

ATLASCAPITAL PRIME series A 4 Year EUR Capital Protected Note

SUBSCRIPTION PERIOD: 16 JUNE TO 16 JULY 2008

ISSUE DATE: 01 – 08 AUGUST 2008

MATURITY DATE: AUGUST 2012 (exact date to be determined on issue date)

MINIMUM AMOUNT: EURO 50,000

ATLASCAPITAL PRIME SERIES A (The Product)

- A UNIQUE SOLUTION FOR SOPHISTICATED INVESTOR
- 100% CAPITAL PROTECTED*, WITH EXCEPTIONAL POTENTIAL

DESCRIPTION

The Product is a flexible 4-year investment. Not only you know how your money is invested and for how long, but flexible because you have the ability to exit and redeem your investment at any time after issue and before maturity.

In addition to full protection of your capital*, offered by Merrill Lynch, you get the potential to participate in the growth of the 3 underlying stock market indexes with a high 100% participation.

POTENTIAL RETURNS – HOW THE PRODUCT WORKS

Merrill Lynch Luxembourg S.A** has created a Basket, containing 3 major stock market indexes in the following proportions:

- a) 50% of the Basket in the SMI index (Swiss Market);
- b) 25% of the Basket in the Nikkei 225 (Japanese Market)
- c) 25% of the Basket in the TWY index (MSCI Taiwan index).

Your money, in essence, buys a proportion of the above mentioned stock market indexes (as per the percentages allocated within the Basket - see brief description of the indexes below) which contain a total of 368 companies that sell their branded products throughout the world, both in

developed and developing markets. These indexes have been selected on the basis of their market capitalisation, growth prospects and economic sector diversity.

In addition to the protection you get by investing in some of the world's most famous stock markets, the issuer of AtlasCapital Prime Series A, Merrill Lynch Luxembourg S.A., offers you full capital protection at maturity*.

At maturity – **August 2012 (exact date to be determined on issue date)** - you will receive:

- 1- 100% of your capital back, whether the stock markets above have risen or dropped; plus
- 2- 100% of the net growth of the Basket, if positive, between the initial valuation date and the maturity date, of the 3 indexes above; if this is negative, you receive 0% growth but 100% of your capital (please see exact Formula*** in Notes below).

The SMI is Switzerland's key equity index. It represents about 85% of the free-float capitalisation of the Swiss equity market. The SMI comprises the 20 largest and most liquid equities of the market, many of which are global brands such as Nestle, Swatch Group, the pharmaceutical giants Roche and Novartis, Swiss Re, and the banks Credit Suisse Group and UBS.

The Nikkei 225 is a stock market index for the Tokyo Stock Exchange. The Nikkei average is the most watched index of Asian stocks. It contains the biggest 225 corporations of Japan, companies like Bridgestone Corp., Mitsubishi Heavy Industries Ltd, Sony Corp., Toshiba Corp., Canon Inc., Nissan Motor Co Ltd and Toyota Motor Corp..

The Taiwan MSCI index is the main index of Taiwan's stock market. It contains 123 corporations, and 54% (as at May 30, 2008) of the index represents Information Technology firms that sell globally, such as Taiwan Semiconductor MFG (the biggest semiconductor manufacturer in the world), ACER (computers) and other electronics manufacturers. It also contains companies that have strong links with China (China Steel Corporation) or provide services around the world such as Evergreen Marine Corp., one of the biggest container ship operators globally.

EXCEPTIONAL SECURITY

The Product is issued by Merrill Lynch Luxembourg S.A., a subsidiary of one of the world's biggest investment banks (market capitalisation of **USD 37.2 Billion** as at 9th of June), with A1 (Moody's) and A (Standard & Poor's) long-term financial strength rating.

EXIT OPTION

The Product is a tradeable asset with full daily liquidity. It has a market value, and can be encashed at any time between the date of issue and maturity. Merrill Lynch operates a secondary

market and will buy back your investment, or a proportion of it, at a bid-offer spread of 1% of the amount redeemed, with no exit fees on a best effort basis (pricing subject to normal market conditions on the issuer's business days).

MINIMUM INVESTMENT

You can invest a minimum of EURO 50,000 and further multiples of EUR 1,000.

FEES

No Performance, Management, Custody or Exit Fees throughout the life of the investment and at maturity.

CUSTODIAN

The Custodian of your issued Capital Protected Certificates will be **UNICREDIT Group**, one of the largest European banking groups with over 170,000 employees, and EUR 111 Billion of Total Assets as at the end of 2007.

PRIMARY FEATURES:

- 1- MINIMUM INVESTMENT EUR 50,000;
- 2- ADDITIONAL INVESTMENT IN MULTIPLES OF EUR 1,000;
- 3- MATURITY – 4 YEARS AFTER ISSUE;
- 4- CAPITAL PROTECTION AT MATURITY : 100%
- 5- UNDELYING PARTICIPATION : 100% WITH NO CAP ON THE UPSIDE;
- 6- NO INITIAL OR EXIT FEES; NO CUSTODY OR MANAGEMENT FEES;
- 7- A TRADEABLE ASSET WITH DAILY LIQUIDITY;

HOW TO APPLY

Application Forms are available at AtlasCapital Financial Services Limited premises.

AtlasCapital Financial Services Limited
C/o Customer Service Department
197 Arch. Makarios Avenue
Gala Tower, 4th Floor
3030 Limassol, Cyprus

NOTES

* Return of your original capital is through a **100% Capital Protected Note** by Merrill Lynch Luxembourg S.A. Any capital protection on this product falls away in the event of any early redemption or cancellation by the investor.

** Merrill Lynch Luxembourg S.A. had a **Credit Rating**: A1 (Moody's), A (Standard & Poor's) and A+ (Fitch) and is a subsidiary of one of the world's biggest investment banks (market capitalisation of **USD 37.2 Billion** as at 9th of June).

*** **Cash Settlement Amount at Maturity:**

Underlying	Index Name	Bloomberg Code	Initial Value	Weight
	Swiss Market Index	SMI Index	tbd	50%
	Nikkei 225	NKY Index	tbd	25%
	MSCI Taiwan Index	TWY Index	tbd	25%
Min. Redemption:	100%			
Participation:	100%			
Cash Redemption Amount	$100\% + \text{Participation} \times \text{Max} \left[0, \frac{\text{Underlying final} - \text{Underlying initial}}{\text{Underlying initial}} \right]$			

Past performance should not be viewed as an indication of future returns.

RISKS	<p>Structured Notes may not be a suitable investment for all investors. Each potential investor must determine the suitability of this investment in light of his own circumstances. Each potential investor should have sufficient knowledge and experience to evaluate the risks associated with the Notes. The investors should have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with final redemption amount payable in one or more currencies.</p> <p>Structured Notes are complex financial instruments. In general, wise investors do not purchase complex financial instruments as a stand-alone investment. Investors usually buy complex financial instruments in an attempt of diversifying their portfolio and reducing their overall portfolio risk. A potential investor should not invest in Notes which are complex financial instruments unless they have the expertise to evaluate the risks associated with the Notes as well as how the Notes will perform under changing market conditions.</p> <p>The investor is subject to the risk of an impairment of the Issuer's financial strength. Therefore, the value of the investment does not depend only on the performance of the underlying but also on the creditworthiness of the Issuer.</p>
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