

Subject to Completion  
 Preliminary Term Sheet dated July 25, 2007

\$ Accelerated Return Notes  
 Linked to the Dow Jones-AIG Commodity Index<sup>SM</sup> Due  
 November , 2008 (the "Notes")  
 Preliminary Term Sheet

Expected Pricing Date\* August , 2007  
 Settlement Date\* September , 2007  
 Maturity Date\* November , 2008  
 CUSIP No.

## Merrill Lynch & Co., Inc.

### Accelerated Return Notes<sup>SM</sup>

- 3-to-1 upside exposure, subject to a cap of 22% to 28%
- A maturity of approximately 14 months
- 1-to-1 downside exposure, with no downside limit
- Application made to list on AMEX under the symbol "DNZ"

The Notes will have the terms specified in this preliminary term sheet as supplemented by the documents indicated herein under "Additional Note Terms" (together the "Note Prospectus"). Investing in the Notes involves a number of risks. See "[Risk Factors](#)" beginning on page TS-5 of this term sheet and on page PS-4 of product supplement ARN-1.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Note Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

|   | Per Unit | Total |
|---|----------|-------|
| Public offering price (1)                               | \$10.00  | \$    |
| Underwriting discount (1)                               | \$.20    | \$    |
| Proceeds, before expenses, to Merrill Lynch & Co., Inc. | \$9.80   | \$    |

- (1) The public offering price and underwriting discount for any purchase of between 100,000 to 299,999 units will be \$9.95 per unit and \$.15 per unit, respectively, for any purchase of between 300,000 to 499,999 units will be \$9.90 per unit and \$.10 per unit, respectively, and for any purchase of 500,000 units or more will be \$9.85 per unit and \$.05 per unit, respectively. The foregoing pricing description will apply to any single transaction by an individual investor.

\*Depending on the date the Notes are priced for initial sale to the public (the "Pricing Date"), which may be in August or September, the settlement date may occur in August or September and the maturity date may occur in October or November. Any reference in this term sheet to the month in which the settlement date or maturity date will occur is subject to change as specified above.

"Accelerated Return Notes<sup>SM</sup>" is a service mark of Merrill Lynch & Co., Inc.

"Dow Jones," "AIG" and "Dow Jones-AIG Commodity Index<sup>SM</sup>" and "DJ-AIGCI<sup>SM</sup>" are service marks of Dow Jones & Company, Inc. and American International Group, Inc. and have been licensed for use for certain purposes by Merrill Lynch, Pierce, Fenner & Smith Incorporated. Merrill Lynch & Co., Inc. is an authorized sublicensee. The Notes are not sponsored, endorsed, sold or promoted by Dow Jones, AIG International Inc. or American International Group, Inc., and none of Dow Jones, AIG International Inc. or American International Group, Inc. makes any representation regarding the advisability of investing in the Notes.

## Merrill Lynch & Co.

August , 2007

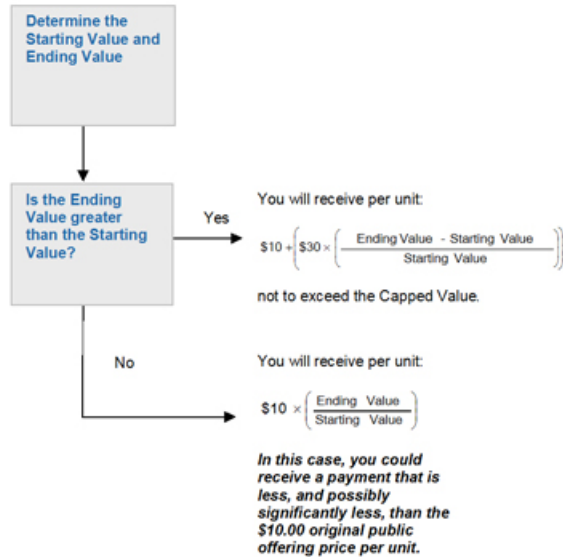
## Summary

The Accelerated Return Notes<sup>SM</sup> Linked to the Dow Jones-AIG Commodity Index<sup>SM</sup> due November , 2008 (the "Notes") are senior, unsecured debt securities of Merrill Lynch & Co., Inc. that provide a leveraged return for investors, subject to a cap, if the level of the Dow Jones-AIG Commodity Index<sup>SM</sup> (the "Index") increases moderately from the Starting Value of the Index, determined on the Pricing Date, to the Ending Value of the Index, determined on the calculation day shortly prior to the maturity date of the Notes. Investors must be willing to forego interest payments on the Notes and willing to accept a return that is capped or a repayment that is less, and potentially significantly less, than the original public offering price of the Notes.

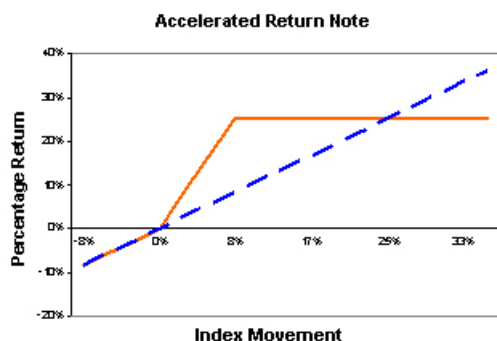
## Terms of the Notes

|  |   |
|--|---|
| <b>Issuer:</b>                         | Merrill Lynch & Co., Inc.   |
| <b>Original Public Offering Price:</b> | \$10 per unit   |
| <b>Term:</b>                           | Approximately 14 months   |
| <b>Market Measure:</b>                 | Dow Jones-AIG Commodity Index   |
| <b>Starting Value:</b>                 | The closing level of the Index on the Pricing Date. The Starting Value for the Notes will be determined on the Pricing Date and will be set forth in the final term sheet made available in connection with sales of the Notes.   |
| <b>Ending Value:</b>                   | The closing value of the Index on the Calculation Day, subject to a market disruption event, as more fully described in product supplement ARN-1.   |
| <b>Calculation Day:</b>                | The fifth scheduled Market Measure Business Day (as defined in product supplement ARN-1) immediately prior to the maturity date.  |
| <b>Capped Value:</b>                   | Will represent a return of 22% to 28% over the \$10 original public offering price (or \$12.20 to \$12.80 per unit of the Notes). The actual Capped Value of the Notes will be determined on the Pricing Date and will be set forth in the final term sheet made available in connection with sales of the Notes. |
| <b>Calculation Agent:</b>              | Merrill Lynch, Pierce, Fenner & Smith Incorporated  |

## Determining Payment at Maturity for the Notes



## Hypothetical Payout Profile



This graph reflects the hypothetical returns on the Notes, assuming a Capped Value of 25%, the midpoint of the range of 22% and 28%. The orange line reflects the hypothetical returns on the Notes, while the dotted blue line reflects the hypothetical return of an investment in the Index.

This graph has been prepared for purposes of illustration only. Your actual return will depend on the actual Ending Value, Capped Value and the term of your investment.

## Hypothetical Payments at Maturity

### Examples

Set forth below are three examples of payment at maturity calculations, assuming a hypothetical Starting Value of 171.10, the level of the Index on July 16, 2007, and a Capped Value of \$12.50, the midpoint of the range of \$12.20 and \$12.80.

**Example 1**—The hypothetical Ending Value is 80% of the hypothetical Starting Value:

Hypothetical Starting Value: 171.10

Hypothetical Ending Value: 136.88

$$\$10 \times \left( \frac{136.88}{171.10} \right) = \$8.00$$

Payment at maturity (per unit) = \$8.00

**Example 2**—The hypothetical Ending Value is 103% of the hypothetical Starting Value:

Hypothetical Starting Value: 171.10

Hypothetical Ending Value: 176.23

$$\$10 + \left( \$30 \times \left( \frac{176.23 - 171.10}{171.10} \right) \right) = \$10.90$$

Payment at maturity (per unit) = \$10.90

**Example 3**—The hypothetical Ending Value is 120% of the hypothetical Starting Value:

Hypothetical Starting Value: 171.10

Hypothetical Ending Value: 205.32

$$\$10 + \left( \$30 \times \left( \frac{205.32 - 171.10}{171.10} \right) \right) = \$16.00$$

Payment at maturity (per unit) = \$12.50 (Payment at maturity cannot be greater than the Capped Value)

The following table illustrates, for a hypothetical Starting Value of 171.10 (the closing value of the Index on July 16, 2007) and a range of hypothetical Ending Values of the Index:

- the percentage change from the hypothetical Starting Value to the hypothetical Ending Value;
- the total amount payable on the maturity date per unit;
- the total rate of return to holders of the Notes;
- the pretax annualized rate of return to holders of the Notes; and
- the pretax annualized rate of return of a hypothetical investment in the commodities included in the Index.

The table below assumes a Capped Value of \$12.50, the midpoint of the range of \$12.20 and \$12.80.

| Hypothetical Ending Value | Percentage change from the hypothetical Starting Value to the hypothetical Ending Value | Total amount payable on the maturity date per unit | Total rate of return on the Notes | Pretax annualized rate of return on the Notes (1) | Pretax annualized rate of return of the Index Components (1)(2) |
|---------------------------|---|--|-----------------------------------|---|---|
| 85.55                     | -50%  | 5.0000   | -50.00%                           | -51.40%   | -51.40%   |
| 102.66                    | -40%  | 6.0000   | -40.00%                           | -39.32%   | -39.32%   |
| 119.77                    | -30%  | 7.0000   | -30.00%                           | -28.35%   | -28.35%   |
| 136.88                    | -20%  | 8.0000   | -20.00%                           | -18.24%   | -18.24%   |
| 153.99                    | -10%  | 9.0000   | -10.00%                           | -8.83%  | -8.83%  |
| 157.41                    | -8%   | 9.2000   | -8.00%                            | -7.02%  | -7.02%  |
| 160.84                    | -6%   | 9.4000   | -6.00%                            | -5.23%  | -5.23%  |
| 164.26                    | -4%   | 9.6000   | -4.00%                            | -3.47%  | -3.47%  |
| 167.68                    | -2%   | 9.8000   | -2.00%                            | -1.72%  | -1.72%  |
| 171.10                    | 0%  | 10.0000  | 0.00%                             | 0.00%   | 0.00%   |
| 174.52                    | 2%  | 10.6000  | 6.00%                             | 5.06%   | 1.70%   |
| 177.95                    | 4%  | 11.2000  | 12.00%                            | 9.95%   | 3.39%   |
| 181.37                    | 6%  | 11.8000  | 18.00%                            | 14.70%  | 5.06%   |
| 184.79                    | 8%  | 12.4000  | 24.00%                            | 19.31%  | 6.71%   |
| 188.21                    | 10%   | 12.5000  | 25.00%                            | 20.07%  | 8.34%   |
| 205.32                    | 20%   | 12.5000  | 25.00%                            | 20.07%  | 16.25%  |
| 222.43                    | 30%   | 12.5000  | 25.00%                            | 20.07%  | 23.80%  |

(1) The annualized rates of return specified in this column are calculated on a semiannual bond equivalent basis and assume an investment term from July 17, 2007 to September 17, 2008, a term expected to be similar to that of the Notes.

(2) This rate of return assumes:

- a percentage change in the aggregate price of the Index Components (as defined below) included in the Index that equals the percentage change in the Index from the Starting Value to the relevant hypothetical Ending Value; and
- no transaction fees or expenses.

(3) This is the hypothetical Starting Value, the closing level of the Index on July 16, 2007. The actual Starting Value will be determined on the Pricing Date and will be set forth in the final term sheet made available in connection with sales of the Notes.

(4) The total amount payable on the maturity date per unit of the Notes cannot exceed \$12.50 (the midpoint of the range of \$12.20 and \$12.80).

The above figures are for purposes of illustration only. The actual amount received by you and the resulting total and pretax annualized rates of return will depend on the actual Starting Value, Ending Value, Capped Value and term of your investment.

## Risk Factors

An investment in the Notes involves significant risks. The following is a list of certain of the risks involved in investing in the Notes. You should carefully review the more detailed explanation of risks relating to the Notes in the "Risk Factors" sections included in the product supplement and MTN prospectus supplement identified below under "Additional Note Terms". We also urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the Notes.

- Your investment may result in a loss.
- Your yield may be lower than the yield on other debt securities of comparable maturity.
- Your return is limited and may not reflect the return on a direct investment in the Index Components.
- You must rely on your own evaluations regarding the merits of an investment linked to the Index.
- The value of a commodity futures contract included in the Index that is traded in currencies other than U.S. dollars will not be adjusted for changes in exchange rates that might affect such contract and consequently the level of the Index.
- There may be an uncertain trading market for the Notes and the market price you may receive or be quoted for your Notes on a date prior to the stated maturity date will be affected by this and other important factors, including our costs of developing, hedging and distributing the Notes.
- The publisher of the Index may adjust the Index in a way that affects its level, and such publisher has no obligation to consider your interests.
- Many factors affect the trading value of the Notes; these factors interrelate in complex ways and the effect of any one factor may offset or magnify the effect of another factor.
- Purchases and sales by us and our affiliates may affect your return.
- Potential conflicts of interest could arise.
- Tax consequences are uncertain.
- Ownership of the Notes will not entitle you to any rights with respect to any futures contracts or commodities included in the Index.
- Trading in the Index Components can be volatile based on a number of factors that we cannot control.
- Suspension or disruptions of market trading in the commodity and related futures markets, or in the Index, may adversely affect the value of the Notes.
- The Notes will not be regulated by the CFTC.

## Additional Risk Factors

### The Index is a rolling index

The Index is composed of futures contracts on physical commodities. Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts have a set expiration date and normally specify a certain date for delivery of the underlying physical commodity. In the case of the Index, as the exchange-traded futures contracts that comprise the Index approach the month before expiration, they are replaced by contracts that have a later expiration. This process is referred to as "rolling". If the market for these contracts is (putting aside other considerations) in "backwardation", where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the nearer delivery month contract would take place at a price that is higher than the price of the distant delivery month contract, thereby creating a positive "roll yield". There is no indication that these markets will consistently be in backwardation or that there will be roll yield in future performance. Instead, these markets may trade in "contango." Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. Certain of the commodities included in the Index have historically traded in contango markets. These "roll yields" could affect the level of the Index and the value of the Notes.

### The Notes include the risk of concentrated positions in one or more commodity sectors

The exchange-traded physical commodities underlying the futures contracts included in the Index from time to time are heavily concentrated in a limited number of sectors, particularly energy and agriculture. An investment in the Notes may therefore carry risks similar to a concentrated securities investment in a limited number of industries or sectors. For example, approximately 34% of the component commodities of the Index are energy oriented. Accordingly, a decline in value of commodity futures traded in this sector would adversely affect the performance of the Index. Technological advances or the discovery of new oil reserves could lead to increases in worldwide production of oil and corresponding decreases in the price of crude oil. In addition, further development and commercial exploitation of alternative energy sources, including solar, wind or geothermal energy, could lessen the demand for crude oil products and result in lower prices. Absent amendment of the Index to lessen or eliminate the concentration of existing energy contracts in the Index or to broaden the Index to account for such developments, the level of the Index and hence the value of the Notes could decline. Two other sectors each represent approximately 20% of the component commodities of the Index. See "The Index" below.

### The Notes are linked to the Dow Jones-AIG Commodity Index and not the Dow Jones-AIG Commodity Index Total Return<sup>SM</sup>

The Notes are linked to the Dow Jones-AIG Commodity Index, and not the Dow Jones-AIG Commodity Index Total Return. The Dow Jones-AIG Commodity Index reflects returns that are potentially available through an unleveraged investment in the Index Components. The Dow Jones-AIG Commodity Index Total Return is a total return index which, in addition to reflecting the same returns of the Dow Jones-AIG Commodity Index, also reflects interest that could be earned on cash collateral invested in hypothetical three-month U.S. Treasury bills. Because the Notes are linked to the Dow Jones-AIG Commodity Index and not the Dow Jones-AIG Commodity Index Total Return, the return from an investment in the Notes will not reflect this total return feature.

## Investor Considerations

### You may wish to consider an investment in the Notes if:

- You anticipate that the Index will appreciate moderately from the Starting Value to the Ending Value.
- You accept that your investment may result in a loss, which could be significant, if the level of the Index decreases from the Starting Value to the Ending Value.
- You accept that the return on the Notes will not exceed the Capped Value.
- You are willing to forego interest payments on the Notes, such as fixed or floating rate interest paid on traditional interest bearing debt securities.
- You want exposure to the Index with no expectation of any rights with respect to any futures contracts or commodities included in or tracked by the Index.
- You are willing to accept that there is no assurance that the Notes will be listed on AMEX and that any listing will not ensure that a trading market will develop for the Notes or that there will be liquidity in the trading market.

### The Notes may not be appropriate investments for you if:

- You anticipate that the Index will depreciate from the Starting Value to the Ending Value or that the Index will not appreciate sufficiently over the term of the Notes to provide you with your desired return.
- You are seeking principal protection or preservation of capital.
- You seek a return on your investment that will not be capped at a percentage that will be between 22% and 28%.
- You seek interest payments or other current income on your investment.
- You want an investment that provides you with rights with respect to the futures contracts or commodities included in or tracked by the Index.
- You want assurances that there will be a liquid market if and when you want to sell the Notes prior to maturity.

## Other Provisions

We may deliver the Notes against payment therefor in New York, New York on a date that is greater than three business days following the Pricing Date. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, if the initial settlement on the Notes occurs more than three business days from the Pricing Date, purchasers who wish to trade Notes more than three business days prior to the original issue date will be required to specify alternative settlement arrangements to prevent a failed settlement.

## The Index

### The Dow Jones-AIG Commodity Index

The Index is a proprietary index that was created by Dow Jones & Company, Inc. and AIG International Inc. to provide a liquid and diversified benchmark for commodities investments. The Index was established on July 14, 1998 and is currently comprised of futures contracts (each, an "Index Component") on nineteen physical commodities. A commodity futures contract is an agreement that provides for the purchase and sale of a specified type and quantity of a commodity during a stated delivery month for a fixed price. The nineteen commodities that currently comprise the Index (the "Index Commodities") are: aluminum; coffee; copper; corn; cotton; crude oil; gold; heating oil; lean hogs; live cattle; natural gas; nickel; silver; soybeans; soybean oil; sugar; unleaded gasoline; wheat; and zinc. Futures contracts on the Index are currently listed for trading on the Chicago Board of Trade (the "CBOT"). The Index Commodities currently trade on United States exchanges, with the exception of aluminum, nickel and zinc, which trade on the London Metal Exchange (the "LME"). Information with respect to the Index provided herein are intended to supplement and should be read together with the discussion under the heading "The Dow Jones-AIG Commodity Index" beginning on page IS-54 of the index supplement I-1.

### Current Designated Contracts for Each Index Commodity

The Designated Contracts (as defined in the index supplement I-1) for the Index Commodities included in the Index are traded on the CBOT, the LME, the Coffee, Sugar & Cocoa Exchange (the "CSCE"), the Commodities Exchange (the "COMEX"), the New York Cotton Exchange (the "NYCE") and the New York Mercantile Exchange (the "NYMEX") and are as follows:

| Index Commodity   | Designated Contract and Price Quote                                  | Current Weighting of Designated Contract(1) | Exchange | Units          |
|-------------------|--|---|----------|----------------|
| Aluminum          | High Grade Primary Aluminum<br>\$/metric ton                         | 6.27%                                       | LME      | 25 metric tons |
| Coffee            | Coffee "C"<br>cents/pound  | 2.44%                                       | CSCE     | 37,500 lbs     |
| Copper            | High Grade Copper(2)<br>cents/pound                                  | 7.57%                                       | COMEX    | 25,000 lbs     |
| Corn              | Corn<br>cents/bushel   | 4.50%                                       | CBOT     | 5,000 bushels  |
| Cotton            | Cotton<br>cents/pound  | 3.39%                                       | NYCE     | 50,000 lbs     |
| Crude Oil         | Light, Sweet Crude Oil<br>\$/barrel                                  | 14.29%                                      | NYMEX    | 1,000 barrels  |
| Gold              | Gold<br>\$/troy oz.  | 6.60%                                       | COMEX    | 100 troy oz.   |
| Heating Oil       | Heating Oil<br>cents/gallon  | 4.28%                                       | NYMEX    | 42,000 gallons |
| Lean Hogs         | Lean Hogs<br>cents/pound   | 2.95%                                       | CME      | 40,000 lbs     |
| Live Cattle       | Live Cattle<br>cents/pound   | 5.51%                                       | CME      | 40,000 lbs     |
| Natural Gas       | Henry Hub Natural Gas<br>\$/mmbtu                                    | 10.77%                                      | NYMEX    | 10,000 mmbtu   |
| Nickel            | Primary Nickel<br>\$/metric ton                                      | 2.39%                                       | LME      | 6 metric tons  |
| Silver            | Silver<br>cents/troy oz.   | 2.10%                                       | COMEX    | 5,000 troy oz. |
| Soybeans          | Soybeans<br>cents/bushel   | 8.92%                                       | CBOT     | 5,000 bushels  |
| Soybean Oil       | Soybean Oil<br>cents/pound   | 3.31%                                       | CBOT     | 60,000 lbs     |
| Sugar             | World Sugar No. 11<br>cents/pound                                    | 2.38%                                       | CSCE     | 112,000 lbs    |
| Unleaded Gasoline | Reformulated Gasoline Blendstock for Oxygen Blending<br>cents/gallon | 4.74%                                       | NYMEX    | 42,000 gallons |
| Wheat             | Wheat<br>cents/bushel  | 5.31%                                       | CBOT     | 5,000 bushels  |
| Zinc              | Special High Grade Zinc<br>\$/metric ton                             | 2.28%                                       | LME      | 25 metric tons |

- (1) Reflects the approximate weightings as of July 16, 2007 of the nineteen commodities currently included in the Index.
- (2) The Index uses the high grade copper contract traded on the COMEX Division of the NYMEX for Copper contract prices and LME volume data in determining the weighting for the Index.

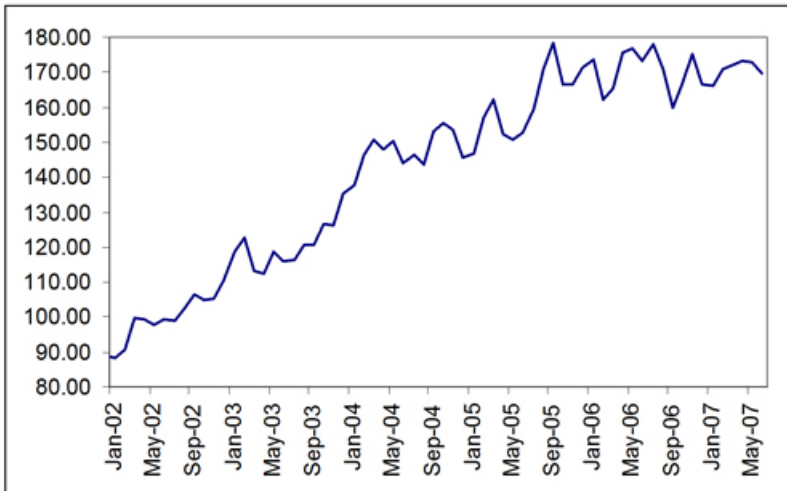
**Commodity Groups**

The weightings by Index Commodity Groups are as follows:

**Dow Jones-AIG Commodity Index Weighting by Commodity Group as of June 16, 2007**

|                 |        |
|-----------------|--------|
| Base Metals     | 18.51% |
| Energy          | 34.08% |
| Grains          | 18.73% |
| Precious Metals | 8.70%  |
| Livestock       | 8.45%  |
| Softs           | 8.21%  |
| Vegetable Oil   | 3.31%  |

*The following graph sets forth the historical performance of the Index in the period from January 2002 through June 2007. This historical data on the Index is not necessarily indicative of the future performance of the Index or what the value of the Notes may be. Any historical upward or downward trend in the level of the Index during any period set forth below is not an indication that the Index is more or less likely to increase or decrease at any time over the term of the Notes. On July 16, 2007, the closing level of the Index was 171.10.*



The information on the Index provided in this document should be read together with the discussion under the heading "The Dow Jones-AIG Commodity Index" beginning on page IS-53 of the index supplement I-1.



## Certain U.S. Federal Income Taxation Considerations

Set forth below is a summary of certain U.S. federal income tax considerations relating to an investment in the Notes. The following summary is not complete and is qualified in its entirety by the discussion under the section entitled "United States Federal Income Taxation" in the accompanying product supplement ARN-1 and MTN prospectus supplement, which you should carefully review prior to investing in the Notes.

**General.** There are no statutory provisions, regulations, published rulings or judicial decisions addressing or involving the characterization and treatment, for United States federal income tax purposes, of the Notes or securities with terms substantially the same as the Notes. Accordingly, the proper United States federal income tax characterization and treatment of the Notes is uncertain. Pursuant to the terms of the Notes, ML&Co. and every holder of a Note agree (in the absence of an administrative determination, judicial ruling or other authoritative guidance to the contrary) to characterize and treat a Note for all tax purposes as a pre-paid cash-settled forward contract linked to the level of the Index. Due to the absence of authorities that directly address instruments that are similar to the Notes, significant aspects of the United States federal income tax consequences of an investment in the Notes are not certain, and no assurance can be given that the Internal Revenue Service (the "IRS") or the courts will agree with the characterization and tax treatment described above. Accordingly, prospective purchasers are urged to consult their own tax advisors regarding the United States federal income tax consequences of an investment in the Notes (including alternative characterizations and tax treatments of the Notes) and with respect to any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

**Payment on the Maturity Date.** Assuming that the Notes are properly characterized and treated as pre-paid cash-settled forward contracts linked to the level of the Index, upon the receipt of cash on the maturity date of the Notes, a U.S. Holder (as defined in the accompanying product supplement ARN-1) will recognize gain or loss. The amount of such gain or loss will be the extent to which the amount of the cash received differs from the U.S. Holder's tax basis in the Note. A U.S. Holder's tax basis in a Note generally will equal the amount paid by the U.S. Holder to purchase the Note. It is uncertain whether any such gain or loss would be treated as ordinary income or loss or capital gain or loss. Absent a future clarification in current law (by an administrative determination, judicial ruling or otherwise), where required, ML&Co. intends to report any such gain or loss to the IRS in a manner consistent with the treatment of such gain or loss as capital gain or loss. If such gain or loss is treated as capital gain or loss, then any such gain or loss will be short-term or long-term capital gain or loss, depending upon the U.S. Holder's holding period for the Notes as of the maturity date.

**Sale or Exchange of the Notes.** Assuming that the Notes are properly characterized and treated as pre-paid cash-settled forward contracts linked to the level of the Index, upon a sale or exchange of a Note prior to the maturity date of the Notes, a U.S. Holder will generally recognize capital gain or loss in an amount equal to the difference between the amount realized on such sale or exchange and such U.S. Holder's tax basis in the Note so sold or exchanged. Any such capital gain or loss will be short-term or long-term capital gain or loss, depending upon the U.S. holder's holding period for the Notes as of the date of such sale or exchange.

**Circular 230 Legend.** The foregoing discussion of United States federal income tax matters contained in this term sheet (a) was not intended or written to be legal or tax advice to any person and was not intended or written to be used, and it cannot be used, by any person for the purpose of avoiding any tax-related penalties that may be imposed on such person, and (b) was written to support the promotion or marketing of the Notes by Merrill Lynch. Each person considering an investment in the Notes should seek advice based on its particular circumstances from an independent tax advisor.

Notwithstanding anything to the contrary contained herein, each prospective investor (and each employee, representative, or other agent of each prospective investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Notes and all materials of any kind that are provided to the prospective investor relating to such tax treatment and tax structure (as such terms are defined in Treasury Regulation Section 1.6011-4). This authorization of tax disclosure is retroactively effective to the commencement of discussions between Merrill Lynch or its representatives and each prospective investor regarding an investment in the Notes.

**Prospective purchasers of the Notes should consult their own tax advisors concerning the tax consequences, in light of their particular circumstances, under the laws of the United States and any other taxing jurisdiction, of the purchase, ownership and disposition of the Notes.**

## Experts

The consolidated financial statements, the related financial statement schedule, and management's report on the effectiveness of internal control over financial reporting incorporated in this term sheet by reference from Merrill Lynch & Co., Inc.'s Annual Report on Form 10-K for the year ended December 29, 2006 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference (which reports (1) expressed an unqualified opinion on the consolidated financial statements and financial statement schedule and include an explanatory paragraph regarding the change in accounting method in 2006 for share-based payments to conform to Statement of Financial Accounting Standard No. 123 (revised 2004), *Share-Based Payment*, (2) expressed an unqualified opinion on management's assessment regarding the effectiveness of internal control over financial reporting, and (3) expressed an unqualified opinion on the effectiveness of internal control over financial reporting) and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited condensed consolidated interim financial information for the three-month periods ended March 30, 2007 and March 31, 2006 which is incorporated herein by reference, Deloitte & Touche LLP, an independent registered public accounting firm, have applied limited procedures in accordance with the standards of the Public Company Accounting Oversight Board (United States) for a review of such information. However, as stated in their report included in the Company's Quarterly Reports on Form 10-Q for the quarter ended March 30, 2007 (which report included an explanatory paragraph regarding the adoption of Statement of Financial Accounting Standards No. 157, "*Fair Value Measurement*", Statement of Financial Accounting Standards No. 159, "*The Fair Value Option for Financial Assets and Financial Liabilities—Including an amendment of FASB Statement No. 115*," and FASB Interpretation No. 48, "*Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109*,") and incorporated by reference herein, they did not audit and they do not express an opinion on that 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 for their reports on the unaudited condensed consolidated interim financial information because those reports are not "reports" or a "part" of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

## Additional Note Terms

You should read this preliminary term sheet, together with the documents listed below (collectively, the "Note Prospectus"), which together contain the terms of the Notes and supersede all prior or contemporaneous oral statements as well as any other written materials. You should carefully consider, among other things, the matters set forth under "Risk Factors" in the sections indicated on the cover of this term sheet. The Notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the Notes.

You may access the following documents on the SEC Website at [www.sec.gov](http://www.sec.gov) as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC Website):

- Product supplement ARN-1 dated June 6, 2007:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312507130792/d424b2.htm>
- Index supplement I-1 dated June 6, 2007:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312507130785/d424b2.htm>
- MTN prospectus supplement, dated March 31, 2006:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312506070946/d424b5.htm>
- General prospectus supplement dated March 31, 2006:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312506070973/d424b5.htm>
- Prospectus dated March 31, 2006:  
<http://www.sec.gov/Archives/edgar/data/65100/000119312506070817/ds3asr.htm>

*Our Central Index Key, or CIK, on the SEC Website is 65100. References in this term sheet to "ML&Co.", "we", "us" and "our" are to Merrill Lynch & Co., Inc., and references to "MLPF&S" are to Merrill Lynch, Pierce, Fenner & Smith Incorporated.*

**ML&Co. has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (the "SEC") for the offering to which this term preliminary sheet relates. Before you invest, you should read the prospectus in that registration statement, and the other documents relating to this offering that ML&Co. has filed with the SEC for more complete information about ML&Co. and this offering. You may get these documents without cost by visiting EDGAR on the SEC Website at [www.sec.gov](http://www.sec.gov). Alternatively, ML&Co., any agent or any dealer participating in this offering, will arrange to send you the Note Prospectus if you so request by calling toll-free 1-866-500-5408.**