

BLACKROCK MUNIYIELD QUALITY FUND III, INC  
 Form 4  
 March 18, 2011

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 BANK OF AMERICA CORP /DE/

2. Issuer Name and Ticker or Trading Symbol  
 BLACKROCK MUNIYIELD QUALITY FUND III, INC [MYI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 08/30/2010

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
 \_\_\_ Officer (give title below) \_\_\_ Other (specify below)

BANK OF AMERICA CORPORATE CENTER, 100 N. TRYON STREET

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 \_\_\_ Form filed by One Reporting Person  
 \_\_\_X\_\_\_ Form filed by More than One Reporting Person

CHARLOTTE, NC 28255

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Stock	08/30/2010		P	A	\$ 1,282	I	By Subsidiary
Common Stock	08/30/2010		P	A	\$ 100	I	By Subsidiary
Common Stock	08/30/2010		P	A	\$ 3,418	I	By Subsidiary
Common Stock	08/31/2010		P	A	\$ 707	I	By Subsidiary
	08/31/2010		P	A	\$ 93	I	

Edgar Filing: BLACKROCK MUNIYIELD QUALITY FUND III, INC - Form 4

Common Stock								By Subsidiary
Common Stock	08/31/2010	P	4,000	A	\$ 14.41	9,600	I	By Subsidiary
Common Stock	08/31/2010	S	2,300	D	\$ 14.39	7,300	I	By Subsidiary
Common Stock	08/31/2010	S	2,800	D	\$ 14.4	4,500	I	By Subsidiary
Common Stock	08/31/2010	S	900	D	\$ 14.41	3,600	I	By Subsidiary
Common Stock	08/31/2010	S	1,200	D	\$ 14.42	2,400	I	By Subsidiary
Common Stock	08/31/2010	S	2,400	D	\$ 14.43	0	I	By Subsidiary
Common Stock	10/05/2010	P	10	A	\$ 14.06	10	I	By Subsidiary
Common Stock	10/05/2010	S	10	D	\$ 14.11	0	I	By Subsidiary
Common Stock	10/11/2010	P	534	A	\$ 13.84	534	I	By Subsidiary
Common Stock	10/11/2010	P	534	A	\$ 14.03	1,068	I	By Subsidiary
Common Stock	10/11/2010	S	534	D	\$ 13.84	534	I	By Subsidiary
Common Stock	10/11/2010	S	534	D	\$ 14.03	0	I	By Subsidiary
Common Stock	10/14/2010	P	100	A	\$ 14.02	100	I	By Subsidiary
Common Stock	10/14/2010	P	2,000	A	\$ 14.03	2,100	I	By Subsidiary
Common Stock	10/14/2010	P	2,400	A	\$ 14.04	4,500	I	By Subsidiary
Common Stock	10/14/2010	P	1,500	A	\$ 14.05	6,000	I	By Subsidiary
Common Stock	10/14/2010	S	1,970	D	\$ 13.96	4,030	I	By Subsidiary
Common Stock	10/14/2010	S	2,030	D	\$ 13.97	2,000	I	By Subsidiary
Common Stock	10/14/2010	S	2,000	D	\$ 13.98	0	I	By Subsidiary



**Remarks:**

The transactions reported on this Form 4 were effected by Merrill Lynch, Pierce, Fenner & Smith Incorporated, an indirect, wh

Disgorgement of profits, if applicable, based on transactions reported above is being made by the Reporting Persons to the Issu

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.