



Information Circular: Merrill Lynch & Co., Inc. STARS

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 Accelerated Redemption Securities Linked to the S&P 500 Index	SIT	59022Y642

Information on the Notes

Merrill Lynch & Co., Inc. (the "Issuer") has issued Strategic Accelerated Redemption Securities ("STARS") linked to the S&P 500 Index (the "Index"). The Notes were priced at \$10 each and mature on November 30, 2009. The Notes are not principal protected.

STARS are senior, unsecured debt securities of the Issuer that provide for an automatic call of the STARS if the closing level of the Index on any Observation Date is greater than or equal to the Starting Value of the Index. The Observation Dates will occur approximately every six months beginning with the first Observation Date which will occur in December 2008, approximately one year after settlement.

If the STARS are called on any Observation Date, investors will receive a payment of:

- If called in December 2008: \$11.2060 per unit
- If called in May 2009: \$11.8090 per unit
- If called in November 2009: \$12.4120 per unit

If the notes are not called prior to November 30, 2009, then investors will receive:

(1) If the Ending Index Value is greater than or equal to the Threshold Value:

\$10

(2) If the Ending Index Value is less than the Threshold Value:

$\$10 + [\$10 \times (\text{Ending Index Value} - \text{Threshold Value} / \text{Starting Value}) \times 1]$

The Starting Value of the Index is 1,439.70. The Threshold Value is 1,295.73. The Ending Index Value will be the closing level of the Index on the last Observation Date, which will occur in November 2009, if the STARS have not been previously called.

It is expected that the market value of the STARS 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 STARS on BX is on a UTP basis and is subject to BX equity trading rules. The STARS 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 STARS 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 STARS 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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