



**Information Circular 09-077**

**Date:** March 27, 2009

**Re:** Merrill Lynch & Co., Inc. ETN

Pursuant to Rule 14.1(c)(2) of the Rules of BATS Exchange, Inc. (the "Exchange"), this Information Circular is being issued to advise you that the following securities have been approved for trading on the Exchange as UTP Derivative Securities pursuant to Chapter XIV of the Exchange's Rules.

**Security ("STARS")**

**Symbol**

Merrill Lynch & Co., Inc. Strategic Accelerated Redemption Securities Linked to the Value of the Dow Jones Industrial Average

DGK

**Commencement of Trading on the Exchange:** March 30, 2009

**Issuer/Trust:** Merrill Lynch & Co., Inc.

**Issuer Website:** <http://www.totalmerrill.com>

**Primary Listing Exchange:** NYSE Arca

**Primary Exchange Circular:** RB-08-256 (November 23, 2008)

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in this new product on the Exchange, as well as to provide certain characteristics and features of the Notes.

**Background Information on the Notes**

The Issuer has issued STARS linked to the value of the Dow Jones Industrial Average (the "Index"). The STARS were priced at \$10 each and mature on April 2, 2010.

The STARS are senior, unsecured debt securities of the Issuer that provide for an automatic call of the securities if the closing level of the Index on any observation date is greater than or equal to the Starting Value of the Index, as determined on the pricing date.

If the STARS are called on any observation date, investors will receive a payment of:

- If called in April 2009: \$11.08 per unit;
- If called in October 2009: \$11.62 per unit;
- If called in April 2010: \$12.16 per unit;
- If the notes are not called prior to the maturity date, then at maturity:

(1) If the Ending Index Value is greater than or equal to the Threshold Value, investors will receive:  
\$10; or

(2) If the Ending Index Value is less than the Threshold Value, investors will receive:  
 $\$10 + [\$10 \times (\text{Ending Index Value} - \text{Threshold Value} / \text{Starting Value}) \times 1]$ .

The Starting Value of the Index is 12,422.86. The Threshold Value is 11,180.5740. The Ending Index Value will be determined near the maturity date.

Please see the prospectus for the Notes for more details regarding the calculations.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

The Trustee for the securities is The Bank of New York.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

### **Exchange Rules Applicable to Trading in the Notes**

Trading in the Notes on BATS is subject to BATS equity trading rules.

### **Trading Hours**

The Notes will trade on BATS between 8:00 a.m. and 4:00 p.m. ET.

Please note that trading in the Notes during the Exchange's pre-opening session may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the pre-opening session, (2) the indicative value may not be updated during the pre-opening session, (3) lower liquidity in the pre-opening session may impact pricing, (4) higher volatility in the pre-opening session may impact pricing, (5) wider spreads may occur in the pre-opening session, and (6) because the indicative value is not calculated or widely disseminated during the pre-opening session, an investor who is unable to calculate an implied value for the Notes in that session may be at a disadvantage to market professionals.

### **Suitability**

Trading in the securities on BATS will be subject to the provisions of Exchange Rule 3.7. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer. Members should adopt appropriate procedures for the opening and maintaining of accounts, including the maintaining of records prescribed by any applicable regulatory organization and by the rules and regulations of the Commission.

### **Trading Halts**

BATS will halt trading in the shares of a security in accordance with BATS Rule 14.1(c)(4). The grounds for a halt under BATS Rule 14.1(c)(4) include a halt by the primary market because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, or a halt for other regulatory reasons. In addition, BATS will stop trading the shares of a security if the primary market de-lists the security.

**This Information Circular is not a statutory prospectus. BATS Members should consult the prospectus for a security and the security's website for relevant information.**

Please contact Eric Swanson, 212.378.8523, [eswanson@batstrading.com](mailto:eswanson@batstrading.com), with any inquiries regarding this Information Circular.