



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 STARS	Symbol	CUSIP Number
Merrill Lynch & Co., Inc. Strategic Accelerated Redemption Securities Linked to the S&P 500 Index	SHJ	59022Y816

Information on the STARS

Merrill Lynch & Co., Inc. (the "Issuer") has issued Strategic Accelerated Redemption Securities ("STARS") linked to the S&P 500 Index (the "Index"). The STARS were priced at \$10 each and mature on March 8, 2010.

The STARS are senior, unsecured debt securities of the Issuer that provide for an automatic call of the securities if the closing level of the Index on any observation date is greater than or equal to the Starting Value of the Index.

If the STARS are called on any observation date, investors will receive a payment of:

- If called in March 2009: \$11.0350 per unit;
- If called in September 2009: \$11.5525 per unit;
- If called in March 2010: \$12.0700 per unit.

If the STARS are not called prior to the maturity date, then at maturity investors will receive:

- (1) If the Ending Index Value is greater than, or equal to the threshold value of 1,242.02, then investors will receive \$10 per security; or
- (2) If the Ending Index Value is less than the threshold value of 1,242.02, then investors will receive:

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

The Starting Value of the Index is 1,380.02. The Ending Index Value will be calculated near the maturity date. Please see the prospectus for the STARS for more details.

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. Additional risks may exist with respect to trading the STARS during BX's Pre-Market and Post-Market sessions, when the Index's value may not be disseminated.

Trading of the STARS on BX is subject to the provisions of BX Rule 2310. Members recommending transactions in the STARS 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