

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 20, 1999

Merrill Lynch & Co., Inc.

(Exact name of Registrant as specified in its charter)

| | | |
|--|-----------------------------|---|
| <TABLE> | | |
| <S> | <C> | <C> |
| Delaware | 1-7182 | 13-2740599 |
| ----- | | |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |
| </TABLE> | | |

| | |
|---|------------|
| World Financial Center, North Tower, New York, New York | 10281-1332 |
| ----- | |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: (212) 449-1000

(Former name or former address, if changed since last report.)

Item 5. Other Events

Exhibits are filed herewith in connection with the Registration Statements on Form S-3 (File Nos. 333-59997 and 333-68747) filed by Merrill Lynch & Co., Inc. (the "Company") with the Securities and Exchange Commission covering Senior Debt Securities issuable under an indenture dated as of April 1, 1983, as amended through the date hereof, between the Company and The Chase Manhattan Bank (as so amended, the "Indenture"). The Company will issue \$47,000,000 aggregate principal amount of Nikkei 225 Market Index Target-Term Securities(R) due September 20, 2002 and \$44,000,000 aggregate principal amount of Energy Select Sector SPDR(R) Fund Market Index Target-Term Securities(R) due September 20, 2006 under the Indenture. The exhibits consist of the forms of Securities and opinions of counsel relating thereto.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

EXHIBITS

- | | |
|----------------|---|
| (4) (a) | Instruments defining the rights of security holders, including indentures. Form of Merrill Lynch & Co., Inc.'s Nikkei 225 Market Index Target-Term Securities due September 20, 2002. |
| (4) (b) | Instruments defining the rights of security holders, including indentures. Form of Merrill Lynch & Co., Inc.'s Energy Select Sector SPDR Fund Market Index Target-Term Securities due September 20, 2006. |
| (5) & (23) (a) | Opinion re: legality; consent of counsel. Opinion of Brown & Wood LLP relating to the Nikkei 225 Market Index Target-Term Securities due September 20, 2002 (including consent for inclusion of such opinion in this report and in Merrill Lynch & Co., Inc.'s Registration Statements relating to such Securities). |
| (5) & (23) (b) | Opinion re: legality; consent of counsel. |

Opinion of Brown & Wood LLP relating to the Energy Select Sector SPDR Fund Market Index Target-Term Securities due September 20, 2006 (including consent for inclusion of such opinion in this report and in Merrill Lynch & Co., Inc.'s Registration Statements relating to such Securities).

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

MERRILL LYNCH & CO., INC.

(Registrant)

By: /s/ John C. Stomber

John C. Stomber
Senior Vice President
and
Treasurer

Date: September 20, 1999

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

MERRILL LYNCH & CO., INC.

EXHIBITS TO CURRENT REPORT ON
FORM 8-K DATED SEPTEMBER 20, 1999

Commission File Number 1-7182

Exhibit Index

| <TABLE> <CAPTION> | | |
|----------------------|---|-----------|
| Exhibit No. | Description | Page |
| - - - - - | - - - - - | - - - - - |
| <S> | <C> | <C> |
| (4) (a) | Instruments defining the rights of security holders, including indentures. Form of Merrill Lynch & Co., Inc.'s Nikkei 225 Market Index Target-Term Securities due September 20, 2002. | |
| (4) (b) | Instruments defining the rights of security holders, including indentures. Form of Merrill Lynch & Co., Inc.'s Energy Select Sector SPDR Fund Market Index Target-Term Securities due September 20, 2006. | |
| (5) & (23) (a) | Opinion re: legality; consent of counsel. Opinion of Brown & Wood LLP relating to the Nikkei 225 Market Index Target-Term Securities due September 20, 2002 (including consent for inclusion of such opinion in this report and in Merrill Lynch & Co., Inc.'s Registration Statements relating to such Securities). | |

(5) & (23)(b)

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Opinion of Brown & Wood LLP relating to the Energy Select Sector SPDR Fund Market Index Target-Term Securities due September 20, 2006 (including consent for inclusion of such opinion in this report and in Merrill Lynch & Co., Inc.'s Registration Statements relating to such Securities).

</TABLE>

THIS MITTS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR MITTS SECURITIES IN CERTIFICATED FORM, THIS MITTS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO A NOMINEE OF DTC OR BY DTC OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY. UNLESS THIS MITTS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO MERRILL LYNCH & CO., INC. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY MITTS SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. R- 4,700,000 Units
CUSIP 590188 355 (Each Unit representing \$10 principal amount of MITTS Securities)

MERRILL LYNCH & CO., INC.
Nikkei 225 Market Index Target-Term Securities(R)
due September 20, 2002
("MITTS(R) Securities")

Merrill Lynch & Co., Inc., a Delaware corporation (hereinafter referred to as the "Company", which term includes any successor corporation under the Indenture herein referred to), for value received, hereby promises to pay to CEDE & CO., or its registered assigns, the principal sum of FORTY SEVEN MILLION DOLLARS (\$47,000,000) (the "Principal Amount") plus the Supplemental Redemption Amount, as defined below, if any, on September 20, 2002 (the "Stated Maturity").

Payment or delivery of the Principal Amount and the Supplemental Redemption Amount, if any, and any interest on any overdue amount thereof with respect to this Security shall be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

This MITTS Security is one of the series of Nikkei 225 Market Index Target-Term Securities due September 20, 2002.

Supplemental Redemption Amount

The "Supplemental Redemption Amount" with respect to this MITTS Security equals:

$$\text{Principal Amount} \times \frac{(\text{Adjusted Ending Value} - \text{Starting Value})}{(\text{Adjusted Ending Value} - \text{Starting Value})}$$

provided, however, that in no event will the Supplemental Redemption Amount be less than zero. The Starting Value equals 17,777.22. The Adjusted Ending Value will be determined by Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Calculation Agent") and will equal the average or arithmetic mean of the closing values of the Nikkei 225 Index (the "Index"), as reduced by the application of the Adjustment Factor on each Calculation Day (as defined below), determined on each of the first five Calculation Days during the Calculation Period (as defined below). If there are fewer than five Calculation Days in the Calculation Period, the Adjusted Ending Value will equal the average or arithmetic mean of the closing values of the Index on those Calculation Days, as reduced by the application of the Adjustment Factor on each Calculation Day. If there is only one Calculation Day, then the Adjusted Ending Value will equal the closing value of the Index on that Calculation Day, as reduced by the application of the Adjustment Factor on that Calculation Day. If no Calculation Days occur during the Calculation Period, then the Adjusted Ending Value shall equal the closing value of the Index determined on the last scheduled Index Business Day (as defined below) in the Calculation Period, as reduced by the application of the Adjustment Factor on that day, regardless of the occurrence of a Market Disruption Event (as defined below) on that day.

The "Adjustment Factor" equals 1.95% per annum and will be prorated based on a 365-day year and applied each calendar day during the term of the MITTS Securities to reduce the values used to calculate the Supplemental Redemption Amount on each Calculation Day during the Calculation Period.

The "Calculation Period" means the period from and including the seventh scheduled Index Business Day prior to the Stated Maturity to and including the second scheduled Index Business Day prior to the Stated Maturity.

"Calculation Day" means any Index Business Day during the Calculation Period on which a Market Disruption Event has not occurred.

An "Index Business Day" is any day on which the New York Stock Exchange (the "NYSE") and the American Stock Exchange (the "AMEX") are open for trading and the Index or any Successor Index (as defined below) is calculated and published.

All determinations made by the Calculation Agent shall be at the sole discretion of the Calculation Agent and, absent a determination by the Calculation Agent of a manifest error, shall be conclusive for all purposes and binding on the Company and Holders and beneficial owners of the MITTS Securities.

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Adjustments to the Index; Market Disruption Events

If at any time Nihon Keizai Shimbun, Inc. ("NKS") changes its method of calculating the Index, or the value of the Index changes, in any material respect, or if the Index is in any other way modified so that the Index does not, in the opinion of the Calculation Agent, fairly represent the value of the Index had those changes or modifications not been made, then, from and after that time, the Calculation Agent shall, at the close of business in New York, New York, on each date that the closing value of the Index is to be calculated, make any adjustments as, in the good faith judgment of the Calculation Agent, may be necessary in order to arrive at a calculation of a value of a stock index comparable to the Index as if those changes or modifications had not been made, and calculate the closing value with reference to the Index, as adjusted. Accordingly, if the method of calculating the Index is modified so that the value of the Index is a fraction or a multiple of what it would have been if it had not been modified, e.g., due to a split, then the Calculation Agent shall adjust the Index in order to arrive at a value of the Index as if it had not been modified, e.g., as if the split had not occurred.

"Market Disruption Event" means either of the following events as determined by the Calculation Agent:

- (A) the suspension or material limitation on trading on the Tokyo Stock Exchange ("TSE") during the one-half hour period preceding the close of trading on the applicable exchange, in 20% or more of the stocks which then comprise the Index or a Successor Index; or
- (B) the suspension or material limitation, in each case, on the Singapore International Monetary Exchange, Ltd., the Osaka Securities Exchange or any other major futures or securities market from trading in futures or options contracts related to the Nikkei 225 Index or a Successor Index during the one-half hour period preceding the close of trading on the applicable exchange.

For the purpose of the above definition:

- (1) a limitation on the hours in a trading day and/or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange;
- (2) a decision to permanently discontinue trading in the relevant futures or options contract will not constitute a Market Disruption Event;
- (3) a suspension in trading in a futures or options contract on the Nikkei 225 Index by a major securities market by reason of (a) a price change violating limits set by that securities market, (b) an imbalance of orders relating to those contracts or (c) a disparity in bid and ask quotes relating to those contracts will constitute a suspension or material limitation of trading in futures or options contracts related to the Nikkei 225 Index; and
- (4) an absence of trading on the TSE will not include any time when the TSE is closed for trading under ordinary circumstances.

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Discontinuance of the Index

If NKS discontinues publication of the Index and NKS or another entity publishes a successor or substitute index that the Calculation Agent determines, in its sole discretion, to be comparable to the Index (any such index being referred herein as a "Successor Index"), then, upon the Calculation Agent's notification of such determination to the Trustee (as defined below) and the Company, the Calculation Agent will substitute the Successor Index as calculated by NKS or such other entity for the Index and calculate the closing value as described above under "--Supplemental Redemption Amount". Upon any selection by

the Calculation Agent of a Successor Index, the Company shall promptly cause notice to be given to Holders of the MITTS Securities by publication in a United States newspaper of general circulation.

In the event that NKS discontinues publication of the Index and the Calculation Agent does not select a Successor Index, or the Successor Index is no longer published on any of the Calculation Days, the Calculation Agent will compute a substitute value for the Index in accordance with the procedures last used to calculate the Index before any discontinuance. If a Successor Index is selected or the Calculation Agent calculates a value as a substitute for the Index, the Successor Index or value will be used as a substitute for the Index for all purposes, including for purposes of determining whether a Market Disruption Event exists.

If the NKS discontinues publication of the Index before the Calculation Period and the Calculation Agent determines that no Successor Index is available at that time, then on each Business Day (as defined below) until the earlier to occur of the determination of the Adjusted Ending Value and a determination by the Calculation Agent that a Successor Index is available, the Calculation Agent will determine the value that would be used in computing the Supplemental Redemption Amount as described in the preceding paragraph as if that day were a Calculation Day. The Calculation Agent will cause notice of each value to be published not less often than once each month in The Wall Street Journal or another newspaper of general circulation, and arrange for information with respect to these values to be made available by telephone.

A "Business Day" is any day on which the NYSE and the AMEX are open for trading.

General

This MITTS Security is one of a duly authorized issue of securities of the Company, issued and to be issued under an Indenture, dated as of April 1, 1983, as amended (herein referred to as the "Indenture"), between the Company and The Chase Manhattan Bank, as Trustee (herein referred to as the "Trustee", which term includes any successor Trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Company, the Trustee and the Holders of the MITTS Securities, and the terms upon which the MITTS Securities are, and are to be, authenticated and delivered.

The Company hereby covenants for the benefit of the Holders of the MITTS Securities, to the extent permitted by applicable law, not to claim voluntarily the benefits of any laws concerning usurious rates of interest against a Holder of the MITTS Securities.

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The MITTS Securities are not subject to redemption by the Company or at the option of the Holder prior to the Stated Maturity.

In case an Event of Default with respect to any MITTS Securities shall have occurred and be continuing, the amount payable to a Holder of a MITTS Security upon any acceleration permitted by the MITTS Securities, with respect to each \$10 principal amount thereof, will be equal to the \$10 principal amount and the Supplemental Redemption Amount, if any, calculated assuming (i) the date of early repayment is the Stated Maturity of the MITTS Securities and (ii) the Adjustment Factor will be applied to the values used to calculate the Supplemental Redemption Amount as if the MITTS Securities had not been accelerated and had remained outstanding to the Stated Maturity.

In case of default in payment of the MITTS Securities (whether at the Stated Maturity or upon acceleration), from and after the maturity date the MITTS Securities shall bear interest, payable upon demand of the Holders thereof, at the rate of 6.65% per annum (to the extent that payment of such interest shall be legally enforceable) on the unpaid amount due and payable on such date in accordance with the terms of the MITTS Securities to the date payment of such amount has been made or duly provided for.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the MITTS Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than 66 2/3% in aggregate principal amount of the MITTS Securities at the time Outstanding, as defined in the Indenture, of each series affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the MITTS Securities of each series at the time Outstanding, on behalf of the Holders of all MITTS Securities of each series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this MITTS Security shall be conclusive and binding upon such Holder and upon all future Holders of this MITTS Security and of any MITTS

Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this MITTS Security.

No reference herein to the Indenture and no provision of this MITTS Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the Principal Amount plus the Supplemental Redemption Amount, if any, with respect to this MITTS Security and any interest on any overdue amount thereof at the time, place, and rate, and in the coin or currency herein prescribed.

As provided in the Indenture and subject to certain limitations set forth therein and on the first page hereof, the transfer of this MITTS Security may be registered on the Security Register of the Company, upon surrender of this MITTS Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company duly executed by, the Holder hereof or by his attorney duly authorized in writing, and thereupon one

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or more new MITTS Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The MITTS Securities are issuable only in registered form without coupons in denominations of \$10 and integral multiples thereof. This MITTS Security shall remain in the form of a global security held by a Depository. Notwithstanding the foregoing, if (x) any Depository is at any time unwilling or unable to continue as Depository and a successor depository is not appointed by the Company within 60 days, (y) the Company executes and delivers to the Trustee a Company Order to the effect that this MITTS Security shall be exchangeable or (z) an Event of Default has occurred and is continuing with respect to the MITTS Securities, this MITTS Security shall be exchangeable for MITTS Securities in definitive form of like tenor and of an equal aggregate Principal Amount, in denominations of \$10 and integral multiples thereof. Such definitive MITTS Securities shall be registered in such name or names as the Depository shall instruct the Trustee. If definitive MITTS Securities are so delivered, the Company may make such changes to the form of this MITTS Security as are necessary or appropriate to allow for the issuance of such definitive MITTS Securities.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

Prior to due presentment of this MITTS Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this MITTS Security is registered as the owner hereof for all purposes, whether or not this MITTS Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this MITTS Security which are defined in the Indenture but not in this MITTS Security shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication hereon has been executed by The Chase Manhattan Bank, the Trustee under the Indenture, or its successor thereunder, by the manual signature of one of its authorized officers, this MITTS Security shall not be entitled to any benefits under the Indenture or be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: September 20, 1999

CERTIFICATE OF AUTHENTICATION
This is one of the Securities of the series
designated therein referred to in the
within-mentioned Indenture.

Merrill Lynch & Co., Inc.

The Chase Manhattan Bank, as Trustee [Copy of Seal] By:

Treasurer

By: Authorized Officer Attest: Secretary

THIS MITTS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR MITTS SECURITIES IN CERTIFICATED FORM, THIS MITTS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO A NOMINEE OF DTC OR BY DTC OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY. UNLESS THIS MITTS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO MERRILL LYNCH & CO., INC. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY MITTS SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. R- 4,400,000 Units
CUSIP 590188 348 (Each Unit representing \$10 principal amount of MITTS Securities)

MERRILL LYNCH & CO., INC.

Energy Select Sector SPDR(R) Fund Market Index Target-Term Securities(R)
due September 20, 2006
("MITTS(R) Securities")

Merrill Lynch & Co., Inc., a Delaware corporation (hereinafter referred to as the "Company", which term includes any successor corporation under the Indenture herein referred to), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of FORTY FOUR MILLION DOLLARS (\$44,000,000) (the "Principal Amount") plus the Supplemental Redemption Amount, as defined below, on September 20, 2006 (the "Stated Maturity").

Payment or delivery of the Principal Amount and the Supplemental Redemption Amount and any interest on any overdue amount thereof with respect to this Security shall be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, in the consideration specified below, or in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

This MITTS Security is one of the series of Energy Select Sector SPDR Fund Market Index Target-Term Securities due September 20, 2006.

At maturity, a beneficial owner of a MITTS Security will be entitled to receive the number of shares of the Energy Select Sector SPDR Fund (the "Energy SPDR Fund") (or cash with an equal value) equal in value (determined based on the Ending Value (as defined below)) to the Principal Amount of such MITTS Security plus the Supplemental Redemption Amount, if any, all as provided below. The amount to be paid by the Company to any holder of the MITTS Securities on the maturity date will be aggregated based on the total number of units then held by such holder and rounded to the nearest cent. If the Adjusted Ending Value (as defined below) does not exceed the Starting Value (as defined below), a Holder of a MITTS Security will be entitled to receive only the number of shares of the Energy SPDR Fund (or cash with an equal value) equal in value (determined based on the Ending Value) to the Principal Amount of such MITTS Security.

If the Company chooses to deliver shares of the Energy SPDR Funds to the holders hereof at the Stated Maturity, the Company or one of its affiliates will deliver such shares that are then newly issued by the Energy SPDR Fund.

The Company may, at its option, in lieu of delivering shares of the Energy SPDR Fund, pay cash in an amount equal to the sum of the Principal Amount of the MITTS Securities and the Supplemental Redemption Amount, if any. In addition, if at any time Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") ceases to be a soliciting dealer in the shares of the Energy SPDR Fund, the Company will pay the amount due to the holders of the MITTS Securities in cash instead of shares.

Supplemental Redemption Amount

The "Supplemental Redemption Amount" with respect to this MITTS Security equals:

$$\text{Principal Amount} \times \frac{(\text{Adjusted Ending Value} - \text{Starting Value})}{(\text{Starting Value})}$$

provided, however, that in no event will the Supplemental Redemption Amount be less than zero. The Starting Value equals 29.27. The Adjusted Ending Value will be determined by the Calculation Agent and will equal the Ending Value, as reduced by the Adjustment Factor (as defined below). The "Ending Value" will equal the average (arithmetic mean) of the Net Asset Values (as defined below) per share of the Energy SPDR Fund on each of the first five Calculation Days (as defined below) during the Calculation Period (as defined below). If there are fewer than five Calculation Days in the Calculation Period, the Ending Value will equal the average (arithmetic mean) of the Net Asset Values of the Energy SPDR Fund on each of such Calculation Days, and if there is only one Calculation Day, then the Ending Value will be equal to the Net Asset Value per share of the Energy SPDR Fund on such Calculation Day. If no Calculation Days occur during the Calculation Period because of Market Disruption Events (as defined below), then the Ending Value will equal the Net Asset Value per share of the Energy SPDR Fund on the last Trading Day (as defined below) prior to the Calculation Period for which a Net Asset Value per share of the Energy SPDR Fund was determined.

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The "Adjustment Factor" equals 1.25% per annum and will be prorated based on a 365-day year and applied each calendar day during the term of the MITTS Securities to reduce the values used to calculate the Supplemental Redemption Amount.

"Net Asset Value" means the net asset value per share of the Energy SPDR Fund as determined by the Energy SPDR Fund.

The "Calculation Period" means the period from and including the seventh scheduled Trading Day prior to the maturity to and including the second scheduled Trading Day prior to maturity.

A "Calculation Day" means any Trading Day on which a Market Disruption Event has not occurred.

A "Trading Day" is a day on which the shares of the Energy SPDR Fund (A) are not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business and (B) have traded at least once on a national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the shares of the Energy SPDR Fund.

Fractional Shares

No fractional shares of the Energy SPDR Fund will be distributed by the Company at maturity. In the event the Company elects to pay holders of the MITTS Securities in shares of the Energy SPDR Fund, all amounts due to any holder of the MITTS Securities in respect of the total number of units held by such holder will be aggregated, and in lieu of delivering any fractional share to such holder, such holder will receive the cash value of such fractional share based on the Ending Value.

Adjustments to the Energy SPDR Fund; Market Disruption Events

If at any time the shares of the Energy SPDR Fund are subject to a split or reverse split, the Calculation Agent shall adjust the Net Asset Value per share of the Energy SPDR Fund used to calculate the Adjusted Ending Value and the Ending Value in order to arrive at a Net Asset Value per share of the Energy SPDR Fund as if such split or reverse split, as the case may be, had not occurred.

"Market Disruption Event" means any of the following events, as determined by the Calculation Agent:

(a) the suspension or material limitation on trading, in each case, for more than two hours of trading, or during the one-half hour period preceding the close of trading on the applicable exchange, in 20% or more of the stocks which then comprise the Energy Select Sector Index;

(b) the suspension or material limitation on trading, in each case, for more than two hours of trading, or during the one-half hour period preceding the close of trading on the applicable exchange (whether by reason of movements in price otherwise exceeding levels permitted by the

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relevant exchange or otherwise) in option contracts related to the shares of the Energy SPDR Fund which are traded on any major U.S. exchange; or

(c) the Energy SPDR Fund (1) is unable or otherwise fails to issue a Net

Asset Value for any shares of the Energy SPDR Fund after the close of business on the New York Stock Exchange ("NYSE") or (2) suspends the creation or redemption of shares of the Energy SPDR Fund.

For the purposes of clause (a) above, any limitations on trading during significant market fluctuations under NYSE Rule 80A, or any applicable rule or regulation enacted or promulgated by the NYSE or any other self regulatory organization or the Securities and Exchange Commission of similar scope as determined by the Calculation Agent, will be considered "material".

For the purposes of paragraphs (a) and (b) of this definition, a limitation on the hours in a trading day and/or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange.

Termination of the Energy SPDR Fund

If the Energy SPDR Fund is liquidated or otherwise terminated, for purposes of calculating the Supplemental Redemption Amount payable at the maturity of the MITTS Securities, the "Net Asset Value" will be calculated by the Calculation Agent as follows: The Net Asset Value per share of the Energy SPDR Fund on the Trading Day occurring immediately before any liquidating distribution will equal the Net Asset Value for such day (the "Pre-liquidation Date"). The Calculation Agent will then calculate the Net Asset Value after the close of trading on each Trading Day (each such date, a "Determination Date") after the Pre-liquidation Date by increasing or decreasing, as the case may be, the Net Asset Value as of the immediately preceding Trading Day by the percentage by which the closing value of the Energy Select Sector Index increases or decreases from such immediately preceding Trading Day to such Determination Date and further decreasing such Net Asset Value by fees, expenses and non-liquidating distribution (together, "Fund Expenses") that the Calculation Agent, in its sole judgment but with reference to the Fund Expenses actually incurred by the Energy SPDR Fund before its liquidation or termination, deems would reasonably have been accrued and included in the calculation of the Net Asset Value per share of the Energy SPDR Fund had it not been liquidated or terminated, from such immediately preceding Trading Day to such Determination Date. The Calculation Agent will cause notice of each such value to be published not less often than once each month in The Wall Street Journal (or another newspaper of general circulation) and arrange for information with respect to such values to be made available by telephone.

If the Energy SPDR Fund is liquidated or otherwise terminated and the Energy Select Sector Index is no longer calculated or published (an "Index Termination Event"), the Calculation Agent will select a successor index that it determines, in its sole discretion, to be comparable to the Energy Select Sector Index, and, upon the Calculation Agent's notification of such determination to the Trustee (as defined below) and the Company, the Calculation Agent will substitute the successor index for the Energy Select Sector Index and calculate the Net Asset Value in accordance with the procedures referred to in the immediately preceding paragraph with

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reference to such successor index. Upon any selection by the Calculation Agent of a successor index, the Company shall cause notice thereof to be given to Holders of the MITTS Securities.

In the event that an Index Termination Event occurs and a successor index to the Energy Select Sector Index is not selected by the Calculation Agent or is no longer published on any of the Calculation Days, the Calculation Agent shall compute a substitute index for the Energy Select Sector Index for any such Calculation Day in accordance with the procedures last used to calculate the Energy Select Sector Index prior to any such discontinuance. The Calculation Agent will calculate the Net Asset Value in accordance with the procedures referred to in the first paragraph of this section with reference to such substitute index. Upon any selection by the Calculation Agent of such substitute index, the Company shall cause notice thereof to be given to holders of the MITTS Securities.

If Standard & Poor's ("S&P") discontinues publication of the S&P's 500 Index subsequent to an Index Termination Event and (i) a successor index to the Energy Select Sector Index is not selected by the Calculation Agent or is no longer published on any of the Calculation Days and (ii) the Calculation Agent is unable to calculate a substitute index for the Energy Select Sector Index, the Calculation Agent will compute a substitute index for the S&P 500 Index for any such Calculation Day in accordance with the procedures last used to calculate the S&P 500 Index prior to any such discontinuance. If the Calculation Agent calculates such substitute index for the S&P 500 Index, the Calculation Agent will use such substitute index to calculate the substitute index for the Energy Select Sector Index.

General

This MITTS Security is one of a duly authorized issue of securities of the

Company, issued and to be issued under an Indenture, dated as of April 1, 1983, as amended and restated (herein referred to as the "Indenture"), between the Company and The Chase Manhattan Bank, as Trustee (herein referred to as the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Company, the Trustee and the Holders of the MITTS Securities, and the terms upon which the MITTS Securities are, and are to be, authenticated and delivered.

The Company hereby covenants for the benefit of the Holders of the MITTS Securities, to the extent permitted by applicable law, not to claim voluntarily the benefits of any laws concerning usurious rates of interest against a Holder of the MITTS Securities.

The MITTS Securities are not subject to redemption by the Company or at the option of the Holder prior to the Stated Maturity.

In case an Event of Default with respect to any MITTS Securities shall have occurred and be continuing, the amount payable to a beneficial owner of a MITTS Security upon any acceleration permitted by the MITTS Securities, with respect to each \$10 principal amount thereof, will be equal to the Principal Amount and the Supplemental Redemption Amount, if any, calculated assuming (i) the date of early repayment is the maturity date of the MITTS Securities and (ii) the Adjustment Factor is prorated based on a 365-day year and applied each

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calendar day to reduce the Net Asset Value per share of the Energy SPDR Fund used to calculate the Supplemental Redemption Amount.

In case of default in payment of the MITTS Securities (whether at the Stated Maturity or upon acceleration), from and after the maturity date the MITTS Securities shall bear interest, payable upon demand of the beneficial owners thereof, at the rate of 7.08% per annum (to the extent that payment of such interest shall be legally enforceable) on the unpaid amount due and payable on such date in accordance with the terms of the MITTS Securities to the date payment of such amount has been made or duly provided for.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the MITTS Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than 66 2/3% in aggregate principal amount of the MITTS Securities at the time Outstanding, as defined in the Indenture, of each series affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the MITTS Securities of each series at the time Outstanding, on behalf of the Holders of all MITTS Securities of each series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this MITTS Security shall be conclusive and binding upon such Holder and upon all future Holders of this MITTS Security and of any MITTS Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this MITTS Security.

No reference herein to the Indenture and no provision of this MITTS Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the Principal Amount plus the Supplemental Redemption Amount with respect to this MITTS Security and any interest on any overdue amount thereof at the time, place, and rate, and in the coin or currency or other consideration, herein prescribed.

As provided in the Indenture and subject to certain limitations set forth therein and on the first page hereof, the transfer of this MITTS Security may be registered on the Security Register of the Company, upon surrender of this MITTS Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company duly executed by, the Holder hereof or by his attorney duly authorized in writing, and thereupon one or more new MITTS Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The MITTS Securities are issuable only in registered form without coupons in denominations of \$10 and integral multiples thereof. As provided in the Indenture and subject to certain limitations set forth therein and on the first page hereof, the MITTS Securities are exchangeable for a like aggregate principal amount of MITTS Securities in authorized denominations, as requested by the Holder surrendering the same. If (x) any Depository is at any time unwilling or unable to continue as Depository and a successor depository is not appointed by the Company within 60 days, (y) the Company executes and delivers to the Trustee a

Company Order to the effect that this MITTS Security shall be exchangeable or (z) an Event of Default has occurred and is continuing with respect to the MITTS Securities, this MITTS Security shall be exchangeable for MITTS Securities in definitive form of like tenor and of an equal aggregate principal amount, in denominations of \$10 and integral multiples thereof. Such definitive MITTS Securities shall be registered in such name or names as the Depository shall instruct the Trustee. If definitive MITTS Securities are so delivered, the Company may make such changes to the form of this MITTS Security as are necessary or appropriate to allow for the issuance of such definitive MITTS Securities.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

Prior to due presentment of this MITTS Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this MITTS Security is registered as the owner hereof for all purposes, whether or not this MITTS Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this MITTS Security which are defined in the Indenture but not in this MITTS Security shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication hereon has been executed by The Chase Manhattan Bank, the Trustee under the Indenture, or its successor thereunder, by the manual signature of one of its authorized officers, this MITTS Security shall not be entitled to any benefits under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: September 20, 1999

Merrill Lynch & Co., Inc.

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series [Copy of Seal] designated therein referred to in the within-mentioned Indenture.

The Chase Manhattan Bank, as Trustee

By:

Treasurer

By:

Authorized Officer

Attest:

Secretary

September 20, 1999

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

Gentlemen:

As your counsel, we have examined a copy of the Restated Certificate of Incorporation, as amended, of Merrill Lynch & Co., Inc. (hereinafter called the "Company"), certified by the Secretary of State of the State of Delaware. We are familiar with the corporate proceedings had in connection with the proposed issuance and sale by the Company to the Underwriter named in the Terms Agreement referred to below, pursuant to an Underwriting Agreement dated August 5, 1998 (the "Underwriting Agreement"), between the Company and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), as supplemented by the Terms Agreement dated September 14, 1999 (the "Terms Agreement") between the Company and MLPF&S (the "Underwriter"), of \$47,000,000 aggregate principal amount of the Company's Nikkei 225 Market Index Target-Term Securities(R) due September 20, 2002 (the "Securities"). We have also examined a copy of the Indenture between the Company and The Chase Manhattan Bank as Trustee, dated as of April 1, 1983, as amended (the "Indenture"), and the Company's Registration Statements on Form S-3 (File Nos. 333-59997 and 333-68747) relating to the Securities (the "Registration Statements").

Based upon the foregoing and upon such further investigation as we deemed relevant in the premises, we are of the opinion that:

1. The Company has been duly incorporated under the laws of the State of Delaware.
2. The Securities have been duly and validly authorized by the Company and when the Securities have been duly executed and authenticated in accordance with the terms of the Indenture and delivered against payment therefor as set forth in the Underwriting Agreement, as supplemented by the Terms Agreement, the Securities will constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms, except to the extent that enforcement thereof may be limited by bankruptcy, moratorium, insolvency, reorganization or similar laws relating to or affecting creditors' rights generally and except as enforcement thereof is subject to general principles at equity (regardless of whether enforcement is considered in a proceeding in equity or at law).

We consent to the filing of this opinion as an exhibit to the Registration Statements and as an exhibit to the Current Report of the Company on Form 8-K dated September 20, 1999.

Very truly yours,

/s/ Brown & Wood LLP

September 20, 1999

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

Gentlemen:

As your counsel, we have examined a copy of the Restated Certificate of Incorporation, as amended, of Merrill Lynch & Co., Inc. (hereinafter called the "Company"), certified by the Secretary of State of the State of Delaware. We are familiar with the corporate proceedings had in connection with the proposed issuance and sale by the Company to the Underwriter named in the Terms Agreement referred to below, pursuant to an Underwriting Agreement dated August 5, 1998 (the "Underwriting Agreement"), between the Company and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), as supplemented by the Terms Agreement dated September 14, 1999 (the "Terms Agreement") between the Company and MLPF&S (the "Underwriter"), of \$44,000,000 aggregate principal amount of the Company's Energy Select Sector SPDR(R) Fund Market Index Target-Term Securities(R) due September 20, 2006 (the "Securities"). We have also examined a copy of the Indenture between the Company and The Chase Manhattan Bank as Trustee, dated as of April 1, 1983, as amended (the "Indenture"), and the Company's Registration Statements on Form S-3 (File Nos. 333-59997 and 333-68747) relating to the Securities (the "Registration Statements").

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Very truly yours,

/s/ Brown & Wood LLP