

# SECURITIES AND EXCHANGE COMMISSION

## FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-05-13** | Period of Report: **1994-03-31**  
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### FILER

#### **ML VENTURE PARTNERS I L P /DE/**

CIK: **700607** | IRS No.: **133115686** | State of Incorpor.: **DE** | Fiscal Year End: **0930**  
Type: **10-Q** | Act: **34** | File No.: **000-10179** | Film No.: **94528239**

#### Mailing Address

*WORLD FINANCIAL CENTER  
NORTH TOWER  
NEW YORK NY 10281-1330*

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NORTH TOWER  
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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended March 31, 1994

OR

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number 0-10179

ML VENTURE PARTNERS I, L.P.  
(Exact name of registrant as specified in its charter)

Delaware 13-3115686  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

World Financial Center, North Tower  
New York, New York 10281-1327  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (212) 449-1000

Not applicable

Former name, former address and former fiscal year, if changed since last report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

ML VENTURE PARTNERS I, L.P.  
BALANCE SHEETS

March 31, 1994 December 31,  
(Unaudited) 1993

ASSETS

Investments - Note 2

Portfolio investments, at fair value (cost \$2,710,068 at March 31, 1994 and \$3,566,707 at September 30, 1993)	\$ 2,714,061	\$ 2,696,280
Short-term investments, at amortized cost	-	953,907
Cash and cash equivalents	523,380	579,164
Note receivable	-	47,273
Receivable from securities sold	-	332,480
Accrued interest receivable	1,131	-
 TOTAL ASSETS	 \$ 3,238,572	 \$ 4,609,104

LIABILITIES AND PARTNERS' CAPITAL

Liabilities:

Accounts payable	\$ 40,502	\$ 31,697
Due to Management Company - Note 4	15,919	22,801
Due to Independent General Partners - Note 5	14,250	17,250
Total liabilities	70,671	71,748

Partners' Capital:

Managing General Partner	756,172	1,227,489
Individual General Partners	192	2,530
Limited Partners (12,000 Units)	2,407,544	4,177,764
Unallocated net unrealized appreciation (depreciation) of investments - Note 2	3,993	(870,427)
Total partners' capital	3,167,901	4,537,356
 TOTAL LIABILITIES AND PARTNERS' CAPITAL	 \$ 3,238,572	 \$ 4,609,104

See notes to financial statements.

ML VENTURE PARTNERS I, L.P.  
SCHEDULE OF PORTFOLIO INVESTMENTS (UNAUDITED)  
MARCH 31, 1994

ACTIVE PORTFOLIO INVESTMENTS:

Company / Position	Initial Investment Date	Cost	Fair Value
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Acuity Imaging, Inc. (A) (B)			
85,311 shares of Common Stock	Aug. 1985	\$ 600,000	\$ 615,092
Alpharel, Inc. (A) (C)			
104,608 shares of Common Stock	Apr. 1984	137,299	136,513
6% Promissory Notes due 9/24/95		146,852	146,852
Inference Corporation*			
951,671 shares of Preferred Stock	Feb. 1984	1,820,983	1,808,670
Warrants to purchase 30,000 shares of Preferred Stock at \$1.05 per share expiring on 12/16/97		0	2,000
Warrants to purchase 41,959 shares of Preferred Stock at \$1.00 per share expiring on 4/19/99		4,934	4,934
TOTALS FROM ACTIVE PORTFOLIO INVESTMENTS		\$ 2,710,068	\$ 2,714,061

See notes to financial statements.

SUPPLEMENTAL INFORMATION: LIQUIDATED PORTFOLIO INVESTMENTS (D)

	Cost	Net Realized Gain	Return
TOTALS FROM LIQUIDATED PORTFOLIO INVESTMENTS	\$ 51,964,861	\$ 19,960,795	\$ 71,925,656
	Cost	Combined Net Unrealized and Realized Gain	Combined Fair Value and Return
TOTALS FROM ACTIVE AND LIQUIDATED PORTFOLIO INVESTMENTS	\$ 54,674,929	\$ 19,964,788	\$ 74,639,717

(A) Public company

(B) On January 26, 1994, Itran Corp. merged with Automatix Incorporated. The combined entity, a public company, was renamed Acuity Imaging, Inc. As a result of the merger, the Partnership exchanged its 151,572 Itran common shares for 85,311 Acuity common shares.

(C) During the quarter, the Partnership sold 135,000 common shares of Alpharel, Inc. for \$213,000, realizing a gain of \$35,000.

(D) Amounts provided for "Supplemental Information: Liquidated Portfolio Investments" are cumulative from inception through March 31, 1994.

\* This company may be deemed an affiliated person of the Partnership as defined in the Investment Company Act of 1940.

ML VENTURE PARTNERS I, L.P.  
STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended March 31,		Six Months Ended March 31,	
	1994	1993	1994	1993
INVESTMENT INCOME AND EXPENSES				
Interest and dividends	\$8,086	\$58,473	\$23,183	\$113,107
Expenses:				
Management fee - Note 4	15,919	22,967	30,714	63,537
Professional fees	26,728	31,085	51,232	48,464
Mailing and printing	14,774	15,937	21,974	43,781
Independent General Partners' fees				
- Note 5	14,250	17,250	31,500	34,500
Custodial fees	419	1,402	1,219	2,802
Miscellaneous	85	-	335	-
Total expenses	72,175	88,641	136,974	193,084
NET INVESTMENT LOSS	(64,089)	(30,168)	(113,791)	(79,977)
Net realized gain (loss) from investments sold or written-off	(584,587)	(376,255)	(577,784)	5,625,362
NET REALIZED GAIN (LOSS) FROM OPERATIONS (allocable to Partners)				
- Note 3	(648,676)	(406,423)	(691,575)	5,545,385
Net change in unrealized appreciation or depreciation of investments	872,425	1,103,307	874,420	(2,480,734)
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$223,749	\$696,884	\$182,845	\$3,064,651

See notes to financial statements.

ML VENTURE PARTNERS I, L.P.  
STATEMENTS OF CASH FLOWS (UNAUDITED)  
FOR THE SIX MONTHS ENDED MARCH 31,

1994

1993

CASH FLOWS PROVIDED FROM (USED FOR)  
OPERATING ACTIVITIES

Net investment loss	\$ (113,791)	\$ (79,977)
Adjustments to reconcile net investment loss to cash provided from (used for) operating activities:		
(Increase) decrease in receivables	(1,131)	503,472
(Increase) decrease in accrued interest on short-term investments	5,131	(29,286)
Increase (decrease) in payables	(1,077)	8,475
Cash provided from (used for) operating activities	(110,868)	402,684

CASH FLOWS PROVIDED FROM INVESTING ACTIVITIES

Net proceeds from the sale of portfolio investments	658,608	6,751,718
Net return (purchase) of short-term investments	948,776	(480,646)
Cash provided from investing activities	1,607,384	6,271,072

CASH FLOWS USED FOR FINANCING ACTIVITIES

Cash distributions to Partners - Note 6	(1,552,300)	(6,300,000)
Increase (decrease) in cash and cash equivalents	(55,784)	373,756
Cash and cash equivalents at beginning of period	579,164	433,676
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 523,380	\$ 807,432

See notes to financial statements.

ML VENTURE PARTNERS I, L.P.

STATEMENT OF CHANGES IN PARTNERS' CAPITAL (UNAUDITED)  
FOR THE SIX MONTHS ENDED MARCH 31, 1994

	Managing General Partner	Individual General Partners	Limited Partners	Unallocated Net Unrealized Appreciation (Depreciation) of Investments	Total
Balance at beginning of period	\$ 1,227,489	\$ 2,530	\$ 4,177,764	\$ (870,427)	\$ 4,537,356
Cash distribution paid January 20, 1994					
- - - Note 6	(350,000)	(2,300)	(1,200,000)	-	(1,552,300)

Allocation of net investment loss - Note 3	(1,138)	(7)	(112,646)	-	(113,791)
Allocation of net realized loss on invest- ments - Note 3	(120,179)	(31)	(457,574)	-	(577,784)
Net change in unrealized appreciation (depreciation) of investments	-	-	-	874,420	874,420
Balance at end of period	\$ 756,172	\$ 192	\$ 2,407,544 (A)	\$ 3,993	\$ 3,167,901

(A) The net asset value per Unit of limited partnership interest, including an assumed allocation of net unrealized appreciation, is \$201. Each Unit represents an original capital contribution of \$5,000. Cumulative cash distributions paid through March 31, 1994 total \$5,750 per Unit.

See notes to financial statements.

ML VENTURE PARTNERS I, L.P.  
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

1. Organization and Purpose

ML Venture Partners I, L.P. (the "Partnership") is a Delaware limited partnership formed on February 12, 1982. The Partnership's operations commenced on October 15, 1982. Merrill Lynch Venture Capital Co., L.P., the managing general partner of the Partnership (the "Managing General Partner"), is a New York limited partnership formed on February 12, 1982, the general partner of which is Merrill Lynch Venture Capital Inc. (the "Management Company"), an indirect subsidiary of Merrill Lynch & Co., Inc.

The Partnership's objective is to realize long-term capital appreciation from its portfolio of venture capital investments. From 1982 to 1986, the Partnership assembled a portfolio of 34 venture capital investments in new and developing companies and other special investment situations. The Partnership does not engage in any other business or activity. At March 31, 1994, 31 of the 34 investments had been fully liquidated. The Partnership will not make investments in new companies and will not reinvest the proceeds from the sale of its remaining investments, except



to make follow-on investments in existing companies, if necessary.

The Partnership's scheduled termination date is December 31, 1994. Pursuant to the Partnership Agreement, the Individual General Partners can extend the term of the Partnership for an additional two-year period if they determine that such extension would be in the best interest of the Partnership.

## 2. Significant Accounting Policies

**Valuation of Investments** - Portfolio investments are carried at cost until significant developments affecting an investment provide a basis for valuation. Thereafter, portfolio investments are carried at fair value as determined quarterly by the Managing General Partner under the supervision of the Individual General Partners. The venture capital portfolio investments held by the Partnership involve a high degree of business and financial risk that can result in substantial losses. The Managing General Partner considers such risks in determining the valuation of the Partnership's portfolio investments. Short-term investments are carried at amortized cost which approximates market.

**Investment Transactions** - Investment transactions are recorded on the accrual method. Portfolio investments are recorded on the trade date, the date on which the Partnership obtains an enforceable right to demand the securities or payment therefor. Realized gains and losses on investments sold are computed on a specific identification basis.

**Income Taxes** - No provision for income taxes has been made since all income and losses are allocable to the Partners for inclusion in their respective tax returns.

**Statements of Cash Flows** -The Partnership considers its interest-bearing cash account to be cash equivalents.

## 3. Allocation of Partnership Profits and Losses

The Partnership Agreement provides that the Managing General Partner will be allocated, on a cumulative basis over the life of the Partnership, 20% of net realized capital gains or 10% of net realized capital losses. The Partnership's net realized gains or losses in excess of this allocation to the Managing General Partner, as well as all other income, losses, deductions and credits, if any, will be allocated among all the Partners, including the Managing General Partner, in the proportion of their capital contributions to the Partnership. For the period from October 15, 1982 (commencement of operations) to March 31, 1994, the Partnership had a cumulative net realized gain of \$20 million.

## 4. Related Party Transactions

The Management Company performs, or arranges for others to perform, the management and administrative services necessary for the operation of the Partnership. The Management Company receives compensation at the annual rate of 2% of the net assets of the Partnership. Such fee is determined and payable quarterly.

ML VENTURE PARTNERS I, L.P.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

#### 5. Independent General Partners' Fees

As compensation for services rendered to the Partnership, each of the three Independent General Partners receives \$15,000 annually in quarterly installments, \$1,000 for each meeting of the General Partners attended or for each other meeting, conference or engagement in connection with Partnership activities at which attendance by an Independent General Partner is required and \$1,000 for each committee meeting attended (\$500 if a committee meeting is held on the same day as a meeting of the General Partners).

#### 6. Cash Distributions

Cash distributions paid during the six months ended March 31, 1994 and 1993 and cumulative cash distributions paid from inception to March 31, 1994 are listed below:

Date Paid	General Partners	Limited Partners	Per \$5,000 Unit
October 20, 1992	\$ 0	\$ 3,000,000	\$ 250
January 26, 1993	0	3,300,000	275
January 20, 1994	352,000	1,200,000	100
Cumulative totals	3,960,000	69,000,000	5,750

#### 7. Interim Financial Statements

In the opinion of Merrill Lynch Venture Capital Co., L.P., the managing general partner of the Partnership, the unaudited financial statements as of March 31, 1994, and for the three and six month periods then ended, reflect all adjustments necessary for the fair presentation of the results of the interim period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

## Liquidity and Capital Resources

During its first four years of operations, from 1982 to 1986, the Partnership completed the selection of its 34 portfolio investments. During that time, the Partnership invested a majority of the \$54.7 million of net proceeds received from its 1982 public offering. Since 1986, the Partnership has made additional follow-on investments in certain existing portfolio companies. As of March 31, 1994, the Partnership had fully invested the original net proceeds. The Partnership will not make additional investments in new portfolio companies and expects that follow-on investments in existing portfolio companies will be nominal, if any.

At March 31, 1994, 31 of the Partnership's 34 portfolio investments had been fully liquidated and one of its remaining three investments was partially liquidated. The portfolio investments liquidated through March 31, 1994, had a cost of \$51.9 million and returned \$71.9 million, for a cumulative net realized gain of \$20 million. Generally, all cash received from the sale of portfolio investments, after an adequate reserve for operating expenses, is distributed to Partners as soon as practicable after receipt. Accordingly, on January 20, 1994, the Partnership made a cash distribution to Partners totaling \$1.6 million, primarily representing proceeds received from the sale of certain portfolio investments. From its inception through March 31, 1994, the Partnership had made cash distributions to Partners totaling \$73 million, representing proceeds received from the sale of portfolio investments and other income.

At March 31, 1994, the Partnership had \$523,000 in cash and cash equivalents. Funds needed to cover future operating expenses and follow-on investments, if any, will be obtained from the Partnership's existing cash reserves and from the future sale of portfolio investments, if necessary.

On November 4, 1992, the Individual General Partners, in accordance with the Partnership Agreement, voted to extend the Partnership's termination date to December 31, 1994. Pursuant to the Partnership Agreement, the Individual General Partners can extend the term of the Partnership for an additional two-year period if they determine that such an extension would be in the best interest of the Partnership.

## Results of Operations

Net realized gain or loss from operations is comprised of 1) net realized gains or losses from portfolio investments sold or written-off and 2) net investment income or loss. For the quarter and six months ended March 31, 1994, the Partnership had a net realized loss from operations of \$649,000 and \$692,000, respectively. For the quarter and six months ended March 31, 1993, the Partnership had a net realized loss of \$406,000 and a net realized gain from operations of \$5.5 million, respectively.

Realized Gains or Losses from Portfolio Investments - For the quarter and six months ended March 31, 1994, the Partnership had a \$585,000 and a

\$578,000 net realized loss from portfolio investments sold and written-off, respectively. During the quarter ended March 31, 1994, the Partnership wrote off the remaining \$620,000 cost of its original \$1.6 million investment in Qume Corporation due to the continued depressed public market price and limited trading volume of its common shares. Also during the quarter, the Partnership sold 135,000 common shares of Alpharel, Inc. in the public market for \$213,000, realizing a gain of \$35,000. In December 1993, the Partnership sold 45,000 common shares of Alpharel in the public market for \$66,000, realizing a gain of \$7,000.

For the quarter and six months ended March 31, 1993, the Partnership had a \$376,000 net realized loss and a \$5.6 million net realized gain from portfolio investments sold or written-off, respectively. During the three months ended March 31, 1993, the Partnership wrote off \$126,000 of the remaining cost of its investment in BehaviorTech, Inc. and its remaining \$250,000 investment in Private Satellite Network, Inc. due to continued financial and operating difficulties at these companies. During the three months ended December 31, 1992, the Partnership sold its remaining 423,082 common shares of Viewlogic Systems, Inc. in the public market for \$6.7 million, realizing a gain of \$6 million.

Investment Income and Expenses - Net investment loss (investment income less operating expenses) for the three months ended March 31, 1994 and 1993 was \$64,000 and \$30,000, respectively. Net investment loss for the six months ended March 31, 1994 and 1993 was \$114,000 and \$80,000, respectively. The increase in net investment loss for the 1994 periods compared to the 1993 periods is the result of a decrease in interest income earned from the Partnership's short-term investments during the 1994 periods offset by reductions in the management fee and other operating expenses incurred during the 1994 periods.

For the three months ended March 31, 1994 and 1993, the Partnership earned \$8,000 and \$58,000 from short-term investments, respectively. For the six months ended March 31, 1994 and 1993, the Partnership earned \$23,000 and \$113,000 from short-term investments, respectively. Interest earned from short-term investments fluctuates primarily due to changes in amounts available for investment. The Partnership had short-term investments for only a portion of the six month period ended March 31, 1994 and has had no short-term investments since the cash distribution to Partners was paid on January 20, 1994.

The Management Company receives compensation at the annual rate of 2% of the net assets of the Partnership. Such fee is determined and payable on the basis of the Partnership's net assets at the end of each calendar quarter. The management fee for the quarter ended March 31, 1994 was \$16,000 compared to \$23,000 for the same period in 1993. The management fee for the six months ended March 31, 1994 was \$31,000 compared to \$64,000 for the same period in 1993. The decreased management fee for the 1994 periods results from the Partnership's reduced net asset value for the 1994 periods compared to the 1993 periods. The reduced net asset value primarily is due to the continued liquidation of the Partnership's

investment portfolio and subsequent cash distributions paid to Partners. It is expected that the management fee will continue to decline in future periods as the Partnership's remaining portfolio investments are liquidated and cash distributions to Partners are approved. The management fee and other expenses incurred directly by the Partnership are paid with funds provided from operations. Funds provided from operations are obtained from interest earned from short-term investments, when available, and proceeds received from the sale of certain portfolio investments.

Unrealized Gains and Losses and Changes in Unrealized Appreciation or Depreciation of Portfolio Investments - For the quarter and six months ended March 31, 1994, the Partnership had a net unrealized gain from its portfolio investments of \$347,000 and \$350,000, respectively, primarily resulting from the upward revaluation of its investment in Acuity Imaging, Inc. Additionally, for the six month period ended March 31, 1994, the Partnership transferred a net \$525,000 from unrealized loss to realized loss primarily due to the write off of its investment in Qume, as discussed above. As a result, the Partnership's net unrealized appreciation of investments increased \$874,000 for the six month period.

For the quarter and six months ended March 31, 1993, the Partnership had a net unrealized gain from its portfolio investments of \$727,000 and \$687,000, respectively, primarily resulting from the upward revaluation of its investment in Inference Corporation. Additionally, for the six month period ended March 31, 1993, the Partnership transferred a net \$3.2 million from unrealized gain to realized gain primarily due to the sale of its remaining investment in Viewlogic, as discussed above. As a result, the Partnership's net unrealized depreciation of investments increased \$2.5 million for the six month period.

Net Assets - Changes to net assets resulting from operations are comprised of 1) net realized gains or losses from operations and 2) net changes to unrealized appreciation or depreciation of investments. For the six months ended March 31, 1994 and 1993, the Partnership's net assets from operations increased \$183,000 and \$3.1 million, respectively.

At March 31, 1994, the Partnership's net assets were \$3.2 million, down \$1.4 million from \$4.5 million at September 30, 1993. This decrease resulted from the \$1.6 million cash distribution paid to Partners in January 1994 offset by the \$183,000 net increase to net assets resulting from operations for the period.

At March 31, 1993, the Partnership's net assets were \$4.6 million, down \$4.4 million from \$9 million at September 30, 1992. This decrease resulted from the \$3.3 million cash distribution paid to Limited Partners in January 1993 and the \$4.2 million accrued cash distribution paid to Limited Partners in April 1993, offset by the \$3.1 million increase to net assets resulting from operations for the period.

Gains and losses from investments are allocated to the Partners' capital

accounts when realized in accordance with the Partnership Agreement (see Note 3 of Notes to Financial Statements). However, for purposes of calculating the net asset value per Unit, net unrealized appreciation or depreciation of investments has been included as if it had been realized and allocated to the Limited Partners in accordance with the Partnership Agreement. Pursuant to such calculation, the net asset value at March 31, 1994 and September 30, 1993, was \$201 and \$291 per \$5,000 Unit, respectively. The Partnership's net assets and net asset value per Unit will continue to decline as cash distributions are declared and paid to Partners.

Cash Distributions - On January 20, 1994, the Partnership made a cash distribution to Partners totaling \$1,552,000: \$1.2 million, or \$100 per Unit, to Limited Partners of record on December 31, 1993 and \$352,000 to the General Partners. From its inception through March 31, 1994, the Partnership has made cash distributions to its Partners totaling \$73 million: \$4 million to the General Partners and \$69 million to the Limited Partners, representing \$5,750 per \$5,000 Unit.

## PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The Partnership is not a party to any material pending legal proceedings.

Item 2. Changes in Securities.

Not applicable.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders.

No matter was submitted to a vote of security holders during the fiscal quarter covered by this report.

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

(3) Amended and Restated Certificate and Agreement of Limited Partnership of the Partnership, dated as of February 12, 1982, and amended through October 6, 1982\*

- (10) Management Agreement dated as of July 12, 1982 between the Partnership and the Management Company.\*
- (28) (a) Prospectus of the Partnership dated June 18, 1982 filed with the Securities and Exchange Commission pursuant to Rule 424(b) under the Securities Act of 1933, as supplemented by supplements thereto dated July 13, 1982 and September 28, 1982 filed pursuant to Rule 424 (c) under the Securities Act of 1933.\*
- (28) (b) Custody Agreement dated May 31, 1983 between the Partnership and Chemical Bank.\*\*
- (b) No reports on Form 8-K have been filed during the period covered by this report.

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\* Incorporated by reference to the Partnership's Annual Report on Form 10-K for the fiscal year ended September 30, 1982 filed with the Securities and Exchange Commission on December 29, 1982.

\*\* Incorporated by reference to the Partnership's Quarterly Report on Form 10-Q for the quarter ended June 30, 1983 filed with the Securities and Exchange Commission on August 15, 1983.

#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ML VENTURE PARTNERS I, L.P.

By: /s/ Kevin K. Albert  
Kevin K. Albert  
General Partner

By: Merrill Lynch Venture Capital Co., L.P.  
its Managing General Partner

By: Merrill Lynch Venture Capital Inc.  
its General Partner

By: /s/ Kevin K. Albert

Kevin K. Albert  
President  
(Principal Executive Officer)

By: /s/ Joseph W. Sullivan  
Joseph W. Sullivan  
Treasurer  
(Principal Financial and Accounting Officer)

Date: May 13, 1994

### Exhibit Index

Exhibits	Page
(3)	Amended and Restated Certificate and Agreement of Limited Partnership of the Partnership, dated as of February 12, 1982 and amended through October 6, 1982.*
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\* Incorporated by reference to the Partnership's Annual Report on Form 10-K for the fiscal year ended September 30, 1982 filed with the Securities and Exchange Commission on December 29, 1982.

\*\* Incorporated by reference to the Partnership's Quarterly Report on Form 10-Q for the quarter ended June 30, 1983 filed with the Securities and Exchange Commission on August 15, 1983.