FINAL TERMS DATED 28 APRIL 2008

MERRILL LYNCH INTERNATIONAL & CO. C.V.

Up to 200,000 Securities relating to the Merrill Lynch Commodity Index eXtra (Agriculture) Excess Return and Merrill Lynch Asia Agriculture 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	Wertpapierkennummer (WKN)	Issue Price
1	Up to 200,000	DE000ML0DJR9	35674829	ML0DJR	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 28 May 2008.
6.	Issue Date:	The issue date of the Securities is 6 June 2008.
7.	Exercise Date:	The exercise date of the Securities is 31 May 2011, provided that, if such date is not an Exercise Business Day, the Exercise Date shall be the immediately succeeding Exercise Business Day.
8.	Settlement Date:	The Settlement Date means (1) 8 June 2011, or, if such date is not a Business Day, the immediately succeeding Business Day or, if later (2) the fifth Business Day following the Valuation Date.
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 28 May 2008, or if such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level, price or amount on the Reference Pricing Date, as if such Reference Pricing Date were a Valuation Date that was a Disrupted Day;
12.	Automatic Exercise:	Automatic exercise applies to the Securities.
13.	Exchange Business Day:	In relation to the MLCXAGER Index, the MLCXAGER Exchange Business Day shall have the meaning as defined in Schedule 1- *Information about the Merrill Lynch Commodity Index eXtra (Agriculture) Excess Return.* In relation to the MLEIAAGR Index, Exchange Business Day shall have the meaning as defined in Schedule 2- *Information about the Merrill Lynch Asia Agriculture Index*;
14.	Business Day Centre(s):	The applicable Business Day Centres for the purposes of the definition of "Business Day" in Condition 4 are 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").

Subject to the occurrence of an Issuer Call Event, upon the valid exercise of Securities in accordance with the Terms and Conditions, each Securityholder shall receive the Cash Settlement Amount on the Settlement Date in the Settlement Currency, which shall be determined by the Calculation Agent in accordance with the following:

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

a) If in the determination of the Calculation Agent, the Index Levels of both Indices are at or above the corresponding Exercise Prices for such Indices, the Cash Settlement Amount will be calculated in accordance with the following formula:

EUR 100 x [148-172]%[1]

(a) If in the determination of the Calculation Agent, the Index Level of any of the Indices is below its respective Exercise Price, and:

(i) If in the determination of the Calculation Agent, a Barrier Event has not occurred the Cash Settlement Amount will be calculated in accordance with the following formula:

EUR 100 x 115%

Or,

(ii) If in the determination of the Calculation Agent, a Barrier Event has occurred the Cash Settlement Amount will be calculated in accordance with the following formula:

$$\textbf{EUR 100 x } Min\left(\frac{MLCXAGER_{Final}}{MLCXAGER_{Initial}}, \frac{MLEIAAGR_{Final}}{MLEIAAGR_{Initial}}\right)$$

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

A "**Barrier Event**" is deemed to have occurred if the Calculation Agent determines that, at any time during the Observation Period the Index Closing Level of any Index is at or below its respective Barrier Level;

"Barrier Level" means 65% of the Exercise Price;

"Indices" and **"Index"** means, subject to adjustment in accordance with Condition 16*(A)*, the Indices listed below and related expressions shall be construed accordingly:

a) Merrill Lynch Commodity Index eXtra (Agriculture)

[1] To be determined on the Reference Pricing Date.

Excess Return (**“MLCXAGER Index”**) (Bloomberg Ticker: *MLCXAGER*), as described in Schedule 1 – *Information about the Merrill Lynch Commodity Index eXtra (Agriculture) Excess Return*; and

b) Merrill Lynch Asia Agriculture Index (**“MLEIAAGR Index”**) (Bloomberg Ticker: *MLEIAAGR*), as described in Schedule 2 – *Information about the Merrill Lynch Asia Agriculture Index*;

“Index Component” means, in relation to the MLCXAGER Index, the “MLCXAGER Contracts” as defined in Schedule 1 - *Information about the Merrill Lynch Commodity Index eXtra (Agriculture) Excess Return*

“**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”, on the Reference Pricing Date or an Issuer Call Observation Date as the case may be;

“Index Level” means, in respect of an Index and a time on a Scheduled Trading Day, the level of such Index at such time on such day as determined by the Calculation Agent;

“$MLCXAGER_{Initial}$” means the Index Closing Level of the MLCXAGER Index on the Reference Pricing Date;

“$MLCXAGER_{Final}$” means the Settlement Price, as defined in Condition 4, of the MLCXAGER Index;

“$MLEIAAGR_{Initial}$” means the Index Closing Level of the MLEIAAGR Index on the Reference Pricing Date;

“$MLEIAAGR_{Final}$” means the Settlement Price, as defined in Condition 4, of the MLEIAAGR Index;

“**Observation Period**” means for the purposes of determining whether a Barrier Event has occurred, monitoring for each Index of the Index Closing Level from and excluding the Reference Pricing Date, to and including the Valuation Date (adjusted, if applicable as provided in Condition 4).

“Trading Day” means, in relation to an Index, the “Trading Day” definition applicable to the relevant Index as set out in Schedule 1 - *Information about the Merrill Lynch Commodity Index eXtra (Agriculture) Excess Return*.

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 (in the case of Cash Settled Securities), the Additional Amount, and the Call 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 means:

(i) in relation to the MLCXAGER Index, the MLCXAGER Exchange as defined in Schedule 1- *Information about the Merrill Lynch Commodity Index eXtra (Agriculture) Excess Return*;

(ii) in relation to the MLEIAAGR Index, the MLEIAAGR Exchange as defined in Schedule 2- *Information about the Merrill Lynch Asia Agriculture Index*;

(b) the relevant Index Sponsor for MLEIAAGR Index is Merrill Lynch International and for MLCXAGER Index the relevant Index Sponsor is both Merrill Lynch Pierce Fenner & Smith Limited and Merrill Lynch Commodities, Inc.;

20. Related Exchange(s): For the purposes of Condition 4 and Condition 16(A), the relevant Related Exchange, in relation to the MLEIAAGR Index, shall have the meaning set out in Schedule 2- *Information about the Merrill Lynch Asia Agriculture 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: If in the determination of the Calculation Agent, an Issuer Call Event has occurred, the Securities will be automatically exercised on the Issuer Call Observation Date and each Securityholder shall receive an amount equal to the Call Settlement Amount per Security on the Call Settlement Date;

"Call Settlement Amount" means the amount to which the Securityholder is entitled to receive on the Call Settlement Date in the Settlement Currency in relation to each Security as determined by the Calculation Agent in accordance with the following:

Issue Price x (100% + Additional Amount(t))

"Call Settlement Date" means five Business Days following the Issuer Call Observation Date;

"Issuer Call Event" shall occur if in the determination of the Calculation Agent, the Index Closing Level of both Indices is at or higher than the corresponding Exercise Price for such Indices on any Issuer Call Observation Date;

“Issuer Call Observation Date (n)” means the dates set out in the table below, commencing on 28 November 2008 (n=1) and ending on 28 February 2011 (n=10) (10 Issuer Call Observation Dates where n= 1 to 10) (the “Scheduled Issuer Call Observation Date(s)”) or if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day then the provisions of the definition of “Valuation Date” will apply for purposes of determining the relevant level, price or amount on the Issuer Call Observation Date , as if such Issuer Call Observation Date were a Valuation Date that was a Disrupted Day;

(t)	Issuer Call Observation Date	Call Settlement Date	Call Settlement Amount	Additional Amount(t)[2]
1	28 November 2008	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[8-12]%
2	2 March 2009	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[12-18]%
3	28 May 2009	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[16-24]%
4	28 August 2009	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[20-30]%
5	30 November 2009	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[24-36]%
6	1 March 2010	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[28-42]%
7	28 May 2010	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[32-48]%
8	30 August 2010	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[36-54]%
9	29 November 2010	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[40-60]%
10	28 February 2011	five Business Days after the Issuer Call Observation Date	Issue Price x (100% + Additional Amount(t))	[44-66]%

b) Amendments to Condition 4 and Condition 16 of the Offering Circular:

In relation to the MLCXAGER Index, Condition 4 and Condition 16 shall be amended by replacing the definitions of “Market Disruption Event” and “Scheduled Trading Day” where applicable:

“Market Disruption Event” means, in relation to an Index:

(a) the material suspension of, or the material limitation imposed on, trading in any of the Index Components for such Index or in any additional futures contract, options contract or commodity in connection with the Index Components for such Index. For these purposes, (i) a suspension of the trading in any of the Index Components for such Index on any Scheduled Trading Day shall be deemed to be material only if (A) all trading in such Index Component is suspended for the entire Valuation Date or Reference Pricing Date, as the case may be, or (B) all trading in such Index Component is suspended subsequent to the opening of

[2] To be determined on the Reference Pricing Date.

		trading on the Valuation Date or Reference Pricing Date, as the case may be, trading does not recommence prior to the regularly scheduled close of trading in such Index Component on such day and such suspension is announced less than one hour preceding its commencement; and (ii) a limitation of trading in any of the Index Components for such Index on any Scheduled Trading Day shall be deemed to be material only if the Index Sponsor for such Index establishes limits on the range within which the return of the Index may fluctuate and the closing level of the such Index on such day is at the upper or lower limit of that range; or (b) failure by the Sponsor to calculate and announce the relevant Index, provided that the Calculation Agent may instead, to the extent applicable, decide that the provisions of Condition 16A(2) shall apply to such failure to calculate and announce the relevant Index, which in any such case the Calculation Agent determines is material; "**Scheduled Trading Day**" means, in relation to an Index, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a Trading Day for such Index in respect of each relevant Exchange, notwithstanding any such Exchange closing prior to its scheduled closing time.
	c) Amendment to Condition 16(A)(1):	In relation to the MLEIAAGR Index, Condition 16(A)(1) Market Disruption shall not apply to these Securities and the definition of Market Disruption Event set out in Schedule 2- *Information about the Merrill Lynch Asia Agriculture Index*, shall apply.
24.	Form of Securities:	The Securities are to be issued into and transferred through Clearstream, Frankfurt.
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 2% 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 98), payable on the Issue Date. In addition, Distributors may charge subscribers or purchasers a fee up to 2% of the Offer Price, payable on the Issue Date.
28.	Non exempt Offer:	An offer of the Certificates 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, Germany, Austria, France, Belgium and the Netherlands ("Public Offer Jurisdictions") during the period from and including 28 April 2008 to and including 23 May 2008 ("Offer Period"). See further Paragraph 5 of Part B below.

29. Additional selling restrictions: **European Union**

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, Germany 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.

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 EUWAX, the Open Market ("Freiverkehr") of the Frankfurt Stock Exchange ("Frankfurter Wertpapierbörse"), Euronext Paris and Euronext Amsterdam by NYSE Euronext of the Certificates 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:	EUWAX, Euronext Paris S.A., Open Market ("Freiverkehr") of the Frankfurt Stock Exchange ("Frankfurter Wertpapierbörse") and Euronext Amsterdam by NYSE Euronext.
Admission to trading:	Application will be made for the Securities to be admitted to trading on EUWAX, the Open Market ("Freiverkehr") of the Frankfurt Stock Exchange ("Frankfurter Wertpapierbörse"), 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 28 April 2008 and will expire at 17:00 pm Central European Time on the 23 May 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:[3]	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**
Austria	Not applicable.
Belgium	Not applicable

[3] Whether in number of securities or aggregate amount to invest.

France	The BALO
Germany	Börsenzeitung
Netherlands	Not applicable.

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 3-7 below.

10. 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)	Wertpapierkennummer (WKN) (German Security Code):	The Wertpapierkennumbber (WKN) is set out in “Specific Provisions for each Series” above.
(iv)	Clearing System(s):	Clearstream Banking AG, Frankfurt am Main
(v)	Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, *société anonyme* 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):	Euroclear, France

SCHEDULE 1

INFORMATION REGARDING THE MERRILL LYNCH COMMODITY INDEX EXTRA (AGRICULTURE) EXCESS RETURN

Section 1

Information about the Merrill Lynch Commodity index eXtra (AGriculture) Excess Return (the "MLCXAGER") sub-index of the Merrill Lynch Commodity index eXtra (the "MLCX")

*The following information is a description of the methodology for calculating the MLCXAGER (the "**Index**") and has been provided by Merrill Lynch International (the "**Index Calculation Agent**"). The Issuer accepts responsibility only for the correct reproduction of the methodology as set out in full below and does not accept any responsibility or make any express or implied warranty, or any representation, as to the accuracy or the completeness of the methodology and has not separately verified such information. While the Index Calculation Agent currently employs the methodology described in this Index Description to calculate the Index, the Index Calculation Agent may modify or change such methodology if market, regulatory, juridical or fiscal circumstances or requirements arise that would, in the sole and absolute discretion of the Index Calculation Agent, necessitate such modification or change. In addition, the Index Calculation Agent may, in its sole and absolute discretion, without the consent of any person, modify such methodology for the purposes of curing any ambiguity or correcting or supplementing any provision of this Index Description or replacing any information provider or information source named in this Index Description or any previous replacement information provider or source.*

1 General Description

The MLCXAGER is an index that represents the return achieved by gaining exposure to futures on sugar, wheat, corn, soybean, soybean meal, coffee, live cattle and lean hogs.

This Index is an Excess Return index. The MLCXAGER will be calculated on each Index Business Day and published on the following Index Business Day on one or more financial information service(s) (initially Bloomberg).

Preliminary Definitions

The **Contract Production Weights ("CPWs")** are the weights of the applicable MLCXAGER Contract in the relevant Index, for purposes of Index calculation. They are given in Table 1 below.

The **Handbook** is the MLCX Handbook 2008.

The **MLCXAGER Contracts** are the futures contracts included in the relevant Index.

The **MLCXAGER Exchange** is the trading facility where the relevant MLCXAGER Contract is traded. Currently, this is: the Chicago Board of Trade (**"CBOT"**) in respect of wheat, corn, soybeans and soybean meal, the Chicago Mercantile Exchange (**"CME"**) in respect of lean hogs and live cattle and the New York Board of Trade (**"NYBOT"**) in respect of sugar and coffee.

The **Roll Period** is the first 15 Index Business Days of the month.

2 Calculation

Contracts and weights

The MLCXAGER is calculated on the basis of the respective weights of the MLCXAGER Contracts and the applicable Reference Prices, and in accordance with the formulas set forth in Chapter 3 of the Handbook. Each MLCXAGER Contract will be assigned a CPW, as set forth in Table 1 below, which will constitute the weight of the relevant MLCXAGER Contract in the Index, for purposes of Index calculation.

An **Index Period** is a period of time during which there are no changes in the list of MLCXAGER Contracts or in the CPWs assigned to the MLCX Contracts. The purpose of the Index Period is to identify each time period within which a particular Index composition and set of CPWs remains in effect. Typically, an Index Period is a calendar year. However, if the composition of the Index, or the CPWs, changes during a given year, such as due to extraordinary market events or other special circumstances, the calendar year in which such changes occur will include two or more Index Periods.

The list of MLCXAGER Contracts and their respective CPWs for the 2008 Index period are given in Table 1 below:

Table 1:		
MLCXAGER Exchanges	*MLCXAGER Contracts*	*CPWs*
CBOT	*Wheat*	*33.64%*
CBOT	*Corn*	*16.74%*
CME	*Live Cattle*	*13.73%*
NYBOT	*Sugar*	*11.60%*
CBOT	*Soybean Meal*	*7.28%*
CME	*Lean Hogs*	*5.91%*
CBOT	*Soybeans*	*5.63%*
NYBOT	*Coffee*	*5.47%*

3 Rolling mechanism

As the contracts that are used to calculate the value of the index at a particular time approach expiration, it is necessary to transfer, or "roll" the exposure to those contracts reflected in the Index into the next (or another) available contract expiration. Accordingly, Chapter 3 of the Handbook addresses not only the methodology for calculating the MLCXAGER but also the process of "rolling" contracts included in the MLCXAGER. The expiration months of all MLCXAGER Contracts included in the Index, and the months in which each such contract is rolled into the next available expiration, are set forth in the **Underlying Contract Table,** Table 2 below. The **Underlying Contract Table** lists which MLCXAGER Contract expirations are to be included in the Index. For each MLCXAGER Contract and a given Index Business Day, the Underlying Contract Table gives the month code of the MLCXAGER Contract expiration that will be included in the Index at the beginning of the calendar month, and that will need to be rolled out of, during that calendar month, if the particular MLCXAGER Contract rolls in such month.

On each Index Business Day during a Roll Period, the CPW of each future contract is divided between the contract expiration it is being rolled out of (the **Roll Out Contract**) and the contract expiration it is being rolled into (the **Roll In Contract**). The weight allocated to the Roll Out Contract on each day of the Roll Period is referred to as the **Roll Weight (W_t)** (and the weight allocated to the Roll-In Contract will therefore be equal to 1 minus the Roll Weight). On the first day of the Roll Period, 14/15 of the Contract Production Weight of each future contract is allocated to the Roll Out Contract and 1/15 of the Contract Production Weight is allocated to the Roll In Contract. These proportions are changed by 1/15 on each day of the Roll Period until, at the end of the Period, 100% of the exposure of the Index is in the Roll In Contract. If a roll occurs at the start of an Index Period, and the Index is therefore rolling into new

Contract Production Weights, then on the first day of the Roll Period, 14/15 of the old Index basket of each MLCXAGER Contract, as applicable is allocated to the Roll Out Contract and 1/15 of the new Index basket is allocated to the Roll In Contract. These proportions are changed by 1/15 on each day of the Roll Period. See Chapter 3 of the Handbook for a complete mathematical formulation.

4 The Excess Return Index

The **Daily Commodity Return (DCR)** is the return between two Index Business Days of the portfolio of commodity futures underlying the MLCXAGER indices as described in Chapter 3 of the Handbook. The **Adjustment Factor Rate** (**AFR**) is the rate used to calculate the adjustment factor to reflect fees and slippage costs. The rate is to be determined by the Index Calculation Agent and is initially set to 1% per year.

The MLCXAGER, as applicable, Excess Return Index on Index Business Day *t*, ER_t, will be obtained by the formula:

$$ER_t = ER_{t-1} \times \left(1 + DCR_t - AFR_t \times \frac{ndays}{360} \right),$$

where ER_{t-1} is the value of the index in the previous Index Business Day and *ndays* is the number of calendar days between the Index Business Day *t* and the previous Index Business Day *t-1*.

Table 2: Underlying Contract Table (contracts held in the beginning of each month for the Index)

	Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*
Wheat	*H*	*K*	*K*	*N*	*N*	*U*	*U*	*Z*	*Z*	*Z*	*H*	*H*
Corn	*H*	*K*	*K*	*N*	*N*	*U*	*U*	*Z*	*Z*	*Z*	*H*	*H*
Soybeans	*H*	*K*	*K*	*N*	*N*	*X*	*X*	*X*	*X*	*F*	*F*	*H*
Soybean Meal	*H*	*H*	*H*	*N*	*N*	*Z*	*Z*	*Z*	*Z*	*Z*	*F*	*H*
Lean Hogs	*J*	*J*	*M*	*M*	*N*	*Q*	*V*	*V*	*Z*	*Z*	*G*	*G*
Live Cattle	*J*	*J*	*M*	*M*	*Q*	*Q*	*V*	*V*	*Z*	*Z*	*G*	*G*
Sugar	*H*	*K*	*K*	*N*	*N*	*V*	*V*	*V*	*H*	*H*	*H*	*H*
Coffee	*H*	*K*	*K*	*N*	*N*	*U*	*U*	*Z*	*Z*	*Z*	*H*	*H*

Month Letter Code: January F, February G, March H, April J, May K, June M, July N, August Q, September U, October V, November X and December Z.

5 Index Calculation Agent

The Index Calculation Agent will employ the above described methodology to calculate the Index and its determinations and calculations in the application of such methodology shall be final and binding, except in the case of manifest error. While the Index Calculation Agent currently employs the methodology described in this Index Description to calculate the Index, the Index Calculation Agent may modify or change such methodology if market, regulatory, juridical or fiscal circumstances or requirements arise that would, in the sole and absolute discretion of the Index Calculation Agent, necessitate such modification or change. In addition, the Index Calculation Agent may, in its sole and absolute discretion, without the consent of any person, modify such methodology for the purposes of curing any ambiguity or correcting or supplementing any provision of this Index Description or replacing any information provider or information source named in this Index Description or any previous replacement information provider or source.

Where the Index Calculation Agent is described herein as making or being able to make any decision or determination or form any opinion, it may do so acting in its sole and absolute discretion.

6 Historical Data on the Merrill Lynch Commodity Index Extra (Agriculture) Excess Return

The following table sets forth the hypothetical historical and historical closing levels of the Index at the end of each month, in the period from January 2001 through January 2008. This hypothetical historical and historical data on the Index is not necessarily indicative of how the Index will perform in the future or what the redemption amount, if any, of the Certificates may be. Any historical upward or downward trend in the level of the Index during any period set forth below is not an indication that the Index is more or less likely to increase or decrease at any time during the term of the Certificates.

	2007	2008
January	83.3604	107.5687
February	85.6383	118.9421
March	79.4390	107.3015
April	78.4508	
May	81.2840	
June	82.7407	
July	85.7955	
August	90.2228	
September	100.4418	
October	93.8058	
November	96.911	
December	101.8113	

Past movements of the Index are not necessarily indicative of future levels of the Index. The closing level of the Index on 22 April 2008 was 184.06.

Section 2

Information about the Merrill Lynch Commodity Index Extra Excess Return

All the disclosure in this Schedule regarding the Merrill Lynch Commodity index eXtra^{SM} (the "MLCX"), including without limitation, its make-up, method of calculation and changes in its components, is derived from information made available by Merrill Lynch Commodities, Inc. (the "Index Manager") and Merrill Lynch Pierce Fenner & Smith Limited (the "Index Publisher"), each an affiliate of Merrill Lynch & Co., Inc. (together, along with each other affiliate of Merrill Lynch & Co., Inc. referred to as "Merrill Lynch"). This information reflects the policies of the Index Manager and Index Publisher and is subject to change by the Index Manager and Index Publisher at their discretion. The Index Manager and Index Publisher have no obligation to continue to publish, and may discontinue publication of, the MLCX. Further information regarding the Index can be found at the website http://gmi.ml.com/mlcx.

Overview

The MLCX was launched in June 2006 and is designed to provide a benchmark for commodity market performance and for investment in commodities as an asset class. The MLCX is comprised of futures contracts on physical commodities. A commodity futures contract is an agreement that provides for the purchase and sale of a specified type and quantity of a commodity during a stated delivery month for a fixed price. In the case of the MLCX, as the exchange traded futures contracts that comprise the Index (the "Index Components") approach the month before expiration, they are replaced by contracts that have later expiration. For example, as of September 1, 2006 the Crude Oil (WTI) contract included in the Index is the November 2006 contract, which is a contract for delivery of light, sweet crude oil in November 2006. This process is referred to as "rolling". The MLCX rolls over a 15 day period each month. The Certificates are linked to the excess return format of the MLCX (Bloomberg Symbol: MLCXER), the Index, that factors in both, price movements as well as roll yields.

The Index Manager constructed the MLCX based primarily on the liquidity of the Index Components and the value of the global production of each Index Commodity. The Index Manager believes that these criteria allow the MLCX to reflect the general significance of the Index Commodities in the global economy, differentiating between "upstream" and "downstream" commodities, with a particular emphasis on downstream commodities (i.e., those that are derived from other Index Commodities). The MLCX composition and weights are typically determined once a year and applied once at the start of each year in January. See the section entitled “Construction—Contract Selection—Weighting”. The methodology for determining the composition, weighting or value of the MLCX and for calculating its level is subject to modification by the Index Manager and Index Publisher, respectively, at any time. The Index Manager has indicated that it expects to modify the MLCX only in rare occasions in order to maintain stability and comparability.

Construction

The MLCX contains six market sectors identified by the Index Manager: (1) Energy; (2) Base Metals; (3) Precious Metals; (4) Grains & Oil Seeds; (5) Livestock; and (6) Soft Commodities & Others (each a “Market Sector”). Each Market Sector contains a minimum of two and a maximum of four Index Components, selected by liquidity.

The MLCX was created using the following four main principles:

1. *Liquidity* – The Index Components should be sufficiently liquid to accommodate the level of trading needed to support the Index. The selection mechanism is therefore based primarily on liquidity.
2. *Weighting* – The weight of each Index Component should reflect the value of the global production of the related Index Commodity, as a measure of the significance of the commodity in the global economy, with appropriate adjustments to avoid “double counting”.
3. *Market Sectors* – Each Market Sector should be adequately represented in the MLCX and the weights should be adjusted to maintain the integrity of the Market Sectors.
4. *Rolling* – Index Components are rolled during a fifteen day period in an attempt to limit the market impact that such contract rolls could have.

Exchange Selection

The Index Manager initially selected six exchanges, on the basis of liquidity, geographical location and commodity type (the “Selected Exchanges”). To be considered for selection, an exchange must be located in a country that is a member of the Organization for Economic Co-Operation and Development. The exchange must also be a principal trading forum, based on relative liquidity, for U.S. dollar-denominated futures contracts on major physical commodities. The six initial exchanges were: (1) the (a) Nymex and (b) Comex divisions of the NYMEX; (2) CME; (3) CBOT; (4) the LME; (5) ICE Futures (formerly known as the International Petroleum Exchange); and (6) the NYBOT.

Contract Selection

Eligibility

To be an “Eligible Contract”, a commodity futures contract must not only be traded on a Selected Exchange, it must also satisfy the requirements for inclusion. In order to be an Eligible Contract, a contract must generally satisfy all of the following requirements:

- it must be denominated in U.S. Dollars;
- it must be based on a physical commodity (or the price of a physical commodity) and provide for cash settlement or physical delivery at a specified time, or during a specified period, in the future;
- detailed trading volume data regarding the contract must be available for at least two years prior to the initial inclusion of the contract in the MLCX;
- the contract must have a Total Trading Volume, or TTV (as defined below), of at least 500,000 contracts for each twelve-month period beginning on July 1 and ending on June 30 being evaluated; and
- Reference Prices must be publicly available on a daily basis either directly from the Selected Exchange or, if available through an external data vendor, on any day on which the relevant exchange is open for business. “Reference Prices” are the official settlement or similar prices posted by the relevant Selected Exchange (or its clearing house) with respect to a contract and against which positions in such contract are margined or settled.

An Eligible Contract is selected for inclusion in the MLCX only after application of the requirements for a minimum and maximum number of contracts from each Market Sector. A contract that does not otherwise satisfy all of the foregoing requirements may nevertheless be determined by the Index Manager to be an Eligible

Contract and included in the MLCX if the inclusion of the contract is, in the judgment of the Index Manager, necessary or appropriate to maintain the integrity of the MLCX and/or to realize the objectives of the MLCX. Every year the Index Manager will compile a list of all commodity futures contracts traded on the Selected Exchanges and a list of the Eligible Contracts that satisfy the foregoing criteria. This list will be used to determine the commodities futures contracts which will be included in the MLCX.

Liquidity

The Index Manager distinguishes the Eligible Contracts by their liquidity. Liquidity is measured by a contract's Total Trading Volume and the value of that trading volume. The "Total Trading Volume" ("TTV") with respect to each contract traded on a Selected Exchange is equal to the sum of the daily trading volumes in all expiration months of the contract on each day during the most recent twelve-month period beginning on July 1 and ending on June 30. The "Contract Size" ("CS") is the number of standard physical units of the underlying commodity represented by one contract. For example, the Contract Size of a crude oil futures contract is 1,000 barrels. The "Average Reference Price" ("ARP")[4], which is used to determine the value of the Total Trading Volume, is the average of the Reference Prices of the Front-Month Contract for a Index Component on each Trading Day during the twelve month period beginning on July 1 and ending on June 30 of each year. A "Front-Month Contract" on any given day is the futures contract expiring on the first available contract expiration month after the date on which the determination is made. A "Trading Day" means any day on which the relevant Selected Exchange is open for trading. "Liquidity" ("LIQ") is therefore equal to the Total Trading Volume, multiplied by the Contract Size with respect to each contract, multiplied by the Average Reference Price for each contract:

$$LIQ = TTV \times CS \times ARP$$

Once the Liquidity is determined, the Eligible Contracts are listed in order of their Liquidity, from highest to lowest. All six MLCX Market Sectors must be represented by a minimum of two and a maximum of four Eligible Contracts. "Redundant Contracts" are less liquid Eligible Contracts representing a similar commodity and are excluded. For instance, the list of Index Components includes an Eligible Contract on WTI crude oil but excludes Brent crude oil as a Redundant Contract.

The selection of Eligible Contracts and determination of the Index Components occurs once a year and the results for the following calendar year will be announced before the first NYMEX Business Day of November. Based on this selection process, the MLCX may include from 12 to 22 commodity futures contracts. At launch, the MLCX included the following 18 contacts:

MLCX Contact	**Total Trading Volume (July 04 – June 05)**	**Average Reference Price in USD**[5]	**Contract Size in Units**	**Liquidity in USD**
Crude Oil (WTI)	57,054,071	48.84	1,000	2,786,520,827,640
Natural Gas	18,723,263	6.57	10,000	1,230,118,379,100
Copper - Grade A	15,012,107	3,127.19	25	1,173,642,772,233
High Grade Primary Aluminum	24,391,490	1,810.53	25	1,104,038,109,743
No. 2 Heating Oil, NY	13,109,220	1.38	42,000	757,167,572,448
Gasoline[6]	12,672,383	1.36	42,000	722,107,317,298
Gold	14,883,397	423.09	100	629,701,643,673
Soybeans	19,401,230	6.03	5,000	585,024,689,420
Corn	24,770,021	2.11	5,000	261,497,111,697
Special High Grade Zinc	8,458,096	1,172.76	25	247,982,916,624
Primary Nickel	2,682,916	14,947.02	6	240,609,594,682
Live Cattle	5,121,188	0.87	40,000	178,012,494,880
Silver	4,961,312	6.98	5,000	173,149,788,800

4 Note that the determination of the current composition of the MLCX was made on the basis of the ARP of each MLCX Contract on each Trading Day during calendar year 2005, rather than the ARP during each of the twelve months beginning on July 1 and ending on June 30 of the relevant year.

5 The Average Reference Price in USD used to calculate LIQ is based on four decimals to reflect the fact that some commodities are quoted in US cents.

6 As of the first business day on which the Index Publisher was open for business in January 2006, the Index Publisher no longer uses the NYMEX (HU) gasoline contract but is instead using the NYMEX RBOB contract.

Soybean Meal	8,463,590	184.46	100	156,119,381,140
Coffee “C”	4,151,831	0.97	37,500	151,505,502,979
Wheat	8,779,321	3.14	5,000	137,888,015,626
Lean Hogs	3,825,128	0.73	40,000	111,142,919,168
Sugar #11	10,842,356	0.09	112,000	104,190,704,218

For purposes of the preceding paragraph only, a “NYMEX Business Day” is any day that the New York Mercantile Exchange rules define as a trading day.

Weighting

The Index Manager determines the weight of each Index Component on the basis of the global production of the related Index Commodity, provided that the contract reflects global prices for that Index Commodity. In some cases, however, the Index Components only have pricing links to a limited number of markets around the world. For instance, the NYMEX natural gas contract primarily represents the U.S. market and the surrounding North American markets in Canada and Mexico. In addition, some European gas markets, such as the U.K., are developing an increasing link to U.S. natural gas prices through the liquefied natural gas market. As a result, rather than using production of natural gas in the world or in the U.S. to assign a weight to the natural gas contract in MLCX, the Index Manager has aggregated U.S., Canadian, Mexican and U.K. natural gas production. Similarly, the Index Manager found that U.S. livestock prices can be affected by local issues such as disease and trade restrictions, so it limited the livestock component of MLCX to production of cattle and hogs in the United States, instead of using global production weights.

Also, certain commodities are derived from other commodities in various forms. For example, gasoline and heating oil are produced from crude oil, and, because livestock feed on corn and other grains, they are to an extent derived from agricultural commodities. To avoid “double counting” of such commodities like crude oil or grains used as livestock feed, the Index Manager differentiates between “upstream” and “downstream” commodities and adjusts the global production quantity of the Index Commodities accordingly.

Market Sectors

The weight of any given Market Sector in the MLCX is capped at 60% of the overall MLCX and a minimum weight of 3% is applicable to each Market Sector. Even though the MLCX is designed to reflect the significance of the underlying commodities in the global economy, each Market Sector maintains these limits in an attempt to control volatility.

The weights of the Market Sectors and Index Components as of January 2006 were:

Silver	Precious Metals	0.41%
Index Component	**Market Sector**	**Weight**
Crude Oil (WTI)	Energy	27.39%
Gasoline – RBOB	Energy	12.17%
No. 2 Heating Oil, NY	Energy	11.80%
Natural Gas	Energy	8.63%
Wheat	Grains & Oil Seeds	6.26%
Copper - Grade A	Base Metals	5.11%
High Grade Primary Aluminum	Base Metals	4.67%
Corn	Grains & Oil Seeds	3.99%
Live Cattle	Live Stock	3.83%
Gold	Precious Metals	3.49%
Sugar #11	Soft Commodities & Others	2.94%
Soybean Meal	Grains & Oil Seeds	1.84%
Lean Hogs	Live Stock	1.71%
Primary Nickel	Base Metals	1.64%
Coffee “C”	Soft Commodities & Others	1.54%
Soybeans	Grains & Oil Seeds	1.30%
Special High Grade Zinc	Base metals	1.26%

Rolling

Each Index Component is rolled into the next available contract month in advance of the month in which expiration of the contract occurs. The rolling process takes place over a fifteen day period during each month prior to the relevant expiration month for each contract. The rolling process is spread out to limit the effect it might have on the market through the purchase and sale of contracts by investors who might attempt to replicate the performance of the Index. The rolling of contracts is effected on the same days for all Index Components, regardless of exchange holiday schedules, emergency closures or other events that could prevent trading in such contracts. If an Index Component is rolled on a day on which the relevant contract is not available for trading, the roll will be effected on the basis of the most recent available settlement price.

Index Oversight

The Merrill Lynch Commodity Index Advisory Committee (the "Advisory Committee"), comprised of individuals internal and external to Merrill Lynch, is expected to assist the Index Manager and Index Publisher in connection with the application of the Index principles, advise the Index Manager and Index Publisher on the administration and operation of the MLCX, and make recommendations to the Index Manager and Index Publisher as to any modifications to the MLCX methodology that may be necessary or appropriate.

The Advisory Committee is scheduled to meet once a year and may meet more often at the request of the Index Manager and Index Publisher. The Advisory Committee will advise the Index Manager and Index Publisher with respect to the inclusion/exclusion of any of the exchanges and contracts in the MLCX, any changes to the composition of the MLCX or in the weights of the Index Components, and any changes to the calculation procedures applicable to the MLCX. The Advisory Committee will act solely in an advisory and consulting capacity. All decisions relating to the composition, weighting or value of the MLCX are made by the Index Manager and Index Publisher.

License Agreement

Merrill Lynch Pierce Fenner & Smith Limited, the Index Publisher, has entered into a license agreement granting to Merrill Lynch & Co., Inc. a non-exclusive license to use the MLCX in connection with certain financial products.

Merrill Lynch Pierce Fenner & Smith Limited, as Index Publisher, and Merrill Lynch Commodities, Inc., as Index Manager, make no representation or warranty, express or implied, to Certificateholders or any member of the public regarding the advisability of purchasing Certificates, particularly, or the ability of the Index to track general commodity market performance. The Index is determined, composed and calculated by the Index Publisher and the Index Manager without regard to the Certificates. The Index Publisher and the Index Manager have no obligation to take the needs of the Certificateholders into consideration in determining, composing or calculating the Index. The Index Publisher and the Index Manager are not responsible for and have not participated in the determination of the timing of, prices at or quantities of the Certificates to be issued. The Index Publisher and the Index Manager have no obligation or liability in connection with the administration and marketing of the Certificates.

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SCHEDULE 2

INFORMATION REGARDING THE ML ASIA AGRICULTURE 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 Agriculture Index selected by Merrill Lynch Research. The Index is intended to provide exposure to Asian stocks likely to benefit from a rise in soft commodity prices in the long term. The companies can be listed in the Hong Kong, China, Korea, Singapore, Indonesia, Pakistan, Australia, 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 MLEIAAGR <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) a meaningful exposure to the Asia Agriculture theme, as determined by Merrill Lynch Research in its sole and absolute discretion. For the purposes of the Index, 'meaningful exposure' includes, but is not limited to, stocks that have at least 30% of EBIT or operating profits in the Asia Agriculture sector and/or 50% of their valuation attributable to the sector;

(b) a minimum liquidity of USD 2,000,000 per trading day (on the relevant exchange) averaged over a three month and twenty day period;

(c) a minimum market capitalisation of USD 500,000,000, 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, 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 Calculation in case of 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 MLEIAAGR <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 150,000,000 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 is 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 Agriculture 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 Agriculture Index (Bloomberg: MLEIAAGR <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 June and December 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 fifth 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 3

TAX TREATMENT OF THE CERTIFICATES IN AUSTRIA

1. Income Tax

In the opinion of the Issuer, the Certificates are to be qualified as bonds in the sense of sec. 93(3) of the Austrian Income Tax Act.

Individuals subject to unlimited income tax liability in Austria holding bonds as a non-business asset are subject to income tax on all resulting interest payments (which term also encompasses a balance, if any, between the redemption price and the issue price) pursuant to sec. 27(1)(4) and sec. 27(2)(2) of the Austrian Income Tax Act. If interest is paid out by an Austrian paying agent, then such payments are subject to a withholding tax of 25%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act) if the bonds are in addition legally and factually offered to an indefinite number of persons. If interest is not paid out by an Austrian paying agent, then such payments must be included in the income tax return; in this case they are subject to a flat income tax rate of 25%, provided that the bonds are in addition legally and factually offered to an indefinite number of persons. If the bonds are not legally and factually offered to an indefinite number of persons, then the interest payments must be included in the income tax return; in this case they are subject to income tax at marginal rates, any withholding tax being creditable against the income tax liability.

Individuals subject to unlimited income tax liability in Austria holding bonds as a business asset are subject to income tax on all resulting interest payments (which term also encompasses a balance, if any, between the redemption price and the issue price). If interest is paid out by an Austrian paying agent, then such payments are subject to a withholding tax of 25%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act) if the bonds are in addition legally and factually offered to an indefinite number of persons. If interest is not paid out by an Austrian paying agent, then such payments must be included in the income tax return; in this case they are subject to a flat income tax rate of 25%, provided that the bonds are in addition legally and factually offered to an indefinite number of persons. If the bonds are not legally and factually offered to an indefinite number of persons, then the interest payments must be included in the income tax return; in this case they are subject to income tax at marginal rates, any withholding tax being creditable against the income tax liability.

Corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on all interest payments resulting from bonds (which term also encompasses a balance, if any, between the redemption price and the issue price) at a rate of 25%. Under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act no withholding tax is levied.

Private foundations pursuant to the Austrian Private Foundations Act fulfilling the prerequisites contained in sec. 13(1) of the Austrian Corporate Income Tax Act and holding bonds as a non-business asset are subject to corporate income tax (interim taxation) on all resulting interest payments (which term also encompasses a balance, if any, between the redemption price and the issue price) pursuant to sec. 13(3)(1) of the Austrian Corporate Income Tax Act at a rate of 12.5%, provided that the bonds are in addition legally and factually offered to an indefinite number of persons. If the bonds are not legally and factually offered to an indefinite number of persons, then the interest payments are subject to corporate income tax at a rate of 25%. Under the conditions set forth in sec. 94(11) of the Austrian Income Tax Act no withholding tax is levied.

Pursuant to sec. 42(1) of the Austrian Investment Funds Act, a foreign investment fund is defined as any assets subject to a foreign jurisdiction which, irrespective of the legal form they are organized in, are invested according to the principle of risk-spreading on the basis either of a statute, of the entity's articles or of customary exercise. This term, however, does not encompass collective real estate investment vehicles pursuant to sec. 14 of the Austrian Capital Markets Act. It should be noted that the Austrian tax authorities have commented upon the distinction between index certificates of foreign issuers on the one hand and foreign investment funds on the other hand in the Investment Fund Regulations. Pursuant to these, no foreign investment fund may be assumed if for the purposes of the issuance no predominant actual purchase of the underlying assets by the issuer or a trustee of the issuer, if any, is made and no actively managed assets exist.

2. EU Withholding Tax

Sec. 1 of the Austrian EU Withholding Tax Act – which transforms into national law the provisions of Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments – provides that interest payments paid or credited by an Austrian paying agent to a beneficial owner who is an individual resident in another Member State is subject to a withholding tax if no exception from such withholding applies. Currently, the withholding tax amounts to 15%. Regarding the issue of whether index certificates are subject to the withholding tax, the Austrian tax authorities distinguish between index certificates with and without a capital guarantee, a capital guarantee being the promise of repayment of a minimum amount of the capital invested or the promise of the payment of interest; in addition, reference is made to the underlying assets: In the case of certificates without a capital guarantee and relating to equity indices or to baskets of equities, payments are not considered as interest within the meaning of the Austrian EU Withholding Tax Act.

3. Inheritance and Gift Tax

Pursuant to the Austrian Inheritance and Gift Tax Act, transfers of assets *inter vivos* and *inter mortuos* are taxable. Sec. 15(1)(17) of the Austrian Inheritance and Gift Tax Act provides for a tax exemption in the case of a transfer of bonds *inter mortuos* insofar as the bonds were legally and factually offered to an indefinite number of persons and insofar as the interest resulting from the bonds is subject to final taxation or to the special tax rate of 25%. The Austrian Constitutional Court has recently declared the inheritance tax and the gift tax as unconstitutional. The two decisions will become effective on 1 August 2008. It remains to be seen whether the Austrian Parliament will reenact an inheritance tax and/or a gift tax in Austria and under what terms.

THIS SECTION ON TAXATION CONTAINS A BRIEF SUMMARY OF THE ISSUER'S UNDERSTANDING WITH REGARD TO CERTAIN IMPORTANT PRINCIPLES WHICH ARE OF SIGNIFICANCE IN AUSTRIA IN CONNECTION WITH THE CERTIFICATES. THIS SUMMARY DOES NOT PURPORT TO EXHAUSTIVELY DESCRIBE ALL POSSIBLE TAX ASPECTS AND DOES NOT DEAL WITH SPECIFIC SITUATIONS WHICH MAY BE OF RELEVANCE FOR INDIVIDUAL POTENTIAL INVESTORS. IT IS BASED ON THE CURRENTLY VALID AUSTRIAN TAX LEGISLATION, CASE LAW AND REGULATIONS OF THE TAX AUTHORITIES, AS WELL AS THEIR RESPECTIVE INTERPRETATION, ALL OF WHICH MAY BE AMENDED FROM TIME TO TIME. SUCH AMENDMENTS MAY ALSO BE EFFECTED WITH RETROACTIVE EFFECT AND MAY NEGATIVELY IMPACT ON THE TAX CONSEQUENCES DESCRIBED ABOVE. IT IS RECOMMENDED THAT POTENTIAL PURCHASERS OF THE CERTIFICATES CONSULT WITH THEIR LEGAL AND TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, HOLDING OR SALE OF THE CERTIFICATES. TAX RISKS RESULTING FROM THE CERTIFICATES (IN PARTICULAR FROM A POSSIBLE QUALIFICATION AS A FOREIGN INVESTMENT FUND PURSUANT TO SEC. 42(1) OF THE AUSTRIAN INVESTMENT FUNDS ACT) SHALL BE BORNE BY THE PURCHASER. IN GENERAL, IT HAS TO BE NOTED THAT THE AUSTRIAN TAX AUTHORITIES HAVE A CRITICAL ATTITUDE TOWARDS STRUCTURED PRODUCTS WHICH MAY ALSO GIVE RISE TO TAX BENEFITS.

SCHEDULE 4

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 / venootschapsbelasting*") 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 residence / 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 5

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 6

TAX TREATMENT OF THE CERTIFICATES IN GERMANY

The following comments are of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. No representation with respect to the consequences to any particular prospective holder of a Certificate is made hereby. Any prospective holder of a Certificate should consult their own tax advisers in all relevant jurisdictions.

The information contained in this section is not intended as tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser of the Certificates. It is based upon German tax laws (including tax treaties) and administrative decrees as in effect as of the date hereof, which are subject to change, potentially with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF THE CERTIFICATES ARE ADVISED TO CONSULT THEIR OWN ADVISORS AS TO THE TAX CONSEQUENCES OF AN INVESTMENT IN THE CERTIFICATES.

1 Tax Residents

Certificates held by Private Investors as Non-Business Assets

Private individuals having their residence or habitual abode in the Federal Republic of Germany are subject to unlimited German income taxation.

The Issuer is of the opinion that the Certificates should qualify as speculative securities (Sec. 23 German Income Tax Act, *Einkommensteuergesetz*), because they neither guarantee or grant (i) a repayment of principal in total or in part (ii) nor any remuneration (especially no interest). If Certificates, qualifying as such securities, are sold within one year after the purchase of the Certificates the capital gains are taxed as speculative income, if the capital gains from all such private disposals during a calendar year equal or exceed 512 Euro (per individual and year). The amount of the capital gain or loss will be equal to the difference between the sales proceeds or the redemption value paid by the Issuer and the acquisition costs for the Certificate. The capital gains are taxable at the personal progressive income tax rate of the Investor plus a 5.5 per cent solidarity surcharge thereon.

Consequently, if the Certificates are (i) sold within one year after the purchase of the Certificates and the capital gains from all such private disposals during a calendar year fall short of 512 Euro (per individual and year) or (ii) sold after one year of the purchase of the Certificates, capital gains and losses should be tax exempt.

The offset of potential losses is restricted.

Certificates held by Private Investors or Business Investors as Business Assets

Income from the Certificates held as business assets is taxable at regular rates subject to the German Income Tax Act or the German Corporate Income Tax Act plus a 5.5 per cent solidarity surcharge thereon. The offset of losses might be restricted.

2 Non-Tax Residents

Persons who are not tax resident in Germany, are generally not subject to German taxation. However, if the Certificates are held as part of a domestic business or with a permanent representative in Germany, the Investor will be taxed the same as German residents subject to a minimum tax rate for individual investors

3 Investment Tax Act

The Certificates should not qualify as units in a foreign investment fund in terms of the German Investment Tax Act (*Investmentsteuergesetz*).

4 Changes by reform of business taxation

Please find below some selected changes in the taxation of holders of a Certificate by the Business Tax Reform Act 2008 (*Unternehmensteuerreformgesetz 2008*) which has been adopted by the Federal Diet (Bundestag) and Federal Council (*Bundesrat*), but not yet announced in the Federal Law Gazette (*Bundesgesetzblatt*). This statement is not comprehensive.

In the course of the reform of business taxation, a final flat-rate tax (*Abgeltungssteuer*) on investment income will be established.

From 1 January 2009, the taxation of the Certificates will change as follows:

Tax residents

Income from the Certificates will qualify as income from capital investment and, thus, be subject to German personal or corporate income tax (in both cases plus solidarity surcharge) and additionally subject to trade tax if the Certificates are held as business assets. This treatment will be independent from a one-year holding period.

Withholding tax arises as follows

If the Certificates are kept or administered in a domestic securities deposit account by a German credit institution or financial services institution (or by a German branch of a foreign institution) or by a German securities trading firm (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*), a 25 per cent. capital yield tax ("***Kapitalertragsteuerabzug***"), plus. solidarity surcharge, will be levied on the positive difference between the purchase price paid by the holder of a Certificate and the selling price or redemption amount, as the case may be, resulting in a total withholding tax charge of 26.375 per cent. If such criteria are not fulfilled, if e.g. the Certificates are sold or redeemed after a transfer from another securities deposit account, the holder of a Certificate may, under certain circumstances, provide evidence for the purchase price. If such evidence is not provided, the price difference as the taxable base for the Kapitalertragsteuerabzug and the solidarity surcharge will be substituted by a flat amount of 30 per cent. of the selling price or the redemption price.

For individuals holding the Certificates as private assets, this withholding tax shall generally be final and only be included in the relevant tax assessment upon application, especially if the personal income tax rate lies below 25 per cent. A unitary flat sum (Sparer-Pauschbetrag) in the amount of 801 Euro (1,602 Euro for married couples filing their tax return jointly) will be introduced to be deducted in computing the overall investment income. The deduction of actually accrued expenses will not be possible any more.

Transition rules

Capital gains from disposals or redemptions until and including 30 June 2009 will be taxed according to the current rules set out above.

Non-Tax residents

Persons who are not tax resident in Germany, are in general exempt from the German Kapitalertragsteuerabzug plus solidarity surcharge. In the case of over-the-counter-transactions (payment or credit upon presentation of Certificates or Coupons at the office of a German credit or financial services institution or at a German branch of a foreign institution or at a German securities trading firm or a German securities trading bank), with the exception of transactions entered into by foreign credit or financial services institutions, the 25 per cent. Kapitalertragsteuerabzug plus solidarity surcharge, in total 26.375 per cent. applies. Under certain circumstances a refund might be available.

If according to German tax law the interest income received from the Certificates kept or administered by a German credit or financial services institution (or by a German branch of a foreign institution) or by a German securities trading firm or a German securities trading bank is effectively connected with a German trade or business of a non-resident, the taxation corresponds to the taxation set out in the paragraph "*Tax residents*" above.

SCHEDULE 7

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 €160,000, the first two brackets for 2008). Any loss may be tax deductable.

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 Dutch qualifying 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.