

BLACKROCK PREFERRED & EQUITY ADVANTAGE TRUST

Form 3

January 12, 2009

FORM 3UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB
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burden hours per
response... 0.5**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF
SECURITIES**Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting
Person *Â MERRILL LYNCH & CO.,
INC.

(Last) (First) (Middle)

2. Date of Event Requiring
Statement(Month/Day/Year)
12/31/2008

3. Issuer Name and Ticker or Trading Symbol

BLACKROCK PREFERRED & EQUITY
ADVANTAGE TRUST [BTZ]4. Relationship of Reporting
Person(s) to Issuer5. If Amendment, Date Original
Filed(Month/Day/Year)4 WORLD FINANCIAL
CENTER

(Check all applicable)

(Street)

____ Director ____X____ 10% Owner
____ Officer ____ Other
(give title below) (specify below)6. Individual or Joint/Group
Filing(Check Applicable Line)
____ Form filed by One Reporting
Person
X Form filed by More than One
Reporting Person

NEW YORK,,Â NYÂ 10080

(City) (State) (Zip)

Table I - Non-Derivative Securities Beneficially Owned1. Title of Security
(Instr. 4)2. Amount of Securities
Beneficially Owned
(Instr. 4)3. Ownership
Form:
Direct (D)
or Indirect
(I)
(Instr. 5)4. Nature of Indirect Beneficial
Ownership
(Instr. 5)Auction Rate Preferred ⁽¹⁾1,963 ⁽¹⁾ ⁽²⁾

I

See footnote ⁽³⁾Reminder: Report on a separate line for each class of securities beneficially
owned directly or indirectly.

SEC 1473 (7-02)

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form displays a
currently valid OMB control number.****Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**1. Title of Derivative Security
(Instr. 4)2. Date Exercisable and
Expiration Date
(Month/Day/Year)3. Title and Amount of
Securities Underlying
Derivative Security
(Instr. 4)4. Conversion
or Exercise
Price of
Derivative5. Ownership
Form of
Derivative
Security:6. Nature of Indirect
Beneficial Ownership
(Instr. 5)

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Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MERRILL LYNCH & CO., INC. 4 WORLD FINANCIAL CENTER NEW YORK, NY 10080	Â	Â X	Â	Â
MERRILL LYNCH, PIERCE, FENNER & SMITH INC. 4 WORLD FINANCIAL CENTER NEW YORK, NY 10080	Â	Â X	Â	Â

Signatures

Merrill Lynch & Co, Inc., By: /s/ Pia Thompson, Assistant Secretary	01/09/2009
__Signature of Reporting Person	Date
Merrill Lynch, Pierce, Fenner & Smith, Inc., By: /s/ Pia Thompson, Assistant Secretary	01/09/2009
__Signature of Reporting Person	Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- The securities reported on this Form 3 are subject to repurchase under the terms of Merrill Lynch & Co.'s ("MLCO") settlement with the Securities and Exchange Commission (the "Commission"), et alia, with respect to certain auction rate securities ("Subject Securities") sold by MLCO and/or held by customers in accounts at MLCO. The repurchases of the Subject Securities by MLCO, and the reporting of its holdings of such Subject Securities by MLCO, are being made in reliance on the Auction Rate Securities-Global Relief Letter issued by the Commission on September 22, 2008 (the "Relief Letter"). In reliance on the Relief Letter, we are reporting our holdings of each series of preferred stock of the issuer on a consolidated basis as a single class of securities.
- In further reliance on the Relief Letter, we will not file Forms 4 to report changes in our beneficial ownership of the issuer's preferred stock. However, in compliance with the terms of the Relief Letter, we hereby undertake to provide upon request by the Commission, the issuer or a security holder of the issuer, complete information regarding the number of equity securities of the issuer purchased or sold at each different price and date of all transactions in such securities that occurred after we became a 10% owner but prior to the date of this filing.
- (1) Merrill Lynch & Co., Inc. indirectly through its wholly-owned subsidiary Merrill Lynch, Pierce, Fenner & Smith Incorporated owns 1,963 shares of the issuer's preferred stock.
 - (2)
 - (3)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.