

4,600,000 Units  
 Accelerated Return Notes  
 Linked to the Gold Spot Price  
 due September 29, 2009  
 \$10 principal amount per unit  
 Term Sheet No. 3054  
**Merrill Lynch & Co., Inc.**

Pricing Date July 8, 2008  
 Settlement Date July 14, 2008  
 Maturity Date September 29, 2009  
 CUSIP No. 59023V522



## Accelerated Return Notes<sup>SM</sup>

- 3-to-1 upside exposure, subject to a cap of 30.0%
- A maturity of approximately 14 months
- 1-to-1 downside exposure, with no downside limit
- No periodic interest payments
- No listing on any securities exchange

### STRUCTURED INVESTMENTS

PRINCIPAL PROTECTION  
 ENHANCED INCOME  
 MARKET PARTICIPATION  
 ENHANCED PARTICIPATION



The Notes will have the terms specified in this term sheet as supplemented by the documents indicated herein under "Additional Note Terms" (together the "Note Prospectus"). Investing in the Notes involves a number of risks. See "[Risk Factors](#)" on page TS-6 of this term sheet and beginning on page PS-4 of product supplement ARN-4.

In connection with this offering, each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and its broker-dealer affiliate First Republic Securities Company, LLC is acting in its capacity as a principal.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Note Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Unit	Total
Public offering price (1)	\$10.00	\$46,000,000
Underwriting discount (1)	\$.20	\$920,000
Proceeds, before expenses, to Merrill Lynch & Co., Inc.	\$9.80	\$45,080,000

(1) The public offering price and underwriting discount for any purchase of 500,000 units or more in a single transaction by an individual investor will be \$9.95 per unit and \$.15 per unit, respectively.

"Accelerated Return Notes<sup>SM</sup>" is a service mark of Merrill Lynch & Co., Inc. "ARNs<sup>®</sup>" is a registered service mark of Merrill Lynch & Co., Inc.

**Merrill Lynch & Co.**  
 July 8, 2008



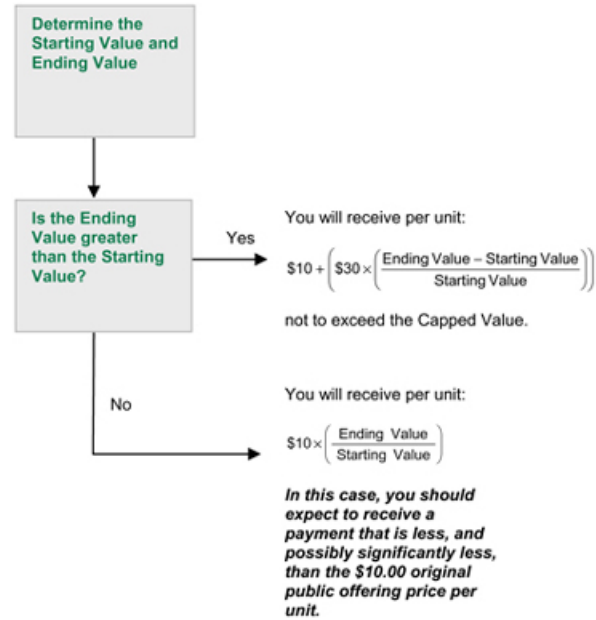
## Summary

The Accelerated Return Notes<sup>SM</sup> Linked to the Gold Spot Price due September 29, 2009 (the “Notes”) are senior, unsecured debt securities of Merrill Lynch & Co., Inc. that provide a leveraged return for investors, subject to a cap, if the level of the Gold Spot Price (as defined herein) increases moderately from the Starting Value of the Gold Spot Price, determined on July 8, 2008, the date the Notes were priced for initial sale to the public (the “Pricing Date”) to the Ending Value of the Gold Spot Price, determined on the Calculation Day shortly prior to the maturity date of the Notes. Investors must be willing to forego interest payments on the Notes and willing to accept a return that is capped or a repayment that is less, and potentially significantly less, than the original public offering price of the Notes.

## Terms of the Notes

<b>Issuer:</b>	Merrill Lynch & Co., Inc.
<b>Original Public Offering Price:</b>	\$10 per unit
<b>Term:</b>	Approximately 14 months
<b>Market Measure:</b>	The London Gold Market Fixing Ltd P.M. Fixing Price (the “Gold Spot Price”), which is a benchmark price used in markets where gold is sold for United States dollars and delivered immediately.
<b>Starting Value:</b>	921.00
<b>Ending Value:</b>	The level of the Gold Spot Price on the Calculation Day.
<b>Calculation Day:</b>	September 22, 2009; provided that if a Market Disruption Event (as defined herein) occurs on that day, the Calculation Day will be the next succeeding scheduled Market Measure Business Day (as defined in the product supplement ARN-4) on which a Market Disruption Event has not occurred; provided further, however, that if the Ending Value has not been determined by the second scheduled Market Measure Business Day prior to the maturity date then the Ending Value will be determined by the Calculation Agent in its sole and absolute discretion taking into account the latest available quotation for the Gold Spot Price, and other information that in good faith it deems relevant.
<b>Capped Value:</b>	Will represent a return of 30.0% over the \$10 original public offering price (or \$13.00 per unit of the Notes).
<b>Calculation Agent:</b>	Merrill Lynch, Pierce, Fenner & Smith Incorporated

## Determining Payment at Maturity for the Notes





## Other Terms of the Notes

### Market Disruption Event

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

- (A) the suspension of or material limitation on trading in gold, or futures contracts or options related to gold, on the Relevant Market;
- (B) the failure of trading to commence, or permanent discontinuance of trading, in gold, or futures contracts or options related to gold, on the Relevant Market; or
- (C) the failure of the LBMA to calculate or publish the official fixing price of gold for that day (or the information necessary for determining the official fixing prices).

For the purpose of determining whether a Market Disruption Event has occurred:

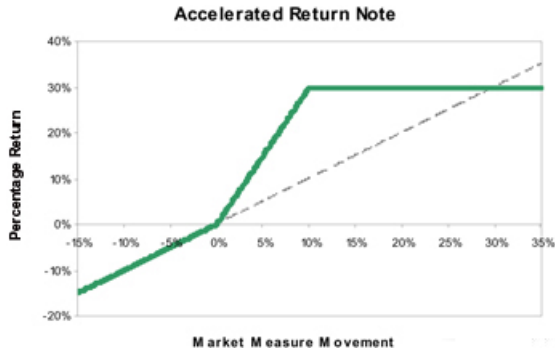
- (1) a limitation on the hours in a trading day and/or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular trading hours of the Relevant Market; and
- (2) a suspension of or material limitation on trading in the Relevant Market will not include any time when trading is not conducted or prices are not quoted by the LBMA in the Relevant Market under ordinary circumstances.

### Relevant Market

"Relevant Market" means the market in London on which members of the LBMA, or any successor thereto, quote prices for the buying and selling of gold, or if such market is no longer the principal trading market for gold or options or futures contracts for gold, such other exchange or principal trading market for gold as determined in good faith by the Calculation Agent which serves as the source of prices for gold, and any principal exchanges where options or futures contracts on gold are traded.



## Hypothetical Payout Profile



This graph reflects the hypothetical returns on the Notes, including the Capped Value of 30.0%. The green line reflects the hypothetical returns on the Notes, while the dotted gray line reflects the hypothetical returns of an investment in the Gold Spot Price.

This graph has been prepared for purposes of illustration only. Your actual return will depend on the actual Ending Value and the term of your investment.

## Hypothetical Payments at Maturity

### Examples

Set forth below are three examples of payment at maturity calculations (rounded to two decimal places), reflecting the Starting Value of 921.00 and the Capped Value of \$13.00.

**Example 1**—The hypothetical Ending Value is 80% of the Starting Value:

Starting Value: 921.00  
Hypothetical Ending Value: 736.80

$$\$10 \times \left( \frac{736.80}{921.00} \right) = \$8.00$$

Payment at maturity (per unit) = \$8.00

**Example 2**—The hypothetical Ending Value is 102% of the Starting Value:

Starting Value: 921.00  
Hypothetical Ending Value: 939.42

$$\$10 + \left( \$30 \times \left( \frac{939.42 - 921.00}{921.00} \right) \right) = \$10.60$$

Payment at maturity (per unit) = \$10.60

**Example 3**—The hypothetical Ending Value is 120% of the Starting Value:

Starting Value: 921.00  
Hypothetical Ending Value: 1,105.20

$$\$10 + \left( \$30 \times \left( \frac{1,105.20 - 921.00}{921.00} \right) \right) = \$16.00$$

Payment at maturity (per unit) = \$13.00 (Payment at maturity cannot be greater than the Capped Value)



# Accelerated Return Notes<sup>SM</sup>

Linked to the Gold Spot Price Due September 29, 2009

STRUCTURED INVESTMENTS

PRINCIPAL PROTECTION  
ENHANCED INCOME  
MARKET PARTICIPATION  
ENHANCED PARTICIPATION

The following table illustrates (rounded to two decimal places), for a range of hypothetical Ending Values of the Gold Spot Price:

- the percentage change from the Starting Value to the hypothetical Ending Value;
- the total amount payable on the maturity date per unit;
- the total rate of return to holders of the Notes;
- the pretax annualized rate of return to holders of the Notes; and
- the pretax annualized rate of return of a hypothetical investment in the Gold Spot Price, as more fully described below.

The table below reflects the Capped Value of \$13.00.

Hypothetical Ending Value	Percentage change from the Starting Value to the hypothetical Ending Value	Total amount payable on the maturity date per unit	Total rate of return on the Notes	Pretax annualized rate of return on the Notes (1)	Pretax annualized rate of return of the stocks included in the Gold Spot Price (1)(2)
460.50	-50.00%	\$5.00	-50.00%	-49.87%	-49.87%
552.60	-40.00%	\$6.00	-40.00%	-38.11%	-38.11%
644.70	-30.00%	\$7.00	-30.00%	-27.44%	-27.44%
736.80	-20.00%	\$8.00	-20.00%	-17.64%	-17.64%
828.90	-10.00%	\$9.00	-10.00%	-8.53%	-8.53%
847.32	-8.00%	\$9.20	-8.00%	-6.78%	-6.78%
865.74	-6.00%	\$9.40	-6.00%	-5.06%	-5.06%
884.16	-4.00%	\$9.60	-4.00%	-3.35%	-3.35%
902.58	-2.00%	\$9.80	-2.00%	-1.66%	-1.66%
921.00 (3)	0.00%	\$10.00	0.00%	0.00%	0.00%
939.42	2.00%	\$10.60	6.00%	4.88%	1.65%
957.84	4.00%	\$11.20	12.00%	9.60%	3.27%
976.26	6.00%	\$11.80	18.00%	14.18%	4.88%
994.68	8.00%	\$12.40	24.00%	18.62%	6.47%
1,013.10	10.00%	\$13.00 (4)	30.00%	22.94%	8.05%
1,105.20	20.00%	\$13.00	30.00%	22.94%	15.67%
1,197.30	30.00%	\$13.00	30.00%	22.94%	22.94%

(1) The annualized rates of return specified in this column are calculated on a semiannual bond equivalent basis and assume an investment term from July 14, 2008 to September 29, 2009, the term of the Notes.

(2) This rate of return assumes no transaction fees or expenses.

(3) This is the Starting Value.

(4) The total amount payable on the maturity date per unit of the Notes cannot exceed the Capped Value of \$13.00.

The above figures are for purposes of illustration only. The actual amount you receive and the resulting total and pretax annualized rates of return will depend on the actual Ending Value and the term of your investment.



## Risk Factors

An investment in the Notes involves significant risks. The following is a list of certain of the risks involved in investing in the Notes. You should carefully review the more detailed explanation of risks relating to the Notes in the "Risk Factors" sections included in the product supplement and MTN prospectus supplement identified below under "Additional Note Terms". We also urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the Notes.

- Your investment may result in a loss.
- Your yield may be lower than the yield on other debt securities of comparable maturity.
- Your return is limited and may not reflect the return on a direct investment in the Gold Spot Price.
- You must rely on your own evaluations regarding the merits of an investment linked to the Gold Spot Price.
- Ownership of the Notes will not entitle you to any rights with respect to any future contracts or gold.
- Trading in gold can be volatile based on a number of factors.
- Suspensions or disruptions of market trading in gold and related futures markets may adversely affect the value of the Notes.
- Notes linked to the Gold Spot Price will not be regulated by the CFTC.
- In seeking to provide investors with what we believe to be commercially reasonable terms for the Notes while providing MLPF&S with compensation for its services, we have considered the costs of developing, hedging and distributing the Notes. If a trading market develops for the Notes (and such a market may not develop), these costs are expected to affect the market price you may receive or be quoted for your Notes on a date prior to the stated maturity date.
- The publisher of the Gold Spot Price may adjust the Gold Spot Price in a way that affects its level, and it has no obligation to consider your interests.
- Many factors affect the trading value of the Notes; these factors interrelate in complex ways and the effect of any one factor may offset or magnify the effect of another factor.
- Purchases and sales of futures contracts or gold by us and our affiliates may affect your return.
- Potential conflicts of interest could arise.
- Tax consequences are uncertain.

## Additional Risk Factors

### There are risks associated with investing in gold or gold linked notes

The Gold Spot Price is derived from a principals' market which operates as an over-the-counter physical commodity market. Certain features of U.S. futures markets are not present in the context of trading on such principals' markets. For example, there are no daily price limits, which would otherwise restrict the extent of daily fluctuations in the prices of the commodities in such markets. In a declining market, therefore, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days.

Gold prices are subject to volatile price movements over short periods of time and are affected by numerous factors. These include economic factors, such as, among other things the structure of and confidence in the global monetary system, expectations of the future rate of inflation, the relative strength of, and confidence in, the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates and gold borrowing and lending rates, and global or regional economic, financial, political, regulatory, judicial or other events. Gold prices may also be affected by industry factors such as industrial and jewelry demand, lending, sales and purchases of gold by the official sector, including central banks and other governmental agencies and multilateral institutions which hold gold, levels of gold production and production costs, and short-term changes in supply and demand because of trading activities in the gold market. It is not possible to predict the aggregate effect of all or any combination of these factors.

### Changes in laws or regulations may affect the Redemption Amount

The price of gold could be adversely affected by the promulgation of new laws or regulations or by the reinterpretation of existing laws or regulations (including, without limitation, those relating to taxes and duties on commodities or commodity components) by one or more governments, governmental agencies or instrumentalities, courts or other official bodies. Any such event could adversely affect the Gold Spot Price and, correspondingly, could adversely affect the Redemption Amount and the value of the Notes.



## Investor Considerations

### You may wish to consider an investment in the Notes if:

- You anticipate that the Gold Spot Price will appreciate moderately from the Starting Value to the Ending Value.
- You accept that your investment may result in a loss, which could be significant, if the level of the Gold Spot Price decreases from the Starting Value to the Ending Value.
- You accept that the return on the Notes will not exceed the Capped Value.
- You are willing to forego interest payments on the Notes, such as fixed or floating rate interest paid on traditional interest bearing debt securities.
- You want exposure to the Gold Spot Price with no expectation of benefits of owning any futures contract or gold.
- You are willing to accept that a trading market is not expected to develop for the Notes.

### The Notes may not be appropriate investments for you if:

- You anticipate that the Gold Spot Price will depreciate from the Starting Value to the Ending Value or that the Gold Spot Price will not appreciate sufficiently over the term of the Notes to provide you with your desired return.
- You are seeking principal protection or preservation of capital.
- You seek a return on your investment that will not be capped at 30.0%.
- You seek interest payments or other current income on your investment.
- You want assurances that there will be a liquid market if and when you want to sell the Notes prior to maturity.
- You want an investment that provides you with rights with respect to futures contracts or gold.

## Other Provisions

We may deliver the Notes against payment therefor in New York, New York on a date that is greater than three business days following the Pricing Date. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, if the initial settlement on the Notes occurs more than three business days from the Pricing Date, purchasers who wish to trade Notes more than three business days prior to the original issue date will be required to specify alternative settlement arrangements to prevent a failed settlement.

If you place an order to purchase these offered securities, you are consenting to each of MLPF&S and its broker-dealer affiliate First Republic Securities Company LLC, acting as a principal in effecting the transaction for your account. MLPF&S is acting as an underwriter and/or selling agent for this offering and will receive underwriting compensation from the issuer of the securities.

## Supplement to the Plan of Distribution

MLPF&S and First Republic Securities Company, LLC, each a broker-dealer subsidiary of ML&Co., are members of the Financial Industry Regulatory Authority, Inc. (formerly the National Association of Securities Dealers, Inc. (the "NASD")) and will participate in the distribution of the Notes. Accordingly, offerings of the Notes will conform to the requirements of NASD Rule 2720.

MLPF&S and First Republic Securities Company, LLC may use this Note Prospectus for offers and sales in secondary market transactions and market-making transactions in the Notes but are not obligated to engage in such secondary market transactions and/or market-making transactions. MLPF&S and First Republic Securities Company, LLC may act as principal or agent in these transactions, and any such sales will be made at prices related to prevailing market prices at the time of the sale.



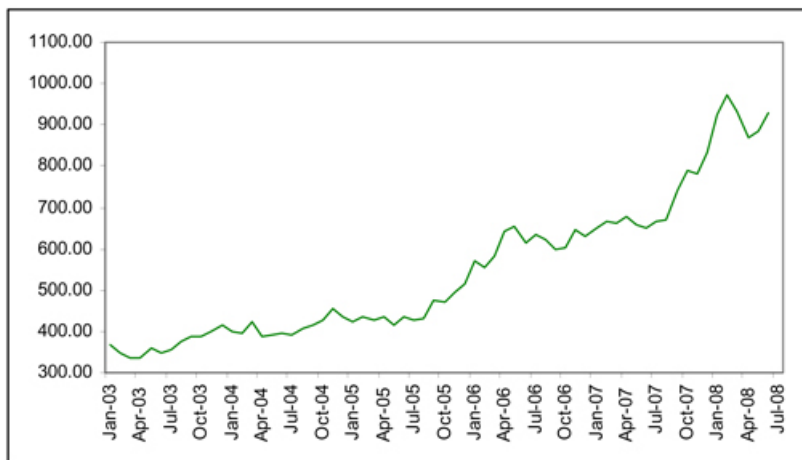
## The Gold Spot Price

The London Gold Market Fixing Ltd P.M. Fixing Price (the "Gold Spot Price") is a benchmark price used in the markets where gold is sold for cash and delivered immediately. The Gold Spot Price is published by Bloomberg L.P. ("Bloomberg") under the symbol GOLDLNPM. The Gold Spot Price is an internationally published benchmark of the spot price of gold in United States dollars as determined at 3:00 P.M. London time by the London Bullion Market Association (the "LBMA"). The Gold Spot Price is determined by five market-making members of the LBMA. These members meet by telephone each London business day at 3:00 P.M. to determine the Gold Spot Price. The five members are the Bank of Nova Scotia–ScotiaMocatta, Barclays Bank PLC, Deutsche Bank AG, HSBC Bank USA, N.A. and Société Générale.

The London bullion market is an "over-the-counter" (OTC) market, as opposed to an exchange-traded environment. Members of the London bullion market typically trade with each other and with their clients on a principal-to-principal basis. All risks, including those of credit, are between the two parties to a transaction.

An investment in the Notes does not entitle you to any ownership interest, either directly or indirectly, in gold or in any gold transaction traded on the London bullion market. The Notes are not sponsored, endorsed, sold or promoted by the LBMA. The LBMA takes no responsibility for the accuracy and/or the completeness of information provided in this pricing supplement or the accompanying MTN prospectus supplement, general prospectus supplement or prospectus. In addition, the LBMA is not responsible for and has not participated in the determination of the timing of the sale of the Notes, prices at which the Notes are to initially be sold, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes are to be converted to cash. The LBMA has no obligation in connection with the administration, marketing or trading of the Notes.

The following graph sets forth the historical monthly performance of the Gold Spot Price in the period from January 2003 through June 2008. This historical data on the Gold Spot Price is not necessarily indicative of the future performance of the Gold Spot Price or what the value of the Notes may be. Any historical upward or downward trend in the level of the Gold Spot Price during any period set forth below is not an indication that the Gold Spot Price is more or less likely to increase or decrease at any time over the term of the Notes. On the Pricing Date, the closing level of the Gold Spot Price was 921.00.







## Certain U.S. Federal Income Taxation Considerations

Set forth below is a summary of certain U.S. federal income tax considerations relating to an investment in the Notes. The following summary is not complete and is qualified in its entirety by the discussion under the section entitled "United States Federal Income Taxation" in the accompanying product supplement ARN-4 and MTN prospectus supplement, which you should carefully review prior to investing in the Notes.

**General.** There are no statutory provisions, regulations, published rulings or judicial decisions addressing or involving the characterization and treatment, for United States federal income tax purposes, of the Notes or securities with terms substantially the same as the Notes. Accordingly, the proper United States federal income tax characterization and treatment of the Notes is uncertain. Pursuant to the terms of the Notes, ML&Co. and every holder of a Note agree (in the absence of an administrative determination, judicial ruling or other authoritative guidance to the contrary) to characterize and treat a Note for all tax purposes as a pre-paid cash-settled forward contract linked to the level of the Gold Spot Price. Due to the absence of authorities that directly address instruments that are similar to the Notes, significant aspects of the United States federal income tax consequences of an investment in the Notes are not certain, and no assurance can be given that the Internal Revenue Service (the "IRS") or the courts will agree with the characterization and tax treatment described above. Accordingly, prospective purchasers are urged to consult their own tax advisors regarding the United States federal income tax consequences of an investment in the Notes (including alternative characterizations and tax treatments of the Notes) and with respect to any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

**Payment on the Maturity Date.** Assuming that the Notes are properly characterized and treated as pre-paid cash-settled forward contracts linked to the level of the Gold Spot Price, upon the receipt of cash on the maturity date of the Notes, a U.S. Holder (as defined in the accompanying product supplement ARN-4) will recognize gain or loss. The amount of such gain or loss will be the extent to which the amount of the cash received differs from the U.S. Holder's tax basis in the Note. A U.S. Holder's tax basis in a Note generally will equal the amount paid by the U.S. Holder to purchase the Note. It is uncertain whether any such gain or loss would be treated as ordinary income or loss or capital gain or loss. Absent a future clarification in current law (by an administrative determination, judicial ruling or otherwise), where required, ML&Co. intends to report any such gain or loss to the IRS in a manner consistent with the treatment of such gain or loss as capital gain or loss. If such gain or loss is treated as capital gain or loss, then any such gain or loss will be short-term or long-term capital gain or loss, depending upon the U.S. Holder's holding period for the Note as of the maturity date.

**Sale or Exchange of the Notes.** Assuming that the Notes are properly characterized and treated as pre-paid cash-settled forward contracts linked to the level of the Gold Spot Price, upon a sale or exchange of a Note prior to the maturity date of the Notes, a U.S. Holder will generally recognize capital gain or loss in an amount equal to the difference between the amount realized on such sale or exchange and such U.S. Holder's tax basis in the Note so sold or exchanged. Any such capital gain or loss will be short-term or long-term capital gain or loss, depending upon the U.S. Holder's holding period for the Note as of the date of such sale or exchange.

**Possible Future Tax Law Changes.** On December 7, 2007, the IRS released a notice that could possibly affect the taxation of holders of the Notes. According to the notice, the IRS and the U.S. Department of the Treasury (the "Treasury Department") are actively considering, among other things, whether the holder of an instrument having terms similar to the Notes should be required to accrue either ordinary income or capital gain on a current basis, and they are seeking comments on the subject. It is not possible to determine what guidance they will ultimately issue, if any. It is possible, however, that under such guidance, holders of instruments having terms similar to the Notes will ultimately be required to accrue income currently and this could be applied on a retroactive basis. The IRS and the Treasury Department are also considering other relevant issues, including whether additional gain or loss from such instruments should be treated as ordinary or capital, whether foreign holders of such instruments should be subject to withholding tax on any deemed income accruals, whether the tax treatment of such instruments should vary depending upon whether or not such instruments are traded on a securities exchange, whether such instruments should be treated as indebtedness, and whether the tax treatment of such instruments should vary depending upon the nature of the underlying asset. Holders are urged to consult their tax advisors concerning the significance, and the potential impact, if any, of the above considerations to their investment in the Notes. ML&Co. intends to continue to treat the Notes for U.S. federal income tax purposes in accordance with the treatment described herein unless and until such time as the Treasury Department and IRS determine that some other treatment is more appropriate.

**Prospective purchasers of the Notes should consult their own tax advisors concerning the tax consequences, in light of their particular circumstances, under the laws of the United States and any other taxing jurisdiction, of the purchase, ownership and disposition of the Notes. See the discussion under the section entitled "United States Federal Income Taxation" in the accompanying product supplement ARN-4.**



## Experts

The consolidated financial statements incorporated by reference in this term sheet from Merrill Lynch & Co., Inc.'s Annual Report on Form 10-K for the year ended December 28, 2007 and the effectiveness of Merrill Lynch & Co., Inc. and subsidiaries' internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, incorporated herein by reference (which reports (1) expressed an unqualified opinion on the consolidated financial statements and included an explanatory paragraph regarding the changes in accounting methods in 2007 relating to the adoption of Statement of Financial Accounting Standards No. 157, "*Fair Value Measurement*," Statement of Financial Accounting Standards No. 159, "*The Fair Value Option for Financial Assets and Financial Liabilities—Including an amendment of FASB Statement No. 115*," and FASB Interpretation No. 48, "*Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109*," and in 2006 for share-based payments to conform to Statement of Financial Accounting Standards No. 123 (revised 2004), "*Share-Based Payment*," and included an explanatory paragraph relating to the restatement discussed in Note 20 to the consolidated financial statements and (2) expressed an unqualified opinion on the effectiveness of internal control over financial reporting). Such consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited condensed consolidated interim financial information as of March 28, 2008 and for the three-month periods ended March 28, 2008 and March 30, 2007, which is incorporated herein by reference, Deloitte & Touche LLP, an independent registered public accounting firm, have applied limited procedures in accordance with the standards of the Public Company Accounting Oversight Board (United States) for a review of such information. However, as stated in their report included in Merrill Lynch & Co., Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 28, 2008 and incorporated by reference herein (which report included an explanatory paragraph relating to the restatement discussed in Note 16 to the condensed consolidated interim financial statements), they did not audit and they do not express an opinion on that 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 of 1933 for their reports on the unaudited interim financial information because those reports are not "reports" or a "part" of the Registration Statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.



## Additional Note Terms

You should read this term sheet, together with the documents listed below (collectively, the "Note Prospectus"), which together contain the terms of the Notes and supersede all prior or contemporaneous oral statements as well as any other written materials. You should carefully consider, among other things, the matters set forth under "Risk Factors" in the sections indicated on the cover of this term sheet. The Notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the Notes.

You may access the following documents on the SEC Website at [www.sec.gov](http://www.sec.gov) as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC Website):

- Product supplement ARN-4 dated November 27, 2007:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312507253700/d424b2.htm>
- MTN prospectus supplement dated March 31, 2006:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312506070946/d424b5.htm>
- General prospectus supplement dated March 31, 2006:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312506070973/d424b5.htm>
- Prospectus dated March 31, 2006:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312506070817/ds3asr.htm>

Our Central Index Key, or CIK, on the SEC Website is 65100. References in this term sheet to "ML&Co.", "we", "us" and "our" are to Merrill Lynch & Co., Inc., and references to "MLPF&S" are to Merrill Lynch, Pierce, Fenner & Smith Incorporated.

**ML&Co. has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (the "SEC") for the offering to which this term sheet relates. Before you invest, you should read the prospectus in that registration statement, and the other documents relating to this offering that ML&Co. has filed with the SEC for more complete information about ML&Co. and this offering. You may get these documents without cost by visiting EDGAR on the SEC Website at [www.sec.gov](http://www.sec.gov). Alternatively, ML&Co., any agent or any dealer participating in this offering, will arrange to send you the Note Prospectus if you so request by calling toll-free 1-866-500-5408.**

## Structured Investments Classification

ML&Co. classifies certain of its structured investments (the "Structured Investments"), including the Notes, into four categories, each with different investment characteristics. The description below is intended to briefly describe the four categories of Structured Investments offered: Principal Protection, Enhanced Income, Market Participation, and Enhanced Participation. A Structured Investment may, however, combine characteristics that are relevant to one or more of the other categories. As such, a category should not be relied upon as a description of any particular Structured Investment.

**Principal Protection:** Principal Protected Structured Investments offer full or partial principal protection at maturity, while offering market exposure and the opportunity for a better return than may be available from comparable fixed income securities. Principal protection may not be achieved if the investment is sold prior to maturity.

**Enhanced Income:** Structured Investments offering enhanced income may offer an enhanced income stream through interim fixed or variable coupon payments. However, in exchange for receiving current income, investors may forfeit upside potential on the underlying asset. These investments generally do not include the principal protection feature.

**Market Participation:** Market Participation Structured Investments can offer investors exposure to specific market sectors, asset classes and/or strategies that may not be readily available through traditional investment alternatives. Returns obtained from these investments are tied to the performance of the underlying asset. As such, subject to certain fees, the returns will generally reflect any increases or decreases in the value of such assets. These investments are not structured to include the principal protection feature.

**Enhanced Participation:** Enhanced Participation Structured Investments may offer investors the potential to receive better than market returns on the performance of the underlying asset. Some structures may offer leverage in exchange for a capped or limited upside potential and also in exchange for downside risk. These investments are not structured to include the principal protection feature.

The classification of Structured Investments is meant solely for informational purposes and is not intended to fully describe any particular Structured Investment nor guarantee any particular performance.