

3 year USD 95% Capital Protected Note linked to a Basket of Currencies vs USD (RUB, CNY, TRY, KRW, HKD vs USD)



PROTECTION

Terms & Conditions

This Term Sheet contains indicative terms only. All materials contained herein are for discussion purposes only. Finalised terms and conditions are subject to further discussion and negotiation. We make no representation and have given you no advice concerning the appropriate accounting treatment or possible tax consequences of this indicative transaction.

This communication is furnished at the request of the recipient for the exclusive purpose of identifying the security or other instrument referred to herein. It is furnished for your private information with the express understanding, which recipient acknowledges, that it does not constitute an offer of such security or a means by which such security may be offered or sold. Any written offer of such security may be made only by means of an offering document and any related supplements thereto.

The security described herein is not for sale in the U.S. or to U.S. persons and this communication may not be distributed in the U.S.

No Prospectus (as defined in the EU Prospectus Directive 2003/71/EC ("Prospectus Directive")) will be prepared in connection with the Notes. Accordingly, the Notes may not be offered to the public in any European Economic Area ("EEA") member state and any purchaser of the Notes who subsequently sells any of their Notes in any EEA member state must do so only in accordance with the requirements of the Prospectus Directive as implemented in that member state

"Merrill Lynch & Co., Inc. ("ML & Co.") is expected to publicly announce around the middle of January information relating to its earnings for the most recent interim accounting period. At that date the earnings release will be published on <http://ir.ml.com/>, you are advised that you should check that earnings release for important information that may affect the value of your investment. The financial information that is contained within the earnings release may possibly impact the creditworthiness of ML&CO and have an adverse effect on the value of those Notes in consequence of Merrill Lynch & Co., Inc. being the issuer or guarantor of the Notes described herein."

Description:	
The Notes give exposure to Basket of currencies against the USD, taking a bearish view on the USD. Such Notes are to be issued pursuant to the terms and conditions of Merrill Lynch & Co., Inc. EMTN program offering documents and related supplements thereto (the "Offering Documents").	
General Terms:	
Issuer:	Merrill Lynch & Co., Inc.
Rating:	Long term senior unsecured debt rating: S&P A+, Moody's A1, Fitch A+
Security Codes:	ISIN: XS0355623462 Valor: 3909760
Trade Date:	25 March 2008
Initial Valuation Date:	25 March 2008
Issue Date:	11 April 2008
Final Valuation Date:	25 March 2011
Maturity Date:	11 April 2011
Settlement Currency:	USD
Principal Amount:	USD 1,000,000* <i>*final size to be confirmed on 07 April 2008</i>
Denominations:	USD 1,000
Issue Price:	100%
Redemption :	
Basket Currencies:	Equally weighted basket of USD/RUB, USD/CNY, USD/TRY, USD/KRW, USD/HKD
Weightings:	20% in each currency pair
Redemption amount at maturity:	$95\% + 190\% \times \text{Max} \left[0, \sum_{i=1}^5 \text{Weightings} \times \left(\frac{\text{FIX}_{\text{Initial}} - \text{FIX}_{\text{Final}}}{\text{FIX}_{\text{Final}}} \right) \right]$ <p>where For each Basket Currency (i) :</p> <ul style="list-style-type: none"> • $\text{FIX}_{\text{initial}}$ will be the Rate as observed on the relevant Page on Strike Date <p>RUBFIX INITIAL - 23.474 CNYFIX INITIAL - 7.0303 TRYFIXINITIAL - 1.2690 KRWFIXINITIAL - 986.65</p>

The terms outlined herein represent a summary of the terms and conditions of the Notes. The full legally binding terms and conditions for the Notes will be contained in the relevant Offering Documents for the EMTN Program of the Issuer. The Offering Documents will be made available upon the issuance of the Notes.


PROTECTION

	<p>HKDFIXINITIAL - 7.7832</p> <ul style="list-style-type: none"> • FIX_{Final} will be the Fixing Rate as observed on the relevant Fixing Page on Expiration Date
Fixing Pages:	<p>- USD/RUB as observed on the relevant Reuters Page - USD/CNY as observed on the relevant Reuters Page - USD/TRY as observed on the relevant Reuters Page - USD/KRW as observed on the relevant Reuters Page - USD/HKD as observed on the relevant Reuters Page</p> <p>In the event that the above Reuters Page does not exist on the Expiration Date or fails to display any of the Fixing Rates for whatever reason, the Calculation Agent will determine the appropriate measure of any affected Fixing Rate(s).</p>
Additional Provisions:	
Dealer:	Merrill Lynch International
Calculation Agent:	Merrill Lynch International
Governing Law:	New York Law
Business Days:	London, New York and Hong Kong
Clearing:	Euroclear/Clearstream, Luxembourg
Form of Notes:	Bearer
Delivery:	Against payment
Listing:	None
Secondary Market:	Under normal market conditions Merrill Lynch will provide a secondary market on a best effort basis with a spread of 1%
Sales Restrictions:	<p>United States. The Notes will not be registered for public sale in any jurisdiction and so will be available only in accordance with applicable, available, private offering rules.</p> <p>European Union: No Prospectus (as defined in the EU Prospectus Directive 2003/71/EC ("Prospectus Directive")) will be prepared in connection with the Notes. Accordingly, the Notes may not be offered to the public in any European Economic Area ("EEA") member state and any purchaser of the Notes who subsequently sells any of their Notes in any EEA member state must do so only in accordance with the requirements of the Prospectus Directive as implemented in that member state</p>
Other Provisions:	
Provisions in relation to market disruption, adjustments and corrections in respect of the Index will be incorporated in to the Offering Documents and will be based upon the relevant definitions contained in the International Swaps and Derivatives Association, Inc. ("ISDA") 2002 ISDA Equity Derivatives Definitions (and in the case of a multi-exchange index, Exhibit H to the User's Guide to the 2002 ISDA Equity Derivative Definitions).	

Disclaimers

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PROTECTION

related supplements thereto. The security referred to herein may involve a high degree of risk, which may include principal, interest rate, index, currency, credit, political, liquidity, time value, commodity and market risk and is not suitable for all investors. We or our affiliates may buy or sell securities or have long or short positions in securities economically related to any security mentioned herein. We or our affiliates may have an investment banking or other commercial relationship with the issuer of any security mentioned herein.

Merrill Lynch International will not be responsible for the consequences of reliance upon any statement or information contained herein or any omission here from. We make no representation and have given you no advice concerning the appropriate accounting treatment or possible tax consequences of this indicative transaction. Investors should consult their own investment, tax and other professional advisors before investing in the securities.

The securities have not been registered for public sale in any jurisdiction and are therefore available only in accordance with applicable private offering rules. This means that the securities may not be available in all jurisdictions or may be available to a limited number of qualifying investors only. This indicative term sheet is intended for your personal use and you must not give it or show it to any other person. The investments described herein are not for sale in the United States or to U.S. persons. This material may not be distributed in the United States.

Notice for UK Investors: The Issuer does not have a place of business in the United Kingdom and is not regulated by the UK Financial Services Authority. As a consequence, the regulatory regime governing your rights as an investor in respect of the Issuer (and its similarly unauthorised, overseas agents and affiliates) will be different to that of the United Kingdom. The UK rules for the protection of private investors and the UK Financial Compensation Scheme will not apply in respect of such entities, although if your securities account is serviced from the UK by Merrill Lynch International Bank Limited, the normal UK protections will apply in relation to the services that it provides. Approved for issue in the UK by Merrill Lynch, Pierce, Fenner & Smith Limited, Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ.