Merrill Lynch S.A.

(*a Luxembourg Limited Company*)

Merrill Lynch International & Co. C.V.

(*a Netherlands Antilles Limited Partnership*)

NOTE, WARRANT AND CERTIFICATE PROGRAMME

Unconditionally and irrevocably guaranteed as to payment and delivery obligations

by

Merrill Lynch & Co., Inc.

(a Delaware (U.S.A.) corporation)

SUPPLEMENT TO THE BASE PROSPECTUS INCORPORATING BY REFERENCE (A) THE CURRENT REPORT ON FORM 8-K DATED 31ST DECEMBER, 2008, AND FILED ON 2ND JANUARY, 2009 (THE "**JANUARY 2 8-K**") OF MERRILL LYNCH & CO., INC. (THE "**GUARANTOR**"), (B) THE CURRENT REPORT ON FORM 8-K DATED 16TH JANUARY, 2009 (THE "**JANUARY 16 8-K"**) OF THE GUARANTOR AND (C) THE CURRENT REPORT ON FORM 8-K DATED 16TH JANUARY, 2009, AND FILED ON 20TH JANUARY, 2009 (THE "**JANUARY 20 8-K**" AND, TOGETHER WITH THE JANUARY 2 8-K AND THE JANUARY 16 8-K, THE "**NEW DOCUMENTS**") OF THE GUARANTOR, AMENDING THE "RISK FACTORS", "MERRILL LYNCH & CO., INC.", "MANAGEMENT – MERRILL LYNCH & CO., INC." AND "EXECUTIVE OFFICERS – MERRILL LYNCH & CO., INC." SECTIONS OF THE BASE PROSPECTUS (AS DEFINED BELOW) AND UPDATING THE "GENERAL INFORMATION" SECTION OF THE BASE PROSPECTUS

Merrill Lynch S.A. and Merrill Lynch International & Co. C.V. (together, the "**Companies**") and the Guarantor have prepared this supplement to the Base Prospectus (the "**Supplement**", which constitutes a supplement to the Base Prospectus for the purposes of Article 13 of the Luxembourg law of 10th July, 2005 on prospectuses for securities and Article 16 of Directive 2003/71/EC (the "**Prospectus Directive**"), which definition shall also include all information incorporated by reference herein) for use in connection with Securities issued from time to time under the Note, Warrant and Certificate Programme (the "**Programme**"). The Companies and the Guarantor have also prepared a base prospectus dated 16th September, 2008 (the "**Base Prospectus**", which definition also includes the Base Prospectus, as supplemented on 23rd September, 2008, 17th October, 2008, 11th November, 2008 and 11th December, 2008 and all information incorporated by reference therein) which has been approved as a base prospectus for the purposes of the Prospectus Directive by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") for use in connection with the issue of Securities under the Programme. This Supplement supplements and updates the Base Prospectus, and should be read in conjunction therewith.

The January 2 8-K (excluding any other documents or information incorporated by reference into such document), the January 16 8-K and the January 20 8-K, including the financial statements listed as Exhibit 99.1 thereto, (excluding any other documents or information incorporated by reference into such document), have been previously published or are published simultaneously with this Supplement, and have been filed with the CSSF and shall be deemed to be incorporated by reference in, and to form part of, this Supplement.

The New Documents and this Supplement will be available for collection and inspection as set out in the section "*General Information - Documents Available*" in the Base Prospectus and on the Luxembourg Stock Exchange website (www.bourse.lu).

The section of the Base Prospectus entitled "Market Risk", which is a subsection of "Risk Factors – Risks relating to Merrill Lynch's business", is amended by inserting the following additional paragraphs after the last paragraph of said section:

"*Difficult market conditions have adversely affected Merrill Lynch's industry.*

Given the significance of Merrill Lynch's business in the United States, Merrill Lynch is particularly exposed to downturns in the U.S. economy. Dramatic declines in the U.S. housing market, with falling home prices and increasing foreclosures, unemployment and under-employment have negatively impacted the credit performance of mortgage loans and resulted in significant write-downs of asset values by financial institutions, including government-sponsored entities as well as major commercial and investment banks. These write-downs, initially of mortgage-backed securities but spreading to credit default swaps and other derivative and cash securities, in turn, have caused many financial institutions to seek additional capital, to merge with larger and stronger institutions and, in some cases, to fail. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors have reduced or ceased providing funding to borrowers, including to other financial institutions. This market turmoil and tightening of credit have led to an increased level of commercial and consumer delinquencies, a lack of consumer confidence, increased market volatility, and widespread reduction of business activity generally. The resulting economic pressure on consumers and lack of confidence in the financial markets has adversely affected Merrill Lynch's business, financial condition and results of operations. Merrill Lynch does not expect that the difficult conditions in the financial markets are likely to improve in the near future. A worsening of these conditions would likely exacerbate the adverse effects of these difficult market conditions on Merrill Lynch and others in the financial institutions industry. In particular, Merrill Lynch may face the following risks (as discussed here and as discussed elsewhere in "Risk Factors") in connection with these events:

- Merrill Lynch expects to face increased regulation of its industry, including as a result of the Emergency Economic Stabilization Act of 2008 (the "**EESA**"), additional legislation expected to be enacted by the U.S. Congress, and new regulations expected to be implemented by regulators, all in response to the current financial crisis and perceived deficiencies in the current regulatory system. Compliance with such regulation may increase Merrill Lynch's costs and limit its ability to pursue business opportunities;

- The process Merrill Lynch uses to estimate losses inherent in its credit exposure requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of Merrill Lynch's counterparties to repay their obligations, which may no longer be capable of accurate estimation, which may, in turn, impact the reliability of the process;

- Merrill Lynch's ability to borrow from other financial institutions or to engage in securitization funding transactions on favourable terms or at all could be adversely affected by further disruptions in the capital markets or other events, including actions by rating agencies and deteriorating investor expectations; and

- Competition in Merrill Lynch's industry could intensify as a result of the increasing consolidation of financial services companies in connection with current market conditions.

There can be no assurance that U.S. governmental legislation and intervention in the U.S. economy more generally will help stabilize the U.S. financial system.

The U.S. government has responded to the ongoing financial crisis by enacting new legislation and establishing a number of programs and initiatives. In particular: the EESA created the Troubled Assets Relief Program, authorizing the U.S. Department of the Treasury to purchase up to US$700 billion of mortgages, mortgage-backed securities and certain other financial instruments from financial institutions for the purpose of stabilizing and providing liquidity to the U.S. financial markets; the EESA also includes a program to provide capital to financial institutions in the banking sector; the Federal Reserve Board has expanded and established programs and facilities to increase liquidity within and to the financial sector and the broader U.S. economy; and the Federal Deposit Insurance Corporation has established programs to improve inter-bank liquidity and increase confidence in the U.S. banking sector.

Additional legislation has been proposed to amend the EESA, and to propose new U.S. government spending programs and tax cuts. Further legislative efforts may follow. Also, new initiatives or programs may be established or other action may be taken by any of the Federal Reserve Board, the Federal Deposit Insurance Corporation, or other U.S. government agencies to stabilize the U.S. financial system and stimulate the U.S. economy generally. The final form of pending and future legislation, and any other U.S. governmental intervention, cannot be known at this time.

There can be no assurance as to the actual impact that these programs and initiatives will have on the financial markets, including the extreme levels of volatility and limited credit availability currently being experienced. The failure of these efforts to help stabilize the financial markets and a continuation or worsening of current financial market conditions could materially and adversely affect Merrill Lynch's business, financial condition, results of operations or access to credit.

Current levels of market volatility are unprecedented.

The capital and credit markets have been experiencing volatility and disruption for more than a year. During the last quarter of 2008, the volatility and disruption reached unprecedented levels. In some cases, the markets have produced downward pressure on stock prices and credit availability for certain issuers without regard to those issuers' underlying financial strength. This volatility has negatively impacted prices of Merrill Lynch's securities and its ability to sell its securities in the United States and in international markets. If current levels of market disruption and volatility continue or worsen, there can be no assurance that Merrill Lynch will not experience an adverse effect, which may be material, on Merrill Lynch's ability to access capital and on its business, financial condition and results of operations.

The soundness of other financial institutions could adversely affect Merrill Lynch.

Merrill Lynch's ability to engage in routine funding transactions could be adversely affected in particular by the actions and commercial soundness of other financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. Merrill Lynch has exposure to many different industries and counterparties, and Merrill Lynch routinely executes transactions with counterparties in the financial industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds and other institutional clients. As a result, defaults by, or even rumours or questions about, one or more financial services institutions, or the financial services industry generally, have led to market-wide liquidity problems and could lead to losses or defaults by Merrill Lynch or by other institutions. Many of these transactions expose Merrill Lynch to credit risk in the event of default of its counterparty or client. In addition, Merrill Lynch's credit risk may be exacerbated when the collateral held by Merrill Lynch cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to Merrill Lynch. There is no assurance that any such losses would not materially and adversely affect Merrill Lynch's results of operations.

Any reduction in ML&Co.'s credit ratings could increase the cost of Merrill Lynch's funding from the capital markets.

Although ML&Co.'s long-term debt currently is rated investment grade by the major rating agencies, one such rating agency downgraded ML&Co.'s long-term debt in early 2009. These rating agencies regularly evaluate ML&Co., and their ratings of its long-term debt are based on a number of factors, including the financial strength of Merrill Lynch as well as factors not entirely within Merrill Lynch's control, including conditions affecting the financial services industry generally. In light of the difficulties in the financial services industry and the financial markets, there can be no assurance that ML&Co. will maintain its current ratings. ML&Co.'s failure to maintain its current credit ratings could adversely affect its liquidity and competitive position, the cost and other terms upon which Merrill Lynch is able to obtain funding, limit its access to the capital markets, increase its cost of capital and trigger unfavourable contractual obligations.

The Securities are not guaranteed by Bank of America Corporation, the Issuers' ultimate parent company.

Although the Securities are guaranteed by ML&Co., the Securities are not guaranteed by Bank of America Corporation ("**Bank of America**"), the parent company of ML&Co. and the ultimate parent company of the Issuers, and Bank of America is under no obligation to pay any amounts due on the Securities or to provide ML&Co. or the

Issuers with funds for their respective payment obligations. If either Issuer defaults in its payment obligations under its Securities, the holders of the Securities will have a claim only against ML&Co., and not Bank of America, for payment under the terms of the Guarantee.

Merrill Lynch may incur additional material losses in future periods due to write-downs in the value of financial instruments.

Merrill Lynch recorded significant net write-downs in fiscal year 2008, primarily related to U.S. ABS CDOs, residential mortgage exposures, and credit valuation adjustments related to hedging transactions with financial guarantors. The markets for these securities and other residential mortgage exposures remain extremely illiquid and, as a result, valuation of these exposures is complex and involves a comprehensive process including the use of quantitative modeling and management judgment. Valuation of these exposures also will continue to be impacted by external market factors including default rates, a decline in the value of the underlying property, such as residential or commercial real estate, rating agency actions, the prices at which observable market transactions occur and the financial strength of counterparties, such as financial guarantors, with whom Merrill Lynch has economically hedged some of its exposure to these assets. Merrill Lynch's ability to mitigate its risk by selling or hedging exposures is also limited by the current market environment."

The section of the Base Prospectus entitled "Merrill Lynch & Co., Inc." is amended by inserting the following paragraph after the last paragraph of said section:

"*Completion of Acquisition of Merrill Lynch & Co., Inc. by Bank of America*

As set out in ML&Co.'s Current Report on Form 8-K dated 31st December, 2008, and filed on 2nd January, 2009, which is incorporated by reference herein, on 1st January, 2009, a wholly-owned subsidiary of Bank of America merged with and into ML&Co., with ML&Co. continuing as the surviving corporation and a subsidiary of Bank of America."

The section of the Base Prospectus entitled "Management – Merrill Lynch & Co., Inc." is amended by replacing the table of Directors on page 329 with the following table:

Name	**Principal Occupation**
Kenneth R. Lewis	Chairman of the Board and Chief Executive Officer of Bank of America and Chairman of the Board of ML&Co.
Joe Price	Chief Financial Officer of Bank of America
Amy Woods Brinkley	Chief Risk Officer of Bank of America

The section of the Base Prospectus entitled "Executive Officers – Merrill Lynch & Co., Inc." is amended by replacing the table of officers on page 330 with the following table:

Name	**Office**
Brian T. Moynihan	Chief Executive Officer of ML&Co.
Gregory L. Curl	President of ML&Co.
Nelson Chai	Chief Financial Officer of ML&Co.

The subsection of the Base Prospectus entitled "General Information – Significant or Material Change" (paragraph 7), in so far as it refers to the Guarantor, is updated to read as follows:

"Save as disclosed in the Base Prospectus (as defined above) and in this Supplement, there has been no significant change in the financial or trading position of the Guarantor and its subsidiaries on a consolidated basis since September 26, 2008."

Each of the Companies and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Companies and the Guarantor (each of which has taken all reasonable care to ensure such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement and the Base Prospectus should be read in conjunction with all documents which are incorporated by reference, which together, constitute a base prospectus for the purposes of the Prospectus Directive, and for a particular issue of Securities in conjunction with any applicable Final Terms.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement, and (b) any other statement in or incorporated by reference in the Base Prospectus prior to the date of this Supplement, the statements in (a) will prevail.

Save as disclosed in this Supplement and the Base Prospectus there has been no other significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus since initial publication of the Base Prospectus.

In accordance with Article 13, paragraph 2 of the Luxembourg law of 10th July, 2005 on prospectuses for securities, investors who have already agreed to purchase or subscribe for Securities issued under the Programme before this Supplement is published, shall have the right, exercisable within a time limit of a minimum of two working days after the publication of this Supplement, to withdraw their acceptances.

Terms and expressions defined in the Base Prospectus shall have the same meanings in this Supplement, except where the context otherwise requires or unless otherwise stated.

See "Risk factors" in the Base Prospectus for a discussion of certain risks that should be considered in connection with certain types of Securities which may be offered under the Programme.

The New Documents are incorporated as set out above, in compliance with Article 5.1 of the Prospectus Directive. The following table sets out the principal disclosure requirements which are satisfied by the information and is not exhaustive. Each page reference refers to the corresponding page in the relevant New Documents. References to A4 refers to the corresponding rule in Annex IV "Minimum Disclosure Requirements for Debt and Derivative Securities Registration Document (Schedule) (Debt and Derivative Securities with a Denomination per unit of less than EUR50,000)".

New Documents	***Page reference***	***Annex IV Reference***
Current Report on Form 8-K dated 31st December, 2008, and filed on 2nd January, 2009	*All*	*A4.5.1.5, A4.7.1, A4.12.1 and A4.14.1*
Current Report on Form 8-K dated 16th January, 2009	*All*	*A4.13.6*
Current Report on Form 8-K dated 16th January, 2009, and filed on 20th January, 2009	*All*	*A4.3.1, A4.3.2, A4.5.1.5, A4.7.1, A4.12.1 and A4.14.1*
The financial statements dated 16th January, 2009, and filed on 20th January, 2009, which is filed as Exhibit 99.1 to the Current Report on Form 8-K dated 16th January, 2009, and filed on 20th January, 2009, referred to above	*All*	*A4.13.2 and A4.13.5.1*

Any other information not listed above but contained in such document is incorporated by reference for informational purposes only.