



## 5 Year Market Participation Deposits ("MPD") Certificates of Deposit Linked to a Multi-Index Basket

Indicative Terms & Conditions: July 26<sup>th</sup>, 2006

**\*\*OFFERING PERIOD: Wednesday August 30, 2006 – Monday September 18, 2006 at 3:00pm EST\*\***

Issuer:	Merrill Lynch Bank USA (Salt Lake City, UT)		
Issuer Rating	Aa3/A+		
Underlying Assets:	<u>Description</u>	<u>Ticker</u>	<u>Initial Level</u>
	S&P 500 Index	SPX <index>	TBD
	Dow Jones Eurostoxx 50 Index	SX5E <index>	TBD
	Maof 25 Index	TA25<index>	TBD
Principal Amount:	\$1,000		
Closing Date:	August 30, 2006 (Deadline for placing orders is 3:00 pm EST)		
Pricing Date:	August 30, 2006		
Maturity Date:	September 2, 2011		
Valuation Dates:	November 28, 2006, February 28, 2007, May 29, 2007, August 28, 2007, November 28, 2007, February 28, 2008, May 28, 2008, August 28, 2008, November 28, 2008, March 2, 2009, May 28, 2009, August 28, 2009, November 30, 2009, March 1, 2010, May 28, 2010 ...., August 30, 2011 (20 quarterly observation dates)		
Initial Index Level:	The closing market price of the Underlying Index on the Pricing Date		
Final Index Level:	The arithmetic average of the closing market price of the Underlying Index on the Valuation Dates		
Payment at Maturity:	At maturity owners of MPDs will receive:		
	(i) Principal Amount, plus		
	(ii) Supplemental Redemption Amount, if any		
Supplemental Redemption Amount:	For each \$1,000 the greater of;		
	a) Principal Amount x Participation Rate X Basket Performance		
	b) 0.00%		
Participation Rate:	100%		
Basket Performance:	75% x [Performance of Underlying Asset 1] + 25% x [Performance of Underlying Asset 2] + 0% x [Performance of Underlying Asset 3]		
	Where		
	"Underlying Asset 1" = the Underlying Asset with the best Market Performance		
	"Underlying Asset 2" = the Underlying Asset with second best Market Performance		
	"Underlying Asset 3" = the Underlying Asset with the third best Market Performance		

*This is neither an offer to sell nor a solicitation of an offer to buy the MPDs described above. Offers are made only by the Fact Sheet and the Fact Sheet Supplement. The Fact Sheet and the Fact Sheet Supplement contain important information that should be reviewed before purchasing an MPD, and these Indicative Terms and Conditions should only be read in conjunction with the Fact Sheet and Fact Sheet Supplement. MPDs may not be suitable for every investor.*



Performance = (Final Index Level – Initial Index Level) / Initial Index Level

Secondary Market:	Merrill Lynch may make a market in the MPDs but is under no obligation to do so and may discontinue any such market making at any time
FDIC Insurance:	Principal Amount only is FDIC insured generally up to \$100,000 for all accounts held by a depositor with Merrill Lynch Bank USA (with the exception of certain qualified retirement accounts which are insured for up to \$250,000 in the aggregate), in each case subject to FDIC Rules and Regulations
CUSIP Number:	TBD
Indicative OID Rate:	TBD
Early Withdrawal:	Outstanding principal amount may be withdrawn upon the death or adjudication of incompetence of the MPD owner
Settlement Date:	August 31, 2006
Settlement:	DTC, Book entry, Transferable

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