

FINAL TERMS DATED 2 JUNE 2008

MERRILL LYNCH INTERNATIONAL & CO. C.V.

Up to 200,000 Securities linked to the Merrill Lynch Asia Rural Boom Index

**under the Merrill Lynch International & Co. C.V. Warrant and Certificate Programme
unconditionally and irrevocably guaranteed by Merrill Lynch & Co. Inc. ("ML&Co.")**

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Securities. Accordingly any person making or intending to make an offer of the Securities may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 28 of Part A below, provided such person is one of the persons mentioned in Paragraph 28 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Manager has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Offering Circular dated 28th September, 2007 as supplemented from time to time, which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document (which for the avoidance of doubt may be issued in respect of more than one series of Securities) constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular as supplemented. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Offering Circular as supplemented. The Offering Circular and the supplements to the Offering Circular are available for viewing during normal business hours at the registered office of the Issuer, the specified offices of the Security Agents for the time being in London, Luxembourg, New York City, Frankfurt and Paris.

References herein to numbered Conditions are to the terms and conditions of the relevant series of Securities and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms, insofar as they relate to such series of Securities, save as where otherwise expressly provided.

1. Issuer: Merrill Lynch International & Co. C.V.
2. Guarantor: ML&Co.

SPECIFIC PROVISIONS FOR EACH SERIES

Series Number	No. of Securities issued	ISIN	Common Code	Issue Price
1	Up to 200,000	ANN5638V5849	36620544	EUR 100

3. Type of Securities:

- (i) The Securities are Certificates.
 - (ii) The Securities are Index Securities.
 - (iii) The Securities are European Style Securities.
4. Averaging: Averaging does not apply to the Securities.
 5. Trade Date: The Trade Date is 1 July 2008.
 6. Issue Date: The issue date of the Securities is 10 July 2008.
 7. Exercise Date: The Exercise Date of the Securities is:
 - (a) if the Securityholder has exercised the Security in accordance with paragraph 23(b) of these Final Terms and Condition 6 of the Terms and Conditions, the relevant Potential Exercise Date; or
 - (b) if the Issuer has elected to call the Security in accordance with paragraph 23(a) of these Final Terms, the relevant Issuer Call Date;

all as determined by the Calculation Agent provided that if such date is not an Exercise Business Day, the Exercise Date shall be the immediately following Exercise Business Day.
 8. Settlement Date: The Settlement Date means the fifth Business Day following the Exercise Date or, if such date is not a Business Day, the immediately succeeding Business Day.
 9. Number of Securities being issued: The number of Securities being issued is set out in "Specific Provisions for each Series" above.
 10. Issue Price: The issue price per Security is set out in "Specific Provisions for each Series" above.
 11. Exercise Price: The exercise price per Security (which may be subject to adjustment in accordance with Condition 16) is equal to the Index Closing Level on the Reference Pricing Date.

"Reference Pricing Date" means 1 July 2008, or if such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day, unless such day is a Disrupted Day due to the occurrence of an event giving rise to a Disrupted Day prior to the Valuation Time on such day. If such day is a Disrupted Day due to the occurrence of such an event, then the Reference Pricing Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the occurrence of a Disrupted Day, would have been the Reference Pricing Date is a Disrupted Day. In that case, that eighth Scheduled Trading Day shall be deemed to be the Reference Pricing Date, notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine the level of the Index in the same

manner that it would determine the level of an Index on a deemed Valuation Date that is a Disrupted Day in accordance with the provisions of Condition 4 of the Offering Circular.

12. Automatic Exercise: Automatic exercise does not apply to the Securities.
13. Exchange Business Day: “**Exchange Business Day**” shall have the meaning as defined in Schedule 1- *Information about the Merrill Lynch Asia Rural Boom Index*;
14. Business Day Centre(s): The applicable Business Day Centres for the purposes of the definition of "Business Day" in Condition 4 are London and anywhere the Trans-European Automated Real-Time Gross Settlement Express Transfer System (“TARGET”) is open for business.
15. Settlement: Settlement will be by way of cash payment ("Cash Settled Securities"). Each Security upon due exercise entitles its holder to receive from the Issuer the Cash Settlement Amount on the relevant Settlement Date.

“**Cash Settlement Amount**” means, with respect to each Security, an amount determined by the Calculation Agent equal to:

$$\text{EUR } 100 \times \frac{FX_T}{FX_0} \times \frac{\text{Index}_T}{\text{Index}_0} \times \left(1 - \text{AMF} \times \frac{\text{Act}_t}{360} \right)$$

For the purposes of these Final Terms, the following definitions will apply in addition to the general definitions contained in Condition 4:

“**Act_t**” means the actual number of days from and including the Reference Pricing Date to and including the Exercise Date;

“**AMF**” means the annual management fee of 0.5% per annum;

“**FX₀**” means, the mid rate of exchange of EUR for USD expressed as the number of units of EUR (or part thereof) for which one USD can be exchanged) listed on Bloomberg Page “USDEUR” at 10:00 a.m. (London time) on the Reference Pricing Date, or such date as the Calculation Agent deems appropriate for the relevant calculation, provided that if such rate is not available on such time, or in the Calculation Agent’s sole determination, such rate does not reflect a commercially reasonable rate of exchange, then the Exchange Rate shall be determined by the Calculation Agent by reference to such other sources it determines to be appropriate in its sole discretion;

“**FX_T**” means, the mid rate of exchange of EUR for USD expressed as the number of units of EUR (or part thereof) for which one USD can be exchanged) listed on Bloomberg Page “USDEUR” at 10:00 a.m. (London time) on the Exercise Date, or such date as the

Calculation Agent deems appropriate for the relevant calculation, provided that if such rate is not available on such time, or in the Calculation Agent's sole determination, such rate does not reflect a commercially reasonable rate of exchange, then the Exchange Rate shall be determined by the Calculation Agent by reference to such other sources it determines to be appropriate in its sole discretion;

"Index" means, subject to adjustment in accordance with Condition 16(A), Merrill Lynch Asia Rural Boom Index (**"MLEIPEAS Index"**) (Bloomberg Ticker: *MLEIPEAS*), as described in Schedule 1 – *Information about the Merrill Lynch Asia Rural Boom Index*, and related expressions shall be construed accordingly.

"Index Closing Level" means, in respect of an Index, an amount equal to the official closing level of such Index as quoted on the relevant Bloomberg page corresponding to the relevant Bloomberg Ticker for each Index as set out above under the definition of "Index";

"Index₀" means the Exercise Price;

"Index_T" means the Settlement Price, as defined in Condition 4 of the Offering Circular;

16. Issuer's option to vary settlement: The Issuer does not have the option to vary settlement in respect of the Securities.
17. Settlement Currency: The settlement currency for the payment of the Cash Settlement Amount is Euro ("EUR").
18. Calculation Agent: The Calculation Agent is Merrill Lynch International.
19. Exchange(s) and Index Sponsor: For the purposes of Condition 4 and Condition 16(A):
- (a) the relevant Exchange shall be the **"Exchange"** as defined in Schedule 1- *Information about the Merrill Lynch Asia Rural Boom Index*;
 - (b) the relevant Index Sponsor is Merrill Lynch International;
20. Related Exchange(s): For the purposes of Condition 4 and Condition 16(A), the relevant Related Exchange, shall have the meaning set out in Schedule 1- *Information about the Merrill Lynch Asia Rural Boom Index*;
21. Minimum Exercise Number: The minimum number of Securities that may be exercised on any day by any Securityholder is one and Securities may only be exercised in integral multiples of one Security in excess thereof.
22. Additional Disruption Events: The following Additional Disruption Events apply to the Securities:

Change in Law

Hedging Disruption
Increased Cost of Hedging

23. Other Final Terms:

a) Issuer Call Option:

Each year, on any Issuer Call Date, the Issuer may, upon delivery of the Issuer Call Notice, to the Securityholders, call all, but not some only of the Securities then outstanding.

Upon delivery of the Issuer Call Notice, each Security shall be deemed to have been exercised by the Security Agent on behalf of the relevant Securityholder on the Issuer Call Date and the Securityholder will receive the Cash Settlement Amount on the Settlement Date.

“**Issuer Call Date**” means 17 July of each year commencing on and including 17 July 2009;

“**Issuer Call Notice**” means the irrevocable notice given by the Issuer to the Securityholders in accordance with Condition 10 that the Issuer will exercise its right to call, which notice shall specify the Issuer Call Date and shall be delivered not more than 180 calendar days and not less than 90 calendar days prior to the Issuer Call Date; Such notice shall specify therein the Issuer Call Date and the Settlement Date. The Issuer Call Date will be deemed to be the Exercise Date.

b) Exercise by Securityholders:

Subject to the delivery of an Issuer Call Notice as set out in paragraph 23(a) of these Final Terms, each year, each Security is exercisable by Securityholders on any Potential Exercise Date by delivery of a duly completed Exercise Notice.

Such Exercise Notice is to be delivered at least 30 calendar days and not more than 60 calendar days prior to the Potential Exercise Date.

The Potential Exercise Date will be deemed to be the Exercise Date and the Securityholder will receive the Cash Settlement Amount on the Settlement Date.

“**Exercise Notice**” means the irrevocable notice described in Condition 6 of the Terms and Conditions (Exercise Procedure);

“**Potential Exercise Date**” means 17 July of each year from and including 17 July 2009;

c) Specific Information relating to the Index:

The terms “Index”, “Bloomberg Ticker” and “Index Closing Level on the Reference Pricing Date” applicable to an Index shall be the corresponding terms set forth against that Index in the same row in the table below.

(i)	Index (i)	Bloomberg Ticker	Exercise Price
1	Merrill Lynch Asia Rural Boom Index	MLEIPEAS <Index>	To be determined on the Reference Pricing Date

- | | | |
|-----|---|--|
| d) | Amendment to Condition 16(A)(1): | In relation to the MLEIPEAS Index, Condition 16(A)(1) Market Disruption shall not apply to these Securities and the definition of Market Disruption Event set out in Schedule 1- <i>Information about the Merrill Lynch Asia Rural Boom Index</i> , shall apply. |
| 24. | Form of Securities: | The Securities are to be issued into and transferred through Euroclear and Clearstream, Luxembourg. |
| 25. | Eligibility for sale in the United States to QIBs who are also QPs or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs: | In relation to Cash Settled Securities which are either Index Securities or Share Securities, the Securities are not eligible for sale in the United States to QIBs who are also QPs, or to, or for the account or benefit of, U.S. persons who are QIBs and also QPs. |

DISTRIBUTION

- | | | |
|-----|----------------------------------|--|
| 26. | Syndication: | The Securities will be distributed on a non-Syndicated basis. |
| 27. | Total commission and concession: | The Offer Price is EUR 100. A commission of up to 1% may be paid to each Distributor in connection with the offer (calculated on the basis that the offer price is EUR 100 and the re-offer price to the Distributors is up to EUR 99), payable on the Issue Date. . |
| 28. | Non exempt Offer: | An offer of the Securities may be made by the Manager and any distributor appointed by the Issuer and Guarantor (the "Distributor" and, together with the Manager, the "Financial Intermediaries") other than pursuant to Article 3(2) of the Prospectus Directive in Luxembourg, France, Belgium and the Netherlands ("Public Offer Jurisdictions") during the period from and including 2 June 2008 to and including 27 June 2008 ("Offer Period"). See further Paragraph 5 of Part B below. |
| 29. | Additional selling restrictions: | <p>European Union</p> <p>Although a Prospectus (as defined in the EU Prospectus Directive 2003/71/EC ("Prospectus Directive")) has been prepared in connection with the Securities and approved by the competent authority in Luxembourg, the Prospectus has not been notified to the competent authority of any other European Economic Area ("EEA") member state other than the Netherlands and France and any purchaser of the Securities who subsequently sells any of their Securities in any such EEA member state must do so only in accordance with the requirements of the Prospectus Directive as implemented in such member state.</p> |

PURPOSE OF FINAL TERMS

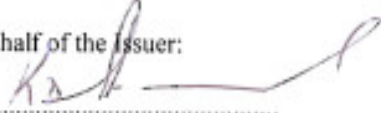
These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdictions and admission to trading on Euronext Paris and Euronext Amsterdam by NYSE Euronext of the Securities described herein pursuant to the Warrant and Certificate Programme of Merrill Lynch International & Co. C.V.

RESPONSIBILITY

Subject as provided below, the Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. The information relating to the Index contained herein has been accurately extracted from Bloomberg Financial Markets. The Issuer and ML&Co. accept responsibility for the accuracy of such extraction but accept no further or other responsibility in respect of such information.

Signed on behalf of the Issuer:

By:


.....
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing: Euronext Paris S.A. and Euronext Amsterdam by NYSE Euronext.

Admission to trading: Application will be made for the Securities to be admitted to trading on Euronext Paris S.A. and Euronext Amsterdam by NYSE Euronext.

2. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Manager, so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer.

3. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Reasons for the offer: The Issuer intends to use the net proceeds from each issue of Securities for its general corporate purposes. A substantial portion of the proceeds from the issue of Securities may be used to hedge market risks with respect to such Securities.

Estimated net proceeds: Up to EUR 20,000,000. For the avoidance of doubt, the estimated net proceeds reflect the proceeds to be received by the Offeror on the Issue Date. It is not a reflection of the fees payable by/to the Manager and the Distributors.

4. PERFORMANCE OF THE INDICES, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE INDICES

The past and future performance and volatility of the Indices can be obtained on Bloomberg Financial Systems.

Further information relating to the Indices is contained in Schedule 1 and 2.

5. TERMS AND CONDITIONS OF THE OFFER

Offer Price: EUR 100. Please see the paragraph 27 above “Total Commission and Concession”.

Conditions to which the offer is subject: Offers of the Securities are conditional on their issue. The issuer reserves the right not to issue the Securities.

Description of the application process: The Offer Period (as defined below) will begin at 8:00 am Central European Time on the 2 June 2008 and will expire at 17:00 pm Central European Time on the 27 June 2008.

During the period (the "**Offer Period**") described above, investors can accept the offer during normal banking hours in the Public Offer Jurisdictions.

The Securities will be placed into the Public Offer Jurisdictions by means of a placement network composed of one or more distributors (each a "**Distributor**") as managed and coordinated by Merrill Lynch International (the "**Manager**"). The Securities will be placed into the Public Offer Jurisdictions without any underwriting commitment by the Distributors or by Merrill Lynch International during the Offer Period.

During the Offer Period no undertakings have been made by

third parties to guarantee the subscription of the Securities.

A prospective Securityholder should contact the relevant Distributor in the Public Offer Jurisdictions prior to the end of the Offer Period. A prospective Securityholder will subscribe for Securities in accordance with the arrangements existing between the relevant Distributor and its customers relating to the subscription of securities generally. Prospective investors will not be required to enter into any contractual arrangements directly with the Issuer or the Manager related to the subscription for the Securities.

For the avoidance of doubt, no dealings in the Securities may take place prior to the Issue Date.

Details of the minimum and/or maximum amount of application:¹

There are no pre-identified allotment criteria. All of the Securities requested by the Distributors during the Offer Period will be assigned until reaching the maximum amount of the offer destined to prospective Securityholders (up to the amount of 200,000 Securities). In the event that during the Offer Period the requests exceed the amount of the offer destined to prospective Securityholders, equal up to 200,000 Securities, the Manager will proceed to early terminate the Offer Period and will immediately suspend the acceptance of further requests.

Upon the close of the Offer Period in the event that, notwithstanding the above, more than the maximum amount of the Securities are subscribed, the Manager will notify the Distributors as to the amount of their allotments. In such event, the Distributors will notify potential investors of the amount of the Securities to be assigned. The Manager will adopt allotment criteria that ensure equal treatment of prospective investors.

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:

Not Applicable

Details of the method and time limits for paying up and delivering the Securities:

Investors will be notified by the relevant Financial Intermediary of their allocations of Securities and the settlement arrangements in respect thereof. The Securities will be issued on the Issue Date against payment to the Issuer of the net subscription moneys.

Manner in and date on which results of the offer are to be made public:

The result of the offer will be published following the offer period and prior to the issue date in the publications listed below:

Public Offer Jurisdiction	Publication
Belgium	Not applicable
France	The BALO
Netherlands	Not applicable.

¹ Whether in number of securities or aggregate amount to invest.

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the Securities are offered and whether tranche(s) have been reserved for certain countries:	The Offer is addressed in the Public Offer Jurisdictions to any person. In other EEA countries, offers will only be made pursuant to an exemption under the Prospectus Directive as implemented in such countries.
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Not Applicable
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	For the tax regime applicable in the Public Offer Jurisdictions, please see Schedules 2-4 below.

6. OPERATIONAL INFORMATION

(i) ISIN Code:	The ISIN Code is set out in “Specific Provisions for each Series” above.
(ii) Common Code:	The Common Code is set out in “Specific Provisions for each Series” above.
(iii) Wertpapierkennnummer (WKN) (German Security Code):	Not applicable.
(iv) Clearing System(s):	Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme
(v) Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, <i>société anonyme</i> Clearstream Banking AG, Frankfurt am Main, Euroclear France S.A., DTC and VPC AB, Regeringsgatan 65, Box 7822, SE-103 97 Stockholm, Sweden or a duly authorised Swedish central securities depository under the Swedish CSD Rules and the relevant identification number(s):	Not applicable

SCHEDULE 1

INFORMATION REGARDING THE ML ASIA RURAL BOOM INDEX

The following information is a description of the Index, the methodology for calculating the Index, and certain historical information. The information contained in this description relating to the Index consists of extracts from, or summaries of, information provided by Merrill Lynch International as sponsor of the Index (the "Index Sponsor"). The Issuer confirms that such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by the Index Sponsor, no facts have been omitted which would render the reproduced information inaccurate or misleading. Neither the Issuer nor the Dealer accepts any further responsibility in respect of such information. See the legend appearing at the end of this section for important information regarding the information set forth herein.

1. GENERAL DESCRIPTION

The Index is intended to reflect the price return performance of a changing selection of stocks, reflecting the current constituents of the ML Asia Rural Boom Index selected by Merrill Lynch Research. The Index is intended to provide exposure to Asian stocks likely to benefit from rising rural consumption, companies with low demand elasticity and strong brand names, and vertically integrated food products. The stocks of companies comprising the Index can be listed in the Hong Kong, China, Korea, Singapore, Indonesia, Pakistan, Australia, New Zealand, Philippines, Malaysia, Taiwan, Thailand markets, and do not have to be rated by Merrill Lynch.

The Index will be published in United States dollars. The value of the Index shall always be rounded to the two nearest decimals (0.005 being rounded up) and shall be expressed as an amount in United States dollars.

The Index does not reflect a reinvestment of dividend payments made in respect of the Index Securities, unless the Index Sponsor decides otherwise in its sole and absolute discretion. If this occurs with respect to an Index Security, then the respective Weight (as defined below) will be adjusted, as determined by the Index Sponsor in its sole discretion, to reflect the net payment of the dividend.

There is no guarantee that Merrill Lynch Research will continue to select stocks for potential inclusion in the Index; further Merrill Lynch Research gives no representation or assurance, and is under no obligation or commitment, to provide any research relating to the Index at any point in the future. In the event of a discontinuation of the publication of the selection of stocks, the constituents of the Index may either remain static, i.e., no rebalancing (see "Rebalancing the Index") takes place, or a successor publication may be chosen by the Index Sponsor in its sole and absolute discretion.

The level of the Index will be available on Bloomberg under ticker MLEIPEAS <Index>, or any successor financial information service as determined by the Index Sponsor in its sole and absolute discretion.

2. SELECTION OF INDEX SECURITIES

2.1 Selection Pool

"**Selection Pool Securities**" are stocks that have the following characteristics, as determined by the Index Sponsor in its sole and absolute discretion:

- (a) Companies that satisfy one of the two following criteria:
 - (i) companies that will benefit from rising rural consumption such as telecom companies, consumer staple companies where revenues comes from rural areas, discount or bulk retailers, farm equipment, agriculture inputs and motorcycle manufacturers are growing
 - (ii) vertically integrated food companies, agriculture input producers, and consumer staple companies with low demand elasticity and strong brand names tend to outperform during periods of inflation; we have selected equities that fall into either one of these three areas of the food supply chain
- (b) a minimum liquidity of USD 1,000,000 per trading day (on the relevant exchange) averaged over a three month and twenty day period;
- (c) a minimum market capitalisation of USD 100,000,000, calculated by multiplying the number of outstanding shares by the latest Closing Price on the day prior to the announcement of the inclusion of such stock into the Index;
- (d) a full listing on its respective stock exchange, as determined by the Calculation Agent in its sole and absolute discretion;

- (e) are not subject to a Capital Control Event; and
- (f) Country of listing: Hong Kong, China, Korea, Singapore, Indonesia, Pakistan, Australia, New Zealand, Philippines, Malaysia, Taiwan, Thailand.

The Index Sponsor shall determine the Selection Pool Securities that will comprise the Index at any time and from time to time. Such securities shall be the "**Index Securities**" and each an "**Index Security**".

2.2 Inclusion of Index Securities in the Index

- (a) On any Index Review Date, the Index Sponsor may elect to include Selection Pool Securities in the Index as of the corresponding Roll-Over Date(s), at its sole and absolute discretion. Selection Pool Securities that are selected for inclusion in the Index shall be the "**New Index Securities**".
- (b) Notwithstanding paragraph 2.2(a) above, the Index Sponsor may, but is not obliged to, elect to add stocks resulting from an Initial Public Offering (such stocks, "**IPO Stocks**") on days other than Index Review Dates. Such stocks would need to comply with paragraphs 2.1(a), (b), (c), (d), (e) and (f). The day on which the Index Sponsor announces the inclusion to take place shall be a "**Special Review Date**". Unless otherwise determined by the Index Sponsor, such IPO Stock will be added to the Index on the Roll-Over Date (as defined in paragraph (ii) of the definition Roll-Over Date). In the event that adding such an IPO Stock would mean that there were more than 40 Index Components, the Index Sponsor will select an Index Security, on the basis of liquidity per trading day (on the relevant exchange) averaged over a six month period, together with the overall sector allocation within the Index, and remove it in favour of the IPO Stock.

Upon the inclusion of any New Index Securities in the Index, the Index will be rebalanced as set out in section 3.2 (*Rebalancing the Index*) below.

2.3 Exclusion of Index Securities from the Index

On any Index Review Date, the Index Sponsor may select Index Securities to be excluded from the Index as of the corresponding Roll-Over Date, if any such Index Security no longer meets the requirements to be eligible as a Selection Pool Security, each such excluded Index Security being an "**Excluded Index Security**".

Upon the exclusion of any Excluded Index Security from the Index, the Index may be rebalanced as set out under section 3.2 (*Rebalancing the Index*) below.

2.4 Number of Index Securities

The Index shall at no point contain less than ten (10) Index Securities nor more than forty (40) Index Securities, save as otherwise may be required as described in section 4 (*Index Adjustment and Calculation during Market Disruption Event*).

In the event that there are more than forty (40) Selection Pool Securities that could be included in the Index as Index Securities, the Index Sponsor shall select the forty most liquid stocks within the Selection Pool.

In the event that there is not a sufficient number of Selection Pool Securities to enable the Index to contain at least ten (10) Index Securities, the Index Sponsor may, but is not obliged to, reduce the market capitalisation requirements of paragraph 2.1(c) above. If this does not enable the inclusion of at least ten (10) Index Securities then the Index Sponsor may also, but is not obliged to, reduce the liquidity requirements set out in paragraph 2.1(b) above.

3. CALCULATION AND REBALANCING OF THE INDEX

3.1 Index Calculation

The Index Sponsor will calculate and report on Bloomberg page MLEIPEAS <Index> (or any successor pages at its sole and absolute discretion) the Daily Index Closing Value of the Index on such Index Calculation Day.

3.2 Rebalancing the Index

On any Roll-over Date on which New Index Securities are added and/or Excluded Index Securities are removed, the Index Sponsor, in its sole and absolute discretion, may, but shall not be obliged to, adjust the composition of the Index to: (a) include the New Index Securities and/or exclude the Excluded Index Securities; and (b) adjust the Weight of some or all of the Index Components.

On any Roll-Over Date, to the extent that the Index Sponsor elects to make an adjustment to the composition of the Index, stocks selected for inclusion into the Index will first be equally percentage weighted and then the percentage Weight of each stock will be adjusted using the following liquidity adjustment:

If the trading of a notional USD 100,000,000 basket of stocks reflecting the Index (the "**Notional Index Basket**") would result in an Index Security's 20-Day & 3-Month Average Turnover being exceeded, then such Index Security's %-Weight will be adjusted by reducing it such that it would not take more than its 20-Day & 3-Month Average Turnover to trade in the Notional Index Basket. The excess %-Weight resulting from such reduction will be evenly distributed to the other Index Securities, provided that those Index Securities would not, as a result, require more than their 20-Day & 3-Month Average Turnover to trade in the Notional Index Basket. This process will be repeated until no Index Securities would require more than their 20-Day & 3Mth Average Turnover to trade in the Notional Index Basket. The resulting %-Weight allocation in respect of an Index Security will be its "**Target %-Weight**".

The Weight for each Index Component shall be calculated as the Allocated Amount divided by the Closing Price of such Index Component on that Roll-Over Date.

On the Roll-Over Date, the Index Sponsor may also, in its sole and absolute discretion, adjust the Weight of some or all of the Index Components such that each Index Component achieves its Target %-Weight, without changing the composition of the Index.

4. INDEX ADJUSTMENTS AND CALCULATION DURING MARKET DISRUPTION EVENTS

4.1 Market Disruption Events

If on any Index Calculation Day, there is a Market Disruption Event, the Index Sponsor shall calculate the Daily Index Closing Value for that Index Calculation Day, using the value of the Index Security or Index Securities so affected by such Market Disruption Event which the Index Sponsor shall in its sole and absolute discretion calculate, having regard to then prevailing market conditions, the last reported trading price of such Index Security or Index Securities and such other conditions that the Index Sponsor, in its sole and absolute discretion, determines relevant on the valuation of the Index Security or the Index Securities.

4.2 Other Adjustments (including in respect of corporate actions)

In addition to section 4.1 above, there are other events that may affect the theoretical value of the Index or of one or more Index Securities (including any corporate action affecting one or more Index Securities). Accordingly, the Index Sponsor may, at its sole and absolute discretion, and where it considers it appropriate to reflect such changes, make additional adjustments to the Weights, as applicable, the number and kind of Index Securities comprising the Index and/or the Closing Price of an Index Security to reflect changes occurring in relation to such Index Security or the Index.

5. INDEX SPONSOR

The Index Sponsor will employ the methodology described above and its determinations in the application of such methodology shall be final, except in the case of manifest error. While the Index Sponsor currently employs the above described methodology to calculate the Index, no assurance can be given that market, regulatory, juridical or fiscal circumstances will not arise that would, in the view of the Index Sponsor, necessitate a modification or change of such methodology.

In addition, the Index Sponsor may modify the Index without the consent of any person for the purposes of curing any ambiguity or correcting or supplementing any provision contained herein or replacing any information provider or information source named herein or any previous replacement information provider or source. The Index Sponsor has no responsibility or obligation to inform any person (including holders of the Notes) about such modification, change or replacement. The Index Sponsor will make reasonable efforts to assure that such modifications, changes and replacements will result in a methodology that is consistent with the methodology described above.

6. CERTAIN DEFINITIONS RELATING TO THE INDEX

The following terms have the following meanings for the purposes of this document (*Information Regarding the ML Asia Rural Boom Index*) only:

"**Allocated Amount**" means an amount equal to the Daily Index Closing Value on the relevant Roll-Over Date multiplied by the Target %-Weight for each New Index Security on such Roll-Over Date;

"**Capital Control Event**" means, in respect of each Index Security and the local currency in which such Index Security is denominated or traded on the relevant Stock Exchange or of the jurisdiction in which the Issuer of the Index Security is incorporated (and if different) in which it has its principal place of business and/or where the relevant Stock Exchange is situated:

- (a) An event affecting the convertibility between such local currency and United States Dollars and/or transferability within or from the jurisdiction of such local currency;

- (b) The imposition by any such jurisdiction (or any political or regulatory authority thereof), in respect of such local currency, of any capital controls or any other similar event, or the publication of any notice of an intention to do so;
- (c) Change in laws or regulations affecting foreign investment in any such jurisdiction affecting foreign ownership of and/or dealing in local shares; or
- (d) any other event in any such jurisdiction which would make it impossible or impracticable for any holder of such Index Security to transfer legal and beneficial title of that Index Security without official consent and/or to obtain payment for such Index Security in immediately available and freely transferable funds;

"Closing Price" means in respect of each Index Security, the official closing price of such Index Security on the applicable Exchange at the Valuation Time on the Index Calculation Day for such Index Security, as reported by such Exchange, converted (where applicable) into USD using the relevant Exchange Rate;

"Daily Index Closing Value" means, in respect of each Index Calculation Day, the value of the Index as calculated and reported by the Index Sponsor in respect of such Index Calculation Day, which shall be equal to the aggregate figure resulting from the sum of all products of (a) the Weight for each Index Security and (b) the Closing Price of each Index Security, adjusted by the Exchange Rate;

"Exchange" means, in respect of each Index Security (which includes New Index Securities if in relation to a Roll-Over Date) comprising the Index, any stock exchange on which that Index Security is traded and/or any successor stock exchange or trading system on which that Index Security is traded. In the event that an Index Security is listed on more than one exchange or quotation system, the Index Sponsor shall in its sole and absolute discretion select an exchange or quotation system;

"Exchange Business Day" means any day upon which all the relevant Exchanges and Related Exchanges are open for trading during their respective regular trading sessions notwithstanding such Exchanges or Related Exchanges closing prior to their scheduled weekday closing time;

"Exchange Disruption" means any event that disrupts or impairs (as determined by the Index Sponsor in its sole and absolute discretion) the ability of market participants in general (i) to effect transactions in, or obtain market values for any Index Securities, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Index on any relevant Related Exchange;

"Exchange Rate" for any Index Calculation Day means the most recently reported exchange rate for the relevant currency in which the price of the stock is quoted compared to the United States dollar, as reported by Bloomberg or any substitute information provider selected by the Index Sponsor in its sole and absolute discretion. If such Exchange Rate is not so reported on an Exchange Business Day, the Index Sponsor shall, in its sole and absolute discretion, determine the Exchange Rate having regard to then prevailing market conditions, the last published exchange rate and such other conditions that the Index Sponsor determines relevant in determining such Exchange Rate. The Index Sponsor shall not be obliged to monitor or review such actual rates of exchange or to make any such determination in any circumstances;

"Index" means the ML Asia Rural Boom Index (Bloomberg: MLEIPEAS <Index>) (the "Index");

"Index Business Day" means a day (other than a Saturday and Sunday) on which commercial banks and foreign exchange houses are open for business in Hong Kong;

"Index Calculation Day" means a day which is (a) an Index Business Day and (b) an Exchange Business Day;

"Index Components" means the Index Securities as of the relevant Roll-over Date, excluding the Excluded Index Securities and including the New Index Securities as of such Roll-over Date;

"Index Review Date" means the tenth Exchange Business Day of March and September in each year;

"Market Disruption Event" means, in respect of the Index the occurrence or existence of (a) a Trading Disruption or (b) an Exchange Disruption, which in either case the Index Sponsor determines is material, at any time during the one hour period that ends at the relevant Valuation Time. Whether a Market Disruption Event exists at any time will be determined by the Index Sponsor in his sole and absolute discretion;

"Related Exchange" means, in respect of an Index Security, each exchange, quotation or market system on which options contracts and futures contracts relating to such Index Security are traded, any successor to such exchange, quotation or market system or any substitute exchange, quotation or market system to which trading in futures or options contracts relating to the Index has temporarily relocated; *provided that* the Index Sponsor has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index Security on such temporary substitute exchange, quotation or market system as on the original Related Exchange;

"Roll-Over Date" means:

- (i) in respect of an Index Review Date, the tenth Index Calculation Day following such Index Review Date; and
- (ii) in respect of a Special Review Date, the fifteenth Exchange Business Day for the relevant stock following the Special Review Date ("**Original Roll-Over Date**") provided that such day is also an Index Calculation Day. If not, the Roll-Over Date shall be the first Index Calculation Day succeeding the Original Roll-Over Day.

"Trading Disruption" means any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) on the Exchange relating to securities that comprise 20 percent or more of the level of the Index, or (ii) in futures or options contracts relating to the Index on the Related Exchange.

"USD" means United States dollars;

"Valuation Time" means, in respect of an Index Security, the close of trading on the relevant Exchange; and

"Weight" shall mean in relation to an Index Security, the number of such Index Security, and portions thereof, contained in the Index, rounded to the nearest one hundred millionth;

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SCHEDULE 2

TAX TREATMENT OF THE SECURITIES IN BELGIUM

The following information is general in nature with respect to the tax treatment of Certificates held by persons that are resident in Belgium for tax purposes and that are the beneficial owners of any income from the Certificates. It does not constitute tax advice and does not purport to treat all aspects of an investment in the Certificates. In certain cases, other rules may apply. Moreover, the tax laws and their interpretation are liable to change at any time. Potential investors who would like complete information about the tax consequences in Belgium of the acquisition, holding and assignment of the Certificates should consult their regular financial and tax advisors.

(i) *Tax rules applicable to individuals*

Individuals Certificate holders resident in Belgium for tax purposes are, in principle, subject to personal income tax in Belgium ("*impôt des personnes physiques / personenbelasting*") and will, in principle, be subject to the tax treatment described below insofar as the Certificates are concerned. Other rules may apply in specific situations, in particular if an individual holds the Certificates in the context of a professional activity or if the investment in the Certificates falls outside the scope of normal wealth management.

Profits realised upon Redemption of the Certificates should be considered as interest. Payments of interest on the Certificates made through a paying agent in Belgium will in principle be subject to a 15% withholding tax in Belgium (computed on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for individuals. However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return and will be taxed at a flat rate of 15% (plus communal surcharges). If the interest is received through a foreign paying agent within the meaning of the Savings Directive and such agent levied the Home State Tax (*i.e.*, a taxation at source) (see paragraph (iv) below), such Home State Tax does not relieve the Belgian individual from declaring the interest income in his personal income tax return. However, the Home State Tax will be imputed to the beneficiary's tax liability. If the Home State Tax exceeds the taxpayer's tax liability, the surplus will be reimbursed provided it is at least €2.50.

Profits realised on the Certificates as a consequence of sale to a third party could be considered as either interest or capital gain depending on whether or not the Certificates qualify as fixed income securities. According to certain authors, Certificates should in principle qualify as fixed income securities if there is a causal link between the amount of return and the detention period of the security. However, even in the absence of a causal link, one could be of the view that the profits still qualify as interest, but that it is impossible to determine the taxable income, due to lack of a causal link. The law defines the taxable income (for profits realized prior to maturity) as the income *pro rata* the period during which the Certificate holder held the Certificates. If there is no causal link between the amount of return and the detention period of the security, it is not possible to determine a *pro rata* income. To the extent that the profit qualifies as capital gains, such gains are not taxable in the hands of individuals, unless they fall outside the scope of normal wealth management or the Certificates are redeemed by the Issuer. In the latter case, the profit is taxable as interest (as described above). Capital losses are not tax deductible.

(ii) *Tax rules applicable to corporate investors*

Companies Certificate holders resident in Belgium for tax purposes are, in principle, subject to corporate income tax in Belgium ("*impôt des sociétés / vennootschapsbelasting*") and will, in principle, be subject to the tax treatment described below insofar as the Certificates are concerned.

Profits realised upon Redemption of the Certificates should be considered as interest. Interest derived by Belgian corporate investors on the Certificates will be subject to Belgian corporate income tax of 33.99%. To the extent that payments of interest on the Certificates are made through a paying agent in Belgium, such payments will in principle be subject to a 15% withholding tax in Belgium (computed on the interest received after deduction of any non-Belgian withholding taxes). In certain circumstances, exemption from withholding tax may be available. The withholding tax that has been levied, if any, should normally be creditable against the corporate income tax due.

Profits realised on the Certificates as a consequence of sale to a third party could be considered as either interest or capital gain depending on whether or not the Certificates qualify as fixed income securities.

According to certain authors, Certificates should in principle qualify as fixed income securities if there is a causal link between the amount of return and the detention period of the security. However, even in the absence of a causal link, one could be of the view that the profits still qualify as interest, but that it is impossible to determine the taxable profit, due to lack of a causal link. The law defines the taxable income (for profits realized prior to maturity) as the income *pro rata* the period during which the Certificate holder held the Certificates. If there is no causal link between the amount of return and the detention period of the security, it is not possible to determine a *pro rata* income. To the extent that the profit qualifies as capital gains, such gains realised by Belgian corporate investors will be subject to Belgian corporate income tax of 33.99%. Capital losses are in principle tax deductible.

(iii) Tax rules applicable to other legal entities

Legal entities Certificate holders resident in Belgium for tax purposes are, in principle, subject to legal entities tax in Belgium ("*impôt des personnes morales / rechtspersonenbelasting*") and will, in principle, be subject in Belgium to the tax treatment described below insofar as the Certificates are concerned.

Profits realised upon Redemption of the Certificates should be considered as interest. Payments of interest on the Certificates made through a paying agent in Belgium will in principle be subject to a 15% withholding tax in Belgium (computed on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for legal entities. However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared by the legal entities themselves in a withholding tax return and withholding tax of 15% must be paid to the Treasury.

Profits realised on the Certificates as a consequence of sale to a third party could be considered as either interest or capital gain depending on whether or not the Certificates qualify as fixed income securities. According to certain authors, Certificates should in principle qualify as fixed income securities if there is a causal link between the amount of return and the detention period of the security. However, even in the absence of a causal link, one could be of the view that the profits still qualify as interest, but that it is impossible to determine the taxable profit, due to lack of a causal link. The law defines the taxable income (for profits realized prior to maturity) as the income *pro rata* the period during which the Certificate holder held the Certificates. If there is no causal link between the amount or return and the detention period of the security, it is not possible to determine a *pro rata* income. To the extent that the profit qualifies as capital gains, such gains are not taxable in the hands of legal entities, unless the Certificates are redeemed by the Issuer. In such case, the capital gain is taxable as interest (as described above). Capital losses are not tax deductible.

(iv) Savings Directive

On 3 June 2003, the European Council of Economics and Finance Ministers adopted a directive on the taxation of savings income in the form of interest payments (hereinafter the "Savings Directive"), which was transposed into Belgian law by the Act of 17 May 2004. The Savings Directive entered into force on 1 July 2005. Pursuant to the directive, paying agents established in an EU Member State must provide that State's competent authority with certain details of the payment of interest to any individual resident in another EU Member State. That competent authority is then required to communicate this information to the competent authority of the EU Member State of which the recipient is a resident for tax purposes.

However, for a transitional period, Belgium, Luxembourg and Austria (and other dependent or non-EU countries (see below)) instead operate a withholding system in relation to such payments. The withholding tax, or Home State Tax ("*prélèvement pour l'Etat de résidence / woonstaatheffing*") as defined in the Belgian implementation of the directive, will be levied on interest payments at a rate of 15%. The tax rate will be increased to 20% between 1 July 2008 and 30 June 2011 and to 35% thereafter. The ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. However, the aforementioned EU Member States provide for a procedure allowing recipients of such payments resident in other EU Member States to avoid the withholding tax by authorising their paying agent to report the payment or by presenting a certificate issued by the competent authority of their EU Member State of which the recipient is a resident for tax purposes. If withholding taxes are imposed in accordance with the above, the EU Member State of residence for tax purposes of the recipient of such payments should ensure the elimination of any double taxation which might

result from the imposition of this withholding tax. It should do so by crediting this withholding tax up to the amount of tax due in its territory and by reimbursing any excess amount of tax withheld or by granting a refund of the withholding tax.

The territorial scope of the Savings Directive has been extended to Switzerland, Lichtenstein, Andorra, Monaco, San Marino, the Dutch Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, the Cayman Islands, the Government of Anguilla and Turks and Caicos. The agreements with the Government of Anguilla, Aruba, the Cayman Islands, Montserrat and the Dutch Antilles provide for bilateral automatic exchange of information for tax purposes between the contracting States (except the agreement with the Cayman Islands, which information commitments only apply to paying agents established in the Cayman Islands). For a transitional period, all these countries (except the Cayman Islands) apply the withholding tax. The other countries (Switzerland, Lichtenstein, Andorra, Monaco, San Marino, Turks and Caicos, Jersey, the Isle of Man, the British Virgin Islands and Guernsey), have opted to permanently apply the withholding tax on the interests payments made to individuals established in one of the contracting states.

The above description does not constitute a summary of the tax laws currently in force, which are liable to change and evolve over time. In each case, please consult your tax and financial advisor concerning your individual situation as well as further to any change in the tax laws.

SCHEDULE 3

TAX TREATMENT OF THE CERTIFICATES IN FRANCE

The Issuer being resident outside of France for tax purposes, no withholding tax shall apply in France to payments made by the Issuer under the Certificates. Prospective investors in the Certificates should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Certificates and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile. Neither Merrill Lynch International & Co. C.V. nor the Guarantor is or shall be liable for or otherwise obliged to pay any tax, duty, withholding tax or other payment which may arise as a result of the ownership or transfer of any Certificate or of any payment made by Merrill Lynch International & Co. C.V. thereunder.

SCHEDULE 4

TAX TREATMENT OF THE CERTIFICATES IN THE NETHERLANDS

General

The following is a general summary of the Dutch tax consequences as at the date hereof in relation to the acquisition, holding or disposal of Certificates. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder of Certificates or a prospective holder and in view of its general nature, it should be treated with corresponding caution. Holders should consult their tax advisers with regard to the tax consequences of investing in the Certificates.

Except as otherwise indicated, this summary only addresses the tax legislation as in effect at the date hereof and as interpreted in published case law until this date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

This paragraph does not describe the Dutch tax consequences of the acquisition, holding and disposal of the Certificates if a holder of Certificates or individuals related to such holder (statutorily defined term) and certain of their relatives by blood or marriage in the direct line (including foster children) have a substantial interest or deemed substantial interest (statutorily defined terms) in the Issuer. Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder, alone or, in case of individuals, together with his/her partner (statutorily defined term), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company or (ii) holds rights to acquire, directly or indirectly, such interest or (iii) holds certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) has been disposed of, or is deemed to have been disposed of, on a non-recognition basis. Furthermore, this summary does not describe the tax considerations if the Certificates qualify as a participation (statutorily defined term) for the purposes of the Dutch Corporate Income Tax Act 1969.

Taxes on income and capital gains

Residents of the Netherlands

Generally speaking, if the holder of the Certificates is an entity that is a resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes, any payment under the Certificates or any gain realised on the disposal or deemed disposal of the Certificates is subject to corporate income tax at a rate of 25.5% (a corporate income tax rate of 20.0% applies with respect to taxable profits up to €40,000 and 23.0% over the following €60,000, the first two brackets for 2008). Any loss may be tax deductible.

A Dutch qualifying pension fund and a Dutch qualifying tax exempt investment fund (in Dutch "*vrijgestelde beleggingsinstelling*") are in principle not subject to Dutch corporate income tax. A qualifying Dutch investment fund (in Dutch "*fiscale beleggingsinstelling*") is subject to corporate income tax at a special rate of zero per cent.

If a holder of the Certificates is an individual, resident or deemed to be resident of the Netherlands for Dutch income tax purposes (including the non-resident individual holder who has made an election for the application of the rules of the Dutch Income Tax Act 2001 as they apply to residents of the Netherlands), any payment under the Certificates or any gain realised on the disposal or deemed disposal of the Certificates is taxable at the progressive income tax rates (with a maximum of 52%) and any loss may be deductible, if:

(a) the Certificates are attributable to an enterprise from which the holder of the Certificates derives a share of the profit, whether as an entrepreneur or as a person who has a co-entitlement to the net worth of such enterprise, without being a shareholder, as defined in the Dutch Income Tax Act 2001; or

(b) the holder of the Certificates is considered to perform activities with respect to the Certificates that go beyond ordinary asset management (in Dutch "*normaal vermogensbeheer*") or derives benefits from the Certificates that are (otherwise) taxable as benefits from other activities (in Dutch "*resultaat uit overige werkzaamheden*").

If the above-mentioned conditions (a) and (b) do not apply to the individual holder of the Certificates, such holder will be taxed annually on a deemed income of 4% of his or her net investment assets for the year at an income tax rate of 30%. The net investment assets for the year is the average of the fair market value of the investment assets less the allowable liabilities at the beginning of that year and the fair market value of the investment assets less the allowable

liabilities at the end of that year. The Certificates are included as investment assets. A tax free allowance may be available. Actual results (gains/losses) derived from the Certificates are as such not subject to Dutch income tax.

Non-residents of the Netherlands

A holder of the Certificates will not be subject to Dutch taxes on income or capital gains in respect of any payment under the Certificates or in respect of any gains or losses realised on the disposal or deemed disposal of the Certificates, provided that:

(a) such holder is neither resident nor deemed to be resident of the Netherlands nor has made an election for the application of the rules of the Dutch Income Tax Act 2001 as they apply to residents of the Netherlands; and

(b) such holder does not have an interest in an enterprise or deemed enterprise (statutorily defined term) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Certificates are attributable; and

(c) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Certificates that go beyond ordinary active asset management (in Dutch “*normaal vermogensbeheer*”) and does not derive benefits from the Certificates that are (otherwise) taxable as benefits from other activities in the Netherlands (in Dutch “*resultaat uit overige werkzaamheden*”).

A holder of the Certificates will not become subject to taxation on income and capital gains in the Netherlands by reason only of the execution, delivery and/or enforcement of the Certificates or the performance by the Issuer of its obligations under the Certificates.

Gift and estate taxes

Residents of the Netherlands

Gift, estate or inheritance taxes will arise in the Netherlands with respect to a transfer of the Certificates by way of a gift by, or on the death of, a holder of such Certificates who is resident or deemed resident of the Netherlands at the time of the gift or his or her death.

Non-residents of the Netherlands

No Dutch gift, estate or inheritance taxes will arise on the transfer of Certificates by way of gift by, or on the death of, a holder of Certificates who is neither resident nor deemed to be resident in the Netherlands, unless:

(a) such holder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that, in whole or in part, is or was either effectively managed in the Netherlands or carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Certificates are or were attributable; or

(b) in the case of a gift of a Note by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For purposes of Dutch gift, estate and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the 10 years preceding the date of the gift or his death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the 12 months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Other taxes and duties

No Dutch VAT and no Dutch registration tax, customs duty, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable by the holders of the Certificates in respect or in connection with the issue of the Certificates or with respect to the settlement of the Certificates.