

Final Terms dated September 11, 2007



**MERRILL LYNCH & CO., INC.**  
**(Incorporated under the laws of the State of Delaware, U.S.A.)**

**Issue of MXN 1,000,000,000 8.49 per cent. Bearer Fixed Rate Notes due September 13, 2027 (the “Notes”)**  
**under its**

**U.S.\$80,000,000 Euro-Medium Term Note Program**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “Conditions”) set forth in the Base Prospectus dated April 2, 2007 and the supplementary prospectuses dated April 24, 2007, 11 May, 2007, 1 June, 2007, 20 July, 2007 and 9 August, 2007 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Company and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus, the supplementary prospectuses and these Final Terms are available for viewing during normal office hours at the office of the Paying Agent in London and copies may be obtained from the principal office of the Company.

1.	Issuer:	Merrill Lynch & Co., Inc. (the “Company”)
2.	(i) Series Number:	5683
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies (in the case of Dual Currency Notes):	Mexican Pesos, the lawful currency (including any successor currency) of the United Mexican States (“MXN”)  (further particulars specified below in item 34)
4.	Aggregate Principal Amount:	MXN 1,000,000,000
	(i) Series:	MXN 1,000,000,000
	(ii) Tranche:	MXN 1,000,000,000
5.	Issue Price:	100.00 per cent. of the Aggregate Principal Amount of the Notes
6.	Specified Denominations:	MXN 1,000,000
7.	(i) Issue Date:	September 11, 2007
	(ii) Interest Commencement Date:	Issue Date
8.	Maturity Date:	September 13, 2027

9. Interest Basis: 8.49 per cent. Fixed Rate  
(further particulars specified below in item 15)
10. Redemption/Payment Basis: Redemption at Par
11. Change of Interest or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. (i) Status of the Notes: The Notes will constitute direct, unsecured, unsubordinated and general obligations of the Company and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of the Company.
- (ii) Date of corporate authorization for issuance of Notes: Not Applicable
14. Method of distribution: Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions: Applicable
- (i) Fixed Rate(s) of Interest: 8.49 per cent. per annum, payable semi-annually in arrear.
- (ii) Fixed Interest Date(s) and Fixed Coupon Amounts: Interest on the Notes shall be payable semi-annually, in arrear, in March and September in each year from and including 11 March, 2008 up to and including 13 September, 2027, as delineated below.

<b>Fixed Interest Dates</b>	<b>Fixed Coupon Amount (per MXN 1,000,000 in principal amount)</b>
11 March 2008	42,450.00
11 September 2008	42,450.00
11 March 2009	42,450.00
11 September 2009	42,450.00
11 March 2010	42,450.00
13 September 2010	42,921.67
11 March 2011	41,978.33
12 September 2011	42,685.83
12 March 2012	42,450.00
11 September 2012	42,214.17
11 March 2013	42,450.00
11 September 2013	42,450.00
11 March 2014	42,450.00
11 September 2014	42,450.00
11 March 2015	42,450.00
11 September 2015	42,450.00
11 March 2016	42,450.00
12 September 2016	42,685.83
13 March 2017	42,685.83

11 September 2017	41,978.33
12 March 2018	42,685.83
11 September 2018	42,214.17
11 March 2019	42,450.00
11 September 2019	42,450.00
11 March 2020	42,450.00
11 September 2020	42,450.00
11 March 2021	42,450.00
13 September 2021	42,921.67
11 March 2022	41,978.33
12 September 2022	42,685.83
13 March 2023	42,685.83
11 September 2023	41,978.33
11 March 2024	42,450.00
11 September 2024	42,450.00
11 March 2025	42,450.00
11 September 2025	42,450.00
11 March 2026	42,450.00
11 September 2026	42,450.00
11 March 2027	42,450.00
13 September 2027	42,921.67

(iii)	Initial/Final Broken Amount(s):	Not Applicable
(iv)	Fixed Day Count Fraction:	30/360
(v)	Determination Date(s):	Not Applicable
(vi)	Other items relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
(vii)	Additional Business Centre(s)/Interest Payment Dates:	New York, Mexico City and London
16.	Floating Rate Note Provisions:	Not Applicable
17.	Zero Coupon Note Provisions:	Not Applicable
18.	Indexed Note Provisions:	Not Applicable
19.	Dual Currency Note Provisions:	Not Applicable
20.	Credit-linked Note Provisions:	Not Applicable
21.	Equity-linked Note Provisions:	Not Applicable

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#### **PROVISIONS RELATING TO REDEMPTION**

22.	Company's Optional Redemption:	Not Applicable
23.	Redemption at the option of the Noteholders:	Not Applicable
24.	Final Redemption Amount:	MXN 1,000,000 per Note of MXN 1,000,000 Specified Denomination in principal amount

25. Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or upon the other circumstances described in Condition 8 or upon acceleration of the Notes pursuant to Condition 12 and/or the method of calculating the same (if required or if different from that set out in Condition 4(f)):

If the Notes are redeemed at the option of the Company for, as a result of or following:

- (a) taxation reasons (pursuant to Condition 4(b) or Condition 8); or
- (b) the occurrence of a Regulatory Redemption Event (as set out in item 34); or
- (c) the occurrence of an illegality event (as set out in item 34); or
- (d) an acceleration of the Notes (pursuant to Condition 12)

the Early Redemption Amount payable in respect of each Note of a Specified Denomination will, in each case, equal the Calculation Agent's determination of the market value of each Note taking into account factors including but not limited to: interest rates, index levels, implied volatilities in the option markets and exchange rates, less the Associated Costs (as defined below).

"Associated Costs" means an amount per Note of a Specified Denomination equal to the pro rata share (on the basis of the principal amount of the Note and the aggregate principal amount of all Notes which have not been redeemed or cancelled as at the Early Redemption Date) of the total amount of any and all costs associated or incurred by the Company or any company affiliated with it in connection with such early redemption, including, without limitation, any costs associated with unwinding the funding relating to the Notes and any costs associated with unwinding any hedge positions relating to the Notes, all as determined by the Calculation Agent in its sole discretion.

26. Cash Settlement Amount:

Not Applicable

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

27. Form of Notes:

(i) Bearer Notes:

The Notes will be Bearer Notes and will initially be represented by a temporary global Note in bearer form, without interest coupons attached, which will be deposited with a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg") on or about the Issue Date.

Interests in the temporary global Note will be exchangeable for interests in a permanent global Note, without interest coupons attached, on a date (the “Exchange Date”) not earlier than 40 days after the closing date upon appropriate certification as to non-U.S. beneficial ownership. The permanent global Note will be exchangeable in whole, but not in part, for definitive Notes in bearer form in denominations of MXN 1,000,000 each with interest coupons attached upon 60 days’ written notice expiring at least 30 days after the Exchange Date. Interests in the permanent global Note will not be exchangeable for Notes in registered form.

- (ii) Registered Notes: Not Applicable
- (iii) Registered Short-term Notes: Not Applicable
- 28. New Global Note: No
- 29. Additional Financial Centre(s) or other special provisions relating to Payment Business Day: Condition 5(c)(ii) applies - Mexico City, New York and London
- 30. Talons for future Coupons or Receipts to be attached to definitive Notes in bearer form (and dates on which such Talons mature): Yes. As set out in the Conditions.
- 31. Details relating to Partly Paid Notes amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Company to forfeit the Notes and interest due on late payment: Not Applicable
- 32. Details relating to Installment Notes:
  - (i) Installment Amount(s): Not Applicable
  - (ii) Installment Date(s): Not Applicable
- 33. Redenomination, renominatisation and reconventioning provisions: Not Applicable
- 34. Other terms or specified conditions: (a) “**Calculation Agent**” means Merrill Lynch Capital Services, Inc., or such successor Calculation Agent as may from time to time be appointed by the Company.

The Calculation Agent shall act as an independent expert and not as an agent for the Company or the holders of the Notes.

All determinations and calculations shall be made by the Calculation Agent at its sole discretion, in good faith, acting reasonably and on an arms-length basis. All such calculations so made shall be final and binding (save in the case of manifest error) on the Company and the

Noteholders. The Calculation Agent shall promptly notify the Agent and the Company upon any such determination or calculation, which shall be final and conclusive, and the Calculation Agent shall have no liability in relation to the determinations or calculations provided herein, except in the case of wilful default or bad faith.

**(b) Illegality**

In the event that the Calculation Agent determines that the performance of the Company's obligations under the Notes or that any arrangements made to hedge the Company's position under the Notes has or will become unlawful, illegal, or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Company may, having given not more than 30 nor less than 5 days' notice to Noteholders in accordance with Condition 15 (*Notices*), (which notice shall be irrevocable), redeem all, but not some only, of the Notes, each MXN 1,000,000 in nominal amount of the Notes being redeemed at the Early Redemption Amount.

**(c) Redemption for Regulatory Reasons**

The Company may, at any time, on not less than ten (10) clear Business Days irrevocable notice to the Noteholders in accordance with Condition 15 (*Notices*), redeem all but not some only, of the Notes in the event that a change in applicable law or regulation occurs that results, or will result, solely by reason of the Notes being outstanding, in the Company being required to be regulated by any additional jurisdiction or regulatory authority, or being subject to any additional legal requirement or regulation considered by the Company to be materially onerous to it (each such change, a "**Regulatory Redemption Event**"). In the event of the Company delivering any such notice, the Company will redeem the Notes at the Early Redemption Amount on the date specified in such notice, ~~being a date falling not more than ten (10) clear Business Days after the date that such notice is given.~~

(d) If, at the time any payment of principal, premium, interest and/or additional or other amounts, if any, in respect of the Notes is due (each a "**Required Payment**"), the Specified Currency is no longer (i) used by the government of the Republic of Mexico for the

payment of public and private debts or (ii) used for settlement of transactions by public institutions in the Republic of Mexico or within the international banking community, or (iii) expected to be available, when any Required Payment is due as a result of circumstances beyond the control of the Company, the Company shall be entitled to satisfy its obligations in respect of such Required Payment by making such Required Payment in U.S. Dollars (the "**Alternative Payment Amount**"), on the basis of the USD/MXN bid-spot foreign exchange rate (expressed as the number of U.S. Dollars (or part thereof) as at 12.30 p.m. (New York time) on the second Business Day prior to the relevant date of payment, for which one Mexican Peso could be purchased as quoted on Reuters screen <MXN=D2> (or its successor page for the purpose of displaying such rates) or, if such rate is not available on such second Business Day, on the basis of the rate most recently available prior to such second Business Day. Any payment made under such circumstances in U.S. Dollars, will constitute valid payment, and will not constitute a default in respect of this Note. The Company's communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Company hereunder shall be at its sole discretion and shall (in the absence of manifest error, willful default or bad faith) be conclusive for all purposes and binding on the Company, the Paying Agents, and the holders of the Notes or Coupons. By acceptance thereof, purchasers of the Notes will be deemed to have acknowledged and agreed and to have waived any and all actual or potential conflicts of interest that may arise as a result of the calculation of the Alternative Payment Amount by the Company.

**"Business Day"** shall mean a day which is a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments (including dealing in foreign exchange deposits) in London, New York and Mexico City.

35. Further Issues provision:

Condition 16 applies. If the Company issues further Notes of the same Series during the initial 40-day restricted period applicable to the outstanding Notes of such Series, then such 40-day period will be extended until 40 days after the later of the commencement of the offering and the Issue Date of such further issue of Notes. In addition, if the Company issues further Notes of the same Series after the

expiration of the 40-day restricted period, a new 40-day restricted period will be applied to such further issue of Notes without applying to the outstanding Notes. After the expiration of the new 40-day restricted period, all such Notes will be consolidated with and form a single Series with the outstanding Notes.

36. Details relating to Notes that are payable and/or for which the obligations of the Company may be discharged by the delivery of securities and/or other property or any combination of cash, securities and/or other property: Not Applicable

**DISTRIBUTION**

37. (i) If syndicated, names and addresses of Managers and respective underwriting commitments: Not Applicable
- (ii) Date of Purchase Agreement: Not Applicable
- (iii) Stabilizing Manager (if any): Not Applicable
38. Name and address of Relevant Dealer: Merrill Lynch International  
Merrill Lynch Financial Centre  
2 King Edward Street  
London, EC1A 1HQ
39. Name and address of distributors/placers: Not Applicable
40. Total commission and concession: Not Applicable
41. Additional selling restrictions:

**Mexico**  
**THE NOTES HAVE NOT BEEN REGISTERED IN THE MEXICAN NATIONAL SECURITIES REGISTRY (REGISTRO NACIONAL DE VALORES), AND THEREFORE THEY ARE NOT THE SUBJECT OF A PUBLIC OFFER IN MEXICO. INTERMEDIATION OF THE NOTES IN MEXICO IS SUBJECT TO THE RESTRICTIONS OF THE MEXICAN SECURITIES MARKET LAW. ANY INVESTOR OF MEXICAN NATIONALITY THAT PURCHASES THESE NOTES, WILL DO SO UNDER ITS OWN RESPONSIBILITY.**

**THE INFORMATION CONTAINED IN THIS FINAL TERMS IS THE EXCLUSIVE RESPONSIBILITY OF THE ISSUER (OTHER THAN THE INFORMATION RELATING TO THE ISSUER'S RATINGS AS PUBLISHED**

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BEEN REVIEWED BY THE  
NATIONAL BANKING AND  
SECURITIES COMMISSION OF  
MEXICO (*COMISIÓN NACIONAL  
BANCARIA Y DE VALORES*).

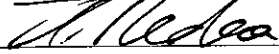
## LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Company's U.S.\$80,000,000,000 Euro-Medium Term Note Program.

### RESPONSIBILITY

The Company accepts responsibility for the information contained in these Final Terms. The Company confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from the information published by Ratings and Investment Information, Inc ("RII"), Fitch Ratings ("Fitch"), Moody's Investors Service ("Moody's"), Standard & Poor's Rating Services, a division of McGraw-Hill Companies Inc. ("S&P"), no facts have been omitted which would render the reproduced inaccurate or misleading.

Signed on behalf of the Company:

By: 

Name:

Title:

 **Thomas Mendon**  
**Authorized Signatory**

## PART B – OTHER INFORMATION

### 1. LISTINGS:

- (i) Listing: The Notes will be listed on the Official List of the UK Listing Authority and admitted to trading by the London Stock Exchange's Gilt Edged and Fixed Interest Market.
- Application has also been made to list the Notes in the Bolsa Mexicana de Valores, under the Sistema Internacional de Cotizaciones (SIC).
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on the London Stock Exchange's Gilt Edged and Fixed Interest Market with effect on or around the Issue Date
- (iii) Estimate of total expenses related to admission to trading: For listing at London Stock Exchange's Gilt Edged and Fixed Interest Market - Pound Sterling 1,560
- For listing at SIC - Pound Sterling 17,377

### 2. RATINGS

- Ratings: The Notes to be issued will be rated as follows:
- Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc.: AA- / A-1+
- An obligation rated "AA" has a very strong capacity to meet its financial commitments. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.
- A short-term obligation rated "A-1" is rated in the highest category by S&P. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.
- Moody's Investors Service, Inc.: Aa3
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- Obligations rated "Aa" are judged to be of high quality and are subject to very low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.
- Fitch Ratings: AA-

"AA" ratings denote a very low expectation of credit risk. They indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. "+" or "-" denotes relative status within major rating categories.

Ratings and Investment Information, Inc.: AA

An obligation rated "AA" is judged to be of very high credit quality and accompanied by excellent factors. A plus (+) or minus (-) sign may be added to ratings symbols within a range from AA to CCC to indicate their relative standing within each category.

The information regarding ratings above has been extracted from the websites of Fitch Ratings, Moody's Investors Service, Standard & Poor's, and Rating and Investment Information, Inc., as applicable. The Company confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by Fitch Ratings, Moody's Investors Service, Standard & Poor's, and Rating and Investment Information, Inc., no facts have been omitted which would render the reproduced inaccurate or misleading.

3. **NOTIFICATION**

Not Applicable

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

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

(i) Reasons for the offer:

The Company intends to use the net proceeds from the sale of the Notes for its general corporate purposes. Such general corporate purposes may include the funding of investments in, or extensions of credit to, its subsidiaries, the funding of assets of the Company and its subsidiaries, the lengthening of the average maturity of the Company's borrowings, and the financing of acquisitions. Pending such applications, the net proceeds will be applied to the reduction of short-term indebtedness or temporarily invested. 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, through acquisitions or otherwise, or to lengthen the average maturity of its borrowings. To the extent that Notes being purchased for resale by Merrill Lynch International or Merrill Lynch Capital Markets AG are not resold, the aggregate proceeds available to the Company and its subsidiaries on a consolidated basis would be

reduced.

(ii) Estimated net proceeds: MXN 1,000,000,000  
(iii) Estimated total expenses: Pounds Sterling 18,937.00

6. **YIELD**

Indication of Yield: 8.49 per cent. per annum for each Fixed Interest Period to maturity.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. **INFORMATION IN RESPECT OF PUBLIC OFFERS OF NOTES**

Not Applicable

8. **OPERATIONAL INFORMATION**

ISIN Code: XS0320690885

Common Code: 032069088

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *societe anonyme*, and the relevant identification number(s): S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V., Mexico

Delivery: Delivery against payment

Intended to be held in a manner which would allow Eurosystem eligibility: No

Names and addresses of additional Paying Agent(s) if any: Not Applicable

Governing Law: New York

Additional investment considerations: Not Applicable

## ANNEX 2

### *Important Information to Potential Investors*

#### INVESTMENT CONSIDERATIONS

**THESE INVESTMENT CONSIDERATIONS SHOULD BE READ TOGETHER WITH, AND FORMS PART OF, THE FINAL TERMS FOR THE MERRILL LYNCH & CO., INC. MXN 1,00,000,000 8.49 PER CENT. BEARER FIXED RATE NOTES DUE SEPTEMBER 13, 2027 (THE "NOTES").**

**AN INVESTMENT IN THE NOTES INVOLVES CERTAIN RISKS. PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSIDER CAREFULLY ALL THE INFORMATION SET OUT IN THE BASE PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS DESCRIBED BELOW, BEFORE MAKING ANY DECISION TO INVEST IN THE NOTES.**

**BY BUYING THE NOTES, AN INVESTOR WILL BE DEEMED TO REPRESENT THAT IT UNDERSTANDS THE RISKS ASSOCIATED WITH PURCHASING THE NOTES AND AGREES TO ACCEPT AND ASSUME (FINANCIALLY AND OTHERWISE) SUCH RISKS.**

*The following section does not describe all of the risks and other ramifications of an investment in the Notes. The Company disclaims any responsibility to advise prospective investors of such risks as they exist at the date of these Final Terms or as they change from time to time. Prospective investors should consult their own financial and legal advisors about risks associated with an investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances. In particular, the Notes may not be an appropriate investment for investors who are unsophisticated with respect to such transactions.*

*The description of investment considerations that follow is not, and does not purport to be, exhaustive. Capitalised terms used in this Annex 2 (Investment Considerations) are defined elsewhere in these Final Terms.*

#### **1. Understanding and appropriateness of the investment**

**1.1** Each investor (a) should be an investor with substantial knowledge of and/or experience in structured products and other derivatives having such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks (including tax, legal, regulatory, accounting) of an investment in the Notes because the Notes are not an appropriate investment for investors who are unsophisticated with respect to such transactions; (b) should be financially able to bear such risks; (c) in making such investment shall not rely on any advice or recommendations of or any information, representation or warranty provided by the Dealer, the Calculation Agent and/or any of their respective affiliates ("**Merrill Lynch**"), the Company or any of their respective representatives; (d) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time; and (e) should seek advice from such advisors as such investor considers necessary and appropriate, to enable such investor to make its own independent decision with regard to the suitability and appropriateness of the Notes as an investment for its own account. Each investor should be capable of assessing and independently deciding, and should have assessed and independently decided, to assume the risks of an investment in the Notes.

**1.2** Each investor in the Notes should consider the tax consequences of investing in the Notes. None of the Company, the Dealer or any of their respective representatives makes any representation and have given you, and will give you, any advice concerning the appropriate accounting treatment or possible tax consequences of purchasing the Notes. Each investor should consult its own financial, tax, accounting and legal advisors about risks associated with an investment in the Notes and the suitability of investing in such Notes in light of the investor's particular circumstances.

- 1.3** Any information communicated (in any manner) to investors by the Company or Merrill Lynch should not be relied upon as investment advice or as a recommendation to invest in the Notes, which shall include, amongst other things, any such information, explanations or discussions concerning the terms and conditions of the Notes, or related features.
- 1.4** Investment in the Notes should comply, and be fully consistent, with all investment policies, guidelines and restrictions applicable to an investor. It is the responsibility of each investor to ensure that it is compliant with all regulations relevant to its acquisition of the Notes and that it is lawful for it to enter into such investment.
- 1.5** Any information communicated (in any manner) to investors by the Company or Merrill Lynch should not be relied upon, nor shall such be deemed to be an assurance or guarantee, as to the expected results of an investment in the Notes. Each investor should be aware that any return on the Notes may not exceed or even equal the return that might have been achieved had the amount of its initial investment been placed on deposit for the same period.
- 1.6** Each investor should be aware that neither the Company nor Merrill Lynch is acting as a fiduciary or trustee for, or as an advisor to the investor with regard to the investment in the Notes.
- 1.7** The Notes are denominated in MXN. Investors that purchase the Notes with a currency other than MXN should note that changes in rates of exchange may have an adverse effect on the value, price or income of their investment.
- 1.8** The Notes will constitute direct, unsubordinated, unsecured and general obligations of the Company and will rank equally with all other unsubordinated and unsecured indebtedness of the Company. Investors in the Notes should have such knowledge and experience in financial business matters and expertise in assessing credit risk and be capable of evaluating the merits, risks and suitability of investing in the Notes including any credit risk associated with the Company. Investors in the Notes do so in reliance on their own assessment of the Company, these Final Terms and Base Prospectus.

## **2. Conflicts of Interest**

- 2.1** Merrill Lynch Capital Services, Inc. may face possible conflicts of interest in relation to its role as Calculation Agent for the Notes including, without limitations, in relation to the role of the Calculation Agent in determining the Fixed Coupon Amount and any Early Redemption Amount, if applicable. Merrill Lynch Capital Services, Inc. is required to carry out its duties as Calculation Agent in good faith and using its reasonable judgement, however you should be aware that any such determination may potentially adversely affect the amount payable to Noteholders under the Notes and that potential conflicts of interest could arise.
- 2.2** The Company has entered into an arrangement with one of its subsidiaries to hedge the market risks associated with our obligation to pay amounts due on the Notes. This subsidiary expects to make a profit in connection with this arrangement. ~~The Company did not seek competitive bids for this arrangement from unaffiliated parties. All of these activities may result in conflicts of interest with respect to the financial interests of Merrill Lynch International and its affiliates.~~