

SUPPLEMENTAL OFFERING MEMORANDUM

MLUDI STEERS NOTES SERIES 2007-1 MXN158,000,000 (EQUIVALENT TO UDI 41,240,019.56) (UP TO MXN10,000,000,000) FACE AMOUNT OF ADDITIONAL CERTIFICATES

This supplemental Offering Memorandum (**Supplemental Offering Memorandum**) is supplemental to, and should be read in conjunction with, the Offering Memorandum dated April 25, 2007 (the **Original Offering Memorandum** and together with the Supplemental Offering Memorandum the **Offering Memorandum**) in relation to the MXN1,600,000,000 (equivalent to UDI 417,620,451.20) up to MXN10,000,000,000 face amount of Certificates issued by MLUDI STEERS Notes Series 2007-1 (the **Trust** or the **Issuer**), a newly organized trust established under the laws of the State of Delaware pursuant to a Second Amended and Restated Declaration of Trust and Trust Agreement (the **Amended and Restated Trust Agreement**), dated as of November 9, 2007, and executed by HSBC Bank USA, National Association, as trustee (the **Trustee**) and as Delaware Trustee (the **Delaware Trustee**) and by Merrill Lynch International, as Distributor (the **Distributor**). Unless the context otherwise requires, terms defined in the Original Offering Memorandum shall have the same meaning when used in this Supplemental Offering Memorandum.

This Supplemental Offering Memorandum has been prepared for the purpose of giving information about the issue of MXN158,000,000 face amount of Certificates (the **Additional Certificates**) by the Trust. The Additional Certificates are a further issuance of (i) MXN1,000,000,000 (the **Original Certificates**) issued on March 15, 2007, (ii) MXN600,000,000 (the **First Upsize Certificates**) issued on April 25, 2007, (iii) MXN800,000,000 (the **Second Upsize Certificates**) issued on May 24, 2007, (iv) MXN340,000,000 (the **Third Upsize Certificates**) issued on August 23, 2007, (v) MXN80,000,000 (the **Fourth Upsize Certificates**) issued on September 5, 2007, (vi) MXN40,000,000 (the **Fifth Upsize Certificates**) issued on October 19, 2007, and (vii) MXN105,000,000 (the **Sixth Upsize Certificates**) issued on January 10, 2008 (the **Original Certificates**, the **First Upsize Certificates**, the **Second Upsize Certificates**, the **Third Upsize Certificates**, the **Fourth Upsize Certificates**, the **Fifth Upsize Certificates**, the **Sixth Upsize Certificates** and the **Additional Certificates**, the **Certificates**) and will be consolidated with and will form a single series with the **Original Certificates**, the **First Upsize Certificates**, the **Second Upsize Certificates**, the **Third Upsize Certificates**, the **Fourth Upsize Certificates**, the **Fifth Upsize Certificates**, and the **Sixth Upsize Certificates**. The total face amount of the **Original Certificates**, the **First Upsize Certificates**, the **Second Upsize Certificates**, the **Third Upsize Certificates**, the **Fourth Upsize Certificates**, the **Fifth Upsize Certificates**, the **Sixth Upsize Certificates**, and the **Additional Certificates** now being issued will be MXN3,073,000,000 (equivalent to UDI 802,092,279.09).

The Additional Certificates will be delivered on or about January 30, 2008 in book-entry form through the facilities of Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream** and together with Euroclear, the **Clearing Systems**). The Certificates will be evidenced by a global certificate (the **Global Certificate**) deposited with HSBC Bank, plc (the **Depository**), acting as common depository for Euroclear and Clearstream and registered in the name of HSBC Issuer Services Common Depository Nominee (UK) Limited, a limited liability company, as common nominee of Euroclear and Clearstream. Transfers of beneficial interests in Certificates may be effected pursuant to Rule 144A under the Securities Act subject to the restrictions described herein. See "*The Certificates – Book-Entry Registration*" in the Offering Memorandum.

Holders of the Certificates may own beneficial interests in the Global Certificate through the facilities of S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V., Mexico (Indeval), which is a participant in each of Clearstream, and Euroclear. Indeval is a privately owned securities depository that is authorized and acts as a clearinghouse, depository and central custodian for securities in Mexico. As such, Indeval provides settlement and transfer services and is the registration agent for Mexican securities transactions, eliminating the need for physical transfer of securities. In addition, holders who own beneficial interests in the Certificates through Indeval may be required to certify as to their residency in accordance with the procedures of Indeval.

This Supplemental Offering Memorandum does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Additional Certificates or the distribution of this Supplemental Offering Memorandum in any jurisdiction where such action is required.

THE CERTIFICATES WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND THE TRUST WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "1940 ACT"). THE CERTIFICATES MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS OR TO "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT AND IN THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED). NEITHER THE CERTIFICATES NOR ANY INTEREST THEREIN MAY BE BENEFICIALLY OWNED BY ANY U.S. PERSON. SEE "THE CERTIFICATES—TRANSFER RESTRICTIONS."

THE CERTIFICATES 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 CERTIFICATES IN MEXICO IS SUBJECT TO THE RESTRICTIONS OF THE MEXICAN SECURITIES MARKET LAW. ANY INVESTOR OF MEXICAN NATIONALITY THAT PURCHASES THESE CERTIFICATES, WILL DO SO UNDER ITS OWN RESPONSIBILITY.

THE INFORMATION CONTAINED IN THIS SUPPLEMENTAL OFFERING MEMORANDUM IS THE EXCLUSIVE RESPONSIBILITY OF THE ISSUER (OTHER THAN THE INFORMATION RELATING TO THE CERTIFICATES RATINGS AS PUBLISHED BY S&P) AND HAS NOT BEEN REVIEWED BY THE NATIONAL BANKING AND SECURITIES COMMISSION OF MEXICO (COMISIÓN NACIONAL BANCARIA Y DE VALORES).

See "*Special Considerations*" beginning on page 6 of the Original Offering Memorandum for certain risks relating to an investment in the Certificates.

The Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize Certificates have been listed on the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's regulated market. Furthermore, notification will be given for the Additional Certificates to be listed on the Official List of the UK Listing Authority and to have the Additional Certificates admitted to trading on the London Stock Exchange's regulated market. The Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize Certificates have also been listed on the Bolsa Mexicana de Valores, S.A. de C.V. (the Bolsa Mexicana de Valores) under the Sistema Internacional de Cotizaciones. Furthermore,

notification will also be given to the Bolsa Mexicana de Valores to have the Additional Certificates listed under the Sistema Internacional de Cotizaciones.

Merrill Lynch International

The date of this Supplemental Offering Memorandum is January 30, 2008.

OFFERING SUMMARY

This summary highlights information not otherwise contained in the Original Offering Memorandum. Save as specified in this Supplemental Offering Memorandum, all terms and conditions applicable to the Additional Certificates are contained in the Original Offering Memorandum. This Supplemental Offering Memorandum must be read in conjunction with the Original Offering Memorandum.

Additional Certificates: MXN158,000,000 (equivalent to UDI 41,240,019.56) face amount of Certificates.

The Additional Certificates are a further issuance of the MXN2,915,000,000 face amount of Certificates and will be consolidated to form a single Series and to be fungible with the MXN1,000,000,000 face amount of the Original Certificates originally issued on March 15, 2007, with the additional MXN600,000,000 face amount of the First Upsize Certificates subsequently issued on April 25, 2007, with the MXN800,000,000 face amount of the Second Upsize Certificates subsequently issued on May 24, 2007, with the MXN340,000,000 face amount of the Third Upsize Certificates subsequently issued on August 23, 2007, with the MXN80,000,000 face amount of the Fourth Upsize Certificates subsequently issued on September 5, 2007, with the MXN40,000,000 face amount of the Fifth Upsize Certificates subsequently issued on October 19, 2007, and with the MXN105,000,000 face amount of the Sixth Upsize Certificates subsequently issued on January 10, 2008. On November 15, 2007, MXN 50,000,000 (equivalent to UDI 13,050,639.10) face amount of Certificates were redeemed. The total face amount of the previously issued Certificates and the Additional Certificates now being issued will be MXN3,073,000,000 (equivalent to UDI 802,092,279.09). The Additional Certificates will have the same ISIN number as the previously issued MLUDI STEERS NOTES Series 2007-1 Certificates.

Issue Dates: March 15, 2007 (the **Initial Closing Date**); April 25, 2007 (the **First Upsize Date**); May 24, 2007 (the **Second Upsize Date**); August 23, 2007 (the **Third Upsize Date**); September 5, 2007 (the **Fourth Upsize Date**); October 19, 2007 (the **Fifth Upsize Date**); January 10, 2008 (the **Sixth Upsize Date**); and January 30, 2008 (the **Seventh Upsize Date**).

Issue Price: 100 percent of the face amount of the Additional Certificates, plus any accrued interest with respect to the relevant portion of the Additional Certificates' first Accrual Period.

Use of Proceeds: The Additional Certificates will be issued to the Distributor in exchange for the purchase by the Trust of Underlying Securities in the amount of US\$14,189,000.

Initial Purchaser of the Additional Merrill Lynch International (the **Distributor**).

Certificates:

Authorized Denomination:

The minimum denomination shall be the greater of (a) MXN1,000,000 and (b) EUR50,000, with integral multiples of MXN1,000 in excess thereof.

Rating:

The rating of the Certificates reflects the credit risk of Merrill Lynch & Co., Inc., as guarantor (the **Guarantor**) of the obligations of Merrill Lynch Capital Services, Inc. under the Swap Agreement. The Certificates were rated "AA-" by S&P on the Initial Closing Date, the First Upsize Date, the Second Upsize Date, the Third Upsize Date, the Fourth Upsize Date and the Fifth Upsize Date. The Certificates were rated "A+" on the Sixth Upsize Date and the Additional Certificates will be rated A+ on the Seventh Upsize Date, reflecting a downgrade of the Counterparty Guarantor's ratings in October 2007. The rating assigned to the Certificates on each date applied only as of and for the purposes of the Initial Closing Date, the First Upsize Date, the Second Upsize Date, the Third Upsize Date, the Fourth Upsize Date, the Fifth Upsize Date and the Sixth Upsize Date respectively and the rating that will be assigned to the Additional Certificates applies only as of and for the purposes of the Seventh Upsize Date, and is not subject to ongoing surveillance by S&P. The rating does not address any risks associated with any Upsizes.

Form, Registration and Transfer of the Certificates:

The Certificates will be evidenced by a global certificate (**Global Certificate**) which will be deposited with HSBC Bank, plc, acting as common depositary for Euroclear and Clearstream and registered in the name of HSBC Issuer Services Common Depositary Nominee (UK) Limited, as nominee of Euroclear and Clearstream.

Holders of the Certificates may own beneficial interests in the Global Certificate through the facilities of Indeval, which is a participant in each of Clearstream, and Euroclear. Indeval is a privately owned securities depositary that is authorized and acts as a clearinghouse, depositary and central custodian for securities in Mexico. As such, Indeval provides settlement and transfer services and is the registration agent for Mexican securities transactions, eliminating the need for physical transfer of securities. In addition, holders who own beneficial interests in the Certificates through Indeval may be required to certify as to their residency in accordance with the procedures of Indeval.

Listing:

The Financial Services Authority (the **FSA**) in its capacity as competent authority under the Financial Services and Markets Act 2000 (the **UK Listing Authority**) has approved the Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize

Certificates to be admitted to the official list of the UK Listing Authority (the **Official List**), and the London Stock Exchange plc (the **London Stock Exchange**) has approved the Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize Certificates to be admitted to trading on the London Stock Exchange's regulated market (the **Market**). Furthermore, notification will be given to the UK Listing Authority for the Additional Certificates to be admitted to the Official List and to the London Stock Exchange for the Additional Certificates to be admitted to trading on the Market. The Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize Certificates have also been listed on the Bolsa Mexicana de Valores, S.A. de C.V. (the **Bolsa Mexicana de Valores**) under the Sistema Internacional de Cotizaciones. Furthermore, notification will also be given to the Bolsa Mexicana de Valores to have the Additional Certificates listed on the Bolsa Mexicana de Valores under the Sistema Internacional de Cotizaciones. There can be no assurance that such admission will be obtained. See "*General Information*" in the Original Offering Memorandum. In addition, there is currently no market for the Additional Certificates, and there can be no assurance that such a market will develop.

Certain U.S. Federal Income Tax Consequences:

See "*Certain U.S. Federal Income Tax Consequences*." in the Original Offering Memorandum.

Transfer Restrictions:

The Additional Certificates are subject to substantial investor eligibility and transfer restrictions. See "*Certain ERISA Considerations and Other Considerations*" and "*Notice to Investors; Investor Deemed Representations*" in the Original Offering Memorandum.

You should rely only on the information contained in this Supplemental Offering Memorandum and the Original Offering Memorandum. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell the Additional Certificates. The information in this document may be accurate only on the date hereof.

PLAN OF DISTRIBUTION

In connection with the issuance of the Additional Certificates, the Trust has entered into a distribution agreement (the **Distribution Agreement**) with the Distributor, pursuant to which the Distributor has agreed to purchase Additional Certificates from the Trust, and the Trust has agreed to sell Additional Certificates to the Initial Purchaser in exchange for the delivery of the additional Underlying Securities. The obligations of the Distributor to purchase Additional Certificates pursuant to the Distribution Agreement are subject to certain conditions. Resales of the Additional Certificates are restricted as described under "*Notice to Investors; Investor Deemed representations*" and "*The Certificates – Transfer Restrictions*" in the Original Offering Memorandum.

The Additional Certificates are being offered by the Distributor, subject to prior sale, when, as and if issued and subject to acceptance by the Trustee, approval of certain legal matters by counsel for the Distributor and certain other conditions. The Distributor reserves the right to offer Certificates at a price different from the initial offering price at any time.

The Additional Certificates may not be directly or indirectly offered, sold or delivered in any jurisdiction except in compliance with applicable law. No action has been or will be taken in any jurisdiction where action for that purpose is required that would permit a public offering of the Additional Certificates or possession or distribution of any Offering Memorandum or any amendment or supplement thereto or any other offering material relating to the Additional Certificates.

No dealer, salesperson or other person has been authorized to give any information or to make any representation other than those contained in this Supplemental Offering Memorandum in connection with the offer contained herein, and, if given or made, such information or representation must not be relied upon as having been authorized by the Trust or the Distributor. This Supplemental Offering Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Additional Certificate in any jurisdiction where, or to any person to whom, it is not lawful to make any such offer or solicitation. Neither the delivery of this Supplemental Offering Memorandum nor any sale made hereunder shall, under any circumstance, create an implication that there has been no change in the affairs of the Trust since the date hereof or that the information herein or therein is correct as of any time subsequent to its date.

By acquiring an Additional Certificate, each Holder appoints the Trustee to act on its behalf pursuant to the terms of the Amended and Restated Trust Agreement and agrees to be bound by the terms and conditions of the Amended and Restated Trust Agreement to the same extent as if such Holder were a signatory thereto. The Additional Certificates and related documentation (including, without limitation, the Amended and Restated Trust Agreement and the Distribution Agreement) may be amended or supplemented from time to time, without the consent of, but upon notice to, the holders of Certificates sent to their registered addresses, on the terms and conditions set forth herein and in the Amended and Restated Trust Agreement.

LISTING AND GENERAL INFORMATION

1. The Financial Services Authority (the FSA) in its capacity as competent authority under the Financial Services and Markets Act 2000 (the **UK Listing Authority**) has approved the Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize Certificates to be admitted to the official list of the UK Listing Authority (the **Official List**), and the London Stock Exchange plc (the **London Stock Exchange**) has approved the Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize Certificates to be admitted to trading on the London Stock Exchange's regulated market (the **Market**). Furthermore, notification will be given to the UK Listing Authority for the Additional Certificates to be admitted to the Official List and to the London Stock Exchange for the Additional Certificates to be admitted to trading on the Market. References in this Offering Memorandum to Certificates being listed (and all related references) shall mean that Certificates have been admitted to trading on the Market and have been admitted to the Official List. The Market is a regulated market for the purposes of the Investment Services Directive 93/22/EC.
2. The Original Certificates, the First Upsize Certificates, the Second Upsize Certificates, the Third Upsize Certificates, the Fourth Upsize Certificates, the Fifth Upsize Certificates, and the Sixth Upsize Certificates have also been listed on the Bolsa Mexicana de Valores, S.A. de C.V. (the **Bolsa Mexicana de Valores**) under the Sistema Internacional de Cotizaciones, and a notice will also be given to the Bolsa Mexicana de Valores to have the Additional Certificates listed under the Sistema Internacional de Cotizaciones.
3. The International Securities Identification Number for the Certificates is XS0292395844.
4. The above pricing gave a yield of 4.25 per cent. The yield is calculated as of the closing date of the MXN 158,000,000 face amount of Additional Certificates and may fluctuate in the future. It is not an indication of future yield.
5. The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) since the date of its formation which may have, or have in such period had, a significant effect on the financial position or profitability of the Issuer.
6. There has been no material adverse change in the financial position or prospects of the Issuer since its formation.
7. Copies of the Amended and Restated Trust Agreement may be inspected at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AO, during usual business hours on any weekday (Saturdays and public holidays excepted) for 14 days from the date of this document.
8. Interests of Holders of the Certificates to receive redemption amounts rank senior to other creditors of the Issuer up to the amount of the redemption amount.
9. The Trust Property has characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Certificates.

OFFICE OF THE TRUST

MLUDI STEERS Notes Series 2007-1
c/o HSBC Bank USA, National Association
Corporate Trust and Loan Agency
452 Fifth Avenue
New York, NY 10018
Telephone Number: +1 212 525 1316

TRUSTEE

HSBC Bank USA, National Association
Corporate Trust and Loan Agency
452 Fifth Avenue
New York, NY 10018

PAYING AGENT AND CERTIFICATE REGISTRAR

HSBC Bank USA, National Association
as Paying Agent and Certificate Registrar
452 Fifth Avenue
New York, NY 10018

LEGAL ADVISORS

to the Distributor and the Swap Counterparties
as to New York and United States federal law
Allen & Overy LLP
1221 Avenue of the Americas
New York, NY 10020

As to Delaware law
Richards, Layton & Finger P.A

SCHEDULE 1

(amended as of January 30, 2008)

Set forth below are certain terms and conditions of MLUDI STEERS Notes Series 2007-1 (the "Trust"). These terms and conditions are incorporated by reference in the Second Amended and Restated Declaration of Trust and Trust Agreement (the "Trust Agreement") constituting the Trust. Terms used herein and not defined herein shall have the respective meanings assigned to them in the Trust Agreement.

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|--|---|
| Name of the Trust: | MLUDI STEERS Notes Series 2007-1 |
| UDI Face Amount: | As of any date, an amount equal to UDI 261,012,782, plus the aggregate of all UDI Upsize Amounts in respect of any Upsize Notices delivered prior to such date; including: (i) an Upsize Amount of UDI 156,607,669.20 in respect of an Upsize Notice dated April 25, 2007; (ii) an Upsize Amount of UDI 208,810,225.60 in respect of an Upsize Notice dated May 24, 2007, (iii) an Upsize Amount of UDI 88,744,345.88 in respect of an Upsize Notice dated August 23, 2007, (iv) an Upsize Amount of UDI 20,881,022.56 in respect of an Upsize Notice dated September 5, 2007, (v) an Upsize Amount of UDI 10,440,511.28 in respect of an Upsize Notice dated October 19, 2007, (vi) an Upsize Amount of UDI 27,406,342.11 in respect of an Upsize Notice dated January 10, 2008, and (vii) an Upsize Amount of UDI 41,240,019.56 in respect of an Upsize Notice dated January 30, 2008. On November 15, 2007, the UDI Face Amount was UDI 733,445,917.42 following the redemption of Trust Certificates for an amount of UDI 13,050,639.10. As of January 30, 2008, the total UDI Face Amount equals UDI 802,092,279.09. |
| Upsize Factor: | As of any date, the UDI Face Amount in respect of such date, divided by UDI 261,012,782. |
| Issue Dates: | March 15, 2007 (the "Initial Issue Date"); April 25, 2007 (the "First Upsize Date"); May 24, 2007 (the "Second Upsize Date"); August 23, 2007 (the "Third Upsize Date"); September 5, 2007 (the "Fourth Upsize Date"); October 19, 2007 (the "Fifth Upsize Date"); January 10, 2008 (the "Sixth Upsize Date"); and January 30, 2008 (the "Seventh Upsize Date"). |
| Aggregate Face Amount of Trust Certificates: | MXN 1,000,000,000 face amount of Trust Certificates (equivalent to UDI 261,012,782) of the Trust issued on the Initial Issue Date; plus (i) an additional MXN 600,000,000 face amount of Trust Certificates (equivalent to UDI 156,607,669.20) issued on the First Upsize Date, (ii) an additional MXN 800,000,000 face amount of Trust Certificates (equivalent to UDI 208,810,225.60) issued on the Second Upsize Date, (iii) an additional MXN 340,000,000 face amount of Trust Certificates (equivalent to UDI 88,744,354.88) |

issued on the Third Upsize Date, (iv) an additional MXN 80,000,000 face amount of Trust Certificates (equivalent to UDI 20,881,022.56) issued on the Fourth Upsize Date, (v) an additional MXN 40,000,000 face amount of Trust Certificates (equivalent to UDI 10,440,511.28) issued on the Fifth Upsize Date, (vi) less MXN 50,000,000 face amount of Trust Certificates equivalent to UDI 13,050,639.10 redeemed on November 15, 2007, plus (vii) an additional MXN 105,000,000 face amount of Trust Certificates (equivalent to UDI 27,406,342.11) of the Trust issued on the Sixth Upsize Date, and (viii) an additional MXN 158,000,000 face amount of Trust Certificates (equivalent to UDI 41,240,019.56) of the Trust issued on the Seventh Upsize Date. As of January 30, 2008, the aggregate face amount of Trust Certificates equals to MXN 3,073,000,000.00 (equivalent to UDI 802,092,279.09).

Name of Counterparty:

Merrill Lynch Capital Services, Inc.

Underlying Securities:

As of the Initial Issue Date US\$89,800,000 face amount of the 6.22% Subordinated Notes of Merrill Lynch & Co. Inc., due September 15, 2026 with Cusip# 59022CAB9. The face amount of the Underlying Securities will be increased on the date of any Upsize to an amount equal to the MXN Upsize Amount divided by the MXN/USD Rate for such date. For the First Upsize Date, the amount of Underlying Securities was increased by US\$53,880,000.00, to a total cumulative amount of Underlying Securities equal to US\$143,680,000.00, for the Second Upsize Date, the amount of Underlying Securities was increased by US\$71,840,000.00 to a total cumulative amount of Underlying Securities equal to US\$215,520,000.00, for the Third Upsize Date, the amount of Underlying Securities was increased by US\$30,532,000 to a total cumulative amount of Underlying Securities equal to US\$246,052,000.00, for the Fourth Upsize Date, the amount of Underlying Securities was increased by US\$7,184,000 to a total cumulative amount of Underlying Securities equal to US\$253,236,000.00, for the Fifth Upsize Date, the amount of Underlying Securities was increased by US\$3,592,000 to a total cumulative amount of Underlying Securities equal to US\$256,828,000.00, on November 15, 2007, as the result of the redemption of Trust Certificates for an amount of MXN 50,000,000, the amount of Underlying Securities was reduced by US\$4,490,000 to a total cumulative amount of Underlying Securities equal to US\$252,338,000, for the Sixth Upsize Date, the amount of Underlying Securities was increased by US\$9,429,000 to a total cumulative amount of Underlying Securities equal to US\$261,767,000.00, and for the Seventh Upsize Date, the amount of Underlying Securities was increased by US\$14,189,000 to a total cumulative amount of Underlying Securities equal to US\$275,956,000.00.

Underlying Securities

September 15, 2026 subject to any Business Day convention

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|------------------------------------|--|
| Maturity Date: | applicable to such securities. |
| Minimum Denominations: | The minimum denomination shall be the greater of (a) MXN1,000,000 and (b) EUR 50,000, with integral multiples of MXN1,000 in excess thereof. |
| Rating: | The rating of the Trust Certificates reflects the credit risk of Merrill Lynch & Co., Inc., as guarantor (the "Guarantor") of the obligations of Merrill Lynch Capital Services, Inc. under the Swap Agreement. The Certificates were rated "AA-" by S&P on the Initial Closing Date, the First Upsize Date, the Second Upsize Date, the Third Upsize Date, the Fourth Upsize Date and the Fifth Upsize Date. The Certificates were rated "A+" on the Sixth Upsize Date and the Additional Certificates will be rated A+ on the Seventh Upsize Date, reflecting a downgrade of the Counterparty Guarantor's ratings in October 2007. The rating assigned to the Certificates on each date applied only as of and for the purposes of the Initial Closing Date, the First Upsize Date, the Second Upsize Date, the Third Upsize Date, the Fourth Upsize Date, the Fifth Upsize Date and the Sixth Upsize Date respectively and the rating that will be assigned to the Additional Certificates applies only as of and for the purposes of the Seventh Upsize Date and is not subject to ongoing surveillance by S&P. The rating does not address any risks associated with any Upsizes. |
| Scheduled Final Distribution Date: | September 15, 2026. |
| Maturity Date: | The earlier of (i) the Scheduled Final Distribution Date and (ii) the occurrence of a Trust Termination Event. |
| Business Day: | In connection with any payments due on a Distribution Date, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in New York, New York and Mexico City, Mexico. |
| Confirmations to Swap Agreement: | The Confirmation between the Counterparty and the Trust designated therein as the Swap Confirmation (the " <u>Swap Confirmation</u> ") dated as of the Initial Issue Date. |
| Distribution Dates: | Each date set forth in "Periodic Distributions" and the date of the final distribution of Trust Property (if different), unless such date is not a Business Day, in which case such date will be the next succeeding Business Day. |
| Periodic Distributions: | Periodic distributions (each a " <u>Periodic Distribution</u> ") will be made on each Distribution Date in the following amounts: in respect of: (a) any Distribution Date specified in the table below, an amount equal to the product of (i) the amount stated for such date, and (ii) the UDI Index Level in respect to each Distribution Date, and (b) in respect of the date of the final distribution of Trust Property (if such date is not one of the dates listed therein), |

an amount equal to the product of (i) UDI 261,012,782, (ii) 4.25 per cent per annum, (iii) the UDI Index Level in respect of the Termination Date, and (iv) the Upsize Factor.

The Holders' receipt of Periodic Distributions on any Distribution Date will depend on the timely payment to the Trust of amounts payable to the Trust under the Swap Agreement.

SCHEDULE of Periodic Distributions

| Date | Coupon Size (in UDI Amount) |
|--------------------|------------------------------------|
| March 18, 2008 | 17,139,153.53 |
| September 15, 2008 | 16,760,387.84 |
| March 17, 2009 | 17,233,844.95 |
| September 15, 2009 | 16,855,079.26 |
| March 16, 2010 | 17,139,153.53 |
| September 15, 2010 | 16,949,770.68 |
| March 15, 2011 | 17,044,462.11 |
| September 15, 2011 | 17,044,462.11 |
| March 15, 2012 | 17,044,462.11 |
| September 17, 2012 | 17,233,844.95 |
| March 15, 2013 | 16,855,079.26 |
| September 17, 2013 | 17,233,844.95 |
| March 18, 2014 | 17,139,153.53 |
| September 15, 2014 | 16,760,387.84 |
| March 17, 2015 | 17,233,844.95 |
| September 15, 2015 | 16,855,079.26 |
| March 15, 2016 | 17,044,462.11 |
| September 15, 2016 | 17,044,462.11 |
| March 15, 2017 | 17,044,462.11 |
| September 15, 2017 | 17,044,462.11 |
| March 15, 2018 | 17,044,462.11 |
| September 17, 2018 | 17,233,844.95 |
| March 15, 2019 | 16,855,079.26 |
| September 17, 2019 | 17,233,844.95 |
| March 17, 2020 | 17,044,462.11 |
| September 15, 2020 | 16,855,079.26 |
| March 16, 2021 | 17,139,153.53 |
| September 15, 2021 | 16,949,770.68 |
| March 15, 2022 | 17,044,462.11 |
| September 15, 2022 | 17,044,462.11 |
| March 15, 2023 | 17,044,462.11 |
| September 15, 2023 | 17,044,462.11 |
| March 15, 2024 | 17,044,462.11 |
| September 17, 2024 | 17,233,844.95 |
| March 18, 2025 | 17,139,153.53 |
| September 15, 2025 | 16,760,387.84 |
| March 17, 2026 | 17,233,844.95 |
| September 15, 2026 | 16,855,079.26 |

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| Accrual Period: | The "Accrual Period" for any Distribution Date will be the period from (and including) the preceding Distribution Date to (but excluding) such Distribution Date; provided that (i) with respect to the Original Certificates, the first Accrual Period will commence on the Initial Issue Date, (ii) with respect to the Additional Certificates, the first Accrual Period will commence on September 17, 2007, and (iii) the final Accrual Period will terminate on (but exclude) the Scheduled Final Distribution Date. |
| Final Distribution Amount: | An amount calculated by the Trust's Agent equal to the product of (i) the UDI Face Amount and (ii) the UDI Index Level in respect of the Final Distribution Date. |
| Form: | The Trust Certificates will be issued in book-entry form and will be represented by a Global Certificate deposited with HSBC Bank, plc, acting as common depositary for Euroclear and Clearstream and registered in the name of HSBC Issuer Services Common Depositary Nominee (UK) Limited. |
| Trust Termination Events: | The occurrence of any of the following events shall constitute a Trust Termination Event: (i) a Securities Default or (ii) an Expense Liquidation Event |
| ERISA: | The Trust is a Non-Plan Trust and the restrictions set forth in Section 3.09(c) of the Amended and Restated Trust Agreement apply. |
| Tax: | The Trust is intended to be treated as a grantor trust or a partnership or a disregarded entity for U.S. federal income tax purposes and not as a corporation or publicly traded partnership taxable as a corporation. |