



Information Circular: Merrill Lynch & Co., Inc. Strategic Return Notes

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

From: BX Listing Qualifications Department

DATE: January 15, 2009

Index-Linked Notes	Symbol	CUSIP Number
Merrill Lynch & Co., Inc. Strategic Return Notes Linked to the Merrill Lynch Factor Model	MXH	59022Y634

Information on the Notes

Merrill Lynch & Co., Inc. (the "Issuer") has issued Strategic Return Notes ("Notes") linked to the Merrill Lynch Factor Model (the "Index"). The Notes were priced at \$10 each and mature on December 06, 2012. The Notes are not principal protected.

Strategic Return Notes Linked to the Merrill Lynch Factor Model are senior unsecured debt of Merrill Lynch & Co., Inc. There will be no payments on the Notes prior to maturity unless exchanged at the option of the investor for a cash payment during and including the 1st to the 15th day of November in each year from 2008 through 2011.

The Merrill Lynch Factor Model seeks to emulate the performance of the HFRI Fund Weighted Composite Index, a hedge fund industry benchmark. The Model is composed of six Model Factors, which are the S&P 500 Total Return Index, U.S. Dollar Index, MSCI EAFE IS Dollar Net Total Return Index, MSCI Emerging Market Free US Dollar Net Total Return Index, Russell 2000 Total Return Index, and one-month USD LIBOR.

At maturity, or upon exchange, investors will receive a cash amount equal to the Redemption Amount based upon the percentage change in the level of the Factor, less an annual index adjustment factor of 1.0%, over the term of the Notes. The level of the Merrill Lynch Factor Model must increase by 1% in order to receive at least the \$10 original public offering price per unit on the maturity date or upon exchange. If the level of the Merrill Lynch Factor Model has declined or has not increased sufficiently, one will receive less, and possibly significantly less, than the \$10 original public offering price per unit.

The Redemption Amount per Unit will be equal to:

$\$9.90 * (\text{Ending Value} / \text{Starting Value})$

The Starting Level of the Merrill Lynch Factor Model equals: 1,578.67

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.

The Trustee for the securities is The Bank of New York.

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. For trading during BX's Pre-Market and Post-Market Sessions, market participants should note that additional risks may exist with respect to trading the Funds during these sessions, when the underlying index's values 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.

Inquiries regarding this Information Circular should be directed to:

- [Will Slattery](#), BX Listing Qualifications, at 301.978.8088
 - [BX Market Sales](#) at 800.846.0477
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