As filed with the Securities and Exchange Commission on May 21, 1996
Registration No. 33-65135

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Post-Effective Amendment No. 2
to
FORM S-3
Registration Statement
under
THE SECURITIES ACT OF 1933

MERRILL LYNCH & CO., INC.
(Exact name of registrant as specified in its charter)

DELAWARE	13-2740599
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

World Financial Center
North Tower
New York, New York 10281-1334
(212) 449-1000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

ROSEMARY T. BERKERY, ESQ.
Associate General Counsel
Merrill Lynch & Co., Inc.
World Financial Center
North Tower
New York, New York 10281-1334
(212) 449-6990
(Name, address, including zip code, and telephone number, including area code, of agent for service)
Copy to:
PAUL C. PRINGLE, ESQ.
Brown & Wood
555 California Street
San Francisco, California 94104

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. [ ]

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ] ______________

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ] ____________________

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [X]

This Post-Effective Amendment No. 2 to the Registration Statement shall hereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or on such date as the Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

This Post-Effective Amendment No. 2 contains only a form of prospectus supplement and prospectus to be used in connection with an underwritten offering of the Registrant's Structured Yield Product Exchangeable for Stock/SM/, % STRYPES/SM/ Due , 1999, payable at maturity or upon redemption with shares of Common Stock of SunAmerica Inc. Copies of various prospectuses that were included in the Registration Statement on Form S-3 (No. 33-65135) as originally filed by the Registrant with the Securities and Exchange Commission are not included herein.

Information contained herein is subject to completion or amendment. A post-effective amendment to the registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the post-effective amendment to the registration statement becomes effective. This Prospectus Supplement and the Prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

PROSPECTUS SUPPLEMENT SUBJECT TO COMPLETION, ISSUE DATE: MAY 21, 1996

(TO PROSPECTUS DATED MAY , 1996)

3,000,000 STRYPES/SM/
MERRILL LYNCH & CO., INC.
% STRYPES/SM/ DUE , 1999
PAYABLE WITH SHARES OF COMMON STOCK OF
SUNAMERICA INC.
(or in cash)

The issue price of each Structured Yield Product Exchangeable for Stock/SM/, % STRYPES/SM/ Due , 1999 (each, a "STRYPES") of Merrill Lynch & Co., Inc. (the "Company") being offered hereby is $ (the "Issue Price"), which amount is equal to the last sale price of the Common Stock, par value $1.00 per share (the "SunAmerica Common Stock"), of SunAmerica Inc., a Maryland corporation ("SunAmerica"), on , 1996, as reported on the New York Stock Exchange (the "NYSE"). The STRYPES will mature on , 1999 (the "Maturity Date"). Interest on the STRYPES, at the rate of % of the Issue Price per annum, is payable in cash quarterly in arrears on , , and , beginning , 1996. The STRYPES will be unsecured obligations of the Company ranking pari passu with all of its other unsecured and unsubordinated indebtedness. In addition, the STRYPES will not restrict the Company's ability to incur additional indebtedness ranking senior to, or pari passu with, the STRYPES. See "Supplemental Description of the STRYPES--Ranking".

On the Maturity Date, unless previously redeemed, the Company will pay and discharge each STRYPES by delivering to the holder thereof either (i) one share of SunAmerica Common Stock, subject to adjustment in certain events, or (ii) at the Company's option (which may be exercised with respect to all, but not less than all, of the STRYPES then outstanding), cash in an amount equal to the Current Market Price (as defined herein), determined as of the second Trading Day (as defined herein) prior to the applicable Notice Date (as defined herein), of the SunAmerica Common Stock which otherwise would have been delivered pursuant to clause (i) of this sentence. BECAUSE THE PRICE OF THE SUNAMERICA COMMON STOCK IS SUBJECT TO MARKET FLUCTUATIONS, THE VALUE OF THE SUNAMERICA COMMON STOCK (OR, AT THE OPTION OF THE COMPANY, THE AMOUNT OF CASH) RECEIVED BY A HOLDER OF STRYPES AT MATURITY MAY BE LESS THAN THE AMOUNT PAID FOR THE STRYPES UPON ISSUANCE, IN WHICH CASE AN INVESTMENT IN THE STRYPES WILL RESULT IN A LOSS.

At any time or from time to time prior to the Maturity Date, the Company may, at its option, redeem the outstanding STRYPES, in whole or in part, at a redemption price per STRYPES initially equal to $, declining by $ on each day following the Issue Date to $ on , 1999, and equal to $ thereafter, payable in either (i) shares of SunAmerica Common Stock having an aggregate Current Market Price, determined as of the second Trading Day prior to the applicable Notice Date equal to the applicable redemption price or (ii) at the Company's option (which may be exercised with respect to all, but not less than all, of the STRYPES to be redeemed on any redemption date) cash, plus in either case an amount in cash equal to accrued and unpaid interest on the STRYPES to but excluding the redemption date. The STRYPES are not subject to any sinking fund.

The opportunity for capital appreciation afforded by an investment in the STRYPES is limited because the Company may, at its option, redeem the STRYPES at any time prior to the Maturity Date at the redemption prices described above. Although not obligated to do so, the Company may be expected to redeem the STRYPES prior to the Maturity Date if the market price of the SunAmerica Common Stock exceeds the applicable redemption price, in which event holders of STRYPES will receive less than one share of SunAmerica Common Stock for each STRYPES (or, at the option of the Company, cash in an amount equal to the Current Market Price of less than one share of such SunAmerica Common Stock).

The Notice Date applicable to the Maturity Date or a redemption date will be at least 30 days and could be up to 60 days prior to such Maturity Date or redemption date, as the case may be. If, as described above, the Company (i) elects to pay the STRYPES in cash at maturity or (ii) elects to redeem the STRYPES, in whole or in part, and to pay the redemption price by delivering shares of SunAmerica Common Stock, the amount of cash payable on the Maturity Date or the number of shares to be delivered on the redemption date, as the case may be, will be determined on the basis of the Current Market Price as of the second Trading Day prior to the applicable Notice Date. The price of the SunAmerica Common Stock is subject to market fluctuations and, as a result, (a) the amount of cash delivered on the Maturity Date in respect of each STRYPES may be more or less than the market value on the Maturity Date of the SunAmerica Common Stock which a holder would otherwise have been entitled to receive and (b) the market value on a redemption date of shares of SunAmerica Common Stock delivered in respect of each STRYPES may be more or less than the applicable redemption price.

Reference is made to the accompanying prospectus of SunAmerica covering the shares of SunAmerica Common Stock which may be received by a holder of the STRYPES on the Maturity Date or upon redemption.

SunAmerica is not affiliated with the Company, will not receive any of the proceeds from the sale of the STRYPES and will have no obligations with respect to the STRYPES.

SEE "RISK FACTORS" BEGINNING ON PAGE S-7. OF THIS PROSPECTUS SUPPLEMENT FOR CERTAIN CONSIDERATIONS RELEVANT TO AN INVESTMENT IN THE STRYPES.

For a discussion of certain United States Federal income tax consequences to holders of the STRYPES, see "Certain United States Federal Income Tax Considerations".

The SunAmerica Common Stock is listed on the NYSE under the trading symbol "SAI". The last sale price of the SunAmerica Common Stock on May 17, 1996, as reported on the NYSE, was $56 per share. Application will be made to list the STRYPES on the NYSE.

<TABLE>
<CAPTION>

	PRICE TO PUBLIC(1)	UNDERWRITING DISCOUNT(2)	PROCEEDS TO COMPANY(3)
<S>	<C>	<C>	<C>
Per STRYPES..........	$	$	$
Total(4)............	$	$	$

</TABLE>

(1) Plus accrued interest, if any, from , 1996 to the date of delivery.
(2) The Company, SunAmerica and the Selling Stockholder (as defined herein) have agreed to indemnify the Underwriter against certain liabilities, including liabilities under the Securities Act of 1933, as amended. See "Underwriting".
(3) Before deducting expenses payable by the Company estimated at $.
(4) The Company has granted the Underwriter an option for 30 days to purchase up to an additional 450,000 STRYPES at the initial public offering price per STRYPES, less the underwriting discount, solely to cover over-allotments. If such over-allotment option is exercised in full, the total Price to Public, Underwriting Discount and Proceeds to Company will be $, $ and $, respectively. See "Underwriting".

The STRYPES are offered by the Underwriter, subject to prior sale, when, as and if issued to and accepted by the Underwriter, and subject to certain other conditions. The Underwriter reserves the right to withdraw, cancel or modify such offer and to reject orders in whole or in part. It is expected that delivery of the STRYPES will be made in New York, New York, on or about , 1996.

This Prospectus Supplement may be used by the Underwriter in connection with offers and sales related to market-making transactions in the STRYPES. The Underwriter may act as principal or agent in such transactions. Such sales will be made at prices related to prevailing market prices at the time of sale.

/SM/ Service mark of Merrill Lynch & Co., Inc.

Merrill Lynch & Co.

The date of this Prospectus Supplement is , 1996.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE STRYPES AND THE SUNAMERICA COMMON STOCK AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE, IN THE OVER-THE-COUNTER MARKET OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF INSURANCE FOR THE STATE OF NORTH CAROLINA, NOR HAS THE COMMISSION OF INSURANCE RULED UPON THE ACCURACY OR THE ADEQUACY OF THIS DOCUMENT.

SUMMARY

The following summary is qualified in its entirety by the information included and incorporated by reference in the accompanying Prospectus (the "ML&Co. Prospectus") and by the more detailed information included elsewhere in this Prospectus Supplement. Unless otherwise indicated, the information contained in this Prospectus Supplement assumes that the Underwriter's over-allotment option is not exercised.

MERRILL LYNCH & CO., INC.

Merrill Lynch & Co., Inc. is a holding company that, through its subsidiaries and affiliates, provides investment, financing, insurance, and related services on a global basis. Its principal subsidiary, Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), is one of the largest securities firms in the world.

SUNAMERICA INC.

SunAmerica Inc. is a diversified financial services company specializing in retirement savings products and services.

Reference is made to the accompanying prospectus of SunAmerica (the "SunAmerica Prospectus") covering the shares of SunAmerica Common Stock which may be received by a holder of STRYPES on the Maturity Date or upon redemption. SunAmerica is not affiliated with the Company, will not receive any of the proceeds from the sale of the STRYPES and will have no obligations with respect to the STRYPES. THE SUNAMERICA PROSPECTUS IS BEING DELIVERED TO PROSPECTIVE PURCHASERS OF STRYPES TOGETHER WITH THIS PROSPECTUS SUPPLEMENT AND THE ML&CO. PROSPECTUS FOR CONVENIENCE OF REFERENCE ONLY. THE SUNAMERICA PROSPECTUS DOES NOT CONSTITUTE A PART OF THIS PROSPECTUS SUPPLEMENT OR THE ML&CO. PROSPECTUS, NOR IS IT INCORPORATED BY REFERENCE HEREIN OR THEREIN.

THE STRYPES

OFFERING......................	3,000,000 STRYPES
ISSUE PRICE...................	$ per STRYPES
MATURITY DATE.................	, 1999
INTEREST RATE.................	% of the Issue Price per annum, or $ per STRYPES per quarter, payable in cash quarterly in arrears
INTEREST PAYMENT DATES........	, , and , beginning , 1996
PAYMENT AT MATURITY...........	On the Maturity Date, unless previously redeemed, the Company will pay and discharge each STRYPES by delivering to the holder thereof either (i) one share of SunAmerica Common Stock, subject to adjustment in certain events, or (ii) at the Company's option (which may be exercised with respect to all, but not less than all, of the STRYPES then outstanding), cash in an amount equal to the Current Market Price, determined as

of the second Trading Day prior to the applicable Notice Date, of the SunAmerica Common Stock which otherwise would have been delivered pursuant to clause (i) of this sentence. BECAUSE THE PRICE OF THE SUNAMERICA COMMON STOCK IS SUBJECT TO MARKET FLUCTUATIONS, THE VALUE OF THE SUNAMERICA COMMON STOCK (OR, AT THE OPTION OF THE COMPANY, THE AMOUNT OF CASH) RECEIVED BY A HOLDER OF STRYPES AT MATURITY MAY BE LESS THAN THE AMOUNT PAID FOR THE

STRYPES UPON ISSUANCE, IN WHICH CASE AN INVESTMENT IN THE STRYPES WILL RESULT IN A LOSS. In addition, because of such market fluctuations and because the Current Market Price of the SunAmerica Common Stock will be determined as of the second Trading Day prior to the applicable Notice Date (which will be at least 30 and could be up to 60 days prior to the Maturity Date), it is likely that, if the Company elects to pay the STRYPES in cash on the Maturity Date, the amount of cash payable per STRYPES will differ from the market value on the Maturity Date of the shares of SunAmerica Common Stock which a holder would otherwise have received. See "Risk Factors--Risk of Fluctuations in Price of SunAmerica Common Stock; Calculation of Current Market Price".

OPTIONAL REDEMPTION.......... At any time or from time to time prior to the Maturity Date, the Company may, at its option, redeem the outstanding STRYPES, in whole or in part, at a redemption price per STRYPES initially equal to $, declining by $ on each day following the Issue Date (computed on the basis of a 360-day year of twelve 30-day months) to $ on , 1999, and equal to $ thereafter, payable in either (i) shares of SunAmerica Common Stock having an aggregate Current Market Price, determined as of the second Trading Day prior to the applicable Notice Date, equal to the applicable redemption price or (ii) at the Company's option (which may be exercised with respect to all, but not less than all, of the STRYPES to be redeemed on any redemption date) cash, plus in either case an amount in cash equal to accrued and unpaid interest on the STRYPES to but excluding the redemption date.

The opportunity for capital appreciation afforded by an investment in the STRYPES is limited because the Company may, at its option, redeem the STRYPES at any time prior to the Maturity Date at the redemption prices described above. Although not obligated to do so, the Company may be expected to redeem the STRYPES prior to the Maturity Date if the market price of the SunAmerica Common Stock exceeds the applicable redemption price, in which event holders of STRYPES will receive less than one share of SunAmerica Common Stock for each STRYPES (or, at the option of the Company, cash in an amount equal to the Current Market Price of less than one share of such SunAmerica Common Stock). See "Risk Factors--Limitation on Opportunity for Capital Appreciation".

If the Company exercises its option to redeem the STRYPES, in whole or in part, the Notice Date for such redemption will be at least 30 days and could be up to 60 days prior to the redemption date. If, as described above, the Company elects to pay the redemption price by delivering shares of SunAmerica Common Stock, the number of shares to be so delivered will be determined on the basis of the Current Market Price as of the second Trading Day prior to the Notice Date. The price of the SunAmerica Common Stock is subject to market fluctuations and, as a result, the market value on such redemption date of the shares of

SunAmerica Common Stock delivered in respect of each STRYPES may be more or less than the applicable redemption price. See "Risk Factors--Risk of Fluctuations in Price of SunAmerica Common Stock; Calculation of Current Market Price".

NO SINKING FUND.............. The STRYPES do not contain any sinking fund or other mandatory redemption provisions. The STRYPES are not subject to payment prior to the Maturity Date at the option of the holder.

RANKING...................... The STRYPES will be unsecured obligations of the Company ranking pari passu with all of its other unsecured and unsubordinated indebtedness. See "Supplemental Description of the STRYPES--Ranking" herein and "Description of the STRYPES--Ranking" in the ML&Co. Prospectus.

RELATIONSHIP TO SUNAMERICA COMMON STOCK............. The interest rate on the STRYPES exceeds the current dividend yield on the SunAmerica Common Stock which, on the date of this Prospectus Supplement, was approximately 1.07% per annum (based on the current quarterly dividend rate of $.15 per share of SunAmerica Common Stock and the last reported sale price on the NYSE set forth on the cover page hereof). The dividends payable per share of SunAmerica Common Stock may be increased or decreased at the discretion of its board of directors. The payment of future dividends on the SunAmerica Common Stock and the amount thereof will depend on business conditions, earnings and financial requirements of SunAmerica and other relevant factors.

Holders of the STRYPES will not be entitled to any rights with respect to the SunAmerica Common Stock (including, without limitation, voting rights and rights to receive any dividends or other distributions in respect thereof) unless and until such time, if any, as the Company shall have delivered shares of SunAmerica Common Stock for STRYPES on the Maturity Date or upon redemption, and unless the applicable record date, if any, for the exercise of such rights occurs after such delivery. See "Risk Factors--No Stockholder Rights".

TRADING PRICES............... The trading prices of the STRYPES in the secondary market will be directly affected by the trading prices of the SunAmerica Common Stock in the secondary market. It is impossible to predict whether the price of SunAmerica Common Stock will rise or fall. In addition, any market that develops for the STRYPES is likely to influence the market for SunAmerica Common Stock. For example, the price of SunAmerica Common Stock could be depressed by investors' anticipation of the potential distribution into the market of substantial amounts of SunAmerica Common Stock on the Maturity Date or upon redemption of the STRYPES, by possible sales of SunAmerica Common Stock by investors who view the STRYPES as a more attractive means of equity participation in SunAmerica and by hedging or arbitrage trading activity that may develop involving the STRYPES and the SunAmerica Common Stock. See "Risk Factors--Factors

Affecting Trading Prices" and "--Impact of STRYPES on the Market for SunAmerica Common Stock".

DILUTION.................... The number of shares (or, pursuant to the Company's option, the amount of cash) that holders of the STRYPES are entitled to receive upon payment and discharge on the Maturity Date or upon redemption will not be adjusted for certain events, such as offerings of SunAmerica

Common Stock for cash or in connection with acquisitions. SunAmerica is not restricted from issuing additional SunAmerica Common Stock during the term of the STRYPES and has no obligation to consider the interests of holders of STRYPES for any reason. Additional issuances may materially and adversely affect the market price of the SunAmerica Common Stock and of the STRYPES. See "Risk Factors--Dilution of SunAmerica Common Stock".

STOCK AGREEMENT WITH THE SELLING STOCKHOLDER........ Pursuant to an agreement (the "Stock Agreement") among the Company, Merrill Lynch Capital Services, Inc., a wholly owned subsidiary of the Company (the "ML&Co. Subsidiary"), and Eli Broad (the "Selling Stockholder"), the Selling Stockholder is obligated to deliver to the ML&Co. Subsidiary, on , 1999, either (i) a number of shares of SunAmerica Class B Stock equal to the number of STRYPES then outstanding (subject to adjustment in certain events) or (ii) at the Selling Stockholder's option, cash in an amount equal to the Current Market Price, determined as of the second Trading Day prior to such date, of the SunAmerica Common Stock underlying the SunAmerica Class B Stock that otherwise would have been delivered pursuant to clause (i) of this sentence. At any time and from time to time prior to , 1999, the Selling Stockholder may, at his option, redeem his obligations under the Stock Agreement in whole or in part, at a redemption price per share of SunAmerica Class B Stock to be delivered pursuant to the Stock Agreement initially equal to $, declining by $ on each day following the date of the Stock Agreement (computed on the basis of a 360-day year of twelve 30-day months) to $ on , 1999, and equal to $ thereafter, payable in either (i) shares of SunAmerica Class B Stock representing SunAmerica Common Stock having an aggregate Current Market Price, determined as of the second Trading Day prior to the date of the applicable notice of redemption, equal to the applicable redemption price or (ii) at the Selling Stockholder's option, cash, plus in either case an amount in cash equal to accrued and unpaid interest on the STRYPES to but excluding the redemption date. Pursuant to the Stock Agreement the ML&Co. Subsidiary will deliver to the Selling Stockholder an amount of cash equal to $ per share of SunAmerica Class B Stock, or $ in the aggregate, on or about , 1996. Shares of SunAmerica Class B Stock delivered by the Selling Stockholder will convert automatically into shares of SunAmerica Common Stock upon transfer to the ML&Co. Subsidiary. The Selling Stockholder has the right at any time to modify the Stock Agreement so that he may deliver shares of SunAmerica Common Stock (or cash) instead of shares of SunAmerica Class B Stock (or cash). Until any such shares are delivered, the Selling Stockholder will retain the right to vote such shares and receive dividends thereon.

The Selling Stockholder has no obligations with respect to the STRYPES or amounts to be paid to holders thereof, including any obligation to take the needs of the Company or of holders of the STRYPES into consideration in determining whether or when to cause redemption of the STRYPES or whether to deliver shares or cash at maturity or upon

redemption, or for any other reason. The Stock Agreement is a commercial transaction among the parties thereto and does not create any rights in, or for the benefit of, any third party, including any holder of STRYPES. See "Certain Arrangements With the Selling Stockholder".

In the Indenture (as defined herein), the Company will agree to pay and discharge the STRYPES by delivering to the holders thereof on the Maturity Date or any redemption date the form of consideration that the ML&Co. Subsidiary receives from the Selling Stockholder and to redeem the STRYPES if and when the Selling Stockholder redeems his obligations under the Stock Agreement.

See "Stock Ownership of Mr. Broad" in the SunAmerica Prospectus for information regarding the relationship between the Selling Stockholder and SunAmerica.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS...........	Prospective investors in the STRYPES should be aware that there exists uncertainty concerning the proper United States Federal income tax characterization and treatment of the STRYPES. Accordingly, prospective investors should consider the tax consequences of investing in the STRYPES. See "Risk Factors--Tax Matters" and "Certain United States Federal Income Tax Considerations".
GLOBAL CERTIFICATES..........	Upon issuance, all STRYPES will be represented by one or more global certificates deposited with, and registered in the name of, The Depository Trust Company, as Securities Depository (the "Securities Depository"), or a nominee thereof. As a result, the Securities Depository, or its nominee, will be considered the sole owner of the STRYPES under the Indenture. Ownership interests of actual purchasers of STRYPES will be recorded on the records of participants in the Securities Depository. See "Description of the STRYPES--Securities Depository" in the ML&Co. Prospectus.
USE OF PROCEEDS..............	The net proceeds to the Company from the sale of the STRYPES are expected to be approximately $ ($ if the Underwriter's over-allotment option is exercised in full), approximately $ of which ($ if the Underwriter's over-allotment option is exercised in full) will be used to pay to the Selling Stockholder the consideration due under the Stock Agreement, approximately $ ($ if the Underwriter's over-allotment option is exercised in full) of which will be used to fund a secured loan to the Selling Stockholder and the remainder will be used to pay certain expenses of the offering.

RISK FACTORS

Prospective purchasers should read carefully this entire Prospectus Supplement, the ML&Co. Prospectus and the SunAmerica Prospectus and should consider, among other things, the factors set forth below.

RISK OF FLUCTUATIONS IN PRICE OF SUNAMERICA COMMON STOCK; CALCULATION OF CURRENT MARKET PRICE

Because the price of the SunAmerica Common Stock is subject to market fluctuations, the value of the SunAmerica Common Stock (or, pursuant to the option of the Company exercisable at maturity, the amount of cash) received by a holder of STRYPES upon maturity may be less than the amount paid for the STRYPES upon issuance, in which case an investment in the STRYPES will result in a loss. ACCORDINGLY, A HOLDER OF STRYPES ASSUMES THE RISK THAT THE MARKET VALUE OF THE SUNAMERICA COMMON STOCK MAY DECLINE, AND THAT SUCH DECLINE COULD BE SUBSTANTIAL. THE SUNAMERICA PROSPECTUS COVERS THE SHARES OF SUNAMERICA COMMON STOCK WHICH MAY BE RECEIVED BY A HOLDER OF THE STRYPES ON THE MATURITY DATE OR UPON REDEMPTION.

The Notice Date applicable to the Maturity Date or a redemption date will be at least 30 days and could be up to 60 days prior to such Maturity Date or redemption date, as the case may be. If the Company (i) elects to pay the STRYPES in cash at maturity or (ii) elects to redeem the STRYPES, in whole or in part, and to pay the redemption price by delivering shares of SunAmerica Common Stock, the amount of cash payable on the Maturity Date or the number of shares to be delivered on the redemption date, as the case may be, will be determined on the basis of the Current Market Price as of the second Trading Day prior to the applicable Notice Date. The price of the SunAmerica Common Stock is subject to market fluctuations and, as a result, (a) the amount of cash delivered on the Maturity Date in respect of each STRYPES may be more or less than the market value on the Maturity Date of the SunAmerica Common Stock which a holder would otherwise have been entitled to receive and (b) the market value on a redemption date of shares of SunAmerica Common Stock delivered in respect of each STRYPES may be more or less than the applicable redemption price.

As described under "Supplemental Description of the STRYPES--Certain Definitions", the Current Market Price used to determine the amount of cash which may, at the option of the Company, be paid at maturity or the number of shares of SunAmerica Common Stock which may, at the option of the Company, be delivered upon any redemption of the STRYPES will generally be equal to the average of the daily Closing Prices (as defined) of the SunAmerica Common Stock for the five consecutive Trading Days ending on and including the date of determination. However, if the Closing Price on the Trading Day next following such five-day period (the "Next-Day Closing Price") is less than 95% of such five-day average Closing Price, then the Current Market Price on such date of determination will be the Next-Day Closing Price. Because the price of the SunAmerica Common Stock is subject to market fluctuations, it is possible that the Next-Day Closing Price could be significantly less than such five-day average.

LIMITATION ON OPPORTUNITY FOR CAPITAL APPRECIATION

The opportunity for capital appreciation afforded by an investment in the STRYPES is less than the opportunity for capital appreciation afforded by a direct investment in the SunAmerica Common Stock. The opportunity for capital appreciation afforded by an investment in the STRYPES is limited because the Company may, at its option, redeem the STRYPES at any time prior to the Maturity Date at the redemption prices described herein. Although not obligated to do so, the Company may be expected to redeem the STRYPES prior to the Maturity Date if the market price of the SunAmerica Common Stock exceeds the applicable redemption price, in which event holders of STRYPES will receive less than one share of SunAmerica Common Stock for each STRYPES (or, at the option of the Company, cash in an amount equal to the Current Market Price of less than one share of such SunAmerica Common Stock). See "Supplemental Description of the STRYPES--Optional Redemption". If the Company elects to redeem the STRYPES, in whole or in part, the capital appreciation, exclusive of accrued interest, realized on an investment in the STRYPES will, for any owner of STRYPES called for redemption, be limited to the excess, if any, of (i) the value of the SunAmerica Common Stock or the amount of cash, as the case may be, received in payment of such redemption price (such redemption price being initially

$ and declining thereafter to $), over (ii) the price paid by such owner for such STRYPES (the initial price being the price to public for each STRYPES shown on the cover page of this Prospectus Supplement and the price thereafter being subject to market fluctuations).

FACTORS AFFECTING TRADING PRICES

The trading prices of the STRYPES in the secondary market will be directly affected by the trading prices of the SunAmerica Common Stock in the secondary market. It is impossible to predict whether the price of SunAmerica Common Stock will rise or fall. Trading prices of SunAmerica Common Stock will be influenced by SunAmerica's operating results and prospects, by complex and interrelated political, economic, financial and other factors and market conditions that can affect the capital markets generally, the market segment of which SunAmerica is a part, the NYSE (on which the SunAmerica Common Stock is traded), including the level of, and fluctuations in, the trading prices of stocks generally and sales of substantial amounts of SunAmerica Common Stock in the market subsequent to the offering of the STRYPES or the perception that such sales could occur, and by other events that are difficult to predict and beyond the Company's control.

IMPACT OF STRYPES ON THE MARKET FOR SUNAMERICA COMMON STOCK

It is not possible to predict accurately how or whether the STRYPES will trade in the secondary market or whether such market will be liquid. Any market that develops for the STRYPES is likely to influence and be influenced by the market for SunAmerica Common Stock. For example, the price of SunAmerica Common Stock could be depressed by investors' anticipation of the potential distribution into the market of substantial additional amounts of SunAmerica Common Stock on the Maturity Date or upon redemption of the STRYPES, by possible sales of SunAmerica Common Stock by investors who view the STRYPES as a more attractive means of equity participation in SunAmerica and by hedging or arbitrage trading activity that may develop involving the STRYPES and the SunAmerica Common Stock. In addition, after a 60 day period from the date of this Prospectus Supplement, the Selling Stockholder is not precluded from selling SunAmerica Common Stock. Any such sales could have an adverse effect on the market price of SunAmerica Common Stock and/or the STRYPES.

POSSIBLE ILLIQUIDITY OF THE SECONDARY MARKET

It is not possible to predict how the STRYPES will trade in the secondary market or whether such market will be liquid or illiquid. The STRYPES are novel securities and there is currently no secondary market for the STRYPES. Application has been made to list the STRYPES on the NYSE. However there can be no assurance that an active trading market for the STRYPES will develop, that such listing will provide the holders of the STRYPES with liquidity of investment, or that the STRYPES will not later be delisted or that trading of the STRYPES on the NYSE will not be suspended. In the event of a delisting or suspension of trading on the NYSE, the Company will apply for listing of the STRYPES on another national securities exchange or for quotation on another trading market. If the STRYPES are not listed or traded on any securities exchange or trading market, or if trading of the STRYPES is suspended, pricing information for the STRYPES may be more difficult to obtain and the liquidity of the STRYPES may be adversely affected.

NO STOCKHOLDER RIGHTS

Holders of the STRYPES will not be entitled to any rights with respect to the SunAmerica Common Stock (including, without limitation, voting rights and rights to receive any dividends or other distributions in respect thereof) unless and until such time, if any, as the Company shall have delivered shares of SunAmerica Common Stock for STRYPES on the Maturity Date or upon redemption, and unless the applicable record date, if any, for the exercise of such rights occurs after such date. For example, in the event that an amendment is proposed to the certificate of incorporation of SunAmerica and the record date for determining the stockholders of record entitled to vote on such amendment occurs prior to such delivery, holders of the STRYPES will not be entitled to vote on such amendment.

NO AFFILIATION BETWEEN THE COMPANY AND THE SELLING STOCKHOLDER

The Company has no affiliation with the Selling Stockholder, and the Selling Stockholder has no obligation with respect to the STRYPES or amounts to be paid to the holders thereof, including any obligation to take the needs of the Company or of the holders of STRYPES into consideration in determining whether or when to cause redemption of the STRYPES or whether to deliver shares or cash at maturity or upon redemption, or for any other reason.

NO AFFILIATION BETWEEN THE COMPANY AND SUNAMERICA

The Company has no affiliation with SunAmerica, and SunAmerica has no obligations with respect to the STRYPES or amounts to be paid to holders thereof, including any obligation to take the needs of the Company or of holders of the STRYPES into consideration for any reason. SunAmerica will not receive any of the proceeds of the offering of the STRYPES made hereby and is not responsible for, and has not participated in, the determination or calculation of the amount receivable by holders of the STRYPES on the Maturity Date or upon redemption. SunAmerica is not involved with the administration or trading of the STRYPES and has no obligations with respect to the amount receivable by holders of the STRYPES on the Maturity Date or upon redemption.

DILUTION OF SUNAMERICA COMMON STOCK

The number of shares of SunAmerica Common Stock (or, pursuant to the option of the Company, the amount of cash) that holders of the STRYPES are entitled to receive on the Maturity Date or upon redemption is subject to adjustment for certain events arising from, among other things, a merger or consolidation in which SunAmerica is not the surviving or resulting corporation, or a sale or transfer of all or substantially all of the assets of SunAmerica on the liquidation, dissolution, winding up or bankruptcy of SunAmerica, as well as stock splits and combinations, stock dividends and certain other actions of SunAmerica that modify its capital structure. See "Supplemental Description of the STRYPES--Dilution Adjustments". Such number of shares of SunAmerica Common Stock (or, pursuant to the option of the Company, the amount of cash) to be received by such holders on the Maturity Date or upon redemption will not be adjusted for other events, such as offerings of SunAmerica Common Stock for cash or in connection with acquisitions. SunAmerica is not restricted from issuing additional shares of SunAmerica Common Stock during the term of the STRYPES and has no obligation to consider the interests of the holders of the STRYPES for any reason. Additional issuances may materially and adversely affect the market price of the SunAmerica Common Stock and of the STRYPES.

TAX MATTERS

Because of an absence of authority as to the proper characterization of the STRYPES, their ultimate tax treatment is uncertain. Accordingly, no assurances can be given that any particular characterization and treatment of the STRYPES will be accepted by the Internal Revenue Service ("IRS") or upheld by a court. However, it is the opinion of Brown & Wood, counsel to the Company, that the characterization and tax treatment of the STRYPES described herein (and described in greater detail under "Certain United States Federal Income Tax Considerations"), while not the only reasonable characterization and tax treatment, is based on reasonable interpretations of law currently in effect and, even if successfully challenged by the IRS, will not result in the imposition of penalties. The Indenture will require that any holder subject to United States Federal income tax include currently in income, for United States Federal income tax purposes, payments denominated as interest that are made with respect to a STRYPES in accordance with such holder's regular method of tax accounting. The Indenture also requires the Company and holders to treat each STRYPES for tax purposes as a unit (a "Unit") consisting of (i) a debt instrument (the "Debt Instrument") with a fixed principal amount unconditionally payable on the Maturity Date equal to the Issue Price of the STRYPES and bearing interest at the stated interest rate on the STRYPES and (ii) a forward purchase contract (the "Forward Contract") pursuant to which the holder agrees to use the principal payment due on the Debt Instrument (or, in the event of redemption, the redemption price) to purchase on the Maturity Date or upon redemption the SunAmerica Common Stock which the Company is obligated under the STRYPES to deliver at that time (subject to the Company's right to deliver cash in lieu of the SunAmerica Common Stock). The Indenture also requires that upon the acquisition of a STRYPES and upon a holder's sale or

other disposition of a STRYPES prior to the Maturity Date or redemption of the STRYPES, the amount paid or realized by the holder be allocated by the holder between the Debt Instrument and the Forward Contract based upon their relative fair market values (as determined on the date of acquisition or disposition). For these purposes, with respect to acquisitions of STRYPES in connection with the original issuance thereof, the Company and each holder agrees, pursuant to the terms of the Indenture, to allocate $ of the entire initial purchase price of a STRYPES (i.e., the Issue Price of a STRYPES) to the Debt Instrument and to allocate the remaining $ of the entire initial purchase price of a STRYPES to the Forward Contract. As previously mentioned, the appropriate character and timing of income, gain or loss to be recognized on a STRYPES is uncertain and investors should consult their own tax advisers concerning the application of the United States Federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the STRYPES arising under the laws of any other taxing jurisdiction. The tax consequences of investing in the STRYPES are described in greater detail under "Certain United States Federal Income Tax Considerations".

HOLDING COMPANY STRUCTURE

Since the Company is a holding company, the right of the Company, and hence the right of creditors of the Company (including the holders of the STRYPES), to participate in any distribution of the assets of any subsidiary upon its liquidation or reorganization or otherwise is necessarily subject to the prior claims of creditors of the subsidiary, except to the extent that claims of the Company itself as a creditor of the subsidiary may be recognized. In addition, dividends, loans and advances from certain subsidiaries, including MLPF&S, to the Company are restricted by net capital requirements under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and under the rules of certain securities exchanges and other regulatory bodies.

SUNAMERICA INC.

SunAmerica Inc. is a diversified financial services company specializing in retirement savings products and services.

SunAmerica is subject to the informational requirements of the Exchange Act. Accordingly, SunAmerica files reports, proxy and information statements and other information with the Securities and Exchange Commission (the "Commission"). Copies of such material can be inspected and copied at the public reference facilities maintained by the Commission at the addresses specified under "Available Information" in the SunAmerica Prospectus. Reports, proxy and information statements and other information concerning SunAmerica may also be inspected at the offices of the NYSE.

THE COMPANY IS NOT AFFILIATED WITH SUNAMERICA, AND SUNAMERICA HAS NO OBLIGATIONS WITH RESPECT TO THE STRYPES. THIS PROSPECTUS SUPPLEMENT AND THE ML&CO. PROSPECTUS RELATE ONLY TO THE STRYPES OFFERED HEREBY AND DO NOT RELATE TO THE SUNAMERICA COMMON STOCK. SUNAMERICA HAS FILED A REGISTRATION STATEMENT ON FORM S-3 WITH THE COMMISSION COVERING THE SHARES OF SUNAMERICA COMMON STOCK THAT MAY BE RECEIVED BY A HOLDER OF STRYPES ON THE MATURITY DATE OR UPON REDEMPTION. THE PROSPECTUS OF SUNAMERICA CONSTITUTING A PART OF SUCH REGISTRATION STATEMENT INCLUDES INFORMATION RELATING TO SUNAMERICA AND THE SUNAMERICA COMMON STOCK, INCLUDING CERTAIN FACTORS RELEVANT TO AN INVESTMENT IN SUNAMERICA COMMON STOCK. THE SUNAMERICA PROSPECTUS IS BEING DELIVERED TO PROSPECTIVE PURCHASERS OF STRYPES TOGETHER WITH THIS PROSPECTUS SUPPLEMENT AND THE ML&CO. PROSPECTUS FOR CONVENIENCE OF REFERENCE ONLY. THE SUNAMERICA PROSPECTUS DOES NOT CONSTITUTE A PART OF THIS PROSPECTUS SUPPLEMENT OR THE ML&CO. PROSPECTUS, NOR IS IT

INCORPORATED BY REFERENCE HEREIN OR THEREIN.

PRICE RANGE OF SUNAMERICA COMMON STOCK AND DIVIDENDS

The SunAmerica Common Stock sale prices (as quoted on the NYSE Composite Tape) and per share dividend data for each full quarter during fiscal years ended September 30, 1994 and 1995, for the first and second fiscal quarters of 1996 and for the third fiscal quarter of 1996 through May 17, 1996 are set forth below. The payment of future dividends on the SunAmerica Common Stock and the amounts thereof will depend on business conditions, earnings and financial requirements of SunAmerica and other relevant factors. The sale prices and dividend amounts set forth below have been restated to reflect a three-for-two stock split paid in the form of a stock dividend on November 10, 1995.

The SunAmerica Common Stock trades under the symbol "SAI".

<TABLE>
<CAPTION>

	SUNAMERICA COMMON STOCK PRICES		DIVIDENDS PAID	
FISCAL YEAR	HIGH	LOW	SUNAMERICA COMMON STOCK	SUNAMERICA NONTRANSFERABLE CLASS B STOCK(1)
<S>	<C>	<C>	<C>	<C>
1994				
First Quarter	$31	$22	$.067	$ .06
Second Quarter	29 1/8	22 3/8	.067	.06
Third Quarter	29 1/2	22 7/8	.067	.06
Fourth Quarter	30 7/8	26 7/8	.067	.06
1995				
First Quarter	$27 7/8	22 7/8	$ .10	$ .09
Second Quarter	29 1/2	24	.10	.09
Third Quarter	37	28 1/4	.10	.09
Fourth Quarter	42	33 1/2	.10	.09
1996				
First Quarter	$49 3/4	$40 53/64	$ .15	$.135
Second Quarter	57 1/2	44 1/8	.15	.135
Third Quarter (through May 17, 1996)	57 3/4	45 5/8		

</TABLE>

(1) Holders of Nontransferable Class B Stock are entitled to receive cash dividends equal to 90% of any cash dividends paid to holders of the SunAmerica Common Stock. For a description of the rights of holders of Nontransferable Class B Stock, see "Description of Capital Stock--Common Stock and Class B Stock" in the SunAmerica Prospectus.

SUPPLEMENTAL USE OF PROCEEDS

The net proceeds to the Company from the sale of the STRYPES are expected to be approximately $ ($ if the Underwriter's over-allotment option is exercised in full). Of that amount, approximately $ ($ if the Underwriter's over-allotment option is exercised in full) will be used to pay to the Selling Stockholder the consideration due under the Stock Agreement, approximately $ ($ if the Underwriter's over-allotment option is exercised in full) will be used to fund a secured loan to the Selling Stockholder and the remainder will be used to pay certain expenses of the offering.

SUPPLEMENTAL DESCRIPTION OF THE STRYPES

The STRYPES are a series of Senior Debt Securities to be issued under an indenture, dated as of April 1, 1983 and restated as of April 1, 1987, as amended and supplemented as of _________, 1996 (the indenture dated as of April 1, 1983 and restated as of April 1, 1987, as amended and supplemented from time to time, the "Indenture") between the Company and Chemical Bank (successor by merger to Manufacturers Hanover Trust Company), as trustee (the "Trustee"). Certain provisions of the Indenture are summarized in the ML&Co. Prospectus. The following summary of certain provisions of the Indenture and the STRYPES does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture and the form of supplemental indenture relating to the STRYPES, copies of which have been filed or incorporated by reference as exhibits to the Registration Statement of which the ML&Co. Prospectus is a part and are available as described under "Available Information" in the ML&Co. Prospectus. As used in this "Supplemental Description of the STRYPES", the term "Company" means Merrill Lynch & Co., Inc. excluding, unless the context otherwise requires, its subsidiaries. All capitalized terms not otherwise defined herein have the meanings specified in the Indenture.

GENERAL

The aggregate number of STRYPES to be issued under the Indenture will be limited to 3,000,000, plus such additional number of STRYPES as may be issued pursuant to the over-allotment option granted by the Company to the Underwriter. See "Underwriting". No fractional STRYPES will be issued.

Each STRYPES, which will be issued at the Issue Price of $, will bear interest at the rate of % of the Issue Price per annum (or $ per annum) from , 1996, or from the most recent Interest Payment Date to which interest has been paid or provided for, until the Maturity Date or such earlier date on which such STRYPES is redeemed. Interest on the STRYPES will be payable in cash quarterly in arrears on , , and , beginning , 1996 (each, an "Interest Payment Date"), to the persons in whose names the STRYPES are registered at the close of business on the last day (whether or not a Business Day) of the calendar month immediately preceding such Interest Payment Date. Interest on the STRYPES will be computed on the basis of a 360-day year of twelve 30-day months. If an Interest Payment Date, Maturity Date or redemption date falls on a day that is not a Business Day, the payments to be made (including any shares of SunAmerica Common Stock to be delivered) on such date will be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, Maturity Date or redemption date, and no additional interest will accrue as a result of such delayed payment.

PAYMENTS AT MATURITY

The STRYPES will mature on , 1999. On the Maturity Date, unless previously redeemed, the Company will pay and discharge each STRYPES by delivering to the holder thereof either (i) a number of shares of SunAmerica Common Stock equal to the Common Equivalent Rate (as described below) in effect on the Maturity Date, or (ii) at the Company's option (which may be exercised with respect to all, but not less than all, of the STRYPES then outstanding), cash in an amount equal to the Current Market Price, determined as of the second Trading Day prior to the applicable Notice Date, of the SunAmerica Common Stock which otherwise would have been delivered pursuant to clause (i) of this sentence. The Common Equivalent Rate will initially be one share of Common Stock per STRYPES. The Common Equivalent Rate is subject to adjustment as described below under "--Dilution Adjustments". Because the price of the SunAmerica Common Stock is subject to market fluctuations, the value of the SunAmerica Common Stock (or, at the option of the Company, the amount of cash) received by a holder of STRYPES on the Maturity Date may be less than the amount paid for the STRYPES upon issuance, in which case an investment in the STRYPES will result in a loss. In addition, because of such market fluctuations and because the Current Market Price of the SunAmerica Common Stock will be determined as of the second Trading Date prior to the applicable Notice Date (which will be at least 30 and could be up to 60 days prior to the Maturity Date), it is likely that, if the Company elects to pay the STRYPES in cash on the Maturity Date, the amount of cash payable per STRYPES will differ from the market value on the Maturity Date of the shares of

SunAmerica Common Stock which a holder would otherwise have received. See "Risk Factors--Risk of Fluctuations in Price of SunAmerica Common Stock; Calculation of Current Market Price".

In the Indenture, the Company will agree to deliver on the Maturity Date the form of consideration that the ML&Co. Subsidiary receives from the Selling Stockholder. The Company will be required to mail a notice, at least 30 but not more than 60 days prior to the Maturity Date, to each holder of STRYPES at its registered address, which notice shall state whether the STRYPES will be paid and discharged with shares of SunAmerica Common Stock or in cash and, if payable in cash, specifying the amount of cash payable for each STRYPES and the Current Market Price used to calculate such amount. If the Company elects to deliver shares of SunAmerica Common Stock, holders of the STRYPES will be responsible for the payment of any and all brokerage costs upon the subsequent sale of such stock.

OPTIONAL REDEMPTION

At any time or from time to time prior to the Maturity Date, the Company may, at its option, redeem the outstanding STRYPES, in whole or in part, at a redemption price per STRYPES initially equal to $, declining by $ on each day following the Issue Date (computed on the basis of a 360-day year of twelve 30-day months) to $ on , 1999, and equal to $ thereafter, payable in either (i) a number of shares of SunAmerica Common Stock equal to the redemption price on the applicable redemption date divided by the Current Market Price of the SunAmerica Common Stock determined as of the second Trading Day preceding the applicable Notice Date or (ii) at the Company's option (which may be exercised with respect to all, but not less than all, of the STRYPES to be redeemed on any redemption date) cash, plus in either case an amount in cash equal to accrued and unpaid interest on the STRYPES to but excluding the redemption date; provided that installments of interest which are due and payable on or prior to the redemption date shall be payable to the holders of STRYPES registered as such at the close of business on the relevant record dates. On and after the redemption date, interest will cease to accrue on the STRYPES called for redemption, unless the Company defaults in the payment of the redemption price therefor. If the Company elects to deliver shares of SunAmerica Common Stock, holders of the STRYPES will be responsible for the payment of any and all brokerage costs upon the subsequent sale of such stock.

Notice of redemption shall be mailed at least 30 days but not more than 60 days before the redemption date to each holder of STRYPES to be redeemed at its registered address. Such notice shall specify whether the Company will pay the redemption price by delivery of SunAmerica Common Stock or in cash and, if payable in SunAmerica Common Stock, will also specify the number of shares of SunAmerica Common Stock to be delivered for each STRYPES and the Current Market Price used to calculate such number of shares. If only a portion of the STRYPES held by any registered holder are to be redeemed, the notice of redemption shall specify the number of STRYPES to be redeemed from such holder and, upon redemption, a new STRYPES certificate evidencing the unredeemed STRYPES will be issued in the name of the holder upon surrender for cancellation of the original certificate.

In the event that less than all of the STRYPES are to be redeemed at any time, selection of STRYPES for redemption will be made by the Trustee by such method as the Trustee shall deem fair and appropriate (subject to compliance with the requirements of the principal national securities exchange on which the STRYPES may be listed); provided, however, that the STRYPES shall not be redeemed except in units of one or more whole STRYPES.

The opportunity for capital appreciation afforded by an investment in the STRYPES is limited because the Company may, at its option, redeem the STRYPES at any time prior to the Maturity Date at the redemption prices described above. Although not obligated to do so, the Company may be expected to redeem the STRYPES prior to the Maturity Date if the market price of the SunAmerica Common Stock exceeds the applicable redemption price, in which event holders of STRYPES will receive less than one share of SunAmerica Common Stock for each STRYPES (or, at the option of the Company, cash in an amount equal to the Current Market Price of less than one share of such SunAmerica Common Stock). See "Risk Factors--Limitation on Opportunity for Capital Appreciation".

If the Company exercises its option to redeem the STRYPES, in whole or in part, the Notice Date for such redemption will be at least 30 days and could be up to 60 days prior to the redemption date. If, as described above, the Company elects to pay the redemption price by delivering shares of SunAmerica Common Stock, the number of shares to be so delivered will be determined on the basis of the Current Market Price as of the second Trading Date prior to the Notice Date. The price of the SunAmerica Common Stock is subject to market fluctuations and, as a result, the market value on such redemption date of the shares of SunAmerica Common Stock delivered in respect of each STRYPES may be more or less than the applicable redemption price. See "Risk Factors--Risk of Fluctuations in Price of SunAmerica Common Stock; Calculation of Current Market Price".

CERTAIN DEFINITIONS

The "Closing Price" of any security on any day shall mean the closing sales price regular way on such day or, in case no such sale takes place on such day, the average of the reported closing bid and asked prices regular way on such day, in each case on the NYSE, or, if such security is not listed or admitted to trading on the NYSE, on the principal national securities exchange on which such security is listed or admitted to trading, or, if not listed or admitted to trading on any national securities exchange, the average of the closing bid and asked prices of such security on the over-the-counter market on the day in question as reported by the National Quotation Bureau Incorporated, or a similarly generally accepted reporting service, or if not so available in such manner, as furnished by any NYSE member firm selected from time to time by the Board of Directors of the Company for that purpose.

The "Current Market Price" per share of the SunAmerica Common Stock on any date of determination means the average of the daily Closing Prices for the five consecutive Trading Days ending on and including such date of determination (appropriately adjusted to take into account the occurrence during such five-day period of any event that results in an adjustment of the Common Equivalent Rate); provided, however, that if the Closing Price of the SunAmerica Common Stock on the Trading Day next following such five-day period (the "Next-Day Closing Price") is less than 95% of such five-day average, then the Current Market Price per share of SunAmerica Common Stock on such date of determination will be the Next-Day Closing Price; and provided, further, that, for the purposes of calculating the Current Market Price in connection with the Maturity Date or any redemption of STRYPES or any determination of an amount in cash payable in lieu of a fractional share of SunAmerica Common Stock, if any adjustment of the Common Equivalent Rate becomes effective as of any date during the period beginning on the first day of such five-day period and ending on the Maturity Date or the relevant redemption date, as the case may be, then the Current Market Price as determined pursuant to the foregoing will be appropriately adjusted to reflect such adjustment. Because the price of SunAmerica Common Stock is subject to market fluctuations, it is possible that the Next-Day Closing Price could be significantly less than such five-day average. See "Risk Factors--Risk of Fluctuations in Price of SunAmerica Common Stock; Calculation of Current Market Price".

A "Notice Date" with respect to any notice given by the Company in connection with the Maturity Date or any redemption of STRYPES means the commencement of the mailing of such notice to the holders of STRYPES in accordance with "--Payments at Maturity or "--Optional Redemption", as the case may be, above.

A "Trading Day" is defined as a day on which the security, the Closing Price of which is being determined, (A) is not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business and (B) has traded at least once on the national or regional securities exchange or

association or over-the-counter market that is the primary market for the trading of such security; provided that, if the Closing Price of such security is to be determined by a NYSE member firm, then the term Trading Day shall mean, for purposes of determining such Closing Price, a day on which the NYSE is open for trading.

DILUTION ADJUSTMENTS

The Common Equivalent Rate will initially be one share of SunAmerica Common Stock for each STRYPES. The Common Equivalent Rate is subject to adjustment if SunAmerica shall: (i) pay a dividend or make a distribution with respect to SunAmerica Common Stock in shares of SunAmerica Common Stock; (ii) subdivide or split the outstanding shares of SunAmerica Common Stock into a greater number of shares; (iii) combine the outstanding shares of SunAmerica Common Stock into a smaller number of shares; (iv) issue by reclassification of shares of SunAmerica Common Stock any shares of common stock of SunAmerica; (v) issue certain rights or warrants to all holders of SunAmerica Common Stock; or (vi) pay a dividend or make a distribution to all holders of SunAmerica Common Stock of evidences of its indebtedness or other assets (including shares of capital stock of SunAmerica but excluding any cash dividends and any stock dividends or distributions referred to in clause (i) above).

All adjustments to the Common Equivalent Rate will be calculated to the nearest 1/100th of a share of SunAmerica Common Stock (or if there is not a nearest 1/100th of a share to the next lower 1/100th of a share). No adjustment in the Common Equivalent Rate shall be required unless such adjustment would require an increase or decrease of at least one percent therein; provided, however, that any adjustments which by reason of the foregoing are not required to be made shall be carried forward and taken into account in any subsequent adjustment. Each such adjustment to the Common Equivalent Rate shall be made successively.

In the event of (A) any consolidation or merger of SunAmerica, or any surviving entity or subsequent surviving entity of SunAmerica (a "SunAmerica Successor"), with or into another entity (other than a merger or consolidation in which SunAmerica is the continuing corporation and in which the SunAmerica Common Stock outstanding immediately prior to the merger or consolidation is not exchanged for cash, securities or other property of SunAmerica or another corporation), (B) any sale, transfer, lease or conveyance to another corporation of the property of SunAmerica or any SunAmerica Successor as an entirety or substantially as an entirety, (C) any statutory exchange of securities of SunAmerica or any SunAmerica Successor with another corporation (other than in connection with a merger or acquisition) or (D) any liquidation, dissolution, winding up or bankruptcy of SunAmerica or any SunAmerica Successor (any such event described in clause (A), (B), (C) or (D), a "Reorganization Event"), the Common Equivalent Rate will be adjusted to provide that each holder of STRYPES will receive on the Maturity Date or any redemption date for each STRYPES cash in an amount equal to the Transaction Value. "Transaction Value" means (i) for any cash received in any such Reorganization Event, the amount of cash received per share of SunAmerica Common Stock, (ii) for any property other than cash or securities received in any such Reorganization Event, an amount equal to the market value on the Maturity Date or any redemption date of such property received per share of SunAmerica Common Stock as determined by a nationally recognized independent investment banking firm retained for this purpose by the Company and (iii) for any securities received in any such Reorganization Event, an amount equal to the average Closing Price per unit of such securities on the five Trading Days immediately prior to the second Trading Day preceding the Maturity Date or any redemption date multiplied by the number of such securities received for each share of SunAmerica Common Stock. Notwithstanding the foregoing, in the event that property or securities, or a combination of cash, on the one hand, and property or securities, on the other, are received in such Reorganization Event, the Company may, at its option, in lieu of delivering cash as described above, deliver the amount of cash, securities and other property received per share of SunAmerica Common Stock in such Reorganization Event determined in accordance with clause (i), (ii) or (iii) above, as applicable. If the Company elects to deliver securities or other property, holders of the STRYPES will be responsible for the payment of any and all brokerage and other transaction costs upon any subsequent sale of such securities or other property. The kind and amount of securities with which the STRYPES shall be paid and discharged after consummation of such transaction shall be subject to adjustment as described above following the date of consummation of such transaction.

No adjustments will be made for certain other events, such as offerings of SunAmerica Common Stock by SunAmerica for cash or in connection with acquisitions. Likewise, no adjustments will be made for any sales of SunAmerica Common Stock by the Selling Stockholder.

The Company is required, within ten Business Days following the occurrence of an event that requires an adjustment to the Common Equivalent Rate (or if the Company is not aware of such occurrence, as soon as practicable after becoming so aware), to provide written notice to the Trustee and to the holders of the STRYPES of the occurrence of such event and a statement in reasonable detail setting forth the adjusted Common Equivalent Rate and the method by which the adjustment to the Common Equivalent Rate was determined.

CERTAIN PROCEDURES IN CONNECTION WITH MATURITY AND REDEMPTION

Each holder of STRYPES on the Maturity Date, and each holder of STRYPES called for redemption on any redemption date, must surrender the certificates evidencing such STRYPES at the office or agency of the Company maintained for such purpose in order to receive the consideration payable on such date. If, on the Maturity Date or any redemption date, the Company shall have deposited with the Trustee or other agent under the Indenture the consideration payable on such date in respect of all of the STRYPES then outstanding (in the case of the Maturity Date) or the STRYPES called for redemption (in the case of any redemption date), then, on the Maturity Date or redemption date, as the case may be, all of the outstanding STRYPES or the STRYPES called for redemption, as the case may be, shall cease to bear interest and all rights of the holders thereof shall terminate (except for the right to receive the consideration payable in respect of such STRYPES on such date), notwithstanding that the certificates evidencing any of the STRYPES which are payable or subject to redemption on such date shall not have been surrendered to the Company.

FRACTIONAL SHARES

No fractional shares of SunAmerica Common Stock will be delivered if the Company pays and discharges the STRYPES by delivering shares of SunAmerica Common Stock on the Maturity Date or any redemption date. In lieu of any fractional share otherwise deliverable in respect of all STRYPES of any holder on the Maturity Date or any redemption date, such holder shall be entitled to receive an amount in cash equal to the value of such fractional share at the Current Market Price of the SunAmerica Common Stock determined as of the second Trading Day immediately preceding the relevant Notice Date.

NO SINKING FUND

The STRYPES do not contain sinking fund or other mandatory redemption provisions. The STRYPES are not subject to payment prior to the Maturity Date at the option of the holder.

RANKING

The STRYPES will be unsecured obligations and will rank pari passu with all other unsecured and unsubordinated indebtedness of the Company. At March 29, 1996, the Company had long-term borrowings outstanding of $20,226 million. In addition, at March 29, 1996, there were $526 million of bank loans and $17,222 million of commercial paper outstanding.

The Company had no secured debt at March 29, 1996. At such date, collateralized financing transactions of the Company's subsidiaries consisted of $3,767 million of cash deposits for securities loaned and $61,657 million of securities sold under agreements to repurchase. See Note 4 to "Summary Financial Information" in the ML&Co. Prospectus.

There are no contractual restrictions on the ability of the Company or its subsidiaries to incur additional secured or unsecured debt. However, borrowings by certain subsidiaries, including MLPF&S, are restricted by

net capital requirements under the Exchange Act and under rules of certain exchanges and other regulatory bodies. See "Description of the STRYPES--Ranking" in the ML&Co. Prospectus.

LISTING

Application will be made to list the STRYPES on the NYSE.

CERTAIN ARRANGEMENTS WITH THE SELLING STOCKHOLDER

Pursuant to the Stock Agreement, the Selling Stockholder is obligated to deliver to the ML&Co. Subsidiary, on , 1999, either (i) a number of shares of SunAmerica Class B Stock equal to the number of STRYPES then outstanding (subject to adjustment in certain events) or (ii) at the Selling Stockholder's option, cash in an amount equal to the Current Market Price, determined as of the second Trading Day prior to such date, of the SunAmerica Common Stock underlying the SunAmerica Class B Stock that otherwise would have been delivered pursuant to clause (i) of this sentence. At any time and from time to time prior to , 1999, the Selling Stockholder may, at his option, redeem his obligations under the Stock Agreement in whole or in part, at a redemption price per share of SunAmerica Class B Stock to be delivered pursuant to the Stock Agreement initially equal to $, declining by $ on each day following the date of the Stock Agreement (computed on the basis of a 360-day year of twelve 30-day months) to $ on , 1999, and equal to $ thereafter, payable in either (i) shares of SunAmerica Class B Stock representing SunAmerica Common Stock having an aggregate Current Market Price, determined as of the second Trading Day prior to the date of the applicable notice of redemption, equal to the applicable redemption price or (ii) at the Selling Stockholder's option, cash, plus in either case an amount in cash equal to accrued and unpaid interest on the STRYPES to but excluding the redemption date. Pursuant to the Stock Agreement the ML&Co. Subsidiary will deliver to the Selling Stockholder an amount of cash equal to $ per share of SunAmerica Class B Stock, or $ in the aggregate, on or about , 1996. In the Indenture, the Company will also agree to pay and discharge the STRYPES by delivering to the holders thereof on the Maturity Date or any redemption date the form of consideration that the ML&Co. Subsidiary receives from the Selling Stockholder and to redeem the STRYPES if and when the Selling Stockholder redeems his obligation under the Stock Agreement.

Shares of SunAmerica Class B Stock delivered by the Selling Stockholder will convert automatically into shares of SunAmerica Common Stock upon transfer to the ML&Co. Subsidiary. The Selling Stockholder has the right at any time to modify the Stock Agreement so that he may deliver shares of SunAmerica Common Stock (or cash) instead of shares of SunAmerica Class B Stock (or cash). Until such time, if any, as the Selling Stockholder shall have delivered shares to the ML&Co. Subsidiary at maturity or upon redemption pursuant to the terms of the Stock Agreement, the Selling Stockholder will retain all ownership rights with respect to the shares held by him (including, without limitation, voting rights and rights to receive any dividends or other distributions in respect thereof).

The Selling Stockholder has no obligations with respect to the STRYPES or amounts to be paid to holders thereof, including any obligation to take the needs of the Company or holders of the STRYPES into consideration in determining whether or when to cause the redemption of the STRYPES or whether to deliver shares or cash at maturity or upon redemption, or for any other reason. The Stock Agreement is a commercial transaction among the parties thereto and does not create any rights in, or for the benefit of, any third party, including any holder of STRYPES.

In the event the Selling Stockholder does not perform under the Stock Agreement, the Company will be required to otherwise acquire shares of SunAmerica Common Stock for delivery to holders of the STRYPES on the Maturity Date or upon redemption, unless it elects to exercise its option to deliver cash with an equal value.

Merrill Lynch Capital Corp., a wholly owned subsidiary of the Company, will enter into a secured loan agreement with the Selling Stockholder pursuant to which the Selling Stockholder will borrow $___________ for a term of three years.

For more information regarding the relationship between the Selling Stockholder and SunAmerica and the SunAmerica Common Stock that may be delivered to holders of STRYPES on the Maturity Date or upon redemption, see the accompanying SunAmerica Prospectus.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

Set forth in full below is the opinion of Brown & Wood, counsel to the Company, as to certain United States Federal income tax consequences of the purchase, ownership and disposition of the STRYPES. Such opinion is based upon laws, regulations, rulings and decisions now in effect (or, in the case of certain regulations, in proposed form), all of which are subject to change (including retroactive changes in effective dates) or possible differing interpretations. The discussion below deals only with STRYPES held as capital assets and does not purport to deal with persons in special tax situations, such as financial institutions, insurance companies, regulated investment companies, dealers in securities or currencies, tax-exempt entities, or persons holding STRYPES as a hedge against currency risks or as a position in a "straddle" for tax purposes. It also does not deal with holders of STRYPES other than original purchasers thereof (except where otherwise specifically noted herein). The following discussion also does not address the tax consequences of investing in the STRYPES arising under the laws of any state, local or foreign jurisdiction. Persons considering the purchase of the STRYPES should consult their own tax advisors concerning the application of the United States Federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the STRYPES arising under the laws of any other taxing jurisdiction.

As used herein, the term "U.S. Holder" means a beneficial owner of a STRYPES that is for United States Federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate or trust the income of which is subject to United States Federal income taxation regardless of its source or (iv) any other person whose income or gain in respect of a STRYPES is effectively connected with the conduct of a United States trade or business. As used herein, the term "non-U.S. Holder" means a beneficial owner of a STRYPES that is not a U.S. Holder.

GENERAL

There are no statutory provisions, regulations (except possibly the Proposed Regulations as described below), published rulings or judicial decisions addressing or involving the characterization, for United States Federal income tax purposes, of the STRYPES or securities with terms substantially the same as the STRYPES. Accordingly, the proper United States Federal income tax characterization and treatment of the STRYPES is uncertain. Pursuant to the terms of the Indenture, the Company and any holder of a STRYPES agree to treat each STRYPES as a unit (a "Unit") consisting of (i) a debt instrument (the "Debt Instrument") with a fixed principal amount unconditionally payable on the Maturity Date equal to the issue price of the STRYPES and bearing interest at the stated interest rate on the STRYPES and (ii) a forward purchase contract (the "Forward Contract") pursuant to which the holder agrees to use the principal payment due on the Debt Instrument (or, in the event of a redemption, the redemption price) to purchase on the Maturity Date or upon redemption the SunAmerica Common Stock which the Company is obligated to deliver at that time (subject to the Company's right to deliver cash in lieu of the SunAmerica Common Stock). Therefore, the Company currently intends to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract for United States Federal income tax purposes and, where required, intends to file information returns with the Internal Revenue Service ("IRS") in accordance with such treatment, in the absence of any change or clarification in the law, by regulation or otherwise, requiring a different characterization and treatment of the STRYPES for United States Federal income tax purposes. In the opinion of Brown & Wood, counsel to the Company, such characterization and tax treatment of the STRYPES, although not the only reasonable characterization and tax treatment, is based on reasonable interpretations of law currently in effect and, even if successfully challenged by the IRS, will not result in the imposition of penalties.

Prospective investors in the STRYPES should be aware, however, that no ruling is being requested from the IRS with respect to the STRYPES, the IRS is not bound by the characterization of each STRYPES by the Company and the holders thereof as a Unit consisting of the Debt Instrument and the Forward Contract, and the IRS could possibly assert a different position as to the proper United States Federal income tax characterization and treatment of the STRYPES. For instance, it is possible that the IRS could assert that each STRYPES should be treated entirely as a single debt instrument of the Company for United States Federal income tax purposes. Except where otherwise specifically provided herein, the following discussion of the principal United States Federal income tax consequences of the purchase, ownership and disposition of the STRYPES is based upon the assumption that each STRYPES will be characterized and treated as a Unit consisting of the Debt Instrument and the Forward Contract for United States Federal income tax purposes. As discussed in greater detail herein, if the STRYPES are not in fact ultimately characterized and treated as a Unit consisting of the Debt Instrument and the Forward Contract for United States Federal income tax purposes, then the United States Federal income tax treatment of the purchase, ownership and disposition of the STRYPES could significantly differ from the treatment discussed immediately below with the result that the timing and character of income, gain or loss recognized on a STRYPES could significantly differ from the timing and character of income, gain or loss recognized on a STRYPES had each STRYPES in fact been characterized and treated as a Unit consisting of the Debt Instrument and the Forward Contract for United States Federal income tax purposes.

U.S. HOLDERS

As previously discussed, pursuant to the terms of the Indenture, the Company and any holder of a STRYPES agree to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract. Consistent with this treatment of the STRYPES, pursuant to the terms of the Indenture, a U.S. Holder of a STRYPES will be required to include currently in income payments denominated as interest that are made with respect to a STRYPES in accordance with such U.S. Holder's regular method of tax accounting. Furthermore, pursuant to the agreement contained in the Indenture to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, any holder of a STRYPES agrees to allocate the purchase price paid by such holder to acquire the STRYPES between the two components of the Unit (i.e., the Debt Instrument and the Forward Contract) based upon their relative fair market values (as determined on the purchase date). The portion of the total purchase price so allocated by the holder to each component of the Unit will generally constitute the holder's initial tax basis for each such component of the Unit. Accordingly, in the event that the fair market value of the Debt Instrument (as determined on the purchase date) exceeds the purchase price paid by the holder to acquire the STRYPES, the holder would be deemed to have acquired the Debt Instrument for an amount equal to the fair market value of the Debt Instrument (as determined on the purchase date) and would be deemed to have assumed the Forward Contract component of the STRYPES in exchange for a payment in an amount equal to the excess of the fair market value of the Debt Instrument (as determined on the purchase date) over the purchase price paid by the holder to acquire the STRYPES. In such event, such deemed payment received by the holder in respect of the Forward Contract should only be taken into account by the holder as an additional amount realized with respect to the Forward Contract on the earlier of the sale or other disposition of the STRYPES by the holder or the Maturity Date or redemption date (which would either reduce the holder's tax basis in any SunAmerica Common Stock received thereby or, if the STRYPES are paid in cash on the Maturity Date or sold prior to the Maturity Date, increase the amount of gain or decrease the amount of loss realized with respect to the Forward Contract). Pursuant to the terms of the Indenture, with respect to acquisitions of STRYPES in connection with the original issuance thereof, the Company and the holders agree to allocate $ of the entire initial purchase price of a STRYPES (i.e., the issue price of a STRYPES) to the Debt Instrument component and to allocate the remaining $ of the entire initial purchase price of a STRYPES to the Forward Contract component. Based upon the foregoing, pursuant to the agreement to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, a holder who acquires a STRYPES in connection with the original issuance thereof, will have agreed to treat such acquisition of the STRYPES by the holder as a purchase of the Debt Instrument by the holder for $ and the making of an initial payment by the holder with respect to the Forward Contract of $.

Under general principles of current United States Federal income tax law, payments of interest on a debt instrument (e.g., the Debt Instrument) generally will be taxable to a U.S. Holder as ordinary interest income at the

time such payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting). In addition, a debt instrument will be treated as having been issued with original issue discount for United States Federal income tax purposes to the extent that the stated redemption price at maturity of the debt instrument (generally the debt instrument's stated principal amount) exceeds the debt instrument's issue price, if such excess equals or exceeds a de minimis amount (generally 1/4 of 1% of the debt instrument's stated redemption price at maturity multiplied by the number of complete years to maturity from its issue date). Pursuant to the agreement to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, each such Debt Instrument component will be treated, for these purposes as having an issue price equal to $. Since the stated redemption price at maturity of each such Debt Instrument component (i.e., $) does not exceed its issue price (i.e., $) by an amount that is equal to or greater than $ (i.e., the applicable de minimis amount), the Debt Instrument component of each Unit will not be treated as having been issued with any original issue discount.

Under the foregoing principles and in accordance with the agreement to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, the quarterly interest payments payable with respect to the STRYPES at the stated interest rate of ___% of the issue price of the STRYPES per annum (the "Interest Payments") generally will be taxable to a U.S. Holder as ordinary interest income on the respective dates that such Interest Payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting). On the Maturity Date or upon redemption, pursuant to the agreement to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, a U.S. Holder will recognize capital gain or loss with respect to the Debt Instrument in an amount equal to the difference, if any, between the principal amount of the Debt Instrument (i.e., the issue price of the STRYPES) (or, as discussed below, in the event of a redemption, the redemption price) and such U.S. Holder's adjusted tax basis in the Debt Instrument. Such capital gain or loss will generally be long-term capital gain or loss if the STRYPES has been held by the U.S. Holder for more than one year as of the Maturity Date or the redemption date. In addition, pursuant to the agreement to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, on the Maturity Date or upon redemption, if the Company delivers SunAmerica Common Stock upon payment of the STRYPES, a U.S. Holder will generally not realize any taxable gain or loss on the exchange, pursuant to the Forward Contract, of the principal amount of the Debt Instrument (or, in the event of a redemption, the redemption price) for the SunAmerica Common Stock. However, a U.S. Holder will generally be required to recognize taxable gain or loss with respect to any cash received in lieu of fractional shares. The amount of such gain or loss recognized by a U.S. Holder will be equal to the difference, if any, between the amount of cash received by the U.S. Holder and the portion of the sum of the principal amount of the Debt Instrument (or, in the event of a redemption, the redemption price) and the U.S. Holder's tax basis in the Forward Contract that is allocable to the fractional shares. Any such taxable gain or loss will be treated as short-term capital gain or loss. A U.S. Holder will have an initial tax basis in any SunAmerica Common Stock received on the Maturity Date or upon redemption in an amount equal to the sum of the principal amount of the Debt Instrument (or, in the event of a redemption, the redemption price) and the U.S. Holder's tax basis in the Forward Contract less the portion of such sum that is allocable to any fractional shares (as described above) and will realize taxable gain or loss with respect to such SunAmerica Common Stock received on the Maturity Date or upon redemption only upon the subsequent sale or disposition by the U.S. Holder of such SunAmerica Common Stock. In addition, a U.S. Holder's holding period for any SunAmerica Common Stock received by such U.S. Holder on the Maturity Date or upon redemption will begin on the day immediately following the Maturity Date or redemption date and will not include the period during which the U.S. Holder held such STRYPES. In addition to the foregoing, in the event of redemption of the STRYPES, the payment of all accrued and unpaid interest on the STRYPES to the redemption date would constitute a payment of interest on the Debt Instrument and would be taxed accordingly. The portion of the redemption price in excess of the principal amount of the Debt Instrument (even if paid in shares of SunAmerica Common Stock) should be treated as redemption premium on the Debt Instrument and should give rise to long-term or short-term capital gain (depending upon whether the U.S. Holder has held the STRYPES for more than one year as of the redemption date).

Alternatively, pursuant to the agreement to treat the STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, if the Company pays the STRYPES in cash on the Maturity Date, a U.S. Holder will recognize taxable gain or loss on the Maturity Date with respect to the Forward Contract (in addition to any gain

or loss recognized with respect to the Debt Instrument as described above) in an amount equal to the difference, if any, between the total amount of cash received by such U.S. Holder on the Maturity Date and an amount equal to the sum of the principal amount of the Debt Instrument and the U.S. Holder's tax basis in the Forward Contract. It is uncertain whether such gain or loss would be treated as capital or ordinary gain or loss. If such gain or loss is properly treated as capital gain or loss, then such gain or loss will be treated as long-term capital gain or loss if the STRYPES has been held by the U.S. Holder for more than one year as of the Maturity Date. If such gain or loss is properly treated as ordinary gain or loss, it is possible that the deductibility of any loss recognized on the Maturity Date with respect to the Forward Contract by a U.S. Holder who is an individual could be subject to the limitations applicable to miscellaneous itemized deductions provided for under Section 67(a) of the Internal Revenue Code of 1986, as amended (the "Code"). In general, Section 67(a) of the Code provides that an individual may only deduct miscellaneous itemized deductions for a particular taxable year to the extent that the aggregate amount of the individual's miscellaneous itemized deductions for such taxable year exceed two percent of the individual's adjusted gross income for such taxable year (although, the miscellaneous itemized deductions allowable to high-income individuals are generally subject to further limitations). Prospective investors in the STRYPES are urged to consult their own tax advisors concerning the character of any gain or loss realized on the Maturity Date with respect to the Forward Contract in the event that the Company elects to pay the STRYPES in cash on the Maturity Date as well as the deductibility of any such loss.

Pursuant to the agreement to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, upon the sale or other disposition of a STRYPES prior to the Maturity Date or the redemption of the STRYPES, a U.S. Holder generally will be required to allocate the total amount realized by such U.S. Holder upon such sale or other disposition (other than amounts representing accrued and unpaid interest) between the two components of the Unit (i.e., the Debt Instrument and the Forward Contract) based upon their relative fair market values (as determined on the date of disposition). Accordingly, in the event that the fair market value of the Debt Instrument (as determined on the date of disposition) exceeds the actual amount realized by the U.S. Holder upon the sale or other disposition of a STRYPES prior to the Maturity Date or the redemption of the STRYPES, the U.S. Holder would be deemed to have sold the Debt Instrument for an amount equal to the fair market value of the Debt Instrument (as determined on the date of disposition) and would be deemed to have made a payment to the purchaser of the STRYPES in exchange for such purchaser's assumption of the Forward Contract in an amount equal to the excess of the fair market value of the Debt Instrument (as determined on the date of disposition) over the actual amount realized by the U.S. Holder upon such sale or disposition of the STRYPES. A U.S. Holder will generally be required to recognize taxable gain or loss with respect to each such component in an amount equal to the difference, if any, between (or, in some cases, the sum of) the amount realized (or paid) with respect to each such component upon the sale or disposition of the STRYPES (as determined in the manner described above) and the U.S. Holder's adjusted tax basis in each such component. Any such gain or loss will generally be treated as long-term capital gain or loss if the U.S. Holder has held the STRYPES for more than one year at the time of disposition.

As previously discussed, prospective investors in the STRYPES should be aware that the IRS is not bound by the characterization of the STRYPES by the Company and the holders thereof as a Unit consisting of the Debt Instrument and the Forward Contract, and the IRS could possibly assert a different position as to the proper United States Federal income tax characterization and treatment of the STRYPES. For instance, it is possible that the IRS could assert that each STRYPES should be treated entirely as a single debt instrument of the Company for United States Federal income tax purposes.

If the STRYPES were ultimately characterized and treated entirely as debt instruments of the Company for United States Federal income tax purposes, then the timing and character of income, gain or loss recognized on a STRYPES would differ from the timing and character of income, gain or loss recognized on a STRYPES had each STRYPES in fact been characterized and treated for United States Federal income tax purposes as a Unit consisting of the Debt Instrument and the Forward Contract. If the STRYPES were ultimately characterized and treated entirely as indebtedness of the Company for United States Federal income tax purposes, under general principles of current United States Federal income tax law, the interest payments on the STRYPES generally would be taxable to a U.S. Holder as ordinary interest income on the respective dates that such interest payments are accrued or are

received (in accordance with the U.S. Holder's regular method of tax accounting). Under this same analysis and treatment of each STRYPES as a single debt instrument of the Company for United States Federal income tax purposes, under general principles of current United States Federal income tax law, if the fair market value (as determined on the Maturity Date or redemption date) of the amount of SunAmerica Common Stock or cash payable on the Maturity Date or the redemption date with respect to a STRYPES exceeds the issue price thereof, such excess (except amounts representing accrued and unpaid interest and possibly any portion of such excess representing redemption premium) could be treated as contingent interest and, if so treated, generally would be includible in income by a U.S. Holder as ordinary interest on the Maturity Date or the redemption date (regardless of the U.S. Holder's regular method of tax accounting). In addition, if the fair market value (as determined on the Maturity Date or a redemption date) of the amount of SunAmerica Common Stock or cash payable on the Maturity Date or the redemption date with respect to a STRYPES exceeds the issue price thereof, then such STRYPES would be treated as having been retired on the Maturity Date or the redemption date in exchange for an amount equal to the issue price thereof (plus possibly any amounts representing redemption premium). If, however, the fair market value (as determined on the Maturity Date or a redemption date) of the amount of SunAmerica Common Stock or cash payable on the Maturity Date or the redemption date with respect to a STRYPES is equal to or less than the issue price thereof, then such STRYPES would be treated as having been retired on the Maturity Date or the redemption date in exchange for an amount equal to the fair market value (as determined on the Maturity Date or the redemption date) of the entire amount payable on the Maturity Date or the redemption date with respect to such STRYPES (other than amounts representing accrued and unpaid interest) and no portion of the amount payable on the Maturity Date or the redemption date with respect to such STRYPES would be treated as contingent interest. A U.S. Holder's initial tax basis in any SunAmerica Common Stock received by such U.S. Holder on the Maturity Date or a redemption date of a STRYPES would equal the fair market value (as determined on the Maturity Date or the redemption date) of the SunAmerica Common Stock received by such U.S. Holder. Furthermore, a U.S. Holder's holding period for any SunAmerica Common Stock received by such U.S. Holder on the Maturity Date or a redemption date of a STRYPES would begin on the day immediately following the Maturity Date or the redemption date and would not include the period during which the U.S. Holder held such STRYPES.

Moreover, under this analysis and treatment of each STRYPES as a single debt instrument of the Company for United States Federal income tax purposes, upon the sale, exchange or retirement of a STRYPES, a U.S. Holder generally would recognize taxable gain or loss in an amount equal to the difference, if any, between the amount realized on the sale, exchange or retirement (other than amounts representing accrued and unpaid interest) and such U.S. Holder's adjusted tax basis in the STRYPES. A U.S. Holder's adjusted tax basis in a STRYPES generally would equal such U.S. Holder's initial investment in the STRYPES (as adjusted pursuant to the market discount and bond premium rules described below). Such gain or loss generally would be long-term capital gain or loss if the STRYPES were held by the U.S. Holder for more than one year (subject to the market discount rules, as discussed below). It is possible, however, that under this analysis and treatment of the STRYPES the IRS could assert that any amounts realized upon the sale or exchange of a STRYPES prior to the Maturity Date or the redemption of the STRYPES in excess of the STRYPES issue price constitutes ordinary interest income (subject to the bond premium rules, as discussed below). Nonetheless, if the STRYPES were ultimately characterized and treated entirely as indebtedness of the Company for United States Federal income tax purposes, although the matter is not free from doubt, in the opinion of Brown & Wood, counsel to the Company, under current law, any gain realized upon the sale or exchange of a STRYPES prior to the Maturity Date or the redemption of the STRYPES should be treated entirely as capital gain (subject to the market discount rules, as discussed below).

Prospective investors in the STRYPES should also be aware that on December 15, 1994, the Treasury Department issued proposed regulations (the "Proposed Regulations") concerning the proper United States Federal income tax treatment of contingent payment debt instruments. In the event that the STRYPES were characterized and treated entirely as debt instruments of the Company for United States Federal income tax purposes, the STRYPES would be treated as contingent payment debt instruments. The Proposed Regulations, however, are proposed to only be effective 60 days after the date on which the Proposed Regulations are published as final Treasury regulations. Accordingly, due to the proposed prospective effective date of the Proposed Regulations, if ultimately adopted in their current form, the Proposed Regulations would not apply to the STRYPES even if the STRYPES were characterized and treated entirely as debt instruments of the Company for United States Federal income tax purposes. Furthermore, proposed Treasury regulations are not binding upon either the IRS or taxpayers

prior to becoming effective as temporary or final regulations. In general, if ultimately adopted in their current form, the Proposed Regulations would cause the timing and character of income, gain or loss reported on a contingent payment debt instrument to substantially differ from the timing and character of income, gain or loss reported on a contingent payment debt instrument under general principles of current United States Federal income tax law (as described immediately above). Prospective investors in the STRYPES are urged to consult their own tax advisers concerning the effect, if any, of the Proposed Regulations on their investment in the STRYPES.

Prospective investors in the STRYPES should also be aware that it is possible that the ultimate characterization and treatment of the STRYPES for United States Federal income tax purposes could differ from the possible characterizations and treatments described herein with the result that the ultimate United States Federal income tax treatment of the purchase, ownership and disposition of the STRYPES could significantly differ from any of the treatments described herein.

Despite the foregoing, as previously discussed, pursuant to the agreement contained in the Indenture to treat each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, the Company, where required, currently intends to file information returns with the IRS treating each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract for United States Federal income tax purposes (as described above), in the absence of any change or clarification in the law, by regulation or otherwise, requiring another characterization and treatment of the STRYPES for United States Federal income tax purposes.

MARKET DISCOUNT AND PREMIUM

In general, if a U.S. Holder purchases a debt instrument (e.g., the Debt Instrument component of a Unit) for an amount that is less than the principal amount thereof, the amount of the difference will be treated as "market discount," unless such difference is less than a specified de minimis amount (generally 1/4 of 1% of the debt instrument's stated principal amount multiplied by the number of complete years to maturity from the date the U.S. Holder purchased such debt instrument).

Under the market discount rules, a U.S. Holder will be required to treat any gain realized on the sale, exchange, retirement or other disposition of a debt instrument as ordinary income to the extent of the lesser of (i) the amount of such realized gain or (ii) the market discount which has not previously been included in income and is treated as having accrued on such debt instrument at the time of such payment or disposition. Market discount will be considered to accrue ratably during the period from the date of acquisition to the maturity of the debt instrument, unless the U.S. Holder elects to accrue market discount on the basis of semiannual compounding.

A U.S. Holder may be required to defer the deduction of all or a portion of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry a debt instrument with market discount until the maturity of the debt instrument or its earlier disposition in a taxable transaction and certain nontaxable transactions, because a current deduction is only allowed to the extent that the interest expense exceeds an allocable portion of the market discount. A U.S. Holder may elect to include market discount in income currently as it accrues (on either a ratable or semiannual compounding basis), in which case the rules described above regarding the deferral of interest deductions will not apply. Generally, such currently included market discount is treated as ordinary interest income for United States Federal income tax purposes and a U.S. Holder would increase its tax basis in a debt instrument by the amount of any such currently included market discount. Such an election will apply to all debt instruments acquired by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

In general, if a U.S. Holder purchases a debt instrument for an amount that is greater than the principal amount thereof, such U.S. Holder will be considered to have purchased the debt instrument with "amortizable bond premium" equal in amount to such excess. A U.S. Holder may elect to amortize such premium using a constant yield method over the remaining term of the debt instrument and may offset ordinary interest otherwise required to be included in respect of the debt instrument during any taxable year by the amortized amount of such premium for such year (or, prior years, if such amortized premium for prior years has not yet offset interest) and would

reduce its tax basis in the debt instrument by the amount of any such interest offset taken. Such election, if made, would apply to all debt instruments held by the U.S. Holder at the beginning of the taxable year to which such election applies and to all debt instruments acquired by the U.S. Holder thereafter. Such election would also be irrevocable once made, unless the U.S. Holder making such an election obtains the express written consent of the IRS to revoke such election.

MISCELLANEOUS TAX MATTERS

Special tax rules may apply to persons holding a STRYPES as part of a "synthetic security" or other integrated investment, or as part of a straddle, hedging transaction or other combination of offsetting positions. For instance, Section 1258 of the Code may possibly require certain U.S. Holders of the STRYPES who enter into hedging transactions or offsetting positions with respect to the STRYPES to treat all or a portion of any gain realized on the STRYPES as ordinary income in instances where such gain may have otherwise been treated as capital gain. U.S. Holders hedging their positions with respect to the STRYPES or otherwise holding their STRYPES in a manner described above should consult their own tax advisors regarding the applicability of Section 1258 of the Code, or any other provision of the Code, to their investment in the STRYPES.

NON-U.S. HOLDERS

Based on the treatment of each STRYPES as a Unit consisting of the Debt Instrument and the Forward Contract, in the case of a non-U.S. Holder, payments made with respect to the STRYPES should not be subject to United States withholding tax, provided that such non-U.S. Holder complies with applicable certification requirements. Any capital gain realized upon the sale or other disposition of a STRYPES by a non-U.S. Holder will generally not be subject to United States Federal income tax if (i) such gain is not effectively connected with a United States trade or business of such non-U.S. Holder and (ii) in the case of an individual non-U.S. Holder, such individual is not present in the United States for 183 days or more in the taxable year of the sale or other disposition, or the gain is not attributable to a fixed place of business maintained by such individual in the United States and such individual does not have a "tax home" (as defined for United States Federal income tax purposes) in the United States.

As discussed above, alternative characterizations of the STRYPES for United States Federal income tax purposes are possible. Should an alternative characterization of the STRYPES, by reason of a change or clarification of the law, by regulation or otherwise, cause payments with respect to the STRYPES to become subject to withholding tax, the Company will withhold tax at the statutory rate. Prospective non-U.S. Holders of the STRYPES should consult their own tax advisors in this regard.

BACKUP WITHHOLDING AND INFORMATION REPORTING

A beneficial owner of a STRYPES may be subject to information reporting and to backup withholding at a rate of 31 percent of certain amounts paid to the beneficial owner unless such beneficial owner provides proof of an applicable exemption or a correct taxpayer identification number, and otherwise complies with applicable requirements of the backup withholding rules.

Any amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner's United States Federal income tax provided the required information is furnished to the IRS.

UNDERWRITING

Subject to the terms and conditions set forth in the Underwriting Agreement, the Company has agreed to sell to Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Underwriter"), and the Underwriter has agreed

to purchase from the Company, 3,000,000 STRYPES. Under the terms and conditions of the Underwriting Agreement, the Underwriter is committed to take and pay for all of the STRYPES, if any are taken.

The Underwriter has advised the Company that it proposes initially to offer the STRYPES directly to the public at the public offering price set forth on the cover page of this Prospectus Supplement, and to certain dealers at such price less a concession not to exceed $ per STRYPES. The Underwriter may allow, and such dealers may reallow, a discount not to exceed $ per STRYPES to certain other dealers. After the initial public offering, the public offering price, concession and discount may be changed.

The Company has granted the Underwriter an option exercisable for 30 days after the date of this Prospectus Supplement to purchase up to an aggregate of 450,000 additional STRYPES at the public offering price set forth on the cover page of this Prospectus Supplement, less the underwriting discount. The Underwriter may exercise this option only to cover over-allotments, if any, made on the sale of the STRYPES offered hereby.

SunAmerica has agreed, subject to certain limited exceptions, that it will not, and will cause its subsidiaries not to, without the prior written consent of the Underwriter, directly or indirectly, for a period of 60 days after the date of this Prospectus Supplement, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, or enter into any agreement to sell, any SunAmerica Common Stock or any securities convertible into or exchangeable or exercisable for any SunAmerica Common Stock. The Selling Stockholder has similarly agreed not to sell, for a period of 60 days after the date of this Prospectus Supplement, any shares of SunAmerica Common Stock or any shares of SunAmerica's Transferable or Nontransferable Class B Stock owned by the Selling Stockholder without the prior written consent of the Underwriter; provided, however, that such restriction shall not effect the ability of the Selling Stockholder to take any such action as may be required pursuant to or in connection with the Stock Agreement.

The underwriting of the STRYPES will conform to the requirements set forth in the applicable sections of Schedule E to the By-Laws of the National Association of Securities Dealers, Inc.

Application will be made to list the STRYPES on the NYSE.

The Company has agreed to indemnify the Underwriter against certain liabilities, including liabilities under the Securities Act relating to this Prospectus Supplement and the ML&Co. Prospectus (including the documents incorporated by reference therein).

The Underwriter has agreed to reimburse the Selling Stockholder for expenses in connection with the offering up to $.

VALIDITY OF THE STRYPES

The validity of the STRYPES offered hereby will be passed upon for the Company and for the Underwriter by Brown & Wood, New York, New York.

SUBJECT TO COMPLETION, ISSUE DATE: MAY 21, 1996

PROSPECTUS

LOGO

MERRILL LYNCH & CO., INC.

STRYPES SM

PAYABLE WITH SHARES OF COMMON STOCK OR OTHER SECURITIES
OF THE UNDERLYING ISSUER
(OR CASH WITH AN EQUAL VALUE)

Merrill Lynch & Co., Inc. (the "Company") intends to sell from time to time its Structured Yield Product Exchangeable for Stock SM, STRYPES SM. The STRYPES will be offered to the public in series and on terms determined by market conditions at the time of sale and set forth in the accompanying prospectus supplement (the "Prospectus Supplement"). The STRYPES will be unsecured obligations of the Company ranking pari passu with all of its other unsecured and unsubordinated indebtedness. See "Description of the STRYPES--Ranking."

On the maturity date of each series of STRYPES (the "Maturity Date"), the Company will pay and discharge such STRYPES by delivering to the holder thereof a number of shares of common stock or other securities (the "Underlying Securities") of the unaffiliated corporation identified in the Prospectus Supplement (the "Underlying Issuer") determined in accordance with a payment rate formula specified in the Prospectus Supplement (or, at the Company's option, which may be exercised with respect to all, but not less than all, STRYPES of such series, cash with an equal value). THERE CAN BE NO ASSURANCE THAT THE VALUE OF THE UNDERLYING SECURITIES (OR CASH) PAYABLE TO HOLDERS OF A SERIES OF STRYPES ON THE MATURITY DATE WILL BE EQUAL TO OR GREATER THAN THE ISSUE PRICE OF SUCH STRYPES. IF THE VALUE OF THE UNDERLYING SECURITIES (OR CASH) RECEIVED ON THE MATURITY DATE OF A SERIES OF STRYPES IS LESS THAN THE ISSUE PRICE PAID FOR SUCH STRYPES, AN INVESTMENT IN STRYPES WILL RESULT IN A LOSS. SEE "DESCRIPTION OF THE STRYPES."

Each series of STRYPES may vary, where applicable, as to aggregate issue price, Maturity Date, Underlying Issuer, Underlying Securities deliverable upon maturity, formula or other method by which the amount of such Underlying Securities will be determined, public offering or purchase price, interest rate or rates, if any, and timing of payments thereof, provision for redemption, currencies of denomination or currencies otherwise applicable thereto and any other variable terms and method of distribution. The accompanying Prospectus Supplement sets forth the specific terms with regard to the series of STRYPES in respect of which this Prospectus is being delivered.

Reference is made to any accompanying prospectus of the Underlying Issuer covering the Underlying Securities which may be received by holders of a series of STRYPES on the Maturity Date.

The STRYPES may be sold through Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). STRYPES may not be sold without delivery of a Prospectus Supplement describing such issue of STRYPES and the method and terms of offering thereof, and any accompanying prospectus of the Underlying Issuer covering the Underlying Securities which may be received by holders of a series of STRYPES on the Maturity Date.

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SM Service mark of Merrill Lynch & Co., Inc.

The date of this Prospectus is   , 1996.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "Commission"). Reports, proxy and information statements and other information filed by the Company can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the following Regional Offices of the Commission: Midwest Regional Office, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511 and Northeast Regional Office, Seven

World Trade Center, New York, New York 10048. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Reports, proxy and information statements and other information concerning the Company may also be inspected at the offices of the New York Stock Exchange, the American Stock Exchange, the Chicago Stock Exchange and the Pacific Stock Exchange.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company's Annual Report on Form 10-K for the year ended December 29, 1995, Quarterly Report on Form 10-Q for the period ended March 29, 1996, and Current Reports on Form 8-K dated January 17, 1996, January 22, 1996, February 7, 1996, February 29, 1996, March 1, 1996, March 12, 1996, March 18, 1996, April 1, 1996, April 15, 1996, May 1, 1996, May 13, 1996, and May 15, 1996 filed pursuant to Section 13 of the Exchange Act, are hereby incorporated by reference into this Prospectus.

All documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the STRYPES shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

THE COMPANY WILL PROVIDE WITHOUT CHARGE TO EACH PERSON TO WHOM THIS PROSPECTUS IS DELIVERED, ON WRITTEN OR ORAL REQUEST OF SUCH PERSON, A COPY (WITHOUT EXHIBITS OTHER THAN EXHIBITS SPECIFICALLY INCORPORATED BY REFERENCE) OF ANY OR ALL DOCUMENTS INCORPORATED BY REFERENCE INTO THIS PROSPECTUS. REQUESTS FOR SUCH COPIES SHOULD BE DIRECTED TO MR. GREGORY T. RUSSO, SECRETARY, MERRILL LYNCH & CO., INC., 100 CHURCH STREET, 12TH FLOOR, NEW YORK, NEW YORK 10080-6512; TELEPHONE NUMBER (212) 602-8435.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF INSURANCE FOR THE STATE OF NORTH CAROLINA, NOR HAS THE COMMISSION OF INSURANCE RULED UPON THE ACCURACY OR THE ADEQUACY OF THIS DOCUMENT.

MERRILL LYNCH & CO., INC.

Merrill Lynch & Co., Inc. is a holding company that, through its subsidiaries and affiliates, provides investment, financing, insurance, and related services on a global basis. Its principal subsidiary, MLPF&S, one of the largest securities firms in the world, is a leading broker in securities, options contracts, and commodity and financial futures contracts; a leading dealer in options and in corporate and municipal securities; a leading investment banking firm that provides advice to, and raises capital for, its clients; and an underwriter of selected insurance products. Other subsidiaries provide financial services on a global basis similar to those of MLPF&S and are engaged in such other activities as international banking, lending, and providing other investment and financing services. Merrill Lynch International Incorporated, through subsidiaries and affiliates, provides investment, financing, and related services outside the United States and Canada. Merrill Lynch Asset Management, LP and Fund Asset Management, LP together constitute one of the largest mutual fund managers in the world and provide investment advisory services. Merrill Lynch Government Securities Inc. is a primary dealer in obligations issued or guaranteed by the U.S. Government and its agencies. Merrill Lynch Capital Services, Inc., Merrill Lynch Derivative Products, Inc., and Merrill Lynch Capital Markets PLC are the Company's primary derivative product dealers and enter into interest rate and currency swaps and other derivative transactions as intermediaries and as principals. The Company's insurance underwriting operations consist of the underwriting of life insurance and annuity products. Banking, trust, and mortgage lending operations conducted through subsidiaries of the Company include issuing certificates of deposit, offering money market deposit accounts, making secured loans, and providing foreign exchange trading facilities and other related services.

The principal executive office of the Company is located at World Financial Center, North Tower, 250 Vesey Street, New York, New York 10281; its telephone number is (212) 449-1000.

USE OF PROCEEDS

The Company intends to use the net proceeds from the sale of the STRYPES for general corporate purposes. Such uses may include the funding of investments in, or extensions of credit to, its subsidiaries, the funding of assets held by the Company or its subsidiaries, including securities inventories, customer receivables and loans (including business loans, home equity loans, and loans in connection with investment banking-related merger and acquisition activities), and the refunding of maturing indebtedness. The precise amount and timing of investments in, and extensions of credit to, its subsidiaries will depend upon their funding requirements and the availability of other funds to the Company and its subsidiaries. Pending such applications, the net proceeds will be temporarily invested or applied to the reduction of short-term indebtedness. 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 or to lengthen the average maturity of its borrowings. To the extent that STRYPES being purchased for resale by MLPF&S are not resold, the aggregate proceeds to the Company and its subsidiaries would be reduced.

SUMMARY FINANCIAL INFORMATION

The following summary of consolidated financial information was derived from, and is qualified in its entirety by reference to, the financial statements and other information and data contained in the Company's Annual Report on Form 10-K for the year ended December 29, 1995 and Quarterly Report on Form 10-Q for the period ended March 29, 1996 (the "Quarterly Report"). See "Incorporation of Certain Documents by Reference." The condensed consolidated financial statements contained in the Quarterly Report are unaudited; however, in the opinion of management of the Company, all adjustments, consisting only of normal recurring accruals, necessary for a fair statement of the results of operations have been included. The year-end results include 52 weeks for 1991, 1992, 1994, and 1995 and 53 weeks for 1993.

The Company conducts its business in highly volatile markets. Consequently, the Company's results can be affected by many factors, including general market conditions, the liquidity of secondary markets, the level and volatility of interest rates and currency values, the valuation of securities positions, competitive conditions, and the size, number, and timing of transactions. In periods of unfavorable market activity, profitability can be adversely affected because certain expenses remain relatively fixed. As a result, net earnings and revenues can vary significantly from period to period.

<TABLE>
<CAPTION>

	YEAR ENDED LAST FRIDAY IN DECEMBER					THREE MONTHS ENDED		
						MARCH 31,	MARCH 29,	
	1991	1992	1993	1994	1995	1995	1996	
	(IN MILLIONS, EXCEPT RATIOS)							
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues...............	$12,353	$ 13,413	$ 16,588	$ 18,234	$ 21,513	$ 5,204	$ 6,019	
Net revenues...........	$ 7,246	$ 8,577	$ 10,558	$ 9,625	$ 10,265	$ 2,421	$ 3,261	
Earnings before income taxes and cumulative effect of changes in accounting principles(1)...............	$ 1,017	$ 1,621	$ 2,425	$ 1,730	$ 1,811	$ 380	$ 671	
Cumulative effect of changes in accounting principles (net of applicable income taxes)(1).............	--	$ (58)	$ (35)	--	--	--	--	
Net earnings(1).........	$ 696	$ 894	$ 1,359	$ 1,017	$ 1,114	$ 228	$ 409	
Ratio of earnings to fixed charges(2).......	1.2	1.3	1.4	1.2	1.2	1.1	1.2	
Total assets(3).........	$86,259	$107,024	$152,910	$163,749	$176,857	$176,733	$195,884	
Long-term borrowings(4).	$ 7,964	$ 10,871	$ 13,469	$ 14,863	$ 17,340	$ 14,485	$ 20,226	
Stockholders' equity....	$ 3,818	$ 4,569	$ 5,486	$ 5,818	$ 6,141	$ 5,704	$ 6,364	

</TABLE>

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(1) Net earnings for 1992 have been reduced by $58 million to reflect the adoption of Statement of Financial Accounting Standards ("SFAS") No. 106, Employers' Accounting for Postretirement Benefits Other than Pensions, and SFAS No. 109, Accounting for Income Taxes. Net earnings for 1993 were reduced by $35 million to reflect the adoption of SFAS No. 112, Employers' Accounting for Postemployment Benefits.

(2) For the purpose of calculating the ratio of earnings to fixed charges, "earnings" consists of earnings from continuing operations before income taxes and fixed charges. "Fixed charges" consists of interest costs, amortization of debt expense, preferred stock dividend requirements of majority-owned subsidiaries, and that portion of rentals estimated to be representative of the interest factor.

(3) In 1994, the Company adopted Financial Accounting Standards Board ("FASB") Interpretation No. 39, Offsetting of Amounts Related to Certain Contracts, and FASB Interpretation No. 41, Offsetting of Amounts Related to Certain Repurchase and Reverse Repurchase Agreements, which increased assets and liabilities at December 30, 1994 by approximately $8,500 million.

(4) To finance its diverse activities, the Company and certain of its subsidiaries borrow substantial amounts of short-term funds on a regular basis. Although the amount of short-term borrowings varies significantly with the level of general business activity, on March 29, 1996, $526 million of bank loans and $17,222 million of commercial paper were outstanding. In addition, certain of the Company's subsidiaries lend securities and enter into repurchase agreements to obtain financing. At March 29, 1996, cash deposits for securities loaned and securities sold under agreements to repurchase amounted to $3,768 million and $61,657 million, respectively. From March 30, 1996 to May 16, 1996, long-term borrowings, net of repayments and repurchases, increased by approximately $718 million.

FISCAL YEAR 1995

Global financial markets, which steadily weakened during most of 1994, generally improved during 1995, led by a more stable U.S. economy, declining interest rates, and heightened investor activity. Inflationary fears eased throughout 1995 as key U.S. economic statistics indicated slow to moderate growth. The Federal Reserve decreased short-term interest rates in July and December 1995 following seven rate increases between February 1994 and February 1995. Investors reacted favorably to these events and were more active in stock and bond markets during 1995. Net earnings for the 1995 fourth quarter were $303 million, up 1% from the 1995 third quarter and up 88% from the 1994 fourth quarter.

Net earnings for 1995 were $1,114 million, up 10% from 1994 net earnings of $1,017 million. Earnings per common share were $5.44 primary and $5.42 fully diluted in 1995, compared with $4.75 primary and $4.74 fully diluted in 1994.

Total revenues were a record $21,513 million, up 18% from 1994. Net revenues (revenues after interest expense) totaled $10,265 million in 1995, up 7% from 1994.

Commission revenues increased 9% to a record $3,126 million from $2,871 million in 1994, due primarily to higher levels of listed and over-the-counter securities transactions and mutual fund commissions, partially offset by lower revenues from commodities. Commissions from listed and over-the-counter securities increased due primarily to higher trading volumes on most major U.S. and international exchanges. Mutual fund commissions increased due primarily to higher distribution and redemption fees. Distribution fees from deferred-charge funds increased due to strong fund sales in prior periods and higher asset levels. Redemption fees increased as clients repositioned invested assets.

Interest and dividend revenues increased 28% to $12,221 million from $9,578 million in 1994. Interest expense, which includes dividend expense, increased 31% from 1994 to $11,248 million. Net interest and dividend profit was $973 million, virtually unchanged from $969 million in 1994, with increases in net interest-earning assets offset by declining interest spreads due to the flattening of the U.S. Treasury yield curve. The change in the yield curve resulted from long-term interest rates falling more than short-term rates during 1995.

Principal transactions revenues increased 8% from 1994 to $2,519 million in 1995. Increases in equities and equity derivatives and taxable fixed-income trading revenues were partially offset by decreases in trading revenues from municipal securities, foreign exchange and commodities, and interest rate and currency swaps. Equities and equity derivatives trading revenues, in the aggregate, increased 46% to $912 million, due primarily to improved volumes in the convertible, over-the-counter, and international equities markets, partially offset by lower equity derivatives trading revenues. Taxable fixed-income trading revenues increased 10% to $516 million due, in part, to higher revenues from corporate bonds and preferred stock, high-yield bonds, and non-U.S. governments and agencies securities. Trading revenues from mortgage-backed products were negatively affected by reduced market liquidity, leading to a loss. Nevertheless, trading results from mortgage-backed products, which include related net interest revenues, were positive. U.S. Government and agencies securities trading revenues were down from 1994 due to tighter spreads between U.S. Treasury securities and related futures hedges, as well as reduced retail investor demand attributable to lower interest rates. Municipal securities revenues decreased 28% to $273 million as a result of decreased investor demand for tax-exempt investments as investors remained wary of potential tax law changes and sought higher returns in equity and taxable fixed-income securities. Foreign exchange and commodities revenues, in the aggregate, declined 22% to $86 million. Commodities trading revenues decreased due to lower volumes. Increases in foreign exchange trading revenues resulted from higher customer volume caused by the strengthening of the U.S. dollar versus other major currencies during 1995. Interest rate and currency swaps revenues declined 2% to $732 million. Decreases in U.S. dollar-denominated transactions were substantially offset by increased revenues in non-dollar-denominated transactions, particularly in Japanese and European markets.

Investment banking revenues were $1,308 million, up 5% from $1,240 million in 1994. Strategic services revenues, which include fees for merger and acquisition activity, debt restructuring, and other advisory services, increased, as companies worldwide sought strategic partners to promote growth while cutting costs and increasing efficiencies. Underwriting revenues were down, as lower revenues from equities, private placements, high-yield debt, and mortgage-backed securities underwriting were partially offset by increased underwriting revenues from corporate bonds and preferred stock and defined asset funds.

Asset management and portfolio service fees rose 9% in 1995 to a record $1,890 million from $1,739 million in 1994, as a result of higher fees earned from asset management and other fee-based services. Other revenues decreased 5% from 1994 to $449 million, due to lower net realized investment gains in 1995 compared with 1994.

Non-interest expenses were $8,454 million, up 7% from $7,895 million in the year-ago period. Compensation and benefits expense, which represented approximately 62% of non-interest expenses, increased 6% due primarily to increased production-related and incentive compensation and the addition of Smith New Court PLC ("Smith New Court") employees. Compensation and benefits expense as a percentage of net revenues was 51.3% in 1995, compared with 51.5% in 1994.

Occupancy costs increased 3% from 1994 primarily due to international growth. Other facilities-related costs, which include communications and equipment rental expense and depreciation and amortization expenses, rose 13% primarily due to expanded use of market data services, as well as higher depreciation expense from the purchase of technology-related assets over the past year.

Professional fees increased 16% from the year-ago period, due to higher legal fees and systems development costs related to upgrading technology and processing capabilities in customer, trading, and transaction processing systems. Advertising and market development expenses increased 6% from 1994 as a result of increased advertising, international travel, and sales promotion primarily related to international growth. Brokerage, clearing, and exchange fees increased 7% as a result of higher securities volume, particularly in international markets. Other expenses increased 4% from 1994, due primarily to a $26 million first quarter charge for the write-off of assets related to a technology contract and $14 million of goodwill amortization related to Smith New Court.

Income tax expense totaled $697 million in 1995. The effective tax rate in 1995 was 38.5%, compared with 41.2% in 1994. The decrease in the effective tax rate was attributable to lower state income taxes, expanded international business activities in jurisdictions with lower tax rates, and increases in deductions for dividends received.

In 1995 the Company acquired Smith New Court, a U.K.-based global securities firm, for approximately $800 million. The Company recorded approximately $530 million of goodwill related to the acquisition, which is being amortized on a straight-line basis over 15 years. The Company's 1995 results include those of Smith New Court since mid-August 1995.

CERTAIN BALANCE SHEET INFORMATION AS OF DECEMBER 29, 1995

The Company believes that its equity base is adequate relative to the level and composition of its assets and the mix of its business.

In the normal course of business, the Company underwrites, trades, and holds non-investment grade securities in connection with its investment banking, market-making, and derivative structuring activities. These activities are subject to risks related to the creditworthiness of the issuers of, and the liquidity of the market for, such securities, in addition to the usual risks associated with investing in, financing, underwriting, and trading in investment grade instruments.

At December 29, 1995, the fair value of long and short non-investment grade trading inventories amounted to $5,489 million and $353 million, respectively, and in the aggregate (i.e. the sum of long and short trading inventories) represented 6.3% of aggregate consolidated trading inventories.

At December 29, 1995, the carrying value of extensions of credit provided to corporations entering into leveraged transactions aggregated $489 million (excluding unutilized revolving lines of credit and other lending commitments of $127 million), consisting primarily of senior term and subordinated financings to 30 medium-sized corporations. At December 29, 1995, the Company had no bridge loans outstanding. Loans to highly leveraged corporations are carried at unpaid principal balances less a reserve for estimated losses. The allowance for loan losses is estimated based on a review of each loan, and consideration of economic, market, and credit conditions. Direct equity investments made in conjunction with the Company's investment and merchant banking activities aggregated $211 million at December 29, 1995, representing investments in 62 enterprises. Equity investments in privately-held companies for which sale is restricted by government or contractual requirements are carried at the lower of cost or estimated net realizable value. At December 29, 1995, the Company held interests in partnerships, totaling $91 million (recorded on the cost basis), that invest in highly leveraged transactions and non-investment grade securities. At December 29, 1995, the Company also committed to invest an additional $79 million in partnerships that invest in leveraged transactions.

The Company's insurance subsidiaries hold non-investment grade securities. Non-investment grade securities were 4.2% of total insurance investments at December 29, 1995. Non-investment grade securities of insurance subsidiaries are classified as available-for-sale and are carried at fair value.

At December 29, 1995, the largest non-investment grade concentration consisted of various issues of a South American sovereign totaling $674 million, of which $672 million represented on-balance-sheet hedges for off-balance-sheet financial instruments. No one industry sector accounted for more than 35% of total non-investment grade positions. At December 29, 1995, the Company held an aggregate carrying value of $164 million in debt and equity securities of issuers in various stages of bankruptcy proceedings or in default, of which 75% resulted from the Company's market-making activities in such securities.

FIRST QUARTER 1996

Global financial markets were generally strong during 1995, led by a stable U.S. economy, declining interest rates, and heightened investor activity. Market expectations for additional declines in interest rates continued through February 1996, fueling further market advances, strong investor and issuer activity, higher fee-based revenues, and improved trading profits industrywide. In March 1996, inflationary fears were stirred by the release of U.S. economic statistics indicating stronger than anticipated growth and the Federal Reserve's decision to hold short-term interest rates at current levels. This led to increases in long-term interest rates and greater market volatility, although interest rates remained low relative to the year-ago period.

Net earnings for the 1996 first quarter were a record $409 million, up 80% from 1995 first quarter net earnings of $228 million. Earnings per common share were $2.03 primary and fully diluted in the 1996 first quarter, compared with $1.08 primary and fully diluted in the 1995 first quarter. Total revenues were a record $6,019 million in the first quarter of 1996, up 16% from the 1995 first quarter. Net revenues (revenues after interest expense) totaled $3,261 million in the first quarter of 1996, up 35% from the 1995 first quarter.

Commissions revenues rose 44% to a record $989 million from $685 million in the 1995 first quarter. Commissions revenues from listed and over-the-counter securities increased to record levels due to higher trading volumes on most major U.S. and international exchanges. Mutual fund commissions advanced to record levels due to strong sales of both domestic and offshore funds.

Interest and dividend revenues decreased to $3,010 million from $3,030 million in the 1995 first quarter. Interest expense, which includes dividend expense, decreased to $2,758 million from $2,783 million in the year-ago quarter. Net interest and dividend profit was $252 million, up slightly from $247 million in 1995, with increases in net interest-earning assets substantially offset by the effect of lower interest rates.

Principal transactions revenues increased 46% from the 1995 first quarter to a record $982 million, as higher investor activity and market volatility led to increases in virtually all trading products. Equities and equity derivatives trading revenues, in the aggregate, were up 109% to $347 million. Trading revenues from most equity products increased, due primarily to higher trading volume and rising stock prices. International equities trading revenues, in particular, benefited from the addition of Smith New Court trading activity. Taxable fixed-income trading revenues rose 62% to $265 million due primarily to higher revenues from non-U.S. governments and agencies, mortgage-backed securities, and high-yield bonds. Non-U.S. governments and agencies trading revenues advanced due to improved results from trading of Japanese Government Bonds, as well as increased trading volume in certain Latin American emerging markets as credit ratings improved and investors sought higher returns. Mortgage-backed securities trading revenues increased due primarily to improved liquidity and increased customer demand compared with the year-ago period. Trading revenues from high-yield bonds were up due to lower interest rates and improved credit ratings of certain issuers. Interest rate and currency swap trading revenues increased 9% to $255 million due to higher trading revenues from non-U.S. dollar-denominated transactions, partially offset by decreases in revenues from U.S. dollar-denominated transactions. Foreign exchange and commodities trading revenues, in the aggregate, rose 94% from the 1995 first quarter to $40 million, as foreign exchange trading revenues continued to benefit from the strengthening of the U.S. dollar versus other major currencies. Municipal securities trading revenues declined 17% to $75 million, primarily due to continued weak investor demand for tax-exempt investments.

Investment banking revenues were $378 million, up 52% from $249 million in the 1995 first quarter. Underwriting revenues increased 82%, benefiting from strong levels of debt and equity underwriting industrywide, with higher fees from convertibles, corporate bonds and preferred stock, equities, and high-yield securities. Strategic services revenues were down slightly from a year ago, but remained comparable to record 1995 levels, benefiting from continued strong merger and acquisition activity.

Asset management and portfolio service fees rose 20% in 1996 to a record $538 million from $448 million in the first quarter of 1995, primarily as a result of strong inflows of client assets. Other revenues were $122 million, up 4% from $117 million reported in the 1995 first quarter.

Non-interest expenses were $2,590 million, up 27% from $2,041 million in the year-ago period. Compensation and benefits expense, which represented approximately 65% of non-interest expenses, increased 33% due primarily to higher incentive and production-related compensation as well as a 6% increase in the number of full-time employees, largely due to acquisitions. Compensation and benefits expense as a percentage of net revenues was 51.8% in the first quarter of 1996, compared with 52.5% in the 1995 first quarter.

Occupancy costs increased 5% from the 1995 first quarter primarily due to international growth. Other facilities-related costs, which include communications and equipment rental expense and depreciation and amortization expense, rose 16% primarily due to higher levels of business activity and increased use of market data services, as well as higher depreciation expense from the purchase of technology-related assets over the past year.

Professional fees increased 32% from the year ago period, primarily as a result of higher systems development costs related to upgrading technology and processing capabilities. Advertising and market development expenses increased 33% from the 1995 first quarter. Increased international travel and higher advertising and client promotion costs contributed to this advance. Brokerage, clearing, and exchange fees rose 27% as a result of higher trading volume, particularly in international markets. Other expenses increased 4% from 1995, primarily due to goodwill amortization related to Smith New Court.

Income tax expense totaled $262 million in the 1996 first quarter. The effective tax rate in the 1996 first quarter was 39.0%, compared with 40.0% in the first quarter of 1995. The decrease in the effective tax rate was primarily attributable to increases in dividends qualifying for the Federal dividends received deduction, lower state taxes, and expanded international business activities.

CERTAIN BALANCE SHEET INFORMATION AS OF MARCH 29, 1996

The Company believes that its equity base is adequate relative to the level and composition of its assets and the mix of its business.

In the normal course of business, the Company underwrites, trades, and holds non-investment grade securities in connection with its investment banking, market making, and derivative structuring activities. These activities are subject to additional risks related to the creditworthiness of the issuers and the liquidity of the market for such securities.

At March 29, 1996, the fair value of long and short non-investment grade trading inventories amounted to $6,026 million and $529 million, respectively, and in the aggregate (i.e., the sum of long and short trading inventories) represented 6.6% of aggregate consolidated trading inventories.

At March 29, 1996, the carrying value of extensions of credit provided to corporations entering into leveraged transactions aggregated $517 million (excluding unutilized revolving lines of credit and other lending commitments of $75 million), consisting primarily of senior term and subordinated financings to 34 medium-sized corporations. In addition, at March 29, 1996, the Company had an outstanding bridge loan of $90 million, and as of May 6, 1996, the Company had an outstanding bridge loan commitment for $100 million. Direct equity investments made in conjunction with the Company's investment and merchant banking activities aggregated $189 million at March 29, 1996, representing investments in 62 enterprises. At March 29, 1996, the Company held interests in partnerships, totaling $82 million, that invest in highly leveraged transactions and non-investment grade securities. At March 29, 1996, the Company also committed to invest an additional $83 million in partnerships that invest in leveraged transactions.

The Company's insurance subsidiaries hold non-investment grade securities. Non-investment grade securities were 4.7% of total insurance investments at March 29, 1996. Non-investment grade securities of insurance subsidiaries are classified as available-for-sale and are carried at fair value.

At March 29, 1996, the largest non-investment grade concentration consisted of various issues of a South American sovereign totaling $764 million, which primarily represented on-balance-sheet hedges for off-balance-sheet financial instruments. No one industry sector accounted for more than 31% of total non-investment grade positions. At March 29, 1996, the Company held an aggregate carrying value of $169 million in debt and equity securities of issuers in various stages of bankruptcy proceedings or in default, of which 80% resulted from the Company's market-making activities in such securities.

DESCRIPTION OF THE STRYPES

Each issue of STRYPES will be a series of Senior Debt Securities to be issued under an indenture (the "Chemical Indenture"), dated as of April 1, 1983, as amended and restated, between the Company and Chemical Bank (successor by merger to Manufacturers Hanover Trust Company), as trustee (the "Trustee"), as further amended and supplemented by a supplemental indenture to be entered into by the Company and the Trustee relating to each series of STRYPES (the "Supplemental Indenture") (the Chemical Indenture, as so amended and supplemented by the Supplemental Indenture with respect to each series of STRYPES, the "Indenture"). The following summary of certain provisions of the Indenture does not purport to be complete and is qualified in its entirety by reference to the Indenture. All capitalized terms not otherwise defined herein have the meanings specified in the Indenture. Whenever defined terms of the Indenture are referred to herein, such defined terms are incorporated by reference herein.

GENERAL

The Supplemental Indenture will provide that STRYPES of the related series may be issued from time to time under the Indenture, up to a specified aggregate issue price, upon satisfaction of certain conditions precedent. The Supplemental Indenture will establish the terms of the related series of STRYPES, including: (1) the issue price per STRYPES; (2) the date on which such STRYPES will mature; (3) the consideration deliverable or payable with respect to such STRYPES, whether at maturity or upon earlier acceleration, and the formula or other method by which the amount of such consideration will be determined; (4) the rate or rates per annum (which may be fixed or variable) at which such STRYPES will bear interest, if any; (5) the dates on which such interest, if any, will be payable; (6) the provisions for redemption of such STRYPES, if any, the redemption price and any remarketing arrangements relating thereto; (7) the sinking fund requirements, if any, with respect to such STRYPES; (8) whether such STRYPES are denominated or provide for payment in United States dollars or a foreign currency or units of two or more of such foreign currencies; (9) whether and under what circumstances the Company will pay additional amounts ("Additional Amounts") in respect of such STRYPES held by a person who is not a U.S. person (as defined in the Prospectus Supplement, as applicable) in respect of specified taxes, assessments or other governmental charges and whether the Company has the option to redeem the affected STRYPES rather than pay such Additional Amounts; (10) the title of the STRYPES and the series of which such STRYPES shall be a part; and (11) the obligation of the Company to pay and discharge such STRYPES at maturity by delivery of Underlying Securities (or, at the Company's option, cash with an equal value), the formula or other method by which the amount of such Underlying Securities will be determined, and the terms and conditions upon which such payment and discharge shall be effected. Reference is made to the Prospectus Supplement for the terms of the STRYPES being offered thereby.

Under the Indenture, the Company will have the ability, in addition to the ability to issue STRYPES with terms different from those of STRYPES previously issued, to "reopen" a previous series of STRYPES and issue additional STRYPES of such series.

Issue price and interest, premium and Additional Amounts, if any, and Underlying Securities will be payable or deliverable in the manner, at the places and subject to the restrictions set forth in the Indenture, the STRYPES and the Prospectus Supplement relating thereto, provided that payment of any interest and any Additional Amounts may be made at the option of the Company by check mailed to the holders of registered STRYPES at their registered addresses.

STRYPES may be presented for exchange, and registered STRYPES may be presented for transfer, in the manner, at the places and subject to the restrictions set forth in the Indenture, the STRYPES and the Prospectus Supplement relating thereto. No service charge will be made for any transfer or exchange of STRYPES, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

RANKING

The STRYPES will be unsecured obligations and will rank pari passu with all other unsecured and unsubordinated indebtedness of the Company. Since the

Company is a holding company, the right of the Company, and hence the right of creditors of the Company (including the holders of the STRYPES), to participate in any distribution of the assets of any subsidiary upon its liquidation or reorganization or otherwise is necessarily subject to the prior claims of creditors of the subsidiary, except to the extent that claims of the Company itself as a creditor of the subsidiary may be recognized. In addition, dividends, loans and advances from certain subsidiaries, including MLPF&S, to the Company are restricted by net capital requirements under the Exchange Act and under rules of certain exchanges and other regulatory bodies.

SECURITIES DEPOSITORY

Upon issuance, each series of STRYPES will be represented by one or more fully registered global securities (the "Global Notes"). Each such Global Note will be deposited with, or on behalf of, The Depository Trust Company, as Securities Depository (the "Securities Depository"), and registered in the name of the Securities Depository or a nominee thereof. Unless and until it is exchanged in whole or in part for STRYPES in definitive form under the limited circumstances described below, no Global Note may be transferred except as a whole by the Securities Depository to a nominee of such Securities Depository or by a nominee of such Securities Depository to such Securities Depository or another nominee of such Securities Depository or by such Securities Depository or any such nominee to a successor of such Securities Depository or a nominee of such successor.

The Securities Depository has advised the Company as follows: The Securities Depository is a limited-purpose trust company organized under the Banking Law of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. The Securities Depository was created to hold securities of its participants ("Participants") and to facilitate the clearance and settlement of securities transactions among its Participants in such securities through electronic book-entry changes in accounts of the Participants, thereby eliminating the need for physical movement of securities certificates. The Securities Depository's Participants include securities brokers and dealers (including MLPF&S), banks, trust companies, clearing corporations, and certain other organizations.

The Securities Depository is owned by a number of Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the Securities Depository's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly ("Indirect Participants").

Purchases of STRYPES must be made by or through Participants, which will receive a credit on the records of the Securities Depository. The ownership interest of each actual purchaser of each STRYPES ("Beneficial Owner") is in turn to be recorded on the Participants' or Indirect Participants' records. Beneficial Owners will not receive written confirmations from the Securities Depository of their purchase, but Beneficial Owners are expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Ownership of beneficial interest in such Global Note will be shown on, and the transfer of such ownership interests will be effected only through, records maintained by the Securities Depository (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons held through Participants). The laws of some states may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to own, transfer or pledge beneficial interests in Global Notes.

So long as the Securities Depository, or its nominee, is the registered owner of a Global Note, the Securities Depository or its nominee, as the case may be, will be considered the sole owner or holder of the STRYPES

represented by such Global Note for all purposes under the Indenture. Except as provided below, Beneficial Owners in a Global Note will not be entitled to have the STRYPES represented by such Global Notes registered in their names, will not receive or be entitled to receive physical delivery of the STRYPES in definitive form and will not be considered the owners or holders thereof under the Indenture. Accordingly, each Person owning a beneficial interest in a Global Note must rely on the procedures of the Securities Depository and, if such Person is not a Participant, on the procedures of the Participant through which such Person owns its interest, to exercise any rights of a holder under the Indenture. The Company understands that under existing industry practices, in the event that the Company requests any action of holders or that an owner of a beneficial interest in such a Global Note desires to give or take any action which a holder is entitled to give or take under the Indenture, the Securities Depository would authorize the Participants holding the relevant beneficial interests to give or take such action, and such Participants would authorize Beneficial Owners owning through such Participants to give or take such action or would otherwise act upon the instructions of Beneficial Owners. Conveyance of notices and other communications by the Securities Depository to Participants, by Participants to Indirect Participants, and by Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of any amount with respect to STRYPES registered in the name of the Securities Depository or its nominee will be made to the Securities Depository or its nominee, as the case may be, as the holder of the Global Notes representing such STRYPES. None of the Company, the Trustee or any other agent of the Company or agent of the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests or for supervising or reviewing any records relating to such beneficial ownership interests. The Company expects that the Securities Depository, upon receipt of any payment in respect of a Global Note, will credit the accounts of the Participants with payment in amounts proportionate to their respective holdings of beneficial interest in such Global Note as shown on the records of the Securities Depository. The Company also expects that payments by Participants to Beneficial Owners will be governed by standing customer instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants.

If, with respect to a series of STRYPES, (x) the Securities Depository is at any time unwilling or unable to continue as Securities Depository and a successor depository is not appointed by the Company within 60 days, (y) the Company executes and delivers to the Trustee a Company Order to the effect that the Global Notes shall be exchangeable or (z) an Event of Default has occurred and is continuing with respect to any STRYPES of that series, the Company will issue STRYPES in definitive form in exchange for all of the Global Notes representing the STRYPES of that series. Such definitive STRYPES shall be registered in such name or names as the Securities Depository shall instruct the Trustee. It is expected that such instructions may be based upon directions received by the Securities Depository from Participants with respect to ownership of beneficial interests in such Global Notes.

MERGER AND CONSOLIDATION

The Company may consolidate or merge with or into any other corporation, and the Company may sell, lease or convey all or substantially all of its assets to any corporation, provided that (i) the corporation (if other than the Company) formed by or resulting from any such consolidation or merger or which shall have received such assets shall be a corporation organized and existing under the laws of the United States of America or a state thereof and shall assume the due and punctual delivery or payment of the Underlying Securities (or cash with an equal value) in respect of, any interest and Additional Amounts on, and any other amounts payable with respect to, the STRYPES of each series and the due and punctual performance and observance of all of the covenants and conditions of the Indenture to be performed or observed by the Company, and (ii) the Company or such successor corporation, as the case may be, shall not immediately thereafter be in default under the Indenture.

LIMITATIONS UPON LIENS

The Indenture provides that the Company may not, and may not permit any Subsidiary (defined in the Indenture as any corporation of which at the time of determination the Company and/or one or more Subsidiaries owns or controls directly or indirectly 50% of the shares of Voting Stock of such corporation) to, create, assume, incur or permit to exist any indebtedness for borrowed money secured by a pledge, lien or other encumbrance (except for certain liens specifically permitted by the Indenture) on the Voting Stock owned directly or indirectly by the Company of any Subsidiary (other than a Subsidiary which, at the time of incurrence of such secured indebtedness, has a net worth of less than $3,000,000) without making effective provision whereby the Outstanding STRYPES will be secured equally and ratably with such secured indebtedness.

LIMITATIONS ON DISPOSITION OF VOTING STOCK OF, AND MERGER AND SALE OF ASSETS BY, MLPF&S

The Indenture provides that the Company may not sell, transfer or otherwise dispose of any Voting Stock of MLPF&S or permit MLPF&S to issue, sell or otherwise dispose of any of its Voting Stock, unless, after giving effect to any such transaction, MLPF&S remains a Controlled Subsidiary (defined in the Indenture to mean a corporation more than 80% of the outstanding shares of Voting Stock of which are owned directly or indirectly by the Company). In addition, the Indenture provides that the Company may not permit MLPF&S to (i) merge or consolidate, unless the surviving company is a Controlled Subsidiary, or (ii) convey or transfer its properties and assets substantially as an entirety, except to one or more Controlled Subsidiaries.

EVENTS OF DEFAULT

Unless otherwise specified in a Prospectus Supplement, each of the following will constitute an Event of Default under the Indenture with respect to each series of STRYPES: (a) failure to pay and discharge the STRYPES of that series with the Underlying Securities or, if the Company so elects, to pay an equivalent amount in cash in lieu thereof when due; (b) failure to pay the Redemption Price or any redemption premium with respect to any STRYPES of that series when due; (c) failure to deposit any sinking fund payment, when and as due by the terms of any STRYPES of that series; (d) failure to pay any interest on or any Additional Amounts in respect of any STRYPES of that series when due, continued for 30 days; (e) failure to perform any other covenant of the Company contained in the Indenture for the benefit of that series or in the STRYPES of that series, continued for 60 days after written notice has been given to the Company by the Trustee, or to the Company and the Trustee by the holders of at least 10% of the aggregate issue price of the Outstanding STRYPES of that series, as provided in the Indenture; (f) certain events in bankruptcy, insolvency or reorganization of the Company; and (g) any other Event of Default provided with respect to STRYPES of that series.

Unless otherwise specified in a Prospectus Supplement, if an Event of Default (other than an Event of Default described in clause (f) of the immediately preceding paragraph) with respect to the STRYPES of any series shall occur and be continuing, either the Trustee or the holders of at least 25% of the aggregate issue price of the Outstanding STRYPES of that series by notice as provided in the Indenture may declare an amount equal to the aggregate issue price of all the STRYPES of that series and the interest accrued thereon and Additional Amounts payable in respect thereof, if any, to be immediately due and payable in cash. If an Event of Default described in said clause (f) shall occur, an amount equal to the aggregate issue price of all the STRYPES of that series and the interest accrued thereon and Additional Amounts payable in respect thereof, if any, will become immediately due and payable in cash without any declaration or other action on the part of the Trustee or any holder. After such acceleration, but before a judgment or decree based on acceleration, the holders of a majority of the aggregate issue price of the Outstanding STRYPES of that series may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the non-payment of the amount equal to the aggregate issue price of all the STRYPES of that series due by reason of such acceleration, have been cured or waived as provided in the Indenture. See "Modification and Waiver" below.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default shall occur and be continuing, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of STRYPES of any series, unless such holders of that series shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. Subject to such provisions for the indemnification of the Trustee, the holders of a majority of the aggregate issue price of the STRYPES of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the STRYPES of that series.

The Company will be required to furnish to the Trustee annually a statement by certain of its officers as to whether or not the Company, to their knowledge, is in default in the fulfillment of any of its obligations under the Indenture and, if so, specifying all such known defaults.

The STRYPES and other series of Senior Debt Securities issued under the Indenture will not have the benefit of any cross-default provisions with other indebtedness of the Company.

MODIFICATION AND WAIVER

Unless otherwise specified in a Prospectus Supplement, modifications of and amendments to the Indenture affecting a series of STRYPES may be made by the Company and the Trustee with the consent of the holders of 66 2/3% of the aggregate issue price of the Outstanding STRYPES of such series; provided, however, that no such modification or amendment may, without the consent of the holder of each Outstanding STRYPES of such series affected thereby, (a) change the Maturity Date or the Stated Maturity of any installment of interest or Additional Amounts on any STRYPES or any premium payable on the redemption thereof, or change the Redemption Price, (b) reduce the amount of Underlying Securities payable with respect to any STRYPES (or reduce the amount of cash payable in lieu thereof), (c) reduce the amount of interest or Additional Amounts payable on any STRYPES or reduce the amount of cash payable with respect to any STRYPES upon acceleration of the maturity thereof, (d) change the place or currency of payment of interest or Additional Amounts on, or any amount of cash payable with respect to, any STRYPES, (e) impair the right to institute suit for the enforcement of any payment on or with respect to any STRYPES, including the payment of Underlying Securities with respect to any STRYPES, (f) reduce the percentage of the aggregate issue price of Outstanding

STRYPES of such series, the consent of whose holders is required to modify or amend the Indenture, (g) reduce the percentage of the aggregate issue price of Outstanding STRYPES of such series necessary for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults or (h) modify such provisions with respect to modification and waiver. Except as provided in the Indenture, no modification of or amendment to the Indenture may adversely affect the rights of a holder of any other Senior Debt Security without the consent of such holder.

The holders of a majority of the aggregate issue price of each series of STRYPES may waive compliance by the Company with certain restrictive provisions of the Indenture. The holders of a majority of the aggregate issue price of each series of STRYPES may waive any past default under the Indenture, except a default in the payment of the Underlying Securities with respect to any STRYPES of that series, or of cash payable in lieu thereof, or in the payment of any premium, interest or Additional Amounts on any STRYPES of that series for which payment had not been subsequently made or in respect of a covenant and provision of the Indenture which cannot be modified or amended without the consent of the holder of each Outstanding STRYPES of such series affected.

GOVERNING LAW

The Indenture and the STRYPES will be governed by, and construed in accordance with, the laws of the State of New York.

PLAN OF DISTRIBUTION

The Company may sell STRYPES to the public through MLPF&S. The accompanying Prospectus Supplement describes the terms of the STRYPES offered thereby, including the public offering or purchase price, any discounts and commissions to be allowed or paid to MLPF&S, all other items constituting underwriting compensation, the discounts and commissions to be allowed or paid to dealers, if any, and the exchanges, if any, on which the STRYPES will be listed. Only MLPF&S will act as an underwriter in connection with the STRYPES. Under certain circumstances, the Company may repurchase STRYPES and reoffer them to the public as set forth above. The Company may also arrange for repurchases and resales of such STRYPES by dealers.

The underwriting of STRYPES will conform to the requirements set forth in the applicable sections of Schedule E to the By-Laws of the National Association of Securities Dealers, Inc.

EXPERTS

The consolidated financial statements and related financial statement schedules of the Company and its subsidiaries included or incorporated by reference in the Company's 1995 Annual Report on Form 10-K, and incorporated by reference in this Prospectus, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports incorporated by reference herein. The information under the caption "Summary Financial Information" for each of the five years in the period ended December 29, 1995 included in this Prospectus and the Selected Financial Data under the captions "Operating Results," "Financial Position" and "Common Share Data" for each of the five years in the period ended December 29, 1995 included in the 1995 Annual Report to Stockholders of the Company, and incorporated by reference herein, has been derived from consolidated financial statements audited by Deloitte & Touche LLP, as set forth in their reports included as an exhibit to the Registration Statement or incorporated by reference herein. Such consolidated financial statements and related financial statement schedules, such Summary Financial Information and Selected Financial Data appearing or incorporated by reference in this Prospectus and the Registration Statement of which this Prospectus is a part, have been included or incorporated herein by reference in reliance upon such reports of Deloitte & Touche LLP given upon their authority as experts in accounting and auditing.

With respect to unaudited interim financial information for the periods included in the Quarterly Reports on Form 10-Q (including any amendments applicable thereto) which are incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their report included in any such Quarterly Report on Form 10-Q (including any amendments applicable thereto) and incorporated by reference herein, they did not audit and they do not express an opinion on such 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, as amended, (the "Act") for any such report on unaudited interim financial information because any such report is not a "report" or a "part" of the Registration Statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

No dealer, salesperson or other individual has been authorized to give any information or to make any representations other than those contained or incorporated by reference in this Prospectus Supplement or the Prospectus in connection with the offering described herein, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or the Underwriter. This Prospectus Supplement and the Prospectus do not constitute an offer to sell, or a solicitation of an offer to buy, any securities other than those specifically offered hereby or of any securities offered hereby in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in such jurisdiction. Neither the delivery of this Prospectus Supplement and the Prospectus nor any sale made hereunder and thereunder shall, under any circumstances, create an implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein or therein is correct as of any time subsequent to its date.

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3,000,000 STRYPES

[ML Logo]

MERRILL LYNCH & CO., INC.

3,000,000 % STRYPES/SM/
DUE , 1999

Payable with Shares of Common Stock of

SUNAMERICA INC.

(or in cash)

PROSPECTUS

MERRILL LYNCH & CO.

, 1996

/SM/Service mark of Merrill Lynch & Co., Inc.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the General Corporation Law of the State of Delaware, as amended, provides that under certain circumstances a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee or agent of the corporation or is or was serving at its request in such capacity in another corporation or business association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful.

Article XIII, Section 2 of the Restated Certificate of Incorporation of the Registrant provides in effect that, subject to certain limited exceptions, the Registrant shall indemnify its directors and officers to the extent authorized or permitted by the General Corporation Law of the State of Delaware.

The Form of Underwriting Agreement to be filed as Exhibit 1(a) will provide for the indemnification of the Registrant, its controlling persons, its directors and certain of its officers by the Underwriter against certain liabilities, including liabilities under the Securities Act of 1933, as amended. The Form of Registration Agreement to be filed as Exhibit 1(b) will provide for the indemnification of the Registrant and its controlling persons by SunAmerica against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

The directors and officers of the Registrant are insured under policies of insurance maintained by the Registrant, subject to the limits of the policies, against certain losses arising from any claim made against them by reason of being or having been such directors or officers. In addition, the Registrant has entered into contracts with all of its directors providing for indemnification of such persons by the Registrant to the full extent authorized or permitted by law, subject to certain limited exceptions.

ITEM 16. LIST OF EXHIBITS.

<TABLE>
<CAPTION>

EXHIBIT NUMBER	DESCRIPTION
<S>	<C>
1(a)	--Form of Underwriting Agreement among the Company, the Selling Stockholder and the Underwriter./*/
1(b)	--Form of Registration Agreement among the Company, SunAmerica Inc. and the Underwriter./*/
4(a)	--Senior Indenture, dated as of April 1, 1983, as amended and restated, between the Company and Chemical Bank (successor by merger to Manufacturers Hanover Trust Company), incorporated herein by reference to Exhibit 99(c) to Registrant's Registration Statement on Form 8-A dated July 20, 1992.
4(b)	--Form of Ninth Supplemental Indenture to the Senior Indenture between the Company and Chemical Bank (successor by merger to Manufacturers Hanover Trust Company)./*/
4(c)	--Form of certificate representing the STRYPES./*/
5	--Opinion of Brown & Wood./*/
10	--Form of Stock Agreement among the Company, the ML&Co. Subsidiary and the Selling Stockholder./*/
23(a)	--Consent of Deloitte & Touche LLP.
23(b)	--Consent of Brown & Wood (included in Exhibit 5)./*/
99	--Report of Deloitte & Touche LLP with respect to certain financial data appearing in the Registration Statement.

</TABLE>
*To be filed by amendment.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Post-Effective Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in The City of New York and State of New York on the 20th day of May, 1996.

MERRILL LYNCH & CO., INC.

By /s/ Joseph T. Willet

Joseph T. Willet
(Senior Vice President and
Chief Financial Officer)

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS POST-EFFECTIVE AMENDMENT TO THE REGISTRATION STATEMENT HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS IN THE CAPACITIES INDICATED ON THE 20TH DAY OF MAY, 1996.

<TABLE>
<CAPTION>

SIGNATURE	TITLE
<S>	<C>
/s/ Daniel P. Tully* - ------------------------------ (Daniel P. Tully)	Chairman of the Board, Chief Executive Officer and Director
/s/ David H. Komansky* - ------------------------------ (David H. Komansky)	President, Chief Operating Officer and Director
/s/ Joseph T. Willet* - ------------------------------ (Joseph T. Willett)	Senior Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ Michael J. Castellano* - ------------------------------ (Michael J. Castellano)	Senior Vice President and Controller
/s/ William O. Burke* - ------------------------------ William O. Burke	Director
/s/ Worley H. Clark* - ------------------------------ Worley H. Clark	Director
/s/ Jill K. Conway* - ------------------------------ Jill K. Conway	Director
/s/ Stephen L. Hammerman* - ------------------------------ Stephen L. Hammerman	Director
/s/ Earle H. Harbison, Jr.* - ------------------------------ Earle H. Harbison, Jr.	Director

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>
/s/ George B. Harvey* - ------------------------------ George B. Harvey	Director
/s/ William R. Hoover* - ------------------------------ William R. Hoover	Director
/s/ Robert P. Luciano* - ------------------------------ Robert P. Luciano	Director
/s/ Aulana L. Peters* - ------------------------------ Aulana L. Peters	Director
/s/ John J. Phelan, Jr.* - ------------------------------ John J. Phelan, Jr.	Director
/s/ William L. Weiss* - ------------------------------ William L. Weiss	Director

*By: /s/ Joseph T. Willet

Joseph T. Willett
(Attorney-in-fact)
</TABLE>

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23(a)	--Consent of Deloitte & Touche LLP.	
23(b)	--Consent of Brown & Wood (included in Exhibit 5)./*/	
99	--Report of Deloitte & Touche LLP with respect to certain financial data appearing in the Registration Statement.	

</TABLE>
/*/ To be filed by amendment.

EXHIBIT 23(a)

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Post-Effective Amendment No. 2 to the Registration Statement of Merrill Lynch & Co., Inc. on Form S-3 of our reports dated February 26, 1996, appearing in or incorporated by reference in the Annual Report on Form 10-K of Merrill Lynch & Co., Inc. (the "Company") for the year ended December 29, 1995 (the "Annual Report") and to the reference to us under the heading "Experts" in the Prospectus, which is a part of this Registration Statement. We also consent to the inclusion as Exhibit 99 to this Post-Effective Amendment No. 2 to the Registration Statement of our report dated February 26, 1996 relating to information under the caption "Summary Financial Information," for each of the five years in the period ended December 29, 1995, appearing in the Prospectus. We also consent to the incorporation by reference to this Post-Effective Amendment No. 2 to the Registration Statement of our report dated February 26, 1996, appearing as Exhibit 99(ii) in the Current Report on Form 8-K dated March 12, 1996, relating to the Selected Financial Data under the captions "Operating Results," "Financial Position" and "Common Share Data" appearing on page 26 of the Company's 1995 Annual Report to Stockholders.

/s/ Deloitte & Touche LLP

New York, New York
May 21, 1996

EXHIBIT 99

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of
Merrill Lynch & Co., Inc.:

We have audited, in accordance with generally accepted auditing standards, the consolidated financial statements of Merrill Lynch & Co., Inc. and subsidiaries as of December 29, 1995 and December 30, 1994 and for each of the three years in the period ended December 29, 1995 and have issued our report thereon dated February 26, 1996. Such financial statements and our report thereon are incorporated by reference in the Company's 1995 Annual Report on Form 10-K which is incorporated herein by reference.

We have also previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheets of Merrill Lynch & Co., Inc. and subsidiaries as of December 31, 1993, December 25, 1992 and December 27, 1991 and the related statements of consolidated earnings, changes in consolidated stockholders' equity and consolidated cash flows for the years ended December 25, 1992 and December 27, 1991 (none of which are presented or incorporated by reference herein); and we expressed unqualified opinions on those consolidated financial statements. In our opinion, the information set forth in the table under the caption Summary Financial Information for each of the five years in the period ended December 29, 1995, appearing on page 4 of the Prospectus, which is a part of this Post-Effective Amendment No. 2 of the Registration Statement of Merrill Lynch & Co., Inc. on Form S-3, is fairly stated in all material respects in relation to the consolidated financial statements from which it has been derived.

/s/ Deloitte & Touche LLP
New York, New York

February 26, 1996