



## Information Circular: Merrill Lynch & Co., Inc. Index-Linked Notes

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**To:** Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders

**From:** BX Listing Qualifications Department

**DATE:** January 15, 2009

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Index-Linked Notes	Symbol	CUSIP Number
Merrill Lynch & Co., Inc. Bear Market Strategic Accelerated Redemption Securities Linked to the Dow Jones U.S. Real Estate Index	RET	59023V753

### Information on the Notes

Merrill Lynch & Co., Inc. (the "Issuer") has issued Bear Market Strategic Accelerated Redemption Securities ("Notes") linked to the Dow Jones U.S. Real Estate Index (the "Index"). The Notes were priced at \$10 each and mature on March 2, 2010.

The Notes are senior unsecured obligations of the Issuer designed for, but not limited to, investors (i) who anticipate that the closing level of the Index will decrease from the Starting Value of the Index, as determined on August 27, 2008, the date the Notes were priced for initial sale to the public (the "Pricing Date"), to the closing level of the Index on any Observation Date, or (ii) who want to invest in such a security for risk diversification purposes.

The Notes provide for an automatic call if the closing level of the Index on any Observation Date is equal to or less than the Starting Value of the Index. If the Notes are called on any Observation Date, you will receive an amount per unit (the "Call Amount") equal to the \$10 Original Public Offering Price of the Notes plus the applicable Call Premium. If your Notes are not called, the amount you receive on the maturity date (the "Redemption Amount") will not be greater than the Original Public Offering Price per unit and will be based on the percentage increase in the level of the Index from the Starting Value to the Ending Value, as determined on the final Observation Date. Investors must be willing to forego interest payments on the Notes and be willing to accept a repayment that may be less, and potentially significantly less, than the Original Public Offering Price of the Notes. Investors also must be prepared to have their Notes called by us on any Observation Date.

If called on March 10, 2009, investors will receive \$10.74 per Note. If called on September 10, 2009, investors will receive \$11.48 per Note. If called on February 23, 2010, investors will receive \$12.22 per Note. The Call Premium is equal to 14.8% of the original public offering price of the Notes.

If held to maturity, investors will receive the following:

- If the Ending Value of the Index is equal to or less than the Threshold Level:

\$10

- If the Ending Value of the Index is greater than the Threshold Level:

$\$10 + [\$10 \times ((\text{Threshold Level} - \text{Ending Value}) / \text{Starting Value}) \times 100\%]$

The Starting Value of the Index is 240.36. The Ending Value of the Index will be the closing level of the Index on February 23, 2010. The Threshold Level is 264.40.

Please see the prospectus for the Notes for more details regarding the calculations and the mechanics of the Notes.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Trading in the Notes on BX is on a UTP basis and is subject to BX equity trading rules. The Notes will trade from 8:00 a.m. until 7:00 p.m. Eastern Time. Additional risks may exist with respect to trading the Notes during BX's Pre-Market and Post-Market sessions, when the Index's value may not be disseminated.

Trading of the Notes on BX is subject to the provisions of BX Rule 2310. Members recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the BX Conduct Rules.

Members also should review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

**This Information Circular is not a statutory prospectus. BX members should consult the registration statement or prospectus for the Notes for additional information.**

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Inquiries regarding this Information Circular should be directed to:

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