | 259,128 |
| South Florida Water Management District, COP (AGC), 5.00%, 10/01/22 | 1,800 | 1,922,706 |
| | | 36,923,740 |
| Georgia 0.9% | | |
| Augusta-Richmond County Georgia, RB (AGM), 5.25%, 10/01/39 | 1,880 | 1,954,956 |
| Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41 | 730 | 742,030 |
| | | 2,696,986 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund II, Inc (MQT)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| Illinois 21.9% | | |
| Chicago Board of Education Illinois, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26 | \$ 2,500 | \$ 2,802,175 |
| City of Chicago Illinois, ARB, General, 3rd Lien, Series B-2, AMT: (AGM), 5.75%, 1/01/23 | 5,200 | 5,399,420 |
| (Syncora), 6.00%, 1/01/29 | 2,200 | 2,287,692 |
| City of Chicago Illinois, GO, CAB, City Colleges (NPFGC), 5.89%, 1/01/31 (b) | 8,370 | 2,821,862 |
| City of Chicago Illinois, GO, Refunding, Series A (AGM), 5.00%, 1/01/25 | 5,000 | 5,290,100 |
| City of Chicago Illinois, RB, Series A (AGC), 5.00%, 1/01/38 | 4,000 | 4,084,000 |
| City of Chicago Illinois, Refunding RB, General Airport, Third Lien, Series A, AMT (NPFGC), 5.50%, 1/01/22 | 9,150 | 9,334,830 |
| County of Cook Illinois, GO, Capital Improvement, Series C (AMBAC), 5.50%, 11/15/12 (d) | 2,460 | 2,741,400 |
| Illinois Finance Authority, Refunding RB, Central DuPage Health, Series B, 5.50%, 11/01/39 | 2,070 | 2,150,709 |
| Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.56%, 6/15/30 (a) | 21,675 | 21,898,469 |
| Regional Transportation Authority, RB, Series B (NPFGC), 5.75%, 6/01/33 | 2,000 | 2,219,640 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 1,125 | 1,172,115 |
| | | 62,202,412 |
| Iowa 1.8% | | |
| Iowa Finance Authority, RB, Series A (AGC), 5.63%, 8/15/37 | 4,925 | 5,256,748 |
| Indiana 0.1% | | |
| Indiana Municipal Power Agency, RB, Indiana Municipal Power Agency, Series B, 5.75%, 1/01/34 | 350 | 369,611 |
| Kentucky 0.8% | | |
| Kentucky State Property & Buildings Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/29 | 2,000 | 2,159,960 |
| Louisiana 1.4% | | |
| Jefferson Parish Home Mortgage Authority, RB, Series B-1, AMT (NPFGC), 6.65%, 12/01/33 | 1,200 | 1,270,944 |
| Louisiana Public Facilities Authority, Refunding RB, Christus Health, Series B (AGC), 6.50%, 7/01/30 | 1,150 | 1,292,427 |

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| | | |
|---|-------|-----------|
| Rapides Finance Authority Louisiana, RB, Cleco Power LLC Project, AMT (AMBAC), 4.70%, 11/01/36 | 1,650 | 1,427,811 |
| | | 3,991,182 |

Maryland 0.4%

| | | |
|---|-------|-----------|
| Maryland Community Development Administration, Refunding RB, Residential, Series A, AMT, 5.75%, 9/01/39 | 1,040 | 1,081,475 |
|---|-------|-----------|

Massachusetts 8.5%

| | | |
|---|--------|------------|
| Massachusetts HFA, RB, AMT (AGM): Rental Mortgage, Series F, 5.25%, 1/01/46 | 19,800 | 19,766,736 |
| S/F Housing, Series 128, 4.80%, 12/01/27 | 1,500 | 1,466,835 |
| Massachusetts Water Resources Authority, Refunding RB, General, Series A (NPFGC), 5.00%, 8/01/34 | 2,700 | 2,806,272 |
| | | 24,039,843 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|------------|
| Michigan 5.7% | | |
| City of Detroit Michigan, RB, Second Lien: Series B (AGM), 6.25%, 7/01/36 | \$ 350 | \$ 382,105 |
| Series B (AGM), 7.00%, 7/01/36 | 200 | 230,386 |
| System, Series A (BHAC), 5.50%, 7/01/36 | 4,500 | 4,636,890 |
| System, Series B (NPFGC), 5.00%, 7/01/36 | 3,000 | 2,918,700 |
| City of Detroit Michigan, Refunding RB, Second Lien, Series E (BHAC), 5.75%, 7/01/31 | 2,200 | 2,332,088 |
| Michigan Higher Education Student Loan Authority, Refunding RB, Student Loan, Series XVII-G, AMT (AMBAC), 5.20%, 9/01/20 | 1,000 | 1,005,380 |
| Michigan Strategic Fund, RB, Detroit Edison Co. Project, Series C, AMT (Syncora), 5.45%, 12/15/32 | 3,900 | 3,710,070 |
| Michigan Strategic Fund, Refunding RB, Detroit Edison Co. Project, Series A, AMT (Syncora), 5.50%, 6/01/30 | 1,000 | 960,040 |
| | | 16,175,659 |

Minnesota 0.7%

| | | |
|--|-------|-----------|
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38 | 1,800 | 2,019,028 |
|--|-------|-----------|

Nevada 4.0%

| | | |
|--|-------|-----------|
| City of Carson City Nevada, RB, Carson-Tahoe Hospital Project, Series A (Radian), 5.50%, 9/01/33 | 2,800 | 2,582,300 |
| County of Clark Nevada, RB: Las Vegas-McCarran International Airport, Series A (AGC), 5.25%, 7/01/39 | 1,700 | 1,730,838 |
| Southwest Gas Corp. Project, Series A, AMT (FGIC), 4.75%, 9/01/36 | 40 | 33,145 |
| Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/30 | 1,500 | 1,503,255 |
| | 2,700 | 2,684,205 |

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| | | |
|---|-------|------------|
| Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/36 | | |
| System, Subordinate Lien, Series C (AGM), 5.00%, 7/01/26 | 1,275 | 1,316,578 |
| Las Vegas Valley Water District, GO, Refunding, Series A (NPFGC), 5.00%, 6/01/24 | 1,350 | 1,411,533 |
| | | <hr/> |
| | | 11,261,854 |

New Jersey 7.2%

| | | |
|---|-------|------------|
| New Jersey EDA, RB: | | |
| Cigarette Tax (Radian), 5.75%, 6/15/29 | 870 | 854,114 |
| Cigarette Tax (Radian), 5.50%, 6/15/31 | 400 | 378,944 |
| Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33 | 8,200 | 8,346,698 |
| School Facilities Construction, Series O, 5.13%, 3/01/28 | 2,750 | 2,856,122 |
| School Facilities Construction, Series P, 5.13%, 9/01/28 | 4,000 | 4,157,080 |
| New Jersey EDA, Refunding RB, School Facilities Construction, Series N-1 (AGM), 5.50%, 9/01/25 | 2,000 | 2,296,580 |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A (NPFGC), 5.75%, 6/15/25 | 1,400 | 1,620,556 |
| | | <hr/> |
| | | 20,510,094 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund II, Inc. (MQT)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|------------------|
| New Mexico 2.2% | | |
| New Mexico State Transportation Commission, RB, Senior, Sub Lien Series A (AGM), 6.00%, 6/15/10 (d) | \$ 6,295 | \$ 6,339,317 |
| New York 1.8% | | |
| New York State Dormitory Authority, RB, State University Educational Facilities (FGIC), 5.75%, 5/15/10 (d) | 5,000 | 5,061,450 |
| Ohio 2.7% | | |
| New Albany Plain Local School District, GO, Refunding: (FGIC), 6.00%, 6/01/11 (d) | 5,120 | 5,428,275 |
| (NPFGC), 6.00%, 12/01/20 | 1,170 | 1,231,039 |
| Ohio Higher Educational Facility Commission, Refunding RB, Summa Health System, 2010 Project (AGC), 5.25%, 11/15/40 (e) | 1,100 | 1,077,186 |
| | | <u>7,736,500</u> |
| Pennsylvania 1.6% | | |
| Pennsylvania HFA, Refunding RB, Series 99A, AMT, 5.25%, 10/01/32 | 1,340 | 1,353,011 |
| Pennsylvania Turnpike Commission, RB, CAB, Sub-Series E, 6.47%, 12/01/38 (a) | 2,600 | 1,744,834 |
| Philadelphia School District, GO, Series E, 6.00%, 9/01/38 | 1,300 | 1,394,965 |
| | | <u>4,492,810</u> |
| Puerto Rico 1.7% | | |
| Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.38%, 8/01/39 | 3,000 | 3,368,490 |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.76%, 8/01/41 (b) | 10,000 | 1,579,500 |
| | | <u>4,947,990</u> |
| Texas 11.1% | | |
| City of Corpus Christi Texas, Refunding RB, Series A (AGM), 6.00%, 7/15/10 (d) | 2,000 | 2,023,840 |
| Dallas-Fort Worth International Airport Facilities Improvement Corp., RB, Series A, AMT (NPFGC), 5.50%, 11/01/33 | 5,000 | 5,031,600 |
| | 3,915 | 1,936,124 |

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| | | |
|--|-------|------------|
| Lewisville ISD Texas, GO, Refunding, CAB, School Building (NPFGC), 4.67%, 8/15/24 (b) | | |
| Lone Star College System, GO, 5.00%, 8/15/33 | 3,000 | 3,136,470 |
| Mansfield ISD Texas, GO, School Building (PSF-GTD), 5.00%, 2/15/33 | 1,065 | 1,121,903 |
| Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, AMT (NPFGC), 5.20%, 5/01/30 | 1,750 | 1,699,180 |
| North Harris County Regional Water Authority, RB, Senior Lien (NPFGC), 5.13%, 12/15/35 | 1,645 | 1,676,403 |
| North Texas Tollway Authority, RB, System, First Tier, Series K-1 (AGC), 5.75%, 1/01/38 | 3,400 | 3,679,242 |
| North Texas Tollway Authority, Refunding RB: First Tier, Series A, 6.00%, 1/01/28 | 2,415 | 2,632,664 |
| System, First Tier (NPFGC), 5.75%, 1/01/40 | 3,600 | 3,767,652 |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.75%, 8/15/38 | 4,800 | 4,869,360 |
| | | 31,574,438 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| Vermont 0.9% | | |
| Vermont HFA, Refunding RB, Multiple Purpose, Series C, AMT (AGM), 5.50%, 11/01/38 | \$ 2,440 | \$ 2,489,678 |
| Washington 4.0% | | |
| Port of Seattle Washington, RB, Series B, AMT (NPFGC), 6.00%, 2/01/16 | 7,470 | 7,566,438 |
| Port of Tacoma Washington, RB, Series A (AMBAC), 5.25%, 12/01/14 (d) | 1,600 | 1,860,304 |
| Washington Health Care Facilities Authority, Refunding RB, Providence Health, Series D (AGM), 5.25%, 10/01/33 | 2,000 | 2,073,500 |
| | | 11,500,242 |
| Wisconsin 0.4% | | |
| Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/33 | 1,200 | 1,222,776 |
| Total Municipal Bonds 116.1% | | 330,141,030 |

Municipal Bonds Transferred to Tender Option Bond Trusts (f)

| | | |
|--|-------|-----------|
| Arizona 0.4% | | |
| Phoenix Civic Improvement Corp., RB, Junior Lien, Series A, 5.00%, 7/01/34 | 1,000 | 1,046,350 |

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| California 5.3% | | |
|---|-------|------------|
| Anaheim Public Financing Authority California, RB, Electric System Distribution Facilities, Series A (AGM), 5.00%, 10/01/31 | 3,808 | 3,829,387 |
| Los Angeles Community College District California, GO, Series A: Election 2001 (NPFGC), 5.00%, 8/01/32 | 4,330 | 4,427,425 |
| Election 2008, 6.00%, 8/01/33 | 1,699 | 1,905,388 |
| San Diego Community College District California, GO, Election 2002, 5.25%, 8/01/33 | 359 | 376,942 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 | 3,030 | 3,124,718 |
| Tamalpais Union High School District California, GO, Election 2001 (AGM), 5.00%, 8/01/28 | 1,320 | 1,357,897 |
| | | 15,021,757 |

| Colorado 0.3% | | |
|--|-----|---------|
| Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 | 780 | 826,983 |

| District of Columbia 1.0% | | |
|--|-------|-----------|
| District of Columbia, RB, Series A, 5.50%, 12/01/30 | 855 | 959,874 |
| District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35 | 1,580 | 1,780,144 |
| | | 2,740,018 |

| Florida 3.5% | | |
|--|-------|-----------|
| City of Tallahassee Florida, RB (NPFGC), 5.00%, 10/01/37 | 4,000 | 4,046,800 |
| County of Seminole Florida, Refunding RB, Series B (NPFGC), 5.25%, 10/01/31 | 4,200 | 4,623,864 |
| Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 | 1,189 | 1,240,855 |
| | | 9,911,519 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund II, Inc. (MQT)
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender Option Bond Trusts (f) | Par (000) | Value |
|--|--------------|-------------------|
| Georgia 7.1% | | |
| City of Atlanta Georgia, RB, General (AGM): | | |
| General, Series B, 5.25%, 1/01/33 | \$ 4,999 | \$ 5,120,580 |
| General, Subordinate Lien, Series C, 5.00%, 1/01/33 | 15,000 | 15,145,050 |
| | | <u>20,265,630</u> |
| Hawaii 1.8% | | |
| Honolulu City & County Board of Water Supply, RB, Series A (NPFGC), 5.00%, 7/01/33 | 5,000 | 5,109,000 |
| Illinois 7.9% | | |
| City of Chicago Illinois, Refunding RB, Second Lien (AGM), 5.25%, 11/01/33 | 2,549 | 2,697,847 |
| Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33 | 3,499 | 3,802,038 |
| Metropolitan Pier & Exposition Authority, RB, McCormick Place Expansion Project, Series A (NPFGC), 5.00%, 12/15/28 | 3,500 | 3,549,280 |
| Regional Transportation Authority, RB (NPFGC), 6.50%, 7/01/26 | 10,000 | 12,323,859 |
| | | <u>22,373,024</u> |
| Louisiana 1.7% | | |
| State of Louisiana, RB, Series A (AGM), 5.00%, 5/01/36 | 4,600 | 4,719,830 |
| Massachusetts 2.6% | | |
| Massachusetts School Building Authority, RB, Series A (AGM), 5.00%, 8/15/30 | 7,195 | 7,534,395 |
| Nevada 1.9% | | |
| City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/39 | 3,298 | 3,615,005 |
| Clark County Water Reclamation District, GO, Series B, 5.75%, 7/01/34 | 1,574 | 1,745,901 |
| | | <u>5,360,906</u> |
| New York 2.2% | | |
| New York City Municipal Water Finance Authority, RB, Fiscal 2009, Series A, 5.75%, 6/15/40 | 1,050 | 1,187,748 |
| New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36 | 1,005 | 1,139,268 |

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| | | |
|---|-------|-----------|
| New York State Thruway Authority, RB, Series G (AGM), 5.00%, 1/01/32 | 2,700 | 2,771,496 |
| Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34 | 1,200 | 1,290,528 |
| | | 6,389,040 |

| | | |
|---|-----|---------|
| Ohio 0.2% | | |
| State of Ohio, RB, Cleveland Clinic Health, Series B, 5.50%, 1/01/34 | 500 | 527,085 |

| | | |
|---|-------|-----------|
| South Carolina 2.6% | | |
| Charleston Educational Excellence Finance Corp., RB, Charleston County School (AGC): | | |
| 5.25%, 12/01/28 | 2,725 | 2,830,294 |
| 5.25%, 12/01/29 | 2,425 | 2,507,814 |
| 5.25%, 12/01/30 | 880 | 907,421 |
| South Carolina State Public Service Authority, RB, Santee Cooper, Series A, 5.50%, 1/01/38 | 1,125 | 1,225,170 |
| | | 7,470,699 |

| Municipal Bonds Transferred to Tender Option Bond Trusts (f) | Par (000) | Value |
|---|--------------|--------------|
| Texas 4.1% | | |
| Clear Creek ISD Texas, GO, Refunding, School Building (PSF-GTD), 5.00%, 2/15/33 | \$ 1,900 | \$ 2,052,275 |
| Cypress-Fairbanks ISD, GO, Refunding, Schoolhouse (PSF-GTD), 5.00%, 2/15/32 | 5,250 | 5,543,265 |
| Harris County Cultural Education Facilities Finance Corp., RB, Hospital, Texas Children's Hospital Project, 5.50%, 10/01/39 | 4,000 | 4,160,800 |
| | | 11,756,340 |

| | | |
|--|-------|-----------|
| Virginia 0.7% | | |
| Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35 | 300 | 317,520 |
| Virginia HDA, RB, Sub-Series H-1 (NPFGC), 5.35%, 7/01/31 | 1,590 | 1,604,581 |
| | | 1,922,101 |

| | | |
|--|-------|-----------|
| Wisconsin 0.4% | | |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health Inc., 5.25%, 4/01/39 | 1,250 | 1,280,062 |

| | | |
|---|--|-------------|
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 43.7% | | 124,254,739 |
|---|--|-------------|

| | | |
|--|--|-------------|
| Total Long-Term Investments (Cost \$448,862,121) 159.8% | | 454,395,769 |
|--|--|-------------|

| Short-Term Securities | Shares |
|---|----------------|
| FBI Institutional Tax-Exempt Fund, 0.25% (g)(h) | 6,152,712 |
| | 6,152,712 |
| Total Short-Term Securities | |
| (Cost \$6,152,712) 2.1% | 6,152,712 |
| Total Investments (Cost \$455,014,833*) 161.9% | 460,548,481 |
| Other Assets Less Liabilities 1.3% | 3,694,070 |
| Liability for Trust Certificates, Including Interest | |
| Expense and Fees Payable (22.2)% | (63,252,727) |
| Preferred Shares, at Redemption Value (41.0)% | (116,594,518) |
| Net Assets Applicable to Common Shares 100.0% | \$ 284,395,306 |

* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 392,671,463 |
| Gross unrealized appreciation | \$ 12,561,899 |
| Gross unrealized depreciation | (7,874,414) |
| Net unrealized appreciation | \$ 4,687,485 |

- (a) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield.
- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) Security is collateralized by Municipal or US Treasury obligations.
- (d) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Quality Fund II, Inc. (MQT)

(e) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized Appreciation |
|---------------------|--------------|----------------------------|
| JPMorgan Securities | \$ 1,077,186 | \$ 4,950 |

(f) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

(g) Investments in companies considered to be an affiliate of the Fund during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Shares Held at April 30, 2009 | Net Activity | Shares Held at April 30, 2010 | Income |
|--------------------------------------|----------------------------------|-----------------|----------------------------------|-----------|
| FFI Institutional Tax-Exempt Fund | 900,863 | 5,251,849 | 6,152,712 | \$ 16,547 |

(h) Represents the current yield as of report date.

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Fund's investments:

Investments in Securities

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|---------------------|-----------------------|---------|-----------------------|
| Assets: | | | | |
| Long-Term Investments ¹ | | \$ 454,395,769 | | \$ 454,395,769 |
| Short-Term Securities | \$ 6,152,712 | | | 6,152,712 |
| Total | \$ 6,152,712 | \$ 454,395,769 | | \$ 460,548,481 |

¹ See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

Statements of Assets and Liabilities

| April 30, 2010 | BlackRock MuniYield Fund, Inc. (MYD) | BlackRock MuniYield Quality Fund, Inc. (MQY) | BlackRock MuniYield Quality Fund II, Inc. (MQT) |
|---|---|--|---|
| Assets | | | |
| Investments at value unaffiliated | \$ 999,020,470 | \$ 712,904,729 | \$ 454,395,769 |
| Investments at value affiliated | 2,366,896 | 8,066,496 | 6,152,712 |
| Interest receivable | 16,973,869 | 9,852,852 | 6,350,275 |
| Investments sold receivable | 3,127,794 | 124,284 | 176,470 |
| Income receivable affiliated | 351 | 256 | |
| Other assets | 92,921 | 67,702 | |
| Prepaid expenses | 75,414 | 43,885 | 31,204 |
| Total assets | 1,021,657,715 | 731,060,204 | 467,106,430 |
| Accrued Liabilities | | | |
| Bank overdraft | 237,972 | 258 | |
| Investments purchased payable | 19,809,593 | 1,657,092 | 1,072,236 |
| Income dividends payable Common Shares | 3,478,416 | 2,266,682 | 1,498,584 |
| Investment advisory fees payable | 433,322 | 315,913 | 202,426 |
| Interest expense and fees payable | 95,834 | 107,394 | 63,194 |
| Officers and Directors fees payable | 94,995 | 69,180 | 961 |
| Other affiliates payable | 6,095 | 4,463 | 2,868 |
| Other accrued expenses payable | 134,402 | 84,692 | 86,804 |
| Total accrued liabilities | 24,290,629 | 4,505,674 | 2,927,073 |
| Other Liabilities | | | |
| Trust certificates ³ | 115,268,623 | 104,741,373 | 63,189,533 |
| Total Liabilities | 139,559,252 | 109,247,047 | 66,116,606 |
| Preferred Shares at Redemption Value | | | |
| \$25,000 per share liquidation preference, plus unpaid dividends ^{4,5} | 251,490,542 | 176,652,927 | 116,594,518 |
| Net Assets Applicable to Common Shareholders | \$ 630,607,921 | \$ 445,160,230 | \$ 284,395,306 |

Net Assets Applicable to Common Shareholders Consist of

| | | | |
|--|----------------|----------------|----------------|
| Paid-in capital ⁶ | \$ 623,685,363 | \$ 426,303,816 | \$ 286,661,528 |
| Undistributed net investment income | 12,398,563 | 7,532,809 | 5,445,245 |
| Accumulated net realized loss | (20,078,929) | (3,677,775) | (13,245,115) |
| Net unrealized appreciation/depreciation | 14,602,924 | 15,001,380 | 5,533,648 |

| | | | |
|---|-----------------------|-----------------------|-----------------------|
| Net Assets Applicable to Common Shareholders | \$ 630,607,921 | \$ 445,160,230 | \$ 284,395,306 |
|---|-----------------------|-----------------------|-----------------------|

| | | | |
|----------------------------------|----------|----------|----------|
| Net asset value per Common Share | \$ 13.87 | \$ 14.63 | \$ 12.71 |
|----------------------------------|----------|----------|----------|

| | | | |
|---|----------------|----------------|----------------|
| ¹ Investments at cost unaffiliated | \$ 984,417,546 | \$ 697,903,349 | \$ 448,862,121 |
|---|----------------|----------------|----------------|

| | | | |
|---|--------------|--------------|--------------|
| ² Investments at cost affiliated | \$ 2,366,896 | \$ 8,066,496 | \$ 6,152,712 |
|---|--------------|--------------|--------------|

³ Represents short-term floating rate certificates issued by tender option bond trusts.

⁴ Preferred Shares outstanding:

| | | | |
|----------------------------|--------|-------|-------|
| Par value \$0.05 per share | 10,058 | 7,065 | 4,371 |
|----------------------------|--------|-------|-------|

| | | | |
|----------------------------|--|--|-----|
| Par value \$0.10 per share | | | 292 |
|----------------------------|--|--|-----|

| | | | |
|--|--------|--------|-------|
| ⁵ Preferred Shares authorized | 13,720 | 10,000 | 6,400 |
|--|--------|--------|-------|

| | | | |
|---|------------|------------|------------|
| ⁶ Common Shares outstanding, 200 million shares authorized, \$0.10 par value | 45,469,492 | 30,425,258 | 22,366,930 |
|---|------------|------------|------------|

See Notes to Financial Statements.

Statements of Operations

| Year Ended April 30, 2010 | BlackRock MuniYield Fund, Inc. (MYD) | BlackRock MuniYield Quality Fund, Inc. (MQY) | BlackRock MuniYield Quality Fund II, Inc. (MQT) |
|--|---|--|---|
| Investment Income | | | |
| Interest | \$ 54,133,528 | \$ 35,214,741 | \$ 22,934,158 |
| Income affiliated | 26,214 | 31,049 | 16,547 |
| Total income | 54,159,742 | 35,245,790 | 22,950,705 |
| Expenses | | | |
| Investment advisory | 4,737,525 | 3,535,699 | 2,267,315 |
| Commissions for Preferred Shares | 385,503 | 272,261 | 178,945 |
| Accounting services | 279,704 | 190,946 | 138,865 |
| Officer and Directors | 97,415 | 74,976 | 33,498 |
| Professional | 95,337 | 81,603 | 70,998 |
| Transfer agent | 84,420 | 52,215 | 49,937 |
| Printing | 49,134 | 50,951 | 20,899 |
| Custodian | 46,195 | 32,901 | 23,101 |
| Registration | 16,200 | 10,436 | 9,221 |
| Miscellaneous | 130,818 | 105,479 | 86,899 |
| Total expenses excluding interest expense and fees | 5,922,251 | 4,407,467 | 2,879,678 |
| Interest expense and fees ¹ | 776,013 | 766,150 | 456,799 |
| Total expenses | 6,698,264 | 5,173,617 | 3,336,477 |
| Less fees waived by advisor | (9,152) | (11,873) | (7,206) |
| Total expenses after fees waived | 6,689,112 | 5,161,744 | 3,329,271 |
| Net investment income | 47,470,630 | 30,084,046 | 19,621,434 |
| Realized and Unrealized Gain (Loss) | | | |
| Net realized gain (loss) from: | | | |
| Investments | (4,570,493) | (911,927) | (1,669,326) |
| Financial futures contracts | (807) | 25,886 | 16,925 |
| | (4,571,300) | (886,041) | (1,652,401) |

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| | | | |
|---|-------------|------------|------------|
| Net change in unrealized appreciation/depreciation on investments | 102,778,505 | 38,430,188 | 25,078,147 |
| Total realized and unrealized gain | 98,207,205 | 37,544,147 | 23,425,746 |

Dividends to Preferred Shareholders From

| | | | |
|-----------------------|-------------|-------------|-----------|
| Net investment income | (1,562,302) | (1,193,624) | (620,113) |
|-----------------------|-------------|-------------|-----------|

Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations

| | | | |
|--|----------------|---------------|---------------|
| | \$ 144,115,533 | \$ 66,434,569 | \$ 42,427,067 |
|--|----------------|---------------|---------------|

¹ Related to tender option bond trusts.

See Notes to Financial Statements.

Statements of Changes in Net Assets

BlackRock MuniYield Fund, Inc. (MYD)

| | Year Ended April 30, 2010 | Period November 1, 2008 to April 30, 2009 | Year Ended October 31, 2008 |
|---|---------------------------------|---|-----------------------------------|
| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | | | |
| Operations | | | |
| Net investment income | \$ 47,470,630 | \$ 22,185,193 | \$ 46,456,245 |
| Net realized loss | (4,571,300) | (3,920,385) | (6,301,395) |
| Net change in unrealized appreciation/depreciation | 102,778,505 | 38,914,225 | (157,567,039) |
| Dividends to Preferred Shareholders from net investment income | (1,562,302) | (1,788,996) | (12,071,923) |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | 144,115,533 | 55,390,037 | (129,484,112) |
| Dividends to Common Shareholders From | | | |
| Net investment income | (38,074,020) | (17,560,799) | (36,001,360) |
| Capital Share Transactions | | | |
| Reinvestment of common dividends | 976,688 | 815,938 | 2,855,713 |
| Net Assets Applicable to Common Shareholders | | | |
| Total increase (decrease) in net assets applicable to Common Shareholders | 107,018,201 | 38,645,176 | (162,629,759) |
| Beginning of period | 523,589,720 | 484,944,544 | 647,574,303 |
| End of period | \$ 630,607,921 | \$ 523,589,720 | \$ 484,944,544 |
| Undistributed net investment income | \$ 12,398,563 | \$ 4,628,987 | \$ 1,916,633 |

BlackRock MuniYield Quality Fund, Inc. (MQY)

| | Year Ended April 30, 2010 | Period November 1, 2008 to April 30, 2009 | Year Ended October 31, 2008 |
|---|---------------------------------|---|-----------------------------------|
| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | | | |

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Operations

| | | | |
|---|---------------|---------------|---------------|
| Net investment income | \$ 30,084,046 | \$ 13,886,963 | \$ 29,446,444 |
| Net realized loss | (886,041) | (794,982) | (1,309,516) |
| Net change in unrealized appreciation/depreciation | 38,430,188 | 46,913,056 | (93,093,592) |
| Dividends and distributions to Preferred Shareholders from: | | | |
| Net investment income | (1,193,624) | (1,262,709) | (8,220,460) |
| Net realized gain | | | (984,160) |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | 66,434,569 | 58,742,328 | (74,161,284) |

Dividends and Distributions to Common Shareholders From

| | | | |
|--|--------------|--------------|--------------|
| Net investment income | (25,070,412) | (10,405,438) | (20,810,877) |
| Net realized gain | | | (2,225,942) |
| Decrease in net assets resulting from dividends and distributions to Common Shareholders | (25,070,412) | (10,405,438) | (23,036,819) |

Net Assets Applicable to Common Shareholders

| | | | |
|---|----------------|----------------|----------------|
| Total increase (decrease) in net assets applicable to Common Shareholders | 41,364,157 | 48,336,890 | (97,198,103) |
| Beginning of period | 403,796,073 | 355,459,183 | 452,657,286 |
| End of period | \$ 445,160,230 | \$ 403,796,073 | \$ 355,459,183 |
| Undistributed net investment income | \$ 7,532,809 | \$ 3,770,892 | \$ 1,484,576 |

See Notes to Financial Statements.

Statements of Changes in Net Assets

BlackRock MuniYield Quality Fund II, Inc. (MQT)

| | Year Ended April 30, 2010 | Period November 1, 2008 to April 30, 2009 | Year Ended October 31, 2008 |
|---|---------------------------------|---|-----------------------------------|
| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | | | |
| Operations | | | |
| Net investment income | \$ 19,621,434 | \$ 9,157,790 | \$ 19,297,921 |
| Net realized loss | (1,652,401) | (4,247,291) | (1,157,479) |
| Net change in unrealized appreciation/depreciation | 25,078,147 | 33,306,545 | (66,060,322) |
| Dividends to Preferred Shareholders from net investment income | (620,113) | (795,547) | (5,769,792) |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | 42,427,067 | 37,421,497 | (53,689,672) |
| Dividends to Common Shareholders From | | | |
| Net investment income | (16,294,309) | (6,710,079) | (13,420,158) |
| Net Assets Applicable to Common Shareholders | | | |
| Total increase (decrease) in net assets applicable to Common Shareholders | 26,132,758 | 30,711,418 | (67,109,830) |
| Beginning of period | 258,262,548 | 227,551,130 | 294,660,960 |
| End of period | \$ 284,395,306 | \$ 258,262,548 | \$ 227,551,130 |
| Undistributed net investment income | \$ 5,445,245 | \$ 2,756,513 | \$ 1,161,024 |

See Notes to Financial Statements.

Statements of Cash Flows

| Year Ended April 30, 2010 | BlackRock MuniYield Fund, Inc. (MYD) | BlackRock MuniYield Quality Fund, Inc. (MQY) | BlackRock MuniYield Quality Fund II, Inc. (MQT) |
|---|---|--|---|
| Cash Provided by Operating Activities | | | |
| Net increase in net assets resulting from operations, excluding dividends to Preferred Shareholders | \$ 145,677,835 | \$ 67,628,193 | \$ 43,047,180 |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities: | | | |
| (Increase) decrease in interest receivable | (1,589,273) | 250,558 | 227,414 |
| Increase in other assets | (53,673) | (39,126) | |
| Increase in income receivable affiliated | (55) | (83) | |
| (Increase) decrease in prepaid expenses | (13,645) | 1,695 | 609 |
| Increase in investment advisory fees payable | 85,159 | 45,057 | 27,062 |
| Decrease in interest expense and fees payable | (80,205) | (168,453) | (131,760) |
| Increase in other affiliates payable | 1,219 | 411 | 524 |
| Decrease in accrued expenses payable | (14,158) | (48,965) | (4,624) |
| Increase in Officers and Directors payable | 54,087 | 39,363 | 309 |
| Net realized and unrealized gain | (98,154,339) | (37,479,135) | (23,408,821) |
| Amortization of premium and discount on investments | 804,457 | (1,680,759) | (1,809,738) |
| Proceeds from sales of long-term investments | 326,497,312 | 131,184,453 | 112,514,370 |
| Purchases of long-term investments | (365,018,541) | (149,944,963) | (123,471,456) |
| Net proceeds from sales (net purchases) of short-term securities | (261,864) | 2,842,658 | 2,549,166 |
| Cash provided by operating activities | 7,934,316 | 12,630,904 | 9,540,235 |
| Cash Used for Financing Activities | | | |
| Payment on redemption of Preferred Shares | (20,050,000) | (15,375,000) | (11,675,000) |
| Cash receipts from trust certificates | 45,131,547 | 35,808,574 | 25,628,483 |
| Cash payments for trust certificates | | (7,398,787) | (6,995,000) |
| Cash dividends paid to Common Shareholders | (36,523,999) | (24,537,970) | (15,914,072) |
| Cash dividends paid to Preferred Shareholders | (1,569,021) | (1,200,326) | (628,253) |
| Increase in bank overdraft | 237,972 | 258 | |
| Cash used for financing activities | (12,773,501) | (12,703,251) | (9,583,842) |
| Cash | | | |
| Net decrease in cash | (4,839,185) | (72,347) | (43,607) |
| Cash at beginning of year | 4,839,185 | 72,347 | 43,607 |
| Cash at end of year | | | |

Cash Flow Information

| | | | | | | |
|--|----|---------|----|---------|----|---------|
| Cash paid during the year for interest | \$ | 856,218 | \$ | 934,603 | \$ | 588,559 |
|--|----|---------|----|---------|----|---------|

Noncash Financing Activities

| | | |
|---|----|---------|
| Capital shares issued in reinvestment of dividends paid to shareholders | \$ | 976,688 |
|---|----|---------|

A Statement of Cash Flows is presented when a Fund had a significant amount of borrowing during the year, based on the average borrowing outstanding in relation to total assets.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Fund, Inc. (MYD)

| | Year Ended April 30, 2010 | Period November 1, 2008 to, April 30, 2009 | Year Ended October 31, | | | |
|---|------------------------------------|---|------------------------|----------|---------------------|---------------------|
| | | | 2008 | 2007 | 2006 | 2005 |
| Per Share Operating Performance | | | | | | |
| Net asset value, beginning of period | \$ 11.53 | \$ 10.70 | \$ 14.36 | \$ 14.98 | \$ 14.48 | \$ 14.31 |
| Net investment income ¹ | 1.04 | 0.49 | 1.03 | 1.05 | 1.08 | 1.11 |
| Net realized and unrealized gain (loss) | 2.17 | 0.77 | (3.62) | (0.57) | 0.61 | 0.21 |
| Dividends and distributions to Preferred Shareholders from: | | | | | | |
| Net investment income | (0.03) | (0.04) | (0.27) | (0.28) | (0.25) | (0.16) |
| Net realized gain | | | | | (0.00) ² | |
| Net increase (decrease) from investment operations | 3.18 | 1.22 | (2.86) | 0.20 | 1.44 | 1.16 |
| Dividends and distributions to Common Shareholders from: | | | | | | |
| Net investment income | (0.84) | (0.39) | (0.80) | (0.82) | (0.94) | (0.99) |
| Net realized gain | | | | | (0.00) ² | |
| Total dividends and distributions to Common Shareholders | (0.84) | (0.39) | (0.80) | (0.82) | (0.94) | (0.99) |
| Capital charges with respect to issuance of Preferred Shares | | | | | 0.00 ₃ | (0.00) ² |
| Net asset value, end of period | \$ 13.87 | \$ 11.53 | \$ 10.70 | \$ 14.36 | \$ 14.98 | \$ 14.48 |
| Market price, end of period | \$ 13.70 | \$ 11.45 | \$ 9.66 | \$ 13.72 | \$ 15.76 | \$ 14.20 |
| Total Investment Return⁴ | | | | | | |
| Based on net asset value | 28.44% | 11.76% ⁵ | (20.69)% | 1.40% | 10.30% | 8.38% |
| Based on market price | 27.75% | 22.93% ⁵ | (25.06)% | (7.91)% | 18.33% | 10.69% |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | |

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| | | | | | | |
|---|-------|--------------------|-------|-------|-------|-------|
| Total expenses ⁶ | 1.14% | 1.25% ⁷ | 1.38% | 1.23% | 1.29% | 1.26% |
| Total expenses after fees waived ⁶ | 1.14% | 1.24% ⁷ | 1.38% | 1.22% | 1.29% | 1.26% |
| Total expenses after fees waived and excluding interest expense and fees ^{6,8} | 1.01% | 1.09% ⁷ | 1.06% | 1.01% | 1.01% | 1.02% |
| Net investment income ⁶ | 8.08% | 9.20% ⁷ | 7.65% | 7.14% | 7.35% | 7.55% |
| Dividends to Preferred Shareholders | 0.27% | 0.74% ⁷ | 1.99% | 1.88% | 1.71% | 1.10% |
| Net investment income to Common Shareholders | 7.81% | 8.46% ⁷ | 5.66% | 5.26% | 5.64% | 6.45% |

Supplemental Data

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| Net assets applicable to Common Shareholders, end of period (000) | \$ 630,608 | \$ 523,590 | \$ 484,945 | \$ 647,574 | \$ 672,367 | \$ 644,825 |
| Preferred Shares outstanding at \$25,000 liquidation preference, end of period (000) | \$ 251,450 | \$ 271,500 | \$ 271,500 | \$ 343,000 | \$ 343,000 | \$ 343,000 |
| Portfolio turnover | 35% | 7% | 20% | 18% | 32% | 30% |
| Asset coverage per Preferred Share at \$25,000 liquidation preference, end of period | \$ 87,701 | \$ 73,217 | \$ 69,695 | \$ 72,218 | \$ 74,034 | \$ 72,008 |

¹ Based on average shares outstanding.

² Amount is less than \$(0.01) per share.

³ Amount is less than \$0.01 per share.

⁴ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Aggregate total investment return.

⁶ Do not reflect the effect of dividends to Preferred Shareholders.

⁷ Annualized.

⁸ Interest expense and fees relate to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Quality Fund, Inc. (MQY)

| | Year Ended April 30, 2010 | Period November 1, 2008 to, April 30, 2009 | Year Ended October 31, | | | |
|---|---------------------------------|---|------------------------|----------|---------------------|----------|
| | | | 2008 | 2007 | 2006 | 2005 |
| Per Share Operating Performance | | | | | | |
| Net asset value, beginning of period | \$ 13.27 | \$ 11.68 | \$ 14.88 | \$ 15.32 | \$ 15.02 | \$ 15.54 |
| Net investment income ¹ | 0.99 | 0.46 | 0.97 | 0.97 | 0.99 | 0.99 |
| Net realized and unrealized gain (loss) | 1.23 | 1.51 | (3.12) | (0.42) | 0.37 | (0.39) |
| Dividends and distributions to Preferred Shareholders from: | | | | | | |
| Net investment income | (0.04) | (0.04) | (0.27) | (0.30) | (0.27) | (0.14) |
| Net realized gain | | | (0.03) | | | |
| Net increase (decrease) from investment operations | 2.18 | 1.93 | (2.45) | 0.25 | 1.09 | 0.46 |
| Dividends and distributions to Common Shareholders from: | | | | | | |
| Net investment income | (0.82) | (0.34) | (0.68) | (0.69) | (0.79) | (0.96) |
| Net realized gain | | | (0.07) | | | |
| Total dividends and distributions to Common Shareholders | (0.82) | (0.34) | (0.75) | (0.69) | (0.79) | (0.96) |
| Capital charges with respect to issuance of Preferred Shares | | | | | (0.00) ² | (0.02) |
| Net asset value, end of period | \$ 14.63 | \$ 13.27 | \$ 11.68 | \$ 14.88 | \$ 15.32 | \$ 15.02 |
| Market price, end of period | \$ 14.48 | \$ 12.32 | \$ 10.90 | \$ 13.20 | \$ 14.48 | \$ 14.27 |
| Total Investment Return³ | | | | | | |
| Based on net asset value | 17.12% | 17.07% ⁴ | (16.79)% | 2.00% | 7.78% | 3.10% |
| Based on market price | 24.86% | 16.47% ⁴ | (12.47)% | (4.26)% | 7.22% | 2.64% |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | |

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| | | | | | | |
|---|-------|--------------------|-------|-------|-------|-------|
| Total expenses ⁵ | 1.20% | 1.43% ⁶ | 1.76% | 1.71% | 1.76% | 1.45% |
| Total expenses after fees waived ⁵ | 1.20% | 1.42% ⁶ | 1.75% | 1.71% | 1.75% | 1.44% |
| Total expenses after fees waived and excluding interest expense and fees ^{5,7} | 1.02% | 1.13% ⁶ | 1.10% | 1.04% | 1.04% | 0.96% |
| Net investment income ⁵ | 6.98% | 7.58% ⁶ | 6.89% | 6.46% | 6.61% | 6.46% |
| Dividends to Preferred Shareholders | 0.28% | 0.69% ⁶ | 1.92% | 2.01% | 1.80% | 0.93% |
| Net investment income to Common Shareholders | 6.70% | 6.89% ⁶ | 4.97% | 4.45% | 4.81% | 5.53% |

Supplemental Data

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| Net assets applicable to Common Shareholders, end of period (000) | \$ 445,160 | \$ 403,796 | \$ 355,459 | \$ 452,657 | \$ 466,002 | \$ 456,886 |
| Preferred Shares outstanding at \$25,000 liquidation preference, end of period (000) | \$ 176,625 | \$ 192,000 | \$ 192,000 | \$ 250,000 | \$ 250,000 | \$ 250,000 |
| Portfolio turnover | 19% | 13% | 20% | 24% | 33% | 29% |
| Asset coverage per Preferred Share at \$25,000 liquidation preference, end of period | \$ 88,013 | \$ 77,582 | \$ 71,318 | \$ 70,282 | \$ 71,614 | \$ 70,701 |

¹ Based on average shares outstanding.

² Amount is less than \$(0.01) per share.

³ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Aggregate total investment return.

⁵ Do not reflect the effect of dividends to Preferred Shareholders.

⁶ Annualized.

⁷ Interest expense and fees relate to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Quality Fund II, Inc. (MQT)

| | Year Ended April 30, 2010 | Period November 1, 2008 to, April 30, 2009 | Year Ended October 31, | | | |
|---|---------------------------------|--|------------------------|----------|-------------------|----------|
| | | | 2008 | 2007 | 2006 | 2005 |
| Per Share Operating Performance | | | | | | |
| Net asset value, beginning of period | \$ 11.55 | \$ 10.17 | \$ 13.17 | \$ 13.64 | \$ 13.36 | \$ 13.72 |
| Net investment income ¹ | 0.88 | 0.41 | 0.86 | 0.86 | 0.86 | 0.89 |
| Net realized and unrealized gain (loss) | 1.04 | 1.31 | (3.00) | (0.46) | 0.37 | (0.25) |
| Dividends to Preferred Shareholders from net investment income | (0.03) | (0.04) | (0.26) | (0.26) | (0.24) | (0.14) |
| Net increase (decrease) from investment operations | 1.89 | 1.68 | (2.40) | 0.14 | 0.99 | 0.50 |
| Dividends to Common Shareholders from net investment income | (0.73) | (0.30) | (0.60) | (0.61) | (0.71) | (0.85) |
| Capital charges with respect to issuance of Preferred Shares | | | | | 0.00 ₂ | (0.01) |
| Net asset value, end of period | \$ 12.71 | \$ 11.55 | \$ 10.17 | \$ 13.17 | \$ 13.64 | \$ 13.36 |
| Market price, end of period | \$ 12.52 | \$ 10.16 | \$ 8.75 | \$ 11.60 | \$ 12.93 | \$ 12.86 |
| Total Investment Return³ | | | | | | |
| Based on net asset value | 17.15% | 17.27% ⁴ | (18.42)% | 1.39% | 7.98% | 3.98% |
| Based on market price | 31.18% | 19.90% ⁴ | (20.31)% | (5.79)% | 6.34% | 8.21% |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | |
| Total expenses ⁵ | 1.21% | 1.52% ⁶ | 1.80% | 1.73% | 1.66% | 1.49% |
| Total expenses after fees waived ⁵ | 1.21% | 1.52% ⁶ | 1.79% | 1.72% | 1.66% | 1.49% |
| Total expenses after fees waived and excluding interest expense and fees ^{5,7} | 1.04% | 1.18% ⁶ | 1.12% | 1.06% | 1.05% | 1.03% |

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| | | | | | | |
|--|-------|--------------------|-------|-------|-------|-------|
| Net investment income ⁵ | 7.13% | 7.86% ⁶ | 6.96% | 6.39% | 6.44% | 6.51% |
| Dividends to Preferred Shareholders | 0.23% | 0.68% ⁶ | 2.08% | 1.97% | 1.78% | 1.03% |
| Net investment income to Common Shareholders | 6.90% | 7.18% ⁶ | 4.88% | 4.42% | 4.66% | 5.48% |

Supplemental Data

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| Net assets applicable to Common Shareholders, end of period (000) | \$ 284,395 | \$ 258,263 | \$ 227,551 | \$ 294,661 | \$ 305,111 | \$ 298,722 |
| Preferred Shares outstanding at \$25,000 liquidation preference, end of period (000) | \$ 116,575 | \$ 128,250 | \$ 128,250 | \$ 160,000 | \$ 160,000 | \$ 160,000 |
| Portfolio turnover | 25% | 9% | 17% | 20% | 37% | 29% |
| Asset coverage per Preferred Share at \$25,000 liquidation preference, end of period | \$ 85,994 | \$ 75,349 | \$ 69,420 | \$ 71,065 | \$ 72,693 | \$ 71,676 |

¹ Based on average shares outstanding.

² Amount is less than \$0.01 per share.

³ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Aggregate total investment return.

⁵ Do not reflect the effect of dividends to Preferred Shareholders.

⁶ Annualized.

⁷ Interest expense and fees relate to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

Notes to Financial Statements

1. Organization and Significant Accounting Policies:

BlackRock MuniYield Fund, Inc. (MYD), BlackRock MuniYield Quality Fund, Inc. (MQY) and BlackRock MuniYield Quality Fund II, Inc. (MQT) (collectively the Funds) are registered under the Investment Company Act of 1940, as amended (the 1940 Act), as non-diversified, closed-end management investment companies. The Funds are organized as Maryland corporations. The Funds' financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), which may require the use of management accruals and estimates. Actual results may differ from these estimates. The Funds determine and make available for publication the net asset values of their Common Shares on a daily basis.

The following is a summary of significant accounting policies followed by the Funds:

Valuation: The Funds' policy is to fair value their financial instruments at market value using independent dealers or pricing services selected under the supervision of the Board of Directors (the Board). Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Short-term securities with remaining maturities of 60 days or less may be valued at amortized cost, which approximates fair value. Investments in open-end investment companies are valued at net asset value each business day.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment or is not available, the investment will be valued by a method approved by each Fund's Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the investment advisor and/or the sub-advisor seeks to determine the price that each Fund might reasonably expect to receive from the current sale of that asset in an arm's-length transaction. Fair value determinations shall be based upon all available factors that the investment advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof.

Forward Commitments and When-Issued Delayed Delivery Securities: The Funds may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale commitment is made. The Funds may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, the Funds may be required to pay more at settlement than the security is worth. In addition, the purchaser is not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed delivery basis, the Funds assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations. In the event of default by the counterparty, the Funds' maximum amount of loss is the unrealized gain of the commitment, which is shown on the Schedules of Investments, if any.

Municipal Bonds Transferred to Tender Option Bond Trusts: The Funds leverage their assets through the use of tender option bond trusts (TOBs). A TOB is established by a third party sponsor forming a special purpose entity, into which one or more funds, or an agent on behalf of the funds, transfers municipal bonds. Other funds managed by the investment advisor may also contribute municipal bonds to a TOB into which a Fund has contributed bonds. A TOB typically issues two classes of beneficial interests: short-term floating rate certificates, which are sold to third party investors, and residual certificates (TOB Residuals), which are generally issued to the participating funds that made the transfer. The TOB Residuals held by a Fund include the right of the Fund (1) to cause the holders of a proportional share of the short-term floating rate certificates to tender their certificates at par, and (2) to transfer, within seven days, a corresponding share of the municipal bonds from the TOB to the Funds. The TOB may also be terminated without the consent of the Fund upon the occurrence of certain events as defined in the TOB agreements. Such termination events may include the bankruptcy or default of the municipal bond, a substantial downgrade in credit quality of the municipal bond, the inability of the TOB to obtain quarterly or annual renewal of the liquidity support agreement, a substantial decline in market value of the municipal bond or the inability to remarket the short-term floating rate certificates to third party investors.

The cash received by the TOB from the sale of the short-term floating rate certificates, less transaction expenses, is paid to the Fund, which typically invests the cash in additional municipal bonds. Each Fund's transfer of the municipal bonds to a TOB is accounted for as a secured borrowing. Therefore the municipal bonds deposited into a TOB are presented in the Funds' Schedules of Investments and the proceeds from the issuance of the short-term floating rate certificates are shown as trust certificates in the Statements of Assets and Liabilities.

Notes to Financial Statements (continued)

Interest income from the underlying municipal bonds is recorded by the Funds on an accrual basis. Interest expense incurred on the secured borrowing and other expenses related to remarketing, administration and trustee services to a TOB are reported as expense and fees of the Funds. The short-term floating rate certificates have interest rates that generally reset weekly and their holders have the option to tender certificates to the TOB for redemption at par at each reset date. At April 30, 2010, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for trust certificates and the range of interest rates on the liability for trust certificates were as follows:

| | Underlying Municipal Bonds Transferred to TOBs | Liability for Trust Certificates | Range of Interest Rates |
|-----|--|--|-------------------------------|
| MYD | \$ 230,087,408 | \$ 115,268,623 | 0.21% 0.40% |
| MQY | \$ 209,411,317 | \$ 104,741,373 | 0.22% 0.70% |
| MQT | \$ 124,254,739 | \$ 63,189,533 | 0.23% 0.70% |

For the year ended April 30, 2010, the Funds' average trust certificates outstanding and the daily weighted average interest rate, including fees, were as follows:

| | Average Trust Certificates Outstanding | Daily Weighted Average Interest Rate |
|-----|--|--|
| MYD | \$ 102,810,647 | 0.75% |
| MQY | \$ 94,806,838 | 0.80% |
| MQT | \$ 58,271,551 | 0.78% |

Should short-term interest rates rise, the Funds' investments in TOBs may adversely affect the Funds' investment income and distributions to Common Shareholders. Also, fluctuations in the market value of municipal bonds deposited into the TOB may adversely affect the Funds' net asset value per share.

Zero-Coupon Bonds: The Funds may invest in zero-coupon bonds, which are normally issued at a significant discount from face value and do not provide for periodic interest payments. Zero-coupon bonds may experience greater volatility in market value than similar maturity debt obligations which provide for regular interest payments.

Segregation and Collateralization: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that the Funds either deliver collateral or segregate assets in connection with certain investments (e.g., financial futures contracts), each Fund will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on its books and records cash or other liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party has requirements to deliver/deposit securities as collateral for certain investments.

Investment Transactions and Investment Income: For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income, including amortization of premium and accretion of discount on debt securities, is recognized on the accrual basis.

Dividends and Distributions: Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. The amount and timing of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from US GAAP. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 7.

Income Taxes: It is each Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Each Fund files US federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Funds' US federal tax returns remains open for the year ended April 30, 2010, the period ended April 30, 2009 and each of the preceding three years ended October 31, 2008. The statutes of limitations on each of the Funds' state and local tax returns may remain open for an additional year depending upon the jurisdiction. There are no uncertain tax positions that require recognition of a tax liability.

Recent Accounting Standard: In January 2010, the Financial Accounting Standards Board issued amended guidance to improve disclosure about fair value measurements which will require additional disclosures about transfers into and out of Levels 1 and 2 and separate disclosures about purchases, sales, issuances and settlements in the reconciliation for fair value measurements using significant unobservable inputs (Level 3). It also clarifies existing disclosure requirements relating to the levels of disaggregation for fair value measurement and inputs and valuation techniques used to measure fair value. The amended guidance is effective for financial statements for fiscal years beginning after December 15, 2009, and interim periods within those fiscal years, except for disclosures about purchases, sales, issuances and settlements in the rollforward of activity in Level 3 fair value measurements, which are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. The impact of this guidance on the Funds' financial statements and disclosures is currently being assessed.

Notes to Financial Statements (continued)

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by each Fund's Board, non-interested Directors (Independent Directors) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of other certain BlackRock Closed-End Funds selected by the Independent Directors. This has approximately the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in other certain BlackRock Closed-End Funds.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Fund. Each Fund may, however, elect to invest in common shares of other certain BlackRock Closed-End Funds selected by the Independent Directors in order to match its deferred compensation obligations. Investments to cover each Fund's deferred compensation liability, if any, are included in other assets in the Statements of Assets and Liabilities. Dividends and distributions from the BlackRock Closed-End Fund investments under the plan are included in income affiliated in the Statements of Operations.

Other: Expenses directly related to a Fund are charged to that Fund. Other operating expenses shared by several funds are pro rated among those funds on the basis of relative net assets or other appropriate methods. The Funds have an arrangement with the custodian whereby fees may be reduced by credits earned on uninvested cash balances, which if applicable are shown as fees paid indirectly in the Statements of Operations. The custodian imposes fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

2. Derivative Financial Instruments:

The Funds may engage in various portfolio investment strategies both to increase the returns of the Funds and to economically hedge, or protect, their exposure to certain risks such as interest rate risk. Losses may arise if the value of the contract decreases due to an unfavorable change in the price of the underlying instrument or if the counterparty does not perform under the contract. To the extent amounts due to the Funds from their counterparties are not fully collateralized, contractually or otherwise, the Funds bear the risk of loss from counterparty non-performance. See Note 1 Segregation and Collateralization for information with respect to collateral practices. In addition, each Fund manages counterparty risk by entering into agreements only with counterparties that it believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Counterparty risk related to exchange-traded financial futures contracts is minimal because of the protection against defaults provided by the exchanges on which they trade.

Financial Futures Contracts: The Funds may purchase or sell financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk). Financial futures contracts are contracts for delayed delivery of securities at a specific future date and at a specific price or yield. Pursuant to the contract, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recognized by the Funds as unrealized gains or losses. When the contract is closed, the Funds record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures transactions involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest rates and the underlying assets.

Derivatives Categorized by Risk Exposure:

**The Effect of Derivative Instruments on the Statements of Operations
Year Ended April 30, 2010***

| | Net Realized Gain (Loss) from | | |
|-----------------------------|-------------------------------|-----------|-----------|
| | MYD | MQY | MQT |
| Interest rate contracts: | | | |
| Financial futures contracts | \$ (807) | \$ 25,886 | \$ 16,925 |

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* As of April 30, 2010, there were no financial futures contracts outstanding.
 For the year ended April 30, 2010, the average quarterly balance of outstanding derivative financial instruments was as follows:

| | MYD | MQY | MQT |
|---|---------------|------------|------------|
| Financial futures contracts: | | | |
| Average number of contracts purchased | 248 | 7 | 4 |
| Average number of contracts sold | 54 | | |
| Average notional value of contracts purchased | \$ 28,970,233 | \$ 747,514 | \$ 488,759 |
| Average notional value of contracts sold | \$ 6,398,382 | | |

3. Investment Advisory Agreement and Other Transactions with Affiliates:

The PNC Financial Services Group, Inc. (PNC), Bank of America Corporation (BAC) and Barclays Bank PLC (Barclays) are the largest stockholders of BlackRock, Inc. (BlackRock). Due to the ownership structure, PNC is an affiliate of the Funds for 1940 Act purposes, but BAC and Barclays are not.

Each Fund entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager), the Funds investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Fund s portfolio and provides the necessary personnel, facilities,

Notes to Financial Statements (continued)

equipment and certain other services necessary to the operations of each Fund. For such services, each Fund pays the Manager a monthly fee at an annual rate of 0.50% of the respective Fund's average daily net assets. Average daily net assets is the average daily value of the Funds' total assets minus the sum of its accrued liabilities.

The Manager has voluntarily agreed to waive its advisory fees by the amount of investment advisory fees the Funds pay to the Manager indirectly through their investments in affiliated money market funds; however, the Manager does not waive its advisory fees by the amount of investment advisory fees paid through the Funds' investments in other affiliated investment companies, if any. This amount is included in fees waived by advisor in the Statements of Operations.

The Manager has entered into a sub-advisory agreement with BlackRock Investment Management, LLC (BIM), an affiliate of the Manager. The Manager pays BIM for services it provides, a monthly fee that is a percentage of the investment advisory fees paid by each Fund to the Manager.

For the year ended April 30, 2010, the Funds reimbursed the Manager for certain accounting services, which are included in accounting services in the Statements of Operations. The reimbursements were as follows:

| | Reimbursement |
|-----|---------------|
| MYD | \$ 19,259 |
| MQY | \$ 14,088 |
| MQT | \$ 9,307 |

Certain officers and/or directors of the Funds are officers and/or directors of BlackRock or its affiliates. The Funds reimburse the Manager for compensation paid to the Funds' Chief Compliance Officer.

4. Investments:

Purchases and sales of investments, excluding short-term securities, for the year ended April 30, 2010 were as follows:

| | Purchases | Sales |
|-----|----------------|----------------|
| MYD | \$ 376,262,716 | \$ 324,292,601 |
| MQY | \$ 146,173,578 | \$ 128,366,828 |
| MQT | \$ 122,588,437 | \$ 108,844,704 |

5. Income Tax Information:

Reclassifications: Accounting principles generally accepted in the United States of America require that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. The following permanent differences as of April 30, 2010 attributable to amortization methods on fixed income securities, the reclassification of distributions, the expiration of capital loss carry-forwards and the sale of bonds received from tender option bond trusts were reclassified to the following accounts:

| | MYD | MQY | MQT |
|--|-----|-----|-----|
| | | | |

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| | | | |
|-------------------------------------|--------------|-------------|----------------|
| Paid-in capital | \$ (189,274) | \$ 21,284 | \$ (1,105,212) |
| Undistributed net investment income | \$ (64,732) | \$ (58,093) | \$ (18,280) |
| Accumulated net realized loss | \$ 254,006 | \$ 36,809 | \$ 1,123,492 |

The tax character of distributions paid during the fiscal year ended April 30, 2010, fiscal period November 1, 2008 through April 30, 2009 and the fiscal year ended October 31, 2008, were as follows:

| | MYD | MQY | MQT |
|--------------------------------|---------------|---------------|---------------|
| Tax-exempt income | | | |
| 4/30/10 | \$ 39,636,322 | \$ 26,264,036 | \$ 16,914,422 |
| 11/1/08 4/30/09 | \$ 19,158,960 | \$ 11,668,147 | \$ 7,505,626 |
| 10/31/08 | \$ 48,073,283 | \$ 29,031,337 | \$ 19,189,950 |
| Ordinary income | | | |
| 11/1/08 4/30/09 | \$ 190,835 | | |
| Long-term capital gains | | | |
| 10/31/08 | | \$ 3,210,102 | |
| Total distributions | | | |
| 4/30/10 | \$ 39,636,322 | \$ 26,264,036 | \$ 16,914,422 |
| 11/1/08 4/30/09 | \$ 19,349,795 | \$ 11,668,147 | \$ 7,505,626 |
| 10/31/08 | \$ 48,073,283 | \$ 32,241,439 | \$ 19,189,950 |

As of April 30, 2010, the tax components of accumulated net earnings (losses) were as follows:

| | MYD | MQY | MQT |
|---------------------------------|---------------|---------------|----------------|
| Undistributed tax-exempt income | \$ 11,411,014 | \$ 7,353,283 | \$ 5,062,806 |
| Undistributed ordinary income | 33,825 | 11,812 | 4,573 |
| Capital loss carryforwards | (17,006,131) | (3,150,412) | (9,847,948) |
| Net unrealized gains* | 12,483,850 | 14,641,731 | 2,514,347 |
| Total | \$ 6,922,558 | \$ 18,856,414 | \$ (2,266,222) |

* The differences between book-basis and tax-basis net unrealized gains were attributable primarily to the tax deferral of losses on wash sales, amortization methods for premiums and discounts on fixed income securities and the treatment of residual interests in tender option bond trusts.

As of April 30, 2010, the Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates:

| Expires April 30, | MYD | MQY | MQT |
|-------------------|-----|-----|--------------|
| 2012 | | | \$ 5,561,802 |

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| | | | |
|--------------|----------------------|---------------------|---------------------|
| 2016 | \$ 11,743,926 | \$ 2,229,309 | 493,401 |
| 2017 | 4,065,755 | 704,337 | 3,726,056 |
| 2018 | 1,196,450 | 216,766 | 66,689 |
| Total | \$ 17,006,131 | \$ 3,150,412 | \$ 9,847,948 |

Notes to Financial Statements (continued)

6. Concentration, Market and Credit Risk:

Each Fund invests a substantial amount of its assets in issuers located in a single state or limited number of states. Please see Schedules of Investments for concentrations in specific states.

Many municipalities insure repayment of their bonds, which may reduce the potential for loss due to credit risk. The market value of these bonds may fluctuate for other reasons, including market perception of the value of such insurance, and there is no guarantee that the insurer will meet its obligation.

In the normal course of business, the Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (credit risk). The value of securities held by the Funds may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to credit risk, the Funds may be exposed to counterparty risk, or the risk that an entity with which the Funds have unsettled or open transactions may default. The Funds manage counterparty risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to credit and counterparty risks, consist principally of investments and cash due from counterparties. The extent of the Funds' exposure to credit and counterparty risks with respect to these financial assets is generally approximated by their value recorded in the Funds' Statements of Assets and Liabilities, less any collateral held by the Funds.

7. Capital Share Transactions:

Each Fund is authorized to issue 200 million shares, all of which were initially classified as Common Shares. The par value for each Fund's Common Shares is \$0.10. The par value for each Fund's Preferred Shares is \$0.05 except MQT, Series D which is \$0.10. Each Board is authorized, however, to reclassify any unissued shares without approval of Common Shareholders.

Common Shares

For the periods shown, shares issued and outstanding increased by the following amounts as a result of dividend reinvestment:

| | Year Ended April 30, 2010 | Period November 1, 2008 to April 30, 2009 | Year Ended October 31, 2008 |
|-----|---------------------------------|--|-----------------------------------|
| MYD | 77,563 | 73,715 | 210,884 |

Shares issued and outstanding remained constant for MQY and MQT for the year ended April 30, 2010, the period ended April 30, 2009 and the year ended October 31, 2008.

Preferred Shares

The Preferred Shares are redeemable at the option of each Fund, in whole or in part, on any dividend payment date at their liquidation preference per share plus any accumulated and unpaid dividends whether or not declared. The Preferred Shares are also subject to mandatory redemption at their liquidation preference plus any accumulated and unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of a Fund, as set forth in each Fund's Articles Supplementary (the "Governing Instrument") are not satisfied.

From time to time in the future, each Fund may effect repurchases of its Preferred Shares at prices below their liquidation preference as agreed upon by the Fund and seller. Each Fund also may redeem its Preferred Shares from time to time as provided in the applicable Governing

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Instrument. Each Fund intends to effect such redemptions and/or repurchases to the extent necessary to maintain applicable asset coverage requirements or for such other reasons as the Board may determine.

The holders of Preferred Shares have voting rights equal to the holders of Common Shares (one vote per share) and will vote together with holders of Common Shares (one vote per share) as a single class. However, the holders of Preferred Shares, voting as a separate class, are also entitled to elect two Directors for each Fund. In addition, the 1940 Act requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding Preferred Shares, voting separately as a class would be required to (a) adopt any plan of reorganization that would adversely affect the Preferred Shares, (b) change a Fund's sub-classification as a closed-end investment company or change its fundamental investment restrictions or (c) change its business so as to cease to be an investment company.

Notes to Financial Statements (continued)

The Funds had the following series of Preferred Shares outstanding, effective yields and reset frequency as of April 30, 2010:

| | Series | Preferred Shares | Effective Yield | Reset Frequency Days |
|-----|--------|------------------|-----------------|----------------------|
| MYD | A | 1,320 | 0.40% | 28 |
| | B | 1,320 | 0.46% | 28 |
| | C | 1,320 | 0.47% | 28 |
| | D | 1,320 | 0.50% | 28 |
| | E | 2,052 | 0.47% | 7 |
| | F | 1,260 | 0.47% | 7 |
| | G | 1,466 | 1.54% | 7 |
| MQY | A | 1,413 | 0.44% | 28 |
| | B | 1,413 | 0.49% | 7 |
| | C | 1,413 | 0.49% | 28 |
| | D | 1,413 | 0.47% | 7 |
| | E | 1,413 | 1.54% | 7 |
| MQT | A | 1,457 | 0.37% | 28 |
| | B | 1,457 | 0.47% | 28 |
| | C | 1,457 | 0.49% | 7 |
| | D | 292 | 1.54% | 7 |

Dividends on seven-day and 28-day Preferred Shares are cumulative at a rate, which is reset every seven or 28 days, respectively, based on the results of an auction. If the Preferred Shares fail to clear the auction on an auction date, each Fund is required to pay the maximum applicable rate on the Preferred Shares to holders of such shares for successive dividend periods until such time as the shares are successfully auctioned. The maximum applicable rate on all series of Preferred Shares (except MYD Series G, MQY Series E and MQT Series D) is the higher of 110% of the AA commercial paper rate or 100% of 90% of the Kenny S&P 30-day High Grade Index divided by 1.00 minus the marginal tax rate. The maximum applicable rate on the Preferred Shares of MYD Series G, MQY Series E and MQT Series D is the higher of 110% of the Telerate/BBA LIBOR or 110% of 90% of the Kenney S&P 30-day High Grade Index rate divided by 1.00 minus the marginal tax rate. The low, high and average dividend rates on the Preferred Shares for each Fund for the year ended April 30, 2010 were as follows:

| | Series | Low | High | Average |
|-----|--------|-------|-------|---------|
| MYD | A | 0.26% | 0.72% | 0.47% |
| | B | 0.31% | 0.75% | 0.47% |
| | C | 0.27% | 0.79% | 0.46% |
| | D | 0.35% | 0.79% | 0.47% |
| | E | 0.26% | 0.79% | 0.45% |
| | F | 0.26% | 0.79% | 0.45% |
| | G | 1.32% | 1.82% | 1.51% |
| MQY | A | 0.26% | 0.72% | 0.46% |
| | B | 0.24% | 0.79% | 0.45% |
| | C | 0.32% | 0.79% | 0.45% |
| | D | 0.24% | 0.76% | 0.45% |
| | E | 1.32% | 1.82% | 1.51% |

| | | | | |
|-----|---|-------|-------|-------|
| MQT | A | 0.26% | 0.72% | 0.45% |
| | B | 0.34% | 0.73% | 0.46% |
| | C | 0.24% | 0.79% | 0.44% |
| | D | 1.32% | 1.82% | 1.51% |

Since February 13, 2008, the Preferred Shares of the Funds failed to clear any of their auctions. As a result, the Preferred Shares dividend rates were reset to the maximum applicable rate, which ranged from 0.24% to 1.82% for the year ended April 30, 2010. A failed auction is not an event of default for the Funds but it has a negative impact on the liquidity of Preferred Shares. A failed auction occurs when there are more sellers of a Fund's auction rate preferred shares than buyers. A successful auction for the Funds' Preferred Shares may not occur for some time, if ever, and even if liquidity does resume, holders of the Preferred Shares may not have the ability to sell the Preferred Shares at their liquidation preference.

The Funds may not declare dividends or make other distributions on Common Shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding Preferred Shares is less than 200%.

The Funds pay commissions of 0.25% on the aggregate principal amount of all shares that successfully clear their auctions and 0.15% on the aggregate principal amount of all shares that fail to clear their auctions. Certain broker dealers have individually agreed to reduce commissions for failed auctions.

Notes to Financial Statements (concluded)

During the year ended April 30, 2010, the Funds announced the following redemptions of Preferred Shares at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:

| | Series | Redemption Date | Shares Redeemed | Aggregate Principal |
|-----|--------|-----------------|-----------------|---------------------|
| MYD | A | 7/29/09 | 105 | \$ 2,625,000 |
| | B | 7/08/09 | 105 | \$ 2,625,000 |
| | C | 7/22/09 | 105 | \$ 2,625,000 |
| | D | 7/15/09 | 105 | \$ 2,625,000 |
| | E | 7/08/09 | 164 | \$ 4,100,000 |
| | F | 7/09/09 | 101 | \$ 2,525,000 |
| | G | 7/06/09 | 117 | \$ 2,925,000 |
| MQY | A | 8/04/09 | 123 | \$ 3,075,000 |
| | B | 7/14/09 | 123 | \$ 3,075,000 |
| | C | 7/17/09 | 123 | \$ 3,075,000 |
| | D | 7/10/09 | 123 | \$ 3,075,000 |
| | E | 7/06/09 | 123 | \$ 3,075,000 |
| MQT | A | 8/03/09 | 146 | \$ 3,650,000 |
| | B | 7/13/09 | 146 | \$ 3,650,000 |
| | C | 7/13/09 | 146 | \$ 3,650,000 |
| | D | 7/07/09 | 29 | \$ 725,000 |

Preferred Shares issued and outstanding for the period November 1, 2008 to April 30, 2009 remained constant.

During the year ended October 31, 2008, the Funds announced the following redemptions of Preferred Shares at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:

| | Series | Redemption Date | Shares Redeemed | Aggregate Principal |
|-----|--------|-----------------|-----------------|---------------------|
| MYD | A | 7/02/08 | 375 | \$ 9,375,000 |
| | B | 7/09/08 | 375 | \$ 9,375,000 |
| | C | 6/25/08 | 375 | \$ 9,375,000 |
| | D | 6/18/08 | 375 | \$ 9,375,000 |
| | E | 6/18/08 | 584 | \$ 14,600,000 |
| | F | 6/26/08 | 359 | \$ 8,975,000 |
| | G | 6/23/08 | 417 | \$ 10,425,000 |
| MQY | A | 7/08/08 | 464 | \$ 11,600,000 |
| | B | 6/24/08 | 464 | \$ 11,600,000 |
| | C | 7/18/08 | 464 | \$ 11,600,000 |
| | D | 6/27/08 | 464 | \$ 11,600,000 |
| | E | 6/23/08 | 464 | \$ 11,600,000 |

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| | | | | |
|-----|---|---------|-----|--------------|
| MQT | A | 7/07/08 | 397 | \$ 9,925,000 |
| | B | 7/14/08 | 397 | \$ 9,925,000 |
| | C | 6/30/08 | 397 | \$ 9,925,000 |
| | D | 6/24/08 | 79 | \$ 1,975,000 |

The Funds financed the Preferred Share redemptions with cash received from TOB transactions.

8. Subsequent Events:

Management's evaluation of the impact of all subsequent events on the Funds' financial statements was completed through the date the financial statements were issued and the following items were noted:

Each Fund paid a net investment income dividend on June 1, 2010 to Common Shareholders of record on May 14, 2010 as follows:

| | Common Dividend Per Share |
|-----|---------------------------------|
| MYD | \$ 0.0765 |
| MQY | \$ 0.0745 |
| MQT | \$ 0.0670 |

The dividends declared on Preferred Shares for the period May 1, 2010 to May 31, 2010 were as follows:

| | Series | Dividends Declared |
|-----|--------|-----------------------|
| MYD | A | \$ 11,109 |
| | B | \$ 11,705 |
| | C | \$ 12,291 |
| | D | \$ 12,828 |
| | E | \$ 18,348 |
| | F | \$ 11,215 |
| | G | \$ 43,824 |
| MQY | A | \$ 11,475 |
| | B | \$ 12,533 |
| | C | \$ 13,349 |
| | D | \$ 12,340 |
| | E | \$ 42,239 |
| MQT | A | \$ 11,252 |
| | B | \$ 13,432 |
| | C | \$ 12,893 |
| | D | \$ 8,734 |

The Funds' distribution rates declared on June 1, 2010 were as follows:

| | Per Common Share Amount |
|--|-------------------------------|
|--|-------------------------------|

| | |
|-----|----------|
| MYD | \$0.0800 |
| MQY | \$0.0770 |

ANNUAL REPORT

APRIL 30, 2010

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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of BlackRock MuniYield Fund, Inc., BlackRock MuniYield Quality Fund, Inc. and BlackRock MuniYield Quality Fund II, Inc.:

We have audited the accompanying statements of assets and liabilities of BlackRock MuniYield Fund, Inc., BlackRock MuniYield Quality Fund, Inc., and BlackRock MuniYield Quality Fund II, Inc. (collectively the Funds), including the schedules of investments, as of April 30, 2010, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for the year then ended, the period November 1, 2008 to April 30, 2009 and the year ended October 31, 2008, and the financial highlights for the year ended April 30, 2010, the period November 1, 2008 to April 30, 2009 and for each of the four years in the period ended October 31, 2008. These financial statements and financial highlights are the responsibility of the Funds management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of April 30, 2010, by correspondence with the custodians and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of BlackRock MuniYield Fund, Inc., BlackRock MuniYield Quality Fund, Inc., and BlackRock MuniYield Quality Fund II, Inc. as of April 30, 2010, the results of their operations and cash flows for the year then ended, the changes in their net assets for the year then ended, the period November 1, 2008 to April 30, 2009 and the year ended October 31, 2008, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Princeton, New Jersey
June 28, 2010

Important Tax Information (Unaudited)

All of the net investment income distributions paid by MYD, MQY and MQT, during the fiscal year ended April 30, 2010, qualify as tax-exempt interest dividends for federal income tax purposes.

Automatic Dividend Reinvestment Plans

Pursuant to each Fund's Dividend Reinvestment Plan (the Plan), common shareholders are automatically enrolled to have all distributions of dividends and capital gains reinvested by BNY Mellon Shareowner Services for MYD and MQT and Computershare Trust Company, N.A. for MQY (individually, the Plan Agent or together, the Plan Agents) in the respective Fund's shares pursuant to the Plan. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent, which serves as agent for the shareholders in administering the Plan.

After the Funds declare a dividend or determine to make a capital gain distribution, the Plan Agent will acquire shares for the participants accounts, depending upon the following circumstances, either (i) through receipt of unissued but authorized shares from the Fund (newly issued shares) or (ii) by purchase of outstanding shares on the open market, on the Fund's primary exchange or elsewhere (open-market purchases). If, on the dividend payment date, the net asset value per share (NAV) is equal to or less than the market price per share plus estimated brokerage commissions (such condition often referred to as a market premium), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition often referred to as a market discount), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases. If the Plan Agents are unable to invest the full dividend amount in open market purchases, or if the market discount shifts to a market premium during the purchase period, the Plan Agents will invest any un-invested portion in newly issued shares.

Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Administrator prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by each Fund. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any federal income tax that may be payable on such dividends or distributions.

Each Fund reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, each Fund reserves the right to amend the Plan to include a service charge payable by the participants. Participants that request a sale of shares through Computershare Trust Company, N.A. are subject to a \$2.50 sales fee and a \$0.15 per share sold brokerage commission. Participants that request a sale of shares through BNY Mellon Shareowner Services are subject to a \$0.02 per share sold brokerage commission. All correspondence concerning the Plan should be directed to the respective Plan Agent: BNY Mellon Shareowner Services, P.O. Box 358035, Pittsburgh, PA 15252-8035, Telephone: (866) 216-0242 for shareholders of MYD and MQT or Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940-3078, Telephone: (800) 699-1BFM or overnight correspondence should be directed to the Plan Agent at 250 Royall Street, Canton, MA 02021 for shareholders of MQY.

Officers and Directors

| Name, Address and Year of Birth | Position(s) Held with Funds | Length of Time Served as a Director ² | Principal Occupation(s) During Past Five Years | Number of BlackRock-Advised Registered Investment Companies (RICs) Consisting of Investment Portfolios (Portfolios) Overseen | Public Directorships |
|--|--|--|---|--|--|
| Non-Interested Directors¹ | | | | | |
| Richard E. Cavanagh 55 East 52nd Street New York, NY 10055 1946 | Chairman of the Board and Director | Since 2007 | Trustee, Aircraft Finance Trust from 1999 to 2009; Director, The Guardian Life Insurance Company of America since 1998; Trustee, Educational Testing Service from 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007. | 99 RICs consisting of 97 Portfolios | Arch Chemical (chemical and allied products) |
| Karen P. Robards 55 East 52nd Street New York, NY 10055 1950 | Vice Chair of the Board, Chair of the Audit Committee and Director | Since 2007 | Partner of Robards & Company, LLC (financial advisory firm) since 1987; Co-founder and Director of the Cooke Center for Learning and Development (a not-for-profit organization) since 1987; Director of Enable Medical Corp. from 1996 to 2005; Investment Banker at Morgan Stanley from 1976 to 1987. | 99 RICs consisting of 97 Portfolios | AtriCure, Inc. (medical devices); Care Investment Trust, Inc. (health care real estate investment trust) |
| Frank J. Fabozzi 55 East 52nd Street New York, NY 10055 1948 | Director and Member of the Audit Committee | Since 2007 | Consultant/Editor of The Journal of Portfolio Management since 2006; Professor in the Practice of Finance and Becton Fellow, Yale University, School of Management since 2006; Adjunct Professor of Finance and Becton Fellow, Yale University from 1994 to 2006. | 99 RICs consisting of 97 Portfolios | None |
| Kathleen F. Feldstein 55 East 52nd Street New York, NY 10055 1941 | Director | Since 2007 | President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital from 2000 to 2008 and Trustee Emeritus thereof since 2008; Member of the Board of Partners Community Healthcare, Inc. from 2005 to 2009; Member of the Corporation of Partners HealthCare since 1995; Trustee, Museum of Fine Arts, Boston since 1992; Member of the Visiting Committee to the Harvard University Art Museum since 2003; Director, Catholic Charities of Boston since 2009. | 99 RICs consisting of 97 Portfolios | The McClatchy Company (publishing); Bell South (telecommunications); Knight Ridder (publishing) |
| James T. Flynn 55 East 52nd Street New York, NY 10055 1939 | Director and Member of the Audit Committee | Since 2007 | Chief Financial Officer of JPMorgan & Co., Inc. from 1990 to 1995. | 99 RICs consisting of 97 Portfolios | None |

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| | | | | | |
|--|----------|---------------|---|--|---|
| Jerrold B. Harris 55 East 52nd Street New York, NY 10055 1942 | Director | Since 2007 | Trustee, Ursinus College since 2000; Director, Troemner LLC (scientific equipment) since 2000; Director of Delta Waterfowl Foundation since 2001; President and Chief Executive Officer, VWR Scientific Products Corporation from 1990 to 1999. | 99 RICs consisting of 97 Portfolios | BlackRock Kelso Capital Corp. (business development company) |
|--|----------|---------------|---|--|---|

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Officers and Directors (continued)

| Name, Address and Year of Birth | Position(s) Held with Funds | Length of Time Served as a Director ² | Principal Occupation(s) During Past Five Years | Number of BlackRock-Advised Registered Investment Companies (RICs) Consisting of Investment Portfolios | Public (Portfolios) Overseen Directorships |
|---|--|--|--|--|---|
| Non-Interested Directors¹ (concluded) | | | | | |
| R. Glenn Hubbard 55 East 52nd Street New York, NY 10055 1958 | Director | Since 2007 | Dean, Columbia Business School since 2004; Columbia faculty member since 1988; Co-Director, Columbia Business School's Entrepreneurship Program from 1997 to 2004; Chairman, U.S. Council of Economic Advisers under the President of the United States from 2001 to 2003; Chairman, Economic Policy Committee of the OECD from 2001 to 2003. | 99 RICs consisting of 97 Portfolios | ADP (data and information services); KKR Financial Corporation (finance); Metropolitan Life Insurance Company (insurance) |
| W. Carl Kester 55 East 52nd Street New York, NY 10055 1951 | Director and Member of the Audit Committee | Since 2007 | George Fisher Baker Jr. Professor of Business Administration, Harvard Business School; Deputy Dean for Academic Affairs since 2006; Unit Head, Finance, Harvard Business School from 2005 to 2006; Senior Associate Dean and Chairman of the MBA Program of Harvard Business School from 1999 to 2005; Member of the faculty of Harvard Business School since 1981; Independent Consultant since 1978. | 99 RICs consisting of 97 Portfolios | None |
| <p>¹ Directors serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.</p> <p>² Date shown is the earliest date a person has served for the Funds covered by this annual report. Following the combination of Merrill Lynch Investment Managers, L.P. (MLIM) and BlackRock, Inc. (BlackRock) in September 2006, the various legacy MLIM and legacy BlackRock Fund boards were realigned and consolidated into three new Fund boards in 2007. As a result, although the chart shows directors as joining the Funds' board in 2007, each director first became a member of the board of other legacy MLIM or legacy BlackRock Funds as follows: Richard E. Cavanagh, 1994; Frank J. Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995; and Karen P. Robards, 1998.</p> | | | | | |
| Interested Directors³ | | | | | |
| Richard S. Davis 55 East 52nd Street New York, NY 10055 1945 | Director | Since 2007 | Managing Director, BlackRock, Inc. since 2005; Chief Executive Officer, State Street Research & Management Company from 2000 to 2005; Chairman of the Board of Trustees, State Street Research Mutual Funds from 2000 to 2005. | 169 RICs consisting of 298 Portfolios | None |
| Henry Gabbay 55 East 52nd Street New York, NY 10055 1947 | Director | Since 2007 | Consultant, BlackRock, Inc. from 2007 to 2008; Managing Director, BlackRock, Inc. from 1989 to 2007; Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; President of BlackRock Funds and BlackRock Bond Allocation Target Shares from 2005 to | 169 RICs consisting of 298 Portfolios | None |

2007; Treasurer of certain closed-end funds in the
BlackRock fund complex from 1989 to 2006.

- ³ Mr. Davis is an interested person, as defined in the Investment Company Act of 1940, of the Funds based on his position with BlackRock, Inc. and its affiliates. Mr. Gabbay is an interested person of the Funds based on his former positions with BlackRock, Inc. and its affiliates as well as his ownership of BlackRock, Inc. and The PNC Financial Services Group, Inc. securities. Directors serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.

Effective January 1, 2010, Kent Dixon, a Director of the Funds, retired.

Effective March 31, 2010, G. Nicholas Beckwith, III, a Director of the Funds, resigned.

The Funds Board of Directors extends its best wishes to both Mr. Dixon and Mr. Beckwith.

Officers and Directors (concluded)

| Name, Address and Year of Birth | Position(s) Held with Funds | Length of Time Served | Principal Occupation(s) During Past Five Years |
|--|---|------------------------------|---|
| Officers¹ | | | |
| Anne Ackerley 55 East 52nd Street New York, NY 10055 1962 | President and Chief Executive Officer | Since 2009 ² | Managing Director of BlackRock, Inc. since 2000; Vice President of the BlackRock-advised funds from 2007 to 2009; Chief Operating Officer of BlackRock's Global Client Group (GCG) since 2009; Chief Operating Officer of BlackRock's U.S. Retail Group from 2006 to 2009; Head of BlackRock's Mutual Fund Group from 2000 to 2006. |
| Brendan Kyne 55 East 52nd Street New York, NY 10055 1977 | Vice President | Since 2009 | Managing Director of BlackRock, Inc. since 2010; Director of BlackRock, Inc. from 2008 to 2009; Head of Product Development and Management for BlackRock's U.S. Retail Group since 2009, Co-head thereof from 2007 to 2009; Vice President of BlackRock, Inc. from 2005 to 2008. |
| Neal Andrews 55 East 52nd Street New York, NY 10055 1966 | Chief Financial Officer | Since 2007 | Managing Director of BlackRock, Inc. since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006. |
| Jay Fife 55 East 52nd Street New York, NY 10055 1970 | Treasurer | Since 2007 | Managing Director of BlackRock, Inc. since 2007 and Director in 2006; Assistant Treasurer of the Merrill Lynch Investment Managers, L.P. (MLIM) and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006. |
| Brian Kindelan 55 East 52nd Street New York, NY 10055 1959 | Chief Compliance Officer | Since 2007 | Chief Compliance Officer of the BlackRock-advised Funds since 2007; Managing Director and Senior Counsel of BlackRock, Inc. since 2005. |
| Howard Surloff 55 East 52nd Street New York, NY 10055 1965 | Secretary | Since 2007 | Managing Director and General Counsel of U.S. Funds at BlackRock, Inc. since 2006; General Counsel (U.S.) of Goldman Sachs Asset Management, L.P. from 1993 to 2006. |

¹ Officers of the Funds serve at the pleasure of the Board.

² Ms. Ackerley has been President and Chief Executive Officer since 2009 and was Vice President from 2007 to 2009.

Investment Advisor

BlackRock Advisors, LLC
Wilmington, DE 19809

Sub-Advisor

BlackRock Investment
Management, LLC
Plainsboro, NJ 08536

Custodians

The Bank of
New York Mellon³
New York, NY 10286

State Street Bank and
Trust Company⁴
Boston, MA 02111

Transfer Agent

Common Shares:

BNY Mellon Shareowner Services³
Jersey City, NJ 07310

Computershare Trust Company, N.A.⁴
Providence, RI 02940

Auction Agent

Preferred Shares:

The Bank of New York Mellon
New York, NY 10286

Accounting Agent

State Street Bank and
Trust Company
Princeton, NJ 08540

Independent Registered

Public Accounting Firm

Deloitte & Touche LLP
Princeton, NJ 08540

Legal Counsel

Skadden, Arps, Slate,
Meagher & Flom LLP
New York, NY 10036

Address of the Funds

100 Bellevue Parkway
Wilmington, DE 19809

³ For MYD and MQT.

⁴ For MQY.

Additional Information

Fund Certification

The Funds are listed for trading on the New York Stock Exchange (NYSE) and have filed with the NYSE their annual chief executive officer certification regarding compliance with the NYSE 's listing standards. Each Fund filed with the Securities and Exchange Commission (SEC) the certification of their chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

Dividend Policy

The Funds ' dividend policy is to distribute all or a portion of their net investment income to their shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the Funds may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any particular month pay out such accumulated but undistributed income in addition to net investment income earned in that month. As a result, the dividends paid by the Funds for any particular month may be more or less than the amount of net investment income earned by the Funds during such month. The Funds ' current accumulated but undistributed net investment income, if any, is disclosed in the Statement of Assets and Liabilities, which comprises part of the financial information included in this report.

Additional Information (continued)

General Information

The Funds do not make available copies of their Statements of Additional Information because the Funds' shares are not continuously offered, which means that the Statement of Additional Information of each Fund has not been updated after completion of the respective Fund's offerings and the information contained in each Fund's Statement of Additional Information may have become outdated.

During the period, there were no material changes in the Funds' investment objectives or policies or to the Funds' charters or by-laws that were not approved by the shareholders or in the principal risk factors associated with investment in the Funds. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Funds' portfolio.

Quarterly performance, semi-annual and annual reports and other information regarding the Funds may be found on BlackRock's website, which can be accessed at <http://www.blackrock.com>. This reference to BlackRock's website is intended to allow investors public access to information regarding the Funds and does not, and is not intended to, incorporate BlackRock's website into this report.

Electronic Delivery

Electronic copies of most financial reports are available on the Funds' websites or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports by enrolling in the Funds' electronic delivery program.

Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:

Please contact your financial advisor to enroll. Please note that not all investment advisors, banks or brokerages may offer this service.

Householding

The Funds will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be househanded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call (800) 441-7762.

Availability of Quarterly Portfolio Schedule of Investments

Each Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. Each Fund's Form N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

Availability of Proxy Voting Policies and Procedures

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling (800) 441-7762; (2) at www.blackrock.com; and (3) on the SEC's website at <http://www.sec.gov>.

Availability of Proxy Voting Record

Information about how the Funds voted proxies relating to securities held in the Funds' portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at www.blackrock.com or by calling (800) 441-7762 and (2) on the SEC's website at <http://www.sec.gov>.

Additional Information (concluded)

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, *Clients*) and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

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This report is transmitted to shareholders only. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Funds have leveraged their Common Shares, which creates risks for Common Shareholders, including the likelihood of greater volatility of net asset value and market price of the Common Shares, and the risk that fluctuations in the short-term dividend rates of the Preferred Shares, currently set at the maximum reset rate as a result of failed auctions, may reduce the Common Shares yield. Statements and other information herein are as dated and are subject to change.

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- Item 2 – Code of Ethics – The registrant (or the “Fund”) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant’s principal executive officer, principal financial officer and principal accounting officer, or persons performing similar functions. During the period covered by this report, there have been no amendments to or waivers granted under the code of ethics. A copy of the code of ethics is available without charge at www.blackrock.com.
- Item 3 – Audit Committee Financial Expert – The registrant’s board of directors or trustees, as applicable (the “board of directors”) has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent:
- Kent Dixon (retired effective December 31, 2009)
- Frank J. Fabozzi
- James T. Flynn
- W. Carl Kester
- Karen P. Robards

The registrant’s board of directors has determined that W. Carl Kester and Karen P. Robards qualify as financial experts pursuant to Item 3(c)(4) of Form N-CSR.

Prof. Kester has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Prof. Kester has been involved in providing valuation and other financial consulting services to corporate clients since 1978. Prof. Kester’s financial consulting services present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant’s financial statements.

Ms. Robards has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Ms. Robards has been President of Robards & Company, a financial advisory firm, since 1987. Ms. Robards was formerly an investment banker for more than 10 years where she was responsible for evaluating and assessing the performance of companies based on their financial results. Ms. Robards has over 30 years of experience analyzing financial statements. She also is a member of the audit committee of one publicly held company and a non-profit organization.

Under applicable securities laws, a person determined to be an audit committee financial expert will not be deemed an “expert” for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification.

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Item 4 – Principal Accountant Fees and Services

| Entity Name | (a) Audit Fees | | (b) Audit-Related Fees ¹ | | (c) Tax Fees ² | | (d) All Other Fees ³ | |
|---|-------------------------|--------------------------|-------------------------------------|--------------------------|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End |
| BlackRock MuniYield Quality Fund II, Inc. | \$34,800 | \$34,800 | \$3,500 | \$3,500 | \$6,100 | \$6,100 | \$0 | \$1,028 |

1 The nature of the services include assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

2 The nature of the services include tax compliance, tax advice and tax planning.

3 The nature of the services include a review of compliance procedures and attestation thereto.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:

The registrant’s audit committee (the “Committee”) has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the registrant’s affiliated service providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are a) consistent with the SEC’s auditor independence rules and b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis (“general pre-approval”). The term of any general pre-approval is 12 months from the date of the pre-approval, unless the Committee provides for a different period. Tax or other non-audit services provided to the registrant which have a direct impact on the operation or financial reporting of the registrant will only be deemed pre-approved provided that any individual project does not exceed \$10,000 attributable to the registrant or \$50,000 for all of the registrants the Committee oversees. For this purpose, multiple projects will be aggregated to determine if they exceed the previously mentioned cost levels.

Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to one or more of its members the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

(e)(2) None of the services described in each of Items 4(b) through (d) were approved by the audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) Affiliates’ Aggregate Non-Audit Fees:

| Entity Name | Current Fiscal Year End | Previous Fiscal Year End |
|---|-------------------------|--------------------------|
| BlackRock MuniYield Quality Fund II, Inc. | \$20,377 | \$418,128 |

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(h) The registrant's audit committee has considered and determined that the provision of non-audit services that were rendered to the registrant's investment adviser (not including any non-affiliated sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by the registrant's investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Regulation S-X Rule 2-01(c)(7)(ii) – \$10,777, 0%

Item 5 – Audit Committee of Listed Registrants – The following individuals are members of the registrant's separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(58)(A)):

Kent Dixon (retired effective December 31, 2009)

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

Item 6 – Investments

(a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 – Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies – The board of directors has delegated the voting of proxies for the Fund securities to the Fund's investment adviser ("Investment Adviser") pursuant to the Investment Adviser's proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund's stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser's Equity Investment Policy Oversight Committee, or a sub-committee thereof (the "Oversight Committee") is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser's clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser's Portfolio Management Group and/or the Investment Adviser's Legal and Compliance Department and concluding that the vote cast is in its client's best interest notwithstanding the conflict. A copy of the

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Fund's Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, (i) at www.blackrock.com and (ii) on the SEC's website at <http://www.sec.gov>.

Item 8 – Portfolio Managers of Closed-End Management Investment Companies – as of April 30, 2010.

- (a)(1) The registrant is managed by a team of investment professionals comprised of Michael Kalinoski, Director at BlackRock, Theodore R. Jaeckel, Jr., CFA, Managing Director at BlackRock and Walter O'Connor, Managing Director at BlackRock. Each is a member of BlackRock's municipal tax-exempt management group. Each is jointly responsible for the day-to-day management of the registrant's portfolio, which includes setting the registrant's overall investment strategy, overseeing the management of the registrant and/or selection of its investments. Messrs. Kalinoski, Jaeckel and O'Connor have been members of the registrant's portfolio management team since 2000, 2006 and 2006, respectively.

| Portfolio Manager | Biography |
|--------------------------|---|
| Michael Kalinoski | Director of BlackRock, Inc. since 2006; Director of Merrill Lynch Investment Management, L.P. ("MLIM") from 1999 to 2006. |
| Theodore R. Jaeckel, Jr. | Managing Director at BlackRock, Inc. since 2006; Managing Director of MLIM from 2005 to 2006; Director of MLIM from 1997 to 2005. |
| Walter O'Connor | Managing Director of BlackRock, Inc. since 2006; Managing Director of MLIM from 2003 to 2006; Director of MLIM from 1998 to 2003. |

- (a)(2) As of April 30, 2010:

| (i) Name of | (ii) Number of Other Accounts Managed and Assets by Account Type Other | | | (iii) Number of Other Accounts and Assets for Which Advisory Fee is Performance-Based Other | | |
|--------------------------|--|------------------------|----------|--|------------------------|----------|
| | Registered | Other Pooled | Other | Registered | Other Pooled | Other |
| | Investment Companies | Investment Vehicles | Accounts | Investment Companies | Investment Vehicles | Accounts |
| Michael Kalinoski | 6 | 0 | 0 | 0 | 0 | 0 |
| | \$2.90 Billion | \$0 | \$0 | \$0 | \$0 | \$0 |
| Theodore R. Jaeckel, Jr. | 72 | 0 | 0 | 0 | 0 | 0 |
| | \$19.59 Billion | \$0 | \$0 | \$0 | \$0 | \$0 |
| Walter O'Connor | 72 | 0 | 0 | 0 | 0 | 0 |
| | \$19.59 Billion | \$0 | \$0 | \$0 | \$0 | \$0 |

- (iv) Potential Material Conflicts of Interest

BlackRock and its affiliates (collectively, herein "BlackRock") has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock

furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, its affiliates and significant shareholders and any officer, director, stockholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, or any of its affiliates or significant shareholders, or any officer, director, stockholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock's (or its affiliates' or significant shareholders') officers, directors or employees are directors or officers, or companies as to which BlackRock or any of its affiliates or significant shareholders or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Each portfolio manager also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. In this connection, it should be noted that a portfolio manager may currently manage certain accounts that are subject to performance fees. In addition, a portfolio manager may assist in managing certain hedge funds and may be entitled to receive a portion of any incentive fees earned on such funds and a portion of such incentive fees may be voluntarily or involuntarily deferred. Additional portfolio managers may in the future manage other such accounts or funds and may be entitled to receive incentive fees.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock has adopted a policy that is intended to ensure that investment opportunities are allocated fairly and equitably among client accounts over time. This policy also seeks to achieve reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base.

(a)(3) As of April 30, 2010:

Portfolio Manager Compensation Overview

BlackRock's financial arrangements with its portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include a base salary, a performance-based discretionary bonus, participation in various benefits programs and one or more of the incentive compensation programs established by BlackRock such as its Long-Term Retention and Incentive Plan.

Base compensation. Generally, portfolio managers receive base compensation based on their seniority and/or their position with the firm. Senior portfolio managers who perform additional

management functions within the portfolio management group or within BlackRock may receive additional compensation for serving in these other capacities.

Discretionary Incentive Compensation

Discretionary incentive compensation is a function of several components: the performance of BlackRock, Inc., the performance of the portfolio manager's group within BlackRock, the investment performance, including risk-adjusted returns, of the firm's assets under management or supervision by that portfolio manager relative to predetermined benchmarks, and the individual's seniority, role within the portfolio management team, teamwork and contribution to the overall performance of these portfolios and BlackRock. In most cases, including for the portfolio managers of the Fund, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Fund or other accounts managed by the portfolio managers are measured. BlackRock's Chief Investment Officers determine the benchmarks against which the performance of funds and other accounts managed by each portfolio manager is compared and the period of time over which performance is evaluated. With respect to the portfolio managers, such benchmarks for the Fund include a combination of market-based indices (e.g. Barclays Capital Municipal Bond Index), certain customized indices and certain fund industry peer groups.

BlackRock's Chief Investment Officers make a subjective determination with respect to the portfolio managers' compensation based on the performance of the funds and other accounts managed by each portfolio manager relative to the various benchmarks noted above. Performance is measured on both a pre-tax and after-tax basis over various time periods including 1, 3, 5 and 10-year periods, as applicable.

Distribution of Discretionary Incentive Compensation

Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. The BlackRock, Inc. restricted stock units, if properly vested, will be settled in BlackRock, Inc. common stock. Typically, the cash bonus, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of annual bonuses in stock puts compensation earned by a portfolio manager for a given year "at risk" based on BlackRock's ability to sustain and improve its performance over future periods.

Long-Term Retention and Incentive Plan ("LTIP") – From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance. Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. Messrs. Jaeckel and O'Connor have each received awards under the LTIP.

Deferred Compensation Program – A portion of the compensation paid to eligible BlackRock employees may be voluntarily deferred into an account that tracks the performance of certain of the firm's investment products. Each participant in the deferred compensation program is permitted to allocate his deferred amounts among the various investment options. Messrs. Kalinoski, Jaeckel and O'Connor have each participated in the deferred compensation program.

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Other compensation benefits. In addition to base compensation and discretionary incentive compensation, portfolio managers may be eligible to receive or participate in one or more of the following:

Incentive Savings Plans –BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 6% of eligible pay contributed to the plan capped at \$4,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation. The RSP offers a range of investment options, including registered investment companies managed by the firm. BlackRock contributions follow the investment direction set by participants for their own contributions or, absent employee investment direction, are invested into a balanced portfolio. The ESPP allows for investment in BlackRock common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares or a dollar value of \$25,000. Each portfolio manager is eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* – April 30, 2010.

| Portfolio Manager | Dollar Range of Equity Securities Beneficially Owned |
|--------------------------|--|
| Michael Kalinoski | None |
| Theodore R. Jaeckel, Jr. | None |
| Walter O'Connor | None |

Item 9 – Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers – Not Applicable due to no such purchases during the period covered by this report.

Item 10 – Submission of Matters to a Vote of Security Holders – The registrant’s Nominating and Governance Committee will consider nominees to the board of directors recommended by shareholders when a vacancy becomes available. Shareholders who wish to recommend a nominee should send nominations that include biographical information and set forth the qualifications of the proposed nominee to the registrant’s Secretary. There have been no material changes to these procedures.

Item 11 – Controls and Procedures

11(a) – The registrant’s principal executive and principal financial officers or persons performing similar functions have concluded that the registrant’s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the “1940 Act”)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13(a)-15(b) under the Securities Exchange Act of 1934, as amended.

11(b) – There were no changes in the registrant’s internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant’s internal control over financial reporting.

Item 12 – Exhibits attached hereto

12(a)(1) – Code of Ethics – See Item 2

12(a)(2) – Certifications – Attached hereto

12(a)(3) – Not Applicable

12(b) – Certifications – Attached hereto

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Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock MuniYield Quality Fund II, Inc.

By: /s/ Anne F. Ackerley
Anne F. Ackerley
Chief Executive Officer of
BlackRock MuniYield Quality Fund II, Inc.

Date: June 28, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Anne F. Ackerley
Anne F. Ackerley
Chief Executive Officer (principal executive officer) of
BlackRock MuniYield Quality Fund II, Inc.

Date: June 28, 2010

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock MuniYield Quality Fund II, Inc.

Date: June 28, 2010
