

# 5 Years USD Worst of Autocall Certificate on Lukoil and Gazprom

ISIN: XS0363412031



## Terms and Conditions

General Terms:					
Issuer:	Merrill Lynch Luxembourg S.A.				
Rating:	Moody's A1 / S&P A+				
Arranger	Merrill Lynch International				
Dealer	Merrill Lynch International				
Calculation Agent	Merrill Lynch International, 2 King Edward Street, London				
Type of Security:	Certificate				
Security Codes:	ISIN: XS0363412031	Valor: 4218049			
Strike Levels:	Strike Levels are the official closing prices from 03 June 2008				
Trade Date:	02 May 2008				
Issue Date:	17 June 2008				
Final Valuation Date:	03 June 2013				
Maturity Date:	17 June 2013, subject to Early redemption as defined below				
Currency:	Quanto USD				
Issue size:	USD to be determined				
Denomination:	USD 1,000				
Issue Price:	100%				
Description:					
Underlying Indices:	<b>Name</b>	<b>Bloomberg Code</b>	<b>Strike Level</b>	<b>80%Knock-In Barrier (OBSERVED ON CLOSE)</b>	
	Lukoil	LKOD LI	USD 108.00	USD 86.40	
	Gazprom	OGZD LI	USD 59.60	USD 47.68	
Laggard	<p>The least performing share within the Underlying shares on each respective Observation Date. On each Observation Date <math>j</math>, for each share <math>i</math>, the Laggard will be defined as that share which generates the lowest result from the following computation:</p> $\left[ \text{PriceObservation}_{(i)} - \text{StrikeLevd}_{(i)} \right] / \text{StrikeLevd}_{(i)}$ <p>PriceObservation<math>(i)</math>: Level of Share <math>i</math> on Observation Date <math>j</math></p> <p>If two or more shares in the underlying Basket have the same return on a particular Observation Date, the calculation Agent shall determine the Laggard</p>				
Early redemption (in % of Denomination)	<p>The Note will be redeemed early:</p> <p>At 119% on DATE1 if Laggard1 <math>\geq</math> 100.00% * Laggard Initial            At 138% on DATE2 if Laggard2 <math>\geq</math> 100.00% * Laggard Initial            At 157% on DATE3 if Laggard3 <math>\geq</math> 100.00% * Laggard Initial            At 176% on DATE4 if Laggard4 <math>\geq</math> 100.00% * Laggard Initial</p> <p>Laggard1: Closing price of Laggard on 03 June 2009            Laggard2: Closing price of Laggard on 03 June 2010            Laggard3: Closing price of Laggard on 03 June 2011            Laggard4: Closing price of Laggard on 04 June 2012</p> <p>Where:            DATE1: 17 June 2009            DATE2: 17 June 2010</p>				



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	<p>DATE3: 17 June 2011 DATE4: 18 June 2012</p>
<b>Final redemption</b>	<p><b>If no early termination Event occurs, the Certificate will redeem:</b></p> <ul style="list-style-type: none"> <li>➤ <b>If Laggard final <math>\geq</math> 100.00% * Laggard initial</b> <b>REDEMPTION = Denomination * 195%</b></li> <li>➤ <b>If Laggard final <math>&lt;</math> 100.00% * Laggard initial</b></li> </ul> <p>If the Knock-In Barrier has not been breached i.e. none of the Underlying Shares has <b>closed</b> strictly below its 80.00% Knock-In Barrier level on the Final Valuation Date:</p> <p style="text-align: center;"><b>REDEMPTION = Denomination * 100.00%</b></p> <p>If the Knock-In Barrier has been breached i.e. at least one of the Underlying Shares has <b>closed</b> strictly below its 80.00% Knock-In Barrier level on the Final Valuation Date:</p> <p style="text-align: center;"><b>REDEMPTION=Denomination* <math>\left[ \frac{\textit{LaggardFinal}}{\textit{LaggardInitial}} \right]</math></b></p> <p><b>Where:</b> <b>Denomination = USD 1,000</b></p> <p><b>Laggard Final:</b> Official Closing level of the Laggard Share on the Final Valuation Date <b>Laggard Initial:</b> Respective Strike level of the Laggard Share</p>
<b>Additional Provisions:</b>	
<b>Secondary Market</b>	Under normal market conditions, Merrill Lynch International will make a daily secondary market in the certificates with a bid-ask spread no larger than 1%.
<b>Dealer:</b>	Merrill Lynch International
<b>Calculation Agent:</b>	Merrill Lynch International
<b>Governing Law:</b>	English Law
<b>Business Days:</b>	London and New York
<b>Clearing:</b>	Euroclear / Clearstream
<b>Delivery:</b>	Against payment
<b>Listing:</b>	None

#### Disclaimers

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