FORM 487

Pre-effective pricing amendment filed pursuant to Securities Act Rule 487

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FILER

KEMPER DEFINED FUNDS SERIES 20
CIK:**910854**| State of Incorp.:**IL** | Fiscal Year End: **1231**
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Business Address
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AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON MAY 17, 1994

REGISTRATION NO. 33-53531

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-6

FOR REGISTRATION UNDER THE SECURITIES ACT
OF 1933 OF SECURITIES OF UNIT INVESTMENT
TRUSTS REGISTERED ON FORM N-8B-2

A. EXACT NAME OF TRUST:

KEMPER DEFINED FUNDS SERIES 20

B. NAME OF DEPOSITOR:

KEMPER UNIT INVESTMENT TRUSTS
(a service of Kemper Securities, Inc.)

C. COMPLETE ADDRESS OF DEPOSITOR'S PRINCIPAL EXECUTIVE OFFICES:

KEMPER UNIT INVESTMENT TRUSTS

77 West Wacker Drive, 29th Floor
Chicago, Illinois 60601

D. NAME AND COMPLETE ADDRESS OF AGENT FOR SERVICE:

C. PERRY MOORE
77 West Wacker Drive, 29th Floor
Chicago, Illinois 60601

Copy to:
MARK J. KNEEDY
c/o Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>

TITLE AND AMOUNT OF SECURITIES BEING REGISTERED		PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION FEE
<S>	<C>	<C>	<C>
Kemper Defined Funds Series 20	An indefinite number of Units of Beneficial Interest pursuant to Rule 24f-2 under the Investment Company Act of 1940	Indefinite	$500 (previously paid)

</TABLE>

E. APPROXIMATE DATE OF PROPOSED SALE TO PUBLIC:
As soon as practicable after the effective date of the Registration Statement.

[X] Check box if it is proposed that this filing will become effective at 2:00 P.M. on May 17, 1994 pursuant to paragraph (b) of Rule 487.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a) may determine.

KEMPER DEFINED FUNDS SERIES 20

CROSS-REFERENCE SHEET

(FORM N-8B-2 ITEMS REQUIRED BY INSTRUCTIONS AS
TO THE PROSPECTUS IN FORM S-6)

<TABLE>
<CAPTION>

Form N-8B-2 Item Number	Form S-6 Heading in Prospectus
I. ORGANIZATION AND GENERAL INFORMATION	
<C> <S>	<C>
1. (a) Name of trust..................	Prospectus front cover
(b) Title of securities issued......	Essential Information
2. Name and address of each depositor.	Administration of the Trusts
3. Name and address of trustee........	
4. Name and address of principal underwriters.....................	Underwriting
5. State of organization of trust.....	The Trust Funds
6. Execution and termination of trust agreement........................	The Trust Funds; Administration of the Trusts
7. Changes of name....................	The Trust Funds
8. Fiscal year........................	*
9. Litigation.........................	
II. GENERAL DESCRIPTION OF THE TRUST AND SECURITIES OF THE TRUST	
10. (a) Registered or bearer securities.	Unitholders
(b) Cumulative or distributive securities........................	The Trust Funds
(c) Redemption.....................	Redemption
(d) Conversion, transfer, etc.......	Unitholders; Market for Units
(e) Periodic payment plan...........	*
(f) Voting rights..................	Unitholders
(g) Notice of certificateholders....	Investment Supervision; Administration of the Trusts; Unitholders
(h) Consents required..............	Unitholders; Administration of the Trusts
(i) Other provisions...............	Federal Tax Status; Insurance on the Portfolios of the Insured Trust Funds
11. Type of securities comprising units............................	The Trust Funds; Portfolios
12. Certain information regarding periodic payment certificates.....................	*
13. (a) Load, fees, expenses, etc......	Essential Information; Public Offering of Units; Interest, Estimated Long-Term Return and Estimated Current Return; Expenses of the Trust

</TABLE>

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* Inapplicable, answer negative or not required.

<TABLE>
<CAPTION>

Form N-8B-2 Item Number	Form S-6 Heading in Prospectus
<C> <S>	<C>
(b) Certain information regarding periodic payment certificates......................	*
(c) Certain percentages...........	Essential Information; Public Offering of Units; Insurance on the Portfolios of the Insured Trust Funds
(d) Certain other fees, etc. payable by holders................	Unitholders
(e) Certain profits receivable by depositor, principal underwriters, trustee or affiliated persons................	Expenses of the Trust; Public Offering of Units

(f) Ratio of annual charges to income...........................	*
14. Issuance of trust's securities...	The Trust Funds; Unitholders
15. Receipt and handling of payments from purchasers................	*
16. Acquisition and disposition of underlying securities...........	The Trust Funds; Portfolios; Investment Supervision
17. Withdrawal or redemption.........	Market for Units; Redemption; Public Offering of Units
18. (a) Receipt, custody and disposition of income.................	Unitholders
(b) Reinvestment of distributions.	Distribution Reinvestment
(c) Reserves or special funds.....	Expenses of the Trust
(d) Schedule of distributions.....	*
19. Records, accounts and reports....	Unitholders; Redemption; Administration of the Trusts
20. Certain miscellaneous provisions of trust agreement	
(a) Amendment....................	
(b) Termination..................	Administration of the Trusts
(c) and (d) Trustee, removal and successor......................	Administration of the Trusts
(e) and (f) Depositor, removal and successor......................	Administration of the Trusts
21. Loans to security holders........	*
22. Limitations on liability.........	Administration of the Trusts
23. Bonding arrangements.............	*
24. Other material provisions of trust agreement................	*
III. ORGANIZATION, PERSONNEL AND AFFILIATED PERSONS OF DEPOSITOR	
25. Organization of depositor........	Administration of the Trusts
26. Fees received by depositor.......	See Items 13(a) and 13(e)
27. Business of depositor...........	Administration of the Trusts
28. Certain information as to officials and affiliated persons of depositor......................	Administration of the Trusts
29. Voting securities of depositor...	
30. Persons controlling depositor....	Administration of the Trusts

</TABLE>

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* Inapplicable, answer negative or not required.

<TABLE>
<CAPTION>

Form N-8B-2 Item Number	Form S-6 Heading in Prospectus
<C> <S>	<C>
31. Payment by depositor for certain services rendered to trust......................	
32. Payment by depositor for certain other services rendered to trust.............	*
33. Remuneration of employees of depositor for certain services rendered to trust..	
34. Remuneration of other persons for certain services rendered to trust.............	
IV. DISTRIBUTION AND REDEMPTION	
35. Distribution of trust's securities by states................................	Public Offering of Units.
36. Suspension of sales of trust's securities.................................	*
37. Revocation of authority to distribute....	
38. (a) Method of distribution...............	Public Offering of Units;
(b) Underwriting agreements..............	Market for Units;
(c) Selling agreements...................	Public Offering of Units
39. (a) Organization of principal underwriters....................................	
(b) N.A.S.D. membership of principal underwriters.............................	Administration of the Trusts

40. Certain fees received by principal underwriters................................	See Items 13(a) and 13(e)
41. (a) Business of principal underwriters....	Administration of the Trusts
(b) Branch offices of principal underwriters...................................	
(c) Salesmen of principal underwriters....	*
42. Ownership of trust's securities by certain persons...........................	
43. Certain brokerage commissions received by principal underwriters.................	Public Offering of Units
44. (a) Method of valuation..................	Public Offering of Units
(b) Schedule as to offering price.........	*
(c) Variation in offering price to certain persons................................	Public Offering of Units
45. Suspension of redemption rights..........	Redemption
46. (a) Redemption valuation.................	Redemption; Market for Units; Public Offering of Units
(b) Schedule as to redemption price.......	*
47. Maintenance of position in underlying securities...............................	Market for Units; Public Offering of Units; Redemption
V. INFORMATION CONCERNING THE TRUSTEE OR CUSTODIAN	
48. Organization and regulation of trustee...	Administration of the Trusts
49. Fees and expenses of trustee............	
50. Trustee's lien..........................	Expenses of the Trust

</TABLE>

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* Inapplicable, answer negative or not required.

<TABLE>
<CAPTION>

Form N-8B-2 Item Number	Form S-6 Heading in Prospectus
VI. INFORMATION CONCERNING INSURANCE OF HOLDERS OF SECURITIES	
<C> <S>	<C>
51. Insurance of holders of trust's securities......................	Cover Page; Expenses of the Trust; Insurance on the Portfolios of the Insured Trust Funds
VII. POLICY OF REGISTRANT	
52. (a) Provisions of trust agreement with respect to selection or elimination of underlying securities....................	The Trust Funds; Portfolios; Investment Supervision
(b) Transactions involving elimination of underlying securities........................	*
(c) Policy regarding substitution or elimination of underlying securities..................	Investment Supervision
(d) Fundamental policy not otherwise covered................	*
53. Tax status of Trust.............	Essential Information; Portfolios; Federal Tax Status
VIII. FINANCIAL AND STATISTICAL INFORMATION	
54. Trust's securities during last ten years.......................	
55.	
56. Certain information regarding periodic payment certificates.....	*
57.	
58.	
59. Financial statements (Instruction 1(c) to Form S-6)...............	*

</TABLE>

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* Inapplicable, answer negative or not required.

KEMPER DEFINED FUNDS SERIES 20
(TAX-EXEMPT PORTFOLIO)

Insured National Series 10 (the "Insured National Series") was formed for the purpose of gaining interest income exempt from Federal income taxes while conserving capital and diversifying risks by investing in an insured, fixed portfolio consisting of obligations issued by or on behalf of states of the United States or counties, municipalities, authorities or political subdivisions thereof.

Insured California Trust Series 6 and the Insured Colorado Trust Series 3 (the "Insured State Trusts") were formed for the purpose of gaining interest income free from Federal and State income taxes and, where applicable, local income taxes and/or property taxes while conserving capital and diversifying risks by investing in an insured, fixed portfolio consisting of obligations issued by or on behalf of the State for which such Trust Fund is named or counties, municipalities, authorities or political subdivisions thereof. The Insured California Series is a laddered portfolio with maturities ranging between 1997 and 2001.

Units of the Trust are not deposits or obligations of, or guaranteed by, any bank, and Units are not federally insured or otherwise protected by the Federal Deposit Insurance Corporation and involve investment risk including loss of principal.

Insurance guaranteeing the scheduled payment of principal and interest on all of the Municipal Bonds in the portfolio of each Insured Trust has been obtained directly by the issuer or the Sponsor from Municipal Bond Investors Assurance Corporation or other insurers. See "Insurance on the Portfolios of the Insured Trust Funds" on page A-9 and "Portfolios." Insurance obtained by a Municipal Bond issuer is effective so long as such Bonds are outstanding. THE INSURANCE DOES NOT RELATE TO THE UNITS OF THE INSURED TRUSTS OFFERED HEREBY OR TO THEIR MARKET VALUE. As a result of such insurance, the Units of the Insured Trusts have received a rating of "Aaa" by Moody's Investors Service, Inc. See "Insurance on the Portfolios of the Insured Trust Funds." No representation is made as to any insurer's ability to meet its commitments.

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SPONSOR: KEMPER UNIT INVESTMENT TRUSTS

a service of Kemper Securities, Inc.

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THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The investor is advised to read and retain this Prospectus for future reference.

THE DATE OF THIS PROSPECTUS IS MAY 17, 1994.

PUBLIC OFFERING PRICE. The Public Offering Price per Unit of a Trust Fund during the initial offering period is equal to a pro rata share of the offering prices of the Municipal Bonds in such Trust Fund plus or minus a pro rata share of (a) cash, if any, in the Principal Account held or owned by such Trust Fund, (b) Purchased Interest and (c) Daily Accrued Interest plus that sales charge indicated under "Essential Information." The secondary market Public Offering Price per Unit will be based upon a pro rata share of the bid prices of the Municipal Bonds in each Trust Fund plus or minus a pro rata share of (a) cash, if any, in the Principal Account held or owned by such Trust Fund, (b) Purchased Interest and (c) Daily Accrued Interest plus the applicable sales charge. For sales charges in the secondary market, see "Public Offering of Units--Public Offering Price." The sales charge is reduced on a graduated scale for sales involving at least $100,000 or 10,000 Units and will be applied on whichever basis is more favorable to the investor. The minimum purchase for each Trust is $1,000.

INTEREST AND PRINCIPAL DISTRIBUTIONS. Distributions of the estimated annual interest income to be received by each Trust Fund, after deduction of estimated expenses, will be made monthly. See "Essential Information." Distributions of funds, if any, in the Principal Account will be made as provided in "Unitholders--Distributions to Unitholders."

REINVESTMENT. Each Unitholder of a Trust Fund offered herein may elect to have distributions of principal or interest or both automatically invested without charge in shares of certain mutual funds sponsored by Kemper Financial Services, Inc. See "Distribution Reinvestment."

ESTIMATED LONG-TERM RETURN AND ESTIMATED CURRENT RETURN. As of the opening of business on the Date of Deposit, the Estimated Long-Term Return and the Estimated Current Return, if applicable, for each Trust were as set forth in "Essential Information." The Estimated Current Return is calculated by dividing the estimated net annual interest income per Unit by the Public Offering Price. The estimated net annual interest income per Unit will vary with changes in fees and expenses of the Trustee, the Sponsor and Evaluator and with the principal prepayment, redemption, maturity, exchange or sale of Bonds while the Public Offering Price will vary with changes in the offering price of the underlying Bonds and with changes in the Purchased Interest and Daily Accrued Interest; therefore, there is no assurance that the present Estimated Current Return will be realized in the future. Estimated Long-Term Return is calculated using a formula which (1) takes into consideration, and determines and factors in the relative weightings of, the market values, yields (which takes into account the amortization of premiums and the accretion of discounts) and estimated retirement dates of all of the Bonds in the applicable Trust and (2) takes into account the expenses and sales charge associated with each Trust Unit. Since the market values and estimated retirement dates of the Bonds and the expenses of a Trust will change, there is no assurance that the present Estimated Long-Term Return will be realized in the future. Estimated Current Return and Estimated Long-Term Return are expected to differ because the calculation of Estimated Long-Term Return reflects the estimated date and amount of principal returned while Estimated Current Return calculations include only net annual interest income and Public Offering Price.

MARKET FOR UNITS. After the initial offering period, while under no obligation to do so, the Sponsor intends to, and certain of the other Underwriters may, maintain a market for the Units and to offer to repurchase such Units at prices subject to change at any time which are based on the aggregate bid side evaluation of the Municipal Bonds in the Trust Fund plus Purchased Interest and Daily Accrued Interest.

KEMPER DEFINED FUNDS SERIES 20

ESSENTIAL INFORMATION
AS OF THE OPENING OF BUSINESS ON THE DATE OF DEPOSIT

<TABLE>

<C>	<S>
SPONSOR AND EVALUATOR:	KEMPER UNIT INVESTMENT TRUSTS, A SERVICE OF KEMPER SECURITIES, INC.
TRUSTEE:	INVESTORS FIDUCIARY TRUST COMPANY

</TABLE>

The income, expense and distribution data set forth below has been calculated for Unitholders purchasing less than 10,000 Units. Unitholders purchasing more than 10,000 Units will receive a slightly higher return because of the reduced sales charge for larger purchases.

	INSURED NATIONAL SERIES 10	INSURED CALIFORNIA SERIES 6	INSURED COLORADO SERIES 3
Public Offering Price per Unit (1)(2)	$ 10.000	$ 10.000	$ 10.000
Principal Amount of Municipal Bonds per Unit	$ 9.745	$ 9.800	$ 9.859
Estimated Current Return based on Public Offering Price (3)(4)(5)(7)	4.78%	4.53%	5.62%
Estimated Long-Term Return (3)(4)(5)(7)	4.92%	4.70%	5.65%
Estimated Normal Annual Distribution per Unit (7)	$ 0.47844	$ 0.45288	$ 0.56160
Principal Amount of Municipal Bonds	$ 10,000,000	$ 3,000,000	$ 3,350,000
Number of Units	1,026,118	306,124	339,790
Fractional Undivided Interest per Unit	1/1,026,118	1/306,124	1/339,790
Calculation of Public Offering Price--Less than 10,000 Units:			
Aggregate Offering Price of Bonds	$ 9,953,340	$ 2,969,404	$ 3,236,503
Aggregate Offering Price of Bonds per Unit	$ 9.700	$ 9.700	$ 9.525
Purchased Interest (1)	$ 0	$ 0	$ 0
Purchased Interest per Unit	$ 0.000	$ 0.000	$ 0.000
Total Offering Price and Purchased Interest Per Unit (1)	$ 9.700	$ 9.700	$ 9.525
Plus Sales Charge per Unit (9)	$ 0.300	$ 0.300	$ 0.475
Public Offering Price per Unit (1)(2)	$ 10.000	$ 10.000	$ 10.000
Redemption Price per Unit	$ 9.650	$ 9.619	$ 9.416
Sponsor's Initial Repurchase Price per Unit	$ 9.700	$ 9.700	$ 9.525
Excess of Public Offering Price per Unit over Redemption Price per Unit	$ 0.350	$ 0.381	$ 0.584
Excess of Public Offering Price per Unit over Sponsor's Initial Repurchase Price per Unit	$ 0.300	$ 0.300	$ 0.475
Calculation of Estimated Net Annual Interest Income per Unit (7):			
Estimated Annual Interest Income	$ 0.49848	$ 0.47350	$ 0.58418
Less: Estimated Annual Expense	$ 0.01999	$ 0.02067	$ 0.02245
Estimated Net Annual Interest Income	$ 0.47849	$ 0.45283	$ 0.56173
Estimated Daily Rate of Net Interest Accrual per Unit	$ 0.001329	$ 0.001258	$ 0.001560
Minimum Principal Value of the Trust under which Trust Agreement may be terminated	$ 2,000,000	$ 600,000	$ 670,000

Evaluations for purposes of sale, purchase or redemption of Units are made as of the close of business of the Sponsor (3:15 p.m. Central Time) next following receipt of an order for a sale or purchase of Units or receipt by Investors Fiduciary Trust Company of Units tendered for redemption.

	INSURED NATIONAL SERIES 10	INSURED CALIFORNIA SERIES 6	INSURED COLORADO SERIES 3
Trustee's Annual Fee per $1,000 principal amount of Municipal Bonds (6)	$1.300	$1.130	$1.330
Reduction of Trustee's fee per Unit during the first year (7)	$0.00229	$0.00000	$0.00012
Estimated annual interest income per Unit during the first year (7)	$0.49619	$0.47350	$0.58406
Interest Payments (8):			
First Payment per Unit, representing 7 days	$0.00930	$0.00881	$0.01092
Estimated Normal Monthly Distribution per Unit	$0.03987	$0.03774	$0.04680
Estimated Normal Annual Distribution per Unit	$0.47844	$0.45288	$0.56160
Sales Charge (9):			
As a percentage of Public Offering Price per Unit	3.000%	3.000%	4.753%
As a percentage of net amount invested	3.093%	3.093%	4.987%
As a percentage of net amount invested in earning assets	3.093%	3.093%	4.987%
Date of Trust Agreements	May 17, 1994		
First Settlement Date	May 24, 1994		
Mandatory Termination Date	December 31, 2025		
Evaluator's Annual Evaluation Fee	Maximum of $0.30 per $1,000 Principal Amount of Municipal Bonds		

Sponsor's Annual Surveillance Fee.................................... Maximum of $0.002 per Unit
</TABLE>

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(1) Purchased Interest is a portion of the unpaid interest that has accumulated on the Bonds in a Trust from the later of the last payment date on the Bonds or the date of issuance thereof through the First Settlement Date of such Trust. In addition, anyone ordering Units after the Date of Deposit will pay Daily Accrued Interest from the later of the First Settlement Date or the last Record Date for such Trust to the date of settlement (five business days after order). Daily Accrued Interest is the estimated daily rate of net interest accrued on the Bonds in a Trust.

(2) Many unit investment trusts comprised of municipal securities issue a number of units such that each unit represents approximately $1,000 principal amount of underlying securities. The Sponsor, on the other hand, in determining the number of Units for each Trust has elected not to follow this format but rather to provide that number of Units which will establish as close as possible as of the Date of Deposit a Public Offering Price per Unit of $10.

(3) The Estimated Current Return and Estimated Long-Term Return are increased for transactions entitled to a reduced sales charge. See "Public Offering of Units--Public Offering Price."

(4) The Estimated Current Returns are calculated by dividing the estimated net annual interest income per Unit by the Public Offering Price. The estimated net annual interest income per Unit will vary with changes in fees and expenses of the Trustee, the Sponsor and the Evaluator and with the principal prepayment, redemption, maturity, exchange or sale of Bonds while the Public Offering Price will vary with changes in the offering price of the underlying Bonds and with changes in the Purchased Interest and Daily Accrued Interest; therefore, there is no assurance that the present Estimated Current Returns indicated above will be realized in the future. The Estimated Long-Term Returns are calculated using a formula which (1) takes into consideration, and determines and factors in the relative weightings of, the market values, yields (which takes into account the amortization of premiums and the accretion of discounts) and estimated retirement dates of all of the Bonds in the applicable Trust and (2) takes into account the expenses and sales charge associated with each Trust Unit. Since the market values and estimated retirement dates of the Bonds and expenses of each Trust will change, there is no assurance that the present Estimated Long-Term Returns as indicated above will be realized in the future. The Estimated Current Returns and Estimated Long-Term Returns are expected to differ because the calculation of the Estimated Long-Term Returns reflects the estimated date and amount of principal returned while the Estimated Current Return calculations include only net annual interest income and Public Offering Price.

(5) This figure is based on estimated per Unit cash flows. Estimated cash flows will vary with changes in fees and expenses, with changes in current interest rates and with the principal prepayment, redemption, maturity, call, exchange or sale of the underlying Bonds. The estimated cash flows to Unitholders for the Trusts are either set forth under "Estimated Cash Flows to Unitholders" or are available upon request at no charge from the Sponsor.

(6) See "Expenses of the Trusts."

(7) During the first year, the Trustee has agreed to reduce its fee (and to the extent necessary pay expenses of the Trust Funds) in the amounts stated above. The Trustee has agreed to the foregoing to cover all or a portion of the interest on any Municipal Bonds accruing prior to their expected dates of delivery, since interest will not accrue to the benefit of Unitholders of a Trust Fund until such Bonds are actually delivered to the Trust Fund. The estimated net annual interest income per Unit will remain as indicated. See "The Trust Funds" and "Interest, Estimated Long-Term Return and Estimated Current Return."

(8) Unitholders will receive interest distributions monthly. The Record Date is the first day of the month, commencing June 1, 1994, and the distribution date is the fifteenth day of the month, commencing June 15, 1994.

(9) The sales charge as a percentage of the net amount invested in earning assets will increase as Daily Accrued Interest increases. Transactions subject to quantity discounts (see "Public Offering of Units-Public Offering Price") will have reduced sales charges, thereby reducing all percentages in the table.

THE TRUST FUNDS

GENERAL

Kemper Defined Funds Series 20 includes the following separate unit investment trusts created by the Sponsor under the name Kemper Defined Funds: "Insured National Series 10" (the "Insured National Trust"), "Insured California Series 6" and "Insured Colorado Series 3" (the "Insured State Trusts") (hereinafter collectively called the "Trusts" or "Trust Funds"). Each of the Trust Funds is generally similar but each is separate and is designated by a different series number. Each of the Trust Funds was created under the laws of the State of Missouri pursuant to a trust indenture dated the Date of Deposit (the "Trust Agreements") between Kemper Unit Investment Trusts, a service of Kemper Securities, Inc. (the "Sponsor") and Investors Fiduciary Trust Company (the "Trustee").*

The Insured National Trust was formed for the purpose of gaining interest income free from Federal income taxes while conserving capital and diversifying risks by investing in an insured, fixed portfolio consisting of obligations issued by or on behalf of states of the United States or counties, municipalities, authorities or political subdivisions thereof.

The Insured State Trusts were formed for the purpose of gaining interest income free from Federal and State income taxes and, where applicable, local income and/or property taxes while conserving capital and diversifying risks by investing in an insured, fixed portfolio consisting of obligations issued by or on behalf of the State for which such Trust Fund is named or counties, municipalities, authorities or political subdivisions thereof.

There is, of course, no guarantee that the Trust Funds' objectives will be achieved.

On the Date of Deposit, the Sponsor delivered to the Trustee that aggregate principal amount of Municipal Bonds or contracts for the purchase thereof for deposit in the Trust Funds as set forth under "Essential Information." Of such principal amount, the amount specified in "Essential Information" was deposited in each Trust. In exchange for the Municipal Bonds so deposited, the Trustee delivered to the Sponsor documentation evidencing the ownership of that number of Units for each Trust Fund as indicated under "Essential Information." Offerees in the States of Indiana, Virginia and Washington may only purchase units of the Insured National Trust.

Each Trust Fund initially consists of delivery statements (i.e., contracts) to purchase obligations (the "Municipal Bonds" or the "Bonds"). The Sponsor has a limited right of substitution for such Bonds in the event of a failed contract. See "Portfolios."

Certain of the Bonds in certain of the Trust Funds may have been purchased on a "when, as and if issued" or "delayed delivery" basis with delivery expected to take place after the First Settlement Date. See "The Trust Fund--Series Information" and "Notes to Portfolios." Accordingly, the delivery of such Bonds may be delayed or may not occur. Interest on these Municipal Bonds begins accruing to the benefit of Unitholders on their respective dates of delivery. To the extent any Municipal Bonds are actually delivered to a Trust Fund after their respective expected dates of delivery, Unitholders who purchase Units in such Trust Fund prior to the date such "when, as and if issued" or "delayed delivery" Municipal Bonds are actually delivered to the Trustee would, to the extent such income is not offset by a reduction in the Trustee's fee (or, to the extent necessary, other expenses), be required to reduce their tax basis in their Units of such Trust Fund since the interest accruing on such Bonds during the interval between their purchase of Units and the actual delivery of such Bonds would, for tax purposes, be considered a non-taxable return of principal rather than as tax-exempt interest. The result of such adjustment, if necessary, would be, during the first year only, that the Estimated Long-Term Returns may be, and the Estimated Current Returns would be, slightly lower than those shown herein, assuming the Trust Fund portfolios and estimated annual expenses do not vary. Holders

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* Reference is made to the Trust Agreements, and any statements contained herein are qualified in their entirety by the provisions of the Trust Agreements.

of Units will be "at risk" with respect to these Bonds (i.e., may derive either gain or loss from fluctuations in the evaluation of such Bonds) from the date they commit for Units.

All of the Municipal Bonds in each Trust Fund are rated in the category "BBB" or better by Standard & Poor's or "Baa" or better by Moody's. See "Description of Municipal Bond Ratings" and "The Trust Fund-- Portfolios."

Each Unit represents an undivided fractional interest in the Municipal Bonds deposited in the appropriate Trust Fund, as shown under "Essential Information." All Municipal Bonds deposited were accompanied by copies of opinions of bond counsel given at the time of original delivery of such obligations to the effect that interest thereon is exempt from all Federal income taxes, except in certain instances depending on the holder, and from State income taxes and, where applicable, local income and/or property taxes for residents of the State for which such Trust Fund is named. Capital gains, if any, are subject to Federal income taxation, payable by Unitholders. See "Federal Tax Status."

An investment in Units of a Trust Fund should be made with an understanding of the risks which an investment in fixed rate debt obligations may entail, including the risk that the value of the portfolio and hence of the Units will decline with increases in interest rates. The value of the underlying Municipal Bonds will fluctuate inversely with changes in interest rates. The uncertain economic conditions of recent years, together with the fiscal measures adopted to attempt to deal with them, have resulted in wide fluctuations in interest rates and, thus, in the value of fixed rate debt obligations generally and long-term obligations in particular. The Sponsor cannot predict the degree to which such fluctuations will continue in the future.

SERIES INFORMATION

<TABLE>
<CAPTION>

<S>	INSURED NATIONAL SERIES 10 <C>	INSURED CALIFORNIA SERIES 6 <C>	INSURED COLORADO SERIES 3 <C>
Number of Obligations	5	6	7
Territorial Obligations (1)	1		1
General Obligation Bonds (2)(4)	1 (20%)	0	3 (37%)
Revenue Bonds (3)(4)	4 (80%)	6 (100%)	4 (63%)
Revenue Bond Concentrations (4):			
Airport	1 (20%)		
Correctional Facilities			
Education		1 (20%)	1 (15%)
Electric Systems		1 (7%)	
Excise Tax Revenue			
Hospital	1 (20%)	1 (20%)	2 (30%)
Housing			
Lease Revenue		2 (40%)	
Port Authority			
Wastewater			
Tax Allocation			
Transportation			
Tollroad			
Utilities			1 (18%)
Water and Sewer	1 (20%)	1 (13%)	
Miscellaneous	1 (20%)		
Average life of the Municipal Bonds in the Trust (5)	6.3	5.4	27
Percentage of "when, as and if issued " or "delayed delivery" Bonds purchased by the Trust	40%	None	7%
Syndication (6)	0	0	30

</TABLE>

- ------------------------------
(1) Municipal Bonds issued by Territories of the United States (which term includes the Commonwealth of Puerto Rico and the District of Columbia) generally receive the same tax exempt treatment for both state and Federal tax purposes as Municipal Bonds issued by political entities in the named State Trust. See "Special Considerations and State Tax Status" for each Trust.
(2) General obligation bonds are general obligations of governmental entities and are backed by the taxing powers of such entities.
(3) Revenue bonds are payable from the income of a specific project or authority and are not supported by an issuer's power to levy taxes.

(4) The portfolio percentage in parenthesis represents the principal amount of such Bonds to the total principal amount of Bonds in the Trust. For a discussion of the risks associated with investments in the bonds of such issuers, see "Portfolios--General Trust Information."
(5) The average life of the Bonds in a Trust is calculated based upon the stated maturities of the Bonds in such Trust (or, with respect to Bonds for which funds or securities have been placed in escrow to redeem such Bonds on a stated call date, based upon such call date). The average life of the Bonds in a Trust may increase or decrease from time to time as Bonds mature or are called or sold.
(6) The Sponsor and/or affiliated Underwriters have participated as either the sole underwriter or manager or a member of underwriting syndicates from which approximately that percentage listed above of the aggregate principal amount of the Bonds in such Trust were acquired.

TAXABLE EQUIVALENT ESTIMATED CURRENT RETURN TABLES

As of the date of this Prospectus, the following tables show the approximate taxable estimated current returns for individuals that are equivalent to tax-exempt estimated current returns under combined Federal and State taxes (where applicable) using the published Federal and State tax rates (where applicable) scheduled to be in effect in 1994. They incorporate increased tax rates for higher income taxpayers that were included in the Revenue Reconciliation Act of 1993. These tables illustrate approximately what you would have to earn on taxable investments to equal the tax-exempt estimated current return in your income tax bracket. For cases in which more than one State bracket falls within a Federal bracket the highest State bracket is combined with the Federal bracket. The combined State and Federal tax rates shown reflect the fact that State tax payments are currently deductible for Federal tax purposes, and have been rounded to the nearest 1/10 of 1%. The tables do not show the approximate taxable estimated current returns for individuals that are subject to the alternative minimum tax. The taxable equivalent estimated current returns may be somewhat higher than the equivalent returns indicated in the following tables for those individuals who have adjusted gross incomes in excess of $111,800. The tables do not reflect the effect of limitations on itemized deductions and the deduction for personal exemptions. They were designed to phase out certain benefits of these deductions for higher income taxpayers. These limitations, in effect, raise the marginal Federal tax rate to approximately 44 percent for taxpayers filing a joint return and entitled to four personal exemptions and to approximately 41 percent for taxpayers filing a single return entitled to only one personal exemption. These limitations are subject to certain maximums, which depend on the number of exemptions claimed and the total amount of the taxpayer's itemized deductions. For example, the limitation on itemized deductions will not cause a taxpayer to lose more than 80% of his allowable itemized deductions, with certain exceptions. See "Federal Tax Status" for a more detailed discussion of recent Federal tax legislation, including a discussion of provisions affecting corporations.

NATIONAL

<TABLE>
<CAPTION>

TAXABLE INCOME ($1,000'S)			TAX-EXEMPT ESTIMATED CURRENT RETURN						
SINGLE RETURN	JOINT RETURN	TAX BRACKET	3 1/2%	4%	4 1/2%	5%	5 1/2%	6%	6 1/2%
			EQUIVALENT TAXABLE ESTIMATED CURRENT RETURN						
<S> <C>	<C> <C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
$ 0 - 22.75	$ 0 - 38.00	15 %	4.12%	4.71%	5.29%	5.88%	6.47%	7.06%	7.65%
22.75 - 55.10	38.00 - 91.85	28	4.86	5.56	6.25	6.94	7.64	8.33	9.03
55.10 - 115.00	91.85 - 140.00	31	5.07	5.80	6.52	7.25	7.97	8.70	9.42
115.00 - 250.00	140.00 - 250.00	36	5.47	6.25	7.03	7.81	8.59	9.38	10.16
Over 250.00	Over 250.00	39.6	5.79	6.62	7.45	8.28	9.11	9.93	10.76

</TABLE>

CALIFORNIA

<TABLE>
<CAPTION>

TAXABLE INCOME ($1,000'S)	TAX-EXEMPT ESTIMATED CURRENT RETURN

SINGLE RETURN	JOINT RETURN	TAX BRACKET*	3 1/2%	4%	4 1/2%	5%	5 1/2%	6%	6 1/2%
			EQUIVALENT TAXABLE ESTIMATED CURRENT RETURN						
$ 0 - 22.75	$ 0 - 38.00	20.1 %	4.38%	5.01%	5.63%	6.26%	6.88%	7.51%	8.14%
22.75 - 55.10	38.00 - 91.85	34.7	5.36	6.13	6.89	7.66	8.42	9.19	9.95
	91.85 - 140.00	37.4	5.59	6.39	7.19	7.99	8.79	9.58	10.38
55.10 - 115.00		37.9	5.64	6.44	7.25	8.05	8.86	9.66	10.47
115.00 - 212.38	140.00 - 250.00	42.4	6.08	6.94	7.81	8.68	9.55	10.42	11.28
212.38 - 250.00		43.0	6.14	7.02	7.89	8.77	9.65	10.53	11.40
	250.00 - 424.76	45.6	6.43	7.35	8.27	9.19	10.11	11.03	11.95
Over 250.00	Over 424.76	46.2	6.51	7.43	8.36	9.29	10.22	11.15	12.08

</TABLE>

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*The State tax rates assumed do not take into account possible adjustment of tax brackets based on changes in the Consumer Price Index. The table reflects California income tax laws that increase State income tax rates for high income taxpayers. However, the table does not reflect the limitation on itemized deductions and the phase out of the benefit for the personal exemption credit and the dependent exemption credit that are imposed by the California income tax laws in a manner similar to Federal tax law.

COLORADO

<TABLE>
<CAPTION>

TAXABLE INCOME ($1,000'S)			TAX-EXEMPT ESTIMATED CURRENT RETURN						
SINGLE RETURN	JOINT RETURN	TAX BRACKET	4 1/2%	5%	5 1/2%	6%	6 1/2%	7%	7 1/2%
			EQUIVALENT TAXABLE ESTIMATED CURRENT RETURN						
$ 0 - 22.75	$ 0 - 38.00	19.3 %	5.58%	6.20%	6.82%	7.43%	8.05%	8.67%	9.29%
22.75 - 55.10	38.00 - 91.85	31.6	6.58	7.31	8.04	8.77	9.50	10.23	10.96
55.10 - 115.00	91.85 - 140.00	34.5	6.87	7.63	8.40	9.16	9.92	10.69	11.45
115.00 - 250.00	140.00 - 250.00	39.2	7.40	8.22	9.05	9.87	10.69	11.51	12.34
Over 250.00	Over 250.00	42.6	7.84	8.71	9.58	10.45	11.32	12.20	13.07

</TABLE>

<TABLE>

KEMPER DEFINED FUNDS SERIES 20	INSURED NATIONAL SERIES 10

</TABLE>

PORTFOLIO
AS OF THE DATE OF DEPOSIT: MAY 17, 1994

<TABLE>
<CAPTION>

AGGREGATE PRINCIPAL	NAME OF ISSUER, TITLE, COUPON RATE AND MATURITY DATE OF BOND REPRESENTED BY SPONSOR'S CONTRACTS TO PURCHASE BONDS(1)(5)	RATING(2)	REDEMPTION PROVISIONS(3)	COST OF BONDS TO TRUST(4)
$ 2,000,000(S)	City of Phoenix, Arizona, Airport Revenue Refunding Bonds, Series 1994 D (MBIA Insured), 5.30% Due 07/01/2001	AAA	Non-Callable	$ 1,994,040
2,000,000(P)	State of Connecticut, Special Assessment Unemployment Compensation Advance Fund Revenue Bonds (Connecticut Unemployed Revenue Bonds), 1993 Series A (AMBAC Insured), 4.25% Due 11/15/1998	AAA	Non-Callable	1,936,560
2,000,000	District of Columbia (Washington, D.C.), General Obligation Refunding Bonds, Series 1993 A (AMBAC Insured), 5.625% Due 06/01/2002	AAA	Non-Callable	2,016,000
2,000,000	City of Chicago, Illinois, Water Revenue Bonds, Refunding Series 1992 (AMBAC Insured), 5.20% Due 11/01/2000	AAA	Non-Callable	1,989,500
2,000,000(S)	New Jersey Health Care Facilities Financing Authority, Dover General Hospital and Medical Center Issue, Revenue Bonds, Series 1994 (MBIA Insured), 5.20% Due 07/01/1999	AAA	Non-Callable	2,017,240
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$ 10,000,000	$ 9,953,340

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See "Notes to Portfolios."

KEMPER DEFINED FUNDS SERIES 20 INSURED CALIFORNIA SERIES 6

PORTFOLIO
AS OF THE DATE OF DEPOSIT: MAY 17, 1994

AGGREGATE PRINCIPAL	NAME OF ISSUER, TITLE, COUPON RATE AND MATURITY DATE OF BOND REPRESENTED BY SPONSOR'S CONTRACTS TO PURCHASE BONDS(1)(5)	RATING(2)	REDEMPTION PROVISIONS(3)	COST OF BONDS TO TRUST(4)
$ 200,000	Southern California Public Power Authority, Transmission Project Revenue Bonds (Southern Transmission Project), 1993 Subordinate Refunding Series (MBIA Insured), 3.875% Due 7/01/1997	AAA	Non-Callable	$ 195,840
400,000	City and County of San Francisco (California), Sewer Revenue Refunding Bonds, Series 1992 (AMBAC Insured), 5.50% Due 10/01/1997	AAA	Non-Callable	410,980
600,000	County of Los Angeles, California, Capital Asset Leasing Corporation, Leasehold Revenue Bonds (AMBAC Insured), 4.90% Due 12/01/1998	AAA	Non-Callable	602,400
600,000	State Public Works Board of the State of California, Lease Revenue Bonds (Department of Corrections) (Various State Prisons), 1993 Series A (AMBAC Insured), 4.50% Due 12/01/1999	AAA	Non-Callable	584,256
600,000	California Statewide Communities Development Authority, Insured Health Facilities Revenue Certificates of Participation, Unihealth America Obligated Group, 1993 Series A (AMBAC Insured), 4.80% Due 10/01/2000	AAA	Non-Callable	588,702
600,000	The Regents of the University of California, Revenue Bonds (Multiple Purpose Projects), Series D (MBIA Insured), 5.00% Due 11/1/2001	AAA	Non-Callable	587,226
$ 3,000,000				$ 2,969,404

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See "Notes to Portfolios."

KEMPER DEFINED FUNDS SERIES 20 INSURED COLORADO SERIES 3

PORTFOLIO
AS OF THE DATE OF DEPOSIT: MAY 17, 1994

AGGREGATE	NAME OF ISSUER, TITLE, COUPON RATE AND MATURITY DATE OF BOND REPRESENTED BY SPONSOR'S CONTRACTS TO PURCHASE	REDEMPTION	COST OF BONDS

PRINCIPAL	BONDS(1)(5)	RATING(2)	PROVISIONS(3)	TO TRUST(4)
$ 600,000	City of Colorado Springs, Colorado, Utilities System Improvement and Refunding Revenue Bonds, Series 1994A (MBIA Insured), 5.125% Due 11/15/2023	AAA	2004 @ 100 2020 @ 100 S.F.	$ 513,150
500,000	Colorado Health Facilities Authority, Hospital Revenue Bonds (North Colorado Medical Center), Series 1993 (MBIA Insured), 6.00% Due 05/15/2020	AAA	2003 @ 102 2013 @ 100 S.F.	487,165
500,000	Jefferson County School District No. R-1 (Jefferson County, Colorado), General Obligation Bonds, Series 1992 (AMBAC Insured), 6.00% Due 12/15/2012	AAA	2002 @ 101 2009 @ 100 S.F.	494,465
500,000	Poudre School District R-1, Larimer County, Colorado, General Obligation Improvement Bonds, Series 1992 (MBIA Insured), 6.15% Due 12/15/2016	AAA	2002 @ 101 2012 @ 100 S.F.	500,000
500,000	State of Colorado Board of Trustees of the University of Northern Colorado, Auxiliary Facilities System Revenue Refunding and Improvement Bonds, Series 1994 (MBIA Insured), 6.00% Due 06/01/2024	AAA	2004 @ 101 2015 @ 100 S.F.	489,775
500,000	University of Colorado Hospital Authority, Hospital Revenue Bonds, Series 1992 A (AMBAC Insured), 6.40% Due 11/15/2022	AAA	2002 @ 102 2013 @ 100 S.F.	507,610
250,000(S)	Commonwealth of Puerto Rico, Public Improvement Bonds of 1993, (General Obligation Bonds) (MBIA Insured), 6.00% Due 07/01/2022	AAA	2002 @ 101.5 2019 @ 100 S.F.	244,338
$ 3,350,000				$ 3,236,503

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See "Notes to Portfolios."

NOTES TO PORTFOLIOS:

All insured Bonds in the Trust Funds are insured only by the insurer indicated in the description. The insurance was obtained directly by the issuer of the Bonds or by the Sponsor.

(P) These Bonds have been purchased at an original issue discount from the par value because there is little or no stated interest income thereon. Over the life of these Bonds the value increases, so that upon maturity the holders of the Bonds will receive 100% of the principal amount thereof.

(S) These Municipal Bonds are "when, as and if issued" or "delayed delivery" and have expected settlement dates after the "First Settlement Date." Interest on these Bonds begins accruing to the benefit of Unitholders on the date of delivery.

(C) This Bond is of the same issue as another Bond in the Trust.

(D) This issue of Bonds is secured by, and payable from, escrowed U.S. Government securities.

(1) Contracts to acquire Municipal Bonds were entered into by the Sponsor between April 25, 1994 and May 16, 1994. All Bonds are represented by regular way contracts, unless otherwise indicated, for the performance of which an irrevocable letter of credit has been deposited with the Trustee.

(2) The ratings have been provided by Muller Data Corporation as reported to Muller Data Corporation by the respective rating agencies. All ratings represent Standard & Poor's Corporation ratings unless marked with the symbol "(STAR)" in which case the rating represents a Moody's Investors Service, Inc. rating. A brief description of the applicable Standard & Poor's and Moody's rating symbols and their meanings is set forth under "Description of Municipal Bond Ratings." A rating marked by "g" is contingent upon Standard & Poor's Corporation receiving final documentation from the insurer.

(3) There is shown under this heading the year in which each issue of Municipal Bonds is initially redeemable and the redemption price for that year; unless otherwise indicated, each issue continues to be redeemable at declining prices thereafter, but not below par value. The prices at which the Bonds may be redeemed or called prior to maturity may or may not include a premium and, in certain cases, may be less than the cost of the Bonds to the Trust. In addition, certain Bonds in the portfolio may be redeemed in whole or in part other than by operation of the stated

redemption or sinking fund provisions under certain unusual or extraordinary circumstances specified in the instruments setting forth the terms and provisions of such Bonds. "S.F." indicates that a sinking fund is established with respect to an issue of Municipal Bonds.

(4) During the initial offering period, evaluations of Municipal Bonds are made on the basis of current offering side evaluations of the Municipal Bonds. The aggregate offering price is greater than the aggregate bid price of the Municipal Bonds, which is the basis on which Redemption Prices will be determined for purposes of redemption of Units after the initial offering period.

(5) Other information regarding the Municipal Bonds in the Trust Funds, at the opening of business on the Date of Deposit, is as follows:

<TABLE>
<CAPTION>

TRUST FUND	COST OF BONDS TO SPONSOR	PROFIT OR (LOSS) TO SPONSOR	ANNUAL INTEREST INCOME TO TRUST	BID SIDE VALUE OF BONDS
<S>	<C>	<C>	<C>	<C>
Insured National Series 10................................	$ 9,902,471	$ 50,869	$ 511,500	$ 9,902,480
Insured California Series 6..............................	$ 2,962,209	$ 7,195	$ 144,950	$ 2,944,624
Insured Colorado Series 3................................	$ 3,200,969	$ 35,534	$ 198,500	$ 3,199,378

</TABLE>

Neither Cost of Bonds to Sponsor nor Profit or (Loss) to Sponsor reflects underwriting profits or losses received or incurred by the Sponsor through its participation in underwriting syndicates but such amounts reflect portfolio hedging transaction costs, hedging gains or losses, certain other carrying costs and the cost of insurance obtained by the Sponsor, if any, prior to the Date of Deposit for individual Bonds.

UNDERWRITING

The Underwriters named below have severally purchased Units of the Trusts in the following respective aggregate percentages:

<TABLE>
<CAPTION>

	INSURED NATIONAL SERIES 10	INSURED CALIFORNIA SERIES 6	INSURED COLORADO SERIES 3
<S>	<C>	<C>	<C>
*Kemper Unit Investment Trusts	926,118	196,124	279,790
*Kemper Securities, Inc.	50,000	50,000	50,000
Dean Witter Reynolds, Inc.		50,000	
Gruntal & Company, Inc.		10,000	10,000
Raffensperger, Hughes & Co., Inc.	10,000		
Rauscher Pierce Refsnes, Inc.	10,000		
Raymond James & Associates, Inc.	10,000		
Southwest Securities Inc.	10,000		
Stifel Nicolaus & Company, Inc.	10,000		
TOTAL UNITS:	1,026,118	306,124	339,790

</TABLE>

Underwriter Addresses:

Dean Witter Reynolds, Inc., Two World Trade Center, 59th Floor, New York, NY 10048

Gruntal & Company, Inc., 14 Wall Street, 14th Floor, New York, NY 10005

*Kemper Securities, Inc., 77 West Wacker Drive, 28th Floor, Chicago, IL 60601-1994

*Kemper Unit Investment Trusts a service of Kemper Securities, Inc., 77 West Wacker Drive, 29th Floor, Chicago, IL 60601-1994

Raffensperger, Hughes & Co., Inc., 20 North Meridian Street, Indianapolis, IN 46204-3058

Rauscher Pierce Refsnes, Inc., 2500 RPR Tower, Dallas, TX 75201

Raymond James & Associates, Inc., 880 Carillon Parkway, St Petersburg, FL 33716

Southwest Securities Inc., 1201 Elm Street, Suite 4300, Dallas, TX 75270

Stifel Nicolaus & Company, Inc., 500 North Broadway, St Louis, MO 63102

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*Kemper Corporation owns or has a controlling interest in Kemper Unit Investment Trusts (the Trusts's Sponsor and Evaluator) and Kemper Securities, Inc. Kemper Unit Investment Trusts is a service of Kemper Securities, Inc. For additional information about the Underwriters, see "Underwriting."

The Underwriters acquired the Units of the Trust Funds at a price per Unit equal to the Public Offering Prices set forth under "Essential Information" less the Underwriters' takedown. The amount of the Underwriters' takedown for Trusts with a weighted average maturity less than 7.5 years for each Unit is $.22 for those firms committing for 10,000-24,999 Units, $.22 plus 50% of any net portfolio profit for those firms committing for 25,000-99,999 Units and $.23 plus 50% of any net portfolio profit for those firms committing for 100,000 or more Units. The amount of the Underwriters' takedown for Trusts with a weighted average maturity between 7.5 and 9.99 years for each Unit is $.28 for those firms committing for 10,000-24,999 Units, $.29 plus 50% of any net portfolio profit for those firms committing for 25,000-99,999 Units and $.30 plus 50% of any net portfolio profit for those firms committing for 100,000 or more Units. The amount of the Underwriters' takedown for Trusts with a weighted average maturity 10 and 14.99 years for each Unit is $.31 for those firms committing for 10,000-24,999 Units, $.32 plus 50% of any net portfolio profit for those firms committing for 25,000-99,000 Units and $.33 plus 50% of any net portfolio profit for those firms committing for 100,000 or more Units. The amount of the Underwriters' takedown for Trusts with a weighted average maturity greater than 14.99 years for each Unit is $.36 for 10,000-24,999 Units, $.37 plus

50% of any net portfolio profit for those firms committing for 25,000 to 99,000 Units and $.38 plus 50% of any net portfolio profit for those firms committing for 100,000 or more Units. In connection with any quantity discounts (see "Public Offering of Units--Public Offering Price"), the Sponsor and the applicable Underwriter will each receive reduced concessions as a result of the reduced sales charges to the investor. In addition to such discounts, the Sponsor may, from time to time, pay or allow an additional discount, in the form of cash or other compensation, to dealers who underwrite additional Units of a Trust or who sell, during a specified time period, a minimum dollar amount of Units of a Trust and other unit investment trusts underwritten by the Sponsor. The Underwriting Agreement provides that the Sponsor will select and purchase the Municipal Bonds for deposit in the Trust Funds on its own behalf and on behalf of the other Underwriters.

The Underwriting Agreement provides that a public offering of the Units of the Trust Funds will be made by the Underwriters at the Public Offering Price described in the Prospectus. Units may also be sold to or through dealers, who are members of the National Association of Securities Dealers, Inc., and others at prices representing discounts from the Public Offering Price. However, resales of Units of the Trust Funds to the public will be made at the Public Offering Price thereof.

Underwriters and broker-dealers of the Trusts, banks and/or others are eligible to participate in a program in which such firms receive from the Sponsor a nominal award for each of their representatives who have sold a minimum number of Units of unit investment trusts created by the Sponsor during a specified time period. In addition, at various times the Sponsor may implement other programs under which the sales forces of Underwriters, brokers, dealers, banks and/or others may be eligible to win other nominal awards for certain sales efforts, or under which the Sponsor will reallow to any such Underwriters, brokers, dealers, banks and/or others that sponsor sales contests or recognition programs conforming to criteria established by the Sponsor, or participate in sales programs sponsored by the Sponsor, an amount not exceeding the total applicable sales charges on the sales generated by such persons at the public offering price during such programs. Also, the Sponsor in its discretion may from time to time pursuant to objective criteria established by the Sponsor pay fees to qualifying underwriters, brokers, dealers, banks or others for certain services or activities which are primarily intended to result in sales of Units of the Trusts. Such payments are made by the Sponsor out of its own assets, and not out of the assets of the Trusts. These programs will not change the price Unitholders pay for their Units or the amount that the Trusts will receive from the Units sold. Approximately every eighteen months the Sponsor holds a business seminar which is open to Underwriters that sell units of trusts it sponsors. The Sponsor pays substantially all costs associated with the seminar, excluding Underwriter travel costs. Each Underwriter is invited to send a certain number of representatives based on the gross number of units such firm underwrites during a designated time period.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

UNITHOLDERS

KEMPER DEFINED FUNDS SERIES 20:

We have audited the accompanying statements of condition and the related portfolios of Kemper Defined Funds Series 20 (Insured National Series 10, Insured California Series 6 and Insured Colorado Series 3) as of May 17, 1994. The statements of condition and portfolios are the responsibility of the Sponsor. Our responsibility is to express an opinion on such financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of Municipal Bonds owned at May 17, 1994 and a letter of credit deposited to purchase Municipal Bonds by correspondence with the Trustee. An audit also includes assessing the accounting principles used and significant estimates made by the Sponsor, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kemper Defined Funds Series 20 (Insured National Series 10, Insured California Series 6 and Insured Colorado Series 3) as of May 17, 1994, in conformity with generally accepted accounting principles.

GRANT THORNTON

Chicago, Illinois

May 17, 1994

KEMPER DEFINED FUNDS SERIES 20

STATEMENTS OF CONDITION

AT THE OPENING OF BUSINESS ON MAY 17, 1994, THE DATE OF DEPOSIT

<TABLE>
<CAPTION>

<S>	INSURED NATIONAL SERIES 10 <C>	INSURED CALIFORNIA SERIES 6 <C>	INSURED COLORADO SERIES 3 <C>
INVESTMENT IN MUNICIPAL BONDS			
Municipal Bonds deposited in the Trusts (1)(4)......................	$ 0	$ 0	$ 0
Contracts to purchase Municipal Bonds (1)(4)........................	9,953,340	2,969,404	3,236,503
Accrued Interest to First Settlement Date on Municipal Bonds (1)(2)..	76,249	39,577	39,525

Total	$ 10,029,589	$ 3,008,981	$ 3,276,028
Number of Units	1,026,118	306,124	339,790
LIABILITIES AND INTEREST OF UNITHOLDERS			
Accrued Interest payable to Sponsor (1)(2)	$ 76,249	$ 39,577	$ 39,525
Interest of Unitholders--			
Cost to investors (3)	$ 10,261,180	$ 3,061,240	$ 3,397,900
Less: Gross underwriting commission (3)	307,840	91,836	161,397
Net interest to Unitholders (1)(2)(3)	$ 9,953,340	$ 2,969,404	$ 3,236,503
Total	$ 10,029,589	$ 3,008,981	$ 3,276,028

</TABLE>

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NOTES:

(1) The aggregate value of the Municipal Bonds listed in each Portfolio and their cost to the Trust are the same. The value of the Municipal Bonds is determined by Muller Data Corporation on the bases set forth under "Public Offering of Units--Public Offering Price". The contracts to purchase Municipal Bonds are collateralized by an irrevocable letter of credit of $16,316,990 which has been deposited with the Trustee. Of this amount, $16,159,247 relates to the offering price of amount of Municipal Bonds to be purchased and $157,743 relates to accrued interest on such Municipal Bonds to the expected dates of delivery.

(2) Accrued interest on the underlying Municipal Bonds represents the interest accrued as of the First Settlement Date from the later of the last payment date on the Bonds of the date of issuance thereof. The Trustee may advance to the Trust a portion of the accrued interest on the underlying Municipal Bonds for distribution to the Sponsor as the Unitholder of record as of the First Settlement Date. A portion of the accrued interest on the underlying Municipal Bonds may be payable by investors and may be included in the Public Offering Price. This portion is called Purchased Interest and represents the difference between Accrued Interest to First Settlement Date on Municipal Bonds and Accrued Interest payable to Sponsor (see "Essential Information").

(3) The aggregate public offering price includes a sales charge for the Trust as set forth under "Essential Information", assuming all single transactions involve less than 10,000 Units. For single transactions involving 10,000 or more Units, the sales charge is reduced (see "Public Offering of Units--Public Offering Price") resulting in an equal reduction in both the Cost to investors and the Gross underwriting commission while the Net interest to Unitholders remains unchanged.

(4) Insurance coverage providing for the timely payment of principal and interest on the Municipal Bonds in the Insured Trusts has been obtained directly by the issuer of such Municipal Bonds or by the Sponsor from Municipal Bond Investors Assurance Corporation or other insurers.

SPECIAL CONSIDERATIONS AND STATE TAX STATUS

INSURED CALIFORNIA SERIES 6

SPECIAL CONSIDERATIONS

As described above, the Fund will invest substantially all of its assets in California Municipal Obligations. The Fund is therefore susceptible to political, economic or regulatory factors affecting issuers of California Municipal Obligations. These include the possible adverse effects of certain California constitutional amendments, legislative measures, voter initiatives and other matters that are described below. The following information provides only a brief summary of the complex factors affecting the financial situation in California (the "State") and is derived from sources that are generally available to investors and are believed to be accurate. No independent verification has been made of the accuracy or completeness of any of the following information. It is based in part on information obtained from various State and local agencies in California or contained in Official Statements for various California Municipal Obligations.

There can be no assurance that future statewide or regional economic difficulties, and the resulting impact on State or local governmental finances generally, will not adversely affect the market value of California Municipal Obligations held in the portfolio of the Fund or the ability of particular obligors to make timely payments of debt service on (or relating to) those obligations.

Economic Overview. California's economy is the largest among the 50 states and one of the largest in the world. The State's population of almost 32 million represents 12.3% of the total United States population and grew by 27% in the 1980s. Total personal income in the State, at an estimated $662 billion in 1992, accounts for 13% of all personal income in the nation. Total employment is almost 14 million, the majority of which is in the service, trade and manufacturing sectors.

Reports issued by the State Department of Finance and other sources indicate that the State's economy is suffering its worst recession since the 1930s, with prospects for recovery slower than for the nation as a whole. The State has experienced the worst job losses of any post-war recession and employment levels are not expected to stabilize until late 1994 or 1995. Pre-recession job levels may not be reached until the end of the decade. The largest job losses have been in Southern California, led by declines in the aerospace and construction industries. Weakness statewide occurred in manufacturing, construction, services and trade and will be hurt in the next few years by continued cuts in federal defense spending and base closures. Unemployment averaged over 9% in 1993 and is expected to remain high in 1994. The State's economy is only expected to pull out of the recession slowly, following the national recovery which has begun. Delay in recovery will exacerbate shortfalls in State revenues.

Certain California Municipal Obligations may be obligations of issuers which rely in whole or in part, directly or indirectly, on ad valorem property taxes as a source of revenue. The taxing powers of California local governments and districts are limited by Article XIIIA of the California Constitution, enacted by the voters in 1978 and commonly known as "Proposition 13." Briefly, Article XIIIA limits to 1% of full cash value the rate of ad valorem property taxes on real property and generally restricts the reassessment of property to 2% per year, except upon new construction or change of ownership (subject to a number of exemptions). Taxing entities may, however, raise ad valorem taxes above the 1% limit to pay debt service on voter-approved bonded indebtedness.

Under Article XIIIA, the basic 1% ad valorem tax levy is applied against the assessed value of property as of the owner's date of acquisition (or as of March 1, 1975, if acquired earlier), subject to certain adjustments. This system has resulted in widely varying amounts of tax on similarly situated properties. Several lawsuits

have been filed challenging the acquisition-based assessment system of Proposition 13 and on June 18, 1992 the U.S. Supreme Court announced a decision upholding Proposition 13.

Article XIIIA prohibits local governments from raising revenues through ad valorem property taxes above the 1% limit; it also requires voters of any governmental unit to give 2/3 approval to levy any "special tax." Court decisions, however, allowed non-voter approved levy of "general taxes" which were not dedicated to a specific use. In response to these decisions, the voters of the State in 1986 adopted an initiative statute which imposed significant new limits on the ability of local entities to raise or levy general taxes, except by receiving majority local voter approval. Significant elements of this initiative, "Proposition 62", have been overturned in recent court cases. An initiative proposed to re-enact the provisions of Proposition 62 as a constitutional amendment was defeated by the voters in November 1990, but such a proposal may be renewed in the future.

The State and its local governments are subject to an annual "appropriations limit" imposed by Article XIIIB of the California Constitution, enacted by the voters in 1979 and significantly amended by Propositions 98 and 111 in 1988 and 1990, respectively. Article XIIIB prohibits the State or any covered local government from spending "appropriations subject to limitation" in excess of the appropriations limit imposed. "Appropriations subject to limitation" are authorizations to spend "proceeds of taxes," which consist of tax revenues and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed the cost of providing the product or service, but "proceeds of taxes" excludes most State subventions to local governments. No limit is imposed on appropriations or funds which are not "proceeds of taxes," such as reasonable user charges or fees, and certain other non-tax funds, including bond proceeds.

Among the expenditures not included in the Article XIIIB appropriations limit are (1) the debt service cost of bonds issued or authorized prior to January 1, 1979, or subsequently authorized by the voters, (2) appropriations arising from certain emergencies declared by the Governor, (3) appropriations for certain capital outlay projects, (4) appropriations by the State of post-1989 increases in gasoline taxes and vehicle weight fees, and (5) appropriations made in certain cases of emergency.

The appropriations limit for each year is adjusted annually to reflect changes in cost of living and population, and any transfers of service responsibilities between government units. The definitions for such adjustments were liberalized in 1990 to more closely follow growth in the State's economy.

"Excess" revenues are measured over a two-year cycle. Local governments must return any excess to taxpayers by rate reduction. The State must refund 50% of any excess, with the other 50% paid to schools and community colleges. With more liberal annual adjustment factors since 1988, and depressed revenues since 1990 because of the recession, few governments are currently operating near their spending limits, but this condition may change over time. Local governments may by voter approval exceed their spending limits for up to four years.

Because of the complex nature of Articles XIIIA and XIIIB of the California Constitution, the ambiguities and possible inconsistencies in their terms, and the impossibility of predicting future appropriations or changes in population and cost of living, and the probability of continuing legal challenges, it is not currently possible to determine fully the impact of Article XIIIA or Article XIIIB on California Municipal Obligations or on the ability of the State or local governments to pay debt service on such California Municipal Obligations. It is not presently possible to predict the outcome of any pending litigation with respect to the ultimate scope, impact or constitutionality of either Article XIIIA or Article XIIIB, or the impact of any such determinations upon State agencies or local governments, or upon their ability to pay debt service on their obligations. Future

initiative or legislative changes in laws or the California Constitution may also affect the ability of the State or local issuers to repay their obligations.

As of April 1, 1994, the State had approximately $18.1 billion of general obligation bonds outstanding, and $5.6 billion remained authorized but unissued. In addition, at June 30, 1993, the State had lease-purchase obligations, payable from the State's General Fund, of approximately $4.0 billion. Four general obligation bond propositions, totalling $5.9 billion, will be on the June 1994 ballot. In Fiscal Year 1992-93, debt service on general obligation bonds and lease-purchase debt was approximately 4.1% of General Fund revenues. The State has paid the principal of and interest on its general obligation bonds, lease-purchase debt and short-term obligations when due.

The principal sources of General Fund revenues in 1992-93 are the California personal income tax (44% of total revenues), the sales tax (38%), bank and corporation taxes (12%), and the gross premium tax on insurance (3%). The State maintains a Special Fund for Economic Uncertainties (the "Economic Uncertainties Fund"), derived from General Fund revenues, as a reserve to meet cash needs of the General Fund.

Throughout the 1980s, State spending increased rapidly as the State population and economy also grew rapidly, including increased spending for many assistance programs to local governments, which were constrained by Proposition 13 and other laws. The largest State program is assistance to local public school districts. In 1988, an initiative (Proposition 98) was enacted which (subject to suspension by a two-thirds vote of the Legislature and the Governor) guarantees local school districts and community college districts a minimum share of State General Fund revenues (currently about 34%).

Since the start of 1990-91 Fiscal Year, the State has faced adverse economic, fiscal, and budget conditions. The economic recession seriously affected State tax revenues. It also caused increased expenditures for health and welfare programs. The State is also facing a structural imbalance in its budget with the largest programs supported by the General Fund (education, health, welfare and corrections) growing at rates significantly higher than the growth rates for the principal revenue sources of the General Fund. As a result, the State entered a period of budget imbalance, with expenditures exceeding revenues for four of the five fiscal years ending in 1991-92.

As the State fell into a deep recession in the summer of 1990, the State budget fell sharply out of balance in the 1990-91 and 1991-92 fiscal years, despite significant expenditure cuts and tax increases. The State had accumulated a $2.8 billion budget deficit by June 30, 1992. This deficit also severely reduced the State's cash resources, so that it had to rely on external borrowing in the short-term markets to meet its cash needs.

1992-93 Fiscal Year. With the failure to enact a budget by July 1, 1992, the State had no legal authority to pay many of its vendors until the budget was passed; nevertheless, certain obligations (such as debt service, school apportionments, welfare payments, and employee salaries) were payable because of continuing or special appropriations, or court orders. However, the State Controller did not have enough cash to pay all of these ongoing obligations as they came due, as well as valid obligations incurred in the prior fiscal year.

Because of the delay in enacting the budget, the State could not carry out its normal cash flow borrowing and, starting on July 1, 1992, the Controller was required to issue "registered warrants" in lieu of normal warrants backed by cash to pay many State obligations. Available cash was used to pay constitutionally mandated and priority obligations. Between July 1 and September 3, 1992, the Controller issued an aggregate of approximately $3.8 billion of registered warrants, all of which were called for redemption by September 4, 1992 following enactment of the 1992-93 Budget Act and issuance by the State of $3.3 billion of Interim Notes.

The 1992-93 Budget Act, when finally adopted, was projected to eliminate the State's accumulated deficit, with additional expenditure cuts and a $1.3 billion transfer of State education funding costs to local governments by shifting local property taxes to school districts. However, as the recession continued longer and deeper than expected, revenues once again were far below projections, and only reached a level just equal to the amount of expenditures. Thus, the State continued to carry its $2.8 billion budget deficit at June 30, 1993.

The 1993-94 Budget Act was similar to the prior year, in reliance on expenditure cuts and an additional $2.6 billion transfer of costs to local government, particularly counties. A major feature of the budget was a two-year plan to eliminate the accumulated deficit by borrowing into the 1994-95 fiscal year. With the recession still continuing longer than expected, the 1994-95 Governor's Budget now projects that in the 1993-94 Fiscal Year, the General Fund will have $900 million less revenue and $800 million higher expenditures than budgeted. As a result revenues will only exceed expenditures by about $400 million. If this projection is met, it will be the first operating surplus in four years; however, some budget analysts outside the Department of Finance project revenues in the balance of 1993-94 will not even meet the revised, lower projection. In addition, the General Fund may have some unplanned costs for relief related to the January 17, 1994 Northridge earthquake.

The State has implemented its short-term borrowing as part of the deficit elimination plan, and has also borrowed additional sums to cover cash flow shortfalls in the spring of 1994, for a total of $3.2 billion, coming due in July and December, 1994. Repayment of these short-term notes will require additional borrowing, as the State's cash position continues to be adversely affected.

The Governor's 1994-95 Budget proposal recognizes the need to bridge a gap of around $5 billion by June 30, 1995. Over $3.1 billion of this amount is being requested from the federal government as increased aid, particularly for costs associated with incarcerating, educating and providing health and welfare services to undocumented immigrants. However, President Clinton has not included these costs in his proposed Fiscal 1995 Budget. The rest of the budget gap is proposed to be closed with expenditure cuts and projected $600 million of new revenue assuming the State wins a tax case presently pending in the U.S. Supreme Court. Thus the State will once again face significant uncertainties and very difficult choices in the 1994-95 budget, as tax increases are unlikely and many cuts and budget adjustments have been made in the past three years.

The State's severe financial difficulties for the current and upcoming budget years will result in continued pressure upon various local governments, particularly school districts and counties which depend on State aid. Despite efforts in recent years to increase taxes and reduce governmental expenditures, there can be no assurance that the State will not face budget gaps in the future.

State general obligation bonds are currently rated "Aa" by Moody's and "A+" by S&P. Both of these ratings were reduced from "AAA" levels which the State held until late 1991. There can be no assurance that such ratings will be maintained in the future. It should be noted that the creditworthiness of obligations issued by local California issuers may be unrelated to the creditworthiness of obligations issued by the State of California, and that there is no obligation on the part of the State to make payment on such local obligations in the event of default.

The State is involved in certain legal proceedings (described in the State's recent financial statements) that, if decided against the State, may require the State to make significant future expenditures or may substantially impair revenues. The U.S. Supreme Court has granted review of two cases challenging California's "unitary" method of taxing multinational corporations. Although this taxing method has since been changed, if the State loses these cases, it could be liable for tax refunds and lost receipts of taxes assessed totalling $3.5 billion to $4 billion.

Other Issuers of California Municipal Obligations. There are a number of State agencies, instrumentalities and political subdivisions of the State that issue Municipal Obligations, some of which may be conduit revenue obligations payable from payments from private borrowers. These entities are subject to various economic risks and uncertainties, and the credit quality of the securities issued by them may vary considerably from the credit quality of the obligations backed by the full faith and credit of the State.

State Assistance. Property tax revenues received by local governments declined more than 50% following passage of Proposition 13. Subsequently, the California Legislature enacted measures to provide for the redistribution of the State's General Fund surplus to local agencies, the reallocation of certain State revenues to local agencies and the assumption of certain governmental functions by the State to assist municipal issuers to raise revenues. Total local assistance (including public schools) accounted for approximately 75% of General Fund expenditures, including the effect of implementing reductions in certain aid reductions. To reduce State General Fund support for school districts, the 1992-93 and 1993-94 Budget Acts caused local governments to transfer $3.9 billion of property tax revenues to school districts, representing loss of all of the post-Proposition 13 "bail-out" aid. The largest share of these transfers came from counties, and the balance from cities, special districts and redevelopment agencies. In order to make up this shortfall, the Legislature proposed and voters approved dedicating 0.5% of the sales tax to counties and cities for public safety purposes. In addition, the Legislature has changed laws to relieve local governments of certain mandates, allowing them to reduce costs.

To the extent that the State should be constrained by its Article XIIIB appropriations limit, or its obligation to conform to Proposition 98, or other fiscal considerations, the absolute level, or the rate of growth, of State assistance to local governments may continue to be reduced. Any such reductions in State aid could compound the serious fiscal constraints already experienced by many local governments, particularly counties. The Richmond Unified School District (Contra Costa County) entered bankruptcy proceedings in May 1991 but the proceedings have been dismissed.

Assessment Bonds. California Municipal Obligations which are assessment bonds may be adversely affected by a general decline in real estate values or a slowdown in real estate sales activity. In many cases, such bonds are secured by land which is undeveloped at the time of issuance but anticipated to be developed within a few years after issuance. In the event of such reduction or slowdown, such development may not occur or may be delayed, thereby increasing the risk of a default on the bonds. Because the special assessments or taxes securing these bonds are not the personal liability of the owners of the property assessed, the lien on the property is the only security for the bonds. Moreover, in most cases the issuer of these bonds is not required to make payments on the bonds in the event of delinquency in the payment of assessments or taxes, except from amounts, if any, in a reserve fund established for the bonds.

California Long Term Lease Obligations. Certain California long term lease obligations, though typically payable from the general fund of the municipality, are subject to "abatement" in the event the facility being leased is unavailable for beneficial use and occupancy by the municipality during the term of the lease. Abatement is not a default, and there may be no remedies available to the holders of the certificates evidencing the lease obligation in the event abatement occurs. The most common causes of abatement are failure to complete construction of the facility before the end of the period during which lease payments have been capitalized and uninsured casualty losses to the facility (e.g., due to earthquake). In the event abatement occurs with respect to a lease obligation, lease payments may be interrupted (if all available insurance proceeds and reserves are exhausted) and the certificates may not be paid when due.

Several years ago the Richmond Unified School District (the "District") entered into a lease transaction in which certain existing properties of the District were sold and leased back in order to obtain funds to cover

operating deficits. Following a fiscal crisis in which the District's finances were taken over by a State receiver (including a brief period under bankruptcy court protection), the District failed to make rental payments on this lease, resulting in a lawsuit by the Trustee for the Certificate of Participation holders, in which the State was a named defendant (on the grounds that it controlled the District's finances). One of the defenses raised in answer to this lawsuit was the invalidity of the original lease transaction. The trial court upheld the validity of the lease, and the case has been settled. A judgment in a future case against the position asserted by the Trustee in the Richmond case may have adverse implications for lease transactions of a similar nature by other California entities.

The repayment of industrial development securities secured by real property may be affected by California laws limiting foreclosure rights of creditors. Securities backed by health care and hospital revenues may be affected by changes in State regulations governing cost reimbursements to health care providers under Medi-Cal (the State's Medicaid program), including risks related to the policy of awarding exclusive contracts to certain hospitals.

Limitations on ad valorem property taxes may particularly affect "tax allocation" bonds issued by California redevelopment agencies. Such bonds are secured solely by the increase in assessed valuation of a redevelopment project area after the start of redevelopment activity. In the event that assessed values in the redevelopment project decline (for example, because of a major natural disaster such as an earthquake), the tax increment revenue may be insufficient to make principal and interest payments on these bonds. Both Moody's and S&P suspended ratings on California tax allocation bonds after the enactment of Articles XIIIA and XIIIB, and only resumed such ratings on a selective basis.

Proposition 87, approved by California voters in 1988, requires that all revenues produced by a tax rate increase go directly to the taxing entity which increased such tax rate to repay that entity's general obligation indebtedness. As a result, redevelopment agencies (which, typically, are the issuers of tax allocation securities) no longer receive an increase in tax increment when taxes on property in the project area are increased to repay voter-approved bonded indebtedness.

The effect of these various constitutional and statutory changes upon the ability of California municipal securities issuers to pay interest and principal on their obligations remains unclear. Furthermore, other measures affecting the taxing or spending authority of California or its political subdivisions may be approved or enacted in the future. Legislation has been or may be introduced which would modify existing taxes or other revenue-raising measures or which either would further limit or, alternatively, would increase the abilities of state and local governments to impose new taxes or increase existing taxes. It is not presently possible to determine the impact of any such legislation on California Municipal Obligations in which the Fund may invest, future allocations of state revenues to local governments or the abilities of state or local governments to pay the interest on, or repay the principal of, such California Municipal Obligations.

Substantially all of California is within an active geologic region subject to major seismic activity. Any California Municipal Obligation in the Portfolio could be affected by an interruption of revenues because of damaged facilities, or, consequently, income tax deductions for casualty losses or property tax assessment reductions. Compensatory financial assistance could be constrained by the inability of (i) an issuer to have obtained earthquake insurance coverage at reasonable rates; (ii) an insurer to perform on its contracts of insurance in the event of widespread losses; or (iii) the Federal or State government to appropriate sufficient funds within their respective budget limitations.

On January 17, 1994, a major earthquake with an estimated magnitude of 6.8 on the Richter scale struck the Los Angeles area, causing significant property damage to public and private facilities, presently estimated at $15-20 billion. While over $9.5 billion of federal aid, and a projected $1.9 billion of State aid, plus insurance

proceeds, will reimburse much of that loss, there will be some ultimate loss of wealth and income in the region, in addition to costs of the disruption caused by the event. Short-term economic projections are generally neutral, as the infusion of aid will restore billions of dollars to the local economy within a few months; already the local construction industry has picked up. Although the earthquake will hinder recovery from the recession in Southern California, already hard-hit, its long-term impact is not expected to be material in the context of the overall wealth of the region. Almost five years after the event, there are few remaining effects of the 1989 Loma Prieta earthquake in northern California (which, however, caused less severe damage than Northridge).

CALIFORNIA TAX STATUS

In the opinion of Orrick, Herrington & Sutcliffe, special California tax counsel to Insured California Series 6, under existing law:

Insured California Series 6 is not an association taxable as a corporation and the income of Insured California Series 6 will be treated as the income of the Unitholders under the income tax laws of California;

Amounts treated as interest on the underlying Bonds in Insured California Series 6 which are exempt from tax under California personal income tax and property tax laws when received by Insured California Series 6 will, under such laws, retain their status as tax-exempt interest when distributed to Unitholders. However, interest on the underlying Bonds attributed to a Unitholder which is a corporation subject to the California franchise tax laws may be includable in its gross income for purposes of determining its California franchise tax. Further, certain interest which is attributable to a Unitholder subject to the California personal income tax and which is treated as an item of tax preference for purposes of the federal alternative minimum tax pursuant to Section 57(a)(5) of the Internal Revenue Code of 1986 may also be treated as an item of tax preference that must be taken into account in computing such Unitholder's alternative minimum taxable income for purposes of the California alternative minimum tax enacted by 1987 California Statutes, chapter 1138. However, because of the provisions of the California Constitution exempting the interest on bonds issued by the State of California or by local governments within the state, from taxes levied on income, the application of the new California alternative minimum tax to interest otherwise exempt from the California personal income tax in some cases may be unclear;

Under California income tax law, each Unitholder in Insured California Series 6 will have a taxable event when Insured California Series 6 disposes of a Bond (whether by sale, exchange, redemption, or payment at maturity) or when the Unitholder redeems or sells Units. Because of the requirement that tax cost basis be reduced to reflect amortization of bond premium, under some circumstances a Unitholder may realize taxable gains when Units are sold or redeemed for an amount equal to, or less than, their original cost. The total cost of each Unit in Insured California Series 6 to a Unitholder is allocated among each of the Bond issues held in Insured California Series 6 (in accordance with the proportion of Insured California Series 6 comprised by each Bond issue) in order to determine his per Unit tax cost for each Bond issue; and the tax cost reduction requirements relating to amortization of bond premium will apply separately to the per Unit cost of each Bond issue. Unitholders' bases in their Units, and the bases for their fractional interest in each Insured California Series 6 asset, may have to be adjusted for their pro rata share of accrued interest received, if any, on Bonds delivered after the Unitholders' respective settlement dates;

Under the California personal property tax laws, bonds (including the Bonds in Insured California Series 6) or any interest therein is exempt from such tax;

Under Section 17280(b)(2) of the California Revenue and Taxation Code, interest on indebtedness incurred or continued to purchase or carry Units of Insured California Series 6 is not deductible for the purposes of the California personal income tax. While there presently is no California authority interpreting this provision, Section 17280(b)(2) directs the California Franchise Tax Board to prescribe regulations determining the proper allocation and apportionment of interest costs for this purpose. The Franchise Tax Board has not yet proposed or prescribed such regulations. In interpreting the generally similar Federal provision, the Internal Revenue Service has taken the position that such indebtedness need not be directly traceable to the purchase or carrying of Units (although the Service has not contended that a deduction for interest on indebtedness incurred to purchase or improve a personal residence or to purchase goods or services for personal consumption will be disallowed). In the absence of conflicting regulations or other California authority, the California Franchise Tax Board generally has interpreted California statutory tax provisions in accordance with Internal Revenue Service interpretations of similar Federal provisions.

At the respective times of issuance of the Bonds, opinions relating to the validity thereof and to the exemption of interest thereon from Federal income tax and California personal income tax are rendered by bond counsel to the respective issuing authorities and we have relied solely upon such opinions, or, as to securities not yet delivered, forms of such opinions contained in official statements relating to such securities. Except in certain instances in which Orrick, Herrington & Sutcliffe acted as bond counsel to issuers of Bonds in Insured California Series 6, and as such made a review of proceedings relating to the issuance of certain Bonds at the time of their issuance, Orrick, Herrington & Sutcliffe has not made any review for the Trust of the proceedings relating to the issuance of the Bonds in Insured California Series 6 or of the basis for such opinions.

For a discussion of Federal tax matters relating to distributions from the Trust Fund, see "Federal Tax Status."

INSURED COLORADO SERIES 3

SPECIAL CONSIDERATIONS

The State Constitution requires that expenditures for any fiscal year not exceed revenues for such fiscal year. By statute, the amount of General Fund revenues available for appropriation is based upon revenue estimates which, together with other available resources, must exceed annual appropriations by the amount of the unappropriated reserve (the "Unappropriated Reserve"). The Unappropriated Reserve requirement for fiscal years 1991, 1992 and 1993 was set at 3%. For fiscal year 1992 and thereafter, General Fund appropriations are also limited by statute to an amount equal to the cost of performing certain required reappraisals of taxable property plus an amount equal to the lesser of (i) five percent of Colorado personal income or (ii) 106% of the total General Fund appropriations for the previous fiscal year. This restriction does not apply to any General Fund appropriations which are required as a result of a new Federal law, a final state or federal court order or moneys derived from the increase in the rate or amount of any tax or fee approved by a statutory majority of the registered electors of the State voting at any general election. In addition, the limit on the level of General Fund appropriations may be exceeded for a given fiscal year upon the declaration of a State fiscal emergency by the State General Assembly.

The 1992 fiscal year end fund balance was $133.3 million, which was $49.1 million over the 3% Unappropriated Reserve requirement. The 1993 fiscal year ending fund balance was $326.7 million, or $232.5 million over the 3% required

Unappropriated Reserve. Based on March 20, 1994, estimates, the 1994 fiscal year ending fund balance is expected to be $283.6 million, or $183.7 million over the 3% required Unappropriated Reserve.

On November 3, 1992, voters in Colorado approved a constitutional amendment (the "Amendment") which, in general, became effective December 31, 1992, and could restrict the ability of the State and local governments to increase revenues and impose taxes. The Amendment applies to the State and all local governments, including home rule entities ("Districts"). Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined, are excluded from the provisions of the Amendment.

The provisions of the Amendment are unclear and will probably require judicial interpretation. Among other provisions, beginning November 4, 1992, the Amendment requires voter approval prior to tax increases, creation of debt, or mill levy or valuation for assessment ratio increases. The Amendment also limits increases in government spending and property tax revenues to specified percentages. The Amendment requires that District property tax revenues yield no more than the prior year's revenues adjusted for inflation, voter approved changes and (except with regard to school districts) local growth in property values according to a formula set forth in the Amendment. School districts are allowed to adjust tax levies for changes in student enrollment. Pursuant to the Amendment, local government spending is to be limited by the same formula as the limitation for property tax revenues. The Amendment limits increases in expenditures from the State general fund and program revenues (cash funds) to the growth in inflation plus the percentage change in State population in the prior calendar year. The bases for initial spending and revenue limits are fiscal year 1992 spending and 1991 property taxes collected in 1992. The bases for spending and revenue limits for fiscal year 1994 and later years will be the prior fiscal year's spending and property taxes collected in the prior calendar year. Debt service changes, reductions and voter-approved revenue changes are excluded from the calculation bases. The Amendment also prohibits new or increased real property transfer tax rates, new State real property taxes and local District income taxes.

Litigation was filed in 1993 against the Littleton Public School District on issues relating to the power of Districts to increase mill levies for debt service purposes. In this litigation, taxpayers challenged the school district's ability to increase its mill levy to pay debt service on bonds validly authorized pursuant to law existing prior to enactment of the Amendment. In December of 1993, the district court ruled that the Amendment did not prevent the District from raising its mill levy for debt service purposes. The plaintiffs have appealed the district court's decision. The outcome of the appeal cannot be predicted at this time. However, appellate resolution of this case could determine whether Districts can increase the mill levy to pay debt service on outstanding general obligation bonds.

According to the Colorado Economic Perspective, Third Quarter, FY 1993-94, March 20, 1994 (the "Economic Report"), inflation for 1992 was 3.8% and population grew at the rate of 2.8% in Colorado. Accordingly, under the Amendment, increases in State expenditures during the 1994 fiscal year will be limited to 6.6% over expenditures during the 1993 fiscal year. The limitation for the 1995 fiscal year is projected to be 7.1%, based on projected inflation of 4.2% for 1993 and projected population growth of 2.9% during 1993. The 1993 fiscal year is the base year for calculating the limitation for the 1994 fiscal year. For the 1993 fiscal year, general fund revenues totalled $3,450.1 million and program revenues (cash funds) totalled $1,617.6 million, resulting in total estimated base revenues of $5,067.7 million. Expenditures for the 1994 fiscal year, therefore, cannnot exceed $5,402.2 million. However, the 1994 fiscal year general fund

and program revenues (cash funds) are projected to be only $5,233.6 million, or $168.6 million less than expenditures allowed under the spending limitation.

There is also a statutory restriction on the amount of annual increases in taxes that the various taxing jurisdictions in Colorado can levy without electoral approval. This restriction does not apply to taxes levied to pay general obligation debt.

As the State experienced revenue shortfalls in the mid-1980s, it adopted various measures, including impoundment of funds by the Governor, reduction of appropriations by the General Assembly, a temporary increase in the sales tax, deferral of certain tax reductions and inter-fund borrowings. On a GAAP basis, the State had unrestricted General Fund balances at June 30 of approximately $100.3 million in fiscal year 1988, $134.4 million in fiscal year 1989, $116.6

million in fiscal year 1990, $16.3 million in fiscal year 1991, $133.3 million in fiscal year 1992 and $326.7 million in fiscal year 1993. The fiscal year 1994 unrestricted general fund ending balance is currently projected to be $283.6 million.

For fiscal year 1993, the following tax categories generated the following respective revenue percentages of the State's $3,450.1 million total gross receipts: individual income taxes represented 51.0% of gross fiscal year 1993 receipts; excise taxes represented 31.57% of gross fiscal year 1993 receipts; and corporate income taxes represented 4.0% of gross fiscal year 1993 receipts. The final budget for fiscal year 1994 projects general fund revenues of approximately $3,546.6 million and appropriations of approximately $3,328.4 million. The percentages of general fund revenue generated by type of tax for fiscal year 1994 are not expected to be significantly different from fiscal year 1993 percentages.

State Debt. Under its constitution, the State of Colorado is not permitted to issue general obligation bonds secured by the full faith and credit of the State. However, certain agencies and instrumentalities of the State are authorized to issue bonds secured by revenues from specific projects and activities. The State enters into certain lease transactions which are subject to annual renewal at the option of the State. In addition, the State is authorized to issue short-term revenue anticipation notes. Local governmental units in the State are also authorized to incur indebtedness. The major source of financing for such local government indebtedness is an ad valorem property tax. In addition, in order to finance public projects, local governments in the State can issue revenue bonds payable from the revenues of a utility or enterprise or from the proceeds of an excise tax, or assessment bonds payable from special assessments. Colorado local governments can also finance public projects through leases which are subject to annual appropriation at the option of the local government. Local governments in Colorado also issue tax anticipation notes. The Amendment requires prior voter approval for the creation of any multiple fiscal year debt or other financial obligation whatsoever, except for refundings at a lower rate or obligations of an enterprise.

State Economy. Based on data published by the State of Colorado, Office of State Planning and Budgeting as presented in the Economic Report, over 50% of non-agricultural employment in Colorado in 1992 was concentrated in the retail and wholesale trade and service sectors, reflecting the importance of tourism to the State's economy and of Denver as a regional economic and transportation hub. The government and manufacturing sectors followed as the fourth and fifth largest employment sectors in the State, representing approximately 18.3% and 11.6%, respectively, of non-agricultural employment in the State in 1992. The Office of Planning and Budgeting estimates similar concentrations for 1993.

According to the Economic Report, during 1993, 68,700 net new jobs were generated in the Colorado economy, an increase of 4.3% over 1992. The unemployment rate improved slightly from an average of 5.8% during 1992 to 5.5% during 1993. Total retail sales increased by 10.0% during 1993.

Personal income rose 7.8% in Colorado during 1992 and 5.5% in 1991. During 1993, personal income rose 7.1% in Colorado, as compared with 7.2% for the nation as a whole.

Economic conditions in the State may have continuing effects on other governmental units within the State (including issuers of the Bonds in Insured Colorado Series 3), which, to varying degrees, have also experienced reduced revenues as a result of recessionary conditions and other factors.

COLORADO TAX STATUS

The assets of Insured Colorado Series 3 will consist of debt obligations issued by or on behalf of the State of Colorado (the "State") or counties, municipalities, authorities or political subdivisions thereof (the "Colorado Bonds") or by the Commonwealth of Puerto Rico, Guam and the United States Virgin Islands (the "Possession Bonds") (collectively, the "Bonds").

Neither the Sponsor nor its counsel have independently examined the Bonds to be deposited in and held in Insured Colorado Series 3. However, although no opinion is expressed herein regarding such matters, it is assumed that: (i) the Bonds were validly issued, (ii) the interest thereon is excludible from gross income for federal income tax purposes and (iii) interest on the Colorado Bonds, if received directly by a Unitholder, would be exempt from the Colorado income tax applicable to individuals and corporations ("Colorado State Income Tax"). The opinion set forth below does not address the taxation of persons other than full time residents of Colorado.

In the opinion of Chapman and Cutler, counsel to the Sponsor, under existing Colorado law:

(1) Each Colorado Unitholder will be treated as owning a pro rata share of each asset of Insured Colorado Series 3 for Colorado income tax purposes in the proportion that the number of Units of such Trust held by the Unitholder bears to the total number of outstanding Units of the Insured Colorado Trust, and the income of Insured Colorado Series 3 will therefore be treated as the income of each Colorado Unitholder under Colorado law in the proportion described;

(2) Interest on Bonds that would not be includable in income for Colorado income tax purposes when paid directly to a Colorado Unitholder will be exempt from Colorado income taxation when received by Insured Colorado Series 3 and attributed to such Colorado Unitholder and when distributed to such Colorado Unitholder;

(3) To the extent that interest paid and original issue discount, if any, derived from the Insured Colorado Trust by a Unitholder with respect to Possession Bonds is excludable from gross income for Federal income tax purposes pursuant to 48 U.S.C. (S)745, 48 U.S.C. (S)1423a, and 48 U.S.C. (S)1403, such interest paid and original issue discount, if any, will not be subject to the Colorado State Income Tax; however, no opinion is expressed herein regarding taxation of interest paid and original issue discount, if any, on the Possession Bonds received by Insured Colorado Series 3 and distributed to Unitholders under any other tax imposed pursuant to Colorado law;

(4) Any proceeds paid under individual policies obtained by issuers of Bonds in Insured Colorado Series 3 which represent maturing interest on defaulted obligations held by the Trustee will not be includable in income for Colorado income tax purposes if, and to the same extent as, such interest would not have been so includable if paid in the normal course by the issuer of the defaulted obligations;

(5) Each Colorado Unitholder will realize taxable gain or loss when Insured Colorado Series 3 disposes of a Bond (whether by sale, exchange, redemption, or payment at maturity) or when the Colorado Unitholder redeems or sells Units at a price that differs from original cost as adjusted for amortization of bond discount or premium and other basis adjustments (including any basis reduction that may be required to reflect a Colorado Unitholder's share of interest, if any,

accruing on Bonds during the interval between the Colorado Unitholder's settlement date and the date such Bonds are delivered to Insured Colorado Series 3, if later);

(6) Tax cost reduction requirements relating to amortization of bond premium may, under some circumstances, result in Colorado Unitholders realizing taxable gain when their Units are sold or redeemed for an amount equal to or less than their original cost; and

(7) If interest on indebtedness incurred or continued by a Colorado Unitholder to purchase Units in Insured Colorado Series 3 is not deductible for Federal income tax purposes, it also will be non-deductible for Colorado income tax purposes.

Unitholders should be aware that all tax-exempt interest, including their share of interest on the Bonds paid to Insured Colorado Series 3, is taken into account for purposes of determining eligibility for the Colorado Property Tax/Rent/Heat Rebate.

For a discussion of Federal tax matters relating to distributions from the Trust Fund, see "Federal Tax Status."

FEDERAL TAX STATUS

All Municipal Bonds deposited in the Trust Funds will be accompanied by copies of opinions of bond counsel to the issuers thereof, given at the time of original delivery of the Municipal Bonds, to the effect that the interest thereon is excludable from gross income for Federal income tax purposes. In connection with the offering of Units of the Trust Funds, neither the Sponsor, the Trustee, the auditors nor their respective counsel have made any review of the proceedings relating to the issuance of the Municipal Bonds or the basis for such opinions. Gain realized on the sale or redemption of the Municipal

Bonds by the Trustee or of a Unit by a Unitholder is, however, includable in gross income for Federal income tax purposes. Such gain does not include any amounts received in respect of accrued interest or earned original issue discount. It should be noted that under recently enacted legislation described below that subjects accretion of market discount on tax-exempt bonds to taxation as ordinary income, gain realized on the sale or redemption of Municipal Bonds by the Trustee or of Units by a Unitholder that would have been treated as capital gain under prior law is treated as ordinary income to the extent it is attributable to accretion of market discount. Market discount can arise based on the price a Trust Fund pays for Municipal Bonds or the price a Unitholder pays for his or her Units. In addition, bond counsel to the issuing authorities rendered opinions as to the exemption of interest on such Bonds, when held by residents of the state in which the issuers of such bonds are located, from state income taxes and, where applicable, local income taxes.

In the opinion of Chapman and Cutler, counsel for the Sponsor, under existing law:

Each Trust Fund is not an association taxable as a corporation for Federal income tax purposes and interest and accrued original issue discount on Bonds which is excludable from gross income under the Internal Revenue Code of 1986 (the "Code") will retain its status when distributed to Unitholders, except to the extent such interest is subject to the alternative minimum tax, an additional tax on branches of foreign corporations and the environmental tax (the "Superfund Tax"), as noted below.

Each Unitholder is considered to be the owner of a pro rata portion of each asset of the respective Trust Fund in the proportion that the number of Units of such Trust Fund held by him bears to the total number of Units outstanding of such Trust Fund under subpart E, subchapter J of chapter 1 of the Code and will have a taxable event when such Trust Fund disposes of a Bond, or when the Unitholder redeems or sells his Units. Unitholders must reduce the tax basis of their Units for their share of accrued interest received by a Trust Fund, if any, on Bonds delivered after the Unitholders pay for their Units to the extent that such interest accrued on such Bonds during the period from the Unitholder's settlement date to the date such Bonds are delivered to a Trust Fund and, consequently, such Unitholders may have an increase in taxable gain or reduction in capital loss upon the disposition of such Units. Gain or loss upon the sale or redemption of Units is measured by comparing the proceeds of such sale or redemption with the adjusted basis of the Units. If the Trustee disposes of Bonds (whether by sale, payment on maturity, redemption or otherwise), gain or loss is recognized to the Unitholder. The

amount of any such gain or loss is measured by comparing the Unitholder's pro rata share of the total proceeds from such disposition with the Unitholder's basis for his or her fractional interest in the asset disposed of. In the case of a Unitholder who purchases Units, such basis (before adjustment for earned original issue discount and amortized bond premium, if any) is determined by apportioning the cost of the Units among each of the Trust Fund's assets ratably according to value as of the date of acquisition of the Units. The tax cost reduction requirements of the Code relating to amortization of bond premium may, under some circumstances, result in the Unitholder realizing a taxable gain when his Units are sold or redeemed for an amount equal to his original cost.

Any proceeds paid under individual policies obtained by issuers of Bonds which represent maturing interest on defaulted obligations held by the Trustee will be excludable from Federal gross income if, and to the same extent as, such interest would have been so excludable if paid in the normal course by the issuer of the defaulted obligations.

Sections 1288 and 1272 of the Internal Revenue Code of 1986 (the "Code") provide a complex set of rules governing the accrual of original issue discount. These rules provide that original issue discount accrues either on the basis of a constant compound interest rate or ratably over the term of the Municipal Bond, depending on the date the Municipal Bond was issued. In addition, special rules apply if the purchase price of a Municipal Bond exceeds the original issue price plus the amount of original issue discount which would have previously accrued based upon its issue price (its "adjusted issue price"). The application of these rules will also vary depending on the value of the Municipal Bond on the date a Unitholder acquires his Units, and the price the Unitholder pays for his Units. Investors with questions regarding these Code sections should consult with their tax advisers.

The Revenue Reconciliation Act of 1993 (the "Tax Act") subjects tax-exempt bonds to the market discount rules of the Code effective for bonds purchased after April 30, 1993. In general, market discount is the amount (if any) by which the stated redemption price at maturity exceeds an investor's purchase price (except to the extent that such difference, if any, is attributable to original issue discount not yet accrued). Under the Tax Act, accretion of market discount is taxable as ordinary income; under prior law the accretion had been treated as capital gain. Market discount that accretes while a Trust Fund holds a Municipal Bond would be recognized as ordinary income by the Unitholders when principal payments are received on the Municipal Bond, upon sale or at redemption (including early redemption), or upon the sale or redemption of his or her Units, unless a Unitholder elects to include market discount in taxable income as it accrues. The market discount rules are complex and Unitholders should consult their tax advisers regarding these rules and their application.

In the case of certain corporations, the alternative minimum tax and the Superfund Tax depend upon the corporation's alternative minimum taxable income, which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the alternative minimum taxable income and the Superfund Tax of a corporation (other than an S Corporation, Regulated Investment Company, Real Estate Investment Trust, or REMIC) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its alternative minimum taxable income (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" includes all tax-exempt interest, including interest on all of the Bonds in a Trust Fund. Unitholders are urged to consult their tax advisers with respect to the particular tax consequences to them including the corporate alternative minimum tax, the Superfund Tax and the branch profits tax imposed by Section 884 of the Code.

Counsel for the Sponsor has also advised that under Section 265 of the Code, interest on indebtedness incurred or continued to purchase or carry Units of a Trust Fund is not deductible for Federal income tax purposes. The Internal Revenue Service has taken the position that such indebtedness need not be directly traceable to the purchase or carrying of Units (however, these rules generally do not apply to interest paid on indebtedness incurred to purchase or improve a personal residence). Also, under Section 265 of the Code, certain financial institutions that acquire Units would generally not be able to deduct any of the interest expense attributable to ownership of such Units. Investors with questions regarding these issues should consult with their tax advisers.

In the case of certain Municipal Bonds in the Trust Funds, the opinions of bond counsel indicate that interest on such securities received by a "substantial user" of the facilities being financed with the proceeds of these securities or persons related thereto, for periods while such securities are held by such a user or related person, will not be excludable from Federal gross income, although interest on such securities received by others would be excludable from Federal gross income. "Substantial user" and "related person" are defined under U.S. Treasury Regulations. Any person who believes that he or she may be a "substantial user" or a "related person" as so defined should contact his or her tax adviser.

Under existing law, the Trust Funds are not associations taxable as a corporation and the income of the Trust Funds will be treated as the income of the Unitholders under the income tax laws of the State of Missouri.

All statements of law in the Prospectus concerning exclusion from gross income for Federal, state or other tax purposes are the opinions of counsel and are to be so construed.

At the respective times of issuance of the Bonds, opinions relating to the validity thereof and to the exclusion of interest thereon from Federal gross income are rendered by bond counsel to the respective issuing authorities. Neither the Sponsor nor Chapman and Cutler has made any special review for the Trust Funds of the proceedings relating to the issuance of the Bonds or of the basis for such opinions.

For taxpayers other than corporations, net capital gains are presently subject to a maximum marginal stated tax rate of 28 percent. However, it should be noted that legislative proposals are introduced from time to time that affect tax rates and could affect relative differences at which ordinary income and capital gains are taxed. Under the Code, taxpayers must disclose to the Internal Revenue Service the amount of tax-exempt interest earned during the year.

Section 86 of the Code, in general, provides that fifty percent of Social Security benefits are includible in gross income to the extent that the sum of "modified adjusted gross income" plus fifty percent of the Social Security benefits received exceeds a "base amount". The base amount is $25,000 for unmarried taxpayers, $32,000 for married taxpayers filing a joint return and zero for married taxpayers who do not live apart at all times during the taxable year and who file separate returns. Modified adjusted gross income is adjusted gross income determined without regard to certain otherwise allowable deductions and exclusions from gross income and by including tax-exempt interest. To the extent that Social Security benefits are includible in gross income, they will be treated as any other item of gross income.

In addition, under the Tax Act, for taxable years beginning after December 31, 1993, up to 85 percent of Social Security benefits are includible in gross income to the extent that the sum of "modified adjusted gross income" plus fifty percent of Social Security benefits received exceeds an "adjusted base amount." The adjusted base amount is $34,000 for unmarried taxpayers, $44,000 for married taxpayers filing a joint return and zero for married taxpayers who do not live apart at all times during the taxable year and who file separate returns.

Although tax-exempt interest is included in modified adjusted gross income solely for the purpose of determining what portion, if any, of Social Security benefits will be included in gross income, no tax-exempt interest, including that received from the Trust Fund, will be subject to tax. A taxpayer whose adjusted gross income already exceeds the base amount or the adjusted base amount must include 50% or 85%, respectively of his Social Security benefits in gross income whether or not he receives any tax-exempt interest. A taxpayer whose modified adjusted gross income (after inclusion of tax-exempt interest) does not exceed the base amount need not include any Social Security benefits in gross income.

For a discussion of the state tax status of income earned on Units of a state trust, see the discussion of tax status for the applicable trust. Except as noted therein, the exemption of interest on state and local obligations for Federal income tax purposes discussed above does not necessarily result in exemption under the income or other tax laws of any state or city. The laws of the several states vary with respect to the taxation of such obligations.

ESTIMATED CASHFLOWS TO UNITHOLDERS

The tables below set forth the estimated monthly distributions of interest, principal and rebates of Purchased Interest to Unitholders on a per 100 Units basis. The tables assume no changes in expenses, no changes in the current interest rates, no exchanges, redemptions, sales or prepayments of the underlying Securities prior to maturity or expected retirement date and the receipt of principal upon maturity or expected retirement date. To the extent the foregoing assumptions change actual distributions will vary.

INSURED NATIONAL TRUST

Monthly

<TABLE>
<CAPTION>

DATES		ESTIMATED INTEREST DISTRIBUTION	ESTIMATED PRINCIPAL DISTRIBUTION	ESTIMATED PURCHASED INTEREST REBATE	ESTIMATED TOTAL DISTRIBUTION
<S>	<C>	<C>	<C>	<C>	<C>
Jun	15, 1994	$ 0.93			$ 0.93
Jul	15, 1994 to Nov 15, 1998	$ 3.99			$ 3.99
Dec	15, 1998	$ 3.64	$ 194.91		$ 198.55
Jan	15, 1999 to Jun 15, 1999	$ 3.32			$ 3.32
Jul	15, 1999	$ 3.32	$ 194.91		$ 198.23
Aug	15, 1999 to Oct 15, 2000	$ 2.50			$ 2.50
Nov	15, 2000	$ 2.50	$ 194.91		$ 197.41
Dec	15, 2000 to Jun 15, 2001	$ 1.69			$ 1.69
Jul	15, 2001	$ 1.69	$ 194.91		$ 196.60
Aug	15, 2001 to May 15, 2002	$ 0.85			$ 0.85
Jun	15, 2002	$ 0.85	$ 194.91		$ 195.76

</TABLE>

INSURED CALIFORNIA TRUST
- --------------------------

Monthly
- ---------

<TABLE>
<CAPTION>

DATES		ESTIMATED INTEREST DISTRIBUTION	ESTIMATED PRINCIPAL DISTRIBUTION	ESTIMATED PURCHASED INTEREST REBATE	ESTIMATED TOTAL DISTRIBUTION
<S>	<C>	<C>	<C>	<C>	<C>
Jun	15, 1994	$ 0.88			$ 0.88
Jul	15, 1994 to Jun 15, 1997	$ 3.77			$ 3.77
Jul	15, 1997	$ 3.77	$ 65.33		$ 69.10
Aug	15, 1997 to Sep 15, 1997	$ 3.57			$ 3.57
Oct	15, 1997	$ 3.57	$ 130.67		$ 134.24
Nov	15, 1997 to Nov 15, 1998	$ 2.99			$ 2.99
Dec	15, 1998	$ 2.99	$ 196.00		$ 198.99
Jan	15, 1999 to Nov 15, 1999	$ 2.21			$ 2.21
Dec	15, 1999	$ 2.21	$ 196.00		$ 198.21
Jan	15, 2000 to Sep 15, 2000	$ 1.50			$ 1.50
Oct	15, 2000	$ 1.50	$ 196.00		$ 197.50
Nov	15, 2000 to Oct 15, 2001	$ 0.74			$ 0.74
Nov	15, 2001	$ 0.74	$ 196.00		$ 196.74

</TABLE>

DESCRIPTION OF MUNICIPAL BOND RATINGS*

STANDARD & POOR'S CORPORATION.--A brief description of the applicable Standard & Poor's Corporation rating symbols and their meanings follow:

A Standard & Poor's corporate or municipal bond rating is a current assessment of the creditworthiness of an obligor with respect to a specific debt obligation. This assessment may take into consideration obligors such as guarantors, insurers, or lessees.

The bond rating is not a recommendation to purchase, sell or hold a security, inasmuch as it does not comment as to market price or suitability for a particular investor.

The ratings are based on current information furnished by the issuer and obtained by Standard & Poor's from other sources it considers reliable. Standard & Poor's does not perform an audit in connection with any rating and may, on occasion, rely on unaudited financial information. The ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or for other circumstances.

The ratings are based, in varying degrees, on the following considerations:

I. Likelihood of default--capacity and willingness of the obligor as to the timely payment of interest and repayment of principal in accordance with the terms of the obligation;

II. Nature of and provisions of the obligation;

III. Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization or other arrangement, under the laws of bankruptcy and other laws affecting creditors' rights.

AAA--Bonds rated AAA have the highest rating assigned by Standard and Poor's to a debt obligation. Capacity to pay interest and repay principal is extremely strong.

AA--Bonds rated AA have a very strong capacity to pay interest and repay principal and differ from the highest rated issues only in small degree.

A--Bonds rated A have a strong capacity to pay interest and repay principal although they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than bonds in higher rated categories.

BBB--Bonds rated BBB are regarded as having an adequate capacity to pay interest and repay principal. Whereas they normally exhibit adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for bonds in this category than for bonds in higher rated categories.

Plus (+) or Minus (-): The ratings from "AA" to "A" may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

Provisional Ratings: The letter "p" indicates the rating is provisional. A provisional rating assumes the successful completion of the project being financed by the bonds being rated and indicates that payment of debt service requirements is largely or entirely dependent upon the successful and timely completion of the project. This rating, however, while addressing credit quality subsequent to completion of the project, makes no comment on the likelihood of, or the risk of default upon failure of, such completion. The investor should exercise his own judgment with respect to such likelihood and risk.

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* As described by the rating company itself.

MOODY'S INVESTORS SERVICE, INC.--A brief description of the applicable Moody's Investors Service, Inc. rating symbols and their meanings follow:

Aaa--Bonds which are rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues. Their safety is so absolute that with the occasional exception of oversupply in a few specific instances, characteristically, their market value is affected solely by money market fluctuations.

Aa--Bonds which are rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuations of protective elements may be of greater amplitude or there may be other elements present which make the long term risks appear somewhat larger than in Aaa securities. Their market value is virtually immune to all but money market influences, with the occasional exception of oversupply in a few specific instances.

A--Bonds which are rated A possess many favorable investment attributes and are to be considered as upper medium grade obligations. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a susceptibility to impairment sometime in the future. The market value of A-rated bonds may be influenced to some degree by economic performance during a sustained period of depressed business conditions, but, during periods of normalcy, A-rated bonds frequently move in parallel with Aaa and Aa obligations, with the occasional exception of oversupply in a few specific instances.

A1--Bonds which are rated A1 offer the maximum in security within their quality group, can be bought for possible upgrading in quality, and additionally, afford the investor an opportunity to gauge more precisely the relative attractiveness of offerings in the marketplace.

Baa--Bonds which are rated Baa are considered as lower medium grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and, in fact, have speculative characteristics as well. The market value of Baa-rated bonds is more sensitive to changes in economic circumstances and, aside from occasional speculative factors applying to some bonds of this class, Baa market valuations move in parallel with Aaa, Aa and A obligations during periods of economic normalcy, except in instances of oversupply.

Conditional Ratings: Bonds rated "Con(-)" are ones for which the security depends upon the completion of some act or the fulfillment of some condition. These are bonds secured by (a) earnings of projects under construction, (b) earnings of projects unseasoned in operation experience, (c) rentals which begin when facilities are completed, or (d) payments to which some other limiting condition attaches. Parenthetical rating denotes probable credit stature upon completion of construction or elimination of basis of condition.

Note: Moody's applies numerical modifiers, 1, 2, and 3 in each generic rating classification from Aa through B in certain areas of its bond rating system. The modifier 1 indicates that the security ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

PORTFOLIOS

The Trust Funds may be an appropriate investment vehicle for investors who desire to participate in a portfolio of tax-exempt fixed income securities with greater diversification than they might be able to acquire individually. In addition, Municipal Bonds of the type deposited in the Trust Fund are often not available in small amounts.

The selection of Municipal Bonds for each Trust Fund was based largely upon the experience and judgment of the Sponsor. In making such selections the Sponsor considered the following factors: (a) Standard & Poor's or Moody's ratings of the Municipal Bonds; (b) the price of the Municipal Bonds relative to other issues of similar quality and maturity; (c) the diversification of the Municipal Bonds as to purpose of issue; (d) the income to the Unitholders of the Trust; (e) in the case of insured Trust Funds whether such Bonds were insured or the availability and cost of insurance for the scheduled payment of principal and interest on the Municipal Bonds; and (f) the dates of maturity of the Bonds.

All of the Municipal Bonds in each Trust Fund's portfolio are rated in the category "BBB" or better (including provisional or conditional ratings) by Standard & Poor's or "Baa" or better by Moody's. See "Description of Municipal Bond Ratings" and "The Trust Funds--Portfolios."

All Municipal Bonds deposited in the Trust Funds on the Date of Deposit were represented by purchase contracts assigned to the Trustee together with cash, cash equivalents or irrevocable letters of credit issued by a major commercial bank in the amounts necessary to complete the purchase thereof.

Bonds in certain of the Trust Funds may have been purchased on a "when, as and if issued" or delayed delivery basis with delivery expected to take place after the First Settlement Date. See "Notes to Portfolio." Accordingly, the delivery of such Bonds may be delayed or may not occur. Interest on these Municipal Bonds begins accruing to the benefit of Unitholders on their respective dates of delivery. To the extent any Municipal Bonds are actually delivered to a Trust Fund after their respective expected dates of delivery, Unitholders who purchase Units in such Trust Fund prior to the date such "when, as and if issued" or "delayed delivery" Municipal Bonds are actually delivered to the Trustee would, to the extent such income is not offset by a reduction in the Trustee's fee (or, to the extent necessary, other expenses), be required to reduce their tax basis in their Units of such Trust Fund since the interest accruing on such Bonds during the interval between their purchase of Units and the actual delivery of such Bonds would, for tax purposes, be considered a non-taxable return of principal rather than as tax-exempt interest. The result of such adjustment, if necesssary, would be, during the first year only, that the Estimated Long-Term Returns may be, and the Estimated Current Returns would be, slightly lower than those shown herein, assuming the Trust Fund portfolios and estimated annual expenses do not vary. See footnote (3) to "Essential Information." Holders of Units will be "at risk" with respect to these Bonds (i.e., may derive either gain or loss from fluctuations in the evaluation of such Bonds) from the date they commit for Units.

The Sponsor and the Trustee shall not be liable in any way for any default, failure or defect in any Municipal Bond. In the event of a notice that any Bonds, including "when, as and if issued" Bonds that have been purchased for the Trust under contracts, will not be delivered ("Failed Bonds"), the Sponsor is authorized under the Trust Agreement to direct the Trustee to acquire other bonds ("Replacement Bonds").

The Replacement Bonds must be purchased within 20 days after delivery of the notice that a contract to deliver a Municipal Bond will not be honored and the purchase price may not exceed the amount of funds reserved for the purchase of the Failed Bonds. The Replacement Bonds (i) must be tax-exempt bonds issued by the appropriate state or counties, municipalities, authorities or political subdivisions thereof, (ii) must have a fixed maturity date of at least three years if the Bonds are to be deposited in a trust other than a long-term

Trust or at least 10 years if the Bonds are to be deposited in a long-term Trust, (iii) must be purchased at a price that results in a yield to maturity and a current return at least equal to that of the Failed Bonds as of the Date of Deposit, (iv) shall not be "when, as and if issued" bonds, (v) must satisfy the rating criteria for Bonds originally included in such Trust and (vi) in the case of Insured Trust Funds must be insured. Whenever a Replacement Bond is acquired for a Trust Fund, the Trustee shall, within five days thereafter, notify all Unitholders of the Trust Fund of the acquisition of the Replacement Bond. Once all of the Bonds in a Trust Fund are acquired, the Trustee will have no power to vary the investments of the Trust Fund, i.e., the Trustee will have no managerial power to take advantage of market variations to improve a Unitholder's investment.

If the right of limited substitution described in the preceding paragraphs is not utilized to acquire Replacement Bonds in the event of a failed contract, the Sponsor will refund the sales charge attributable to such Failed Bonds to all Unitholders of the Trust Fund and the Trustee will distribute the principal, Purchased Interest and Daily Accrued Interest attributable to such Failed Bonds not more than 30 days after the date on which the Trustee would have been required to purchase a Replacement Bond. In addition, Unitholders should be aware that, at the time of receipt of such principal, they may not be able to reinvest such proceeds in other securities at a yield equal to or in excess of the yield which such proceeds would have earned for Unitholders of such Trust Fund.

Whether or not a Replacement Bond is acquired, an amount equal to the accrued interest (at the coupon rate of the Failed Bonds) will be paid to Unitholders of the Trust Fund to the date the Sponsor is notified of the failure if the Sponsor determines not to purchase a Replacement Bond or to the date of substitution if a Replacement Bond is purchased. All such interest paid to Unitholders which accrued after the date of settlement for a purchase of Units will be paid by the Sponsor. In the event a Replacement Bond could not be acquired by the Trust Fund, the net annual interest income per Unit for such Trust Fund would be reduced and the Estimated Current Return and Estimated Long-Term Return might be lowered.

Subsequent to the Date of Deposit, a Municipal Bond may cease to be rated or its rating may be reduced below the minimum required as of the Date of Deposit. Neither event requires the elimination of such investment from a Trust Fund, but may be considered in the Sponsor's determination to direct the Trustee to dispose of such investment. See "Investment Supervision."

The Sponsor may not alter the portfolio of a Trust Fund except upon the happening of certain extraordinary circumstances. See "Investment Supervision." Municipal Bonds in such Trust Fund are subject to optional call or mandatory redemption pursuant to sinking fund provisions, in each case prior to their stated maturity. A bond subject to optional call is one which is subject to redemption or refunding prior to maturity at the option of the issuer, often at a premium over par. A refunding is a method by which a bond issue is redeemed, at or before maturity, by the proceeds of a new bond issue. A bond subject to sinking fund redemption is one which is subject to partial call from time to time at par with proceeds from a fund accumulated for the scheduled retirement of a portion of an issue prior to maturity. Special or extraordinary redemption provisions may provide for redemption at par of all or a portion of an issue upon the occurrence of certain circumstances, which may be prior to the optional call dates shown in "The Trust Funds--Portfolios." Redemption pursuant to optional call provisions is more likely to occur, and redemption pursuant to special or extraordinary redemption provisions may occur, when the Bonds have an offering side evaluation which represents a premium over par, that is, when they are able to be refinanced at a lower cost. The proceeds from any such call or redemption pursuant to sinking fund provisions, as well as proceeds from the sale of Municipal Bonds and from Municipal Bonds which mature in accordance with their terms from a Trust Fund, unless utilized to pay for Units tendered for redemption, will be distributed to Unitholders of such Trust Fund and will not be used to purchase additional Municipal Bonds for the Trust Fund. Accordingly, any such call, redemption, sale or maturity will reduce the size and diversity of the Trust Fund and the net annual interest income of the Trust Fund and may reduce the Estimated Current Return and the Estimated Long-Term Return. See "Interest, Estimated Long-Term Return and Estimated Current Return." The call, redemption, sale or maturity of Municipal Bonds also may have tax consequences to a Unitholder. See "Federal Tax Status." Information with respect to the call provisions and maturity dates of the Municipal Bonds is contained in "The Trust Funds--Portfolios."

Insurance guaranteeing the scheduled payment of principal and interest on all of the Municipal Bonds in an Insured Trust Fund has been obtained directly by the issuer or the Sponsor. See "Insurance on the Portfolios of the Insured Trust Funds" and "The Trust Funds--Portfolios." The value of insurance obtained by the issuer or the Sponsor of a Municipal Bond is reflected and included in the market value of such Bonds. See "Insurance on the Portfolios of the Insured Trust Funds."

Each Unit of a Trust Fund represents an undivided fractional interest in the Municipal Bonds deposited therein, in the ratio shown under "Essential Information." Units may be purchased and certificates, if requested, will be issued in denominations of one Unit or any multiple or fraction thereof, subject to the Trust's minimum investment requirement of one Unit. Fractions of Units will be computed to three decimal points. To the extent that Units of a Trust Fund are redeemed, the principal amount of Municipal Bonds in the Trust Fund will be reduced and the undivided fractional interest represented by each outstanding Unit of such Trust Fund will increase. See "Redemption."

GENERAL TRUST INFORMATION

None of the special counsel to the various Trust Funds has expressed any opinion regarding the completeness or materiality of any matters contained in this Prospectus other than the tax opinions set forth under "Federal Tax Status."

Certain of the Bonds in the Trust Funds may be general obligations of a governmental entity that are backed by the taxing power of such entity. All other Bonds in the Trusts are revenue bonds payable from the income of a specific project or authority and are not supported by the issuer's power to levy taxes. General obligation bonds are secured by the issuer's pledge of its faith, credit and taxing power for the payment of principal and interest. Revenue bonds, on the other hand, are payable only from the revenues derived from a particular facility or class of facilities or, in some cases, from the proceeds of a special excise or other specific revenue source. There are, of course, variations in the security of the different Bonds in the Trust Funds, both within a particular classification and between classifications, depending on numerous factors.

Certain of the Bonds in the Trust Funds may be obligations of issuers whose revenues are derived from services provided by hospitals and other health care facilities, including nursing homes. Ratings of bonds issued for health care facilities are often based on feasibility studies that contain projections of occupancy levels, revenues and expenses. A facility's gross receipts and net income available for debt service will be affected by future events and conditions including, among other things, demand for services and the ability of the facility to provide the services required, physicians' confidence in the facility, management's capabilities, economic developments in the service area, competition, efforts by insurers and governmental agencies to limit rates, legislation establishing state rate-setting agencies, expenses, the cost and possible unavailability of malpractice insurance, the funding of Medicare, Medicaid and other similar third party payor programs, and government regulation. Federal legislation has been enacted which implements a system of prospective Medicare reimbursement which may restrict the flow of revenues to hospitals and other facilities which are reimbursed for services provided under the Medicare program. Future legislation or changes in the areas noted above, among other things, would affect all hospitals to varying degrees and, accordingly, any adverse changes in these areas may affect the ability of such issuers to make payments of

principal and interest on Municipal Bonds held in the portfolios of the Trust Funds. Such adverse changes also may affect the ratings of the Municipal Bonds held in the portfolios of the Trust Funds.

Certain of the Bonds in the Trust Funds may be single family mortgage revenue bonds, which are issued for the purpose of acquiring from originating financial institutions notes secured by mortgages on residences located within the issuer's boundaries and owned by persons of low or moderate income. Mortgage loans are generally partially or completely prepaid prior to their final maturities as a result of events such as sale of the mortgaged premises, default, condemnation or casualty loss. Because these Bonds are subject to extraordinary mandatory redemption in whole or in part from such prepayments of mortgage loans, a substantial portion of such Bonds will probably be redeemed prior to their scheduled maturities or even prior to their ordinary call dates. The redemption price of such issues may be more or less than the offering price of such Bonds. Extraordinary mandatory redemption without premium could also result from the failure of the originating financial institutions to make mortgage loans in sufficient amounts within a specified time period or, in some cases, from the sale by the Bond issuer of the mortgage loans. Failure of the originating financial institutions to make mortgage loans would be due principally to the interest rates on mortgage loans funded from other sources becoming competitive with the interest rates on the mortgage loans funded with the proceeds of the single family mortgage revenue bonds. Additionally, unusually high rates of default on the underlying mortgage loans may reduce revenues available for the payment of principal of or interest on such mortgage revenue bonds. Single family mortgage revenue bonds issued after December 31, 1980 were issued under Section 103A of the Internal Revenue Code of 1954, which Section contains certain ongoing requirements relating to the use of the proceeds of such Bonds in order for the interest on such Bonds to retain its tax-exempt status. In each case, the issuer of the Bonds has covenanted to comply with applicable ongoing requirements and bond counsel to such issuer has issued an opinion that the interest on the Bonds is exempt from Federal income tax under existing laws and regulations. There can be no assurances that the ongoing requirements will be met. The failure to meet these requirements could cause the interest on the Bonds to become taxable, possibly retroactively from the date of issuance.

Certain of the Bonds in the Trust Funds may be obligations of issuers whose revenues are primarily derived from mortgage loans to housing projects for low to moderate income families. The ability of such issuers to make debt service payments will be affected by events and conditions affecting financed projects, including, among other things, the achievement and maintenance of sufficient occupancy levels and adequate rental income, increases in taxes, employment and income conditions prevailing in local labor markets, utility costs and other operating expenses, the managerial ability of project managers, changes in laws and governmental regulations, the appropriation of subsidies and social and economic trends affecting the localities in which the projects are located. The occupancy of housing projects may be adversely affected by high rent levels and income limitations imposed under Federal and state programs. Like single family mortgage revenue bonds, multi-family mortgage revenue bonds are subject to redemption and call features, including extraordinary mandatory redemption features, upon prepayment, sale or non-origination of mortgage loans as well as upon the occurrence of other events. Certain issuers of single or multi-family housing bonds have considered various ways to redeem bonds they have issued prior to the stated first redemption dates for such bonds. In connection with the housing Bonds held by the Trust Funds, the Sponsor has not had any direct communications with any of the issuers thereof, but at the Date of Deposit it is not aware that any of the respective issuers of such Bonds are actively considering the redemption of such Bonds prior to their respective stated initial call dates. However, there can be no assurance that an issuer of a Bond in the Trusts will not attempt to so redeem a Bond in the Trust Funds.

Certain of the Bonds in the Trust Funds may be obligations of issuers whose revenues are derived from the sale of water and/or sewerage services. Water and sewerage bonds are generally payable from user fees.

Problems faced by such issuers include the ability to obtain timely and adequate rate increases, a decline in population resulting in decreased user fees, the difficulty of financing large construction programs, the limitations on operations and increased costs and delays attributable to environmental considerations, the increasing difficulty of obtaining or discovering new supplies of fresh water, the effect of conservation programs and the impact of "no-growth" zoning ordinances. Issuers may have experienced these problems in varying degrees.

Certain of the Bonds in the Trust Funds may be obligations of issuers whose revenues are primarily derived from the sale of electric energy or natural gas. Utilities are generally subject to extensive regulation by state utility commissions which, among other things, establish the rates which may be charged and the appropriate rate of return on an approved asset base. The problems faced by such issuers include the difficulty in obtaining approval for timely and adequate rate increases from the governing public utility commission, the difficulty in financing large construction programs, the limitations on operations and increased costs and delays attributable to environmental considerations, increased competition, recent reductions in estimates of future demand for electricity in certain areas of the country, the difficulty of the capital market in absorbing utility debt, the difficulty in obtaining fuel at reasonable prices and the effect of energy conservation. Issuers may have experienced these problems in varying degrees. In addition, Federal, state and municipal governmental authorities may from time to time review existing and impose additional regulations governing the licensing, construction and operation of nuclear power plants, which may adversely affect the ability of the issuers of such Bonds to make payments of principal and/or interest on such Bonds.

Certain of the Bonds in the Trust Funds may be industrial revenue bonds ("IRBs"), including pollution control revenue bonds, which are tax-exempt securities issued by states, municipalities, public authorities or similar entities to finance the cost of acquiring, constructing or improving various industrial projects. These projects are usually operated by corporate entities. Issuers are obligated only to pay amounts due on the IRBs to the extent that funds are available from the unexpended proceeds of the IRBs or receipts or revenues of the issuer under an arrangement between the issuer and the corporate operator of a project. The arrangement may be in the form of a lease, installment sale agreement, conditional sale agreement or loan agreement, but in each case the payments to the issuer are designed to be sufficient to meet the payments of amounts due on the IRBs. Regardless of the structure, payment of IRBs is solely dependent upon the creditworthiness of the corporate operator of the project or corporate guarantor. Corporate operators or guarantors may be affected by many factors which may have an adverse impact on the credit quality of the particular company or industry. These include cyclicality of revenues and earnings, regulatory and environmental restrictions, litigation resulting from accidents or environmentally-caused illnesses, extensive competition and financial deterioration resulting from leveraged buy-outs or takeovers. The IRBs in the Trust Funds may be subject to special or extraordinary redemption provisions which may provide for redemption at par or, with respect to original issue discount bonds, at issue price plus the amount of original issue discount accreted to the redemption date plus, if applicable, a premium. The Sponsor cannot predict the causes or likelihood of the redemption of IRBs or other Bonds in the Trust Funds prior to the stated maturity of such Bonds.

Certain of the Bonds in the Trust Funds may be obligations which are payable from and secured by revenues derived from the ownership and operation of facilities such as airports, bridges, turnpikes, port authorities, convention centers and arenas. The major portion of an airport's gross operating income is generally derived from fees received from signatory airlines pursuant to use agreements which consist of annual payments for leases, occupancy of certain terminal space and service fees. Airport operating income may therefore be affected by the ability of the airlines to meet their obligations under the use agreements. The air transport industry is experiencing significant variations in earnings and traffic, due to increased competition, excess

capacity, increased costs, deregulation, traffic constraints and other factors, and several airlines are experiencing severe financial difficulties. The Sponsor cannot predict what effect these industry conditions may have on airport revenues which are dependent for payment on the financial condition of the airlines and their usage of the particular airport facility. Similarly, payment on Bonds related to other facilities is dependent on revenues from the projects, such as user fees from ports, tolls on turnpikes and bridges and rents from buildings. Therefore, payment may be adversely affected by reduction in revenues due to such factors as increased cost of maintenance, decreased use of a facility, lower cost of alternative modes of transportation, scarcity of fuel and reduction or loss of rents.

Certain of the Bonds in the Trust Funds may be obligations of issuers which are, or which govern the operation of, schools, colleges and universities and whose revenues are derived mainly from ad valorem taxes, or for higher education systems, from tuition, dormitory revenues, grants and endowments. General problems relating to school bonds include litigation contesting the state constitutionality of financing public education in part from ad valorem taxes, thereby creating a disparity in educational funds available to schools in wealthy areas and schools in poor areas. Litigation or legislation on this issue may affect the sources of funds available for the payment of school bonds in the Trusts. General problems relating to college and university obligations would include the prospect of a declining percentage of the population consisting of "college" age individuals, possible inability to raise tuition and fees sufficiently to cover increased operating costs, the uncertainty of continued receipt of Federal grants and state funding and new government legislation or regulations which may adversely affect the revenues or costs of such issuers. All of such issuers have been experiencing certain of these problems in varying degrees.

Certain of the Bonds in the Trust Funds may be Urban Redevelopment Bonds ("URBs"). URBs have generally been issued under bond resolutions pursuant to which the revenues and receipts payable under the arrangements with the operator of a particular project have been assigned and pledged to purchasers. In some cases, a mortgage on the underlying project may have been granted as security for the URBs. Regardless of the structure, payment of the URBs is solely dependent upon the creditworthiness of the operator of the project.

Certain of the Bonds in the Trust Funds may be lease revenue bonds whose revenues are derived from lease payments made by a municipality or other political subdivision which is leasing equipment or property for use in its operation. The risks associated with owning Bonds of this nature include the possibility that appropriation of funds for a particular project or equipment may be discontinued. The Sponsor cannot predict the likelihood of nonappropriation of funds for these types of lease revenue Bonds.

Certain of the Bonds in the Trust Funds may be sales and/or use tax revenue bonds whose revenues are derived from the proceeds of a special sales or use tax. Such taxes are generally subject to continuing Legislature approval. Payments may be adversely affected by reduction of revenues due to decreased use of a facility or decreased sales.

Certain of the Bonds in the Trust Funds may be "zero coupon" bonds, i.e., an original issue discount bond that does not provide for the payment of current interest. Zero coupon bonds are purchased at a deep discount because the buyer receives only the right to receive a final payment at the maturity of the bond and does not receive any periodic interest payments. The effect of owning deep discount bonds which do not make current interest payments (such as the zero coupon bonds) is that a fixed yield is earned not only on the original investment but also, in effect, on all discount earned during the life of such obligation. This implicit reinvestment of earnings at the same rate eliminates the risk of being unable to reinvest the income on such obligation at a rate as high as the implicit yield on the discount obligation, but at the same time eliminates the holder's ability to reinvest at higher rates in the future. For this reason, zero coupon bonds are subject to

substantially greater price fluctuations during periods of changing market interest rates than are securities of comparable quality which pay interest currently. For the Federal tax consequences of original issue discount bonds such as the zero coupon bonds, see "Federal Tax Status."

Investors should be aware that many of the Bonds in the Trust Funds are subject to continuing requirements such as the actual use of Bond proceeds or manner of operation of the project financed from Bond proceeds that may affect the exemption of interest on such Bonds from Federal income taxation. Although at the time of issuance of each of the Bonds in the Trusts an opinion of bond counsel was rendered as to the exemption of interest on such obligations from Federal income taxation, there can be no assurance that the respective issuers or other obligors on such obligations will fulfill the various continuing requirements established upon issuance of the Bonds. A failure to comply with such requirements may cause a determination that interest on such obligations is subject to Federal income taxation, perhaps even retroactively from the date of issuance of such Bonds, thereby reducing the value of the Bonds and subjecting Unitholders to unanticipated tax liabilities.

Federal bankruptcy statutes relating to the adjustment of debts of political subdivisions or authorities of states of the United States provide that, in certain circumstances, such subdivisions or authorities may be authorized to initiate bankruptcy proceedings without prior notice to or consent of creditors, which proceedings could result in material and adverse modification or alteration of the rights of holders of obligations issued by such subdivisions or authorities.

Certain of the Bonds in the Trust Funds may represent "moral obligations" of a governmental entity other than the issuer. In the event that the issuer of a Municipal Bond defaults in the repayment thereof, the governmental entity lawfully may, but is not obligated to, discharge the obligation of the issuer to repay such Municipal Bond.

To the best of the Sponsor's knowledge, there is no litigation pending as of the Date of Deposit in respect of any Municipal Bond which might reasonably be expected to have a material adverse effect on the Trusts or any Trust Fund. At any time after the Date of Deposit, litigation may be instituted on a variety of grounds with respect to the Municipal Bonds. Although the Sponsor is unable to predict whether any such litigation may be instituted, or if instituted, whether such litigation might have a material adverse effect on any Trust Fund, the Trust Funds receive copies of the opinions of bond counsel given at the time of original delivery of each of the Municipal Bonds to the effect that the Municipal Bonds have been validly issued and that the interest thereon is exempt from Federal income taxes.

INSURANCE ON THE PORTFOLIOS OF THE INSURED TRUST FUNDS

All Municipal Bonds in the portfolios of the Insured Trust Funds are insured as to the scheduled payment of interest and principal by the issuer or the Sponsor from Municipal Bond Investors Assurance Corporation or other insurers. See "The Trust Funds--Portfolios" and the Notes thereto. The premium for any insurance policy or policies obtained by an issuer of Municipal Bonds or the Sponsor has been paid in advance by such issuer or the Sponsor and any such policy or policies are non-cancellable and will remain in force so long as the Municipal Bonds so insured are outstanding and the insurer and/or insurers thereof remain in business. Where Municipal Bond insurance is obtained by the issuer or the Sponsor directly from Municipal Bond Investors Assurance Corporation or another insurer, no premiums for insurance are paid by an Insured Trust Fund. If the provider of an original issuance insurance policy is unable to meet its obligations under such policy or if the rating assigned to the claims-paying ability of any such insurer deteriorates, no other insurer has an obligation to insure any issue adversely affected by either of the above described events.

The aforementioned insurance guarantees the scheduled payment of principal and interest on all of the Municipal Bonds in an Insured Trust Fund. It does not guarantee the market value of the Municipal Bonds or the value of the Units of the Insured Trust Fund. Insurance obtained by the issuer of a Municipal Bond or the Sponsor is effective so long as the Bond is outstanding, whether or not held by an Insured Trust Fund. Therefore, any such insurance may be considered to represent an element of market value in regard to the Bonds thus insured, but the exact effect, if any, of this insurance on such market value cannot be predicted.

Financial Guaranty Insurance Company. Financial Guaranty is a wholly-owned subsidiary of FGIC Corporation (the "Corporation"), a Delaware holding company. The Corporation is a wholly-owned subsidiary of General Electric Capital Corporation ("GECC"). Neither the Corporation nor GECC is obligated to pay the debts or the claims against Financial Guaranty. Financial Guaranty is domiciled in the State of New York and is subject to regulation by the State of New York Insurance Department. As of December 31, 1993, the total capital and surplus of Financial Guaranty was approximately $777,000,000. Copies of Financial Guaranty's financial statements, prepared on the basis of statutory accounting principles, and the Corporation's financial statements, prepared on the basis of generally accepted accounting principles, may be obtained by writing to Financial Guaranty at 115 Broadway, New York, New York 10006, Attention: Communications Department (telephone number is (212) 312-3000) or to the New York State Insurance Department at 160 West Broadway, 18th Floor, New York, New York 10013, Attention: Property Companies Bureau (telephone number (212) 621-0389).

In addition, Financial Guaranty Insurance Company is currently authorized to write insurance in 50 states and the District of Columbia.

The information relating to Financial Guaranty contained above has been furnished by such corporation. The financial information contained herein with respect to such corporation is unaudited but appears in reports or other materials filed with state insurance regulatory authorities and is subject to audit and review by such authorities. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date thereof but the Sponsor is not aware that the information herein is inaccurate or incomplete.

AMBAC Indemnity Corporation. AMBAC Indemnity Corporation ("AMBAC") is a Wisconsin-domiciled stock insurance company, regulated by the Office of the Commissioner of Insurance of the State of Wisconsin, and licensed to do business in 50 states, the District of Columbia and the Commonwealth of Puerto Rico, with admitted assets (unaudited) of approximately $1,936,000,000 and statutory capital (unaudited) of approximately $1,096,000,000 as of September 30, 1993. Statutory capital consists of AMBAC policyholders' surplus and statutory contingency reserve. AMBAC is a wholly owned subsidiary of AMBAC Inc., a 100% publicly-held company. Moody's Investors Service, Inc. and Standard & Poor's Corporation have both assigned a AAA claims-paying ability rating to AMBAC. Copies of AMBAC's financial statements prepared in accordance with statutory accounting standards are available from AMBAC. The address of AMBAC's administrative offices and its telephone number are One State Street Plaza, 17th Floor, New York, New York 10004 and (212) 668-0340. AMBAC has entered into quota share reinsurance agreements under which a percentage of the insurance underwritten pursuant to certain municipal bond insurance programs of AMBAC has been and will be assumed by a number of foreign and domestic unaffiliated reinsurers.

Municipal Bond Investors Assurance Corporation. Municipal Bond Investors Assurance Corporation ("MBIA Corporation") is the principal operating subsidiary of MBIA, Inc., a New York Stock Exchange listed company. MBIA, Inc. is not obligated to pay the debts of or claims against MBIA Corporation. MBIA Corporation, which commenced municipal bond insurance operations on January 5, 1987, is a limited

liability corporation rather than a several liability association. MBIA Corporation is domiciled in the State of New York and licensed to do business in all 50 states, the District of Columbia and the Commonwealth of Puerto Rico.

As of December 31, 1993, MBIA had admitted assets of $3.1 billion (audited), total liabilities of $2.1 billion (audited), and total capital and surplus of $978 million (audited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. Standard & Poor's Corporation has rated the claims paying ability of MBIA "AAA". Copies of MBIA Corporation's financial statements prepared in accordance with statutory accounting practices are available from MBIA Corporation. The address of MBIA Corporation is 113 King Street, Armonk, New York 10504.

Effective December 31, 1989, MBIA Inc. acquired Bond Investors Group, Inc. On January 5, 1990, the Insurer acquired all of the outstanding stock of Bond Investors Group, Inc., the parent of BIG, now known as MBIA Insurance Corp. of Illinois. Through a reinsurance agreement, BIG has ceded all of its net insured risks, as well as its unearned premium and contingency reserves, to the Insurer and the Insurer has reinsured BIG's net outstanding exposure.

Moody's Investors Service rates all bond issues insured by MBIA "Aaa" and short-term loans "MIG1," both designated to be of the highest quality. Standard & Poor's Corporation rates all new issues insured by MBIA "AAA."

Financial Security Assurance. Financial Security Assurance ("Financial Security" or "FSA") is a monoline insurance company incorporated on March 16, 1984 under the laws of the State of New York. The operations of Financial Security commenced on July 25, 1985, and Financial Security received its New York State insurance license on September 23, 1985. Financial Security and its two wholly owned subsidiaries are licensed to engage in financial guaranty insurance business in 49 states, the District of Columbia and Puerto Rico.

Financial Security and its subsidiaries are engaged exclusively in the business of writing financial guaranty insurance, principally in respect of asset-backed and other collateralized securities offered in domestic and foreign markets. Financial Security and its subsidiaries also write financial guaranty insurance in respect of municipal and other obligations and reinsure financial guaranty insurance policies written by other leading insurance companies. In general, financial guaranty insurance consists of the issuance of a guaranty of scheduled payments of an issuer's securities, thereby enhancing the credit rating of these securities, in consideration for payment of a premium to the insurer.

Financial Security is approximately 91.6% owned by U S West, Inc. and 8.4% owned by The Tokio Marine and Fire Insurance Co., Ltd. ("Tokio Marine"). Neither U S WEST, Inc. nor Tokio Marine is obligated to pay the debts of or the claims against Financial Security. Financial Security is domiciled in the State of New York and is subject to regulation by the State of New York Insurance Department.

As of March 31, 1993, the total policyholders' surplus and contingency reserves and the total unearned premium reserve, respectively, of Financial Security and its consolidated subsidiaries were, in accordance with statutory accounting principles, approximately $479,110,000 (unaudited) and $220,078,000 (unaudited), and the total shareholders' equity and the unearned premium reserve, respectively, of Financial Security and its consolidated subsidiaries were, in accordance with generally accepted accounting principles, approximately $628,119,000 (unaudited) and $202,493,000 (unaudited).

Copies of Financial Security's financial statements may be obtained by writing to Financial Security at 350 Park Avenue, New York, New York, 10022, Attention Communications Department. Financial Security's telephone number is (212) 826-0100.

Pursuant to an intercompany agreement, liabilities on financial guaranty insurance written by Financial Security or either of its subsidiaries are reinsured among such companies at an agreed-upon percentage substantially proportional to their respective capital, surplus and reserves, subject to applicable statutory risk limitations. In addition, Financial Security reinsures a portion of its liabilities under certain of its financial guaranty insurance policies with unaffiliated reinsurers under various quota share treaties and on a transaction-by-transaction basis. Such reinsurance is utilized by Financial Security as a risk management device and to comply with certain statutory and rating agency requirements; it does not alter or limit Financial Security's obligations under any financial guaranty insurance policy.

Financial Security's claims-paying ability is rated "Aaa" by Moody's Investors Service, Inc., and "AAA" by Standard & Poor's Corporation, Nippon Investors Service Inc., Duff & Phelps Inc. and Australian Ratings Pty. Ltd. Such ratings reflect only the views of the respective rating agencies, are not recommendations to buy, sell or hold securities and are subject to revision or withdrawal at any time by such rating agencies.

Capital Guaranty Insurance Company. Capital Guaranty Insurance Company ("Capital Guaranty" or "CGIC") is a "Aaa/AAA" rated monoline stock insurance company incorporated in the State of Maryland, and is a wholly owned subsidiary of Capital Guaranty Corporation, a Maryland insurance holding company. Capital Guaranty Corporation is a publicly owned company whose shares are traded on the New York Stock Exchange.

Capital Guaranty Insurance Company is authorized to provide insurance in 49 states, the District of Columbia and three U.S. territories. Capital Guaranty focuses on insuring municipal securities and provides policies which guaranty the timely payment of principal and interest when due for payment on new issue and secondary market issue municipal bond transactions. Capital Guaranty's claims-paying ability is rated "Triple-A" by both Moody's and Standard & Poor's.

As of December 31, 1993, Capital Guaranty had more than $12.9 billion in net exposure outstanding. The total statutory policyholders' surplus and contingency reserve of Capital Guaranty was $190,986,527 (unaudited) and the total admitted assets were $284,503,855 (unaudited) as reported to the Insurance Department of the State of Maryland as of December 31, 1993.

Financial statements for Capital Guaranty Insurance Company, that have been prepared in accordance with statutory insurance accounting standards, are available upon request. The address of Capital Guaranty's headquarters is Steuart Tower, 22nd Floor, One Market Plaza, San Francisco, CA 94105-1413 and the telephone number is (415) 995-8000.

Because the Municipal Bonds are insured as to the scheduled payment of principal and interest and on the basis of the financial condition and the method of operation of the insurance companies referred to above, Moody's Investors Service, Inc. has assigned to the each of the Insured Trust Fund's Units its "Aaa" investment rating. These are the highest ratings assigned to securities by such rating agency. See "Description of Municipal Bond Ratings." These ratings should not be construed as an approval of the offering of the Units by Moody's Investors Service, Inc. or as a guarantee of the market value of an Insured Trust Fund or the Units thereof. There is no guarantee that the "Aaa" investment rating will be maintained.

Bonds in an Insured Trust Fund for which insurance has been obtained by the issuer or the Sponsor (all of which were rated "AAA" by Standard & Poor's Corporation and/or "Aaa" by Moody's Investors Service, Inc.) may or may not have a higher yield than uninsured bonds rated "AAA" by Standard & Poor's Corporation or "Aaa" by Moody's Investors Service, Inc. In selecting Municipal Bonds for the portfolios of an Insured Trust Fund, the Sponsor has applied the criteria hereinbefore described.

Chapman and Cutler, counsel for the Sponsor, has given an opinion to the effect that the payment of insurance proceeds representing maturing interest on defaulting municipal obligations paid by Financial Guaranty or another insurer would be excludable from Federal gross income if, and to the same extent as, such interest would have been so excludable if paid by the issuer of the defaulted obligations. See "Federal Tax Status."

DISTRIBUTION REINVESTMENT

Each Unitholder of a Trust Fund may elect to have distributions of principal (including capital gains, if any) or interest or both automatically invested without charge in shares of any other mutual fund underwritten or advised by Kemper Financial Services, Inc., an affiliate of the Sponsor, (the "Kemper Funds") which are registered in the Unitholder's state of residence, other than those Kemper Funds sold with a contingent deferred sales charge. Since the portfolio securities and investment objectives of such Kemper Funds may differ significantly from that of the Trust Funds, Unitholders should carefully consider the consequences, including the fact that distributions from such Kemper Funds may be taxable, before selecting such Kemper Funds for reinvestment. Detailed information with respect to the investment objectives and the management of the Funds is contained in their respective prospectuses, which can be obtained from any appropriate Trust Fund Underwriter upon request. An investor should read the prospectus of the reinvestment fund selected prior to making the election to reinvest. Unitholders who desire to have such distributions automatically reinvested should inform their broker at the time of purchase or should file with the Program Agent referred to below a written notice of election.

Unitholders who are receiving distributions in cash may elect to participate in distribution reinvestment by filing with the Program Agent an election to have such distributions reinvested without charge. Such election must be received by the Program Agent at least ten days prior to the Record Date applicable to any distribution in order to be in effect for such Record Date. Any such election shall remain in effect until a subsequent notice is received by the Program Agent. See "Unitholders--Distributions to Unitholders."

The Program Agent is Investors Fiduciary Trust Company. All inquiries concerning participation in distribution reinvestment should be directed to the Kemper Service Company, service agent for the Program Agent, at P.O. Box 419430, Kansas City, Missouri 64173-0216, telephone (800) 422-2848.

INTEREST, ESTIMATED LONG-TERM RETURN AND ESTIMATED CURRENT RETURN

As of the opening of business on the Date of Deposit, the Estimated Long-Term Return and the Estimated Current Return, if applicable, for each Trust Fund were as set forth in the "Essential Information" for each Trust. Estimated Current Return is calculated by dividing the estimated net annual interest income per Unit by the Public Offering Price. The estimated net annual interest income per Unit will vary with changes in fees and expenses of the Trustee, the Sponsor and the Evaluator and with the principal prepayment, redemption, maturity, exchange or sale of the Bonds while the Public Offering Price will vary with changes in the offering price of the underlying Bonds; therefore, there is no assurance that the present Estimated Current Return will be realized in the future. Estimated Long-Term Return is calculated using a formula which (1) takes into consideration, and determines and factors in the relative weightings of, the market values, yields (which takes into account the amortization of premiums and the accretion of discounts) and estimated retirements of all of the Bonds in the Trust and (2) takes into account the expenses and sales charge associated with each Trust Unit. Since the market values and estimated retirements of the Bonds and the expenses of the Trust will change, there is no assurance that the present Estimated Long-Term Return will be realized in the future. Estimated Current Return and Estimated Long-Term Return are expected to differ because the calculation of

Estimated Long-Term Return reflects the estimated date and amount of principal returned while Estimated Current Return calculations include only net annual interest income and Public Offering Price.

In order to acquire certain of the Municipal Bonds contracted for by a Trust Fund, it may be necessary for the Sponsor or Trustee to pay on the dates for delivery of such Municipal Bonds amounts covering accrued interest on such Municipal Bonds which exceed the amount which will be made available in the letter of credit furnished by the Sponsor on the Date of Deposit. The Trustee has agreed to pay any amounts necessary to cover any such excess and will be reimbursed therefor, without interest, when funds become available from interest payments on the Municipal Bonds deposited in that Trust Fund.

PUBLIC OFFERING OF UNITS

PUBLIC OFFERING PRICE. Units of each Trust Fund are offered at the Public Offering Price thereof. During the initial offering period, the Public Offering Price per Unit is equal to the aggregate of the offering side evaluations of the Municipal Bonds in a Trust Fund (as determined, pursuant to the terms of a contract with the Evaluator, by Muller Data Corporation, a non-affiliated firm regularly engaged in the business of evaluating, quoting or appraising comparable securities), plus or minus a pro rata share of (a) cash, if any, in the Principal Account held or owned by a Trust Fund, (b) Purchased Interest and (c) Daily Accrued Interest plus the applicable sales charge referred to in the table below divided by the number of outstanding Units of such Trust Fund. The Public Offering Price for secondary market transactions, on the other hand, is based on the bid side evaluations of the Municipal Bonds in a Trust Fund as determined by Kenny Information Systems, Inc. plus or minus (a) cash, if any, in the Principal Account held or owned by the Trust Fund, (b) Purchased Interest and (c) Daily Accrued Interest plus a sales charge based upon the dollar weighted average maturity of the Trust Fund.

The sales charge per Unit will be reduced during the initial offering period pursuant to the following graduated scale:

<TABLE>
<CAPTION>

	WEIGHTED AVERAGE YEARS TO MATURITY					
	0 TO 7.49		7.5 TO 9.99		10 TO 14.99	
NUMBER OF UNITS	PERCENT OF OFFERING PRICE	PERCENT OF NET AMOUNT INVESTED	PERCENT OF OFFERING PRICE	PERCENT OF NET AMOUNT INVESTED	PERCENT OF OFFERING PRICE	PERCENT OF NET AMOUNT INVESTED
<S>	<C>	<C>	<C>	<C>	<C>	<C>
1 to 9,999 Units..........	3.0 %	3.093 %	3.9 %	4.058 %	4.2 %	4.384 %
10,000 to 24,999 Units....	2.8	2.881	3.7	3.842	4.0	4.167
25,000 to 49,999 Units....	2.6	2.669	3.5	3.627	3.8	3.950
50,000 to 99,999 Units....	2.5	2.564	3.3	3.413	3.5	3.627
100,000 or more Units.....	1.8	1.883	2.0	2.001	2.8	2.881

<CAPTION>

	15 OR MORE	
NUMBER OF UNITS	PERCENT OF OFFERING PRICE	PERCENT OF NET AMOUNT INVESTED
<S>	<C>	<C>
1 to 9,999 Units..........	4.75 %	4.987 %
10,000 to 24,999 Units....	4.50	4.712
25,000 to 49,999 Units....	4.30	4.493
50,000 to 99,999 Units....	3.50	3.627
100,000 or more Units.....	3.00	3.093

</TABLE>

As indicated above, in connection with secondary market transactions the sales charge is based upon the dollar weighted average maturity of the Trust Funds and is determined in accordance with the table set forth below. For purposes of this computation, Bonds will be deemed to mature on their expressed maturity dates unless: (a) the Bonds have been called for redemption or funds or securities have been placed in escrow to redeem them on an earlier call date, in which case such call date will be deemed to be the date upon which they mature; or (b) such Bonds are subject to a "mandatory tender", in which case such mandatory tender will be deemed to be the date upon which they mature. The effect of this method of sales charge computation will be that different sales charge rates will be applied to the Trust Funds based upon the dollar weighted average maturity of such Trust Fund's portfolio, in accordance with the following schedule:

<TABLE>
<CAPTION>

YEARS TO MATURITY	PERCENT OF PUBLIC OFFERING PRICE	PERCENT OF NET AMOUNT INVESTED
<S>	<C>	<C>
0 to .99 years.............................	0.00 %	0.000 %
1 to 3.99 years............................	2.00	2.041
4 to 7.99 years............................	3.50	3.627
8 to 14.99 years...........................	4.50	4.712
15 or more years...........................	5.50	5.820

</TABLE>

In connection with secondary market transactions the sales charge per Unit will be reduced as set forth below:

<TABLE>
<CAPTION>

AMOUNT OF INVESTMENT	SECONDARY YEARS TO MATURITY* 4 TO 7.99	8 TO 14.99	15 OR MORE
	SALES CHARGE (% OF PUBLIC OFFERING PRICE)		
<S>	<C>	<C>	<C> <C>
$1,000 to $99,999...........................	3.50 %	4.50 %	5.50 %
$100,000 to $499,999........................	3.25	4.25	5.00
$500,000 to $999,999........................	3.00	4.00	4.50
$1,000,000 or more..........................	2.75	3.75	4.00

</TABLE>

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* If the dollar weighted average maturity of the Trust Fund is from 1 to 3.99 years the sales charge is 2% and 1.5% of the Public Offering Price for purchases of $1,000 to $249,999 and $250,000 or more, respectively.

The reduced sales charges resulting from quantity discounts as shown on the tables above will apply to all purchases of Units on any one day by the same purchaser from the same Underwriter or dealer and for this purpose, purchases of Units of the Trust Fund will be aggregated with concurrent purchases of Units of any other unit investment trust that may be offered by the Sponsor. Additionally, Units purchased in the name of a spouse or child (under 21) of such purchaser will be deemed to be additional purchases by such purchaser. The reduced sales charges will also be applicable to a trust or other fiduciary purchasing for a single trust estate or single fiduciary account.

The Sponsor intends to permit officers, directors and employees of the Sponsor and Evaluator and, in the sole discretion of the Sponsor, registered representatives of selling firms to purchase Units of the Trust without a sales charge, although a transaction processing fee may be imposed on such trades.

Had the Units of the Trust Funds been available for sale at the opening of business on the Date of Deposit, the Public Offering Prices would have been as shown under "Essential Information." The Public Offering Price per Unit of a Trust Fund on the date of the Prospectus or on any subsequent date will vary from the amount stated under "Essential Information" in accordance with fluctuations in the prices of the underlying Municipal Bonds and the amount of accrued interest on the Units. On the Date of Deposit, pursuant to an exemptive order from the Securities and Exchange Commission, the Public Offering Price at which Units will be sold will not exceed the price determined as of the opening of business on the Date of Deposit as shown under "Essential Information", however, should the value of the underlying Bonds decline, purchasers will, of course, be given the benefit of such lower price. The aggregate bid and offering side evaluations of the Municipal Bonds shall be determined (a) on the basis of current bid or offering prices of the Municipal Bonds, (b) if bid or offering prices are not available for any particular Municipal Bond, on the basis of current bid or offering prices for comparable bonds, (c) by determining the value of Municipal Bonds on the bid or offer side of the market by appraisal, or (d) by any combination of the above. The value of insurance obtained by an issuer of Municipal Bonds is reflected and included in the market value of such Municipal Bonds.

The Evaluator will consider the ability of the insurer of such Bonds, to meet its commitments. For example, if an Insured Trust were to hold Municipal Bonds of a municipality which had significantly deteriorated in credit quality, the Evaluator would first consider in its evaluation the market price of the Municipal Bonds at their lower credit rating. The Evaluator would also attribute a value to the insurance feature of such Municipal Bonds which would be equal to the difference between the market value of such Municipal Bonds and the market value of bonds of a similar nature which were of investment grade quality. It is the position of the Sponsor that this is a fair method of valuing insured Municipal Bonds and reflects a proper valuation

method in accordance with the provisions of the Investment Company Act of 1940. For a description of the circumstances under which a full or partial suspension of the right of Unitholders to redeem their Units may occur, see

"Redemption."

The foregoing evaluations and computations shall be made as of the evaluation time stated under "Essential Information," on each business day commencing with the Date of Deposit of the Municipal Bonds, effective for all sales made during the preceding 24-hour period.

The interest on the Municipal Bonds deposited in each Trust Fund, less the related estimated fees and expenses, is estimated to accrue in the annual amounts per Unit set forth under "Essential Information." The amount of net interest income which accrues per Unit may change as Municipal Bonds mature or are redeemed, exchanged or sold, or as the expenses of a Trust Fund change or the number of outstanding Units of such Trust Fund changes.

Although payment is normally made five business days following the order for purchase, payment may be made prior thereto. A person will become the owner of Units on the First Settlement Date or any date of settlement thereafter provided payment has been received. Cash, if any, made available to the Sponsor prior to the date of settlement for the purchase of Units may be used in the Sponsor's business and may be deemed to be a benefit to the Sponsor, subject to the limitations of the Securities Exchange Act of 1934. If a Unitholder desires to have certificates representing Units purchased, such certificates will be delivered as soon as possible following his written request therefor. For information with respect to redemption of Units purchased, but as to which certificates requested have not been received, see "Redemption" below.

PURCHASED AND DAILY ACCRUED INTEREST. Accrued interest consists of two elements. The first element arises as a result of accrued interest which is the accumulation of unpaid interest on a bond from the later of the last day on which interest thereon was paid or the date of original issuance of the bond. Interest on the coupon Bonds in the Trust Fund is paid semi-annually to the Trust. A portion of the aggregate amount of such accrued interest on the Bonds in the Trust to the First Settlement Date of the Trust is referred to herein as "Purchased Interest." Included in the Public Offering Price of the Trust Units is the Purchased Interest. In an effort to reduce the amount of Purchased Interest which would otherwise have to be paid by Unitholders, the Trustee may advance a portion of the accrued interest to the Sponsor as the Unitholder of record as of the First Settlement Date. The second element of accrued interest arises because the estimated net interest on the Units in the Trust Fund is accounted for daily on an accrual basis (herein referred to as "Daily Accrued Interest"). Because of this, the Units always have an amount of interest earned but not yet paid or reserved for payment. For this reason, the Public Offering Price of Units will include the proportionate share of Daily Accrued Interest to the date of settlement.

If a Unitholder sells or redeems all or a portion of his Units or if the Bonds are sold or otherwise removed or if the Trust Fund is liquidated, he will receive at that time his proportionate share of the Purchased Interest and Daily Accrued Interest computed to the settlement date in the case of sale or liquidation and to the date of tender in the case of redemption in the Trust Fund.

COMPARISON OF PUBLIC OFFERING PRICE AND REDEMPTION PRICE. While the initial Public Offering Price of Units will be determined on the basis of the current offering prices of the Municipal Bonds in each Trust Fund, the redemption price per Unit (as well as the secondary market price per Unit) at which Units may be redeemed (see "Redemption") will be determined on the basis of the current bid prices of such Bonds. As of the opening of business on the Date of Deposit, the Public Offering Prices per Unit (based on the offering prices of the Municipal Bonds in each Trust Fund and including the sales charge) exceeded the redemption price at which Units could have been redeemed (based upon the current bid prices of the Municipal Bonds in the Trust Fund) by the amount shown under "Essential Information." In the past, bid prices on municipal bonds similar to those in the Trust Funds have been lower than the offering prices thereof by as much as 3% or more of principal amount in the case of inactively traded municipal bonds or as little as 1/2 of 1% in the case of actively traded municipal bonds but the difference between such offering and bid prices may be expected to average 1% to 2% of principal amount. For this reason, among others (including fluctuations in the market prices of such Bonds and the fact that the Public Offering Prices include a sales charge), the amount realized by a Unitholder upon any redemption of Units may be less than the price paid for such Units.

PUBLIC DISTRIBUTION OF UNITS. The Sponsor intends to qualify the Units of the Insured National Trust for sale in all states and Units of the Insured State Trusts for sale only in the State for which such Trust Fund is named. Units will be sold through the Underwriters, through dealers who are members of the National Association of

Securities Dealers, Inc. and through others. Sales may be made to or through dealers at prices which represent discounts from the Public Offering Price as set forth below. Certain commercial banks are making Units of the Trust Funds available to their customers on an agency basis. A portion of the sales charge paid by their customers is retained by or remitted to the banks in the amounts shown in the table below. Under the Glass-Steagall Act, banks are prohibited from underwriting Trust Fund Units; however, the Glass-Steagall Act does permit certain agency transactions and the banking regulators have indicated that these particular agency transactions are permitted under such Act. In addition, state securities laws on this issue may differ from the interpretations of Federal law expressed herein and banks and financial institutions may be required to register as dealers pursuant to state law. The Sponsor reserves the right to change the discounts set forth below from time to time. In addition to such discounts, the Sponsor may, from time to time, pay or allow an additional discount, in the form of cash or other compensation, to dealers employing registered representatives who sell, during a specified time period, a minimum dollar amount of Units of the Trust and other unit investment trusts underwritten by the Sponsor. The difference between the discount and the sales charge will be retained by the Sponsor and the Underwriters.

<TABLE>
<CAPTION>

	PRIMARY			
	WEIGHTED AVERAGE YEARS TO MATURITY			
	0 TO 7.49	7.5 TO 9.99	10 TO 14.99	15 OR MORE
<S> NUMBER OF UNITS	<C> DISCOUNT PER UNIT	<C>	<C>	<C>
1 to 9,999 Units...................................	$0.20	$0.26	$0.28	$0.32
10,000 to 24,999 Units.............................	$0.19	$0.25	$0.28	$0.32
25,000 to 49,999 Units.............................	$0.18	$0.23	$0.26	$0.32
50,000 to 99,999 Units.............................	$0.17	$0.22	$0.25	$0.25
100,000 or more Units..............................	$0.10	$0.11	$0.18	$0.20

</TABLE>

<TABLE>
<CAPTION>

	SECONDARY		
	YEARS TO MATURITY*		
	4 TO 7.99	8 TO 14.99	15 OR MORE
AMOUNT OF INVESTMENT	DISCOUNT PER UNIT (% OF PUBLIC OFFERING PRICE)		
<S>	<C>	<C>	<C>
$1,000 to $99,999...........................	2.00 %	3.00 %	4.00 %
$100,000 to $499,999........................	1.75	2.75	3.50
$500,000 to $999,999........................	1.50	2.50	3.00
$1,000,000 or more..........................	1.25	2.25	2.50

</TABLE>

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* If the dollar weighted average maturity of a Trust Fund is from 1 to 3.99 years the concession or agency commission is 1.00% of the Public Offering Price.

The Underwriters reserve the right to reject, in whole or in part, any order for the purchase of Units.

PROFITS OF SPONSOR AND UNDERWRITERS. As set forth under "Underwriting," the Underwriters of each Trust Fund will receive gross sales charges equal to the percentage of the Public Offering Price of the Units of such Trust Fund stated under "Public Offering Price" and the Sponsor will receive a fixed portion of such sales charges. In addition, the Underwriters and the Sponsor may realize a profit (or the Sponsor may realize a loss) resulting from the difference between the purchase prices of the Municipal Bonds to the Sponsor and the cost of such Bonds to the Trust Funds, which is based on the offering side evaluation of the Municipal Bonds on the Date of Deposit. See "The Trust Funds--Portfolios" and "Underwriting." The Underwriters may also realize profits or losses with respect to Municipal Bonds deposited in the Trust Funds, which were acquired from underwriting syndicates of which any of the Underwriters were members. An underwriter or underwriting syndicate purchases bonds from the issuer on a negotiated or competitive bid basis, as principal, with the motive of marketing such bonds to investors at a profit. The Underwriters of a Trust Fund and the Sponsor may realize additional profits or losses during the initial offering period on unsold Units as a result of changes in the daily evaluation of the Municipal Bonds in the Trust Funds.

MARKET FOR UNITS

After the initial offering period, while not obligated to do so, the Sponsor intends to, and certain of the Underwriters may, subject to change at any time, maintain a market for Units of the Trust Funds offered hereby and to continuously offer to purchase said Units at prices, determined by the Evaluator, based on the aggregate bid prices of the underlying Municipal Bonds in such Trust Funds, together with Purchased Interest and Daily Accrued Interest to the expected dates of settlement. To the extent that a market is maintained during the initial offering period, the prices at which Units will be repurchased will be based upon the aggregate offering side evaluation of the Municipal Bonds in the Trust Funds. The aggregate bid prices of the underlying Municipal Bonds in each Trust Fund are expected to be less than the related aggregate offering prices (which is the evaluation method used during the initial public offering period). Accordingly, Unitholders who wish to dispose of their Units should inquire of their bank or broker as to current market prices in order to determine whether there is in existence any price in excess of the Redemption Price and, if so, the amount thereof.

The offering price of any Units resold by the Sponsor or Underwriters will be in accord with that described in the currently effective Prospectus describing such Units. Any profit or loss resulting from the resale of such Units will belong to the Sponsor and/or the Underwriters. The Sponsor and/or the Underwriters may suspend or discontinue purchases of Units of any Trust Fund if the supply of Units exceeds demand, or for other business reasons.

REDEMPTION

A Unitholder who does not dispose of Units in the secondary market described above may cause Units to be redeemed by the Trustee by making a written request to the Trustee, Investors Fiduciary Trust Company, P.O. Box 419430, Kansas City, Missouri, 64173-0216 and, in the case of Units evidenced by a certificate, by tendering such certificate to the Trustee, properly endorsed or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee. Unitholders must sign the request, and such certificate or transfer instrument, exactly as their names appear on the records of the Trustee and on any certificate representing the Units to be redeemed. If the amount of the redemption is $25,000 or less and the proceeds are payable to the Unitholder(s) of record at the address of record, no signature guarantee is necessary for redemptions by individual account owners (including joint owners). Additional documentation may be requested, and a signature guarantee is always required, from corporations, executors, administrators, trustees, guardians or associations. The signatures must be guaranteed by a participant in the

Securities Transfer Agents Medallion Program ("STAMP") or such other guarantee program in addition to, or in substitution for, STAMP, as may be accepted by the Trustee. A certificate should only be sent by registered or certified mail for the protection of the Unitholder. Since tender of the certificate is required for redemption when one has been issued, Units represented by a certificate cannot be redeemed until the cetificate representing such Units has been received by the purchasers.

Redemption shall be made by the Trustee on the seventh calendar day following the day on which a tender for redemption is received, or if the seventh calendar day is not a business day, on the first business day prior thereto (the "Redemption Date") by payment of cash equivalent to the Redemption Price for such Trust Fund, determined as set forth below under "Computation of Redemption Price," as of the evaluation time stated under "Essential Information," next following such tender, multiplied by the number of Units being redeemed. Any Units redeemed shall be cancelled and any undivided fractional interest in the Trust Fund extinguished. The price received upon redemption might be more or less than the amount paid by the Unitholder depending on the value of the Municipal Bonds in the Trust Fund at the time of redemption.

Under regulations issued by the Internal Revenue Service, the Trustee is required to withhold a certain percentage of the principal amount of a Unit redemption if the Trustee has not been furnished the redeeming Unitholder's tax identification number in the manner required by such regulations. Any amount so withheld is transmitted to the Internal Revenue Service and may be recovered by the Unitholder only when filing a tax return. Under normal circumstances the Trustee obtains the Unitholder's tax identification number from the selling broker. However, any time a Unitholder elects to tender Units for redemption, such Unitholder should make sure that the Trustee has been provided a certified tax identification number in order to avoid this possible "back-up withholding." In the event the Trustee has not been previously provided such number, one must be provided at the time redemption is requested.

Any amounts paid on redemption representing interest shall be withdrawn from the Interest Account for such Trust Fund to the extent that funds are available for such purpose. All other amounts paid on redemption shall be withdrawn from the Principal Account for such Trust Fund. The Trustee is empowered to sell Municipal Bonds for a Trust Fund in order to make funds available for the redemption of Units of such Trust Fund. Such sale may be required when Municipal Bonds would not otherwise be sold and might result in lower prices than might otherwise be realized. To the extent Municipal Bonds are sold, the size and diversity of the Trust Fund will be reduced.

The Trustee is irrevocably authorized in its discretion, if an Underwriter does not elect to purchase any Unit tendered for redemption, in lieu of redeeming such Units, to sell such Units in the over-the-counter market for the account of tendering Unitholders at prices which will return to the Unitholders amounts in cash, net after brokerage commissions, transfer taxes and other charges, equal to or in excess of the Redemption Price for such Units. In the event of any such sale, the Trustee shall pay the net proceeds thereof to the Unitholders on the day they would otherwise be entitled to receive payment of the Redemption Price.

The right of redemption may be suspended and payment postponed (1) for any period during which the New York Stock Exchange is closed, other than customary weekend and holiday closings, or during which (as determined by the Securities and Exchange Commission) trading on the New York Stock Exchange is restricted; (2) for any period during which an emergency exists as a result of which disposal by the Trustee of Municipal Bonds is not reasonably practicable or it is not reasonably practicable to fairly determine the value of the underlying Municipal Bonds in accordance with the Trust Agreements; or (3) for such other period as the Securities and Exchange Commission may by order permit. The Trustee is not liable to any person in any way for any loss or damage which may result from any such suspension or postponement.

COMPUTATION OF REDEMPTION PRICE. The Redemption Price for Units of each Trust Fund is computed by the Evaluator as of the evaluation time stated under "Essential Information" next occurring after the tendering of a Unit for redemption and on any other business day desired by it, by:

A. adding: (1) the cash on hand in the Trust Fund other than cash deposited in the Trust Fund to purchase Municipal Bonds not applied to the purchase of such Bonds; (2) the aggregate value of each issue of the Municipal Bonds (including "when issued" contracts, if any) held in the Trust Fund as determined by the Evaluator on the basis of bid prices therefor; and (3) interest accrued and unpaid on the Municipal Bonds in the Trust Fund as of the date of computation;

B. deducting therefrom (1) amounts representing any applicable taxes or governmental charges payable out of the Trust Fund and for which no deductions have been previously made for the purpose of additions to the Reserve Account described under "Expenses of the Trust"; (2) an amount representing estimated accrued expenses of the Trust Fund, including but not limited to fees and expenses of the Trustee (including legal and auditing fees and any insurance costs), the Evaluator, the Sponsor and bond counsel, if any; (3) cash held for distribution to Unitholders of record as of the business day prior to the evaluation being made; and (4) other liabilities incurred by the Trust Fund; and

C. finally dividing the results of such computation by the number of Units of the Trust Fund outstanding as of the date thereof.

UNITHOLDERS

OWNERSHIP OF UNITS. Ownership of Units of any Trust Fund will not be evidenced by certificates unless a Unitholder, the Unitholder's registered broker/dealer or the clearing agent for such broker/dealer makes a written request to the Trustee. Certificates, if issued, will be so noted on the confirmation statement sent to the Underwriter and broker. Non-receipt of such certificate(s) must be reported to the Trustee within one year; otherwise, a 2% surety bond fee will be required for replacement.

Units are transferable by making a written request to the Trustee and, in the case of Units evidenced by a certificate, by presenting and surrendering such certificate to the Trustee properly endorsed or accompanied by a written instrument or instruments of transfer which should be sent registered or certified mail for the protection of the Unitholder. Unitholders must sign such written request, and such certificate or transfer instrument, exactly as their names appear on the records of the Trustee and on any certificate representing the Units to be transferred. Such signatures must be guaranteed by a participant in the Securities Transfer Agents Medallion Program ("STAMP") or such other signature guarantee program in addition to, or in substitution for, STAMP, as may be accepted by the Trustee.

Units may be purchased and certificates, if requested, will be issued in denominations of one Unit subject to the Trust's minimum investment requirement of 100 Units or any whole Unit multiple thereof subject to any minimum requirement established by the Sponsor from time to time. Any certificate issued will be numbered serially for identification, issued in fully registered form and will be transferable only on the books of the Trustee. The Trustee may require a Unitholder to pay a reasonable fee, to be determined in the sole discretion of the Trustee, for each certificate re-issued or transferred and to pay any governmental charge that may be imposed in connection with each such transfer or interchange. The Trustee at the present time does not intend to charge for the normal transfer or interchange of certificates. Destroyed, stolen, mutilated or lost certificates will be replaced upon delivery to the Trustee of satisfactory indemnity (generally amounting to 3% of the market value of the Units), affidavit of loss, evidence of ownership and payment of expenses incurred.

DISTRIBUTIONS TO UNITHOLDERS. Interest Distributions: Interest received by each Trust Fund, including any portion of the proceeds from a disposition of Municipal Bonds which represents accrued interest, is credited by the Trustee to the Interest Account for such Trust Fund. All other receipts are credited by the Trustee to a separate Principal Account for the Trust Fund. The Trustee normally has no cash for distribution to Unitholders until it receives interest payments on the Bonds in the Trust Fund. Since municipal interest usually is paid semi-annually, during the initial months of the Trust, the Interest Account of each Trust Fund, consisting of accrued but uncollected interest and collected interest (cash), will be predominantly the uncollected accrued interest that is not available for distribution. On the dates set forth under "Essential Information" for each Trust, the Trustee will commence distributions, in part from funds advanced by the Trustee.

Thereafter, assuming the Trust Fund retains its original size and composition, after deduction of the fees and expenses of the Trustee, the Sponsor and Evaluator and reimbursements (without interest) to the Trustee for any amounts advanced to a Trust Fund, the Trustee will normally distribute on each Interest Distribution Date (the fifteenth of the month) or shortly thereafter to Unitholders of record of such Trust Fund on the preceding Record Date (which is the first day of each month). Unitholders of the Trust Funds will receive an amount substantially equal to one-twelfth of such holders' pro rata share of the estimated net annual interest income to the Interest Account of such Trust Fund. However, interest earned at any point in time will be greater than the amount actually received by the Trustee and distributed to the Unitholders. Therefore, there will always remain an item of accrued interest that is added to the daily value of the Units. If Unitholders of a Trust Fund sell or redeem all or a portion of their Units, they will be paid their proportionate share of the accrued interest of such Trust Fund to, but not including, the fifth business day after the date of a sale or to the date of tender in the case of a redemption.

In order to equalize distributions and keep the undistributed interest income of the Trust Funds at a low level, all Unitholders of record in such Trust Fund on the first Record Date will receive an interest distribution on the first Interest Distribution Date. Because the period of time between the first Interest Distribution Date and the regular distribution dates may not be a full period, the first regular distributions may be partial distributions.

Persons who purchase Units between a Record Date and a Distribution Date will receive their first distribution on the second Distribution Date following their purchase of Units. Since interest on Municipal Bonds in the Trust Funds is payable at varying intervals, usually in semi-annual installments, and distributions of income are made to Unitholders at different intervals from receipt of interest, the interest accruing to a Trust Fund may not be equal to the amount of money received and available for distribution from the Interest Account. Therefore, on each Distribution Date the amount of interest actually deposited in the Interest Account of a Trust Fund and available for distribution may be slightly more or less than the interest distribution made. In order to eliminate fluctuations in interest distributions resulting from such variances, the Trustee is authorized by the Trust Agreements to advance such amounts as may be necessary to provide interest distributions of approximately equal amounts. The Trustee will be reimbursed, without interest, for any such advances from funds available in the Interest Account for such Trust Fund.

Principal Distributions. The Trustee will distribute on each Distribution Date or shortly thereafter, to each Unitholder of record of the Trust Fund on the preceding Record Date, an amount substantially equal to such holder's pro rata share of the cash balance, if any, in the Principal Account of such Trust Fund computed as of the close of business on the preceding Record Date. However, no distribution will be required if the balance in the Principal Account is less than $.001 per Unit.

STATEMENTS TO UNITHOLDERS. With each distribution, the Trustee will furnish or cause to be furnished to each Unitholder a statement of the amount of interest and the amount of other receipts, if any, which are being distributed, expressed in each case as a dollar amount per Unit.

The accounts of each Trust Fund are required to be audited annually, at the Trust Fund's expense, by independent auditors designated by the Sponsor, unless the Trustee determines that such an audit would not be in the best interest of the Unitholders of such Trust Fund. The accountants' report will be furnished by the Trustee to any Unitholder of such Trust Fund upon written request. Within a reasonable period of time after the end of each calendar year, the Trustee shall furnish to each person who at any time during the calendar year was a Unitholder of a Trust Fund a statement, covering the calendar year, setting forth for the applicable Trust Fund:

A. As to the Interest Account:

1. The amount of interest received on the Municipal Bonds and the percentage of such amount by states and territories in which the issuers of such Bonds are located;

2. The amount paid from the Interest Account representing accrued interest of any Units redeemed;

3. The deductions from the Interest Account for applicable taxes, if any, fees and expenses (including auditing fees) of the Trustee, the Evaluator, and, if any, of bond counsel;

4. Any amounts credited by the Trustee to the Reserve Account described under "Expenses of the Trust";

5. The net amount remaining after such payments and deductions, expressed both as a total dollar amount and a dollar amount per Unit outstanding on the last business day of such calendar year; and

B. As to the Principal Account:

1. The dates of the maturity, liquidation or redemption of any of the Municipal Bonds and the net proceeds received therefrom excluding any portion credited to the Interest Account;

2. The amount paid from the Principal Account representing the principal of any Units redeemed;

3. The deductions from the Principal Account for payment of applicable taxes, if any, fees and expenses (including auditing fees) of the Trustee, the Evaluator, and, if any, of bond counsel;

4. The amount of when-issued interest treated as a return of capital, if any;

5. Any amounts credited by the Trustee to the Reserve Account described under "Expenses of the Trust";

6. The net amount remaining after distributions of principal and deductions, expressed both as a dollar amount and as a dollar amount per Unit outstanding on the last business day of the calendar year; and

C. The following information:

1. A list of the Municipal Bonds as of the last business day of such calendar year;

2. The number of Units outstanding on the last business day of such calendar year;

3. The Redemption Price based on the last evaluation made during such calendar year;

4. The amount actually distributed during such calendar year from the Interest and Principal Accounts separately stated, expressed both as total dollar amounts and as dollar amounts per Unit outstanding on the Record Dates for each such distribution.

RIGHTS OF UNITHOLDERS. A Unitholder may at any time tender Units to the Trustee for redemption. The death or incapacity of any Unitholder will not operate to terminate a Trust or any Trust Fund nor entitle legal representatives or heirs to claim an accounting or to bring any action or proceeding in any court for partition or winding up of a Trust or any Trust Fund.

No Unitholder shall have the right to control the operation and management of any Trust Fund in any manner, except to vote with respect to the amendment of the Trust Agreements or termination of any Trust Fund.

INVESTMENT SUPERVISION

The Sponsor may not alter the portfolios of the Trust Funds by the purchase, sale or substitution of Municipal Bonds, except in the special circumstances noted below and as indicated earlier under "Portfolios" regarding the substitution of Replacement Bonds for any Failed Bonds. Thus, with the exception of the redemption or maturity of Municipal Bonds in accordance with their terms, the assets of the Trust Funds will remain unchanged under normal circumstances.

The Sponsor may direct the Trustee to dispose of Municipal Bonds the value of which has been affected by certain adverse events including institution of certain legal proceedings or decline in price or the occurrence of other market factors, including advance refunding, so that in the opinion of the Sponsor the retention of such Bonds in a Trust Fund would be detrimental to the interest of the Unitholders. The proceeds from any such sales, exclusive of any portion which represents accrued interest, will be credited to the Principal Account of such Trust Fund for distribution to the Unitholders.

The Sponsor is required to instruct the Trustee to reject any offer made by an issuer of Muncipal Bonds to issue new obligations in exchange or substitution for any of such Bonds pursuant to a refunding financing plan, except that the Sponsor may instruct the Trustee to accept or reject such an offer or to take any other action with respect thereto as the Sponsor may deem proper if (1) the issuer is in default with respect to such Bonds or (2) in the written opinion of the Sponsor the issuer will probably default with respect to such Bonds in the reasonably forseeable future. Any obligation so received in exchange or substitution will be held by the Trustee subject to the terms and conditions of the Trust Agreement to the same extent as Bonds originally deposited thereunder. Within five days after the deposit of obligations in exchange or substitution for underlying Bonds, the Trustee is required to give notice thereof to each Unitholder, identifying the Bonds eliminated and the Bonds substituted therefor.

The Trustee may sell Municipal Bonds, designated by the Sponsor, from a Trust Fund for the purpose of redeeming Units of such Trust Fund tendered for redemption and the payment of expenses.

ADMINISTRATION OF THE TRUSTS

THE TRUSTEE. The Trustee, Investors Fiduciary Trust Company, is a trust company specializing in investment related services, organized and existing under the laws of Missouri, having its trust office at 127 West 10th Street, Kansas City, Missouri 64105. The Trustee is subject to supervision and examination by the Division of Finance of the State of Missouri and the Federal Deposit Insurance Corporation. Investors Fiduciary Trust Company is jointly owned by DST Systems, Inc. and Kemper Financial Services, Inc., an affiliate of the Sponsor.

The Trustee, whose duties are ministerial in nature, has not participated in selecting the portfolio of any Trust Fund. For information relating to the responsibilities of the Trustee under the Trust Agreements, reference is made to the material set forth under "Unitholders."

In accordance with the Trust Agreements, the Trustee shall keep records of all transactions at its office. Such records shall include the name and address of, and the number of Units held by, every Unitholder of each Trust Fund. Such books and records shall be open to inspection by any Unitholder of such Trust Fund at all reasonable times during usual business hours. The Trustee shall make such annual or other reports as may from time to time be required under any applicable state or Federal statute, rule or regulation. The Trustee shall keep a certified copy or duplicate original of the Trust Agreements on file in its office available for inspection at all reasonable times during usual business hours by any Unitholder, together with a current list of the Municipal Bonds held in each Trust Fund. Pursuant to the Trust Agreements, the Trustee may employ one or more agents for the purpose of custody and safeguarding of Municipal Bonds comprising the Trust Funds.

Under the Trust Agreements, the Trustee or any successor trustee may resign and be discharged of its duties created by the Trust Agreements by executing an instrument in writing and filing the same with the Sponsor.

The Trustee or successor trustee must mail a copy of the notice of resignation to all Unitholders then of record, not less than 60 days before the date specified in such notice when such resignation is to take effect. The Sponsor upon receiving notice of such resignation is obligated to appoint a successor trustee promptly. If, upon such resignation, no successor trustee has been appointed and has accepted the appointment within 30 days after notification, the retiring Trustee may apply to a court of competent jurisdiction for the appointment of a successor. In case the Trustee becomes incapable of acting or is adjudged a bankrupt or is taken over by public authorities, the Sponsor may remove the Trustee and appoint a successor trustee as provided in the Trust Agreements. Notice of such removal and appointment shall be mailed to each Unitholder by the Sponsor. Upon execution of a written acceptance of such appointment by such successor trustee, all the rights, powers, duties and obligations of the original Trustee shall vest in the successor. The Trustee shall be a corporation organized under the laws of the United States, or any state thereof, which is authorized under such laws to exercise trust powers. The Trustee shall have at all times an aggregate capital, surplus and undivided profits of not less than $5,000,000.

THE EVALUATOR. Kemper Unit Investment Trusts, a service of Kemper Securities, Inc., the Sponsor, also serves as Evaluator. The Evaluator may resign or be removed by the Trustee in which event the Trustee is to use its best efforts to appoint a satisfactory successor. Such resignation or removal shall become effective upon acceptance of appointment by the successor evaluator. If upon resignation of the Evaluator no successor has accepted appointment within 30 days after notice of resignation, the Evaluator may apply to a court of competent jurisdiction for the appointment of a successor. Notice of such resignation or removal and appointment shall be mailed by the Trustee to each Unitholder. At the present time, pursuant to a contract with the Evaluator, Muller Data Corporation, a non-affiliated firm regularly engaged in the business of evaluating, quoting or appraising comparable securities, provides, for both the initial offering period and secondary market transactions, portfolio evaluations of the Bonds in the Trust Funds which are then reviewed by the Evaluator. In the event the Sponsor is unable to obtain current evaluations from Muller Data Corporation, it may make its own evaluations or it may utilize the services of any other non-affiliated evaluator or evaluators it deems appropriate.

AMENDMENT AND TERMINATION. The Trust Agreements may be amended by the Trustee and the Sponsor without the consent of any of the Unitholders: (1) to cure any ambiguity or to correct or supplement any provision which may be defective or inconsistent; (2) to change any provision thereof as may be required by the Securities and Exchange Commission or any successor governmental agency; or (3) to make such provisions as shall not adversely affect the interests of the Unitholders. The Trust Agreements with respect to the Trust Funds may also be amended in any respect by the Sponsor and the Trustee, or any of the provisions thereof may be waived, with the consent of the holders of Units representing 66 2/3% of the Units then outstanding of such Trust Fund, provided that no such amendment or waiver will reduce the interest of any Unitholder thereof without the consent of such Unitholder or reduce the percentage of Units required to consent to any such amendment or waiver without the consent of all Unitholders of such Trust Fund. In no event shall any Trust Agreement be amended to increase the number of Units of a Trust Fund issuable thereunder or to permit, except in accordance with the provisions of such Trust Agreement, the acquisition of any Municipal Bonds in addition to or in substitution for those initially deposited in a Trust Fund. The Trustee shall promptly notify Unitholders of the substance of any such amendment.

The Trust Agreements provide that the Trust Funds shall terminate upon the maturity, redemption or other disposition of the last of the Municipal Bonds held in a Trust Fund. If the value of a Trust Fund shall be less than the applicable minimum value stated under "Essential Information" (20% of the original principal amount of a Trust Fund), the Trustee may, in its discretion, and shall, when so directed by the Sponsor, terminate the Trust Fund. A Trust Fund may be terminated at any time by the holders of Units representing 66 2/3% of the Units thereof then outstanding. In the event of termination of a Trust Fund, written notice thereof will be sent by the Trustee to all Unitholders of such Trust Fund. Within a reasonable period after termination, the Trustee will sell any Municipal Bonds remaining in such Trust Fund and, after paying all expenses and charges incurred by the Trust Fund, will distribute to Unitholders thereof (upon surrender for cancellation of certificates for Units, if issued) their pro rata share of the balances remaining in the Interest and Principal Accounts of such Trust Fund.

LIMITATIONS ON LIABILITY. The Sponsor: The Sponsor is liable for the performance of its obligations arising from its responsibilities under the Trust Agreements, but will be under no liability to the Unitholders for taking any action or refraining from any action in good faith pursuant to the Trust Agreements or for errors in judgment, except in cases of its own gross negligence, bad faith or willful misconduct. The Sponsor shall not be liable or responsible in any way for depreciation or loss incurred by reason of the sale of any Municipal Bonds.

The Trustee: The Trust Agreements provide that the Trustee shall be under no liability for any action taken in good faith in reliance upon prima facie properly executed documents or for the disposition of monies, Municipal Bonds or certificates except by reason of its own gross negligence, bad faith or willful misconduct, nor shall the Trustee be liable or responsible in any way for depreciation or loss incurred by reason of the sale by the Trustee of any Municipal Bonds. In the event that the Sponsor shall fail to act, the Trustee may act and shall not be liable for any such action taken by it in good faith. The Trustee shall not be personally liable for any taxes or other governmental charges imposed upon or in respect of the Municipal Bonds or upon the interest thereon. In addition, the Trust Agreements contain other customary provisions limiting the liability of the Trustee.

The Evaluator: The Trustee and Unitholders may rely on any evaluation furnished by the Evaluator and shall have no responsibility for the accuracy thereof. The Trust Agreements provide that the determinations made by the Evaluator shall be made in good faith upon the basis of the best information available to it, provided, however, that the Evaluator shall be under no liability to the Trustee or Unitholders for errors in judgment, but shall be liable only for its gross negligence, lack of good faith or willful misconduct.

EXPENSES OF THE TRUSTS

The Sponsor will charge the Trust Funds a surveillance fee for services performed for the Trust Funds in an amount not to exceed that amount set forth in "Essential Information" but in no event will such compensation, when combined with all compensation received from other unit investment trusts for which the Sponsor both acts as sponsor and provides portfolio surveillance, exceed the aggregate cost to the

Sponsor for providing such services. Such fee shall be based on the total number of Units of the Trust Fund outstanding as of the January Record Date for any annual period. The Sponsor will receive a portion of the sales commissions paid in connection with the purchase of Units and will share in profits, if any, related to the deposit of Municipal Bonds in the Trust Funds (see "Underwriting"). The Sponsor and other Underwriters have borne all the expenses of creating and establishing the Trust including the cost of the initial preparation, printing and execution of the Prospectus, Trust Agreements and certificates, legal and accounting expenses, advertising and selling expenses, payment of closing fees, the expenses of the Trustee, evaluation fees relating to the deposit and other out-of-pocket expenses.

The Trustee receives for its services fees set forth under "Essential Information." The Trustee fee which is calculated monthly is based on the largest aggregate principal amount of Municipal Bonds in the Trust Fund at any time during the period. Funds that are available for future distributions, redemptions and payment of expenses are held in accounts which are non-interest bearing to Unitholders and are available for use by the Trustee pursuant to normal trust procedures; however, the Trustee is also authorized by the Trust Agreements to make from time to time certain non-interest bearing advances to the Trust Funds. During the first year the Trustee has agreed to lower its fees and absorb expenses by the amount set forth under "Essential Information." The Trustee's fee will not be increased in future years in order to make up this reduction in the Trustee's fee. The Trustee's fee is payable on or before each Distribution Date.

For evaluation of Municipal Bonds in each Trust Fund, the Evaluator shall receive a fee, payable monthly, calculated on the basis of that annual rate set forth under "Essential Information," based upon the largest aggregate principal amount of Municipal Bonds in such Trust Fund at any time during such monthly period.

The Trustee's and Evaluator's fees are deducted first from the Interest Account of the Trust Fund to the extent funds are available and then from the Principal Account. Such fees may be increased without approval of Unitholders by amounts not exceeding a proportionate increase in the Consumer Price Index entitled "All Services Less Rent of Shelter," published by the United States Department of Labor, or any equivalent index substituted therefor.

The following additional charges are or may be incurred by the Trust Funds: (a) fees for the Trustee's extraordinary services; (b) expenses of the Trustee (including legal and auditing expenses and insurance costs for Insured Trust Funds, but not including any fees and expenses charged by any agent for custody and safeguarding of Municipal Bonds) and of bond counsel, if any; (c) various governmental charges; (d) expenses and costs of any action taken by the Trustee to protect the Trust or any Trust Fund or the rights and interests of the Unitholders; (e) indemnification of the Trustee for any loss, liability or expense incurred by it in the administration of the Trust or any Trust Fund not resulting from gross negligence, bad faith or willful misconduct on its part; (f) indemnification of the Sponsor for any loss, liability or expense incurred in acting in that capacity without gross negligence, bad faith or willful misconduct; and (g) expenditures incurred in contacting Unitholders upon termination of the Trust Funds. The fees and expenses set forth herein are payable out of the appropriate Trust Fund and, when owing to the Trustee, are secured by a lien on such Trust Fund. Fees or charges relating to the Trust shall be allocated to each Trust Fund in the same ratio as the principal amount of such Trust Fund bears to the total principal amount of all Trust Funds in the Trust. Fees or charges relating solely to a particular Trust Fund shall be charged only to such Trust Fund.

Fees and expenses of the Trust Funds shall be deducted from the Interest Account thereof, or, to the extent funds are not available in such Account, from the Principal Accounts. The Trustee may withdraw from the Principal Account or the Interest Account of any Trust Fund such amounts, if any, as it deems necessary to establish a reserve for any taxes or other governmental charges or other extraordinary expenses payable out of the Trust Fund. Amounts so withdrawn shall be credited to a separate account maintained for the Trust

Fund known as the Reserve Account and shall not be considered a part of the Trust Fund when determining the value of the Units until such time as the Trustee shall return all or any part of such amounts to the appropriate account.

THE SPONSOR

The Sponsor, Kemper Unit Investment Trusts, with an office at 77 West Wacker Drive, 29th Floor, Chicago, Illinois 60601, (800) 621-5024, is a service of Kemper Securities, Inc., which is a wholly-owned subsidiary of Kemper Financial Companies, Inc. which, in turn, is a wholly-owned subsidiary of Kemper Corporation. The Sponsor acts as underwriter of a number of other Kemper unit investment trusts and will act as underwriter of any other unit investment trust products developed by the Sponsor in the future. As of January 31, 1994, the total stockholder's equity of Kemper Securities, Inc. was $261,673,436 (unaudited).

If at any time the Sponsor shall fail to perform any of its duties under the Trust Agreements or shall become incapable of acting or shall be adjudged a bankrupt or insolvent or shall have its affairs taken over by public authorities, then the Trustee may (a) appoint a successor sponsor at rates of compensation deemed by the Trustee to be reasonable and not exceeding such reasonable amounts as may be prescribed by the Securities and Exchange Commission, or (b) terminate the Trust Agreements and liquidate the Trust Funds as provided therein, or (c) continue to act as Trustee without terminating the Trust Agreements.

The foregoing financial information with regard to the Sponsor relates to the Sponsor only and not to these Trust Funds. Such information is included in this Prospectus only for the purpose of informing investors as to the financial responsibility of the Sponsor and its ability to carry out its contractual obligations with respect to the Trust Funds. More comprehensive financial information can be obtained upon request from the Sponsor.

LEGAL OPINIONS

The legality of the Units offered hereby and certain matters relating to Federal tax law have been passed upon by Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603, as counsel for the Sponsor. Special counsel for the Trust Funds for respective state tax matters are named in the appropriate state tax sections of "Special Considerations and State Tax Status."

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The statements of condition and the related municipal bond portfolios at the Date of Deposit included in this Prospectus have been audited by Grant Thornton, independent certified public accountants, as set forth in their report in the Prospectus, and are included herein in reliance upon the authority of said firm as experts in accounting and auditing.

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THIS PROSPECTUS DOES NOT CONTAIN ALL OF THE INFORMATION SET FORTH IN THE REGISTRATION STATEMENT AND EXHIBITS RELATING THERETO, FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, WASHINGTON, D.C. UNDER THE SECURITIES ACT OF 1933 AND THE INVESTMENT COMPANY ACT OF 1940, AND TO WHICH REFERENCE IS MADE.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS PROSPECTUS AND ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE TRUST, THE TRUSTEE, OR THE SPONSOR. THE TRUST IS REGISTERED AS A UNIT INVESTMENT TRUST UNDER THE INVESTMENT COMPANY ACT OF 1940. SUCH REGISTRATION DOES NOT IMPLY THAT THE TRUST OR THE UNITS HAVE BEEN GUARANTEED, SPONSORED, RECOMMENDED OR APPROVED BY THE UNITED STATES OR ANY STATE OR ANY AGENCY OR OFFICER THEREOF.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, SECURITIES IN ANY STATE TO ANY PERSON TO WHOM IT IS NOT LAWFUL TO MAKE SUCH OFFER IN SUCH STATE.

KEMPER
DEFINED
FUNDS
TAX EXEMPT

PROSPECTUS

INSURED NATIONAL SERIES 10
INSURED CALIFORNIA SERIES 6
INSURED COLORADO SERIES 3
MAY 17, 1994

KEMPER UNIT INVESTMENT TRUSTS

This Registration Statement on Form S-6 comprises the following papers and documents.

<TABLE>

<C>	<S>
	The facing sheet of Form S-6.
	The cross-reference sheet.
	The prospectus.
	The signatures.
	The following exhibits.
1.1.(a)	Form of Trust Indenture and Agreement for the National Series.
1.1.(b)	Form of Trust Indenture and Agreement for the State Series.
1.1.1.	Standard Terms and Conditions of Trust for the National and State Series. Reference is made to Exhibit 1.1.1 to the Registration Statement on Form S-6 with respect to Kemper Defined Funds Series 13 (Registration No. 33-52165) as filed on February 17, 1994.
1.2.	Certificate of Incorporation of Kemper Securities, Inc. Reference is made to Exhibit 1.2 to the Registration Statement on Form S-6, with respect to Kemper Government Securities Trust (Registration No. 33-26754) as filed on February 14, 1989 and Kemper Defined Funds Series 9 (Registration No. 33-56012) as filed on November 3, 1993.
1.3.	By-laws of Kemper Securities, Inc. Reference is made to Exhibit 1.3 to the Registration Statement on Form S-6, with respect to Kemper Government Securities Trust (Registration No. 33-26754) as filed on February 14, 1989 and Kemper Defined Funds Series 9 (Registration No. 33-56012) as filed on November 3, 1993.
2.1.	Form of Certificate of Ownership (pages two to four, inclusive, of the Standard Terms and Conditions of Trust included as Exhibit 1.1.1.).
3.1.	Opinion of counsel to the Sponsor as to legality of the securities being registered including a consent to the use of its name under the headings "Federal Tax Status" and "Legal Opinions" in the Prospectus and opinion of counsel as to the Colorado and Federal income tax status of the securities being registered and certain Colorado tax matters.

3.2.	Opinion and consent of special counsel to Insured California Series 6 for California tax matters.
4.1.	Consent of Moody's Investors Service.
4.2.	Consent of Muller Data Corporation.
4.3.	Consent of Grant Thornton.
6.1.	List of Directors and Officers. Reference is made to Exhibit 6.1 to the Registration Statement on Form S-6, with respect to Kemper Tax-Exempt Insured Income Trust, Multi-State Series 51 (Registration No. 33-48398) as filed on July 15, 1992.
7.1.	Power of Attorney. Reference is made to Exhibit 7.1 to the Registration Statement with respect to Kemper Tax-Exempt Insured Income Trust, Series A-90 and Multi-State Series 65 (Registration No. 33-59086) as filed on May 12, 1993.

</TABLE>

SIGNATURES

THE REGISTRANT, KEMPER DEFINED FUNDS SERIES 20 HEREBY IDENTIFIES SERIES A-62 AND MULTI-STATE SERIES 19 OF THE KEMPER TAX-EXEMPT INSURED INCOME TRUST AND KEMPER DEFINED FUNDS INSURED NATIONAL SERIES 1 FOR PURPOSES OF THE REPRESENTATIONS REQUIRED BY RULE 487 AND REPRESENTS THE FOLLOWING:

(1) THAT THE PORTFOLIO SECURITIES DEPOSITED IN THE SERIES AS TO THE SECURITIES OF WHICH THIS REGISTRATION STATEMENT IS BEING FILED DO NOT DIFFER MATERIALLY IN TYPE OR QUALITY FROM THOSE DEPOSITED IN SUCH PREVIOUS SERIES;

(2) THAT, EXCEPT TO THE EXTENT NECESSARY TO IDENTIFY THE SPECIFIC PORTFOLIO SECURITIES DEPOSITED IN, AND TO PROVIDE ESSENTIAL FINANCIAL INFORMATION FOR, THE SERIES WITH RESPECT TO THE SECURITIES OF WHICH THIS REGISTRATION STATEMENT IS BEING FILED, THIS REGISTRATION STATEMENT DOES NOT CONTAIN DISCLOSURES THAT DIFFER IN ANY MATERIAL RESPECT FROM THOSE CONTAINED IN THE REGISTRATION STATEMENTS FOR SUCH PREVIOUS SERIES AS TO WHICH THE EFFECTIVE DATE WAS DETERMINED BY THE COMMISSION OR THE STAFF; AND

(3) THAT IT HAS COMPLIED WITH RULE 460 UNDER THE SECURITIES ACT OF 1933.

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THE REGISTRANT, KEMPER DEFINED FUNDS SERIES 20 HAS DULY CAUSED THIS AMENDMENT TO THE REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, IN THE CITY OF CHICAGO, AND STATE OF ILLINOIS, ON THE 16TH DAY OF MAY, 1994.

KEMPER DEFINED FUNDS SERIES 20

Registrant

By: KEMPER UNIT INVESTMENT TRUSTS
(a service of Kemper Securities, Inc.)
Depositor

/s/ Michael J. Thoms
By: ___________________________________
Michael J. Thoms

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS AMENDMENT TO THE REGISTRATION STATEMENT HAS BEEN SIGNED BELOW ON MAY 16, 1994 BY THE FOLLOWING PERSONS, WHO CONSTITUTE A MAJORITY OF THE BOARD OF DIRECTORS OF KEMPER SECURITIES, INC.

<TABLE>
<CAPTION>

SIGNATURE	TITLE
<S>	<C>
James R. Boris - -- James R. Boris	Chairman and Chief Executive Officer
Donald F. Eller - -- Donald F. Eller	Senior Executive Vice President and Director

Stanley R. Fallis	
Stanley R. Fallis	Senior Executive Vice President, Chief Financial Officer and Director
Frank V. Geremia	
Frank V. Geremia	Senior Executive Vice President and Director
David B. Mathis	
David B. Mathis	Director
Robert T. Jackson	
Robert T. Jackson	Director
Jay B. Walters	
Jay B. Walters	Senior Executive Vice President and Director
Charles M. Kierscht	
Charles M. Kierscht	Director
Arthur J. McGivern	
Arthur J. McGivern	Director

</TABLE>

/s/ Michael J. Thoms

Michael J. Thoms

MICHAEL J. THOMS SIGNS THIS DOCUMENT PURSUANT TO POWER OF ATTORNEY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION WITH (A) AMENDMENT NO. 1 TO THE REGISTRATION STATEMENT ON FORM S-6 FOR KEMPER TAX-EXEMPT INSURED INCOME TRUST, SERIES A-70 AND MULTI-STATE SERIES 28 AND KEMPER TAX-EXEMPT INCOME TRUST, MULTI-STATE SERIES 42 (REGISTRATION NO. 33-35425), (B) AMENDMENT NO. 1 TO THE REGISTRATION STATEMENT ON FORM S-6 FOR KEMPER TAX-EXEMPT INSURED INCOME TRUST, SERIES A-72 AND MULTI-STATE SERIES 30 (REGISTRATION NO. 33-37178), AND (C) AMENDMENT NO. 1 TO THE REGISTRATION STATEMENT ON FORM S-6 FOR KEMPER TAX-EXEMPT INSURED INCOME TRUST, MULTI-STATE SERIES 51 (REGISTRATION NO. 33-48398).

Exhibit 1.1(A)

KEMPER DEFINED FUNDS SERIES 20
(Insured National Series)

TRUST AGREEMENT

This Trust Agreement dated as of May 17, 1994 between Kemper Unit Investment Trusts, a service of Kemper Securities, Inc., as Depositor, and Investors Fiduciary Trust Company, as Trustee, sets forth certain provisions in full and incorporates other provisions by reference to the document entitled "Kemper Defined Funds Series 13 and Subsequent Series, Standard Terms and Conditions of Trust, Effective February 17, 1994" (herein called the "Standard Terms and Conditions of Trust"), and such provisions as are set forth in full and such provisions as are incorporated by reference constitute a single instrument.

WITNESSETH THAT:

In consideration of the premises and of the mutual agreements herein contained, the Depositor and the Trustee agree as follows:

Part I

STANDARD TERMS AND CONDITIONS OF TRUST

Subject to the provisions of Part II hereof, all the provisions contained in the Standard Terms and Conditions of Trust are herein incorporated by reference in their entirety and shall be deemed to be a part of this instrument as fully and to the same extent as though said provisions had been set forth in this instrument.

Part II

SPECIAL TERMS AND CONDITIONS OF TRUST

The following special terms and conditions are hereby agreed to:

(a) The interest-bearing tax-exempt obligations listed in the Schedules hereto have been deposited in trust under this Trust Agreement as indicated in the Trust named on the attached Schedules.

(b) For the purposes of the definition of the terms "Depositor" and "Evaluator" in Article I, it is hereby specified that such term shall mean Kemper Unit Investment Trusts, a service of Kemper Securities, Inc. or its successors or any successor Depositor appointed.

(c) For the purposes of the definition of the term "Unit" in Article I, it is hereby specified that the fractional undivided interest in and ownership of the Trust is the amount set forth in the section captioned "Essential Information" in

the final Prospectus of the Trust (the "Prospectus") contained in Amendment No. 1 to the Trust's Registration Statement (Registration No. 33-53531) as filed with the Securities and Exchange Commission on May 17, 1994.

(d) For purposes of the definition of the term "Fund" in Article I, it is hereby specified that such term shall mean the term "Trust" as defined on page 5 of the Prospectus.

(e) For purposes of the definition of the term "Trust Fund" in Article I, it is hereby specified that such term shall include the definition of the term "Trust Fund" as set forth on page 5 of the Prospectus and specifically shall include Insured National Series 10.

(f) The term "Record Date" shall mean the "Record Dates" set forth under "Unitholders - Distributions to Unitholders" of the Prospectus.

(g) The terms "Interest Distribution Date" and "Principal Distribution Date" shall mean the "Interest Distribution Dates" and "Principal Distribution Dates" set forth under "Unitholders - Distributions to Unitholders" in the Prospectus.

(h) The number of Units of the Trust referred to in Section 2.01 is as set forth in the section captioned "Essential Information" in the Prospectus.

(i) As contemplated by Section 3.04, an initial distribution for the Trust will be made on the Distribution Date and in the amount set forth in the section captioned "Unitholders - Distributions to Unitholders" in the Prospectus to all holders of record on the Record Date set forth thereunder. Thereafter, the amounts distributed shall be calculated in the manner set forth in Section 3.04.

(j) For the purposes of Section 4.03, the Evaluator shall receive for evaluation of the Bonds in the Trust a fee, payable monthly, calculated on the basis of an annual rate of $.30 per $1,000 principal amount of Bonds, based upon the largest aggregate principal amount of Bonds in the Trust at any time during such monthly period.

(k) For the purposes of Section 3.13, the Depositor shall receive for portfolio surveillance services a fee calculated on the basis of an annual rate of $.20 per $1,000 principal amount of Bonds, based upon the largest aggregate principal amount of Bonds in the Trust at any time during such monthly period.

(l) For the purposes of Section 8.01(g), the liquidation amount is hereby specified as the amount set forth under "Essential Information - Minimum

Value of Trust under which Trust Agreement may be Terminated" in the Prospectus.

(m) For the purposes of Section 8.05, with the exception of the first year, the compensation for the Trustee is hereby specified as the amount set forth under "Essential Information". During the first year, the Trustee has agreed to lower its fee and to the extent necessary assume and pay out of its own funds expenses of the Trust by the amount set forth under "Essential Information" in the Prospectus.

(n) Any monies held to purchase "when-issued" bonds will be held in non-interest bearing accounts.

(o) The term First Settlement Date" shall mean the "First Settlement Date" set forth under the section captioned "Essential Information" in the Prospectus.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be duly executed.

KEMPER UNIT INVESTMENT TRUSTS
a service of Kemper Securities, Inc.
Depositor

By C. Perry Moore

Senior Vice President

INVESTORS FIDUCIARY TRUST COMPANY

By Ron Puett

Operations Officer

SCHEDULE A

Bonds Initially Deposited

Kemper Defined Funds Series 20
(Insured National Series)

(Note: Incorporated herein and made a part hereof is the "Portfolio" as set forth in the Prospectus.)

Exhibit 1.1(B)

KEMPER DEFINED FUNDS SERIES 20
(Insured State Series)

TRUST AGREEMENT

This Trust Agreement dated as of May 17, 1994 between Kemper Unit Investment Trusts, a service of Kemper Securities, Inc., as Depositor, and Investors Fiduciary Trust Company, as Trustee, sets forth certain provisions in full and incorporates other provisions by reference to the document entitled "Kemper Defined Funds Series 13 and Subsequent Series (Tax-Exempt Portfolios), Standard Terms and Conditions of Trust, Effective February 17, 1994" (herein called the "Standard Terms and Conditions of Trust"), and such provisions as are set forth in full and such provisions as are incorporated by reference constitute a single instrument.

WITNESSETH THAT:

In consideration of the premises and of the mutual agreements herein contained, the Depositor and the Trustee agree as follows:

Part I

STANDARD TERMS AND CONDITIONS OF TRUST

Subject to the provisions of Part II hereof, all the provisions contained in the Standard Terms and Conditions of Trust are herein incorporated by reference in their entirety and shall be deemed to be a part of this instrument as fully and to the same extent as though said provisions had been set forth in this instrument.

Part II

SPECIAL TERMS AND CONDITIONS OF TRUST

The following special terms and conditions are hereby agreed to:

(a) The interest-bearing tax-exempt obligations listed in the Schedules hereto have been deposited in trust under this Trust Agreement as indicated in the Trust named on the attached Schedules.

(b) For the purposes of the definition of the terms "Depositor" and "Evaluator" in Article I, it is hereby specified that such term shall mean Kemper Unit Investment Trusts, a service of Kemper

Securities, Inc. or its successors or any successor Depositor appointed.

(c) For the purposes of the definition of the term "Unit" in Article I, it is hereby specified that the fractional undivided interest in and ownership of the Trust is the amount set forth in the section captioned "Essential Information" in the final Prospectus of the Trust (the "Prospectus") contained in Amendment No. 1 to the Trust's Registration Statement (Registration No. 33-53531) as filed with the Securities and Exchange Commission on May 17, 1994.

(d) For purposes of the definition of the term "Fund" in Article I, it is hereby specified that such term shall mean the term "Trust" as defined on page 5 of the Prospectus.

(e) For purposes of the definition of the term "Trust Fund" in Article I, it is hereby specified that such term shall include the definition of the term "Trust Fund" as set forth on page 5 of the Prospectus and specifically includes Insured California Series 6 and Insured Colorado Series 3 (the "Insured State Trusts").

(f) The term "Record Date" shall mean the "Record Dates" set forth under "Unitholders - Distributions to Unitholders" of the Prospectus.

(g) The terms "Interest Distribution Date" and "Principal Distribution Date" shall mean the "Interest Distribution Dates" and "Principal Distribution Dates" set forth under "Unitholders - Distributions to Unitholders" in the Prospectus.

(h) The number of Units of the Trust referred to in Section 2.01 is as set forth in the section captioned "Essential Information" in the Prospectus.

(i) As contemplated by the last paragraph of Section 3.04, an initial distribution for the Trust will be made on the Distribution Date and in the amount set forth in the section captioned "Unitholders - Distributions to Unitholders" in the Prospectus to all holders of record on the Record Date set forth thereunder. Thereafter, the amounts distributed shall be calculated in the manner set forth in Section 3.04.

(j) For the purposes of Section 4.03, the Evaluator shall receive for evaluation of the Bonds in the Trust a fee, payable monthly, calculated on the basis of an annual rate of $.30 per $1,000 principal amount of Bonds, based upon the largest aggregate principal amount of Bonds in the Trust at any time during such monthly period.

(k) For the purposes of Section 3.13, the Depositor shall receive for portfolio surveillance services a fee, payable monthly, calculated on the basis of an annual rate of $.20 per $1,000 principal amount of

Bonds, based upon the

largest aggregate principal amount of Bonds in the Trust at any time during such monthly period.

(l) For the purposes of Section 8.01(g), the liquidation amount is hereby specified as the amount set forth under "Essential Information - Minimum Value of Trust under which Trust Agreement may be Terminated" in the Prospectus.

(m) For the purposes of Section 8.05, with the exception of the first year, the compensation for the Trustee is hereby specified as the amount set forth under "Essential Information". During the first year, the Trustee has agreed to lower its fee and to the extent necessary assume and pay out of its own funds expenses of the Trust by the amount set forth under "Essential Information" in the Prospectus.

(n) Any monies held to purchase "when-issued" bonds will be held in non-interest bearing accounts.

(o) The term "First Settlement Date" shall mean the "First Settlement Date" awr doerh unswe rhw awxrion captioned "Essential Information" in the Prospectus.

SCHEDULE A

Bonds Initially Deposited

Kemper Defined Funds Series 20
(Insured State Series)

(Note: Incorporated herein and made a part hereof is the "Portfolio" as set forth in the Prospectus.)

Exhibit 3.1

Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

May 17, 1994

Kemper Unit Investment Trusts
77 West Wacker Drive
Chicago, Illinois 60601

Re: Kemper Defined Funds Series 20

Gentlemen:

We have served as counsel for Kemper Unit Investment Trusts, as Sponsor and Depositor of Kemper Defined Funds Series 20 (the "Fund"), in connection with the preparation, execution and delivery of Trust Agreements dated the date of this opinion between Kemper Unit Investment Trusts, as Depositor, and Investors Fiduciary Trust Company, as Trustee, pursuant to which the Depositor has delivered to and deposited the Bonds listed in the Schedules to each Trust Agreement with the Trustee and pursuant to which the Trustee has issued to or on the order of the Depositor a certificate or certificates representing all the Units of fractional undivided interest in, and ownership of, the Fund, created under said Trust Agreements.

In connection therewith we have examined such pertinent records and documents and matters of law as we have deemed necessary in order to enable us to express the opinions hereinafter set forth.

Based upon the foregoing, we are of the opinion that:

1. The execution and delivery of the Trust Agreements and the execution and issuance of certificates evidencing the Units of the Fund have been duly authorized; and

2. The certificates evidencing the Units of the Fund, when duly executed and delivered by the Depositor and the Trustee in accordance with the aforementioned Trust Agreements, will constitute valid and binding obligations of the Fund and the Depositor in accordance with the terms thereof.

We hereby consent to the filing of this opinion as an exhibit to the

Registration Statement (File No. 33-53531) relating to the Units referred to above and to the use of our name and to the reference to our firm in said Registration Statement and in the related Prospectus.

Respectfully submitted,

CHAPMAN AND CUTLER

Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

May 17, 1994

Kemper Unit Investment Trusts
77 West Wacker Drive
Chicago, Illinois 60601

Investors Fiduciary Trust Company
127 West 10th Street
Kansas City, Missouri 64105

Re: Kemper Defined Funds Series 20

Gentlemen:

We have acted as counsel for Kemper Unit Investment Trusts, Depositor of Kemper Defined Funds Series 20 (the "Fund"), in connection with the issuance of Units of fractional undivided interest in the several Trusts of said Fund under Trust Agreements dated May 17, 1994 (the "Indenture") between Kemper Unit Investment Trusts, as Depositor and Evaluator and Investors Fiduciary Trust Company, as Trustee.

In this connection, we have examined the Registration Statement, the form of Prospectus proposed to be filed with the Securities and Exchange Commission, the Indenture and such other instruments and documents as we have deemed pertinent.

Based upon the foregoing and upon an investigation of such matters of law as we consider to be applicable, we are of the opinion that, under existing Federal income tax law:

(i) Each Trust is not an association taxable as a corporation but will be governed by the provisions of subchapter J (relating to trusts) of chapter 1, Internal Revenue Code of 1986 (the "Code").

(ii) Each Certificateholder will be considered as owning a pro rata share of each asset of the respective Trust in the proportion that the number of Units of such Trust held by him bears to the total number of Units outstanding of such Trust. Under subpart E, subchapter J of chapter 1 of the Code, income of each Trust will be treated as income of each Certificateholder of the respective Trust in the proportion described, and an item of Trust income will have the same character in the hands of a Certificateholder as it would have in the hands of the Trustee. Accordingly, to the extent that the income of a Trust consists of

interest and original issue discount excludable from gross income under Section 103 of the Code, such income will be excludable from Federal gross income of the Certificateholders, except in the case of a Certificateholder who is a substantial user (or a person related to such user) of a facility financed through issuance of any industrial development bonds or certain private activity bonds held by the respective Trust. In the case of such Certificateholder (and no other) interest received and original issue discount with respect to his Units attributable to such industrial development bonds or such private activity bonds is includable in his gross income. In the case of certain corporations, interest on the Bonds is included in computing the alternative minimum tax pursuant to Section 56(c) of the Code, the environmental tax (the "Superfund Tax") imposed by Section 59A of the Code, and the branch profits tax imposed by Section 884 of the Code with respect to U.S. branches of foreign corporations.

(iii) Gain or loss will be recognized to a Certificateholder upon redemption or sale of his Units. Such gain or loss is measured by comparing the proceeds of such redemption or sale with the adjusted basis of the Units represented by his Certificate. Before adjustment, such basis would normally be cost if the Certificateholder had acquired his Units by purchase, plus his aliquot share of advances by the Trustee to the Trust to pay interest on Bonds delivered after the Certificateholder's settlement date to the extent that such interest accrued on the Bonds during the period from the Certificateholder's settlement date to the date such Bonds are delivered to the respective Trust, but only to the extent that such advances are to be repaid to the Trustee out of interest received by such Trust with respect to such Bonds. In addition, such basis will be increased by the Certificateholder's aliquot share of the accrued original issue discount with respect to each Bond held by the Fund with respect to which there was an original issue discount at the time the Bond was issued and reduced by the annual amortization of bond premium, if any, on Bonds held by the Trust.

(iv) If the Trustee disposes of a Trust asset (whether by sale, payment on maturity, redemption or otherwise) gain or loss is recognized to the Certificateholder and the amount thereof is measured by comparing the Certificateholder's aliquot share of the total proceeds from the transaction with his basis for his fractional interest in the asset disposed of. Such basis is ascertained by apportioning the tax basis for his Units among each of the Trust assets (as of the date on which his Units were acquired) ratably according to their values as of the valuation date nearest the date on which he purchased such Units. A Certificateholder's basis in his Units and of his fractional interest in each Trust asset must be reduced by the amount of his aliquot share of interest received by the Trust, if any, on bonds delivered after the Certificateholder's settlement date to the extent that such interest accrued on the Bonds during the

period from the Certificateholder's settlement date to the date such Bonds are delivered to the Trust, must be reduced by the annual amortization of bond premium, if any, on Bonds held by the Trust and must be increased by the Certificateholder's share of the accrued original issue discount with respect to each Bond which, at the time the Bond was issued, had original issue discount.

(v) In the case of any Bond held by the Trust where the "stated redemption price at maturity" exceeds the "issue price", such excess shall be original issue discount. With respect to each Unitholder, upon the purchase of his Units subsequent to the original issuance of Bonds held by the Trust, Section 1272(a)(7) of the Code provides for a reduction in the accrued "daily portion" of such original issue discount upon the purchase of a Bond subsequent to the Bond's original issue, under certain circumstances. In the case of any Bond held by the Trust the interest on which is excludable from gross income under Section 103 of the Code, any original issue discount which accrues with respect thereto will be treated as interest which is excludable from gross income under Section 103 of the Code.

(vi) Certain bonds in the portfolios of certain of the Trusts have been insured by the issuers thereof against default in the prompt payment of principal and interest. Insurance has been obtained for such bonds, or, in the case of a commitment, the bonds will be ultimately insured under the terms of such an insurance policy, which are designated as issuer insured bonds on the portfolio pages of the respective Trusts in the prospectus for the Fund, by the issuer of such bonds. Insurance obtained by the issuer is effective so long as such bonds remain outstanding. For each of these bonds, we have been advised that the aggregate principal amount of such bonds listed on the portfolio page for the respective Trust was acquired by the applicable Trust and is part of the series of such bonds listed on the portfolio page for the respective Trust in the aggregate principal amount listed on the portfolio page for the respective Trust. Based upon the assumption that the bonds acquired by the applicable Trust are part of the series covered by an insurance policy or, in the case of a commitment, will be ultimately insured under the terms of such an insurance policy, it is our opinion that any amounts received by the applicable Trust representing maturing interest on such bonds will be excludable from federal gross income if, and to the same extent as, such interest would have been so excludable if paid in normal course by the Issuer notwithstanding the source of the payment is from policy proceeds. Paragraph (ii) of this opinion is accordingly applicable to such payment.

Sections 1288 and 1272 of the Code provide a complex set of rules governing the accrual of original issue discount. These rules provide that original issue discount accrues either on the basis of a constant compound interest rate or ratably over the term of the

Bond, depending on the date the Bond was issued. In addition, special rules apply if the purchase price of a Bond exceeds the original issue price plus the amount of original issue discount which accrued to prior owners. The application of these rules will also vary depending on the value of the bond on the date a Certificateholder acquires his Units, and the price the Certificateholder pays for his Units.

Because the Trusts do not include any "specified private activity" bonds within the meaning of Section 57(a)(5) of the Code issued on or after August 8, 1986, none of the Trust Fund's interest income shall be treated as an item of tax preference when computing the alternative minimum tax. In the case of corporations, for taxable years beginning after December 31, 1986, the alternative minimum tax and the Superfund Tax depend upon the corporation's alternative minimum taxable income ("AMTI") which is the corporation's taxable income with certain adjustments.

Pursuant to Section 56(c) of the Code, one of the adjustment items used in computing AMTI and the Superfund Tax of a corporation (other than an S Corporation, Regulated Investment Company, Real Estate Investment Trust or REMIC) for taxable years beginning after 1989, is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" includes all tax-exempt interest, including interest on all Bonds in the Trust, and tax-exempt original issue discount.

Effective for tax returns filed after December 31, 1987, all taxpayers are required to disclose to the Internal Revenue Service the amount of tax-exempt interest earned during the year.

Section 265 of the Code provides for a reduction in each taxable year of 100 percent of the otherwise deductible interest on indebtedness incurred or continued by financial institutions, to which either Section 585 or Section 593 of the Code applies, to purchase or carry obligations acquired after August 7, 1986, the interest on which is exempt from Federal income taxes for such taxable year. Under rules prescribed by Section 265, the amount of interest otherwise deductible by such financial institutions in any taxable year which is deemed to be attributable to tax-exempt obligations acquired after August 7, 1986, will be the amount that bears the same ratio to the interest deduction otherwise allowable (determined without regard to Section 265) to the taxpayer for the taxable year as the taxpayer's average adjusted basis (within the meaning of Section 1016) of tax-exempt obligations acquired after August 7, 1986, bears to such average adjusted basis for all assets of the taxpayer, unless such financial institution can otherwise establish, under regulations, to be prescribed by the Secretary of the Treasury, the amount of interest on indebtedness incurred or continued to purchase or carry such obligations.

We also call attention to the fact that, under Section 265 of the Code, interest on indebtedness incurred or continued to purchase or carry Units is not deductible for Federal

income tax purposes. Under rules used by the Internal Revenue Service for determining when borrowed funds are considered used for the purpose of purchasing or carrying particular assets, the purchase of Units may be considered to have been made with borrowed funds even though the borrowed funds are not directly traceable to the purchase of Units. However, these rules generally do not apply to interest paid on indebtedness incurred for expenditures of a personal nature such as a mortgage incurred to purchase or improve a personal residence.

"The Revenue Reconciliation Act of 1993" (the Tax Act") subjects tax-exempt bonds to the market discount rules of the Code effective for bonds purchased after April 30, 1993. In general, market discount is the amount (if any) by which the stated redemption price at maturity exceeds an investor's purchase price (except to the extent that such difference, if any, is attributable to original issue discount not yet accrued). Market discount can arise based on the price a Trust pays for Bonds or the price a Certificateholder pays for his or her Units. Under the Tax Act, accretion of market discount is taxable as ordinary income; under prior law, the accretion had been treated as capital gain. Market discount that accretes while a Trust holds a Bond would be recognized as ordinary income by the Certificateholders when principal payments are received on the Bonds, upon sale or at redemption (including early redemption), or upon the sale or redemption of his or her Units, unless a Certificateholder elects to include market discount in taxable income as it accrues.

We have also examined the income tax law of the State of Colorado, which is based upon the Federal Law, to determine its applicability to the Insured Colorado Trust (the "Colorado Trust") being created as part of the Fund and to the holders of Units in the Colorado Trust who are residents of the State of Colorado ("Colorado Unitholders").

The assets of the Trust will consist of debt obligations issued by or on behalf of the State of Colorado (the "State") or counties, municipalities, authorities or political subdivisions thereof (the "Colorado Bonds") or by the Commonwealth of Puerto Rico, Guam and the United States Virgin Islands (the "Possession Bonds") (collectively, the "Bonds").

Although we express no opinion with respect to the issuance of the Bonds, in rendering our opinion expressed herein, we have assumed that: (i) the Bonds were validly issued, (ii) the interest thereon is excludable from gross income for federal income tax purposes, and (iii) interest on the Bonds, if received directly by a Unitholder, would be exempt from the income tax imposed by the State that is applicable to individuals and corporations (the "State Income Tax"). This opinion does not address the taxation of persons other than full time residents of Colorado.

Based upon the foregoing, and based on review and consideration of existing laws of the State as of this date, it is our opinion, and we herewith advise you, as follows:

(a) The Colorado Trust is not an association taxable as a corporation for purposes of Colorado income taxation.

(b) Each Colorado Unitholder will be treated as owning a pro-rata share of each asset of the Colorado Trust for Colorado income tax purposes in the proportion that the number of Units of such Trust held by him bears to the total number of outstanding Units of the Colorado Trust, and the income of the Colorado Trust will therefore be treated as the income of each Colorado Unitholder under Colorado law in the proportion described and an item of income of the Colorado Trust will have the same character in the hands of a Colorado Unitholder as it would have in the hands of the Trustee.

(c) Gain or loss will be recognized by a Colorado Unitholder upon redemption or sale of his Units. Such gain or loss is measured by comparing the proceeds of such redemption or sale with the adjusted basis of the Units represented by his Certificate. Before adjustment, such basis would normally be cost if the Colorado Unitholder has acquired his Units by purchase, plus his aliquot share of advances by the Trustee to the Colorado Trust to pay interest on bonds delivered after the Colorado Unitholder's settlement date to the extent that such interest accrued on such bonds during the period from the Colorado Unitholder's settlement date to the date such bonds are delivered to the Colorado Trust, but only to the extent that such advances are to be repaid to the Trustee out of interest received by such Trust with respect to such bonds. In addition, such basis will be increased by the Colorado Unitholder's aliquot share of the accrued original issue discount with respect to each bond held by such Trust with respect to which there was an original issue discount at the time such bond was issued and reduced by the annual amortization of bond premium, if any, on the bonds held by the Colorado Trust.

(d) If the Trustee disposes of a bond (whether by sale, payment on maturity, redemption or otherwise) gain or loss is recognized to the Colorado Unitholder and the amount thereof is measured by comparing the Colorado Unitholder's aliquot share of the total proceeds from the transaction with his basis for his fractional interest in the bond disposed of. Such basis is ascertained by apportioning the tax basis for his Units among each of the bonds (as of the date on which his units were acquired) ratably according to their values as of the valuation date nearest the date on which he purchased such Units. A Colorado Unitholder's basis in his Units and of his fractional interest in each bond must be reduced by the amount of his aliquot share of interest received by the Colorado Trust, if any, in bonds delivered after the Colorado Unitholder's settlement date to the extent that such interest accrued on such bonds during the period from the Colorado Unitholder's settlement date to the

date such bonds are delivered to the Colorado Trust, must be reduced by the annual amortization of bond premium, if any, on bonds held by such Trust and must be increased by the Colorado Unitholder's share of the accrued original issue discount with respect to each bond which, at the time such bond was issued, had original issue discount.

(e) If interest on indebtedness incurred or continued by a Colorado Unitholder to purchase Units in the Colorado Trust is not deductible for Federal income tax purposes, it will also be nondeductible for Colorado income tax purposes.

(f) So long as the Colorado Trust holds obligations issued, on or after May 1, 1980, by the State of Colorado or its political subdivisions (the "Colorado Bonds"), then to the extent the interest on the Colorado bonds is excludable from Federal gross income of a Colorado Unitholder pursuant to Section 103 of the Code, such interest will be excludable from Colorado adjusted gross income of such Unitholder.

(g) Certain of the bonds in the Colorado Trust have been insured by the issuers thereof against default in the prompt payment of principal and interest. Based upon the exemptions and assumptions referred to above, it is our opinion that any amounts received by the Colorado Trust representing maturing interest on such bonds will be excludable from Colorado adjusted gross income if, and to the same extent as, such interest would have been so excludable if paid in normal course by the issuer notwithstanding the source of the payment is from policy proceeds. Paragraph (f) of this opinion is accordingly applicable to such payment.

(h) To the extent that interest paid and original issue discount, if any, derived from the Trust by a Unitholder with respect to Possession Bonds is excludable from gross income for Federal income tax purposes pursuant to 48 U.S.C. (S)745, 48 U.S.C. (S)1423a, and 48 U.S.C. (S)1403, such interest paid and original issue discount, if any, will not be subject to the Colorado State Income Tax; however, no opinion is expressed herein regarding taxation of interest paid and original issue discount, if any, on the Possession Bonds received by the Trust and distributed to Unitholders under any other tax imposed pursuant to Colorado law.

We have also examined the laws of the State of Missouri to determine their applicability to the Fund. It is our opinion that under Missouri law, as presently enacted and construed:

(i) Each Trust is not an association taxable as a corporation for Missouri income tax purposes.

(ii) The Unitholders of each Trust will be treated as the owners of a pro rata portion of each Trust and the income of each Trust will therefore be treated as income of the Unitholders under Missouri law.

(iii) Each Trust will not be subject to the Kansas City, Missouri Earnings and Profits Tax and each Unitholder's share of income of each Trust will not generally be subject to the Kansas City, Missouri Earnings and Profits Tax or the City of St. Louis Earnings Tax (except in the case of certain Unitholders, including corporations, otherwise subject to the St. Louis City Earnings Tax).

The scope of this opinion is expressly limited to the matters set forth herein, and, except as expressly set forth above, we express no opinion with respect to any other taxes, including state or local taxes or collateral tax consequences with respect to the purchase, ownership and disposition of Units.

Very truly yours,

CHAPMAN AND CUTLER

EXHIBIT 3.2

ORRICK, HERRINGTON & SUTCLIFFE
Old Federal Reserve Bank Building
400 Sansome Street
San Francisco, California 94111

May 17, 1994

Investors Fiduciary Trust Company
127 West 10th Street
Kansas City, Missouri 64105

Re: Kemper Defined Funds Series 20
Insured California Series 6

Dear Sirs:

We have acted as special California counsel for Kemper Unit Investment Trust, a Service of Kemper Securities, Inc., as Depositor of Kemper Defined Funds Series 20--Insured California Series 6 (the "Fund"), in connection with the issuance under the Trust Indenture and Agreement dated April 6, 1994, between Kemper Unit Investment Trust, a Service of Kemper Securities, Inc., as Depositor, and Investors Fiduciary Trust Company, as Trustee, of 306,124 Units of fractional undivided interest in the Fund (the "Units") in exchange for certain bonds, as well as "regular-way" and "when-issued" contracts for the purchase of bonds (such bonds and contracts are hereinafter referred to collectively as the "Securities").

In connection therewith, we have examined such corporate records, certificates and other documents and such questions of law as we have deemed necessary or appropriate for the purpose of this opinion, and, on the basis of such examination, and upon existing provisions of the Revenue and Taxation Code of the State of California, we are of the opinion that:

1. The Fund is not an association taxable as a corporation and the income of the Fund will be treated as the income of the certificateholders under the income tax laws of California.

2. Amounts treated as interest on the underlying securities which are exempt from tax under California personal income tax and property tax laws when received by the Fund will, under such laws, retain their status as tax-exempt interest when distributed to certificateholders. However, interest on the underlying securities attributed to a certificateholder which is a corporation subject to the California franchise tax laws may be

includable in its gross income for purposes of determining its California franchise tax.

3. Under California income tax law, each certificateholder in the Fund will have a taxable event when the Fund disposes of a security (whether by sale, exchange, redemption, or payment at maturity) or when the certificateholder redeems or sells Units. Because of the requirement that tax cost basis be reduced to reflect amortization of bond premium, under some circumstances a certificateholder may realize taxable gain when Units are sold or redeemed for an amount equal to, or less than, their original cost. The total tax cost of each Unit to a certificateholder is allocated among each of the bond issues held in the Fund (in accordance with the proportion of the Fund comprised by each bond issue) in order to determine his per unit tax cost for each bond issue; and the tax cost reduction requirements relating to amortization of bond premium will apply separately to the per unit cost of each bond issue. Certificateholders' bases in their Units, and the bases for their fractional interest in each Fund asset, may have to be adjusted for their pro rata share of accrued interest received, if any, on securities delivered after the certificateholders' respective settlement dates.

4. Under the California personal property tax laws, bonds (including the Securities) or any interest therein is exempt from such tax.

5. Any proceeds paid under the insurance policy, if any, issued to the Trustee of the Fund with respect to the Securities which represent maturing interest on defaulted obligations held by the Trustee will be exempt from California personal income tax if, and to the same extent as, such interest would have been so exempt if paid by the issuer of the defaulted obligations.

6. Under Section 17280(b)(2) of the California Revenue and Taxation Code, interest on indebtedness incurred or continued to purchase or carry Units of the Fund is not deductible for the purposes of the California personal income tax. While there presently is no California authority interpreting this provision, Section 17280(b)(2) directs the California Franchise Tax Board to prescribe regulations determining the proper allocation and apportionment of interest costs for this purpose. The Franchise Tax Board has not yet proposed or prescribed such regulations. In interpreting the generally similar Federal provision, the Internal Revenue Service has taken the position that such indebtedness need not be directly traceable to the purchase or carrying of Units (although the Service has not contended that a deduction for interest on indebtedness incurred to purchase or improve a personal residence or to purchase goods or services for personal consumption will be disallowed). In the absence

of conflicting regulations or other California authority, the California Franchise Tax Board generally has interpreted California statutory tax provisions in accord with Internal Revenue Service interpretations of similar Federal provisions.

Opinions relating to the validity of securities and the exemption of interest thereon from State of California income tax are rendered by bond counsel to the issuing authority at the time securities are issued and we have relied solely upon such opinions, or as to

securities not yet delivered, forms of such opinions contained in official statements relating to such securities. Except in certain instances in which we acted as bond counsel to issuers of securities, and as such made a review of proceedings relating to the issuance of certain securities at the time of their issuance, we have not made any review of proceedings relating to the issuance of securities or the bases of bond counsels' opinion.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement (SEC No. 33-53531) relating to the Units referred to above and to the use of our name and to the reference to our firm in said Registration Statement and in the related Prospectus.

Very truly yours,
Orrick, Herrington & Sutcliffe

EXHIBIT 4.1

Consent of Moody's Investors Service

Laura Levenstein
Vice President
Structured Ratings
Public Finance Department

99 Church Street
New York, NY 10007
212-553-0319

May 17, 1994

Mr. Mike Thoms
Kemper Securities Group, Inc.
Unit Investment Trust
77 West Wacker Drive-29th Floor
Chicago, IL 60601

Re: Kemper Defined Funds, Insured National Series 10, Insured California Series 6, Insured Colorado Series 3.

Dear Mr. Thoms:

Please be advised that once Moody's Investors Service has independently verified the existence of insurance policies on all Bonds expected to be included in the Trusts, we will assign Aaa ratings to the Units in the series of Trusts described above. The ratings on the Units will reflect the portfolios of the Trusts, which will be composed solely of securities covered by bond insurance policies. The insurance companies issuing the policies are all rated Aaa by Moody's.

Insurance guarantying the payments of principal and interest, when due, on the Bonds in the portfolio of the Trust has been obtained from an insurance company either by the Trust, by the Issuer of the Bonds involved, by a prior owner of the Bonds or by the Sponsor prior to the deposit of such Bonds in the Trust. It is important to note that the insurance relates only to the Bonds in the Trust and does not directly insure the Units or assure payment of the market value thereof. While as a result of such insurance the Units of the Trust will receive a rating of "Aaa" by Moody's Investors Service, Moody's has indicated that this rating is not a recommendation to buy, hold or sell Units. This rating reflects Moody's determination that the Bonds in the portfolio of the Trust are judged to be of the best quality. This rating does not reflect a determination by Moody's that the Unitholder will receive all principal and interest payable on such Bonds through their nominal maturity. This is due to the possibility that the Trust may, for a variety of reasons, dispose of such Bonds, including sales to meet redemptions, to pay expenses of the Trustee, to wind up the Trust when the value of the Bonds in the Trust falls below a certain minimum amount and for other reasons specified in the Indenture. Accordingly, while the "Aaa" rating reflects that such Bonds in the portfolio carry the smallest degree of credit risk and they are generally considered to be "gilt edged", this rating does not assure a Unitholder that it will receive all principal and interest payable on such Bonds through their nominal maturity.

This letter evidences our consent to the use of the name of Moody's Investors Service in connection with the rating assigned to the Units in the registration statement or prospectus relating to the Units or the Trusts. However, this letter should not be construed as a consent by us, within the meaning of Section 7 of the Securities Act of 1933, to the use of the name of Moody's Investors Service in connection with the ratings assigned to the securities contained in the Trust. You are hereby authorized to file a copy of this letter with the Securities and Exchange Commission.

Please send us copies of the prospectus as soon as it is available, as well as any mini-prospectus or other sales materials.

Please do not hesitate to call should you have any additional questions or requests.

Sincerely,

Laura Levenstein

Exhibit 4.2

Consent of Muller Data Corporation,
90 Fifth Avenue,
New York, New York 10011

Kemper Capital Markets, Inc.
Unit Investment Trusts
77 West Wacker Drive-5th Floor
Chicago, Illinois 60601-1994

RE: Kemper Defined Funds Insured National Series 10
Kemper Defined Funds Insured California Series 6
Kemper Defined Funds Insured Colorado Series 3

Gentlemen:

We have examined Registration Statement File No. 33-53531 for the above captioned trust. We hereby acknowledge that Muller Data Corporation is currently acting as the evaluator for the trust. We hereby consent to the use in the Registration Statement of the reference to Muller Data Corporation as evaluator.

In addition, we hereby confirm that the ratings indicated in the Registration Statement for the respective bonds comprising the trust portfolio are the ratings indicated in our Muniview data base as of the date of the Evaluation Report.

You are hereby authorized to file a copy of this letter with the Securities and Exchange Commission.

Sincerely,

/s/ Neil Edelstein

- -----------------------

Neil Edelstein,
Executive Vice President

NE/tg

EXHIBIT 4.3

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' CONSENT

We have issued our report dated May 17, 1994 on the statements of condition and related bond portfolios of Kemper Defined Funds Series 20 (Insured National Series 10, Insured California Series 6 and Insured Colorado Series 3) as of May 17, 1994 contained in the Registration Statement on Form S-6 and in the Prospectus. We consent to the use of our report in the Registration Statement and in the Prospectus and to the use of our name as it appears under the caption "Other Matters-Independent Certified Public Accountants".

GRANT THORNTON

Chicago, Illinois
May 17, 1994