

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549

FORM S-3
 REGISTRATION STATEMENT
 UNDER
 THE SECURITIES ACT OF 1933

MERRILL LYNCH & CO., INC.
 (EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
 (STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)

13-2740599
 (I.R.S. EMPLOYER IDENTIFICATION NO.)

WORLD FINANCIAL CENTER
 NORTH TOWER
 NEW YORK, NEW YORK 10281-1334
 (212) 449-1000
 (ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF
 REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

ROSEMARY T. BERKERY, ESQ.
 ASSOCIATE GENERAL COUNSEL
 MERRILL LYNCH & CO., INC.
 WORLD FINANCIAL CENTER
 NORTH TOWER
 NEW YORK, NEW YORK 10281-1334
 (212) 449-6990
 (NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE,
 OF AGENT FOR SERVICE)

COPIES TO:

NORMAN D. SLONAKER, ESQ. BROWN & WOOD ONE WORLD TRADE CENTER NEW YORK, NEW YORK 10048	DONALD R. CRAWSHAW, ESQ. SULLIVAN & CROMWELL 125 BROAD STREET NEW YORK, NEW YORK 10004
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APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time
 to time after the effective date of this Registration Statement as determined
 by market conditions.

If the only securities being registered on this Form are being offered
 pursuant to dividend or interest reinvestment plans, please check the
 following box. []

If any of the securities being registered on this Form are to be offered on
 a delayed or continuous basis pursuant to Rule 415 under the Securities Act of
 1933, check the following box. []

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES AMOUNT OF TO BE REGISTERED REGISTRATION FEE	PROPOSED MAXIMUM AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE
<S>	<C>	<C>	<C>
Preferred Stock, par value \$1.00 per share.....	100,000 shares(1)	(1)	\$600,000,000
\$206,898			
Depository Shares.....	(2)	None	None
None			

(1) Such number of shares of Preferred Stock, not to exceed 100,000 shares, as
 may from time to time be issued at prices which have not as yet been
 determined, but with an aggregate initial offering price not to exceed
 \$600,000,000.

(2) Such indeterminate number of Depositary Shares to be evidenced by Depositary Receipts issued pursuant to a Deposit Agreement. In the event the Registrant elects to offer to the public fractional interests in shares of the Preferred Stock registered hereunder, Depositary Receipts will be distributed to those persons purchasing such fractional interests and the shares of Preferred Stock will be issued to the Depositary under the Deposit Agreement.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

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+INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A +
+REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE +
+SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY +
+OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT +
+BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR +
+THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE +
+SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE +
+UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF +
+ANY SUCH STATE. +
+++++

SUBJECT TO COMPLETION AND AMENDMENT, ISSUE DATE SEPTEMBER 2, 1994

PROSPECTUS

[LOGO OF MERRILL LYNCH APPEARS HERE]

MERRILL LYNCH & CO., INC.

PREFERRED STOCK AND DEPOSITARY SHARES

Merrill Lynch & Co., Inc. (the "Company") intends to offer from time to time, in one or more series, up to 100,000 shares of its preferred stock, par value \$1.00 per share (the "Preferred Stock"), which may be represented by depositary shares (the "Depositary Shares"). The Preferred Stock offered hereby may be denominated in any currency or composite currency, including the European Currency Unit, as shall be designated by the Company. The Preferred Stock and Depositary Shares (collectively, the "Securities") may be offered in separate series in amounts, at prices and on terms determined at the time of sale and set forth in an accompanying supplement to this Prospectus (a "Prospectus Supplement").

The specific terms of each issuance of Securities offered pursuant to this Prospectus will be set forth in the applicable Prospectus Supplement, which in each case will include the specific designation, the aggregate number of shares offered, the dividend rate or method of calculation, the dividend period and dividend payment dates, whether such dividends will be cumulative or noncumulative, the liquidation preference, the currency, if not the U.S. dollar, in which dividends and liquidation preference will be denominated, voting rights, if any, any terms for redemption at the option of the holder or the Company and the initial public offering or purchase price.

The Prospectus Supplement will also contain information, where applicable, concerning certain United States federal income tax considerations relating to, and as to any listing on a securities exchange of, the Securities covered by such Prospectus Supplement.

The Securities may be sold by the Company directly to purchasers, through Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") as agent or through public offerings underwritten by MLPF&S or by underwriting syndicates managed or co-managed by MLPF&S. The Prospectus Supplement will also set forth with respect to the sale of Securities in respect of which this Prospectus is being delivered the name of the agent or the name or names of any underwriters, any applicable commissions or discounts, the net proceeds to the Company from such sale and any other terms of the offering. Any underwriter or agent participating in the offering may be deemed an "underwriter" within the meaning of the Securities Act of 1933, as amended (the "Securities Act"). See "Plan of Distribution" for possible indemnification arrangements for the agent, any underwriters and their controlling persons.

This Prospectus and related Prospectus Supplement may be used by MLPF&S in

connection with offers and sales related to market-making transactions in the Securities. MLPF&S may act as principal or agent in such transactions. Such sales will be made at prices related to prevailing market prices at the time of sale.

This Prospectus may not be used to consummate sales of Securities unless accompanied by a Prospectus Supplement. The delivery of this Prospectus together with a Prospectus Supplement relating to particular Securities in any jurisdiction shall not constitute an offer in that jurisdiction of any of the other Securities covered by this Prospectus.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is , 1994.

THE COMMISSIONER OF INSURANCE OF THE STATE OF NORTH CAROLINA HAS NOT APPROVED OR DISAPPROVED THE OFFERING OF THE SECURITIES MADE HEREBY NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "Commission"). Reports, proxy and information statements and other information filed by the Company can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the following Regional Offices of the Commission: Midwest Regional Office, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511 and New York Regional Office, Seven World Trade Center, New York, New York 10048. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Reports, proxy and information statements and other information concerning the Company may also be inspected at the offices of the New York Stock Exchange, the American Stock Exchange, the Chicago Stock Exchange and the Pacific Stock Exchange.

The Company has filed a Registration Statement on Form S-3 (the "Registration Statement") with the Commission pursuant to the Securities Act, covering the Securities. This Prospectus does not contain all the information set forth in the Registration Statement and the exhibits thereto, to which reference is hereby made.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company's Annual Report on Form 10-K for the year ended December 31, 1993, Quarterly Reports on Form 10-Q for the quarters ended April 1, 1994 and July 1, 1994, and Current Reports on Form 8-K dated January 20, 1994, January 24, 1994, January 27, 1994, February 3, 1994, March 9, 1994, March 24, 1994, March 30, 1994, March 31, 1994, April 18, 1994, May 6, 1994, July 19, 1994 and August 2, 1994 filed pursuant to Section 13 of the Exchange Act, are hereby incorporated by reference into this Prospectus.

All documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Securities shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

THE COMPANY WILL PROVIDE WITHOUT CHARGE TO EACH PERSON TO WHOM THIS PROSPECTUS IS DELIVERED, ON THE WRITTEN OR ORAL REQUEST OF SUCH PERSON, A COPY (WITHOUT EXHIBITS OTHER THAN EXHIBITS SPECIFICALLY INCORPORATED BY REFERENCE) OF ANY OR ALL DOCUMENTS INCORPORATED BY REFERENCE INTO THIS PROSPECTUS. REQUESTS FOR SUCH COPIES SHOULD BE DIRECTED TO MR. GREGORY T. RUSSO, SECRETARY, MERRILL LYNCH & CO., INC., 100 CHURCH STREET, 12TH FLOOR, NEW YORK, NEW YORK 10080-6512; TELEPHONE NUMBER (212) 602-8435.

Merrill Lynch & Co., Inc. is a holding company that, through its subsidiaries and affiliates, provides investment, financing, insurance and related services worldwide. Its principal subsidiary, Merrill Lynch, Pierce, Fenner & Smith Incorporated, is one of the largest securities firms in the world. MLPF&S is a broker in securities, options contracts, and commodity and financial futures contracts, an underwriter of selected insurance products, a dealer in options and in corporate and municipal securities and an investment banking firm. Merrill Lynch Government Securities Inc. is a primary dealer in obligations issued by the U.S. Government or agencies thereof or guaranteed or insured by Federal agencies or instrumentalities. Merrill Lynch Asset Management, L.P. manages mutual funds and provides investment advisory services. Merrill Lynch Capital Services, Inc. and Merrill Lynch Derivative Products, Inc. are the Company's primary derivative subsidiaries which enter into interest rate and currency swaps and other derivative transactions. Other subsidiaries provide financial services outside the United States similar to those of MLPF&S and are engaged in such other activities as international banking, lending and providing other investment and financing services. The Company's insurance underwriting and marketing operations consist of the underwriting of life insurance and annuity products through subsidiaries of Merrill Lynch Insurance Group, Inc., and the sale of life insurance and annuities through Merrill Lynch Life Agency Inc. and other life insurance agencies associated with MLPF&S.

The principal executive office of the Company is located at World Financial Center, North Tower, 250 Vesey Street, New York, New York 10281; its telephone number is (212) 449-1000.

USE OF PROCEEDS

The Company intends to use the net proceeds from the sale of the Securities for general corporate purposes. Such uses may include the funding of investments in, or extensions of credit to, its subsidiaries, the funding of assets held by the Company or its subsidiaries, including securities inventories, customer receivables and loans (including business loans, home equity loans, and loans in connection with investment banking-related merger and acquisition activities), and the refunding of maturing indebtedness. The precise amount and timing of investments in, and extensions of credit to, its subsidiaries will depend upon their funding requirements and the availability of other funds to the Company and its subsidiaries. Pending such applications, the net proceeds will be temporarily invested or applied to the reduction of short-term indebtedness. Management of the Company expects that it will, on a recurrent basis, engage in additional financings as the need arises to finance the growth of the Company or to lengthen the average maturity of its borrowings. To the extent that Securities being purchased for resale by MLPF&S are not resold, the aggregate proceeds to the Company and its subsidiaries would be reduced.

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SUMMARY FINANCIAL INFORMATION

The following summary of certain consolidated financial information was derived from, and is qualified in its entirety by reference to, the financial statements, condensed financial statements and other information and data contained in the Company's Annual Report on Form 10-K for the year ended December 31, 1993 and Quarterly Report on Form 10-Q for the period ended July 1, 1994. See "Incorporation of Certain Documents by Reference". The condensed consolidated financial statements contained in the Company's Quarterly Report on Form 10-Q for the periods ended July 1, 1994 and June 25, 1993 are unaudited; however, in the opinion of management of the Company, all adjustments, consisting only of normal recurring accruals and a non-recurring pretax lease charge of \$103.0 million in 1993 related to the Company's decision not to occupy certain space at its World Financial Center Headquarters ("Headquarters") facility, necessary for a fair statement of the results of operations have been included. The year-end results include 52 weeks for 1989, 1990, 1991, and 1992 and 53 weeks for 1993.

The Company conducts its business in highly volatile markets. Consequently, the Company's results can be affected by many factors, including general market conditions, the liquidity of secondary markets, the level and volatility of interest rates and currency values, the valuation of securities positions, competitive conditions, investor sentiment, and the size, number, and timing of transactions. In periods of unfavorable market activity, profitability can be adversely affected because certain expenses remain relatively fixed. As a result, net earnings and revenues can vary significantly from period to period. Thus, interim results may not necessarily be representative of the full year results of operations.

<TABLE>
<CAPTION>

	YEAR ENDED LAST FRIDAY IN DECEMBER					SIX MONTHS ENDED	

	1989	1990	1991	1992	1993	JUNE 25, 1993	JULY 1,
1994							

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
(IN THOUSANDS, EXCEPT RATIOS)								
Revenues.....	\$11,273,223	\$11,147,229	\$12,352,812	\$ 13,412,668	\$ 16,588,177	\$ 7,921,993	\$	
9,219,111								
Net Revenues.....	\$ 5,902,195	\$ 5,783,329	\$ 7,246,468	\$ 8,577,401	\$ 10,558,230	\$ 5,166,613	\$	
5,229,547								
Earnings (loss) before income taxes, discon- tinued operations, and cumulative effect of changes in accounting principles(1).....	\$ (158,386)	\$ 282,328	\$ 1,017,418	\$ 1,621,389	\$ 2,424,808	\$ 1,185,229	\$	
1,084,870								
Discontinued operations (net of income tax- es) (1).....	\$ 3,981	--	--	--	--	--	--	
--								
Cumulative effect of changes in accounting principles (net of ap- plicable income tax- es) (1).....	--	--	--	\$ (58,580)	\$ (35,420)	\$ (35,420)		
--								
Net earnings (loss) (1).. 623,568	\$ (213,385)	\$ 191,856	\$ 696,117	\$ 893,825	\$ 1,358,939	\$ 652,013	\$	
Ratio of earnings to combined fixed charges and preferred stock dividend require- ments(2).....	--	1.1	1.2	1.3	1.4	1.4		
1.3								
Total assets(3)..... \$174,006,536	\$63,942,263	\$68,129,527	\$86,259,343	\$107,024,173	\$152,910,362	\$130,631,933		
Long-term borrowings(4).. 15,289,293	\$ 6,897,109	\$ 6,341,559	\$ 7,964,424	\$ 10,871,100	\$ 13,468,900	\$ 12,525,414	\$	
Stockholders' equity(5).. 5,628,394	\$ 3,151,343	\$ 3,225,430	\$ 3,818,088	\$ 4,569,104	\$ 5,485,913	\$ 5,267,155	\$	

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- (1) Net loss for 1989 includes an after-tax reduction of \$395,000,000 (\$470,000,000 before income taxes) resulting from a provision for the costs of divesting certain nonstrategic product lines and business activities, consolidating and relocating selected retail and support facilities, and downsizing certain other operations. Results for 1989 have been restated to reflect the effects of discontinued operations related to the sale of the Company's real estate brokerage, relocation, and related services subsidiary, Fine Homes International, L.P. ("FHI"), in the third quarter of 1989. Discontinued operations include the results of FHI's operations through September 15, 1989 (the date of final disposition) and the loss on disposal in 1989. Net earnings for 1992 have been reduced by \$58,580,000 to reflect the effects of the adoption of Statement of Financial Accounting Standards ("SFAS") No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" and SFAS No. 109, "Accounting for Income Taxes." Net earnings for 1993 have been reduced by \$35,420,000 to reflect the effect of the adoption of SFAS No. 112, "Employers' Accounting for Postemployment Benefits."
- (2) For the purpose of calculating the ratio of earnings to combined fixed charges and preferred stock dividend requirements, "earnings" consists of earnings from continuing operations before income taxes and fixed charges. "Fixed charges" consists of interest costs, that portion of rentals estimated to be representative of the interest factor, amortization of debt expenses, and preferred stock dividend requirements of majority-owned subsidiaries. In 1989, combined fixed charges and preferred stock dividend requirements exceeded pretax earnings before combined fixed charges and preferred stock dividend requirements by \$187,564,000.
- (3) On January 1, 1994, the Company adopted Financial Accounting Standards Board Interpretation No. 39, "Offsetting of Amounts Related to Certain Contracts" which increased assets and liabilities at July 1, 1994 by approximately \$13,500,000,000.
- (4) To finance its diverse activities, the Company and certain of its subsidiaries borrow substantial amounts of short-term funds on a regular basis. Although the amount of short-term borrowings significantly varies with the level of general business activity, on July 1, 1994, \$623,101,000 of bank loans and \$13,932,942,000 of commercial paper were outstanding. In addition, certain of the Company's subsidiaries lend securities and enter into repurchase agreements to obtain financing. At July 1, 1994, cash deposits for securities loaned and securities sold under agreements to repurchase amounted to \$1,525,237,000 and \$60,081,702,000, respectively. From July 2, 1994 to August 29, 1994, long-term borrowings, net of new

- issuances, decreased in the amount of approximately \$391,840,000.
- (5) Stockholders' equity for 1993 has been increased by \$21,355,000 to reflect the effect of the adoption of SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities."

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SIX MONTHS ENDED JULY 1, 1994

Strong financial markets, evident throughout 1993 and continuing into the first six weeks of 1994, weakened during the remainder of the 1994 first-half primarily as a result of higher interest rates, unsettled currency markets, and investor caution. Persistent inflation concerns prompted the Federal Reserve to increase short-term interest rates throughout the first six months of 1994. Rising U.S. and European interest rates, a weak U.S. dollar, reduced underwriting volumes, and unsettled international financial markets contributed to lower levels of business activity industrywide.

Financial markets continued to weaken in July 1994 leading to lower volumes in many business areas. These market conditions negatively affected net revenues. Average net revenues for the first five weeks of the 1994 third quarter were approximately 14% below the average weekly net revenues for the 1994 second quarter.

For the first six months of 1994, net earnings were \$623.6 million, down \$28.4 million (4%) from the \$652.0 million reported in last year's record first-half. Net earnings for the 1993 period included a \$35.4 million cumulative effect charge (net of \$25.1 million of applicable income tax benefits) related to the adoption of Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits." Earnings before the cumulative effect of the change in accounting principle decreased 9% from the \$687.4 million reported in the 1993 first-half. Earnings per common share for the first six months of 1994 were \$2.87 primary and fully diluted versus \$2.88 primary and \$2.87 fully diluted (\$3.04 primary and \$3.03 fully diluted, before the 1993 cumulative effect charge) in the prior year's period.

As previously reported, 1993 six month results included a non-recurring pretax lease charge totaling \$103.0 million (\$59.7 million after income taxes) related to the Company's decision not to occupy certain office space at its Headquarters facility. An agreement to sublet this space was entered into in the 1993 fourth quarter.

Total revenues increased 16% from the 1993 six-month period to \$9,219 million. Net revenues (revenues after interest expense) increased 1% in the 1994 first-half to \$5,230 million.

Commission revenues increased 12% from the 1993 six-month period to \$1,559 million on the strength of higher mutual fund, commodity, and listed securities transactions commissions. Mutual fund commissions benefited from increased distribution fees and redemption fees earned on mutual funds sold in prior periods. Sales of third party mutual funds were up from a year ago; however, transactions in such funds declined during the 1994 second quarter. Commissions on listed securities and commodity transactions benefited from higher trading volume.

Interest and dividend revenues for the first six months of 1994 rose 37% to \$4,517 million. Interest expense, which includes dividend expense, increased 45% to \$3,990 million. Net interest profit decreased 1% to \$528 million, due primarily to an increase in short-term interest rates and a general flattening of the yield curve, which is the difference between short-term and long-term interest rates. As a result, interest spreads declined, while financing and hedging costs increased from the comparable 1993 period.

Principal transactions revenues decreased 18% for the 1994 six-month period to \$1,228 million. Fixed-income and foreign exchange trading revenues, in the aggregate, decreased due to lower revenues from corporate bonds and preferred stock, non-U.S. government and agency securities, foreign exchange activities, and money market instruments, partially offset by higher revenues from swaps and derivatives, and U.S. Government and agency securities. Equity and commodity trading revenues, in the aggregate, also decreased due to a loss from convertible securities, partially offset by higher revenues from commodities trading and foreign equities activities.

Investment banking revenues totaled \$766 million, down 11% in the 1994 first-half. Underwriting activity was slow as industrywide volume in the 1994 second quarter fell to the lowest level since the 1991

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third quarter. Lower underwriting revenues were reported in corporate debt and preferred stock, convertible securities, and municipal bonds. Strategic services revenues, which include merger and acquisition fees and advisory service fees, benefited from an increase in merger and acquisition advisory assignments in various industries.

Asset management and portfolio service fees increased 18% to \$876 million due, in part, to increases in stock and bond fund assets under management. Other revenues rose 106% from the 1993 first-half to \$273 million. Contributing to this advance were net realized investment gains in the 1994 period, compared with net investment losses in the year-ago period.

Non-interest expenses increased 4% over the corresponding 1993 period to \$4,145 million (7% excluding the non-recurring lease charge of \$103.0 million). Compensation and benefits expense, which represented approximately 64% of non-interest expenses, rose 4% from the 1993 six-month period. An increase in the number of full-time employees led to higher base wages, benefit expenses, and production-related compensation. Offsetting this increase was lower incentive compensation tied to reduced profitability. Compensation and benefits expense, as a percentage of net revenues, was 50.6% in the 1994 first-half compared with 49.2% in the corresponding 1993 period.

Occupancy costs decreased 35% compared to the corresponding 1993 period (6% excluding the non-recurring pretax lease charge of \$103.0 million), benefiting from continued relocation of support staff to lower cost facilities and reduced space requirements at the Headquarters facility. Other facilities-related costs, which include communications and equipment rental expense and depreciation and amortization expense, rose 11% primarily due to the increased use of market data services and higher depreciation expense from the acquisition of technology-related equipment.

Brokerage, clearing, and exchange fees were up 23% from last year's six-month period due to increased clearinghouse fees related to risk management activities in volatile markets and higher commodity trading volume. Advertising and market development expenses rose 15% from the 1993 six-month period as a result of increased international business activity and higher recognition program costs, particularly in the first quarter of 1994. Professional fees were up 43% from the year-ago period due, in part, to increased system consulting fees related to technology improvements. Other expenses advanced 9% due to increased provisions related to customer receivables and higher client-related printing costs.

Income tax expense totaled \$461 million for the 1994 first-half, down 7% from the year earlier period. The effective tax rate for the 1994 six-month period was 42.5% versus 42.0% in the comparable 1993 period.

On January 1, 1994, the Company adopted Financial Accounting Standards Board Interpretation No. 39 ("Interpretation No. 39"), "Offsetting of Amounts Related to Certain Contracts." Interpretation No. 39 affects the financial statement presentation of balances related to swap, forward, and other similar exchange or conditional type contracts, and certain unconditional type contracts. Prior to the adoption of Interpretation No. 39, the Company followed industry practice in reporting balances related to certain types of contracts on a net basis. Unrealized gains and losses for swap, forward, and other similar contracts were reported net on the balance sheet by contract type, while certain receivables and payables related to resale and repurchase agreements were reported net by counterparty. The effect of Interpretation No. 39 increased assets and liabilities at July 1, 1994 by approximately \$13.5 billion.

The Company believes that its equity base is adequate relative to the level and composition of its assets and the mix of its businesses.

In the normal course of business, the Company underwrites, trades, and holds non-investment grade securities in connection with its market-making, investment banking, and derivative structuring activities.

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These activities are subject to risks related to the creditworthiness of the issuers and the liquidity of the market for such securities, in addition to the usual risks associated with investing in, extending credit, underwriting, and trading in investment grade instruments. At July 1, 1994, the fair value of long and short non-investment grade trading inventories amounted to \$3,507 million and \$474 million, respectively, and in the aggregate (i.e., the sum of long and short trading inventories), represented 4.2% of aggregate consolidated trading inventories.

At July 1, 1994, the carrying value of the extensions of credit provided to corporations entering into leveraged transactions aggregated \$249 million (excluding unutilized revolving lines of credit and other lending commitments of \$54 million), consisting primarily of senior term and subordinated financings to 36 medium-sized corporations. At July 1, 1994, the Company had no bridge loans outstanding. Loans to highly leveraged corporations are carried at unpaid principal balance less a reserve for estimated losses. The allowance for loan losses is estimated based on a review of each loan, and consideration of economic, market, and credit conditions. Direct equity investments made in conjunction with the Company's investment and merchant banking activities aggregated \$288 million at July 1, 1994, representing investments in 80 enterprises. Equity investments in privately-held corporations for which sale

is restricted by government or contractual requirements are carried at the lower of cost or estimated net realizable value. At July 1, 1994, the Company held interests in partnerships, totaling \$96 million (recorded on the cost basis), that invest in highly leveraged transactions and non-investment grade securities. Prior to July 1, 1994, the Company had a co-investment arrangement to enter into direct equity investments. At July 1, 1994, the additional co-investment commitments were \$12 million. At July 1, 1994, the Company also committed to invest an additional \$29 million in partnerships that invest in leveraged transactions.

Subsequent to July 1, 1994, the Company committed to invest up to \$50 million over a five-year period in a partnership that may invest in leveraged transactions. In addition, subsequent to July 1, 1994, the Company has committed to lend up to \$126 million to a non-investment grade borrower, of which \$40 million has been advanced.

The Company's insurance subsidiaries hold non-investment grade securities. At July 1, 1994, non-investment grade insurance investments were \$431 million, representing 6.8% of total insurance investments. At July 1, 1994, non-investment grade securities of insurance subsidiaries were classified as trading or available-for-sale and were carried at fair value.

At July 1, 1994, the largest non-investment grade concentration consisted of various issues of a Latin American sovereign totaling \$375 million, of which \$95 million represented on-balance sheet hedges for off-balance sheet instruments. No single industry sector accounted for more than 19% of total non-investment grade positions. At July 1, 1994, the Company held an aggregate carrying value of \$257 million in debt and equity securities of issuers in various stages of bankruptcy proceedings. Approximately 63% of this amount resulted from the Company's market-making activities.

FISCAL YEAR 1993

Net earnings for 1993 were a record \$1,358.9 million, an increase of \$465.1 million (52%) above the \$893.8 million reported for 1992. Results for 1993 include a non-recurring pretax lease charge in the first quarter totaling \$103.0 million (\$59.7 million after income taxes) related to the Company's decision not to occupy certain space at its Headquarters facility. The 1993 results also reflect the early adoption of Statement of Financial Accounting Standards ("SFAS") No. 112, "Employers' Accounting for Postemployment Benefits." The cumulative effect of this change in accounting principle reduced 1993 net earnings by \$35.4 million. Net revenues (revenues after interest expense) reached a record \$10,558 million, up 23% over the \$8,577 million reported in 1992. Total 1993 revenues advanced 24% to \$16,588 million versus \$13,413 million for the prior year.

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Commission revenues increased 19% in 1993 to \$2,894 million due primarily to the continued growth of listed securities transactions, increases in sales of mutual funds and higher revenues from other commission categories. Commissions on listed securities benefited from higher trading volume and increases in average market prices. Mutual fund commissions benefited from increased sales of front-end funds. Strong 1992 sales led to an increase in 1993 distribution fees for deferred-charge funds, however, redemption fees declined from 1992 due to lower levels of redemptions. Interest and dividend revenues in 1993 were \$7,099 million, up 22% from 1992. Interest expense (including dividend expense) rose 25% in 1993 to \$6,030 million. As a result, in 1993 net interest and dividend profit advanced 10% to \$1,069 million, compared to the \$971 million reported in 1992. This increase in net interest and dividend profit resulted from the expansion of collateralized borrowing and lending activities, the increased use of interest-free funds due to a larger equity base, and reduced funding costs due to lower interest rates and improved credit ratings.

Principal transactions revenues rose to record levels in 1993, up 35% to \$2,920 million from the \$2,166 million reported in 1992. Fixed-income and foreign exchange revenues, in the aggregate, increased on higher revenues from swaps and derivatives, corporate bonds and preferred stocks, and non-U.S. governments and agencies. These advances were somewhat offset by lower revenues from foreign exchange. In addition, 1993 mortgage-backed securities principal transactions revenues were essentially break-even; however, net revenues, including related hedges and net interest, were positive, although below 1992 levels. Equity trading revenues increased primarily due to higher volume and prices in over-the-counter and foreign equity markets. Investment banking revenues increased 23% to a record \$1,831 million from the \$1,484 million reported in 1992. Underwriting revenues benefited from the low interest rate environment, as corporations refinanced higher interest-bearing debt with lower rate issuances, or raised capital through equity offerings. Investor demand remained strong for equity and high-yield bond underwritings which offer the potential for increased returns compared with other investment alternatives. Asset management and portfolio service fees were also a record, advancing 24% to \$1,558 million from the \$1,253 million reported last year. Increased fees earned from asset management activities, the Merrill Lynch Consults (Registered Trademark) portfolio management service and other fee-based portfolio services businesses contributed to these favorable results. Asset management fees

increased from 1992 due primarily to asset growth in stock and bond funds. Merrill Lynch Consults revenue increased due to the growth in the number of accounts and higher asset levels. Other revenues rose 1% to \$285 million due to higher fees generated from increased home equity loan activity, partially offset by net investment losses related primarily to provisions for merchant banking activities.

Non-interest expenses totaled \$8,133 million, up 17% from the \$6,956 million in 1992. Excluding the 1993 first quarter non-recurring lease charge totaling \$103.0 million, non-interest expenses were up 15%. Compensation and benefits expense, which represented approximately 65% of total non-interest expenses, increased 20% from 1992 due to higher production-related compensation and increases in incentive compensation linked to the Company's improved profitability and return on common equity. Nevertheless, compensation and benefits expense, as a percentage of net revenues, declined to 49.8% from 50.9% in 1992. Facilities-related costs, including occupancy, communications and equipment rental, and depreciation and amortization, increased 13% from 1992 (3% excluding the non-recurring lease charge). Advertising and market development expenses increased 25% reflecting higher sales promotion and recognition program costs for Financial Consultants that are tied to increased business activity. In addition, travel costs were up as the increase in business volume led to additional domestic and international travel, while favorable markets contributed to the expansion of certain discretionary national and local advertising campaigns. Professional fees increased 13% due to technology upgrades which required the use of system and management consultants, as well as higher employment agency fees. Brokerage, clearing, and exchange fees were up 1% as a result of increased trading volume, while other expenses increased 5% principally as a result of additions to loss provisions related to litigation and claims.

Income tax expense was \$1,030 million versus \$669 million in the prior year as the effective rate in 1993 rose to 42.5%, compared with 41.3% a year ago. The higher effective tax rate in 1993 related to the increase

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in the Federal statutory rate from 34% in 1992 to 35% in 1993 due to legislation raising corporate income tax rates retroactive to January 1, 1993.

The Company's Board of Directors declared a two-for-one common stock split effected in the form of a 100% stock dividend paid November 24, 1993 to stockholders of record on October 22, 1993. All share and per share data presented herein have been restated to reflect the common stock split.

The Company believes that its equity base is adequate relative to the level and composition of its assets and the mix of its businesses.

In the normal course of business, the Company underwrites, trades, and holds non-investment grade securities in connection with its market-making, investment banking and derivative structuring activities. These activities are subject to risks related to the creditworthiness of the issuers and the liquidity of the market for such securities, in addition to the usual risks associated with investing, extending credit, underwriting, and trading in investment grade instruments. At December 31, 1993, the fair value of long and short non-investment grade trading inventories amounted to \$3,129 million and \$214 million, respectively, and in the aggregate (i.e., the sum of long and short trading inventories), represented 4.6% of aggregate consolidated trading inventories.

At December 31, 1993, the carrying value of extensions of credit provided to corporations entering into leveraged transactions aggregated \$435 million (excluding unutilized revolving lines of credit and other lending commitments of \$49 million), consisting primarily of senior term and subordinated financings to 42 medium-sized corporations. At December 31, 1993, the Company had no bridge loans outstanding. Loans to highly leveraged corporations are carried at unpaid principal balance less a reserve for estimated losses. The allowance for loan losses is estimated based on a review of each loan, and considerations of economic, market, and credit conditions. Direct equity investments made in conjunction with the Company's investment and merchant banking activities aggregated \$276 million at December 31, 1993, representing investments in 82 enterprises. Equity investments in privately held corporations for which sale is restricted by government or contractual requirements are carried at the lower of cost or net realizable value. At December 31, 1993, the Company held interests in partnerships, totaling \$92 million that invest in highly leveraged transactions and non-investment grade securities. Subsequent to December 31, 1993, the Company increased its partnership interests by \$15 million. The Company has a co-investment arrangement to enter into direct equity investments. At December 31, 1993, the additional co-investment commitments were \$49 million. The Company also has committed to invest an additional \$19 million in partnerships that invest in leveraged transactions. Subsequent to year-end, the Company committed to invest up to \$50 million in a partnership over a five-year period.

The Company's insurance subsidiaries hold non-investment grade securities. At December 31, 1993, non-investment grade insurance investments were \$458

million, representing 5.8% of the total insurance investments. At December 31, 1993, non-investment grade securities of insurance subsidiaries were classified as trading or available-for-sale in accordance with SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities." At December 31, 1993, these investment securities were carried at fair value.

At December 31, 1993, the largest non-investment grade concentration consisted of various issues of a Latin American sovereign totaling \$341 million, of which \$146 million represented on-balance sheet hedges. No one industry sector accounted for more than 15% of total non-investment grade positions. At December 31, 1993, the Company held an aggregate carrying value of \$393 million in debt and equity securities of issuers who were in various stages of bankruptcy proceedings. Approximately 59% of this amount resulted from the Company's market-making activities.

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DESCRIPTION OF PREFERRED STOCK

The following summary contains a description of certain general terms of the Preferred Stock to which any Prospectus Supplement may relate. Certain terms of any series of the Preferred Stock offered by any Prospectus Supplement will be described in the Prospectus Supplement relating thereto. If so indicated in the Prospectus Supplement, the terms of any series may differ from the terms set forth below. The description of certain provisions of the Preferred Stock does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Company's Restated Certificate of Incorporation, as amended (the "Certificate of Incorporation"), including the Certificate of Designations (the "Certificate of Designations") relating to each particular series of the Preferred Stock, which will be filed with the Commission at or prior to the time of sale of such Preferred Stock.

GENERAL

Under the Certificate of Incorporation, the Company has authority to issue 25,000,000 shares of undesignated preferred stock, par value \$1.00 per share. The Board of Directors of the Company has the authority, without approval of the stockholders, to issue such shares of preferred stock in one or more series and to fix the number of shares and the rights, preferences, privileges, qualifications, restrictions and limitations of each series. By resolutions adopted on April 19, 1994, the Board of Directors of the Company expressly delegated to the Executive Committee of the Board of Directors the authority to authorize the issuance from time to time of up to 100,000 shares of previously undesignated preferred stock (having an aggregate liquidation preference not exceeding \$600,000,000) in one or more series and upon such terms as the Executive Committee may deem appropriate.

In addition, as described under "Description of Depositary Shares" below, the Company, at its option, may elect to offer depositary shares (the "Depositary Shares") evidenced by depositary receipts, each representing a fraction (to be specified in the Prospectus Supplement relating to the particular series of Preferred Stock) of a share of the particular series of Preferred Stock issued and deposited with a depositary, in lieu of offering full shares of such series of Preferred Stock.

The shares of any series of Preferred Stock will be, when issued and sold, fully paid and nonassessable and holders thereof shall have no preemptive rights in connection therewith. Each series of Preferred Stock will rank on a parity with all other outstanding series of preferred stock issued by the Company as to payment of dividends (except with respect to cumulation thereof) and as to the distribution of assets upon liquidation, dissolution, or winding up of the Company. As of July 1, 1994, there were outstanding 1,938 shares of Remarketed Preferred SM ("RP (R)") Stock, Series C. Each series of Preferred Stock will rank prior to the common stock, par value \$1.33 1/3 per share (the "Common Stock"), of the Company and any other stock of the Company that is expressly made junior to such series of Preferred Stock.

will be the transfer agent, dividend disbursing agent and registrar for the shares of the Preferred Stock.

DIVIDENDS AND DISTRIBUTIONS

Holders of shares of the Preferred Stock will be entitled to receive, as, if and when declared by the Board of Directors of the Company (or a duly authorized committee thereof) out of funds legally available for the payment of dividends, cash dividends at the rate set forth in, or calculated in accordance with the formula set forth in, the Prospectus Supplement. Dividends on the Preferred Stock may be cumulative ("Cumulative Preferred Stock") or noncumulative ("Noncumulative Preferred Stock") as provided in the Prospectus Supplement. Unless otherwise provided in the Prospectus Supplement, dividends on the Cumulative Preferred Stock will be cumulative from the date of original issue of such series and will be payable quarterly in arrears on the dates specified in the Prospectus Supplement. If any date so specified as a dividend payment date is not a business day, dividends (if declared) on the Preferred Stock (unless otherwise provided in the Prospectus Supplement) will be paid on

the immediately succeeding business day, without interest. The Prospectus

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Supplement will set forth the applicable dividend period with respect to a dividend payment date. If the Board of Directors of the Company (or a duly authorized committee thereof) fails to declare a dividend on any series of Noncumulative Preferred Stock for any dividend period, the Company shall have no obligation to pay a dividend for such period, whether or not dividends on such series of Noncumulative Preferred Stock are declared for any future dividend period. Dividends on the Preferred Stock will be payable to holders of record as they appear on the stock books of the Company on such record dates, not more than thirty nor less than fifteen days preceding the payment dates thereof, as shall be fixed by the Board of Directors (or a duly authorized committee thereof). No full dividends will be declared or paid or set apart for payment on the preferred stock of any series ranking, as to dividends, on a parity with or junior to any other series of Preferred Stock for any period unless full dividends have been or are contemporaneously declared and paid or declared and a sum sufficient for the payment thereof set apart for such payment on such series of Preferred Stock for (i) all dividend periods terminating on or prior to the date of payment of such full cumulative dividends (in the case of a series of Cumulative Preferred Stock) or (ii) the immediately preceding dividend period (in the case of a series of Noncumulative Preferred Stock). When dividends are not paid in full upon such series of Preferred Stock (whether Cumulative Preferred Stock or Noncumulative Preferred Stock), and any other preferred stock ranking on a parity as to dividends with such series of Preferred Stock, all dividends declared upon shares of such series of Preferred Stock and any other preferred stock ranking on a parity as to dividends will be declared pro rata so that the amount of dividends declared per share on such series of Preferred Stock and such other preferred stock will in all cases bear to each other the same ratio that accrued dividends per share (which, in the case of Noncumulative Preferred Stock, shall not include any cumulation in respect of unpaid dividends for prior dividend periods) on the shares of such series of Preferred Stock and such other preferred stock bear to each other. Except as provided in the preceding sentence, unless full dividends on all outstanding shares of any such series of Preferred Stock have been declared and paid for all past dividend periods, in the case of a series of Cumulative Preferred Stock, or for the immediately preceding dividend period, in the case of Noncumulative Preferred Stock, no dividends (other than dividends or distributions paid in shares of, or options, warrants or rights to subscribe for or purchase shares of, the Common Stock of the Company or another stock of the Company ranking junior to the Preferred Stock as to dividends and upon liquidation) will be declared or paid or set aside for payment or other distribution declared or made upon the Common Stock of the Company or upon any other stock of the Company ranking junior to or on parity with the Preferred Stock as to dividends or upon liquidation, nor will any Common Stock of the Company nor any other stock of the Company ranking junior to or on parity with such Preferred Stock as to dividends or upon liquidation be redeemed, purchased or otherwise acquired, other than in connection with the distribution or trading thereof, for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any shares of any such stock) by the Company (except by conversion into or exchange for stock of the Company ranking junior to the Preferred Stock as to dividends and upon liquidation). Unless otherwise specified in the Prospectus Supplement, the amount of dividends payable for any period shorter than a full dividend period shall be computed on the basis of twelve 30-day months, a 360-day year and the actual number of days elapsed in any period of less than one month.

LIQUIDATION PREFERENCE

Upon any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the Preferred Stock will have preference and priority over the Common Stock of the Company and any other class of stock of the Company ranking junior to the Preferred Stock upon liquidation, dissolution or winding up, for payments out of or distributions of the assets of the Company or proceeds thereof, whether from capital or surplus, of the amount per share set forth in the Prospectus Supplement plus all dividends (whether or not earned or declared), accrued and unpaid thereon to the date of final distribution to such holders (but in the case of Noncumulative Preferred Stock, without cumulation of unpaid dividends for prior dividend periods), and after such payment the holders of Preferred Stock will be entitled to no other payments. If, in the case of any such liquidation, dissolution or winding up of the Company, the assets of the Company or proceeds thereof should be insufficient to make the full liquidation payment in the amount per share set forth in the Prospectus Supplement, plus all accrued and unpaid dividends on the

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Preferred Stock (but in the case of Noncumulative Preferred Stock without cumulation of unpaid dividends for prior dividend periods), and liquidating payments on any other preferred stock ranking as to liquidation, dissolution or winding up on a parity with the Preferred Stock, then such assets and proceeds will be distributed among the holders of the Preferred Stock and any such other preferred stock ratably in accordance with the respective amounts which would

be payable on such shares of Preferred Stock and any such other preferred stock if all amounts thereon were paid in full. A consolidation or merger of the Company with one or more corporations will not be deemed to be a liquidation, dissolution or winding up, voluntary or involuntary, of the Company.

REDEMPTION

If specified in the Prospectus Supplement relating to a series of Preferred Stock, the Company may, at its option, at any time or from time to time on not less than 30 nor more than 60 days notice, redeem such series of Preferred Stock in whole or in part at the redemption prices and on the dates set forth in the applicable Prospectus Supplement.

If less than all outstanding shares of a series of Preferred Stock are to be redeemed, the selection of the shares to be redeemed shall be determined by lot or pro rata as may be determined by the Board of Directors of the Company (or a duly authorized committee thereof) to be equitable. From and after the redemption date (unless default shall be made by the Company in providing for the payment of the redemption price), dividends shall cease to accrue on the shares of such series of Preferred Stock called for redemption and all rights of the holders thereof (except the right to receive the redemption price) shall cease.

VOTING RIGHTS

Unless otherwise described in the applicable Prospectus Supplement, holders of the Preferred Stock will have no voting rights except as set forth below or as otherwise from time to time required by law.

Whenever dividends payable on the Preferred Stock shall be in arrears for such number of dividend periods, whether or not consecutive, which shall in the aggregate contain a number of months equivalent to six calendar quarters, the holders of outstanding shares of the Preferred Stock (voting as a class with holders of shares of all other series of preferred stock ranking on a parity with the Preferred Stock either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable) will be entitled to vote for the election of two additional directors on the terms set forth below. Such voting rights will continue, in the case of any series of Cumulative Preferred Stock, until all past dividends accumulated on shares of Cumulative Preferred Stock shall have been paid in full and, in the case of Noncumulative Preferred Stock, until all dividends on shares of Noncumulative Preferred Stock shall have been paid in full for at least one year. Upon payment in full of such dividends, such voting rights shall terminate except as expressly provided by law, subject to re-vesting in the event of each and every subsequent default in the payment of dividends as aforesaid. Holders of all series of preferred stock which are granted such voting rights (which rank on a parity with the Preferred Stock) will vote as a class, and, unless otherwise specified in the applicable Prospectus Supplement, each holder of shares of the Preferred Stock will have one vote for each share of stock held and each other series will have such number of votes, if any, for each share of stock held as may be granted to them. In the event that the holders of shares of the Preferred Stock are entitled to vote as described in this paragraph, the Board of Directors of the Company will be increased by two directors, and the holders of the Preferred Stock will have the exclusive right as members of such class, as outlined above, to elect two directors at the next annual meeting of stockholders.

Upon termination of the right of the holders of the Preferred Stock to vote for directors as discussed in the preceding paragraph, the term of office of all directors then in office elected by such holders will terminate immediately. Whenever the term of office of the directors elected by such holders ends and the related special voting rights expire, the number of directors will automatically be decreased to such number as would otherwise prevail.

So long as any shares of Preferred Stock remain outstanding, the Company shall not, without the affirmative vote or consent of the holders of at least two-thirds of the shares of the Preferred Stock outstanding at the time (voting as a class with all other series of preferred stock ranking on a parity with the Preferred Stock either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable), given in person or by proxy, either in writing or at a meeting, (i) authorize, create or issue, or increase the authorized or issued amount, of any class or series of stock ranking prior to the Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up; or (ii) amend, alter or repeal, whether by merger, consolidation or otherwise, the provisions of the Certificate of Incorporation or the Certificate of Designations of the Preferred Stock designating such Preferred Stock and the preferences and privileges, relative, participating, optional or other special rights and qualifications, limitations and restrictions thereof, so as to materially and adversely affect any right, preference, privilege or voting power of the Preferred Stock or of the holders thereof; provided, however, that any increase

in the amount of authorized preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of preferred stock, or any increase in the amount of authorized shares of Preferred Stock, in each case ranking on a parity with or junior to the Preferred Stock with respect to the payment of dividends and the distribution of assets upon liquidation, dissolution or winding up will not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

The foregoing voting provisions will not apply if all outstanding shares of Preferred Stock have been redeemed or sufficient funds have been deposited in trust to effect such a redemption which is scheduled to be consummated within three months after the time that such rights would otherwise be exercisable.

DESCRIPTION OF DEPOSITARY SHARES

GENERAL

The Company may, at its option, elect to offer Depositary Shares, each representing a fraction (to be set forth in the Prospectus Supplement relating to a particular series of Preferred Stock) of a share of a particular series of Preferred Stock as described below. In the event such option is exercised, receipts ("Depositary Receipts") for Depositary Shares will be issued to the public.

The shares of any series of Preferred Stock represented by Depositary Shares will be deposited under a Deposit Agreement (the "Deposit Agreement") among the Company, a bank or trust company selected by the Company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000 (the "Depositary") and the holders from time to time of the Depositary Receipts. Subject to the terms of the Deposit Agreement, each owner of a Depositary Share will be entitled, in proportion to the applicable fraction of a share of Preferred Stock represented by such Depositary Share, to all the rights and preferences of the Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights).

The Depositary Shares will be evidenced by Depositary Receipts issued pursuant to the Deposit Agreement. Depositary Receipts will be distributed to those persons purchasing the fractional shares of the related series of Preferred Stock in accordance with the terms of the offering described in the related Prospectus Supplement. Copies of the forms of Deposit Agreement and Depositary Receipt are filed as exhibits to the Registration Statement of which this Prospectus is a part, and the following summary is qualified in its entirety by reference to such exhibits.

Pending the preparation of definitive Depositary Receipts, the Depositary may, upon the written order of the Company, issue temporary Depositary Receipts substantially identical to (and entitling the holders thereof to all the rights pertaining to) the definitive Depositary Receipts but not in definitive form. Definitive Depositary Receipts will be prepared thereafter without unreasonable delay, and temporary Depositary Receipts will be exchangeable for definitive Depositary Receipts without charge to the holder thereof.

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DIVIDENDS AND OTHER DISTRIBUTIONS

The Depositary will distribute all cash dividends or other cash distributions received in respect of the related series of Preferred Stock to the record holders of Depositary Shares relating to such series of Preferred Stock in proportion to the number of such Depositary Shares owned by such holders.

In the event of a distribution other than in cash, the Depositary will distribute property received by it to the record holders of Depositary Shares entitled thereto, unless the Depositary determines that it is not feasible to make such distribution, in which case the Depositary may, with the approval of the Company, sell such property and distribute the net proceeds from such sale to such holders.

WITHDRAWAL OF STOCK

Upon surrender of the Depositary Receipts at the corporate trust office of the Depositary (unless the related Depositary Shares have previously been called for redemption), the holder of the Depositary Shares evidenced thereby is entitled to delivery of the number of whole shares of the related series of Preferred Stock and any money or other property represented by such Depositary Shares. Holders of Depositary Shares will be entitled to receive whole shares of the related series of Preferred Stock on the basis set forth in the related Prospectus Supplement for such series of Preferred Stock, but holders of such whole shares of Preferred Stock will not thereafter be entitled to receive Depositary Shares in exchange therefor. If the Depositary Receipts delivered by the holder evidence a number of Depositary Shares in excess of the number of Depositary Shares representing the number of whole shares of the related series of Preferred Stock to be withdrawn, the Depositary will deliver to such holder at the same time a new Depositary Receipt evidencing such excess number of Depositary Shares. In no event will fractional shares of Preferred Stock be

delivered upon surrender of Depositary Receipts to the Depositary.

REDEMPTION OF DEPOSITARY SHARES

If the Company redeems a series of Preferred Stock represented by Depositary Shares, the Depositary Shares will be redeemed from the proceeds received by the Depositary resulting from the redemption, in whole or in part, of such series of Preferred Stock held by the Depositary. The redemption price per Depositary Share will be equal to the applicable fraction of the redemption price per share payable with respect to such series of the Preferred Stock. Whenever the Company redeems shares of Preferred Stock held by the Depositary, the Depositary will redeem as of the same redemption date the number of Depositary Shares representing shares of the related series of Preferred Stock so redeemed. If less than all the Depositary Shares are to be redeemed, the Depositary Shares to be redeemed will be selected by lot or pro rata as may be determined by the Depositary.

VOTING THE PREFERRED STOCK

Upon receipt of notice of any meeting at which the holders of the Preferred Stock are entitled to vote, the Depositary will mail the information contained in such notice of meeting to the record holders of the Depositary Shares relating to such Preferred Stock. Each record holder of such Depositary Shares on the record date (which will be the same date as the record date for the Preferred Stock) will be entitled to instruct the Depositary as to the exercise of the voting rights pertaining to the amount of the series of Preferred Stock represented by such holder's Depositary Shares. The Depositary will endeavor, insofar as practicable, to vote the amount of the Preferred Stock represented by such Depositary Shares in accordance with such instructions, and the Company will agree to take all action which may be deemed necessary by the Depositary in order to enable the Depositary to do so. The Depositary will abstain from voting shares of the Preferred Stock to the extent it does not receive specific instructions from the holders of Depositary Shares representing such Preferred Stock.

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AMENDMENT AND TERMINATION OF THE DEPOSIT AGREEMENT

The form of Depositary Receipt evidencing the Depositary Shares and any provision of the Deposit Agreement may at any time be amended by agreement between the Company and the Depositary. However, any amendment which materially and adversely alters the rights of the holders of Depositary Receipts will not be effective unless such amendment has been approved by the holders of Depositary Receipts representing at least a majority (or, in the case of amendments relating to or affecting rights to receive dividends or distributions or voting or redemption rights, two-thirds, unless otherwise provided in the related Prospectus Supplement) of the Depositary Shares then outstanding. The Deposit Agreement may be terminated by the Company or the Depositary only if (i) all outstanding Depositary Shares have been redeemed, (ii) there has been a final distribution in respect of the related series of Preferred Stock in connection with any liquidation, dissolution or winding up of the Company and such distribution has been distributed to the holders of Depositary Receipts or (iii) upon the consent of holders of Depositary Receipts representing not less than two-thirds of the Depositary Shares outstanding.

CHARGES OF DEPOSITARY

The Company will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. The Company will pay charges of the Depositary in connection with the initial deposit of the related series of Preferred Stock and any redemption of such Preferred Stock. Holders of Depositary Receipts will pay all other transfer and other taxes and governmental charges and such other charges as are expressly provided in the Deposit Agreement to be for their accounts.

The Depositary may refuse to effect any transfer of a Depositary Receipt or any withdrawal of shares of a series of Preferred Stock evidenced thereby until all such taxes and charges with respect to such Depositary Receipt or such shares of Preferred Stock are paid by the holders thereof.

MISCELLANEOUS

The Depositary will forward all reports and communications from the Company which are delivered to the Depositary and which the Company is required to furnish to the holders of the Preferred Stock.

Neither the Depositary nor the Company will be liable if it is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the Deposit Agreement. The obligations of the Company and the Depositary under the Deposit Agreement will be limited to performance in good faith of their duties thereunder and neither the Company nor the Depositary will be obligated to prosecute or defend any legal proceeding in respect of any Depositary Shares or series of Preferred Stock unless satisfactory indemnity is furnished. The Company and the Depositary may rely on written advice of counsel

or accountants, or information provided by persons presenting Preferred Stock for deposit, holders of Depositary Shares or other persons believed to be competent and on documents believed to be genuine.

RESIGNATION AND REMOVAL OF DEPOSITARY

The Depositary may resign at any time by delivering to the Company notice of its election to do so, and the Company may at any time remove the Depositary. Any such resignation or removal of the Depositary will take effect upon the appointment of a successor Depositary, which successor Depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000.

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CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following summary of the principal United States Federal income tax consequences of the purchase, ownership and disposition of shares of the Preferred Stock and the Depositary Shares is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect) or possible differing interpretations. It deals only with shares of the Preferred Stock and Depositary Shares held as capital assets and does not purport to deal with persons in special tax situations, such as financial institutions, insurance companies, regulated investment companies, dealers in securities or currencies, persons holding shares of the Preferred Stock and Depositary Shares as a hedge against currency risks or as a position in a "straddle" for tax purposes, or persons whose functional currency is not the United States dollar. Persons considering the purchase of shares of the Preferred Stock and Depositary Shares should consult their own tax advisors concerning the application of United States Federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of shares of the Preferred Stock and Depositary Shares arising under the laws of any other taxing jurisdiction.

As used herein, the term "U.S. Holder" means a beneficial owner of shares of the Preferred Stock and Depositary Shares that is for United States Federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, or (iii) an estate or trust the income of which is subject to United States Federal income taxation regardless of its source. As used herein, the term "non-U.S. Holder" means a holder of shares of the Preferred Stock and Depositary Shares that is not a U.S. Holder.

U.S. HOLDERS

Depositary Shares

U.S. Holders of the Depositary Shares will be treated for United States Federal income tax purposes as owners of the shares of the Preferred Stock represented by the Depositary Shares. Accordingly, the United States Federal income tax treatment of U.S. Holders of the Depositary Shares will be the same as the United States Federal income tax treatment of U.S. Holders of shares of the Preferred Stock as described below. In addition, upon the withdrawal of shares of the Preferred Stock in exchange for Depositary Shares, (i) no gain or loss will be realized by an exchanging U.S. Holder, (ii) the tax basis of each share of the Preferred Stock to an exchanging U.S. Holder will be the same as the aggregate tax basis of the Depositary Shares exchanged therefor, and (iii) the holding period for shares of the Preferred Stock in the hands of an exchanging U.S. Holder will include the period during which such U.S. Holder held the Depositary Shares exchanged therefor. Hereinafter, references in this summary to holders of the Preferred Stock will mean both holders of shares of the Preferred Stock and holders of Depositary Shares representing shares of the Preferred Stock.

Dividends and Dividends Received Deduction

Distributions with respect to shares of the Preferred Stock will be treated as dividends for United States Federal income tax purposes, to the extent paid out of current or accumulated earnings and profits of the Company, as determined for United States Federal income tax purposes. In addition, a U.S. Holder of shares of the Preferred Stock that is a corporation otherwise entitled to the 70% dividends received deduction provided for under Section 243(a)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), should be entitled to that deduction with respect to those distributions received on the Preferred Stock that are treated as dividends for United States Federal income tax purposes.

In determining the entitlement to the dividends received deduction, corporate U.S. Holders should consider, as may be more fully set forth in the applicable Prospectus Supplement, (i) the holding period and other requirements of Section 246(c) of the Code and the Treasury regulations promulgated thereunder (under which the dividends received deduction is disallowed in its entirety if a

minimum holding period requirement is not satisfied); (ii) the "debt-financed portfolio stock" rules of Section 246A of the Code (under which the dividends received deduction could be reduced or eliminated to the extent that a holder incurs

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indebtedness directly attributable to its investment in shares of the Preferred Stock); and (iii) Code Section 1059 (under which a corporate U.S. Holder may be required to reduce its tax basis in shares of the Preferred Stock by the "nontaxed portion" of any "extraordinary dividend" it receives from the Company with respect to such shares if it has not held the underlying shares for more than two years before the dividend announcement date).

To the extent, if any, that distributions made by the Company with respect to shares of the Preferred Stock exceed the current and accumulated earnings and profits of the Company, as determined for United States Federal income tax purposes, such distributions will not constitute dividends for United States Federal income tax purposes. Rather, such distributions will be treated as a return of capital, which will first reduce the U.S. Holder's tax basis in shares of the Preferred Stock and then, to the extent such distributions exceed the U.S. Holder's tax basis in shares of the Preferred Stock, result in short-term or long-term capital gain (depending upon the U.S. Holder's holding period for the shares of the Preferred Stock).

Redemption Premium

Under Section 305 of the Code and the Treasury regulations promulgated thereunder, if the redemption price of any series of the Preferred Stock that is redeemable exceeds its issue price, the entire amount of such excess may, in certain circumstances, constitute an unreasonable redemption premium which will be treated as a constructive dividend taken into account by a U.S. Holder each year, generally in the same manner as original issue discount would be taken into account if the Preferred Stock were treated as a debt instrument for United States Federal income tax purposes. Any such constructive dividend would be subject to the same rules applicable to the stated dividends on shares of the Preferred Stock, as described in the discussion of "Dividends and Dividends Received Deduction" above. Any such constructive dividend would also be taken into account for purposes of applying the extraordinary dividends rules of Code Section 1059 and the amount or period over which such constructive dividends are taken into account could, in certain circumstances, cause some or all of the stated dividends on shares of the Preferred Stock to be treated as extraordinary dividends. The applicable Prospectus Supplement for any series of the Preferred Stock that is redeemable at a price in excess of its issue price will contain a more detailed discussion as to whether a U.S. Holder of such Preferred Stock should include in income any redemption premium under Code Section 305.

NON-U.S. HOLDERS

Dividends

Dividends that are paid to a non-U.S. Holder that are not effectively connected with a trade or business carried on by such non-U.S. Holder in the United States are generally subject to a 30 percent United States withholding tax. Such rate of withholding may be reduced to the extent provided by a tax treaty to which the United States is a party if the recipient of the dividends is entitled to the benefits of the applicable treaty.

Dividends that are effectively connected with a trade or business carried on in the United States by a non-U.S. Holder or, if an income tax treaty applies, are attributable to a U.S. permanent establishment, generally will be subject to tax at the same rates of tax applicable to U.S. Holders. The determination of whether a person is engaged in a United States trade or business and whether the dividends or gains realized in connection with shares of the Preferred Stock are effectively connected with that trade or business will depend upon the specific facts and circumstances of each non-U.S. Holder. In the case of a non-U.S. Holder that is a corporation, such effectively connected income may be subject to the branch profits tax, which is generally imposed on foreign corporations upon the repatriation from the United States of effectively connected earnings and profits unless an applicable tax treaty eliminates or reduces the rate of such tax.

Under current United States Treasury regulations, dividends paid to an address in a foreign country are presumed to be paid to a resident of that country (unless the payor has knowledge to the contrary) for purposes of the withholding tax discussed above and, under the current interpretation of the United States

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Treasury regulations, for purposes of determining the applicability of a tax treaty rate. Under proposed United States Treasury regulations, not currently in effect, however, a non-U.S. Holder of Preferred Stock who wishes to claim the benefit of an applicable tax treaty rate would be required to satisfy

certain certification requirements.

A non-U.S. Holder of Preferred Stock that is eligible for a reduced rate of U.S. withholding tax pursuant to an applicable treaty may obtain a refund of any excess amounts currently withheld by filing an appropriate claim for refund with the United States Internal Revenue Service ("IRS").

Disposition of Shares of the Preferred Stock

Subject to the discussion below under "Backup Withholding," a non-U.S. Holder generally will not be subject to United States tax on gains realized from the sale or exchange of shares of the Preferred Stock unless (i) such gain is effectively connected with the conduct of a trade or business carried on in the United States, or (ii) the non-U.S. Holder is a non-resident alien individual present in the United States for a period or periods aggregating 183 days or more during the taxable year of such disposition and either the non-U.S. Holder has a "tax home" (as determined for United States Federal income tax purposes) in the United States or the gain is attributable to an office or other fixed place of business maintained by the non-U.S. Holder in the United States (in which case, a 30 percent United States tax is imposed on the amount by which such person's gains derived from United States sources, from the sale or exchange at any time during such taxable year of capital assets, exceed such person's losses allocable to United States sources, from the sale or exchange at any time during such taxable year of capital assets).

Federal Estate Taxes

Preferred Stock held by an individual non-U.S. Holder at the time of such individual's death will be includible in such non-U.S. Holder's gross estate for United States Federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

BACKUP WITHHOLDING AND U.S. INFORMATION REPORTING

Backup withholding of United States Federal income tax at a rate of 31% may apply to payments of dividends on shares of the Preferred Stock to registered owners who are not "exempt recipients" and who fail to provide certain identifying information (such as the registered owner's taxpayer identification number) in the required manner. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. Such payments made to a U.S. Holder must be reported to the IRS unless the U.S. Holder is an exempt recipient or establishes an exemption. Backup withholding and information reporting requirements, other than reporting dividend payments for purposes of the withholding tax discussed above, generally will not apply to dividends paid to non-U.S. Holders that are subject to the 30% withholding tax discussed above (even where such withholding tax is reduced by an applicable tax treaty).

In addition, the payment of the proceeds from a disposition of shares of the Preferred Stock to or through the United States office of a broker will be subject to information reporting and backup withholding unless (i) the broker determines that the seller is a corporation or other exempt recipient or (ii) the seller provides, in the required manner, certain identifying information and, in the case of a non-U.S. Holder, certifies as to its non-United States status or otherwise establishes an exemption from backup withholding. The payment of the proceeds from the disposition of shares of the Preferred Stock to or through a non-United States office of a broker will not be subject to information reporting or backup withholding, except that if the broker is a United States person, a controlled foreign corporation for United States Federal income tax purposes or a foreign person 50 percent or more of whose gross income was effectively connected with the conduct of a trade or business within the United States for a specified three-year period, information reporting will apply to such payments unless such broker has documentary evidence in its files of the owner's non-United States status and has no actual knowledge to the contrary, or the owner otherwise establishes an exemption.

PLAN OF DISTRIBUTION

The Company may sell the Securities (i) through MLPF&S as agent, (ii) through public offerings underwritten by MLPF&S or by underwriting syndicates managed or co-managed by MLPF&S or (iii) directly to one or more purchasers. The applicable Prospectus Supplement will set forth the terms of the offering of the Securities to which such Prospectus Supplement relates, including the name of the agent or the name or names of any underwriters with whom the Company has entered into arrangements with respect to the sale of such Securities, the public offering or purchase price of such Securities, the net proceeds to the Company from such sale, any underwriting discounts and other items constituting underwriting compensation, any discounts and commissions allowed or paid to dealers, if any, any commissions allowed or paid to the agent, the initial public offering price and the securities exchanges, if any, on which such Securities will be listed.

If so indicated in the Prospectus Supplement, the Company will authorize

underwriters to solicit offers by certain institutions to purchase Securities from the Company pursuant to Delayed Delivery Contracts providing for payment and delivery on the date specified in the Prospectus Supplement. Each such contract will be for a number of Securities not less than, and, unless the Company otherwise agrees, the aggregate number of Securities sold pursuant to such contracts shall not be more than, the respective numbers specified in the Prospectus Supplement. Institutions with whom such contracts, when authorized, may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions, and other institutions, but shall in all cases be subject to the approval of the Company. Delayed Delivery Contracts will not be subject to any conditions except that the purchase by an institution of the Securities covered thereby shall not at the time of delivery be prohibited under the laws of any jurisdiction in the United States to which such institution is subject.

Any underwriter or agent participating in the distribution of the Securities may be deemed to be an underwriter, as that term is defined in the Securities Act, of the Securities so offered and sold and any discounts or commissions received by them from the Company and any profit realized by them on the sale or resale of the Securities may be deemed to be underwriting discounts and commissions under the Securities Act.

The underwriters, the agent and their controlling persons may be entitled, under agreements entered into with the Company, to indemnification by the Company against certain civil liabilities, including liabilities under the Securities Act.

The Prospectus and related Prospectus Supplement may be used by MLPF&S in connection with offers and sales related to market-making transactions in the Securities. MLPF&S may act as principal or agent in such transactions. Such sales will be made at prices related to prevailing market prices at the time of sale.

The distribution of Securities will comply with the requirements of Schedule E of the By-laws of the National Association of Securities Dealers, Inc. (the "NASD") regarding underwriting securities of an affiliate. No NASD member participating in offers and sales of the Securities will execute a transaction in the Securities in a discretionary account without the prior written specific approval of the member's customer.

See "Underwriting" in the accompanying Prospectus Supplement for further information regarding the distribution of the Securities offered hereby.

VALIDITY OF SECURITIES

The validity of the Securities will be passed upon for the Company by Brown & Wood, New York, New York, and for the underwriters by Sullivan & Cromwell, New York, New York.

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EXPERTS

The consolidated financial statements and related financial statement schedules of the Company and its subsidiaries included or incorporated by reference in the Company's 1993 Annual Report on Form 10-K, and incorporated by reference in this Prospectus, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports incorporated by reference herein. The information under the caption "Summary Financial Information" for each of the five years in the period ended December 31, 1993 included in this Prospectus and the Selected Financial Data under the captions "Operating Results", "Financial Position" and "Common Share Data" for each of the five years in the period ended December 31, 1993 included in the 1993 Annual Report to Stockholders of the Company, and incorporated by reference herein, has been derived from consolidated financial statements audited by Deloitte & Touche LLP, as set forth in their reports incorporated by reference herein. Such consolidated financial statements and related financial statement schedules, such Summary Financial Information and Selected Financial Data appearing or incorporated by reference in this Prospectus and the Registration Statement of which this Prospectus is a part, have been included or incorporated herein by reference in reliance upon such reports of Deloitte & Touche LLP given upon their authority as experts in accounting and auditing.

With respect to unaudited interim financial information for the periods included in any of the Quarterly Reports on Form 10-Q which may be incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their report included in any such Quarterly Report on Form 10-Q and incorporated by reference herein, they did not audit and they do not express an opinion on such interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act for any such report on unaudited interim financial information because any such report is not a "report" or a "part" of the Registration Statement

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth all expenses in connection with the issuance and distribution of the securities being registered. All the amounts shown are estimates, except the registration fee.

<S>	<C>
Registration fee.....	\$206,898
Fees and expenses of accountants.....	45,000
Fees and expenses of counsel.....	135,000
NASD fee.....	30,500
Listing fees.....	175,000
Blue Sky fees and expenses.....	20,000
Printing expenses.....	50,000
Printing and engraving of Securities.....	4,500
Rating agency fees.....	25,000
Miscellaneous.....	3,500

Total	\$695,398
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</TABLE>

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the General Corporation Law of the State of Delaware, as amended, provides that under certain circumstances a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at its request in such capacity in another corporation or business association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Article XIII, Section 2 of the Restated Certificate of Incorporation of the Registrant provides in effect that, subject to certain limited exceptions, the Registrant shall indemnify its directors and officers to the extent authorized or permitted by the General Corporation Law of the State of Delaware.

The Form of Underwriting Agreement filed as Exhibit 1 provides for the indemnification of the Registrant, its controlling persons, its directors and certain of its officers by the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

The directors and officers of the Registrant are insured under policies of insurance maintained by the Registrant, subject to the limits of the policies, against certain losses arising from any claim made against them by reason of being or having been such directors or officers. In addition, the Registrant has entered into contracts with all of its directors providing for indemnification of such persons by the Registrant to the full extent authorized or permitted by law, subject to certain limited exceptions.

ITEM 16. LIST OF EXHIBITS.

<C>	<S>
1	--Form of Underwriting Agreement.
4(a)	--Restated Certificate of Incorporation of the Registrant, as amended April 24, 1987, incorporated herein by reference to Exhibit 3(i) to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 25, 1992.

</TABLE>

<C>	<S>
4(b)	--Certificate of Amendment, dated April 29, 1993, of the Certificate of Incorporation of the Registrant, incorporated herein by reference to Exhibit 3(i) to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 26, 1993.

- 4(c) --Form of Certificate of Designations of the Registrant establishing the rights, preferences, privileges, qualifications, restrictions, and limitations relating to a series of the Preferred Stock.
- 4(d) --Form of certificate representing the Preferred Stock.
- 4(e) --Form of Deposit Agreement.
- 4(f) --Form of Depositary Receipt.
- 5 --Opinion of Brown & Wood.
- 12 --Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividend Requirements.
- 15 --Letter of Deloitte & Touche LLP regarding unaudited interim financial information.
- 23(a) --Consent of Deloitte & Touche LLP.
- 23(b) --Consent of Brown & Wood (included in Exhibit 5).
- 24 --Power of Attorney (included on page II-4).
- 99 --Report of Deloitte & Touche LLP with respect to certain financial data appearing in the Registration Statement.

</TABLE>

ITEM 17. UNDERTAKINGS.

The undersigned Registrant hereby undertakes:

(a) (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a) (3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a) (1) (i) and (a) (1) (ii) do not apply if the registration statement is on Form S-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to sections 13(a) or 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

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(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions referred to in Item 15 of this registration statement, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in such Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, MERRILL LYNCH & CO., INC. CERTIFIES THAT IT HAS REASONABLE GROUNDS TO BELIEVE THAT IT MEETS ALL OF THE REQUIREMENTS FOR FILING ON FORM S-3 AND HAS DULY CAUSED THIS REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, IN THE CITY OF NEW YORK AND STATE OF NEW YORK ON THE 2ND DAY OF SEPTEMBER, 1994.

MERRILL LYNCH & CO., INC.

By /s/ Daniel P. Tully
.....
DANIEL P. TULLY
(CHAIRMAN OF THE BOARD, PRESIDENT
AND CHIEF EXECUTIVE OFFICER)

KNOW ALL MEN BY THESE PRESENTS, THAT EACH PERSON WHOSE SIGNATURE APPEARS BELOW CONSTITUTES AND APPOINTS DANIEL P. TULLY, JOSEPH T. WILLETT AND STEPHEN L. HAMMERMAN, AND EACH OF THEM, HIS TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION, FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES, TO SIGN ANY AND ALL AMENDMENTS (INCLUDING POST-EFFECTIVE AMENDMENTS) TO THIS REGISTRATION STATEMENT AND TO EACH REGISTRATION STATEMENT AMENDED HEREBY, AND TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THEREWITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND THING REQUISITE AND NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY TO ALL INTENTS AND PURPOSES AS HE MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS OR ANY OF THEM, OR THEIR OR HIS SUBSTITUTE OR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE THEREOF.

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS REGISTRATION STATEMENT HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS IN THE CAPACITIES WITH MERRILL LYNCH & CO., INC. INDICATED ON THE 2ND DAY OF SEPTEMBER, 1994.

SIGNATURE TITLE
/s/ Daniel P. Tully Chairman of the Board, President, Chief Executive Officer and Director
(DANIEL P. TULLY)
/s/ Joseph T. Willett Senior Vice President, Chief Financial Officer and Controller
(JOSEPH T. WILLETT)
/s/ William O. Bourke Director
(WILLIAM O. BOURKE)
(JILL K. CONWAY) Director
/s/ Stephen L. Hammerman Director
(STEPHEN L. HAMMERMAN)

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SIGNATURE TITLE

/s/ Robert A. Hanson Director
(ROBERT A. HANSON)
/s/ Earle H. Harbison, Jr. Director
(EARLE H. HARBISON, JR.)
/s/ George B. Harvey Director
(GEORGE B. HARVEY)
/s/ Robert P. Luciano Director
(ROBERT P. LUCIANO)

/s/ Aulana L. Peters
 Director
 (AULANA L. PETERS)

/s/ John J. Phelan, Jr.
 Director
 (JOHN J. PHELAN, JR.)

/s/ Charles A. Sanders
 Director
 (CHARLES A. SANDERS)

/s/ William L. Weiss
 Director
 (WILLIAM L. WEISS)

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EXHIBIT INDEX

<TABLE>
<CAPTION>

EXHIBIT NO. -----	DESCRIPTION -----	SEQUENTIALLY NUMBERED PAGE -----
<C>	<S>	<C>
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4(b)	--Certificate of Amendment, dated April 29, 1993, of the Certificate of Incorporation of the Registrant, incorporated herein by reference to Exhibit 3(i) to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 26, 1993.	
4(c)	--Form of Certificate of Designations of the Registrant establishing the rights, preferences, privileges, qualifications, restrictions, and limitations relating to a series of the Preferred Stock.	
4(d)	--Form of certificate representing the Preferred Stock.	
4(e)	--Form of Deposit Agreement.	
4(f)	--Form of Depositary Receipt.	
5	--Opinion of Brown & Wood.	
12	--Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividend Requirements.	
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</TABLE>

MERRILL LYNCH & CO., INC.
(a Delaware corporation)

[Preferred Stock] [Depository Shares Representing Preferred Stock]

UNDERWRITING AGREEMENT

_____ , 199__
To the [Representative[s] named in Schedule I hereto
of the] Underwriter[s] named in Schedule I hereto.

Dear Sirs:

Merrill Lynch & Co., Inc. (the "Company") confirms its agreement with each of the Underwriters (as hereinafter defined) with respect to [(i)] the sale by the Company of an aggregate of _____ [shares] [depository shares, each representing [specify fraction] of one share] of the Company's _____ Preferred Stock, Series ____ (the "Preferred Stock"), having the terms described in Schedule II hereto, and the purchase by the Underwriters, acting severally and not jointly, of the respective numbers of said [shares of Preferred Stock] [depository shares] set forth in Schedule I hereto [and (ii) with respect to the grant by the Company to the Underwriters, acting severally and not jointly, of the option described in Section 2(a) hereof to purchase all or any part of _____ additional [shares] [depository shares, each representing [specify fraction] of one share] of Preferred Stock, to cover over-allotments]. [The [shares of Preferred Stock] [depository shares] to be purchased by the Underwriters are hereinafter referred to as the "Shares."] [The aforesaid [shares of Preferred Stock] [depository shares] (the "Initial Shares") to be purchased by the Underwriters and all or any part of the [shares of Preferred Stock] [depository shares] subject to the option described in Section 2(a) hereof (the "Option Shares") are hereinafter collectively referred to as the "Shares".] [As used herein, the term "Preferred Shares" shall be deemed to mean the shares of Preferred Stock represented by the Shares].

[The Preferred Shares will be deposited pursuant to a deposit agreement (the "Deposit Agreement") to be entered into among the Company, _____, as depository (the "Depository") and the holders from time to time of the depository receipts (the "Depository Receipts") to be issued by the Depository thereunder and evidencing the Shares.]

If there shall be two or more persons, firms or corporations named as underwriters in Schedule I hereto, the term "Underwriters" as used herein shall be deemed to mean the several persons, firms or corporations so named (including the Representative hereinafter mentioned, if so named, and any Underwriters substituted pursuant to Section 10), and the term "Representative" as so used herein shall be deemed to mean the representative or representatives named in Schedule I hereto. If there shall only be one person, firm or corporation named in Schedule I hereto, the term "Underwriters" and the term "Representative" as used herein shall mean such person, firm or corporation.

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No. 33- _____) relating to its preferred stock and depository shares representing interests therein, including the Shares, and the offering thereof from time to time in accordance with Rule 415 under the Securities Act of 1933 (the "1933 Act"), and has filed such amendments thereto as may have been required to the date hereof. Such registration statement has been declared effective by the Commission. Such registration statement

and the prospectus relating to the sale of the preferred stock and depository shares by the Company constituting a part thereof, including all documents incorporated therein by reference, as amended or supplemented to the date hereof pursuant to the Securities Exchange Act of 1934 (the "1934 Act"), the 1933 Act or otherwise, are referred to herein as the "Registration Statement" and the "Basic Prospectus", respectively; and the Basic Prospectus, as supplemented by the prospectus supplement contemplated by Section 3(a) relating to [the Preferred Stock and] the Shares (the "Prospectus Supplement"), is referred to herein as the "Prospectus"; provided, however, that any supplement of the Basic Prospectus which relates to securities other than [the Preferred Stock and] the Shares shall not be deemed to be a part of the Basic Prospectus or the Prospectus.

Section 1. Representations and Warranties. The Company represents and warrants to each of the Underwriters as of the date hereof as follows:

(a) At the time the Registration Statement became effective, the Registration Statement complied, and upon the filing of the Prospectus Supplement with the Commission, the Prospectus will comply, in all material respects with the requirements of the 1933 Act and the rules and regulations thereunder (the "Regulations"). The Registration Statement, at

the time the Registration Statement became effective, or if an amendment to the Registration Statement or an annual report on Form 10-K has been filed by the Company with the Commission subsequent to the effectiveness of the Registration Statement, then at the time of the most recent such filing, and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading. The Basic Prospectus, at the time the Registration Statement became effective, or if an amendment to the Registration Statement or an annual report on Form 10-K has been filed by the Company with the Commission subsequent to the effectiveness of the Registration Statement, then at the time of the most recent such filing, did not, and the Prospectus, at the date hereof, does not, and at the Closing Time (as defined in Section 2(b)) will not, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by any Underwriter, through the Representative, expressly for use in the Registration Statement or Prospectus.

(b) The Company meets the requirements for the use of Form S-3 under the 1933 Act.

(c) To the best knowledge of the Company, the accountants who certified the financial statements and supporting schedules included in the Registration Statement are independent public accountants as required by the 1933 Act.

(d) The consolidated financial statements included in the Registration Statement and Prospectus present fairly the consolidated financial position of the Company and its consolidated subsidiaries as at the dates indicated and the results of their operations for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis during the periods involved, except as indicated therein; and the supporting schedules included in the Registration Statement present fairly the information required to be stated therein.

(e) The documents incorporated by reference in the Prospectus, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the rules and regulations thereunder, and, when read together with the other information in the Prospectus, do not, and at the Closing Time will not, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the

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statements therein, in the light of the circumstances under which they are made, not misleading.

(f) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein or contemplated thereby, (i) there has been no material adverse change in the condition, financial or otherwise, of the Company and its subsidiaries considered as one enterprise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, (ii) there have been no transactions entered into by the Company or any of its subsidiaries which are material with respect to the Company and its subsidiaries considered as one enterprise other than those in the ordinary course of business, and (iii) except for regular quarterly dividends on its outstanding Common Stock and regular dividends on its preferred stock, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(g) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with corporate power and authority to own, lease and operate its properties and conduct its business as described in the Registration Statement; the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which it owns or leases substantial properties or in which the conduct of its business requires such qualification and in which failure of the Company to be so qualified and in good standing would have a material adverse effect upon the Company and its subsidiaries considered as one enterprise.

(h) Each subsidiary of the Company listed in Exhibit No. 22 to the Form 10-K annual report of the Company filed with the Commission under Section 13 of the 1934 Act for the fiscal year ended December 31, 199_ which is a "significant subsidiary" as defined in Rule 405 of Regulation C of the Regulations (a "Significant Subsidiary") has been duly incorporated and is

validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and conduct its business as described in the Registration Statement and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which it owns or leases substantial properties or in which the conduct of its business requires such qualification; all of the issued and outstanding capital stock of each such Significant Subsidiary has been duly authorized and validly issued and is fully paid and non-assessable; and the capital stock of each such subsidiary owned by the Company, directly or through subsidiaries, is owned free and clear of any mortgage, pledge, lien, encumbrance, claim or equity.

(i) Neither the Company nor any of its Significant Subsidiaries is in violation of its or any of their charters or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which it or any of them is a party or by which it or any of them or their properties or assets may be bound; and the execution and delivery of this Agreement [and the Deposit Agreement] and the consummation of the transactions contemplated herein [and therein] have been or will be duly authorized by all necessary corporate action and will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its Significant Subsidiaries pursuant to, any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of its Significant Subsidiaries is a party or by which it or any of them may be bound or to which any of the property or assets of the Company or any of its Significant Subsidiaries is subject, nor will such action result in any violation of the provisions of the charter or by-laws of the Company or, to the best of its knowledge, any law, administrative regulation or administrative or court decree; and no consent, approval, authorization or order of any court or governmental authority or agency is required for the consummation by the Company of the transactions contemplated by this Agreement, except such as have been obtained under the 1933

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Act or the Regulations or state securities or Blue Sky laws.

(j) The Company and its Significant Subsidiaries possess adequate certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, and neither the Company nor any of its Significant Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would materially adversely affect the conduct of the business, operations, financial condition or income of the Company and its subsidiaries considered as one enterprise.

(k) Except as set forth in the Prospectus, there is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened against or affecting the Company or any of its subsidiaries which might, in the opinion of the Company, result in any material adverse change in the condition, financial or otherwise, of the Company and its subsidiaries considered as one enterprise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, or might materially and adversely affect the properties or assets thereof or might materially and adversely affect the consummation of this Agreement [or the Deposit Agreement]; and there are no contracts or documents of the Company or any of its subsidiaries which are required to be filed as exhibits to the Registration Statement by the 1933 Act or by the Regulations which have not been so filed or incorporated by reference.

(l) The [Preferred] Shares have been duly authorized for issuance and sale pursuant to this Agreement and, when issued and delivered pursuant to the provisions of this Agreement, against payment of the consideration [for the Shares] [therefor] pursuant to this Agreement, will be validly issued, fully paid and non-assessable; no holder thereof will be subject to personal liability by reason of being such a holder; [and] such [Preferred] Shares will not be subject to the preemptive rights of any stockholder of the Company[; and, the Depositary Receipts are in the form contemplated by the Deposit Agreement, have been duly and validly authorized for issuance and sale by all necessary corporate action, and upon deposit by the Company of such Preferred Shares with the Depositary pursuant to the Deposit Agreement and the due execution, issuance and delivery by the Depositary of the Depositary Receipts evidencing the Shares, such Shares shall represent legal and valid interests in such Preferred Shares and shall entitle the holders thereof to the rights specified in the Depositary Receipts evidencing such Shares and in the Deposit Agreement except as enforceability of such rights may be limited by bankruptcy, insolvency or other laws of general applicability relating to or affecting enforcement of

creditors' rights or by general equity principles]; and the [Preferred] Shares conform or will conform at the time of their issuance and delivery in all material respects to the description thereof contained in the Prospectus.

[(m) The Deposit Agreement has been duly authorized by the Company, will be substantially in the form filed as an exhibit to the Registration Statement and, when duly executed and delivered by the Company and the Depository, will constitute a valid and binding obligation of the Company enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws of general applicability relating to or affecting enforcement of creditors' rights or by general equity principles; and the summary description of the Deposit Agreement set forth in the Prospectus conforms in all material respects to the provisions contained in the Deposit Agreement.]

(n) The Company and its Significant Subsidiaries own or possess, or can acquire on reasonable terms, adequate trademarks, service marks and trade names necessary to conduct the businesses now operated by them, and neither the Company nor any of its subsidiaries has received any notice of infringement of or conflict with asserted rights of others with respect to any trademarks, service marks or trade names

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which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would materially adversely affect the conduct of the business, operations, financial condition or income of the Company and its subsidiaries considered as one enterprise.

(o) No labor dispute by the employees of the Company or any subsidiary exists or, to the knowledge of the Company, is imminent which might be expected to have a material adverse effect upon the conduct of the business, or the earnings, operations or condition, financial or otherwise, of the Company and its subsidiaries considered as one enterprise.

Any certificate signed by any officer of the Company and delivered to the Representative or counsel for the Underwriters in connection with the offering of Shares shall be deemed a representation and warranty by the Company, as to the matters covered thereby, to each of the Underwriters participating in such offering.

Section 2. Purchase and Sale. (a) On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby agrees to sell to each Underwriter, and each Underwriter, acting severally and not jointly, hereby agrees to purchase from the Company, at the purchase price per [Initial] Share set forth in Schedule II hereto [(the "Share Purchase Price")], the number of [Initial] Shares set forth in Schedule I opposite the name of such Underwriter. [In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby grants to the Underwriters an option to purchase up to an additional _____ [shares of Preferred Stock] [depository shares] at the Share Purchase Price referred to in this Section 2(a), less an amount per Option Share equal to any dividends declared by the Company and payable on the Initial Shares but not payable on the Option Shares. Such option shall expire 30 days from the date hereof, and may be exercised [in whole or in part from time to time] only for the purpose of covering over-allotments in connection with the offering and distribution of the Initial Shares upon notice by the Representative to the Company setting forth the number of Option Shares as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Shares. Any such time and date of delivery (a "Date of Delivery") shall be determined by the Representative, but shall not be later than seven full business days and not earlier than two full business days after the exercise of said option, nor in any event prior to the Closing Time, unless otherwise agreed between the Representative and the Company. If the option is exercised as to all or any portion of the Option Shares, each of the Underwriters, acting severally and not jointly, shall purchase that proportion of the total number of Option Shares then being purchased which the total number of Initial Shares set forth in Schedule I opposite the name of such Underwriter bears to the total number of Initial Shares, subject in each case to such adjustments as the Representative in its discretion shall make to eliminate any sale or purchases of fractional shares.]

(b) Payment of the purchase price for, and delivery of the certificates representing, the Initial Shares to be purchased by the Underwriters shall be made at the office of Brown & Wood, One World Trade Center, New York, New York 10048, or at such other place as shall be agreed upon by the Representative and the Company, at 10:00 A.M., New York City time, on the fifth business day (unless postponed in accordance with the provisions of Section 10) following the date hereof or such other time as shall be agreed upon by the Representative and the Company (each such time and date being referred to as a "Closing Time"). [In addition, in the event that any or all of the Option Shares are purchased by the Underwriters, payment of the purchase price for, and delivery of the certificates representing, such Option Shares shall be made at the above-

mentioned office of Brown & Wood, or at such other place as may be agreed upon by the Representative and the Company, on [each] [the] Date of Delivery as specified in the notice from the Representative to the Company.] Payment shall be made to the Company by certified or official bank check or checks in New York Clearing House or similar next day funds payable to the order of the Company against delivery to the Representative for the respective accounts of the Underwriters of certificates for the Shares to be purchased by them (unless such Shares are issuable only in the form of one or more global Shares registered in the name of a depository or a nominee of a depository, in which event the Underwriters' interest in such global certificate shall be noted in a manner satisfactory to the Underwriters and their counsel). Certificates

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for the Initial Shares [and the Option Shares, if any,] shall be registered in such names as the Representative may request in writing at least two business days prior to the Closing Time [or the relevant Date of Delivery, as the case may be]. Such certificates, which may be in temporary form, for the Initial Shares [and the Option Shares, if any,] will be made available for examination and packaging by the Representative not later than 10:00 A.M. on the business day prior to the Closing Time [or the relevant Date of Delivery, as the case may be].

[(c) The Underwriters may solicit offers to purchase Shares from the Company pursuant to delayed delivery contracts ("Delayed Delivery Contracts") substantially in the form of Exhibit A hereto with such changes therein as the Company may approve. As compensation for arranging Delayed Delivery Contracts, the Company will pay to Merrill Lynch, Pierce, Fenner & Smith Incorporated at the Closing Time, for the accounts of the Underwriters, a fee relating to the number of Shares for which Delayed Delivery Contracts are made at the Closing Time as is specified in Schedule II hereto. Any Delayed Delivery Contracts are to be with institutional investors of the types set forth in the Prospectus. At the Closing Time, the Company will enter into Delayed Delivery Contracts (for not less than the minimum number of Shares per Delayed Delivery Contract specified in Schedule II hereto) with all purchasers proposed by the Underwriters and previously approved by the Company as provided below, but not for a number of Shares in excess of that specified in Schedule II hereto. The Underwriters will not have any responsibility for the validity or performance of Delayed Delivery Contracts.

The Representative is to submit to the Company, at least three business days prior to the Closing Time, the names of any institutional investors with which it is proposed that the Company will enter into Delayed Delivery Contracts and the number of Shares to be purchased by each of them, and the Company will advise the Representative, at least two business days prior to the Closing Time, of the names of the institutions with which the making of Delayed Delivery Contracts is approved by the Company and the number of Shares to be covered by each such Delayed Delivery Contract.

The number of Shares agreed to be purchased by the respective Underwriters pursuant hereto shall be reduced by the number of Shares covered by Delayed Delivery Contracts, as to each Underwriter as set forth in a written notice delivered by the Representative to the Company; provided, however, that the total number of Shares to be purchased by all Underwriters shall be the total number of Shares covered hereby, less the number of Shares covered by Delayed Delivery Contracts.]

Section 3. Covenants of the Company. The Company covenants with each of the Underwriters as follows:

(a) Immediately following the execution of this Agreement, the Company will prepare a Prospectus Supplement setting forth the number of Shares covered hereby and their terms, the names of the Underwriters participating in the offering and the number of Shares which each severally has agreed to purchase, the names of the Underwriters acting as co-managers in connection with the offering, the price at which the Shares are to be purchased by the Underwriters from the Company, the initial public offering price, the selling concession and reallowance, if any, any delayed delivery arrangements, and such other information as the Representative and the Company deem appropriate in connection with the offering of the Shares. The Company will promptly transmit copies of the Prospectus Supplement to the Commission for filing pursuant to Rule 424 of the Regulations and will furnish to the Underwriters named therein as many copies of the Prospectus and such Prospectus Supplement as the Representative shall reasonably request.

(b) If at any time when the Prospectus is required by the 1933 Act to be delivered in connection with sales of the Shares, any event shall occur or condition exist as a result of which it is necessary, in the view of counsel for the Underwriters or counsel for the Company, to further amend or supplement the Prospectus in order that the Prospectus will not include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser or if it shall be necessary, in the view of either such counsel, at any such

time to amend or supplement the Registration Statement or the Prospectus in order to comply with the requirements of the 1933 Act or the Regulations, the Company will promptly prepare and file with the Commission such amendment or supplement, whether by filing documents pursuant to the 1934 Act or otherwise, as may be necessary to correct such untrue statement or omission or to make the Registration Statement comply with such requirements and the Company will furnish to the Underwriters as many copies of such amendment or supplement as the Underwriters may reasonably request.

(c) The Company will make generally available to its security holders as soon as practicable, but not later than 90 days after the close of the period covered thereby, an earnings statement (in form complying with the provisions of Rule 158 under the 1933 Act) covering the twelve month period beginning not later than the first day of the Company's fiscal quarter next following the "effective date" (as defined in Rule 158) of the Registration Statement.

(d) The Company will give the Representative notice of its intention to file any amendment to the Registration Statement or any amendment or supplement to the Prospectus, whether pursuant to the 1934 Act, the 1933 Act or otherwise, will furnish the Representative with copies of any such amendment or supplement or other documents proposed to be filed a reasonable time in advance of such proposed filing or use, and will not file any such amendment or supplement or other documents or use any such prospectus in a form to which the Representative or counsel for the Underwriters shall reasonably object.

(e) The Company will notify the Representative immediately, and confirm the notice in writing, (i) of the effectiveness of any amendment to the Registration Statement, (ii) of the mailing or the delivery to the Commission for filing of any supplement to the Prospectus or any document to be filed pursuant to the 1934 Act, (iii) of the receipt of any comments from the Commission with respect to the Registration Statement, the Prospectus or the Prospectus Supplement, (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, and (v) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose, and (vi) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offering or sale in any jurisdiction, or the initiation or threatening of any proceedings for any such purpose. The Company will make every reasonable effort to prevent the issuance of any stop order or any order preventing or suspending such qualification and, if any such order is issued, to obtain the lifting thereof at the earliest possible moment.

(f) The Company will deliver to the Representative one signed and as many conformed copies of the Registration Statement (as originally filed) and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated by reference in the Prospectus) as the Representative may reasonably request and will also deliver to the Representative a conformed copy of the Registration Statement and each amendment thereto for each of the Underwriters.

(g) The Company will endeavor, in cooperation with the Representative, to qualify the Shares for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Representative may designate, and will maintain such qualifications in effect for as long as may be required for the distribution of the Shares. The Company will file such statements and reports as may be required by the laws of each jurisdiction in which the Shares have been qualified as above provided.

(h) The Company, during the period when the Prospectus is required to be delivered under the 1933 Act, will file promptly all documents required to be filed with the Commission pursuant to Section 13 or 14 of the 1934 Act.

(i) Unless otherwise provided in Schedule II, for a period of 90 days from the date hereof, the Company

will not, without the prior written consent of the Representative, directly or indirectly, offer, sell, grant any option for the sale of, or otherwise dispose of, or enter into any agreement to sell, any preferred stock of the Company or depositary shares representing interests therein, including additional Shares (except for Shares sold pursuant to this Agreement).

(j) The Company agrees to indemnify and hold harmless each Underwriter against any documentary stamp or similar issue tax and any related interest or penalties on the issue or sale of the Shares to the Underwriters which are due in the United States of America or any other jurisdiction.

[(k) The Company will use its best efforts to effect the listing of the

Shares on the national securities exchange or exchanges, if any, specified in Schedule II.]

Section 4. Conditions of Underwriters' Obligations. The obligations of the Underwriters to purchase Shares pursuant hereto at the Closing Time [or on the relevant Date of Delivery, as the case may be,] are subject to the accuracy of the representations and warranties on the part of the Company herein contained, to the accuracy of the statements of the Company's officers made in any certificate furnished pursuant to the provisions hereof, to the performance by the Company of all of its covenants and other obligations hereunder and to the following further conditions:

(a) At the Closing Time (i) [any Shares for which application has been made to list on a national securities exchange shall have been approved for listing, subject to official notice of issuance], (ii) no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act [, no order suspending trading or striking or withdrawing any Shares to be listed on a national securities exchange from listing and registration under the 1934 Act shall be in effect,] and no proceedings under the 1933 Act or 1934 Act therefor shall have been initiated or threatened by the Commission, [or, with respect to the filing of any Form 8-A, by any national securities exchange,] (iii) the rating assigned by any nationally recognized statistical rating agency to any preferred stock, debt securities or other obligations of the Company as of the date hereof shall not have been lowered since the date hereof, nor shall any such rating agency have publicly announced that it has placed any preferred stock, debt securities or other obligations of the Company on what is commonly termed a "watch list" for possible downgrading and (iv) there shall not have come to the Representative's attention any facts that would cause the Representative to believe that the Prospectus, at the time it was required to be delivered to a purchaser of the Shares, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at such time, not misleading.

(b) At the Closing Time the Representative shall have received:

(1) The favorable opinion, dated as of the Closing Time, of Brown & Wood, counsel for the Company, in form and substance satisfactory to the Representative, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware.

(ii) The Company has corporate power and authority to own, lease and operate its properties and conduct its business as described in the Registration Statement.

(iii) To the best of their knowledge and information, the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required.

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(iv) Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, has corporate power and authority to own, lease and operate its properties and conduct its business as described in the Registration Statement, and is duly qualified as a foreign corporation to transact business and is in good standing in the State of New York; all of the issued and outstanding capital stock of MLPF&S has been duly authorized and validly issued and is fully paid and non-assessable, and all of such capital stock owned by the Company, to the best of their knowledge and information, is owned free and clear of any pledge, lien, encumbrance, claim or equity.

(v) This Agreement [has] [and the Delayed Delivery Contracts have] been duly authorized, executed and delivered by the Company.

[(vi) The Deposit Agreement has been duly and validly authorized, executed and delivered by the Company and constitutes the valid and binding agreement of the Company enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws of general applicability relating to or affecting enforcement of creditors' rights or by general equity principles; and the Deposit Agreement, is substantially in the form filed as an exhibit to the Registration Statement.]

(vii) The [Preferred] Shares have been duly and validly authorized for issuance and sale by all necessary corporate action and, when issued and delivered by the Company against payment of the consideration [for the Shares] [therefor] pursuant to this Agreement [, or Delayed Delivery Contracts], will be validly issued, fully paid and non-assessable. No holder of the [Preferred] Shares will be subject to personal liability

by reason of being such a holder. Such [Preferred] Shares will not be subject to the preemptive rights of any stockholder of the Company. [The Depositary Receipts are in the form contemplated by the Deposit Agreement, have been duly and validly authorized for issuance and sale by all necessary corporate action and upon deposit by the Company of such Preferred Shares with the Depositary pursuant to the Deposit Agreement and the due execution, issuance and delivery by the Depositary of the Depositary Receipts evidencing the Shares, such Shares shall represent legal and valid interests in such Preferred Shares and shall entitle the holders thereof to the rights specified in the Depositary Receipts evidencing such Shares and in the Deposit Agreement except as enforceability of such rights may be limited by bankruptcy, insolvency or other laws of general applicability relating to or affecting enforcement of creditors' rights or by general equity principles.]

(viii) The [Deposit Agreement, the Preferred Stock and the] Shares conform in all material respects to the descriptions thereof in the Prospectus, and the [Depositary Receipts used to evidence the Shares and the] certificates used to evidence the [Preferred] Shares are in due and proper form and comply in all material respects with all applicable statutory requirements.

(ix) The Registration Statement is effective under the 1933 Act and, to the best of their knowledge and information, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act or proceedings therefor initiated or threatened by the Commission.

(x) The Registration Statement, at the time it became effective and as of the date hereof (other than the financial statements included therein, as to which no opinion need be rendered) complied as to form in all material respects with the requirements of the 1933 Act and the Regulations.

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(xi) Each document, if any, filed pursuant to the 1934 Act (other than the financial statements included therein, as to which no opinion need be rendered) and incorporated by reference in the Prospectus complied when so filed as to form in all material respects with the 1934 Act and the rules and regulations thereunder.

(xii) No consent, approval, authorization or order of any court or governmental authority or agency is required in connection with the sale of the Shares to the Underwriters, except such as have been obtained under the 1933 Act and state securities laws; and to the best of their knowledge and information, the execution and delivery of this Agreement [, any Delayed Delivery Contracts] [and the Deposit Agreement], and the consummation of the transactions contemplated herein [and therein] will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary pursuant to, any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of the provisions of the charter or by-laws of the Company, or any law, administrative regulation or administrative or court decree.

(2) The favorable opinion or opinions, dated as of the Closing Time, of Sullivan & Cromwell, counsel for the Underwriters, with respect to the matters set forth in subparagraphs (i) and (v) to (x), inclusive, of subsection (b)(1) of this Section.

(3) In giving their opinions required by subsections (b)(1) and (b)(2), respectively, of this Section, Brown & Wood and Sullivan & Cromwell shall each additionally state that nothing has come to their attention that would lead them to believe that the Registration Statement (other than the financial statements included therein, as to which no statement need be made), at the time it became effective, or if an amendment to the Registration Statement or an annual report on Form 10-K has been filed by the Company with the Commission subsequent to the effectiveness of the Registration Statement, then at the time of the most recent such filing, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as amended or supplemented at the date hereof and at the Closing Time, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) At the Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein

or contemplated thereby, any material adverse change in the condition, financial or otherwise, of the Company and its subsidiaries considered as one enterprise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Representative shall have received a certificate of the Chairman of the Board, the President, a Vice President, the Treasurer or the Controller of the Company, dated as of the Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties of the Company contained in Section 1 are true and correct with the same force and effect as though made at and as of the Closing Time, and (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to Closing Time.

(d) The Representative shall have received from Deloitte & Touche or other independent certified public accountants acceptable to the Representative a letter, dated as of the date hereof and delivered at such time, in the form heretofore agreed.

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(e) The Representative shall have received from Deloitte & Touche or other independent certified public accountants acceptable to the Representative a letter, dated as of the Closing Time, reconfirming or updating the letter required by subsection (d) of this Section.

[(f) In the event that the Underwriters exercise the option granted in Section 2(a) hereof to purchase all or any portion of the Option Shares, the representations and warranties of the Company contained herein and the statements in any certificates furnished by the Company hereunder shall be true and correct as of [each] [the] Date of Delivery and, at [each] [the] Date of Delivery, the Representative shall have received:

(1) A certificate, dated such Date of Delivery, of the Chairman of the Board, the President, a Vice President, the Treasurer or the Controller of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 4(c) hereof remains true and correct as of such Date of Delivery.

(2) The favorable opinion of Brown & Wood, counsel for the Company, in form and substance satisfactory to the Representative, dated such Date of Delivery, relating to the Option Shares to be purchased on the Date of Delivery and otherwise to the same effect as the opinion required by Section 4(b)(1) hereof.

(3) The favorable opinion of Sullivan & Cromwell, counsel for the Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on the Date of Delivery and otherwise to the same effect as the opinion required by Section 4(b)(2) hereof.

(4) A letter from Deloitte & Touche or other independent certified public accountants acceptable to the Representative, in form and substance satisfactory to the Representative and dated such Date of Delivery, substantially the same in scope and substance as the letter furnished to the Representative pursuant to Section 4(d) hereof except that any date specified in the letter furnished pursuant to this Section 4(f)(4) as of which certain procedures had been performed shall be a date not more than five days prior to such Date of Delivery.

(g)[(f)] At the Closing Time [or Date of Delivery, as the case may be], counsel for the Underwriters shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling them to pass upon the issuance and sale of the Shares as herein contemplated and related proceedings or in order to evidence the accuracy and completeness of any of the representations and warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Shares as herein contemplated shall be satisfactory in form and substance to the Representative.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representative by notice to the Company at any time at or prior to the Closing Time, and such termination shall be without liability of any party to any other party except as provided in Section 5.

Section 5. Payment of Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the printing and filing of the Registration Statement as originally filed and all amendments thereto, and the printing of this Agreement[, the Deposit Agreement] and any certificates representing the Shares[, the Preferred Shares and the Depositary Receipts], (ii) the preparation, issuance and delivery of the Shares to the Underwriters, (iii) the fees and disbursements of the Company's counsel and accountants, (iv) the qualification of the Shares under state securities laws in accordance with the provisions of Section 3(g), including filing fees and the fee and disbursements of the Company's counsel in connection therewith

and in connection with the preparation of any Blue Sky Survey, (v) the printing and delivery to the Underwriters in quantities as hereinabove stated of copies of the Registration Statement and any amendments thereto, and of the Prospectus and any amendments or supplements thereto, (vi) the printing and delivery to the Underwriters of copies of the Blue Sky Survey, (vii) the fees of rating agencies, (viii) the fees and expenses, if any, incurred in connection with the listing of the Shares on the New York Stock Exchange or any other national securities exchange, and (ix) the fees and expenses incurred with respect to the filing with the National Association of Securities Dealers, Inc.

If this Agreement is terminated by the Representative in accordance with the provisions of Section 4 or Section 9, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

Section 6. Indemnification. (a) The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by the Representative), reasonably incurred in investigating, preparing or defending against any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representative expressly for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

Insofar as this indemnity may permit indemnification for liabilities under the 1933 Act of any person who is a partner of an Underwriter or who controls an Underwriter within the meaning of Section 15 of the 1933 Act and who, at the date of this Agreement, is a director, officer or controlling person of the Company, such indemnity agreement is subject to the undertaking of the Company in the Registration Statement.

(b) Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment

thereto) or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Underwriter, through the Representative, expressly for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto).

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder but failure to so notify an

indemnifying party shall not relieve such indemnifying party from any liability which it may have otherwise than on account of this indemnity agreement. An indemnifying party may participate at its own expense in the defense of such action. In no event shall the indemnifying parties be liable for the fees and expenses of more than one counsel separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, except that the Company shall be liable for the fees and expenses of one counsel representing Merrill Lynch, Pierce, Fenner & Smith Incorporated and the persons controlling Merrill Lynch, Pierce, Fenner & Smith Incorporated and one counsel representing all other Underwriters and the persons controlling them.

Section 7. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 6 is for any reason held to be unenforceable by the indemnified parties although applicable in accordance with its terms, the Company and the Underwriters of each offering of Shares shall contribute to the aggregate losses, liabilities, claims, damages and expenses, as incurred, of the nature contemplated by said indemnity agreement incurred by the Company and one or more of such Underwriters in respect of such offering in such proportions as will reflect the relative benefits from the offering of such Shares received by the Company on the one hand and by such Underwriters on the other hand, taking into account the portion of the proceeds of such offering realized by each, provided that the relative benefits shall be deemed to be such that the Underwriters shall be responsible for that portion of the aggregate losses, liabilities, claims, damages and expenses represented by the percentage that the underwriting discount appearing in the Prospectus Supplement bears to the initial public offering price appearing therein and the Company shall be responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as the Company.

Section 8. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement, or contained in certificates of officers of the Company submitted pursuant hereto, shall remain operative and in full force and effect, regardless of any termination of this Agreement, or any investigation made by or on behalf of any Underwriter or controlling person, or by or on behalf of the Company, and shall survive delivery of any Shares to the Underwriters.

Section 9. Termination. This Agreement may be terminated by the Representative, immediately upon notice to the Company, at any time at or prior to the Closing Time (i) if there has been, since the date hereof or since the respective dates as of which information is given in the Registration Statement or the Prospectus, except as otherwise stated therein or contemplated thereby, any material adverse change in the condition, financial or otherwise, of the Company and its subsidiaries considered as one enterprise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or any outbreak or escalation of hostilities or other national or international calamity or crisis, the effect of which is such as to make it, in the judgment of the Representative, impracticable to market the Shares or enforce contracts for the sale of the Shares, or (iii) if trading in the common or preferred stock of the Company has been suspended by the Commission or a national securities exchange, or if trading generally on either the

American Stock Exchange or the New York Stock Exchange has been suspended, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices for securities have been required, by either of said exchanges or by order of the Commission or any other governmental authority, if a banking moratorium in the United States generally or in the City or State of New York has been declared by either Federal or New York authorities or if a banking moratorium has been declared by the relevant authorities in the country or countries of origin of any foreign currency or currencies underlying the Shares or (iv) if the rating assigned by any nationally recognized statistical rating agency to any preferred stock, debt securities or other obligations of the Company as of the date hereof shall have been lowered since the date hereof or if any such rating agency shall have publicly announced that it has placed any preferred stock, debt securities or other obligations of the Company on what is commonly termed a "watch list" for possible downgrading. In the event of any such termination, the covenant set forth in Section 3(c), the provisions of Section 5, the indemnity agreement set forth in Section 6, the contribution provisions set forth in Section 7, and the provisions of Sections 8 and 13 shall remain in effect.

Section 10. Default. If one or more of the Underwriters participating in an offering of Shares shall fail at the Closing Time to purchase the Shares which it or they are obligated to purchase hereunder (the "Defaulted Shares"), then the Representative shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Shares in such amounts as may be agreed upon and upon the terms herein set forth. If, however, during such 24 hours the Representative shall not have completed such arrangements for the purchase of all of the Defaulted Shares, then:

(a) if the aggregate amount of Defaulted Shares does not exceed 10% of the aggregate amount of the Shares to be purchased pursuant hereto, the non-defaulting Underwriters shall be obligated to purchase the full amount thereof in the proportions that their respective underwriting obligations thereunder bear to the underwriting obligations of all such non-defaulting Underwriters, or

(b) if the aggregate amount of Defaulted Shares exceeds 10% of the aggregate amount of the Shares to be purchased pursuant hereto, this Agreement shall terminate, without any liability on the part of any non-defaulting Underwriter or the Company.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

In the event of a default by any Underwriter or Underwriters as set forth in this Section, either the Representative or the Company shall have the right to postpone the applicable Closing Time for a period not exceeding seven days in order that any required changes in the Registration Statement or Prospectus or in any other documents or arrangements may be effected.

Section 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representative c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated at World Financial Center, North Tower, New York, N.Y. 10281-1201, attention of [Matthias B. Bowman], Managing Director; notices to the Company shall be directed to it at 100 Church St., 12th Floor, New York, New York 10007, attention of the Secretary with a copy to the Treasurer at World Financial Center, South Tower, New York, New York 10080-6107.

Section 12. Parties. This Agreement shall inure to the benefit of and be binding upon each of the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their

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heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties and their respective successors and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Shares from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

Section 13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in such State.

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to us a counterpart hereof, whereupon this instrument along with all counterparts will become a binding agreement among the Underwriters and the Company in accordance with its terms.

Very truly yours,

Merrill Lynch & Co., Inc.

By

Confirmed and Accepted,
as of the date first above written:

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

By

[Name of Co-Representative

By]
.....

[For [itself] [themselves] and as
Representative[s] of the other Underwriters
named in Schedule I hereto.]

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SCHEDULE I

UNDERWRITER[S]

Underwriter -----	Number of Shares -----
----------------------	---------------------------

Merrill Lynch, Pierce, Fenner & Smith Incorporated	
---	--

Total

REPRESENTATIVE[S]

Name(s) :

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SCHEDULE II

INFORMATION REGARDING THE SHARES AND THE SALE THEREOF

1. Registration Statement No.:
2. Title of Shares:
3. Currency:
4. Fractional Amount of Preferred Share Represented by each Share (if applicable):
5. Annual Dividend Rate/Amount:
6. Dividend Payment Dates:
7. Record Dates:
8. Cumulative or Noncumulative:
9. Dividends to Accrue from:
10. Ratings:
11. Initial Public Offering Price per Share:
12. Price per Share to be Paid to Company:
13. Liquidation Preference per Share:

- 14. Listing Requirement:
- 15. Closing Date and Location:
- 16. Redemption Provisions:
- 17. Sinking Fund Requirements:

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- 18. Delayed Delivery Contracts (if authorized)
 - Delivery Date:
 - Minimum Contract:
 - Maximum aggregate amount of Shares:
 - Fee: %.
- 19. Other Terms (if any):

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EXHIBIT A

MERRILL LYNCH & CO., INC.

(a Delaware corporation)

[Preferred Stock] [Depository Shares Representing Preferred Stock]

DELAYED DELIVERY CONTRACT

MERRILL LYNCH & CO., INC.
c/o Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith Incorporated
World Financial Center
North Tower
New York, N.Y. 10281-1201

Attention: Fred F. Hessinger, Vice President, Syndicate Department

Dear Sirs:

The undersigned hereby agrees to purchase from Merrill Lynch & Co., Inc. (the "Company"), and the Company agrees to sell to the undersigned on _____, 19____ the "Delivery Date"),

[shares] [depository shares, each representing [specify fraction] of one share] of the Company's [insert title of preferred stock] (the "Shares"), offered by the Company's Prospectus dated _____, 19____, as supplemented by its Prospectus Supplement dated _____, 19____, receipt of which is hereby acknowledged, at a purchase price of _____% of the initial public offering price per Share, [plus accrued dividends from _____, 19____, to the Delivery Date,] and on the further terms and conditions set forth in this contract.

Payment for the Shares which the undersigned has agreed to purchase on the Delivery Date shall be made to the Company or its order by certified or official bank check in New York Clearing House funds, at the office of Merrill Lynch, Pierce, Fenner & Smith Incorporated, World Financial Center, North Tower, New York, New York 10281-1201, on the Delivery Date, upon delivery to the undersigned of the certificates evidencing the Shares to be purchased by the undersigned in definitive form and in such denominations and registered in such names as the undersigned may designate by written or telegraphic communication addressed to the Company not less than five full business days prior to the Delivery Date.

The obligation of the undersigned to take delivery of and make payment for Shares on the Delivery Date shall be subject only to the conditions that (1) the purchase of Shares to be made by the undersigned shall not on the Delivery Date be prohibited under the laws of the jurisdiction to which the undersigned is subject and (2) the Company, on or before _____, 19____, shall have sold to the Underwriters of the Shares (the "Underwriters") such aggregate number of the Shares as is to be sold to them pursuant to the Underwriting Agreement dated _____, 19____

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among the Company and the Underwriters. The obligation of the undersigned to take delivery of and make payment for Shares shall not be affected by the

failure of any purchaser to take delivery of and make payment for Shares pursuant to other contracts similar to this contract. The undersigned represents and warrants to you that its investment in the Shares is not, as of the date hereof, prohibited under the laws of any jurisdiction to which the undersigned is subject and which govern such investment.

Promptly after completion of the sale to the Underwriters, the Company will mail or deliver to the undersigned at its address set forth below notice to such effect, accompanied by a copy of the opinion of counsel for the Company delivered to the Underwriters in connection therewith.

By the execution hereof, the undersigned represents and warrants to the Company that all necessary corporate action for the due execution and delivery of this contract and the payment for and purchase of the Shares has been taken by it and no further authorization or approval of any governmental or other regulatory authority is required for such execution, delivery, payment or purchase, and that, upon acceptance hereof by the Company and mailing or delivery of a copy as provided below, this contract will constitute a valid and binding agreement of the undersigned in accordance with its terms.

This contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the written consent of the other.

It is understood that the Company will not accept Delayed Delivery Contracts for an aggregate number of Shares in excess of _____ and that the acceptance of any delayed Delivery Contracts is in the Company's sole discretion and, without limiting the foregoing, need not be on a first-come, first-served basis. If this contract is acceptable to the Company, it is requested that the Company sign the form of acceptance on a copy hereof and mail or deliver a signed copy hereof to the undersigned at its address set forth below. This will become a binding contract between the Company and the undersigned when such copy is so mailed or delivered.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in such State.

Yours very truly,

(Name of Purchaser)

By

(Address)

Accepted as of the date first above written.

MERRILL LYNCH & CO., INC.

By

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PURCHASER- PLEASE COMPLETE AT TIME OF SIGNING

The name and telephone number of the representative of the Purchaser with whom details of delivery on the Delivery Date may be discussed are as follows:
(Please print)

Name Telephone No.

(including Area Code)

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MERRILL LYNCH & CO., INC.

CERTIFICATE OF DESIGNATIONS
Pursuant to Section 151 of the
General Corporation Law of the State of Delaware

PREFERRED STOCK, SERIES _____
(Par Value \$1.00 Per Share)

MERRILL LYNCH & CO., INC., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES that the following resolutions were duly adopted by the Board of Directors of the Corporation and by the Executive Committee of the Board of Directors, pursuant to authority conferred upon the Board of Directors by the provisions of the Restated Certificate of Incorporation, as amended, of the Corporation, which authorize the issuance of up to 25,000,000 shares of preferred stock, par value \$1.00 per share, and pursuant to authority conferred upon the Executive Committee of the Board of Directors in accordance with Section 141(c) of the General Corporation Law of the State of Delaware, by Article IV, Section 1 of the By-laws of the Corporation and by the resolutions of the Board of Directors set forth herein, at a meeting of the Board of Directors duly held on April 19, 1994, by unanimous written consent to corporate action of the Board of Directors dated August 22, 1994, and at a meeting of the Executive Committee duly held on _____, 19__ :

1. The Board of Directors on April 19, 1994 adopted the following resolutions authorizing the Executive Committee of the Board of Directors to act on behalf of the Board of Directors in connection with the designation, issuance and sale of up to 100,000 shares of preferred stock of the Corporation in one or more series (the "Preferred Stock") and depository shares representing interests in the Preferred Stock (the "Depository Shares"), either directly or in exchange for other obligations of the Corporation undertaken in connection with the issuance of preferred units that may be issued by a limited liability company affiliated with the Corporation, upon such terms as may be deemed appropriate by the Executive Committee, including, but not limited to, determinations with respect to classes and series, dividend and liquidation rights and preferences (provided that the aggregate liquidation preference

of the Preferred Stock, does not exceed \$600,000,000), stated value, denomination, redemption and conversion or exchange features and to take all such actions in connection therewith as such Committee may deem necessary or appropriate:

"RESOLVED, that the Board of Directors hereby authorizes and empowers the Executive Committee to take all such actions as may be necessary or appropriate for the issuance and sale of up to 100,000 shares of the Corporation's Preferred Stock, par value \$1.00 per share (the "Preferred Shares"), in one or more series, either directly or in exchange for other obligations of the Corporation undertaken in connection with the issuance of preferred units that may be issued by a limited liability company affiliated with the Corporation (the "LLC Units"); provided that the

aggregate liquidation preference of such Preferred Shares shall not exceed \$600,000,000;"

"FURTHER RESOLVED, that the Executive Committee may approve the issuance of the Preferred Shares upon such terms as may be deemed appropriate by the Executive Committee, including, but not limited to, determinations with respect to classes and series, dividend and liquidation rights and preferences, stated value, denomination, redemption and conversion or exchange features, and may provide for the issuance of depository shares representing interests in the Preferred Shares in order to accommodate retail marketing; provided, however, that the Preferred

Shares shall not have voting rights except (i) in the event that dividends are in arrears for six consecutive quarters, the number of the Corporation's directors shall be increased by two and the holders of the Preferred Shares shall be entitled, voting as a class, to elect two directors of the Corporation to serve until such time as such arrearages are paid in full or (ii) as otherwise required by law;"

2. The Board of Directors, by unanimous written consent to corporate action dated August 22, 1994, adopted the following resolution amending the second resolution set forth in paragraph 1 above:

"RESOLVED, that the resolution attached hereto as Exhibit A, which was adopted at the meeting of the Board of Directors duly called and held on April 19, 1994, is hereby amended by deleting the word "consecutive" in the third line of the proviso and inserting the words "or the requirements of any stock exchange on which the Preferred Shares may be listed" at the end thereof prior to the semicolon."

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3. The Executive Committee of the Board of Directors on _____, 19__ adopted the following resolution pursuant to the authority conferred upon the Executive Committee by the resolution of the Board of Directors set forth in paragraph 1 above adopted pursuant to Article 4, Section 1 of the By-laws of the Corporation and Section 141(c) of the General Corporation Law of the State of Delaware:

"RESOLVED, that the issue of a series of preferred stock, par value \$1.00 per share, of the Corporation is hereby authorized and the designation, preferences and privileges, relative, participating, optional and other special rights, and qualifications, limitations and restrictions thereof, in addition to those set forth in the Restated Certificate of Incorporation, as amended, of the Corporation, are hereby fixed as follows:

_____ PREFERRED STOCK, SERIES _____

(1) Number of Shares and Designation. _____ shares of the preferred stock, par value \$1.00 per share, of the Corporation are hereby constituted as a series of preferred stock, par value \$1.00 per share, designated as _____ Preferred Stock, Series _____ (hereinafter called the "Preferred Stock, Series _____").

(2) Dividends. (a) The holders of shares of the Preferred Stock, Series _____, shall be entitled to receive, as, if and when declared by the Board of Directors of the Corporation (or a duly authorized Committee thereof), out of funds legally available for the payment of dividends, cash dividends [at the rate set forth below in this Section (2) applied to the amount of \$_____ per share] [as described below in this Section (2).] Such dividends shall be [noncumulative] [cumulative] from the date of original issue of such shares and shall be payable quarterly, when and as declared by the Board of Directors of the Corporation (or a duly authorized Committee thereof), on _____, _____, _____, and _____ of each year, commencing on _____; provided that if any such payment date is not a business day, dividends (if declared) on the Preferred Stock, Series _____, will be paid on the immediately succeeding business day, without interest. Each such dividend shall be payable to the holders of record of shares of the Preferred Stock, Series _____, as they appear on the stock register of the Corporation on such record dates, not more than 30 nor less than 15 days preceding the payment dates thereof, as shall be fixed by the Board of Directors of the

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Corporation (or a duly authorized Committee thereof). [Dividends on account of arrears for any past Dividend Periods (as defined in subsection (b) of this Section (2)) may be declared and paid at any time, without reference to any regular dividend payment date, to holders of record on such date, not exceeding 45 days preceding the payment date thereof, as may be fixed by the Board of Directors of the Corporation (or a duly authorized Committee thereof).]

(b) (i) Dividend periods ("Dividend Periods") shall commence on _____, _____, _____, and _____ of each year (other than the initial Dividend Period which shall commence on the date of original issue of the Preferred Stock, Series _____ and shall end on and include the calendar day next preceding the first day of the next Dividend Period. The dividend rate on the shares of Preferred Stock, Series _____, for the period from the date of original issue thereof to and including _____, _____ and for each Dividend Period thereafter shall be [_____ % per annum.] [a rate per annum equal to _____.]

(ii) The amount of dividends payable for each full Dividend Period for the Preferred Stock, Series _____, shall be computed by dividing the [applicable] dividend rate [of _____ % per annum] by four and applying the resulting rate to the amount of \$_____ per share. The amount of dividends payable for the initial Dividend Period on the Preferred Stock, Series _____, or any other period shorter than a full Dividend Period on the Preferred Stock, Series _____, shall be computed on the basis of 30-day months, a 360-day year and the actual number of days elapsed in any period of less than one month.

[Describe alternate method of entitlement to and determination of amount of dividend.]

(c) So long as any shares of the Preferred Stock, Series _____, are outstanding, no full dividends shall be declared or paid or set apart for payment on the preferred stock of the Corporation of any series ranking, as to dividends, on a parity with or junior to the Preferred Stock, Series _____, for any period unless [full cumulative dividends] [the immediately preceding dividend] [have] [has] been or contemporaneously [are] [is] declared and paid or declared and a sum sufficient for the payment thereof set apart for such payment on the

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Preferred Stock, Series _____, for [all Dividend Periods terminating on or prior to the date of payment of such full cumulative dividends] [the immediately preceding dividend period]. When dividends are not paid in full, as aforesaid, upon the shares of the Preferred Stock, Series _____, and any other preferred stock ranking on a parity as to dividends with the Preferred Stock, Series _____, all dividends declared upon shares of the Preferred Stock, Series _____, and any other preferred stock ranking on a parity as to dividends (whether cumulative or noncumulative) shall be declared pro rata so that the amount of dividends declared per share on the Preferred Stock, Series _____, and such other preferred stock shall in all cases bear to each other the same ratio that accrued dividends per share [, which shall not include any cumulation in respect of unpaid dividends for prior Dividend Periods,] on the shares of the Preferred Stock, Series _____, and such other preferred stock bear to each other. Holders of shares of the Preferred Stock, Series _____, shall not be entitled to any dividends, whether payable in cash, property or stock, in excess of [full cumulative dividends] [the immediately preceding dividend], as herein provided, on the Preferred Stock, Series _____. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on the Preferred Stock, Series _____, which may be in arrears.

(d) So long as any shares of the Preferred Stock, Series _____, are outstanding, no dividends (other than dividends or distributions paid in shares of, or options, warrants or rights to subscribe for or purchase shares of, the Common Stock or another stock of the Corporation ranking junior to the Preferred Stock, Series _____, as to dividends and upon liquidation and other than as provided in subsection (c) of this Section (2)) shall be declared or paid or set aside for payment or other distribution declared or made upon the Common Stock or upon any other stock of the Corporation ranking junior to or on a parity with the Preferred Stock, Series _____, as to dividends or upon liquidation, nor shall any Common Stock nor any other stock of the Corporation ranking junior to or on parity with the Preferred Stock, Series _____, as to dividends or upon liquidation be redeemed, purchased or otherwise acquired, other than in connection with the distribution or trading thereof, for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any shares of any such stock) by the Corporation (except by conversion into or exchange for stock of the Corporation ranking

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junior to the Preferred Stock, Series _____, as to dividends and upon liquidation) unless, in each case, [full cumulative dividends] [the immediately preceding dividend] on all outstanding shares of the Preferred Stock, Series _____, shall have been declared and paid for [all Dividend Periods terminating on or prior to the date of payment of such full cumulative dividends] [the immediately preceding Dividend Period].

(3) Liquidation Preference. (a) In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any payment or distribution of the assets of the Corporation or proceeds thereof (whether capital or surplus) shall be made to or set apart for the holders of any series or class or classes of stock of the Corporation ranking junior to the Preferred Stock, Series _____, upon liquidation, dissolution, or winding up, the holders of the shares of the Preferred Stock, Series _____, shall be entitled to receive [\$_____ per share plus an amount equal to all dividends (whether or not earned or declared) accrued and unpaid thereon to the date of final distribution to such holders [, which shall exclude unpaid dividends for prior Dividend Periods];] [describe alternate method of determination of amount of liquidation preference;] but such holders shall not be entitled to any further payment. If, upon any liquidation, dissolution, or winding up of the Corporation, the assets of the Corporation, or proceeds thereof, distributable among the holders of the shares of the Preferred Stock, Series _____, shall be insufficient to pay in full the preferential amount aforesaid and liquidating payments on any other shares of preferred stock ranking, as to liquidation, dissolution or winding up, on a parity with the Preferred Stock,

Series _____, then such assets, or the proceeds thereof, shall be distributed among the holders of shares of Preferred Stock, Series _____, and any such other preferred stock ratably in accordance with the respective amounts which would be payable on such shares of Preferred Stock, Series _____, and any such other preferred stock if all amounts payable thereon were paid in full. For the purposes of this Section (3), a consolidation or merger of the Corporation with one or more corporations shall not be deemed to be a liquidation, dissolution or winding up, voluntary or involuntary, of the Corporation.

(b) Subject to the rights of the holders of shares of any series or class or classes of stock ranking on a parity with or prior to the Preferred Stock, Series __,

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upon liquidation, dissolution or winding up, upon any liquidation, dissolution or winding up of the Corporation, after payment shall have been made in full to the holders of Preferred Stock, Series __, as provided in this Section (3), but not prior thereto, any other series of class or classes of stock ranking junior to the Preferred Stock, Series __, upon liquidation shall, subject to the respective terms and provisions (if any) applying thereto, be entitled to receive any and all assets remaining to be paid or distributed, and the holders of the Preferred Stock, Series __, shall not be entitled to share therein.

(4) Redemption. [(a)] The Preferred Stock, Series _____, may not be redeemed [.] [prior to _____]. At any time or from time to time on and after _____, the Corporation, at its option, may redeem shares of the Preferred Stock, Series _____, as a whole or in part, at a redemption price of \$_____ per share, together in each case with accrued and unpaid dividends, if any, to the date fixed for redemption.

(b) In the event the Corporation shall redeem shares of Preferred Stock, Series _____, notice of such redemption shall be given by first class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the redemption date, to each holder of record of the shares to be redeemed, at such holder's address as the same appears on the stock register of the Corporation. Each such notice shall state: (1) the redemption date; (2) the number of shares of Preferred Stock, Series _____, to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; (4) the place or places where certificates for such shares are to be surrendered for payment of the redemption price; and (5) that dividends on the shares to be redeemed shall cease to accrue on such redemption date. Notice having been mailed as aforesaid, from and after the redemption date (unless default shall be made by the Corporation in providing money for the payment of the redemption price) dividends on the shares of the Preferred Stock, Series _____, so called for redemption shall cease to accrue, and said shares shall no longer be deemed to be outstanding, and all rights of the holders thereof as stockholders of the Corporation (except the right to receive from the Corporation the redemption price) shall cease. The Corporation's obligation to provide moneys in accordance with the preceding sentence shall be deemed fulfilled if,

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on or before the redemption date, the Corporation shall deposit with a bank or trust company (which may be an affiliate of the Corporation) having an office in the Borough of Manhattan, City of New York, having a capital and surplus of at least \$50,000,000, funds necessary for such redemption, in trust, with irrevocable instructions that such funds be applied to the redemption of the shares of Preferred Stock, Series _____, so called for redemption. Any interest accrued on such funds shall be paid to the Corporation from time to time. Any funds so deposited and unclaimed at the end of two years from such redemption date shall be released or repaid to the Corporation, after which the holder or holders of such shares of Preferred Stock, Series _____, so called for redemption shall look only to the Corporation for payment of the redemption price.

Upon surrender, in accordance with said notice, of the certificates for any such shares so redeemed (properly endorsed or assigned for transfer, if the Board of Directors of the Corporation shall so require and the notice shall so state), such shares shall be redeemed by the Corporation at the applicable redemption price aforesaid. If less than all the outstanding shares of Preferred Stock, Series _____, are to be redeemed, shares to be redeemed shall be selected by the Board of Directors of the Corporation (or a duly authorized committee thereof) from outstanding shares of Preferred Stock, Series _____, not previously called for redemption by lot or

pro rata or by any other method determined by the Board of Directors of the Corporation (or a duly authorized committee thereof) to be equitable. If fewer than all the shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(c) In no event shall the Corporation redeem less than all the outstanding shares of Preferred Stock, Series _____, pursuant to subsection (a) of this Section (4) unless [full cumulative dividends] [the immediately preceding dividend] on all outstanding shares of the Preferred Stock, Series _____, shall have been or all contemporaneously declared and paid or declared and a sum sufficient for payment thereof set apart for such payment for [all Dividend Periods terminating on or prior to the date of payment of such full cumulative dividends] [the immediately preceding Dividend Period].]

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(5) Voting Rights. The Preferred Stock, Series _____, shall have no voting rights, except as hereinafter set forth or as otherwise from time to time required by law. Whenever dividends payable on the Preferred Stock, Series _____, shall be in arrears for such number of dividend periods, whether or not consecutive, which shall in the aggregate contain a number of months equivalent to six calendar quarters, the holders of outstanding shares of the Preferred Stock, Series _____, shall have the exclusive right, voting as a class with holders of shares of all other series of preferred stock ranking on a parity with the Preferred Stock, Series _____, either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable, to vote for the election of two additional directors at the next annual meeting of stockholders and at each subsequent annual meeting of stockholders. At elections for such directors, each holder of the Preferred Stock, Series _____, shall be entitled to one vote for each share held (the holders of shares of any other series of preferred stock ranking on such a parity being entitled to such number of votes, if any, for each share of stock held as may be granted to them). Upon the vesting of such right of such holders, the maximum authorized number of members of the Board of Directors shall automatically be increased by two and the two vacancies so created shall be filled by vote of the holders of such outstanding shares of Preferred Stock, Series _____, (either alone or together with the holders of shares of all other series of preferred stock ranking on such a parity) as hereinafter set forth. The right of such holders of such shares of the Preferred Stock, Series _____, voting as a class with holders of shares of all other series of preferred stock ranking on such a parity, to elect members of the Board of Directors of the Corporation as aforesaid shall continue [until all past dividends accumulated on such shares of Preferred Stock, Series _____, shall have been paid in full] [until all dividends on such shares of Preferred Stock, Series _____, shall have been paid in full for at least one year]. Upon payment in full of such dividends, such voting rights shall terminate except as expressly provided by law, subject to re-vesting in the event of each and every subsequent default in the payment of dividends as aforesaid.

Upon termination of the right of the holders of the Preferred Stock, Series _____, to vote for directors as herein provided, the term of office of all directors then

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in office elected by such holders will terminate immediately. If the office of any director elected by such holders voting as a class becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining director elected by such holders voting as a class may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred. Whenever the term of office of the directors elected by such holders voting as a class shall end and the special voting rights shall have expired, the number of directors shall be such number as may be provided for in the By-laws irrespective of any increase made pursuant to the provisions hereof.

So long as any shares of the Preferred Stock, Series _____, remain outstanding, the affirmative vote or consent of the holders of at least two-thirds of the shares of the Preferred Stock, Series _____, outstanding at the time (voting as a class with all other series of preferred stock ranking on a parity with the Preferred Stock, Series _____, either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable), given in person or by proxy, either in writing or at any meeting called for the purpose, shall be necessary to permit, effect or validate any one or more of

the following:

(i) the authorization, creation or issuance, or any increase in the authorized or issued amount, of any class or series of stock ranking prior to the Preferred Stock, Series ____, with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up; or

(ii) the amendment, alteration or repeal, whether by merger, consolidation or otherwise, of any of the provisions of the Restated Certificate of Incorporation, as amended, or of the resolutions set forth in a Certificate of Designations for such Preferred Stock, Series ____, which would materially and adversely affect any right, preference, privilege or voting power of the Preferred Stock, Series ____, or of the holders thereof; provided, however, that any increase in the amount of authorized preferred stock or the creation and issuance of other series of preferred stock, or any increase in the amount of authorized shares of Preferred Stock, Series ____, in each case ranking on a parity with or junior to the Preferred Stock, Series ____, with respect to the payment of dividends and the distribution of

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assets upon liquidation, dissolution or winding up, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

The foregoing voting provisions shall not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of Preferred Stock, Series ____, shall have been redeemed or sufficient funds shall have been deposited in trust to effect such a redemption which is scheduled to be consummated within three months after the time that such rights would otherwise be exercisable.

(6) Record Holders. The Corporation and the transfer agent for the Preferred Stock, Series ____, may deem and treat the record holder of any share of such Preferred Stock as the true and lawful owner thereof for all purposes, and neither the Corporation nor such transfer agent shall be affected by any notice to the contrary.

(7) Ranking. Any class or classes of stock of the Corporation shall be deemed to rank:

(i) on a parity with the Preferred Stock, Series ____, as to dividends or as to distribution of assets upon liquidation, dissolution or winding up, whether or not the dividend rates, dividend payment dates, or redemption or liquidation prices per share thereof be different from those of the Preferred Stock, Series ____, if the holders of such class of stock and the Preferred Stock, Series ____, shall be entitled to the receipt of dividends or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in proportion to their respective dividend rates or liquidation prices, without preference or priority one over the other; and

(ii) junior to the Preferred Stock, Series ____, as to dividends or as to the distribution of assets upon liquidation, dissolution or winding up, if such stock shall be Common Stock or if the holders of Preferred

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Stock, Series ____, shall be entitled to receipt of dividends or of amounts distributable upon dissolution, liquidation or winding up, as the case may be, in preference or priority to the holders of shares of such stock.

(8) Exclusion of Other Rights. Unless otherwise required by law, shares of Preferred Stock, Series ____, shall not have any rights, including preemptive rights, or preferences other than those specifically set forth herein or as provided by applicable law.

(9) Notices. All notices or communications unless otherwise specified in the By-laws of the Corporation or the Restated Certificate of Incorporation, as amended, shall be sufficiently given if in writing and delivered in person or by first class mail, postage prepaid. Notice shall be deemed given on the earlier of the date received or the date such notice is mailed."

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designations to be signed by _____, its Senior Vice President, and attested by _____, its Secretary, whereby said Secretary affirms, under penalties of perjury, that this Certificate of Designations is the act and deed of the Corporation and that the facts stated herein are true,

this ____ day of _____, ____.

MERRILL LYNCH & CO., INC.

By

Senior Vice President

Attest:

Secretary

_____ PREFERRED STOCK, SERIES _____ PREFERRED STOCK, SERIES _____

MERRILL LYNCH & CO., INC.

Number

Shares

CUSIP

THIS CERTIFICATE IS TRANSFERABLE
IN NEW YORK, NEW YORK

SEE REVERSE FOR
CERTAIN DEFINITIONS

THIS CERTIFIES THAT

Is the owner of

FULLY-PAID AND NON-ASSESSABLE SHARES, PAR VALUE \$1.00 PER SHARE OF _____
PREFERRED STOCK, SERIES _____, OF

MERRILL LYNCH & CO., INC.

transferable on the books of the Corporation by the holder hereof in person or
by duly authorized attorney upon surrender of this certificate property
endorsed. This certificate is not valid unless countersigned by the Transfer
Agent and registered by the Registrar.

Witness the facsimile seal of the corporation and the facsimile signatures
of its duly authorized officers.

DATED

COUNTERSIGNED AND REGISTERED
_____, TRANSFER AGENT AND REGISTRAR

CHAIRMAN OF THE BOARD

By:

AUTHORIZED OFFICER

SECRETARY

MERRILL LYNCH & CO., INC.

MERRILL LYNCH & CO., INC. WILL FURNISH WITHOUT CHARGE TO EACH STOCKHOLDER
WHO SO REQUESTS A STATEMENT OF THE POWERS, DESIGNATIONS, PREFERENCES AND
RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK
OR SERIES THEREOF WHICH MERRILL LYNCH & CO., INC. IS AUTHORIZED TO ISSUE AND THE
QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND/OR RIGHTS.
ANY SUCH REQUEST IS TO BE ADDRESSED TO THE SECRETARY OF MERRILL LYNCH & CO.,
INC. OR TO THE TRANSFER AGENT.

The following abbreviations, when used in the inscription on the face of
this certificate, shall be construed as though they were written out in full
according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship
and not as tenants in common

UNIF GIFT ACT _____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to Minor
Act _____
(State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sells,
assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE
[]

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF ASSIGNEE

Shares

of the capital stock represented by the within Certificate, and do hereby
irrevocably constitute and appoint

Attorney

to transfer the said stock on the books of the within-named Corporation with
full power of substitution in the premises.

Dated _____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE
NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY
PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE
WHATEVER

SIGNATURE GUARANTEED BY:

NOTICE: The signature(s) should
be guaranteed by an eligible
guarantor institution (banks,
stockbrokers, savings and loan
associations, and credit unions
with membership in an approved
signature guarantee medallion
program), pursuant to Rule 17Ad-15
under the Securities Exchange
Act of 1934.

MERRILL LYNCH & CO., INC.,

_____, As Depositary

AND

THE HOLDERS FROM TIME TO TIME OF
THE DEPOSITARY RECEIPTS DESCRIBED HEREIN

DEPOSIT AGREEMENT

Dated as of _____, 19__

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DEPOSIT AGREEMENT dated as of _____, 19___, among
MERRILL LYNCH & CO., INC., a Delaware corporation (the "Company"),
_____, a _____ (the
"Depository"), and the holders from time to time of the Receipts described
herein.

WHEREAS, it is desired to provide, as hereinafter set forth in this
Deposit Agreement, for the deposit of shares of [specify designation of series
of preferred stock], of MERRILL LYNCH & CO., INC. with the Depository for the
purposes set forth in this Deposit Agreement and for the issuance hereunder of
Receipts evidencing Depository Shares in respect of the Stock so deposited; and

WHEREAS, the Receipts are to be substantially in the form of Exhibit A

annexed hereto, with appropriate insertions, modifications and omissions, as hereinafter provided in this Deposit Agreement;

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

ARTICLE I

Definitions

The following definitions shall for all purposes, unless otherwise indicated, apply to the respective terms used in this Deposit Agreement:

"Certificate" shall mean the Certificate of Designations filed with the Secretary of State of the State of Delaware establishing the Stock as a series of preferred stock of the Company.

"Company" shall mean Merrill Lynch & Co., Inc., a Delaware corporation, and its successors.

"Deposit Agreement" shall mean this Deposit Agreement, as amended or supplemented from time to time in accordance with the terms hereof.

"Depository" shall mean _____, and any successor as Depository hereunder.

"Depository Shares" shall mean Depository shares, each representing [specify fraction] of one share of Stock and evidenced by a Receipt.

"Depository's Agent" shall mean an agent appointed by the Depository pursuant to Section 7.05.

"Depository's Office" shall mean the principal office of the Depository, at which at any particular time its depository receipt business shall be administered.

"Receipt" shall mean one of the Depository Receipts, substantially in the form set forth as Exhibit A hereto, issued hereunder, whether in definitive or temporary form and evidencing the number of Depository Shares held of record by the record holder of such Depository Shares.

"record holder" or "holder" as applied to a Receipt shall mean the person in whose name a Receipt is registered on the books of the Depository maintained for such purpose.

"Registrar" shall mean the Depository or such other bank or trust company which shall be appointed by the Company to register ownership and transfers of Receipts as herein provided and if a Registrar shall be so appointed, references herein to "the books" of or maintained by the Depository shall be deemed, as applicable, to refer as well to the register maintained by such Registrar for such purpose.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Stock" shall mean shares of the Company's _____ Preferred Stock, Series _____, par value \$1.00 per share, \$_____ liquidation preference per share.

ARTICLE II

Form of Receipts, Deposit of Stock,
Execution and Delivery, Transfer,
Surrender and Redemption of Receipts

SECTION 2.01. Form and Transfer of Receipts. Definitive Receipts

shall be engraved or printed or lithographed on steel-engraved borders, with appropriate insertions, modifications and omissions, as hereinafter provided. Pending the preparation of definitive Receipts, the Depository, upon the written order of the Company, delivered in compliance with Section 2.02, shall execute and deliver temporary Receipts which are printed, lithographed, typewritten, mimeographed or otherwise substantially of the tenor of the definitive Receipts in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the persons executing such Receipts may determine, as evidenced by their

execution of such Receipts. If temporary Receipts are issued, the Company and the Depository will cause definitive Receipts to be prepared without unreasonable delay. After the preparation of definitive Receipts, the temporary Receipts shall be exchangeable for definitive Receipts upon surrender of the temporary Receipts at an office described in the penultimate paragraph of

Section 2.02, without charge to the holder. Upon surrender for cancellation of any one or more temporary Receipts, the Depositary shall execute and deliver in exchange therefor definitive Receipts representing the same number of Depositary Shares as represented by the surrendered temporary Receipt or Receipts. Such exchange shall be made at the Company's expense and without any charge therefor. Until so exchanged, the temporary Receipts shall in all respects be entitled to the same benefits under this Agreement, and with respect to the Stock, as definitive Receipts.

Receipts shall be executed by the Depositary by the manual signature of a duly authorized officer of the Depositary; provided, that such signature

may be a facsimile if a Registrar for the Receipts (other than the Depositary) shall have been appointed and such Receipts are countersigned by a duly authorized officer of the Registrar. No Receipt shall be entitled to any benefits under this Deposit Agreement or be valid or obligatory for any purpose unless it shall have been executed manually by a duly authorized officer of the Depositary or, if a Registrar for the Receipts (other than the Depositary) shall have been appointed, by manual or facsimile signature of a duly authorized officer of the Depositary and countersigned by a duly authorized officer of such Registrar. The Depositary shall record on its books each Receipt so signed and delivered as hereinafter provided.

Receipts shall be in denominations of any number of whole Depositary Shares.

Receipts may be endorsed with or have incorporated in the text thereof such legends or recitals or changes not inconsistent with the provisions of this Deposit Agreement as may be required by the Depositary and approved by the Company or required to comply with any applicable law or any regulation thereunder or with the rules and regulations of any securities exchange upon which the Stock, the Depositary Shares or the Receipts may be listed or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Receipts are subject.

Title to Depositary Shares evidenced by a Receipt which is properly endorsed or accompanied by a properly executed instrument of transfer, shall be transferable by delivery with

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the same effect as in the case of a negotiable instrument; provided, however,

that until transfer of a Receipt shall be registered on the books of the Depositary as provided in Section 2.03, the Depositary may, notwithstanding any notice to the contrary, treat the record holder thereof at such time as the absolute owner thereof for the purpose of determining the person entitled to distributions of dividends or other distributions or to any notice provided for in this Deposit Agreement and for all other purposes.

SECTION 2.02. Deposit of Stock; Execution and Delivery of Receipts in

Respect Thereof. Subject to the terms and conditions of this Deposit Agreement,

the Company may from time to time deposit shares of the Stock under this Deposit Agreement by delivery to the Depositary of a certificate or certificates for the Stock to be deposited, properly endorsed or accompanied, if required by the Depositary, by a duly executed instrument of transfer or endorsement, in form satisfactory to the Depositary, together with all such certifications as may be required by the Depositary in accordance with the provisions of this Deposit Agreement, and together with a written order of the Company directing the Depositary to execute and deliver to, or upon the written order of, the person or persons stated in such order a Receipt or Receipts evidencing in the aggregate the number of Depositary Shares representing such deposited Stock.

Deposited Stock shall be held by the Depositary at the Depositary's office or at such other place or places as the Depositary shall determine. The Depositary shall not lend any Stock deposited hereunder.

Upon receipt by the Depositary of a certificate or certificates for Stock deposited in accordance with the provisions of this Section, together with the other documents required as above specified, and upon recordation of the Stock on the books of the Company in the name of the Depositary or its nominee, the Depositary, subject to the terms and conditions of this Deposit Agreement, shall execute and deliver to or upon the order of the person or persons named in the written order delivered to the Depositary referred to in the first paragraph of this Section, a Receipt or Receipts evidencing in the aggregate the number of Depositary Shares representing the Stock so deposited and registered in such name or names as may be requested by such person or persons. The Depositary shall execute and deliver such Receipt or Receipts at the Depositary's Office or such other offices, if any, as the Depositary may designate. Delivery at other offices shall be at the risk and expense of the person requesting such delivery.

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SECTION 2.03. Registration of Transfer of Receipts. Subject to the

terms and conditions of this Deposit Agreement, the Depository shall register on its books from time to time transfers of Receipts upon any surrender thereof by the holder in person or by duly authorized attorney, properly endorsed or accompanied by a properly executed instrument of transfer. Thereupon, the Depository shall execute a new Receipt or Receipts evidencing the same aggregate number of Depository Shares as those evidenced by the Receipt or Receipts surrendered and deliver such new Receipt or Receipts to or upon the order of the person entitled thereto.

SECTION 2.04. Split-ups and Combinations of Receipts; Surrender of

Receipts and Withdrawal of Stock. Upon surrender of a Receipt or Receipts at

the Depository's Office or at such other offices as it may designate for the purpose of effecting a split-up or combination of such Receipt or Receipts, and subject to the terms and conditions of this Deposit Agreement, the Depository shall execute a new Receipt or Receipts in the authorized denomination or denominations requested, evidencing the aggregate number of Depository Shares evidenced by the Receipt or Receipts surrendered, and shall deliver such new Receipt or Receipts to or upon the order of the holder of the Receipt or Receipts so surrendered.

Any holder of a Receipt or Receipts may withdraw the number of whole shares of Stock and all money and other property, if any, represented thereby by surrendering such Receipt or Receipts, at the Depository's Office or at such other offices as the Depository may designate for such withdrawals. Thereafter, without unreasonable delay, the Depository shall deliver to such holder, or to the person or persons designated by such holder as hereinafter provided, the number of whole shares of Stock and all money and other property, if any, represented by the Receipt or Receipts so surrendered for withdrawal, but holders of such whole shares of Stock will not thereafter be entitled to deposit such Stock hereunder or to receive a Receipt evidencing Depository Shares therefor. If a Receipt delivered by the holder to the Depository in connection with such withdrawal shall evidence a number of Depository Shares in excess of the number of Depository Shares representing the number of whole shares of Stock to be so withdrawn, the Depository shall at the same time, in addition to such number of whole shares of Stock and such money and other property, if any, to be so withdrawn, deliver to such holder, or subject to Section 2.03 upon his order, a new Receipt evidencing such excess number of Depository Shares. In no event will fractional shares of Stock be delivered by the Depository. Delivery of the Stock and money and other property, if any, being withdrawn may be made by the delivery of such certificates,

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documents of title and other instruments as the Depository may deem appropriate.

If the Stock and the money and other property, if any, being withdrawn are to be delivered to a person or persons other than the record holder of the Receipt or Receipts being surrendered for withdrawal of Stock, such holder shall execute and deliver to the Depository a written order so directing the Depository and the Depository may require that the Receipt or Receipts surrendered by such holder for withdrawal of such shares of Stock be properly endorsed in blank or accompanied by a properly executed instrument of transfer in blank.

Delivery of the Stock and the money and other property, if any, represented by Receipts surrendered for withdrawal shall be made by the Depository at the Depository's Office, except that, at the request, risk and expense of the holder surrendering such Receipt or Receipts and for the account of the holder thereof, such delivery may be made at such other place as may be designated by such holder.

SECTION 2.05. Limitations on Execution and Delivery, Transfer,

Surrender and Exchange of Receipts. As a condition precedent to the execution

and delivery, registration of transfer, split-up, combination, surrender or exchange of any Receipt, the Depository, any of the Depository's Agents or the Company may require payment to it of a sum sufficient for the payment (or, in the event that the Depository or the Company shall have made such payment, the reimbursement to it) of any charges or expenses payable by the holder of a Receipt pursuant to Section 5.07, may require the production of evidence satisfactory to it as to the identity and genuineness of any signature and may also require compliance with such regulations, if any, as the Depository or the Company may establish consistent with the provisions of this Deposit Agreement.

The deposit of Stock may be refused, the delivery of Receipts against Stock may be suspended, the registration of transfer of Receipts may be refused and the registration of transfer, surrender or exchange of outstanding Receipts may be suspended (i) during any period when the register of stockholders of the Company is closed or (ii) if any such action is deemed necessary or advisable by the Depository, any of the Depository's Agents or the Company at any time or

from time to time because of any requirement of law or of any government or governmental body or commission or under any provision of this Deposit Agreement.

SECTION 2.06. Lost Receipts, etc. In case any receipt shall be

mutilated, destroyed, lost or stolen, the Depository in its discretion may execute and deliver a Receipt of like form and

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tenor in exchange and substitution for such mutilated Receipt, or in lieu of and in substitution for such destroyed, lost or stolen Receipt, upon (i) the filing by the holder thereof with the Depository of evidence satisfactory to the Depository of such destruction or loss or theft of such Receipt, of the authenticity thereof and of his or her ownership thereof and (ii) the holder thereof furnishing of the Depository with reasonable indemnification satisfactory to the Depository.

SECTION 2.07. Cancellation and Destruction of Surrendered Receipts.

All Receipts surrendered to the Depository or any Depository's Agent shall be cancelled by the Depository. Except as prohibited by applicable law or regulation, the Depository is authorized to destroy all Receipts so cancelled.

SECTION 2.08. Redemption of Stock. Whenever the Company shall be

permitted and shall elect to redeem shares of Stock in accordance with the provisions of the Certificate, it shall (unless otherwise agreed to in writing with the Depository) give or cause to be given to the Depository not less than 10 days' and not more than 60 days' notice of the date of such proposed redemption of Stock and of the number of such shares held by the Depository to be so redeemed and the applicable redemption price, which notice shall be accompanied by a certificate from the Company stating that such redemption of Stock is in accordance with the provisions of the Certificate. On the date of such redemption, provided that the Company shall then have paid or caused to be paid in full to the Depository the redemption price of the Stock to be redeemed, plus an amount equal to any accrued and unpaid dividends thereon to the date fixed for redemption, in accordance with the provisions of the Certificate, the Depository shall redeem the number of Depository Shares representing such Stock. The Depository shall mail notice of the Company's redemption of Stock and the proposed simultaneous redemption of the number of Depository Shares representing the Stock to be redeemed by first-class mail, postage prepaid, not less than 10 and not more than 60 days prior to the date fixed for redemption of such Stock and Depository Shares (the "Redemption Date"), to the record holders of the Receipts evidencing the Depository Shares to be so redeemed at the addresses of such holders as they appear on the records of the Depository; but neither failure to mail any such notice of redemption of Depository Shares to one or more such holders nor any defect in any notice of redemption of Depository Shares to one or more such holders shall affect the sufficiency of the proceedings for redemption as to the other holders. Each such notice shall state: (i) the Redemption Date; (ii) the number of Depository Shares to be redeemed and, if less than all the Depository Shares held by any such holder are to be redeemed, the number of such Depository Shares held by such holder to be so

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redeemed; (iii) the redemption price; (iv) the place or places where Receipts evidencing Depository Shares are to be surrendered for payment of the redemption price; and (v) that dividends in respect of the Stock represented by the Depository Shares to be redeemed will cease to accrue on such Redemption Date. In case less than all the outstanding Depository Shares are to be redeemed, the Depository Shares to be so redeemed shall be selected by the Depository by lot or pro rata (as nearly as may be), as determined by the Depository in its sole discretion to be equitable.

Notice having been mailed by the Depository as aforesaid, from and after the Redemption Date (unless the Company shall have failed to provide the funds necessary to redeem the Stock evidenced by the Depository Shares called for redemption) (i) dividends on the shares of Stock so called for Redemption shall cease to accrue from and after such date, (ii) the Depository Shares being redeemed from such proceeds shall be deemed no longer to be outstanding, (iii) all rights of the holders of Receipts evidencing such Depository Shares (except the right to receive the redemption price) shall, to the extent of such Depository Shares, cease and terminate, and (iv) upon surrender in accordance with such redemption notice of the Receipts evidencing any such Depository Shares called for redemption (properly endorsed or assigned for transfer, if the Depository or applicable law shall so require), such Depository Shares shall be redeemed by the Depository at a redemption price per Depository Share equal to [specify fraction] of the redemption price per share of Stock so redeemed plus all money and other property, if any, represented by such Depository Shares, including all amounts paid by the Company in respect of dividends which on the Redemption Date have accrued on the shares of Stock to be so redeemed and have not therefore been paid.

If fewer than all of the Depositary Shares evidenced by a Receipt are called for redemption, the Depositary will deliver to the holder of such Receipt upon its surrender to the Depositary, together with the redemption payment, a new Receipt evidencing the Depositary Shares evidenced by such prior receipt and not called for redemption.

ARTICLE III

Certain Obligations of Holders of Receipts and the Company -----

SECTION 3.01. Filing Proofs, Certificates and Other Information. Any -----

holder of a Receipt may be required from time to time to file such proof of residence, or other matters or

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other information, to execute such certificates and to make such representations and warranties as the Depositary or the Company may reasonably deem necessary or proper. The Depositary or the Company may withhold the delivery, or delay the registration of transfer or redemption, of any Receipt or the withdrawal of the Stock represented by the Depositary Shares evidenced by any Receipt or the distribution of any dividend or other distribution or the sale of any rights or of the proceeds thereof until such proof or other information is filed or such certificates are executed or such representations and warranties are made.

SECTION 3.02. Payment of Taxes or Other Governmental Charges. -----

Holders of Receipts shall be obligated to make payments to the Depositary of certain charges and expenses, as provided in Section 5.07. Registration of transfer of any Receipt or any withdrawal of Stock and all money or other property, if any, represented by the Depositary Shares evidenced by such Receipt may be refused until any such payment due is made, and any dividends, interest payments or other distributions may be withheld or any part of or all the Stock or other property represented by the Depositary Shares evidenced by such Receipt and not theretofore sold may be sold for the account of the holder thereof (after attempting by reasonable means to notify such holder prior to such sale), and such dividends, interest payments or other distributions or the proceeds of any such sale may be applied to any payment of such charges or expenses, the holder of such Receipt remaining liable for any deficiency.

SECTION 3.03. Warranty as to Stock. The Company hereby represents -----

and warrants that the Stock, when issued, will be duly authorized, validly issued, fully paid and nonassessable. Such representation and warranty shall survive the deposit of the Stock and the issuance of Receipts.

SECTION 3.04. Warranty as to Receipts. The Company hereby represents -----

and warrants that the Receipts, when issued, will represent legal and valid interests in the Stock. Such representation and warranty shall survive the deposit of the Stock and the issuance of Receipts.

ARTICLE IV

The Deposited Securities; Notices -----

SECTION 4.01. Cash Distributions. Whenever the Depositary shall -----

receive any cash dividend or other cash distribution on Stock, the Depositary shall, subject to Sections 3.01 and 3.02, distribute to record holders of Receipts on the record date fixed pursuant to Section 4.04 such amounts of such

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dividend or distribution as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by the Receipts held by such holders; provided, however, that in case the Company or the Depositary shall be

required to withhold and shall withhold from any cash dividend or other cash distribution in respect of the Stocks an amount on account of taxes, the amount made available for distribution or distributed in respect of Depositary Shares shall be reduced accordingly. The Depositary shall distribute or make available for distribution, as the case may be, only such amount, however, as can be distributed without attributing to any holder of Depositary Shares a fraction of one cent, and any balance not so distributable shall be held by the Depositary (without liability for interest thereon) and shall be added to and be treated as part of the next sum received by the Depositary for distribution to record holders of Receipts then outstanding.

SECTION 4.02. Distributions Other than Cash, Rights, Preferences or

Privileges. Whenever the Depositary shall receive any distribution other than

cash, rights, preferences or privileges upon Stock, the Depositary shall, subject to Sections 3.01 and 3.02, distribute to record holders of Receipts on the record date fixed pursuant to Section 4.04 such amounts of the securities or property received by it as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by the Receipts held by such holders, in any manner that the Depositary may deem equitable and practicable for accomplishing such distribution. If in the opinion of the Depositary such distribution cannot be made proportionately among such record holders, or if for any other reason (including any requirement that the Company or the Depositary withhold an amount on account of taxes) the Depositary deems, after consultation with the Company, such distribution not to be feasible, the Depositary may, with the approval of the Company, adopt such method as it deems equitable and practicable for the purpose of effecting such distribution, including the sale (at public or private sale) of the securities or property thus received, or any part thereof, in a commercially reasonable manner. The net proceeds of any such sale shall, subject to Sections 3.01 and 3.02, be distributed or made available for distribution, as the case may be, by the Depositary to record holders of Receipts as provided by Section 4.01 in the case of a distribution received in cash. The Company shall not make any distribution of such securities or property to the Depositary and the Depositary shall not make any distribution of such securities or property to the holders of Receipts unless the Company shall have provided an opinion of counsel stating that such securities or property have been registered under the Securities Act or do not need to be registered in connection with such distributions.

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SECTION 4.03. Subscription Rights, Preferences or Privileges. If the

Company shall at any time offer or cause to be offered to the persons in whose names Stock is recorded on the books of the Company any rights, preferences or privileges to subscribe for or to purchase any securities or any rights, preferences or privileges of any other nature, such rights, preferences or privileges shall in each such instance be made available by the Depositary to the record holders of Receipts in such manner as the Depositary may determine, either by the issue to such record holders of warrants representing such rights, preferences or privileges or by such other method as may be approved by the Depositary in its discretion with the approval of the Company; provided,

however, that (i) if at the time of issue or offer of any such rights,

preferences or privileges the Depositary determines that it is not lawful or (after consultation with the Company) not feasible to make such rights, preferences or privileges available to holders of Receipts by the issue of warrants or otherwise, or (ii) if and to the extent so instructed by holders of Receipts who do not desire to exercise such rights, preferences or privileges, then the Depositary, in its discretion (with approval of the Company, in any case where the Depositary has determined that it is not feasible to make such rights, preferences or privileges available), may, if applicable laws or the terms of such rights, preferences or privileges permit such transfer, sell such rights, preferences or privileges at public or private sale, at such place or places and upon such terms as it may deem proper. The net proceeds of any such sale shall, subject to Sections 3.01 and 3.02, be distributed by the Depositary to the record holders of Receipts entitled thereto as provided by Section 4.01 in the case of a distribution received in cash.

If registration under the Securities Act of the securities to which any rights, preferences or privileges relate is required in order for holders of Receipts to be offered or sold the securities to which such rights, preferences or privileges relate, the Company agrees with the Depositary that it will file promptly a registration statement pursuant to such Act with respect to such rights, preferences or privileges and securities and use its best efforts and take all steps available to it to cause such registration statement to become effective sufficiently in advance of the expiration of such rights, preferences or privileges to enable such holders to exercise such rights, preferences or privileges. In no event shall the Depositary make available to the holders of Receipts any right, preference or privilege to subscribe for or to purchase any securities unless and until such registration statement shall have become effective, or unless the offering and sale of such securities to such holders are exempt from registration under the

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provisions of the Securities Act, and the Company shall have provided to the Depositary an opinion of counsel to such effect.

If any other action under the laws of any jurisdiction or any governmental or administrative authorization, consent or permit is required in order for such rights, preferences or privileges to be made available to holders of Receipts, the Company agrees with the Depositary that the Company will use

its reasonable best efforts to take such action or obtain such authorization, consent or permit sufficiently in advance of the expiration of such rights, preferences or privileges to enable such holders to exercise such rights, preferences or privileges.

SECTION 4.04. Notice of Dividends, etc.; Fixing Record Date for

Holders of Receipts. Whenever any cash dividend or other cash distribution

shall become payable or any distribution other than cash shall be made, or if rights, preferences or privileges shall at any time be offered, with respect to Stock, or whenever the Depositary shall receive notice of any meeting at which holders of Stock are entitled to vote or of which holders of Stock are entitled to notice, or whenever the Depositary and the Company shall decide it is appropriate, the Depositary shall in each such instance fix a record date (which shall be the same date as the record date fixed by the Company with respect to or otherwise in accordance with the terms of the Stock) for the determination of the holders of Receipts who shall be entitled to receive such dividend, distribution, rights, preferences or privileges or the net proceeds of the sale thereof, or to give instructions for the exercise of voting rights at any such meeting, or who shall be entitled to notice of such meeting or for any other appropriate reasons.

SECTION 4.05. Voting Rights. Upon receipt of notice of any meeting

at which the holders of Stock are entitled to vote, the Depositary shall, as soon as practicable thereafter, mail to the record holders of Receipts a notice which shall contain (i) such information as is contained in such notice of meeting and (ii) a statement that the holders may, subject to any applicable restrictions, instruct the Depositary as to the exercise of the voting rights pertaining to the amount of Stock represented by their respective Depositary Shares (including an express indication that instructions may be given to the Depositary to give a discretionary proxy to a person designated by the Company) and a brief statement as to the manner in which such instructions may be given. Upon the written request of the holders of Receipts on the relevant record date, the Depositary shall endeavor insofar as practicable to vote or cause to be voted, in accordance with the instructions set forth in such requests, the maximum number of whole shares of Stock represented by the Depositary Shares evidenced by all Receipts as to which

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any particular voting instructions are received. The Company hereby agrees to take all reasonable action which may be deemed necessary by the Depositary in order to enable the Depositary to vote such Stock or cause such Stock to be voted. In the absence of specific instructions from the holder of a Receipt, the Depositary will not vote (but, at its discretion, may appear at any meeting with respect to such Stock unless directed to the contrary by the holders of all the Receipts) to the extent of the Stock represented by the Depositary Shares evidenced by such Receipt.

SECTION 4.06. Changes Affecting Deposited Securities and

Reclassifications, Recapitalizations, etc. Upon any change in par or stated

value, split-up, combination or any other reclassification of the Stock, or upon any recapitalization, reorganization, merger or consolidation affecting the Company or to which it is a party, the Depositary may in its discretion with the approval of, and shall upon the instructions of, the Company, and (in either case) in such manner as the Depositary may deem equitable, (i) make such adjustments as are certified by the Company in the fraction of an interest represented by one Depositary Share in one share of Stock as may be necessary fully to reflect the effects of such change in par or stated value, split-up, combination or other reclassification of Stock, or of such recapitalization, reorganization, merger or consolidation and (ii) treat any securities which shall be received by the Depositary in exchange for or upon conversion of or in respect of the Stock as new deposited securities so received in exchange for or upon conversion or in respect of such Stock. In any such case the Depositary may in its discretion, with the approval of the Company, execute and deliver additional Receipts or may call for the surrender of all outstanding Receipts to be exchanged for new Receipts specifically describing such new deposited securities. Anything to the contrary herein notwithstanding, holders of Receipts shall have the right from and after the effective date of any such change in par or stated value, split-up, combination or other reclassification of the Stock or any such recapitalization, reorganization, merger or consolidation to surrender such Receipts to the Depositary with instructions to convert, exchange or surrender the Stock represented thereby only into or for, as the case may be, the kind and amount of shares of stock and other securities and property and cash into which the Stock represented by such Receipts might have been converted or for which such Stock might have been exchanged or surrendered immediately prior to the effective date of such transaction.

SECTION 4.07. Delivery of Reports. The Depositary shall furnish to

holders of Receipts any reports and communications received from the Company

which are received by

the Depository and which the Company is required to furnish to the holders of the Stock.

SECTION 4.08. Lists of Receipt Holders. Promptly upon request from

time to time by the Company, the Depository shall furnish to it a list, as of the most recent practicable date, of the names, addresses and holdings of Depository Shares of all record holders of Receipts.

ARTICLE V

The Depository, the Depository's
Agents, the Registrar and the Company

SECTION 5.01. Maintenance of Offices, Agencies and Transfer Books by

the Depository; Registrar. Upon execution of this Deposit Agreement, the

Depository shall maintain at the Depository's Office, facilities for the execution and delivery, registration and registration of transfer, surrender and exchange of Receipts, and at the offices of the Depository's Agents, if any, facilities for the delivery, registration of transfer, surrender and exchange of Receipts, all in accordance with the provisions of this Deposit Agreement.

The Depository shall keep books at the Depository's Office for the registration and registration of transfer of Receipts, which books at all reasonable times shall be open for inspection by the record holders of Receipts; provided that any such holder requesting to exercise such right shall certify to

the Depository that such inspection shall be for a proper purpose reasonably related to such person's interest as an owner of Depository Shares evidenced by the Receipts.

The Depository may close such books, at any time or from time to time, when deemed expedient by it in connection with the performance of its duties hereunder.

The Depository may, with the approval of the Company, appoint a Registrar for registration of the Receipts or the Depository Shares evidenced thereby. If the Receipts or the Depository Shares evidenced thereby or the Stock represented by such Depository Shares shall be listed on one or more national stock exchanges, the Depository will appoint a Registrar (acceptable to the Company) for registration of such Receipts or Depository Shares in accordance with any requirements of such exchange. Such Registrar (which may be the Depository if so permitted by the requirements of any such exchange) may be removed and a substitute registrar appointed by the Depository upon the request or with the approval of the Company. If the

Receipts, such Depository Shares or such Stock are listed on one or more other stock exchanges, the Depository will, at the request of the Company, arrange such facilities for the delivery, registration, registration of transfer, surrender and exchange of such Receipts, such Depository Shares or such Stock as may be required by law or applicable stock exchange regulation.

SECTION 5.02. Prevention of or Delay in Performance by the

Depository, the Depository's Agents, the Registrar or the Company. Neither the

Depository nor any Depository's Agent nor any Registrar nor the Company shall incur any liability to any holder of any Receipt if by reason of any provision of any present or future law, or regulation thereunder, of the United States of America or of any other governmental authority or, in the case of the Depository, the Depository's Agent or the Registrar, by reason of any provision, present or future, of the Company's Certificate of Incorporation, as amended (including the Certificate) or by reason of any act of God or war or other circumstance beyond the control of the relevant party, the Depository, the Depository's Agent, the Registrar or the Company shall be prevented or forbidden from, or subjected to any penalty on account of, doing or performing any act or thing which the terms of this Deposit Agreement provide shall be done or performed; nor shall the Depository, any Depository's Agent, any Registrar or the Company incur liability to any holder of a Receipt (i) by reason of any nonperformance or delay, caused as aforesaid, in the performance of any act or thing which the terms of this Deposit Agreement shall provide shall or may be done or performed, or (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in this Deposit Agreement except, in the case of any such exercise or failure to exercise discretion not caused as aforesaid, if caused by the negligence or willful misconduct of the party charged with such

exercise or failure to exercise.

SECTION 5.03. Obligations of the Depositary, the Depositary's Agents,

the Registrar and the Company. Neither the Depositary nor any Depositary's

Agent nor any Registrar nor the Company assumes any obligation or shall be subject to any liability under this Deposit Agreement to holders of Receipts other than for its negligence, willful misconduct or bad faith.

Neither the Depositary nor any Depositary's Agent nor any Registrar nor the Company shall be under, any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of the Stock, the Depositary Shares or the Receipts which in its opinion may involve it in expense or liability unless indemnity satisfactory to it against all expense and liability be furnished as often as may be required.

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Neither the Depositary nor any Depositary's Agent nor any Registrar nor the Company shall be liable for any action or any failure to act by it in reliance upon the written advice of legal counsel or accountants, or information from any person presenting Stock for deposit, any holder of a Receipt or any other person believed by it in good faith to be competent to give such information. The Depositary, any Depositary's Agent, any Registrar and the Company may each rely and shall each be protected in acting upon any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

The Depositary shall not be responsible for any failure to carry out any instruction to vote any of the shares of stock or for the manner or effect of any such vote made, as long as any such action or non-action is in good faith. The Depositary undertakes, and any Registrar shall be required to undertake, to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Depositary or any Registrar. The Depositary will indemnify the Company and hold it harmless from any loss, liability or expense (including the reasonable costs and expenses of defending itself) which may arise out of acts performed or omitted by the Depositary or the Depositary's Agents in connection with this Agreement due to its or their negligence, willful misconduct or bad faith. The indemnification obligations of the Depositary set forth in this Section 5.03 shall survive any termination of this Agreement and any succession of any Depositary. The Depositary, the Depositary's Agents, and any Registrar may own and deal in any class of securities of the Company and its affiliates and in Receipts. The Depositary may also act as transfer agent or registrar of any of the securities of the Company and its affiliates.

SECTION 5.04. Resignation and Removal of the Depositary; Appointment

of Successor Depositary. The Depositary may at any time resign as Depositary

hereunder by delivering notice of its election to do so to the Company, such resignation to take effect upon the appointment of a successor Depositary and its acceptance of such appointment as hereinafter provided.

The Depositary may at any time be removed by the Company by notice of such removal delivered to the Depositary, such removal to take effect upon the appointment of a successor depositary hereunder and its acceptance of such appointment as hereinafter provided.

In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall, within 60 days

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after the delivery of the notice of resignation or removal, as the case may be, appoint a successor Depositary, which shall be a bank or trust company having its principal office in the United States of America and having a combined capital and surplus of at least \$50,000,000. If no successor Depositary shall have been so appointed and have accepted appointment within 60 days after delivery of such notice, the resigning or removed Depositary may petition any court of competent jurisdiction for the appointment of a successor Depositary. Every successor Depositary shall execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor Depositary, without any further act or deed, shall become fully vested with all the rights, powers, duties and obligations of its predecessor and for all purposes shall be the Depositary under this Deposit Agreement, and such predecessor, upon payment of all sums due it and on the written request of the Company, shall promptly execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder, shall duly assign, transfer and deliver all right, title and interest in the Stock and any moneys or property held hereunder to such successor, and shall deliver to such successor a list of the record holders of all outstanding Receipts and such records, books and other information in its possession relating thereto. Any successor Depositary shall promptly mail notice of its

appointment to the record holders of Receipts.

Any corporation into or with which the Depositary may be merged, consolidated or converted shall be the successor of such Depositary without the execution or filing of any document or any further act, and notice thereof shall not be required hereunder. Such successor Depositary may authenticate the Receipts in the name of the predecessor Depositary or in the name of the successor Depositary.

SECTION 5.05. Corporate Notices and Reports. The Company agrees that

it will deliver to the Depositary, and the Depositary will, promptly after receipt thereof, transmit to the record holders of Receipts, in each case at the addresses recorded in the Depositary's books, copies of all notices and reports (including without limitation financial statements) required by law, by the rules of any national securities exchange upon which the Stock, the Depositary Shares or the Receipts are listed or by the Company's Restated Certificate of Incorporation (including the Certificate), to be furnished to the record holders of Receipts. Such transmission will be at the Company's expense and the Company will provide the Depositary with such number of copies of such documents as the Depositary may reasonably request. In addition, the Depositary will transmit to

the record holders of Receipts at the Company's expense such other documents as may be requested by the Company.

SECTION 5.06. Indemnification by the Company. The Company shall

indemnify the Depositary, any Depositary's Agent and any Registrar against, and hold each of them harmless from, any loss, liability or expense (including the reasonable costs and expenses of defending itself) which may arise out of acts performed or omitted in connection with this Agreement and the Receipts by the Depositary, any Registrar or any of their respective agents (including any Depositary's Agent), except for any liability arising out of negligence, willful misconduct or bad faith on the respective parts of any such person or persons. The obligations of the Company set forth in this Section 5.06 shall survive any succession of any Depositary, Registrar or Depositary's Agent.

SECTION 5.07. Charges and Expenses. The Company shall pay all

transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. The Company shall pay all charges of the Depositary in connection with the initial deposit of the Stock and the initial issuance of the Depositary Shares, all withdrawals of shares of the Stock by owners of Depositary Shares, and any redemption or exchange of the Stock at the option of the Company. All other transfer and other taxes and governmental charges shall be at the expense of holders of Depositary Shares evidenced by Receipts. If, at the request of a holder of Receipts, the Depositary incurs charges or expenses for which it is not otherwise liable hereunder, such holder will be liable for such charges and expenses. All other charges and expenses of the Depositary and any Depositary's Agent hereunder and of any Registrar (including, in each case, reasonable fees and expenses of counsel) incident to the performance of their respective obligations hereunder will be paid upon consultation and agreement between the Depositary and the Company as to the amount and nature of such charges and expenses. The Depositary shall present its statement for charges and expenses to the Company at such intervals as the Company and the Depositary may agree.

ARTICLE VI

Amendment and Termination

SECTION 6.01. Amendment. The form of the Receipts and any provisions

of this Deposit Agreement may at any time and from time to time be amended by agreement between the Company and the Depositary in any respect which they may deem necessary or desirable; provided, however, that no such amendment which
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materially and adversely alter the rights of the holders of Receipts shall be effective unless such amendment shall have been approved by the holders of at least a majority (or, in the case of amendments relating to or affecting rights to receive dividends or distributions or voting or redemption rights, two-thirds of the holders) of the Depositary Shares then outstanding. Every holder of an outstanding Receipt at the time any such amendment becomes effective shall be deemed, by continuing to hold such receipt, to consent and agree to such amendment and to be bound by the Depositary Agreement as amended thereby. In no event shall any amendment impair the right, subject to the provisions of Sections 2.05 and 2.06 and Article III, of any owner of Depositary Shares to

surrender any Receipt evidencing such Depositary Shares to the Depositary with instructions to deliver to the holder the Stock and all money and other property, if any, represented thereby, except in order to comply with mandatory provisions of applicable law or the rules and regulations of any governmental body, agency or commission, or applicable stock exchange.

SECTION 6.02. Termination. This Agreement may be terminated by the

Company at any time upon not less than 60 days prior written notice to the Depositary, in which case, at least 30 days prior to the date fixed in such notice for such termination, the Depositary will mail notice of such termination to the record holders of all Receipts then outstanding.

If any Receipts shall remain outstanding after the date of termination of this Deposit Agreement, the Depositary thereafter shall discontinue the transfer of Receipts, shall suspend the distribution of dividends to the holders thereof and shall not give any further notices (other than notice of such termination) or perform any further acts under this Deposit Agreement, except that the Depositary shall continue to collect dividends and other distributions pertaining to Stock, shall sell rights, preferences or privileges as provided in this Deposit Agreement and shall continue to deliver the Stock and any money and other property, if any, represented by Receipts upon surrender thereof by the holders thereof. At any time after the expiration of two years from the date of termination, the Depositary may sell Stock then held hereunder at public or private sale, at such places and upon such terms as it deems proper and may thereafter hold the net proceeds of any such sale, together with any money and other property held by it hereunder, without liability for interest, for the benefit, pro rata in accordance with their holdings, of the holders of Receipts that have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under this Deposit Agreement except to account for such net proceeds and money and other property.

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This Agreement may be terminated by the Company or the Depositary only if (i) all outstanding Depositary Shares have been redeemed pursuant to Section 2.08, (ii) there shall have been made a final distribution in respect of the Stock in connection with any liquidation, dissolution or winding up of the Company and such distribution shall have been distributed to the holders of Depositary Shares pursuant to Section 4.01 or 4.02, as applicable or (iii) upon the consent of holders of Depositary Receipts representing not less than two-thirds of the Depositary Shares outstanding.

Upon the termination of this Deposit Agreement, the Company shall be discharged from all obligations under this Deposit Agreement except for its obligations to the Depositary, any Depositary's Agent and any Registrar under Sections 5.06 and 5.07.

ARTICLE VII

Miscellaneous -----

SECTION 7.01. Counterparts. This Deposit Agreement may be executed

in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed an original, but all such counterparts taken together shall constitute one and the same instrument.

SECTION 7.02. Exclusive Benefit of Parties. This Deposit Agreement

is for the exclusive benefit of the parties hereto, and their respective successors hereunder, and shall not be deemed to give any legal or equitable right, remedy or claim to any other person whatsoever.

SECTION 7.03. Invalidity of Provisions. In case any one or more of

the provisions contained in this Deposit Agreement or in the Receipts should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

SECTION 7.04. Notices. Any and all notices to be given to the

Company hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by telegram or facsimile transmission confirmed by letter, addressed to the Company at

Merrill Lynch & Co., Inc.

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100 Church Street, 12th Floor

New York, New York 10007
Attention: Secretary
Facsimile No.: (212) 602-8436

with a copy to:

Merrill Lynch & Co., Inc.
World Financial Center
South Tower, 7th Floor
New York, New York 10080-6107
Attention: Treasurer
Facsimile No.: (212) 236-6004

or at any other addresses of which the Company shall have notified the Depositary in writing.

Any and all notices to be given to the Depositary hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by telegram or facsimile transmission confirmed by letter, addressed to the Depositary at the Depositary's Office, at _____, or at any other address of which the Depositary shall have notified the Company in writing.

Any and all notices to be given to any record holder of a Receipt hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by telegram or facsimile transmission confirmed by letter, addressed to such record holder at the address of such record holder as it appears on the books of the Depositary, or if such holder shall have timely filed with the Depositary a written request that notices intended for such holder be mailed to some other address, at the address designated in such request.

Delivery of a notice sent by mail or by telegram or facsimile transmission shall be deemed to be effected at the time when a duly addressed letter containing the same (or a confirmation thereof in the case of a telegram or facsimile transmission) is deposited, postage prepaid, in a post office letter box. The Depositary or the Company may, however, act upon any telegram or facsimile transmission received by it from the other or from any holder of a Receipt, notwithstanding that such telegram or facsimile transmission shall not subsequently be confirmed by letter or as aforesaid.

SECTION 7.05. Depositary's Agents. The Depositary may from time to time appoint Depositary's Agents to act in any respect for the Depositary for the purposes of this Deposit

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Agreement and may at any time appoint additional Depositary's Agents and vary or terminate the appointment of such Depositary's Agents. The Depositary will promptly notify the Company of any such action.

The Company hereby also appoints the Depositary as Registrar and Transfer Agent in respect of the Receipts and the Depositary hereby accepts such appointments.

SECTION 7.06. Holders of Receipts Are Parties. The holders of Receipts from time to time shall be parties to this Deposit Agreement and shall be bound by all of the terms and conditions hereof and of the Receipts by acceptance of delivery thereof.

SECTION 7.07. Governing Law. This Deposit Agreement and the Receipts and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, and construed in accordance with, the laws of the State of New York without giving effect to applicable conflicts of law principles.

SECTION 7.08. Inspection of Deposit Agreement. Copies of this Deposit Agreement shall be filed with the Depositary and the Depositary's Agents and shall be open to inspection during business hours at the Depositary's Office and the respective offices of the Depositary's Agents, if any, by any holder of a Receipt.

SECTION 7.09. Headings. The headings of articles and sections in this Deposit Agreement and in the form of the Receipt set forth in Exhibit A hereto have been inserted for convenience only and are not to be regarded as a part of this Deposit Agreement or the Receipts or to have any bearing upon the meaning or interpretation of any provision contained herein or in the Receipts.

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IN WITNESS WHEREOF, the Company and the Depositary have duly executed

this Agreement as of the day and year first above set forth, and all holders of Receipts shall become parties hereto by and upon acceptance by them of delivery of Receipts issued in accordance with the terms hereof.

MERRILL LYNCH & CO., INC.

Attested by

by

- -----

[SEAL]

Attested by

[Name of Depositary]

by

- -----

[SEAL]

Exhibit A

[FORM OF FACE OF RECEIPT]

NUMBER DEPOSITARY SHARES

CERTIFICATE FOR _____ DEPOSITARY SHARES

TDR

DEPOSITARY RECEIPT FOR DEPOSITARY SHARES,
REPRESENTING _____ PREFERRED STOCK, SERIES _____, OF

MERRILL LYNCH & CO., INC.

CUSIP _____

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

SEE REVERSE FOR
CERTAIN DEFINITIONS

_____, as Depositary (the "Depositary"), hereby certifies that

is the registered owner of DEPOSITARY SHARES

("Depositary Shares"), each Depositary Share representing [specify fraction] of one share of _____ Preferred Stock, Series _____, (the "Stock"), of Merrill Lynch & Co., Inc., a Delaware corporation (the "Corporation"), on deposit with the Depositary, subject to the terms and entitled to the benefits of the Deposit Agreement dated as of _____, 19__ (the "Deposit Agreement"), between the Corporation and the Depositary. By accepting this Depositary Receipt, the holder hereof becomes a party to and agrees to be bound by all the terms and conditions of the Deposit Agreement. This Depositary Receipt shall not be valid or obligatory for any purpose or entitled to any benefits under the Deposit Agreement unless it shall have been executed by the Depositary by the manual signature of a duly authorized officer or, if executed in facsimile by the Depositary, countersigned by a Registrar in respect of the Depositary Receipts by the manual signature of a duly authorized officer thereof.

Dated: [Countersigned:

- -----

Depositary
By

Registrar
By

Authorized Officer

Authorized Officer]

[FORM OF REVERSE OF RECEIPT]

MERRILL LYNCH & CO., INC.

MERRILL LYNCH & CO., INC. WILL FURNISH WITHOUT CHARGE TO EACH RECEIPTHOLDER WHO SO REQUESTS A COPY OF THE DEPOSIT AGREEMENT AND A COPY OR SUMMARY OF THE CERTIFICATE OF DESIGNATIONS OF THE _____ PREFERRED STOCK, SERIES _____, OF MERRILL LYNCH & CO., INC. ANY SUCH REQUEST IS TO BE ADDRESSED TO THE DEPOSITARY NAMED ON THE FACE OF THIS RECEIPT.

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

Depository Shares

represented by the within Receipt, and do(es) hereby irrevocably constitute and appoint _____ Attorney to transfer the said Depository Shares on the books of the within named Depository with full power of substitution in the premises.

Dated _____

NOTICE: The signature to the assignment must correspond with the name as written upon the face of this Receipt in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations, and credit unions with membership in an approved signature guarantee medallion program), pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934.

[FORM OF FACE OF RECEIPT]

NUMBER DEPOSITARY SHARES

CERTIFICATE FOR DEPOSITARY SHARES

TDR DEPOSITARY RECEIPT FOR DEPOSITARY SHARES, REPRESENTING PREFERRED STOCK, SERIES OF MERRILL LYNCH & CO., INC.

CUSIP

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE SEE REVERSE FOR CERTAIN DEFINITIONS

, as Depositary (the "Depositary"), hereby certifies that

is the registered owner of DEPOSITARY SHARES

("Depositary Shares"), each Depositary Share representing [specify fraction] of one share of Preferred Stock, Series, (the "Stock"), of Merrill Lynch & Co., Inc., a Delaware corporation (the "Corporation"), on deposit with the Depositary, subject to the terms and entitled to the benefits of the Deposit Agreement dated as of, 19 (the "Deposit Agreement"), between the Corporation and the Depositary. By accepting this Depositary Receipt, the holder hereof becomes a party to and agrees to be bound by all the terms and conditions of the Deposit Agreement. This Depositary Receipt shall not be valid or obligatory for any purpose or entitled to any benefits under the Deposit Agreement unless it shall have been executed by the Depositary by the manual signature of a duly authorized officer or, if executed in facsimile by the Depositary, countersigned by a Registrar in respect of the Depositary Receipts by the manual signature of a duly authorized officer thereof.

Dated: [Countersigned: Depositary Registrar By Authorized Officer Authorized Officer]

[FORM OF REVERSE OF RECEIPT]

MERRILL LYNCH & CO., INC.

MERRILL LYNCH & CO., INC. WILL FURNISH WITHOUT CHARGE TO EACH RECEIPTHOLDER WHO SO REQUESTS A COPY OF THE DEPOSIT AGREEMENT AND A COPY OR SUMMARY OF THE CERTIFICATE OF DESIGNATIONS OF THE PREFERRED STOCK, SERIES, OF MERRILL LYNCH & CO., INC. ANY SUCH REQUEST IS TO BE ADDRESSED TO THE DEPOSITARY NAMED ON THE FACE OF THIS RECEIPT.

For value received, hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

Depositary Shares

represented by the within Receipt, and do(es) hereby irrevocably constitute and appoint Attorney to transfer the said Depositary Shares on the books of the within named Depositary with full power of substitution in the premises.

Dated

NOTICE: The signature to the assignment must correspond with the name as written upon the face of this Receipt in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED

- -----
NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations, and credit unions with membership in an approved signature guarantee medallion program), pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934.

September 2, 1994

Merrill Lynch & Co., Inc.
World Financial Center
North Tower
New York, New York 10281-1334

Gentlemen:

We have acted as your counsel and are familiar with the corporate proceedings had in connection with the proposed issuance and sale by Merrill Lynch & Co., Inc. (the "Company") of up to 100,000 shares of its preferred stock, par value \$1.00 per share (the "Preferred Stock"), and an indeterminate number of depositary shares representing interests in the Preferred Stock (the "Depositary Shares" and, together with the Preferred Stock, the "Securities").

We have examined such documents and records as we deemed appropriate, including the following:

- (a) a copy of the Restated Certificate of Incorporation of the Company, certified as of a recent date by the Secretary of State of the State of Delaware;
- (b) a copy of the Company's Registration Statement on Form S-3 relating to the Securities (the "Registration Statement");
- (c) a copy of the form of certificate of designations with respect to the Preferred Stock (the "Certificate of Designations"), in the form filed as an exhibit to the Registration Statement; and
- (d) a copy of the form of deposit agreement with respect to the Depositary Shares (the "Deposit Agreement"), in the form filed as an exhibit to the Registration Statement.

Based upon the foregoing and upon such further investigation as we deemed relevant, and subject to the assumptions and qualifications set forth herein, we are of the opinion that:

1. The Company has been duly incorporated under the laws of the State of Delaware.
2. When appropriate corporate action has been taken by the Company to fix the terms of one or more series of the Preferred Stock, to authorize the execution and filing with the Secretary of State of the State of Delaware of a Certificate of Designations relating thereto and to authorize the issuance of shares thereof, and when such Certificate of Designations shall have been so executed and filed by the Company and Preferred Stock with the terms so fixed shall have been duly issued and delivered by the Company against payment of the consideration therefor or for Depositary Shares representing interests therein in accordance with such corporate action, such Preferred Stock will be validly issued, fully paid and non-assessable.
3. When appropriate corporate action has been taken by the Company to authorize the execution and delivery of a Deposit Agreement, and when such Deposit Agreement shall have been duly executed and delivered by the Company and the depositary, such Deposit Agreement will constitute a valid and binding agreement of the Company, enforceable in accordance with its terms, except as

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enforcement thereof may be limited by bankruptcy, insolvency or other laws of general applicability relating to or affecting enforcement of creditors' rights or by general equity principles.

4. When appropriate corporate action has been taken by the Company to authorize the issuance and deposit of Preferred Stock with a depositary pursuant to a Depositary Agreement and the issuance of Depositary Shares representing interests therein, and when such Preferred Stock shall have been duly issued and so deposited and such depositary shall have duly issued and delivered depositary receipts evidencing such Depositary Shares against payment of the consideration therefor in accordance with such corporate action, such Depositary Shares will represent valid interests in the Preferred Stock so deposited and shall entitle the holders thereof to the rights specified in the depositary receipts evidencing the Depositary Shares and in the applicable Deposit Agreement, except as enforceability of such rights may be limited by bankruptcy, insolvency or other laws of general applicability relating to or affecting enforcement of

creditors' rights or by general equity principles.

We consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name wherever appearing in the Registration Statement and any amendment thereto.

Very truly yours,

/s/ Brown & Wood

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
 COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK
 DIVIDEND REQUIREMENTS
 (IN THOUSANDS, EXCEPT RATIOS)

<TABLE>
 <CAPTION>

	YEAR ENDED LAST FRIDAY IN DECEMBER					FOR THE SIX MONTHS ENDED	
	1989	1990	1991	1992	1993	JUNE 25, 1993	JULY 1, 1994
	(52 WEEKS)	(52 WEEKS)	(52 WEEKS)	(52 WEEKS)	(53 WEEKS)	(26 WEEKS)	(26 WEEKS)
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Pretax earnings (loss)..	\$ (158,386)	\$ 282,328	\$1,017,418	\$1,621,389	\$2,424,808	\$1,185,229	\$1,084,870
Deduct equity in undis- tributed net earnings of unconsolidated sub- sidiaries.....	(23,292)	(9,429)	(10,677)	(12,913)	(13,029)	(8,538)	(12,448)
Total pretax earnings (loss).....	(181,678)	272,899	1,006,741	1,608,476	2,411,779	1,176,691	1,072,422
Add: Combined fixed charges and pre- ferred stock divi- dend requirements							
Interest.....	5,351,027	5,343,107	5,073,824	4,822,711	6,008,511	2,746,069	3,974,827
Interest factor in rents.....	124,104	135,038	141,438	141,546	141,654	70,717	65,806
Amortization of debt expense.....	5,785	3,890	4,366	4,232	3,921	2,136	1,568
Capitalized interest..	5,886	555	929	--	--	--	--
Preferred stock dividend requirements of majority-owned subsidiaries (tax equivalent basis).....	--	--	--	6,443	7,149	3,599	3,366
Total fixed charges.....	5,486,802	5,482,590	5,220,557	4,974,932	6,161,235	2,822,521	4,045,567
Preferred stock dividend requirements (tax equivalent basis).....	35,057	35,182	25,914	10,799	9,358	4,610	5,000
Total combined fixed charges and preferred stock dividend require- ments.....	5,521,859	5,517,772	5,246,471	4,985,731	6,170,593	2,827,131	4,050,567
Pretax earnings before combined fixed charges and preferred stock dividend requirements (excluding capitalized interest).....	\$5,334,295	\$5,790,116	\$6,252,283	\$6,594,207	\$8,582,372	\$4,003,822	\$5,122,989
Ratio of earnings to combined fixed charges and preferred stock dividend requirements..	(A)	1.1	1.2	1.3	1.4	1.4	1.3

</TABLE>

(A) In 1989, pretax earnings before combined fixed charges and preferred stock dividend requirements were inadequate to cover combined fixed charges and preferred stock dividend requirements by \$187,564.

August 30, 1994

Merrill Lynch & Co., Inc.
World Financial Center
North Tower, 31st Floor
New York, NY 10281-1281

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited interim consolidated financial information of Merrill Lynch & Co., Inc. and subsidiaries as of July 1, 1994 and for the three- and six-month periods ended July 1, 1994 and June 25, 1993 as indicated in the report of Deloitte & Touche dated August 12, 1994; because we did not perform an audit, we expressed no opinion on that information.

We are aware that such report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended July 1, 1994, is incorporated by reference in this Registration Statement.

We are also aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP
New York, New York

Exhibit 23(a)

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Merrill Lynch & Co., Inc. (the "Company") on Form S-3 of the reports of Deloitte & Touche dated February 28, 1994 appearing in or incorporated by reference in the Annual Report on Form 10-K of the Company for the year ended December 31, 1993 and to the reference to Deloitte & Touche LLP under the heading "Experts" in the Prospectus, which is a part of this Registration Statement. We also consent to the incorporation by reference in this Registration Statement of the report of Deloitte & Touche dated February 28, 1994, appearing as Exhibit 99(a) in the Company's Current Report on Form 8-K dated March 9, 1994, relating to the Selected Financial Data under the captions "Operating Results", "Financial Position" and "Common Share Data" for each of the five years in the period ended December 31, 1993 included in the 1993 Annual Report to Stockholders of the Company. We also consent to the inclusion as Exhibit 99 to this Registration Statement of our report dated February 28, 1994 relating to information under the caption "Summary Financial Information", for each of the five years in the period ended December 31, 1993, appearing in the Prospectus, which is a part of this Registration Statement.

/s/ Deloitte & Touche LLP

New York, New York
August 30, 1994

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of
Merrill Lynch & Co., Inc.:

We have audited, in accordance with generally accepted auditing standards, the consolidated financial statements of Merrill Lynch & Co., Inc. and subsidiaries as of December 31, 1993 and December 25, 1992 and for each of the three years in the period ended December 31, 1993 and have issued our report thereon dated February 28, 1994. Such financial statements and our report thereon are incorporated herein by reference.

We have also previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheets of Merrill Lynch & Co., Inc. and subsidiaries as of December 27, 1991, December 28, 1990 and December 29, 1989 and the related statements of consolidated earnings, changes in consolidated stockholders' equity and consolidated cash flows for the years ended December 28, 1990 and December 29, 1989 (none of which are presented or incorporated by reference herein); and we expressed unqualified opinions on those consolidated financial statements. In our opinion, the information set forth in the table under the caption Summary Financial Information for each of the five years in the period ended December 31, 1993, appearing on page 4 of the Prospectus, which is a part of this Registration Statement of Merrill Lynch & Co., Inc. on Form S-3, is fairly stated in all material respects in relation to the consolidated financial statements from which it has been derived.

/s/ Deloitte & Touche LLP

New York, New York
February 28, 1994