Excerpts from Meeting Minutes
from the Merrill Lynch Management Development and Compensation Committee
and the Merrill Lynch Board of Directors

as requested by the House Committee on Oversight and Government Reform
in January 17, 2008 letter to Mr. John Thain, Chairman and CEO, Merrill Lynch & Co., Inc.

Meeting	Meeting Date	Responsive Quotation
Minutes of Regular Meeting of the Management Development and Compensation Committee	12/3/2001	Ms. Kassel then reviewed with the Committee a plan to limit cash incentive compensation awards for executive and senior management to $1 million. Ms. Kassel said under the proposal all other amounts earned in excess of $1 million and normally paid in cash would be paid in special Restricted Units that would vest at a rate of one-third in each of the next three years. Ms. Kassel asked the Committee to consider recommending to the Board an executive annuity for the Chief Operating Officer similar to that in place for the CEO. Ms. Kassel outlined the details of the annuity. Discussion ensued, following which the Committee agreed to recommend the annuity to the Board of Directors in January.
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/11/2002	The Committee discussed Mr. O'Neal's 2001 cash incentive compensation to be recommended to the Board of Directors at its January 28, 2002 meeting and also considered the proposed awards to Mr. O'Neal of Stock Options and Restricted Units that it would recommend to the Board at that time. The Committee determined to recommend to the Board of Directors that Mr. O'Neal be paid the bonus, stock-based compensation, and other benefits whose values equal the amounts that appear opposite his name on the list to be submitted to the Board of Directors, a copy of which was maintained in the files of the Head of Human Resources.
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/10/2003	The Chairman then recognized Ms. Kassel who reviewed with the Committee the key goals for the performance of the Chief Executive Officer versus the objectives established at the beginning of the year by the Committee for the 2002 performance year. Discussion ensued. Mr. Stingi then reviewed with the Committee compensation information for the Chief Executive Officer and the Chairman.
Cont'd	1/10/2003	The Committee discussed Mr. O'Neal's 2002 cash and stock bonus amounts. The Committee determined that Mr. O'Neal be paid the cash and stock bonus indicated on the materials provided by the Committee, a copy of which was ordered maintained in the files of the Head of Human Resources.

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Cont'd	1/10/2003	Following discussion, on motion duly made, seconded and carried, it was unanimously RESOLVED, that the Committee hereby approves and recommends that the Board of Directors of the Corporation approve salaries and ratify cash bonus award amounts and stock bonus award amounts for the Chief Executive Officer ("CEO") and Chairman of the Board ("Chairman"): RESOLVED, that the salaries for the CEO and Chairman in the materials from this meeting, a copy of which is ordered maintained in the files of the Head of Human Resources are here by approved in the amounts set forth in such materials; FURTHER RESOLVED, that the 2002 cash bonus awards for CEO and Chairman are approved in the amounts set forth in the materials from this meeting, subject to confirmation by the Committee at its January 27, 2003 meeting that such amounts are consistent with the Corporation's performance formula; FURTHER RESOLVED, that the 2002 stock bonus awards for the CEO and Chairman are approved in the amounts set forth in the materials from this meeting, subject to confirmation by the Committee at its January 27, 2003 meeting that such amounts are consistent with the Corporation's performance formula; FURTHER RESOLVED, that the Committee recommends that the Board of Directors of the Corporation: (1) approve the salaries, and (2) ratify the cash bonus and stock bonus award amounts set forth in the materials from this meeting; and
Minutes of Regular Meeting of the Board of Directors	1/27/2003	The Chairman recognized Mr. Luciano, who reported on the Management Development and Compensation Committee ("MDCC") meetings held on January 2, 2003, January 10, 2003 and earlier in the day. Mr. Luciano reported that the MDCC held a special meeting on January 2, 2003 and reviewed Executive and Senior Management performance evaluations and proposed compensation. Mr. Luciano stated that the Committee also held a special MDCC meeting on January 10, 2003 and reviewed final 2002 variable incentive compensation pools and final 2002 incentive compensation for all employee groups. He stated that the Committee reviewed the Corporation's performance results versus objectives for the Chief Executive Officer ("CEO") and developed compensation recommendations for the Chairman, the CEO, and Executive Management.
Minutes of Regular Meeting of the Management Development and Compensation Committee	2/24/2003	Ms. Kassel then reviewed with the Committee the final 2003 CEO performance objectives that had been sent to the Committee prior to the meeting. Committee members asked a number of questions. Following discussion, the Committee expressed approval of the objectives.
Minutes of Regular Meeting of the Management Development and Compensation Committee	4/28/2003	Mr. Stingi then reviewed with the Committee 2002 proxy officer and chief executive officer compensation as well as financial results for the Corporation's U.S. public competitors. Discussion ensued.
Cont'd	4/28/2003	Mr. Stingi then outlined for the Committee the proposed approach to determining compensation for the Chief Executive Officer for the 2003 performance year. The proposed formula for determining CEO pay was discussed. Mr. Cook, who serves as an independent advisor to the Committee, provided his views of the proposed approach.

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Minutes of Regular Meeting of the Management Development and Compensation Committee	7/28/2003	Mr. Stingi then discussed with the Committee, the Company's approach to expensing stock options. Mr. Stingi said that if the Company determines to expense stock options for the 2003 fiscal year, a portion of the expense of stock options granted to employees in January 2003 would appear in the financial statements for the fiscal year ending December 26, 2003 and options granted in the future would be expensed over their vesting periods beginning in the years in which they are granted. He also noted that the Company was also considering the alternative of beginning to expense options in 2004, which would require restatement of prior year's financial statements to reflect the cost of options granted in earlier years. He reviewed with the Committee an approach for neutralizing the impact of the change in stock option accounting policy from the annual CEO compensation formula over the transition period of up to four years. Discussion ensued, following which the Committee expressed agreement with the approach outlined and determined that beginning in the year the Company determines to expense stock options, the proposed expense would not affect calculations under the Committee's formula for determination of compensation for the CEO and other executive officers. Mr. Stingi then discussed with the Committee the need to include the dollar value of the special units granted to the Chief Executive Officer in the calculation of compensation for 2001 for purposes of determining average annual compensation under the executive annuity with the CEO. Mr. Stingi noted that when the Committee adopted the $1 million cap on cash compensation for members of executive and senior management it was at the request of management. He noted that the limitation was imposed to conserve cash compensation for less senior employees, not to curtail compensation. The Committee agreed with this interpretation. Following discussion, on motion duly made, seconded and carried, it was unanimously RESOLVED, that the Committee, in accordance with its authority under Section 5 of the Executive Annuity Agreement, dated January 28 2002, between the Corporation and E. Stanley O'Neal (the "Agreement"), to administer and interpret the Agreement hereby determines that the grant value of Special Restricted Units granted to Mr. O'Neal in January 2002 shall be included in the determination of his Compensation, as defined in the Agreement, for performance year 2001; and FURTHER RESOLVED, that the Head of Human Resources and other proper officers or employees of the Corporation are authorized to take or cause to be taken all actions necessary to carry out the preceding resolution.
Minutes of Regular Meeting of the Management Development and Compensation Committee	12/1/2003	The Chair recognized Ms. Kassel who distributed a presentation illustrating the CEO's performance for 2003 versus the objectives established by the Committee for the 2003 performance year. Mr. Stingi then discussed CEO pay with the Committee and the methodologies used to assist the Committee in determining such pay. Ms. Kassel reviewed the performance measurement charts contained in the presentation and the Corporation's performance versus the goals established by the Committee. Mr. Stingi then outlined other relevant financial comparisons of Merrill Lynch to the Corporation's peer group companies and discussed the expected CEO compensation of each of the peer group companies. Mr. Stingi invited Committee members to contact him with any questions.
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/9/2004	Ms. Kassel referred to the review of the key goals for the performance of the Chief Executive Officer versus the objectives established at the beginning of the year by the Committee for the 2003 performance year that had been reviewed with the Committee in December and updated and sent to Committee members in advance of the meeting. The Committee members indicated they had no further questions on the materials. Mr. Stingi then reviewed with the Committee compensation information for the Chief Executive Officer. Ms. Kassel and Mr. Stingi then left the meeting and the members of the Committee met privately.

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/9/2004	The Committee discussed Mr. O'Neal's 2003 cash and stock bonus amounts. The Committee determined that Mr. O'Neal be paid the cash and stock bonus indicated on the materials provided by the Committee, a copy of which was ordered maintained in the files of the Head of Human Resources. Following discussion, on motion duly made, seconded and carried, it was unanimously RESOLVED, that the Committee hereby approves and recommends that the Board of Directors of the Corporation approve salary and ratify cash bonus award and stock bonus award amounts for the Chief Executive Officer ("CEO"); RESOLVED, that the salary for the CEO in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Human Resources is hereby approved in the amount set forth in such materials; FURTHER RESOLVED, that the 2003 cash bonus award for the CEO is approved in the amount set forth in the materials submitted to this meeting, subject to confirmation by the Committee at its January 26, 2004 meeting that such amount is consistent with the Corporation's performance formula; FURTHER RESOLVED, that the 2003 stock bonus award for the CEO is approved in the amount set forth in the materials submitted to this meeting, subject to confirmation by the Committee at its January 26, 2004 meeting that such amount is consistent with the Corporation's performance formula; FURTHER RESOLVED, that the Committee recommends that the Board of Directors of the Corporation: (1) approve the salary, and (2) ratify the cash bonus and stock bonus award amounts for the CEO set forth in the materials submitted to this meeting; and
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/26/2004	The Chair welcomed Mr. Fakahany and told the Committee that Mr. Fakahany would present the financial portion of the 2004 Performance Objectives for the Chief Financial Officer. Mr. Fakahany discussed actual 2003 financial results versus projected results and the 2004 financial objectives, including increased earnings targets.
Cont'd	1/26/2004	Mrs. Conway reminded the Committee that later that morning the Board of Directors would act on the compensation amounts for the Chairman/CEO and other members of executive management that were approved by the Committee at its meeting on January 9, 2004.
Cont'd	1/26/2004	Following discussion, on motion duly made, seconded and carried, it was unanimously

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/26/2004	FURTHER RESOLVED, that the Committee hereby designates the Chief Executive Officer ("CEO") and the other members of executive management named in the list submitted to this meeting as Participants under LTICP and, effective January 26, 2004, grants to them a number of Restricted Shares obtained by: (A) multiplying the dollar amount set forth opposite their names on such lists by .8; (B) dividing the product of that calculation by the closing price of a share of Common Stock on the Consolidated Transaction Reporting System ("Closing Price") on January 26, 2004; and (C) rounding the result to the nearest whole share; RESOLVED, that the Committee grants to the CEO and the other members of executive management names in the list submitted to this meeting, effective January 26, 2004, the number of Stock Appreciation Rights (as described in Attachment A) obtained by: (A) multiplying the dollar amount set forth opposite their names on such list by .2; (B) dividing the product of that calculation by the Black-Scholes Value (as defined in Attachment B) of a Merrill Lynch Stock Option on January 26, 2004; and (C) rounding the result to the nearest whole Stock Appreciation Right;
Minutes of Regular Meeting of the Board of Directors	1/26/2004	Mrs. Conway reported that the MDCC held a meeting on January 9, 2004 at which the Committee (i) was updated on the performance results versus the objectives established for the CEO and the CEO pay formula; (ii) reviewed and approved compensation recommendations for executive management and the CEO, subject to confirmation by the MDCC at its January 26, 2004 meeting that such amounts are consistent with the Corporation's performance goal formula;
Cont'd	1/26/2004	The Chairman then stated that he would turn the meeting over to Mrs. Conway, as Chairman of the MDCC, for a private session of the non-employee directors in which she would, among other things, lead the discussion of CEO Compensation.
Cont'd	1/26/2004	Following the private session, Mrs. Conway directed the Secretary to record that the following resolutions had been adopted by unanimous vote of those members of the Board of Directors present: RESOLVED, that the salary for the CEO in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Human Resources are hereby approved in the amounts set forth in such materials: FURTHER RESOLVED, that the 2003 cash bonus award for the CEO is ratified in the amount set forth in the materials submitted to this meeting; FURTHER RESOLVED, that the 2003 stock bonus award for the CEO is ratified in the amount set forth in the materials submitted to this meeting; and
Minutes of Regular Meeting of the Management Development and Compensation Committee	2/23/2004	The Chair then recognized Mr. England for a review of executive compensation issues. Mr. England outlines for the Committee the steps to be undertaken by Towers Perrin to review the Corporation's current process for determining the annual bonus of the chief executive and other members of executive management. Committee members asked a number of detailed questions about the process to be followed and the results that were likely to be achieved. The Committee members and John England expressed agreement that because of the timing of any proposed recommendations from Mr. England's study any proposed changes to Merrill Lynch's compensation process would be implemented for the 2005 performance year.
Minutes of Regular Meeting of the Management Development and Compensation Committee	4/23/2004	Mr. Stingi then reviewed with the Committee 2003 proxy officer and chief executive officer compensation as well as financial results for the Corporation's U.S. public competitors. Discussion ensued.

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Minutes of Regular Meeting of the Management Development and Compensation Committee	12/6/2004	Mr. Cribiore noted that all Committee members had received a copy of the results for the Chief Executive Officer against the 2004 performance objectives, established by the Committee in the beginning of the year. Mr. Cribiore said that Mr. Fakahany would also provide some summary remarks on the CEO's 2004 results and answer any questions from Committee members. After that review, Mr. Stan O'Neal would join the meeting to review with the Committee the performance of the Corporation's business groups and the preliminary pay recommendations for executive management. Mr. Cribiore noted that at the Committee's January 7, 2005 meeting, final pay recommendations would be made for the CEO, Executive Vice Presidents and Senior Vice Presidents. These recommendations would be reviewed by the Committee, at its meeting on January 24, 2005, to certify that they are in accordance with the Corporation's shareholder-approved performance formula and then submitted to the Board of Directors.
Cont'd	12/6/2004	The Committee then received an updated presentation showing the CEO's performance for 2004 versus the objectives established by the Committee at the beginning of the 2004 performance year. Mr. Fakahany reviewed the information contained in the presentation and the Corporation's performance versus the goals established by the Committee. Mr. Fakahany next reviewed with the Committee the financial inputs to the CEO compensation formula and discussed the resulting performance factors. Committee members asked a number of questions regarding this information and Mr. Fakahany and Mr. Stingi responded.
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/7/2005	Mr. Cribiore asked Ms. Kassel to review the 2004 performance of the Chief Executive Officer versus the objectives established at the beginning of the year by the Committee. These results and objectives had been reviewed with the Committee in December and updated and sent to Committee members in advance of the meeting. The Committee members indicated they had no further questions on the materials. Mr. Stingi then reviewed with the Committee compensation information for the Chief Executive Officer. Ms. Kassel and Mr. Stingi then Left the meeting and the members of the Committee met privately. The Committee discussed Mr. O'Neal's 2004 annual incentive compensation amount with Mr. England. The Committee determined that Mr. O'Neal be paid the annual incentive compensation amount, paid 100% in restricted stock, as indicated on the materials provided by the Committee, a copy of which was ordered maintained in the files of the Head of Human Resources. Following discussion, on motion duly made, seconded and carried, it was unanimously RESOLVED, that the salary for the CEO in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Human Resources is hereby approved as set forth in such materials; FURTHER RESOLVED, that the 2004 stock bonus award amount for the CEO is approved as set forth in the materials submitted to this meeting, subject to confirmation by the committee at its January 24, 2005 meeting that such amount is consistent with the Corporation's performance formula; FURTHER RESOLVED, that the Committee recommends that the Board of Directors of the Corporation: (1) approve the salary and (2) ratify the stock bonus award amount set forth in the materials submitted to this meeting: and
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/24/2005	Following discussion, on motion duly made, seconded and carried, it was unanimously

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/24/2005	FURTHER RESOLVED, that the Committee hereby designates the Chief Executive Officer ("CEO") and the other members of executive management named in the list submitted to this meeting as Participants under LTICP and, effective January 24, 2005, grants to them a number of Restricted Shares obtained by: (A) dividing the dollar amount set forth opposite their names on such lists by the closing price of a share of Common Stock on the Consolidated Transaction Reporting System ("Closing Price") on January 24, 2005; and (B) rounding the result up to the next highest whole share;
Minutes of Regular Meeting of the Board of Directors	1/24/2005	Following the discussion of compensation for executive management, Ms. Kassel and Messrs. Stingi and O'Neal left the private session and the non-employee directors discussed the recommendations of the MDCC with respect to 2005 salary and 2004 incentive compensation for the CEO. Mr. England was present to answer questions posed by the non-employee directors. Mr. Cribiore later directed the Secretary to record that, during the private non-employee directors' session and after discussion, the following resolutions had been adopted by unanimous vote of those members of the Board of Directors present: RESOLVED, that the salaries for the Chief Executive Officer and other members of Executive Management specified in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Human Resources, are hereby approved in the amounts set forth in such materials; FURTHER RESOLVED, that the 2004 cash bonus awards for the Chief Executive Officer and the other members of Executive Management are ratified in the amounts set forth in the materials submitted to this meeting; FURTHER RESOLVED, that the 2004 stock bonus awards for the Chief Executive Officer and the other members of Executive Management are ratified in the amounts set forth in the materials submitted to this meeting; and
Cont'd	1/24/2005	The Chairman recognized Mr. Cribiore, who summarized the MDCC meeting held earlier in the day and a special telephonic meeting held on January 7, 2005. Mr. Cribiore reported that, at its special telephonic meeting, the MDCC took the following actions related to the Corporation's year-end compensation: (i) Reviewed the individual compensation recommendations for all Senior and Executive Vice Presidents and the CEO. (ii) Reviewed the CEO performance results versus the CEO objectives and the CEO pay formula.
Cont'd	1/24/2005	(iv) Developed the compensation recommendations for the CEO and Executive Vice Presidents that were discussed and approved during the Board's private session earlier today.
Cont'd	1/24/2005	Mr. Cribiore then reported that at its meeting held earlier in the day, the MDCC took the following actions:
Cont'd	1/24/2005	(v) Reviewed objectives for the CEO in 2005. Mr. Cribiore stated that as soon as they are finalized, he will circulate those objectives to the Board for review and comment.

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Minutes of Regular Meeting of the Management Development and Compensation Committee	3/7/2005	During private session, the Committee discussed the review guidelines to be used to determine 2005 Chief Executive Officer compensation. The guidelines agreed upon by the Committee are described in Attachment B which was submitted to the meeting and ordered maintained in the files of the Head of Human Resources.
Minutes of Regular Meeting of the Management Development and Compensation Committee	7/25/2005	The Chairman then recognized Mr. John England, the Committee's compensation consultant, for a discussion of the peer group used for CEO compensation comparisons. Mr. England referred to the report that had been included in the materials sent to Committee members in advance of the meeting. Mr. England reviewed with the Committee the specific factors looked at by Towers Perrin in conducting its review of peer group companies. Mr. England reported that after his review he had concluded that the current peer group used by the Committee for CEO compensation comparisons - with the elimination of The Charles Schwab Corporation - was appropriate and did not need to be changed in advance of the 2005 compensation process. He noted that several companies that were reviewed by Towers Perrin this year might be appropriate as peers in the future, depending on how their businesses develop. The Committee members asked several questions about pay-for-performance practices among the current peer group. Discussion ensued.
Cont'd	7/25/2005	Mr. Fakahany then provided the Committee with a review of performance against the strategic objectives set by the Committee for the Chief Executive Officer in the beginning of 2005. He noted that on the whole the Corporation was on track to achieve objectives in most areas - other than in equity sales and trading. Mr. Fakahany responded to questions from Committee members.
Minutes of Regular Meeting of the Management Development and Compensation Committee	10/24/2005	Mr. Fakahany then provided the Committee with a review of performance against the strategic objectives set by the Committee for the Chief Executive Officer in the beginning of 2005 and reviewed the CEO's accomplishments during the first nine months of the year. Mr. Fakahany responded to questions from Committee members.
Minutes of Regular Meeting of the Management Development and Compensation Committee	12/5/2005	Mr. Cribiore noted that all Committee members had received a copy of the results for the Chief Executive Officer against the 2005 performance objectives established by the Committee at the beginning of the year. Mr. Cribiore said that Mr. Fakahany would also provide some summary remarks on the CEO's 2005 performance and answer any questions from Committee members.
Cont'd	12/5/2005	Mr. Cribiore noted that at the Committee's early January meeting, final pay recommendations would be made for the CEO, Executive Vice Presidents and SVP-Managing Partners. Then, at its meeting on January 23, 2006, the Committee would certify that the recommendations are in accordance with the Corporation's shareholder-approved performance formula and the approved amounts would be submitted to the Board of Directors for ratification. Mr. Cribiore recognized Mr. Fakahany who reviewed with the Committee the Company's 2005 financial results and forecast through year-end. The Committee then received an updated presentation showing the CEO's performance for 2005 versus the objectives established by the Committee at the beginning of the 2005 performance year. Mr. Fakahany reviewed the information contained in the presentation and the Corporation's performance versus the goals established by the Committee. Committee members asked a number of questions regarding this information and Mr. Fakahany and Mr. Berkowitz responded.
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/10/2006	Mr. Fakahany then reviewed the 2005 performance of the Chief Executive Officer versus the objectives established at the beginning of the year by the Committee. These results and objectives had been reviewed with the Committee in December and updated and sent to Committee members in advance of the meeting. The Committee members asked a number of questions regarding the materials. Mr. Fakahany then reviewed with the Committee compensation information for the Chief Executive Officer.

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/10/2006	The Committee discussed Mr. O'Neal's 2005 annual incentive compensation amount with Mr. England. The Committee determined that Mr. O'Neal be paid the cash bonus amounts, stock bonus amounts and the amounts under the Managing Partners Incentive Program indicated on the materials provided by the Committee, a copy of which was ordered maintained in the files of the Head of Rewards and Recognition Planning. Following discussion, on motion duly made, seconded and carried, it was unanimously RESOLVED, that the Committee hereby approves and recommends that the Board of Directors of the Corporation approve salary and ratify cash bonus award, the stock bonus award amounts and award amounts under the Managing Partners Incentive Program for the Chief Executive Officer ("CEO"); FURTHER RESOLVED, that the salary for the CEO in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Rewards and Recognition Planning is hereby approved in the amounts set forth in such materials; FURTHER RESOLVED, that the 2005 cash bonus award for the CEO is approved in the amount set forth in the materials submitted to this meeting, subject to confirmation by the Committee at its January 23,2006 meeting that such amount is consistent with the Corporation's performance formula; FURTHER RESOLVED, that the 2005 stock bonus award for the CEO is approved in the amount set forth in the materials submitted to this meeting, subject to confirmation by the Committee at its January 23, 2006 meeting that such amount is consistent with the Corporation's performance formula; FURTHER RESOLVED, that the 2005 amounts to be awarded under the Managing Partners Incentive Program for the CEO are approved in the amounts set forth in the materials submitted to this meeting; and
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/23/2006	Mr. Cribiore reminded the Committee that later that morning the Board of Directors would act on the compensation amounts for the Chairman and CEO and other members of executive management that were approved by the Committee at its meeting on January 10, 2006.
Cont'd	1/23/2006	Mr. Berkowitz noted that the CEO and members of executive and senior management and managers and producers would receive the grant value indicated opposite their names on the list submitted to the Committee in Restricted Shares and/or Restricted Units. Mr. Berkowitz also noted that the CEO and members of executive management and selected members of senior management would also receive participation units under the Managing Partners Incentive Program, approved by the Committee in 2005.

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/23/2006	Mr. Berkowitz then recommended that the Committee approve grants of Restricted Units, Restricted Shares, Cash Units, and Stock Options and Participation Units under the Long-Term Incentive Compensation Plan or the Employee Stock Compensation Plan to members of executive and senior management and managers and producers. RESOLVED, that the Vesting Period for the Restricted Shares granted in the next resolution under the Merrill Lynch & Co., Inc. Long-Term Incentive Compensation Plan ("LTICP") shall begin on January 1, 2006 and end on: (1) January 31, 2007 for 25% of the Restricted Shares; (2) January 31, 2008 for 25% of the Restricted Shares; (3) January 31, 2009 for 25% of the Restricted Shares; in each case rounding up to the next highest full share and (4) January 31, 2010 for the final 25% of the Restricted Shares; FURTHER RESOLVED, that, the Committee hereby designates the Chief Executive Officer ("CEO") and the other members of executive management named in the list submitted to this meeting as Participants under LTICP and, effective January 23, 2006, grants to them a number of Restricted Shares obtained by: (A) dividing the dollar amount set forth opposite their names on such lists by the closing price of a share of Common Stock on the Consolidated Transaction Reporting System ("Closing Price") on January 23, 2006; and (B) rounding the result up to the next highest whole share;

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/23/2006	RESOLVED, that the Vesting Period for the Participation Units granted in the next resolution under the Merrill Lynch & Co., Inc. Long-Term Incentive Compensation Plan ("LTICP") shall begin on January 1, 2006 and end on January 31, 2010; FURTHER RESOLVED, that the Committee hereby designates the Chief Executive Officer ("CEO") and the other members of executive management named in the list submitted to this meeting as Participants under LTICP and effective January 23, 2006, grants to them a number of Participation Units (under Article 6 of LTICP with the terms and conditions described in these resolutions and in Attachment B hereto) obtained by: (A) dividing the dollar amount set forth opposite their names on such lists by the closing price of a share of Common Stock on the Consolidated Transaction Reporting System ("Closing Price") on January 23, 2005; and (B) rounding the result up to the next highest whole unit; FURTHER RESOLVED, that one-third of the Participation Units granted in the proceeding resolution shall convert to Restricted Shares on each of January 31, 2007, January 31, 2008 and January 31, 2009 (each a "Conversion Date"), based upon the achievement of pre-determined hurdles for Return on Equity as described more fully in Attachment B. Participation Units converted on the Conversion Date in accordance with this paragraph will cease to be outstanding immediately following conversion; FURTHER RESOLVED, that prior to the Conversion Date for the relevant Participation Units, the holder of a Participation Unit will be paid cash amounts equal to dividends paid on a share of Common Stock, which shall cease when the Participation Units are no longer outstanding; FURTHER RESOLVED, that prior to the Conversion Date for the relevant Participation Units, the Participant's rights to the Participation Units will be subject to full or partial termination upon termination of employment, as more fully described in Attachment B; FURTHER RESOLVED, that, the Vesting Period for the Restricted Shares issued upon conversion of the Participation Units end on January 31, 2010 and the Restricted Shares so converted will have the terms and conditions described in Attachment A; FURTHER RESOLVED, that, in the event of a Change-in-Control of the Corporation, as defined in LTICP, occurs prior to the Conversion Date for the relevant Participation Units then immediately prior to the consummation of the Change-in-Control, one third of the Participation Units (relating to the year in which the transaction occurs) shall be converted into Restricted Shares (or Restricted Units) at a ration of 2.5:1 and the remaining outstanding Participation Units (relating to subsequent years) shall be converted at a ratio of 1:1.

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/23/2006	RESOLVED, that the Vesting Period for the Participation Units granted in the next resolution under the Merrill Lynch & Co., Inc. Long-Term Incentive Compensation Plan ("LTICP") shall begin on January 23, 2006 and end of January 31, 2010; FURTHER RESOLVED, that, the Committee hereby designates the Chief Executive Officer ("CEO") and the other members of senior management designed as Managing Partners Tier I and Tier II in the list submitted to this meeting as Participants under LTICP and, effective January 23, 2006, grants to them a number of Participation Units (under Article 6 of LTICP with the terms and conditions described in these resolutions and in Attachment B hereto) obtained by: (A) dividing the dollar amount set forth opposite their names on such lists by the Closing Price on January 23, 2005; and (B) rounding the result upward to the next highest whole unit; FURTHER RESOLVED, that one-third of the Participation Units granted in the proceeding resolution shall convert to Restricted Shares or Restricted Units on each of January 31, 2007, January 31, 2008, and January 31, 2009 (each a "Conversion Date"), based upon the achievement of pre-determined hurdles for Return on Equity as described more fully in Attachment B. Participation Units converted on the Conversion Date in accordance with this paragraph will cease to be outstanding immediately following conversion; FURTHER RESOLVED, that prior to the Conversion Date for the relevant Participation Units, the holder of a Participation Unit will be paid cash amounts equal to dividends paid on a share of Common Stock, which shall cease when the Participation Units are no longer outstanding; FURTHER RESOLVED, that prior to the Conversion Date for the relevant Participation Units, the Participant's rights to the Participation Units will be subject to full or partial termination upon termination of employment, as more fully described in Attachment B: FURTHER RESOLVED, that, the Vesting Period for the Restricted Shares issued upon conversion of the Participation Units end on January 31, 2010 and the Restricted Shares so converted will have the terms and conditions described in Attachment A; FURTHER RESOLVED, that, in the event of a Change-in-Control of the Corporation as defined in LTICP, then immediately prior to the consummation of the Change-in-Control, one third of the Participation Units (relating to the year in which the transaction occurs) shall be converted into Restricted Shares (or Restricted Units) at a ratio of 2.5:1 and the remaining outstanding Participation Units (relating to subsequent years) shall be converted at a ratio of 1:1. FURTHER RESOLVED, that the Committee authorized the Head of Rewards and Recognition Planning, in consultation with counsel, to prepare documentation evidencing the grants of Partnership Units and the Restricted Shares and Restricted Units issuable upon conversion of the Partnership Units in accordance with the preceding resolutions, the terms and conditions of Attachment B, Attachment A and LTICP; and FURTHER RESOLVED that the proper officers of the Corporation are authorized and directed to take such steps as may be necessary to communicate and to carry into effect the actions take hereby, all in accordance with the preceding resolutions. RESOLVED, that the Vesting Period for the Restricted Shares granted in the next resolution under the Merrill Lynch & Co., Inc. Employee Stock Compensation Plan ("ESCP") shall begin on January 23, 2006 and end on: (1) January 31, 2007 for 25% of the Restricted Shares; (2) January 31, 2008 for 25% of the Restricted Shares; (3) January 31, 2009 for 25% of the Restricted Shares; in each case rounding up to the next highest full share, and (4) January 31, 2010 for the final 25% of the Restricted Shares;

Meeting	Meeting Date	Responsive Quotation
Cont'd	1/23/2006	Mr. Fakahany then reviewed with Committee members proposed 2006 business objectives for the Chief Executive Officer as well as selected key goals for members of executive management.
Minutes of Regular Meeting of the Board of Directors	1/23/2006	Following the discussion of compensation for executive management, Mr. Berkowitz and Mr. O'Neal exited the private session and the non-employee directors discussed the determinations of the MDCC with respect to 2006 salary and 2005 incentive compensation for the CEO. Mr. England was present to answer questions from the non-employee Directors. Mr. Cribiore later directed the Secretary to record that, during the private non-employee directors' session and after discussion, the following resolutions had been adopted by unanimous vote of those members of the Board of Directors present: RESOLVED, that the salaries for the Chief Executive Officer and other members of Executive Management specified in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Rewards and Recognition Planning, are hereby approved in the amounts set forth in such materials; FURTHER RESOLVED, that the 2005 cash bonus awards for the Chief Executive Officer and the other members of Executive Management are ratified in the amounts set forth in the materials submitted to this meeting; FURTHER RESOLVED, that the 2005 stock bonus awards for the Chief Executive Officer and the other members of Executive Management are ratified in the amounts set forth in the materials submitted to this meeting; FURTHER RESOLVED, that the 2005 amounts to be awarded under the Managing Partners Incentive Program for the Chief Executive Officer and other members of Executive Management are ratified in the amounts set forth in the materials submitted to this meeting; and
Cont'd	1/23/2006	The Chairman then recognized Mr. Cribiore, who summarized the MDCC meetings held on January 10, 2006 and earlier in the day. Mr. Cribiore reported that the MDCC took the following actions related to the Corporation's year-end compensation at its special meeting on January 10, 2006:
Cont'd	1/23/2006	(iv) Reviewed individual compensation recommendations for all Senior Vice Presidents and Managing Partners, the Executive Vice Presidents and the CEO. Mr. Cribiore noted that the recommendations were reviewed in the context of individual and business group performance in 2005 and the competitive framework, as Mr. O'Neal reviewed with the directors during the private session earlier in this meeting. (v) Received an update on the company's financial performance and CEO achievements as compared to the 2005 management objectives.
Minutes of Regular Meeting of the Management Development and Compensation Committee	2/27/2006	Mr. Cribiore recognized Mr. Berkowitz who asked the Committee to ratify the number of shares granted in connection with the authority given to the Chief Executive Officer by the Committee on January 23, 2006.

Meeting	Meeting Date	Responsive Quotation
Cont'd	2/27/2006	Mr. Fakahany then reviewed 2006 performance objectives for the Corporation's Chief Executive Officer and members of Executive Management that had been revised to reflect comments from Committee members. He responded to questions from members of the Committee. Following discussion, Committee members agreed that the objectives, as set forth the materials presented to the Committee and ordered held by the Head of Rewards and Recognition Planning, were ready for communication to the Board of Directors.
Minutes of Regular Meeting of the Management Development and Compensation Committee	7/17/2006	Mr. Alsop reviewed with the Committee a tally sheet of the Chief Executive Officer's 2005 compensation and benefits and how the disclosure of various compensation and benefits items would differ under the proposed rules. The Committee asked Mr. Alsop a number of questions and discussed the proposed new rules.
Cont'd	7/17/2006	Mr. Cribiore than asked Mr. Fakahany to review with the Committee the year-to-date performance of the Chief Executive Officer against objectives. Mr. Fakahany reviewed the six-month financial performance of Merrill Lynch and its competitors. Mr. Fakahany noted that the Corporation's performance was strong in the second quarter, but reminded the Committee that when making competitor comparisons, differences in the Corporation's fiscal period, mix of businesses and risk taking profile must be taken into account. Mr. Fakahany then provided the Committee with a detailed review of performance against the strategic objectives set by the Committee for the Chief Executive Officer in the beginning of 2006. He noted that, on the whole, the Corporation was well on track to achieve objectives in most areas. Separately, he noted that the third quarter is generally a more difficult quarter and there was a lot of caution in the markets at the moment. Mr. Fakahany responded to questions from Committee members. Discussion ensued.
Minutes of Regular Meeting of the Management Development and Compensation Committee	10/23/2006	Mr. Fakahany then provided the Committee with a review of performance against the strategic objectives set by the Committee for the Chief Executive Officer ("CEO") in the beginning of 2006 and reviewed the CEO's accomplishments during the first nine months of the year. He reviewed the nine-month financial performance of Merrill Lynch against the MDCC's prescribed financial goals for 2006. Mr. Fakahany noted significant achievements in revenue growth and return on equity ("ROE"). Mr. Fakahany also reviewed all progress against strategic priorities outlined as CEO objectives and responded to questions from Committee members.
Minutes of Regular Meeting of the Management Development and Compensation Committee	12/11/2006	Mr. Alsop reviewed the details of the Committee's engagement of Mr. England of Towers Perrin as its consultant. Mr. Alsop pointed out that Mr. England reports directly to the Committee on all matters related to executive compensation. Mr. Alsop reviewed the fees for all assignments that had been performed by Towers Perrin for the Corporation in 2005 and 2006. Mr. Alsop noted that the services provided by Towers Perrin to individual business units of the Corporation were contracted for in the ordinary course of business and that Mr. England had no involvement in, and did not benefit from, the fees charged for the services. Committee members agreed that, in their judgment, the services provided and the fees paid in do not affect the ability of Mr. England to provide independent advice to the Committee on executive compensation matters. Mr. Cribiore suggested that the Committee be informed in advance of any significant consulting assignment involving Towers Perrin.

Meeting	Meeting Date	Responsive Quotation
Cont'd	12/11/2006	Mr. Cribiore then reviewed with the Committee the process of reviewing and approving executive management compensation for the 2006 performance year. He told the Committee that Mr. Fakahany would first provide an overview of the Corporation's financial forecast and performance against CEO financial and strategic objectives outlined at the beginning of the year. Mr. Cribiore noted that all Committee members had received previous copies of the results for the Chief Executive Officer against the 2006 performance objectives established by the Committee at the beginning of the year. Mr. Cribiore confirmed that while this was the fourth review of the year, Mr. Fakahany would take the proper time to provide a full review of the CEO's 2006 performance and answer any questions from Committee members, especially given the importance of the year-end period. Mr. Fakahany would also review the company's ROE performance and its impact on 2006 MP Program. After that review Mr. Fakahany would leave the meeting. Mr. Stan O'Neal would join the meeting to review with the Committee his assessment of the executive management performance against pre-established objectives for 2006. Following that, Mr. O'Neal would present his preliminary pay recommendations for executive management and all SVP-Managing Partners. Mr. Cribiore noted that at the Committee's January 10, 2007 meeting, the MDCC would review and approve final pay recommendations for the CEO, Executive Vice Presidents (EVPs) and SVP-Managing Partners (SVP-MPs). Then, at its January 22, 2007 meeting, the Committee would certify that the recommendations are in accordance with the Corporation's shareholder-approved performance formula and the approved amounts would be submitted to the Board of Directors for ratification. Mr. Fakahany then reviewed with Committee members a presentation outlining the CEO's performance for 2006 versus the financial and strategic objectives approved by the Committee at the beginning of the 2006b performance year. Mr. Fakahany reviewed the information contained in the presentation and the Corporation's performance versus the financial and strategic goals established by the Committee. Committee members asked a number of questions regarding this information and the performance for the year and Mr. Fakahany responded.
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/9/2007	Mr. Fakahany then reviewed the 2006 performance of the Chief Executive Officer versus the objectives established at the beginning of the year by the Committee. These results and objectives had been reviewed with the Committee in December and updated and sent to Committee members in advance of the meeting. The Committee members asked a number of questions regarding the materials.

Meeting	Meeting Date	Responsive Quotation
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/10/2007	The Committee discussed the appropriate level for Mr. O'Neal's 2006 annual incentive compensation based on the performance against objectives and the other information considered by the Committee at their meeting on January 9. They reviewed the amount with Mr. England and asked for his views. After further discussion, the Committee determined that Mr. O'Neal be paid the cash bonus amounts, stock bonus amounts, as reduced by Mr. O'Neal's contribution for 2007 under the Managing Partners Incentive Program (MPP), in each case as indicated on the materials provided by the Committee, a copy of which was ordered maintained in the files of the Head of Rewards and Recognition Planning. Following discussion, on motion duly made, seconded and carried, it was unanimously RESOLVED, that the salary for the Chief Executive Officer (CEO) in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Rewards and Recognition Planning is hereby approved in the amount set forth in such materials; RESOLVED, that the 2006 cash bonus award amount for the CEO is approved in the amount set forth in the materials submitted to this meeting, subject to confirmation by the Committee at its January 22, 2007 meeting that such amount is consistent with the Corporation's performance formula; RESOLVED, that the 2006 stock bonus award amount for the CEO is approved in the amount set forth in the materials submitted to this meeting, subject to confirmation by the Committee at its January 22, 2007 meeting that such amount is consistent with the Corporation's performance formula and, provided that, the 2006 stock bonus award amount shall be reduced by the MPP contribution amount indicated in the materials submitted to this meeting to reflect the CEO's contribution to the Managing Partners Incentive Program (MPP);
Minutes of Regular Meeting of the Management Development and Compensation Committee	1/22/2007	Mr. Cribiore reminded the Committee that later that morning the Board of Directors would act on the compensation amounts for the Chairman and CEO and other members of executive management that were approved by the Committee at its meeting on January 10, 2007.
Cont'd	1/22/2007	Mr. Berkowitz noted that the CEO and members of executive and senior management and managers and producers would receive the grant value indicated opposite their names on the list submitted to the Committee in Restricted Shares and/or Restricted Units, which, in the case of the CEO, members of executive management and the SVP-MP, reflects a deduction for the relevant executives contribution to the Managing Partners incentive Program (MPP).
Cont'd	1/22/2007	FURTHER RESOLVED, that the Committee hereby designates the Chief Executive Officer ("CEO") and the other members of executive management named in the list submitted to this meeting as Participants under LTICP and, effective at 5:00 p.m. New York Time on January 22, 2007, grants to them a number of Restricted Shares obtained by: (A) dividing the dollar amount set forth opposite their names on such lists by the Fair Market Value of a share of Common Stock (as those terms are defined in LTICP) on January 22, 2007; and (B) rounding the result up to the next highest whole share;
Cont'd	1/22/2007	Mr. Fakahany then reviewed with Committee members proposed 2007 business objectives for the Chief Executive Officer as well as selected key goals for members of executive management.

Meeting	Meeting Date	Responsive Quotation
Minutes of Regular Meeting of the Board of Directors	1/22/2007	The non-employee Directors discussed the determinations of the MDCC with respect to 2007 salary and 2006 incentive compensation for the CEO. Mr. England was present to answer questions from the non-employee Directors. Mr. England then exited the meeting. Mr. Cribiore later directed the Secretary to ~~record that~~, following discussion, the following resolutions were unanimously adopted by the non-employee members of the Board of Directors: RESOLVED, that the salaries for the Chief Executive Officer, the other members of Executive Management and the Chief Financial Officer specified in the materials submitted to this meeting, a copy of which is ordered maintained in the files of the Head of Rewards and Recognition Planning, are hereby approved in the amounts set forth in such materials; FURTHER RESOLVED, that the 2006 cash bonus awards for the Chief Executive Officer, the other members of Executive Management and the Chief Financial Officer are ratified in the amounts set forth in the materials submitted to this meeting; FURTHER RESOLVED, that the 2006 stock bonus awards for the Chief Executive Officer, the other members of Executive Management and the Chief Financial Officer are ratified in the amounts set forth in the materials submitted to this meeting.
Cont'd	1/22/2007	At its meeting on January 10, the Committee: (i) Received an update on the company's financial performance and CEO achievements as compared to the 2006 management objectives.
Cont'd	1/22/2007	(iii) Reviewed individual compensation recommendations for all Executive Vice Presidents, the CFO, the CEO and all Senior Vice Presidents who are participants in the Managing Partner Incentive Program. Mr. Cribiore noted that the recommendations were reviewed in the context of individual performance in 2006, the competitive framework, and internal performance as reviewed by the Chairman with the Directors during the private session earlier in this meeting. (iv) Approved the compensation recommendations for the Managing Partners and, in private session, approved the compensation determinations for the CEO, the CFO and the Executive Vice Presidents that were discussed during the private session earlier in this meeting.
Minutes of Regular Meeting of the Management Development and Compensation Committee	2/26/2007	Following discussion, on motion duly made, seconded and carried, it was unanimously RESOLVED, that having reviewed the 2007 Chief Executive Officer Objectives ("CEO Objectives") submitted to this meeting and ordered maintained in the files of the Head of Rewards and Recognition Planning, the Committee hereby approves the CEO Objectives; and

Meeting	Meeting Date	Responsive Quotation
Cont'd	2/26/2007	The Chairman then asked Mr. England and Mr. Wise to discuss the acquisition by Towers Perrin of MG Management Consulting, Inc. (MGMC), including the Corporation's relationship with MGMC. Mr. England noted that MGMC is a data consulting firm that specializes in Wall Street compensation. Mr. England noted that the acquisition would increase Towers Perrin's ability to provide services in this area. Mr. England discussed the service currently being provided to the Corporation by MGMC. He noted that the MGMC compensation consulting practice would be operated as a separate entity for at least a year and then would be merged with the Towers Perrin consulting practice. Committee members agreed that the acquisition did not appear to impair Towers Perrin's ability to provide independent advice to the Committee and that they would review the situation periodically.
Minutes of Regular Meeting of the Management Development and Compensation Committee	4/27/2007	Mr. Cribiore then recognized Mr. Wise to review with the Committee proxy officer and chief executive officer compensation for 2006 and 2006 financial results for the Corporation's U.S. public competitors. He noted that the estimates used by the Committee in considering compensation in 2006 were very close to the actual amounts paid. Committee members discussed the information presented. Next, the Chairman recognized Mr. Fakahany who outlined for Committee members the year-to-date performance by the Chief Executive Officer against objectives set by the Committee at the beginning of the year. He highlighted the excellent financial results in the first quarter, as well as progress on leadership initiatives, diversity and inclusion and recruiting.
Minutes of Regular Meeting of the Management Development and Compensation Committee	7/23/2007	Mr. Wise then reviewed with the Committee the year-to-date performance of the Chief Executive Officer against objectives. Mr. Wise reviewed the six-month financial performance of Merrill Lynch and its competitors. Mr. Wise then provided the Committee with a detailed review of performance against the strategic objectives set by the Committee for the Chief Executive Officer at the beginning of 2007. He noted that revenues and return on equity were ahead of target and that performance on pre-tax profit objectives was in line with targets. He highlighted leadership achievements during the first half, such as strengthening of diversity performance.
Minutes of Regular Meeting of the Management Development and Compensation Committee	10/22/2007	Mr. Fakahany then reviewed with the Committee the year-to-date performance of the Chief Executive Officer against objectives. Mr. Fakahany reviewed the nine-month financial performance of Merrill Lynch and its competitors. Mr. Fakahany then provided the Committee with a detailed review of performance against the strategic objectives set by the Committee for the Chief Executive Officer at the beginning of 2007. He noted that revenues and return on equity were significantly below target and that performance on pre-tax profit was below target as a result of the losses recognized in the third quarter. He highlighted leadership achievements during the first half, such as strengthening of diversity performance. He also detailed positive developments within the Corporation's Global Wealth Management group, the Global Markets and Investment Banking group and Alternative Investments group. Committee members discussed the presentation.
Minutes of Special Meeting of the Management Development and Compensation Committee	10/29/2007	The Chairman noted that the potential termination of employment of E. Stanley O'Neal, the Chairman of the Board and Chief Executive Officer of the Corporation, had been discussed by the Directors in several Board working sessions over the past week. Mr. Finnegan stated that as a result of those discussions, the MDCC was meeting to review and consider recommending that the Board approve the terms of an Agreement relating to the termination of Mr. O'Neal's employment. Messrs. Joffe, Finkelson and Hilfers then reviewed the terms of the Agreement, including a review of certain provisions of other compensation agreements between Mr. O'Neal and the Corporation which would be impacted by the Agreement.

Meeting	Meeting Date	Responsive Quotation
Cont'd	10/29/2007	Discussion ensued, with the Committee unanimous in its view that the Corporation not release Mr. O'Neal. Following discussion, with Mrs. Peters noting her objection to the narrowing of certain non-competition restrictions contained in the Executive Annuity Agreement between Mr. O'Neal and the Corporation, dated as of January 28, 2002 (the "Executive Annuity Agreement"), on motion duly made, seconded and carried, it was unanimously RESOLVED, that the Committee has reviewed and hereby approves and recommends that the Corporation's Board of Directors approve the terms and conditions of the proposed agreement with Mr. E. Stanley O'Neal (the "Agreement") as outlined in Attachment A hereto and authorize the Corporation to enter into the Agreement with Mr. O'Neal; FURTHER RESOLVED, that the Committee hereby approves and recommends that the Corporation's Board of Directors approve an amendment to paragraph 7.3 of the Executive Annuity Agreement to reflect that the period during which payments under the Executive Annuity Agreement shall be subject to forfeiture for competition shall be the Non-Competition Period referred to in paragraph 3 of the Agreement and that Competition shall be as defined in paragraph 3 of the Agreement; FURTHER RESOLVED, that the Committee approves retirement treatment for all of Mr. O'Neal's outstanding grants and recommends that the Board of Directors approve that all outstanding grants under the Corporation's Long-Term Incentive Plan held by Mr. O'Neal shall reflect that the period during which such grants shall be subject to forfeiture for competition with the business of the Corporation shall be the Non-Competition Period referred to in paragraph 3 of the Agreement and that Competition under such grants shall be defined by paragraph 3 of the Agreement; FURTHER RESOLVED, that the Committee approves and recommends that the Board of Directors approve tat the Corporation shall waive the notice requirement under the Restricted Covenant Agreement between Mr. O'Neal and the Corporation dated September 27, 2004 ("Covenant Agreement") and agree that Covenant Agreement's covenant limiting Mr. O'Neal's Employment by a Competitor shall be replaced by paragraph 3 of the Agreement: FURTHER RESOLVED, that the Committee approves and recommends that the Board of Directors approve that Mr. O'Neal's termination of employment be treated as a retirement for all purposes; and

Meeting	Meeting Date	Responsive Quotation
Minutes of Special Meeting of the Board of Directors	10/3/02007	Following discussion, with Mrs. Peters noting her objection to the narrowing of certain non-competition restrictions contained in the Executive Annuity Agreement between Mr. O'Neal and the Corporation, dated as of January 28, 2002 (the "Executive Annuity Agreement"), on motion duly made, seconded and carried, it was unanimously RESOLVED, that the Board of Directors has reviewed and hereby approves the terms and conditions of the proposed agreement with Mr. E. Stanley O'Neal (the "Agreement"), the form of which is attached as Attachment A hereto and authorizes the corporation to enter into the Agreement with Mr. O'Neal; FURTHER RESOLVED, that Board of Directors approves an amendment to paragraph 7.3 of the Executive Annuity Agreement to reflect that the period during which payments under the Executive Annuity Agreement to reflect that the period during which payments under the Executive Annuity Agreement shall be subject to forfeiture for competition shall be the Non-Competition Period referred to in paragraph 3 of the Agreement and that Competition shall be as defined in paragraph 3 of the Agreement; FURTHER RESOLVED, that the Board of Directors approves that all outstanding grants under the Corporation's Long-Term Incentive Plan held by Mr. O'Neal shall reflect that the period during which such grants shall be subject to forfeiture for competition with the business of the Corporation shall be the Non-Competition Period referred to in paragraph 3 of the Agreement and the Competition under such grants shall be defined by paragraph 3 of the Agreement; FURTHER RESOLVED, that the Board of Directors approves that the Corporation shall waive the notice requirement under the Restricted Covenant Agreement between Mr. O'Neal and the Corporation dated September 27, 2004 ("Covenant Agreement") and agrees that the Covenant Agreement's covenant limiting Mr. O'Neal's Employment by a Competitor shall be replaced by paragraph 3 of the Agreement; FURTHER RESOLVED, that the Board of Directors approves and authorizes that Mr. O'Neal's termination of employment be treated as a retirement for all purposes; and