

SECURITIES AND EXCHANGE COMMISSION

**FORM 486APOS**

Post-effective amendments [Rule 486(a)]

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**FILER**

**MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT A**

CIK: **880793** | State of Incorporation: **AR** | Fiscal Year End: **1231**  
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PLAINSBORO NJ 08536  
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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM N-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933        / /  
PRE-EFFECTIVE AMENDMENT NO.    / /  
POST-EFFECTIVE AMENDMENT NO. 4     /X/

AND

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940    / /  
AMENDMENT NO. 5    /X/

(Check appropriate box or boxes)

MERRILL LYNCH LIFE VARIABLE ANNUITY  
SEPARATE ACCOUNT A  
(Exact Name of Registrant)

MERRILL LYNCH LIFE INSURANCE COMPANY  
(Name of Depositor)  
800 Scudders Mill Road  
Plainsboro, New Jersey 08536  
(609) 282-1429

(Address and telephone number of principal executive offices)

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Senior Vice President and General Counsel  
Merrill Lynch Life Insurance Company  
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Washington, D.C. 20004-2404

The Registrant has registered an indefinite amount of securities pursuant to Rule 24f-2 under the Investment Company Act of 1940. The Rule 24f-2 notice for fiscal year 1993 was filed on February 28, 1994.

It is proposed that this filing will become effective (check appropriate space):

/ / immediately upon filing pursuant to paragraph (b) of Rule 486

/ / on \_\_\_\_\_ pursuant to paragraph (b) of Rule 486  
(date)

/ / 60 days after filing pursuant to paragraph (a) of Rule 486

/X/ on \_\_\_May 1, 1994\_\_\_ pursuant to paragraph (a) of Rule 486  
(date)

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 CROSS REFERENCE SHEET  
 (AS REQUIRED BY RULE 495(A) UNDER THE 1933 ACT)

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PART C

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Information required to be included in Part C is set forth under the appropriate item, so numbered in Part C to this Registration Statement.

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PROSPECTUS

MAY 1, 1994

MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT A  
AND  
MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT B

FLEXIBLE PREMIUM INDIVIDUAL DEFERRED VARIABLE ANNUITY CONTRACT  
ALSO KNOWN AS  
MODIFIED SINGLE PREMIUM INDIVIDUAL DEFERRED VARIABLE ANNUITY CONTRACT  
ISSUED BY  
MERRILL LYNCH LIFE INSURANCE COMPANY

Home Office: Little Rock, Arkansas 72201  
Service Center: P.O. Box 44222,  
Jacksonville, Florida 32231-4222  
4804 Deer Lake Drive East,  
Jacksonville, Florida 32246  
Phone: (800) 535-5549

OFFERED THROUGH  
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

The individual deferred variable annuity contract described in this Prospectus (the "Contract") is designed to provide comprehensive and flexible ways to invest and to create a source of income protection for later in life through the payment of annuity benefits. An annuity is intended to be a long term investment. Contract owners should consider their need for deferred income before purchasing the Contract. The Contract is issued by Merrill Lynch Life Insurance Company ("Merrill Lynch Life") both on a nonqualified basis, and as an Individual Retirement Annuity ("IRA") that is given qualified tax status.

Premiums will be allocated as the contract owner directs into one or more subaccounts of Merrill Lynch Life Variable Annuity Separate Account A ("Account A") and/or Merrill Lynch Life Variable Annuity Separate Account B ("Account B"), (together, the "Accounts"). The assets of each of the current subaccounts will be invested in a corresponding mutual fund portfolio of the Merrill Lynch Variable Series Funds, Inc. (the "Funds"). Currently, there are thirteen Funds available to Account A and one Fund available to Account B. Three additional Funds will be available to Account A on May 16, 1994. Other subaccounts and corresponding investment options may be added in the future. The value of a contract owner's investment in each subaccount will vary with investment experience, and it is the contract owner who bears the full investment risk with respect to his or her investments.

The Contract provides a choice of fixed annuity payment options. On the annuity date, the entire contract value, after the deduction of a charge for any applicable premium taxes, will be transferred to Merrill Lynch Life's general account, from which the annuity payments will be made. Prior to the annuity date, the contract owner may make transfers among Account A subaccounts, limited transfers from Account A into Account B, and full or partial withdrawals from the Contract to suit investment and liquidity needs. Withdrawals may be taxable and may be subject to a contingent deferred sales charge.

This Prospectus contains information about the Contract and the Accounts that a prospective contract owner should know before investing. Additional information about the Contract and the Accounts is contained in a Statement of Additional Information, dated May 1, 1994, which has been filed with the Securities and Exchange Commission and is incorporated herein by reference. The Statement of Additional Information is available on request and without charge by writing to

or calling Merrill Lynch Life at the Service Center address or phone number set forth above. The table of contents for the Statement of Additional Information is included on page 37 of this Prospectus.

PLEASE READ THIS PROSPECTUS AND KEEP IT FOR FUTURE REFERENCE. IT IS ATTACHED TO A CURRENT PROSPECTUS FOR MERRILL LYNCH VARIABLE SERIES FUNDS, INC., WHICH SHOULD ALSO BE READ AND KEPT FOR REFERENCE.

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

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DEFINITIONS

ACCOUNTS: Two segregated investment accounts of Merrill Lynch Life Insurance Company, named Merrill Lynch Life Variable Annuity Separate Account A and Merrill Lynch Life Variable Annuity Separate Account B. (See page 16.)

ACCOUNT VALUE: The value of a contract owner's interest in a particular Account.

ACCUMULATION UNIT: An index used to compute the value of the contract owner's interest in the Accounts prior to the annuity date. (See page 24.)

ANNUITANT: The person on whose continuation of life annuity payments may depend.

ANNUITY DATE: The date on which annuity payments begin. (See page 29.)

BENEFICIARY: The person to whom payment is to be made on the death of the contract owner.

CONTRACT: The variable annuity offered by this Prospectus.

CONTRACT ANNIVERSARY: The same date each year as the date of issue of the Contract.

CONTRACT OWNER: The person entitled to exercise all rights under the Contract. (See page 23.)

CONTRACT VALUE: The value of a contract owner's interest in the Accounts.

DATE OF ISSUE: The date on which an initial Contract premium is received and required contract owner information is approved by Merrill Lynch Life. (See page 23.)

FUNDS: The mutual funds, or separate investment portfolios within a series mutual fund, designated as eligible investments for the Accounts. (See page 16.)

INDIVIDUAL RETIREMENT ACCOUNT OR ANNUITY ("IRA"): A Contract issued in connection with a retirement arrangement that receives favorable tax status under Section 408 of the Internal Revenue Code.

MONTHIVERSARY: The same date of each month as the date on which the Contract was issued.

NET INVESTMENT FACTOR: An index used to measure the investment performance of a subaccount from one valuation period to the next. (See page 25.)

NONQUALIFIED CONTRACT: A Contract issued in connection with a retirement arrangement other than a qualified arrangement described under Section 401, 403, 408, 457 or any similar provisions of the Internal Revenue Code.

PREMIUMS: Money paid into the Contract. (See page 24.)

SUBACCOUNT: A division of each of the Accounts consisting of the shares of a particular Fund held by that Account.

VALUATION PERIOD: The interval from one determination of the net asset value of a subaccount to the next. Net asset values are determined as of the close of business on each day the New York Stock Exchange is open. (See page 25.)

VARIABLE ANNUITY: A contract with a value that reflects investment experience prior to the annuity date, and provides periodic payments of set amounts after the annuity date.

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#### CAPSULE SUMMARY OF THE CONTRACT

The following capsule summary is intended to provide a brief overview of the Contract. More detailed information about the Contract can be found in the sections of this Prospectus that follow, all of which should be read in their entirety.

#### THE ACCOUNTS

Premiums will be allocated to Merrill Lynch Life Variable Annuity Separate Account A ("Account A") and/ or Merrill Lynch Life Variable Annuity Separate Account B ("Account B") segregated investment accounts (together, the "Accounts"), as directed by the contract owner. The Accounts are divided into subaccounts corresponding to the Funds in which contract value may be invested. Premiums are not invested directly in the underlying Funds. For the first 14 days following the date of issue, all premiums directed into Account A will be allocated to the Domestic Money Market Fund Subaccount. Thereafter, the account value will be reallocated to the Account A subaccounts selected. In the Commonwealth of Pennsylvania, all premiums will be invested as of the date of issue in the subaccounts selected by the contract owner. Account A account value may be periodically transferred among Account A subaccounts, subject to certain limitations. The contract value and annuity payments will reflect the investment performance of the Funds selected. (See THE ACCOUNTS on page 16 and TRANSFERS on page 26.)

#### THE FUNDS

The Funds are separate investment mutual fund portfolios of the Merrill Lynch Variable Series Funds, Inc. (the "Funds"). There are currently thirteen Funds available for contract owner investment, each with a different investment objective: Domestic Money Market Fund, Prime Bond Fund, High Current Income Fund, Quality Equity Fund, Equity Growth Fund, Flexible Strategy Fund, Natural Resources Focus Fund, American Balanced Fund, Global Strategy Focus Fund, Basic Value Focus Fund, World Income Focus Fund, Global Utility Focus Fund, International Equity Focus Fund, and Reserve Assets Fund. On May 16, 1994, three additional Funds will be available for contract owner investment, each with a different investment objective: International Bond Fund, Intermediate Government Bond Fund and Developing Capital Markets Focus Fund. Other investment options may be added in the future. (See INVESTMENTS OF THE ACCOUNTS on page 16.)

Detailed information about the investment objectives of the Funds can be found under INVESTMENTS OF THE ACCOUNTS on page 16.

#### PREMIUMS

The Contract generally allows contract owners the flexibility to make premium payments as often as desired. The Contract is purchased by making an initial premium payment of \$5,000 or more on a nonqualified Contract and \$2,000 or more on an IRA Contract. Subsequent premium payments must be \$300 or more and can be made at any time prior to the annuity date. Maximum annual contributions to IRA Contracts are limited by federal law. Under an automated investment program, subsequent premium payments can be automatically made from a Merrill Lynch Pierce, Fenner & Smith Incorporated brokerage account. This feature will be available by July 31, 1994. A Financial Consultant should be contacted for additional information. Merrill Lynch Life reserves the right to refuse to accept subsequent premium payments, if required by law. (See PREMIUMS on page 24.)

## FEES AND CHARGES

A charge is made to reimburse Merrill Lynch Life for expenses related to maintenance of the Contract. A \$40 contract maintenance charge will be deducted from the contract value on each contract anniversary that occurs on or prior to the annuity date. It will also be deducted when the Contract is surrendered, if it is

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surrendered on any date other than a contract anniversary. This charge will be waived on all Contracts with a contract value equal to or greater than \$50,000 on the date the charge would otherwise be deducted. It is not deducted after the annuity date.

A mortality and expense risk charge is imposed on the Accounts. It equals 1.25% annually for Account A and 0.65% annually for Account B and is deducted daily from the net asset value of the Accounts. Of this amount, 0.75% annually for Account A and 0.35% annually for Account B is attributable to mortality risks assumed by Merrill Lynch Life for the annuity payment and death benefit guarantees made under the Contract. The remainder, 0.50% annually for Account A and 0.30% annually for Account B, is attributable to expense risks assumed by Merrill Lynch Life should the contract maintenance and administration charges be insufficient to cover all Contract maintenance and administration expenses.

An administration charge is made to reimburse Merrill Lynch Life for costs associated with the establishment and administration of the Contract. A charge of 0.10% annually will be deducted daily only from the net asset value of Account A. No administration charge is imposed on the assets of Account B.

A contingent deferred sales charge may be imposed on withdrawals and surrenders from Account A. The maximum contingent deferred sales charge is 7% of premium withdrawn during the first year after that premium is paid, decreasing by 1% annually to 0% after year seven. No contingent deferred sales charge will be imposed on withdrawals or surrenders from Account B. In addition, no contingent deferred sales charge will be imposed on withdrawals or surrenders from Contracts purchased by employees of Merrill Lynch Life or its affiliates or from Contracts purchased by the employees' spouses or dependents, where permitted by state regulation.

A charge for any premium taxes imposed by a state or local government will be deducted from the contract value on the annuity date. Premium tax rates vary from jurisdiction to jurisdiction and currently range from 0% to 5%. In those jurisdictions that do not allow an insurance company to reduce its current taxable premium income by the amount of any withdrawal, surrender or death benefit paid, Merrill Lynch Life will also deduct a charge for these taxes on any withdrawal, surrender or death benefit effected under the Contract.

Merrill Lynch Life reserves the right, subject to any necessary regulatory approval, to charge for assessments or federal premium taxes or federal, state or local excise, profits or income taxes measured by or attributable to the receipt of premiums. Merrill Lynch Life also reserves the right to deduct from the Accounts any taxes imposed on the Accounts' investment earnings. (See MERRILL LYNCH LIFE'S TAX STATUS on page 32.)

Detailed information about fees and charges imposed on the Contract can be found under CHARGES AND DEDUCTIONS on page 20.

## ANNUITY PAYMENTS

The Contract provides a choice of fixed annuity payment options. On the annuity date, the entire contract value will be transferred to Merrill Lynch Life's general account, from which the annuity payments will be made. The amount of each payment is predetermined.

The contract owner selects an annuity date when annuity payments will begin. Contract owners may change the annuity date up to 30 days prior to that date. However, the annuity date for nonqualified Contracts may not be later than the annuitant's 85th birthday. The annuity date for IRA Contracts will not be later than when the owner/annuitant reaches the age of 70 1/2 unless the contract owner selects a later annuity date.

If the contract value on the annuity date after the deduction of any applicable premium taxes is less than \$5,000 (or a different minimum amount, if required by state law), Merrill Lynch Life may pay the annuity



benefits in a lump sum, rather than as periodic payments. If any annuity payment would be less than \$50 (or a different minimum amount, if required by state law), Merrill Lynch Life may change the frequency of payments so that all payments will be at least \$50 (or the minimum amount required by state law). All annuity payments will be directly transferred to the contract owner's designated Merrill Lynch, Pierce, Fenner & Smith Incorporated brokerage account, unless otherwise specified.

Details about the annuity options available under the Contract can be found under ANNUITY OPTIONS on page 29.

#### TRANSFERS

Once each contract year, contract owners may transfer from Account A to Account B an amount equal to any gain in account value and/or any premium not subject to a contingent deferred sales charge. Where permitted by state regulation, once each contract year, contract owners may transfer all or a portion of the greater of that amount or 10% of premiums subject to a contingent deferred sales charge (minus any of that premium already withdrawn or transferred). Additionally, where permitted by state regulation, periodic transfers of all or a portion of the greater amount, determined at the time of the periodic transfer, are permitted, on a monthly, quarterly, semi-annual or annual basis.

This is the only amount which may be transferred from Account A to Account B during that contract year. There is no charge imposed on the transfer of this amount. No transfers are permitted from Account B to Account A.

Prior to their annuity date, contract owners may transfer all or part of their Account A value among the subaccounts of Account A up to six times per contract year without charge. Additional transfers among Account A subaccounts may be made at a charge of \$25 per transfer. In addition, contract owners may elect a Dollar Cost Averaging feature in which Account A value invested in the Domestic Money Market Subaccount may be systematically transferred among the other Account A subaccounts on a monthly basis without charge, subject to certain limitations. (See TRANSFERS on page 26.)

#### WITHDRAWALS

Contract owners may make up to six withdrawals from the Contract per contract year. Value withdrawn from Account A is generally subject to a contingent deferred sales charge. (See CONTINGENT DEFERRED SALES CHARGE on page 21.) However, a contingent deferred sales charge will not be applied to the first withdrawal in any contract year out of Account A to the extent that the withdrawal consists of gain and/or any premium not subject to such a charge. Where permitted by state regulation, a contingent deferred sales charge will not be applied to that portion of the first withdrawal from Account A in any contract year that does not exceed the greater of 10% of premiums subject to a contingent deferred sales charge (minus any of that premium already transferred out of Account A) and any gain in account value and/or any premium not subject to a contingent deferred sales charge. Additionally, where permitted by state regulation, the amount withdrawn may be paid on a monthly, quarterly, semi-annual or annual basis.

The first withdrawal of the contract year out of Account A will be treated as withdrawing gain in account value first, followed by premium not subject to a contingent deferred sales charge, then followed by premium subject to such a charge. If the amount withdrawn is paid on a monthly, quarterly, semi-annual or annual basis, all such payments will be treated in the same way. All subsequent withdrawals in a contract year will be treated as withdrawing premium accumulated the longest first. (See WITHDRAWALS AND SURRENDERS on page 28.)

Value withdrawn from Account B is not subject to any contingent deferred sales charge. In addition, no contingent deferred sales charge will be imposed on withdrawals from Contracts purchased by employees of Merrill Lynch Life or its

affiliates or from Contracts purchased by the employees' spouses or dependents, where permitted by state regulation.

In addition to the six withdrawals permitted each contract year, once the contract owner reaches age 59 1/2, value in Account B may be automatically withdrawn on a monthly, quarterly, semi-annual, or annual basis. These automatic withdrawals are not subject to any contingent deferred sales charge. (See WITHDRAWALS AND SURRENDERS on page 28.)

Withdrawals will decrease the contract value. Withdrawals from either Account A or Account B may be taxable and subject to a 10% tax penalty. (See FEDERAL INCOME TAXES on page 31.)

#### DEATH BENEFIT

Prior to the annuity date, the Contract provides a death benefit feature that guarantees a death benefit if the contract owner dies, regardless of investment experience. A Contract's death benefit is equal to the greater of (a) the sum of the excess, if any, of premiums paid into Account A with interest on them from the date received at an interest rate compounded daily to yield 5% annually, over transfers to Account B and withdrawals from Account A multiplied by a rate compounded daily from the date of transfer or withdrawal to yield 5% annually, plus the value of Account B; or (b) the contract value. For purposes of this calculation, interest shall accrue only during the first twenty contract years. No interest shall accrue thereafter. If the contract owner dies prior to the annuity date, Merrill Lynch Life will pay the Contract's death benefit to the owner's beneficiary. (See DEATH BENEFIT on page 25.)

#### TEN DAY REVIEW

When the contract owner receives the Contract, he or she should review it carefully to make sure it is what he or she intended to purchase. Generally, within 10 days after the contract owner receives the Contract, it may be returned for a refund. Some states allow a longer period of time to return the Contract. The Contract must be delivered to Merrill Lynch Life's Service Center or to the Financial Consultant who sold it for a refund to be made. Merrill Lynch Life will then refund to the contract owner the greater of all premiums paid into the Contract or the contract value as of the date the Contract is returned. For contracts issued in the Commonwealth of Pennsylvania, Merrill Lynch Life will refund the contract value as of the date the Contract is returned. The Contract will then be deemed void. (See TEN DAY RIGHT TO REVIEW on page 23.)

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#### FEE TABLE

To be filed by Amendment

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#### FEE TABLE

To be filed by Amendment

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#### FEE TABLE

To be filed by Amendment

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#### ACCUMULATION UNIT VALUES

(CONDENSED FINANCIAL INFORMATION)

To be filed by Amendment

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#### YIELDS AND TOTAL RETURNS

From time to time, Merrill Lynch Life may advertise yields, effective yields,

and total returns for the Account A subaccounts and the Account B subaccount. THESE FIGURES ARE BASED ON HISTORICAL EARNINGS AND DO NOT INDICATE OR PROJECT FUTURE PERFORMANCE. Merrill Lynch Life also from time to time may advertise performance of the subaccounts relative to certain performance rankings and indices. More detailed information as to the calculation of performance information, as well as comparisons with unmanaged market indices, appears in the Statement of Additional Information.

Effective yields and total returns for a subaccount are based on the investment performance of the corresponding Fund. A Fund's performance in part reflects that Fund's expenses. The investment adviser and Merrill Lynch Life Agency, Inc. have entered into a Reimbursement Agreement that limits the operating expenses paid by each Fund in a given year to 1.25% of its average net assets.

The yields of the Domestic Money Market Subaccount and the Reserve Assets Subaccount refer to the annualized income generated by an investment in each subaccount over a specified 7-day period. The yield is calculated by assuming that the income generated for that 7-day period is generated each 7-day period over a 52-week period and is shown as a percentage of the investment. The effective yield is calculated similarly but, when annualized, the income earned by an investment in the subaccount or Account is assumed to be reinvested. The effective yield will be slightly higher than the yield because of the compounding effect of this assumed reinvestment.

The yield of an Account A subaccount (other than the Domestic Money Market Subaccount) refers to the annualized income generated by an investment in the subaccount over a specified 30-day or one-month period. The yield is calculated by assuming that the income generated by the investment during that 30-day or one-month period is generated each period over a 12-month period and is shown as a percentage of the investment.

The average annual total return of a subaccount refers to return quotations assuming an investment under a Contract has been held in each subaccount for 1, 5 and 10 years, or for a shorter period, if applicable. The average annual total return quotations represent the average compounded rates of return that would equate an initial investment of \$1,000 under a Contract to the redemption value of that investment as of the last day of each of the periods for which return quotations are provided. Average annual total return information shows the average percentage change in the value of an investment in a subaccount (including any contingent deferred sales charge that would apply if an owner terminated the Contract at the end of each period indicated, but excluding any deductions for premium taxes).

Merrill Lynch Life may, in addition, advertise or present yield or total return performance information computed on different bases. Merrill Lynch Life may present total return information computed on the same basis as described above, except the information will not reflect a deduction for the contingent deferred sales charge. This presentation assumes that an investment in the Contract will persist beyond the period when the contingent deferred sales charge applies, consistent with the long-term investment and retirement objectives of the Contract. Merrill Lynch Life may also advertise total return performance information for the Funds, but this information will always be accompanied by average annual total returns for the corresponding subaccounts. Merrill Lynch Life may also present total return performance information for a hypothetical Contract assuming allocation of the initial premium to more than one subaccount or assuming monthly transfers from the Domestic Money Market Subaccount to designated subaccounts under a dollar cost averaging program. This information will reflect the performance of the affected subaccounts for the duration of the allocation under the hypothetical Contract. It also will reflect the deduction of charges described above except for the contingent deferred sales charge. This information may also be compared to various indices.

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Advertising and sales literature for the Contracts may also compare the performance of the subaccounts to the performance of other variable annuity issuers in general or to the performance of particular types of variable annuities investing in mutual funds, or series of mutual funds, with investment objectives similar to each of the Funds corresponding to the subaccounts.

Performance information may also be based on rankings by services which monitor and rank the performance of variable annuity issuers in each of the major categories of investment objectives on an industry-wide basis. Some services' rankings include variable life insurance issuers as well as variable annuity issuers, while others' rankings compare only variable annuity issuers. Performance analysis prepared by services may rank such issuers on the basis of

total return, assuming reinvestment of distributions, but do not take sales charges, redemption fees or certain expense deductions at the separate account level into consideration. In addition, one such service prepares risk-adjusted rankings, which consider the effect of market risk on total return performance. This type of ranking provides data as to which funds provide the highest total return within various categories of funds defined by the degree of risk inherent in their investment objectives. Ranking services Merrill Lynch Life may use as sources of performance comparison are Lipper, VARDS, CDA/Weisenberger, Morningstar, MICROPAL, and Investment Company Data, Inc.

Advertising and sales literature for the Contracts may also compare the performance of the subaccounts to the Standard & Poor's Index of 500 Common Stocks, the Morgan Stanley EAFE Index, the Russell 2000 Index and the Dow Jones Indices, all widely used measures of stock market performance. These unmanaged indices assume the reinvestment of dividends, but does not reflect any "deduction" for the expense of operating or managing an investment portfolio. Other sources of performance comparison that Merrill Lynch Life may use are Chase Investment Performance Digest, Money, Forbes, Fortune, Business Week, Financial Services Weekly, Kiplinger Personal Finance, Wall Street Journal, USA Today, Barrons, U.S. News & World Report, Strategic Insight, Donaghues, Investors Business Daily, and Ibbotson Associates.

Advertising and sales literature for the Contracts may also contain information on the effect of tax deferred compounding on subaccount investment returns, or returns in general, which may be illustrated by graphs, charts or otherwise and which may include a comparison at various points in time of the return from an investment in a Contract (or returns in general) on a tax-deferred basis (assuming one or more tax rates) with the return on a currently taxable basis.

#### MERRILL LYNCH LIFE INSURANCE COMPANY

Merrill Lynch Life Insurance Company ("Merrill Lynch Life") is a stock life insurance company organized under the laws of the State of Washington in 1986 and redomesticated under the laws of the State of Arkansas in 1991. Merrill Lynch Life is an indirect wholly owned subsidiary of Merrill Lynch & Co., Inc., a corporation whose common stock is traded on the New York Stock Exchange.

Merrill Lynch Life's financial statements can be found in the Statement of Additional Information and should only be considered in the context of its ability to meet any obligations it may have under the Contract.

All communications concerning the Contract should be addressed to Merrill Lynch Life's Service Center at the address printed on the cover of this Prospectus.

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#### THE ACCOUNTS

Contract owners may direct their premiums into one or both of two segregated investment accounts available to the Contract (the "Accounts"). The Merrill Lynch Life Variable Annuity Separate Account A ("Account A") offers a variety of investment options, each with a different investment objective, through its subaccounts. The Merrill Lynch Life Variable Annuity Separate Account B ("Account B") offers a money market investment through its subaccount.

The Accounts were established on August 6, 1991, as separate investment accounts. They are registered with the Securities and Exchange Commission as unit investment trusts pursuant to the Investment Company Act of 1940. Their registration does not involve any supervision by the Securities and Exchange Commission over the investment policies or practices of the Accounts. The Accounts each meet the definition of a separate account under the federal securities laws. The Accounts' assets are segregated from all of Merrill Lynch Life's other assets.

Obligations to contract owners and beneficiaries that arise under the Contract are obligations of Merrill Lynch Life. Merrill Lynch Life owns all of the assets in the Accounts. With respect to each Account, income, gains, and losses, whether or not realized, from assets allocated to that Account are, in accordance with the Contracts, credited to or charged against the Account without regard to other income, gains or losses of Merrill Lynch Life. As required, the assets in each Account will always be at least equal to the reserves and other liabilities of the Account. If the assets exceed the required reserves and other Contract liabilities (which will always be at least equal to the aggregate contract value allocated to the Account under the Contracts),

Merrill Lynch Life may transfer the excess to its general account. Each Account's assets, to the extent of its reserves and liabilities, may not be charged with liabilities arising out of any other business Merrill Lynch Life conducts nor may the assets of either Account be charged with any liabilities of the other Account.

Currently, there are thirteen subaccounts in Account A and one subaccount in Account B. All subaccounts invest in a corresponding mutual fund of the Merrill Lynch Variable Series Funds, Inc. On May 16, 1994, the International Bond Fund, Intermediate Government Bond Fund and Developing Capital Markets Focus Fund will be available to Account A. Additional subaccounts may be added in the future.

The Accounts' financial statements can be found in the Statement of Additional Information. No financial information is included in the Statement of Additional Information and no accumulation unit values are included in this Prospectus for the subaccounts investing in the International Bond Fund, Intermediate Government Bond Fund, and Developing Capital Markets Focus Fund, as they were not available for investment by contract owners as of the date of the financial statements presented.

#### INVESTMENTS OF THE ACCOUNTS

##### MERRILL LYNCH VARIABLE SERIES FUNDS, INC.

The Merrill Lynch Variable Series Funds, Inc. (the "Funds") is registered with the Securities and Exchange Commission as an open-end management investment company. It currently offers the Accounts fourteen of its separate investment mutual fund portfolios. The Reserve Assets Fund is available only to Account B. The thirteen remaining Funds are available only to Account A. On May 16, 1994, the International Bond Fund, Intermediate Government Bond Fund and Developing Capital Markets Focus Fund will be available to Account A. Other investment options may be added in the future. The Funds' shares are currently sold only to Merrill Lynch Life, ML Life Insurance Company of New York (an indirect wholly owned subsidiary of Merrill Lynch & Co., Inc.), and Family Life Insurance Company (an insurance company not affiliated with Merrill Lynch Life or Merrill Lynch & Co., Inc.) (collectively the "Participating Insurance Companies") separate accounts to fund benefits under certain variable annuity and variable life insurance contracts. The Domestic Money Market Fund, Global Strategy Focus Fund, Basic Value Focus Fund, World Income Focus Fund, Global Utility Focus Fund, International Equity Focus Fund, International Bond Fund, Intermediate Government Bond Fund, and Emerging Markets Fund are only offered to Merrill Lynch Life and ML Life Insurance Company of New York separate accounts.

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It is conceivable that material conflicts could arise as a result of both variable annuity and variable life insurance separate accounts investing in the Funds. Although no material conflicts are foreseen, the Participating Insurance Companies will monitor events in order to identify any material conflicts between variable annuity and variable life insurance contract owners to determine what action, if any, should be taken. Material conflicts could result from such things as (1) changes in state insurance law, (2) changes in federal income tax law or (3) differences between voting instructions given by variable annuity and variable life insurance contract owners. If a conflict occurs, Merrill Lynch Life may be required to eliminate one or more subaccounts of Separate Account A or Separate Account B or substitute a new subaccount. In responding to any conflict, Merrill Lynch Life will take the action which it believes necessary to protect its contract owners.

The Accounts will purchase and redeem shares of the Funds to the extent necessary to provide benefits under the Contract or for such other purposes as may be consistent with the Contract. The Accounts will purchase and redeem shares of the Funds at net asset value. Fund distributions to the Accounts are automatically reinvested in additional shares of the Funds at net asset value.

Merrill Lynch Asset Management, L.P. ("MLAM") is the investment adviser to the Funds. MLAM is a worldwide mutual fund leader with more than \$137 billion in assets under management. It is registered as an investment adviser under the

Investment Advisers Act of 1940. MLAM is an indirect subsidiary of Merrill Lynch & Co., Inc. MLAM's principal business address is 800 Scudders Mill Road, Plainsboro, New Jersey 08536. As the investment adviser, MLAM is paid fees by the Funds for its services. The fees charged to each of the Funds are set forth in the summary of investment objectives below.

Details about the Funds, including their investment objectives, management, policies, restrictions, their expenses and risks associated with investments therein (including any risks associated with investment in the High Current Income Fund), and all other aspects of the Funds' operation can be found in the attached prospectus for the Funds and in their Statement of Additional Information, which should also be read carefully before investing. There is no guarantee that any Fund will meet its investment objective. Meeting the objectives depends upon how well the Funds' management anticipates changing economic conditions.

#### DOMESTIC MONEY MARKET FUND

This Fund seeks preservation of capital, liquidity, and the highest possible current income consistent with the foregoing objectives by investing in short-term money market securities. The Fund invests in short-term United States government securities; government agency securities; bank certificates of deposit and bankers' acceptances; short-term corporate debt securities such as commercial paper and variable amount master demand notes; and repurchase and reverse repurchase agreements. MLAM receives from the Fund an advisory fee at the annual rate of 0.50% of the average daily net assets of the Fund.

#### PRIME BOND FUND

This Fund seeks to obtain as high a level of current income as is consistent with prudent investment management, and capital appreciation to the extent consistent with the foregoing objective, by investing primarily in long-term corporate bonds rated A or better by established rating services. MLAM receives from the Fund an advisory fee at the annual rate of 0.50% of the first \$250 million of the combined average daily net assets of the Fund and High Current Income Fund; 0.45% of the next \$250 million; 0.40% of the next \$250 million; and 0.35% of the combined average daily net assets in excess of \$750 million. The reduction of the advisory fee applicable to the Fund is determined on a uniform percentage basis as described in the Statement of Additional Information for the Funds.

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#### HIGH CURRENT INCOME FUND

This Fund seeks to obtain as high a level of current income as is consistent with prudent investment management, and capital appreciation to the extent consistent with the foregoing objective, by investing principally in fixed-income securities that are rated in the lower rating categories of the established rating services or in unrated securities of comparable quality (commonly known as "junk bonds"). MLAM receives from the Fund an advisory fee at the annual rate of 0.55% of the first \$250 million of the combined average daily net assets of the Fund and Prime Bond Fund; 0.50% of the next \$250 million; 0.45% of the next \$250 million; and 0.40% of the combined average daily net assets in excess of \$750 million. The reduction of the advisory fee applicable to the Fund is determined on a uniform percentage basis as described in the Statement of Additional Information for the Funds.

#### QUALITY EQUITY FUND

This Fund seeks to attain the highest total investment return consistent with prudent risk through a fully managed investment policy utilizing equity securities, primarily common stocks of large-capitalization companies, as well as investment grade debt and convertible securities. Management of the Fund will shift the emphasis among investment alternatives for capital growth, capital stability, and income as market trends change. MLAM receives from the Fund an advisory fee at the annual rate of 0.50% of the first \$250 million of average daily net assets; 0.45% of the next \$50 million; 0.425% of the next \$100 million; and 0.40% of the average daily net assets in excess of \$400 million.

#### EQUITY GROWTH FUND

This Fund seeks to attain long-term growth of capital by investing primarily in common stocks of relatively small companies that management of the Fund believes

have special investment value and emerging growth companies regardless of size. Such companies are selected by management on the basis of their long-term potential for expanding their size and profitability or for gaining increased market recognition for their securities. Current income is not a factor in such selection. MLAM receives from the Fund an advisory fee at the annual rate of 0.75% of the average daily net assets of the Fund. This is a higher fee than that of many other mutual funds, but management of the Fund believes it is justified by the high degree of care that must be given to the initial selection and continuous supervision of the types of portfolio securities in which the Fund invests.

#### FLEXIBLE STRATEGY FUND

This Fund's objective is to seek a high total investment return consistent with prudent risk. The Fund seeks its objective through a flexible investment policy using equity securities, intermediate and long-term debt obligations, and money market securities. MLAM receives from the Fund an advisory fee at the annual rate of 0.65% of the average daily net assets of the Fund.

#### NATURAL RESOURCES FOCUS FUND

This Fund seeks to attain long-term growth of capital and protection of the purchasing power of capital by investing primarily in equity securities of domestic and foreign companies with substantial natural resource assets. MLAM receives from the Fund an advisory fee at the annual rate of 0.65% of the average daily net assets of the Fund.

Merrill Lynch Life and Account A reserve the right to suspend the sale of units of the Natural Resources Focus Subaccount in response to conditions in the securities markets or otherwise.

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#### AMERICAN BALANCED FUND

This Fund seeks a level of current income and a degree of stability of principal not normally available from an investment solely in equity securities and the opportunity for capital appreciation greater than is normally available from an investment solely in debt securities by investing in a balanced portfolio of fixed income and equity securities. MLAM receives from the Fund an advisory fee at the annual rate of 0.55% of the average daily net assets of the Fund.

#### GLOBAL STRATEGY FOCUS FUND

This Fund seeks high total investment return by investing primarily in a portfolio of equity and fixed income securities, including convertible securities, of U.S. and foreign issuers. The Fund seeks to achieve its objective by investing primarily in securities of issuers located in the United States, Canada, Western Europe and the Far East. MLAM receives from the Fund an advisory fee at the annual rate of 0.65% of the average daily net assets of the Fund.

#### BASIC VALUE FOCUS FUND

This Fund seeks to attain capital appreciation, and secondarily, income by investing in securities, primarily equities, that management of the Fund believes are undervalued and therefore represent basic investment value. Particular emphasis is placed on securities which provide an above-average dividend return and sell at a below-average price-earnings ratio. MLAM receives from the Fund an advisory fee at the annual rate of 0.60% of the average daily net assets of the Fund.

#### WORLD INCOME FOCUS FUND

This Fund seeks to achieve high current income by investing in a global portfolio of fixed income securities denominated in various currencies, including multinational currency units. The Fund may invest in United States and foreign government and corporate fixed income securities, including high yield, high risk, lower rated and unrated securities. The Fund will allocate its investments among different types of fixed income securities denominated in various currencies. MLAM receives from the Fund an advisory fee at the annual rate of 0.60% of the average daily net assets of the Fund.

#### GLOBAL UTILITY FOCUS FUND

This Fund seeks to obtain capital appreciation and current income through investment of at least 65% of its total assets in equity and debt securities issued by domestic and foreign companies which are, in the opinion of management

of the Fund, primarily engaged in the ownership or operation of facilities used to generate, transmit or distribute electricity, telecommunications, gas or water. MLAM receives from the Fund an advisory fee at the annual rate of 0.60% of the average daily net assets of the Fund.

#### INTERNATIONAL EQUITY FOCUS FUND

This Fund seeks to obtain capital appreciation through investment in securities, principally equities, of issuers in countries other than the United States. Under normal conditions, at least 65% of the Fund's net assets will be invested in such equity securities. MLAM receives from the Fund an advisory fee at the annual rate of 0.75% of the average daily net assets of the Fund.

#### INTERNATIONAL BOND FUND

This Fund seeks to achieve a high total investment return by investing in an international portfolio of debt instruments denominated in various currencies and multi-national currency units. MLAM receives from the Fund an advisory fee at an annual rate of X.XX% of the average daily net assets of the Fund. This Fund will not be available for investment until May 16, 1994.

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#### INTERMEDIATE GOVERNMENT BOND FUND

This Fund seeks to achieve the highest possible current income consistent with the protection of capital. It invests in intermediate-term debt securities issued or guaranteed by the U.S. Government or its agencies. MLAM receives from the Fund an advisory fee at an annual rate of X.XX% of the average daily net assets of the Fund. This Fund will not be available for investment until May 16, 1994.

#### DEVELOPING CAPITAL MARKETS FOCUS FUND

This Fund seeks to achieve long-term capital appreciation by investing in securities, principally equities, of issuers in countries having smaller capital markets. MLAM receives from the Fund an advisory fee at an annual rate of X.XX% of the average daily net assets of the Fund. This Fund will not be available for investment until May 16, 1994.

#### RESERVE ASSETS FUND

This Fund seeks preservation of capital, liquidity, and the highest possible current income consistent with the foregoing objectives by investing in short-term money market securities. The Fund invests in short-term United States government securities; government agency securities; bank certificates of deposit and bankers' acceptances; short-term corporate debt securities such as commercial paper and variable amount master demand notes; and repurchase and reverse repurchase agreements. MLAM receives from the Fund an advisory fee at the annual rate of 0.50% of the first \$500 million of the Fund's average daily net assets; 0.425% of the next \$250 million; 0.375% of the next \$250 million; 0.35% of the next \$500 million; 0.325% of the next \$500 million; 0.30% of the next \$500 million; and 0.275% of the average daily net assets in excess of \$2.5 billion.

#### REINVESTMENT

Fund distributions to the Accounts are automatically reinvested in additional Fund shares at net asset value.

#### SUBSTITUTION OF INVESTMENTS AND CHANGES TO ACCOUNTS

Merrill Lynch Life may substitute a different investment option for any of the current Funds. Substitution may be made with respect to both existing investments and the investment of future premiums. However, no such substitution



will be made without any necessary approval of the Securities and Exchange Commission and applicable state insurance departments. Contract owners will be notified of any substitutions. Additional investment options may be added in the future as eligible investments for the Accounts.

In addition, Merrill Lynch Life may make additional subaccounts available to either Account, eliminate subaccounts in either Account, deregister either or both of the Accounts under the Investment Company Act of 1940 (the "1940 Act"), make any changes required by the 1940 Act, operate either or both Accounts as a managed investment company under the 1940 Act or any other form permitted by law, transfer all or a portion of the assets of a subaccount or account to another subaccount or Account pursuant to a combination or otherwise, and create new accounts. No such changes will be made without any necessary approval of the Securities and Exchange Commission and applicable state insurance departments. Contract owners will be notified of any changes.

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#### CHARGES AND DEDUCTIONS

##### CONTRACT MAINTENANCE CHARGE

A charge is made to reimburse Merrill Lynch Life for expenses related to maintenance of the Contract. These expenses include issuing Contracts, maintaining records, and performing accounting, regulatory compliance, and reporting functions. This \$40 maintenance charge will be deducted from the contract value on each contract anniversary that occurs on or prior to the annuity date. It will also be deducted when the Contract is surrendered if it is surrendered on any date other than a contract anniversary. The contract maintenance charge will be deducted on a pro rata basis from among all subaccounts in which contract value is invested. (See ACCUMULATION UNITS on page 24 for a discussion of the effect the deduction of this charge will have on the number of accumulation units credited to a Contract.) This charge will be waived on all Contracts with a contract value equal to or greater than \$50,000 on the date the charge would otherwise be deducted. It is not deducted after the annuity date. Merrill Lynch Life does not expect to profit from this charge. The contract maintenance charge will never increase.

##### MORTALITY AND EXPENSE RISK CHARGE

A mortality and expense risk charge is imposed on the Accounts. It equals 1.25% annually for Account A and 0.65% annually for Account B deducted daily from the net asset value of the Accounts. Of this amount, 0.75% annually for Account A and 0.35% annually for Account B is attributable to mortality risks assumed by Merrill Lynch Life for the annuity payment and death benefit guarantees made under the Contract. These guarantees include making annuity payments unaffected by mortality experience and providing a minimum death benefit under the Contract.

Additionally, of the total mortality and expense risk charge, 0.50% annually for Account A and 0.30% annually for Account B is attributable to expense risks assumed by Merrill Lynch Life should the contract maintenance and administration charges be insufficient to cover all Contract maintenance and administration expenses.

The mortality and expense risk charge is greater for Account A than for Account B because a greater death benefit and higher administrative expenses are attributable to Account A. If the mortality and expense risk charge is inadequate to cover the actual expenses of mortality, maintenance, and administration, Merrill Lynch Life will bear the loss. If the charge exceeds the actual expenses, the excess will be added to Merrill Lynch Life's profit. The mortality and expense risk charge will never increase.

##### ADMINISTRATION CHARGE

An administration charge is made to reimburse Merrill Lynch Life for costs associated with the establishment and administration of Account A. This charge covers such expenses as optional contract transactions (for example, processing transfers and Dollar Cost Averaging transactions). A charge of 0.10% annually will be deducted daily only from the net asset value of Account A. Merrill Lynch Life does not expect to profit from this charge. The administration charge will never increase.

##### CONTINGENT DEFERRED SALES CHARGE

A contingent deferred sales charge may be imposed on withdrawals and surrenders



they are received by an insurance company. In other jurisdictions, a premium tax is paid on the contract value on the annuity date.

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Premium tax rates vary from jurisdiction to jurisdiction and currently range from 0% to 5%. Merrill Lynch Life will pay these taxes when due, and a charge for any premium taxes imposed by a state or local government will be deducted from the contract value on the annuity date. (See ACCUMULATION UNITS on page 24 for a discussion of the effect the deduction of this charge will have on the number of accumulation units credited to a Contract.) In those jurisdictions that do not allow an insurance company to reduce its current taxable premium income by the amount of any withdrawal, surrender or death benefit paid, Merrill Lynch Life will also deduct a charge for these taxes on any withdrawal, surrender or death benefit effected under the Contract.

Premium tax rates are subject to change by law, administrative interpretations, or court decisions. Premium tax amounts will depend on, among other things, the contract owner's state of residence, Merrill Lynch Life's status within that state, and the premium tax laws of that state.

#### OTHER CHARGES

Contract owners may make up to six transfers among Account A subaccounts per contract year without charge. Additional transfers may be permitted at a charge of \$25 per transfer. (See TRANSFERS on page 26.)

Merrill Lynch Life reserves the right, subject to any necessary regulatory approval, to charge for assessments or federal premium taxes or federal, state or local excise, profits or income taxes measured by or attributable to the receipt of premiums. Merrill Lynch Life also reserves the right to deduct from the Accounts any taxes imposed on the Accounts' investment earnings. (See MERRILL LYNCH LIFE'S TAX STATUS on page 32.)

Merrill Lynch Variable Series Funds, Inc., in calculating the net asset values of the Funds, deducts advisory fees and operating expenses from the assets of each Fund. Information about those fees and expenses can be found in the attached prospectus for the Funds and in its Statement of Additional Information.

#### DESCRIPTION OF THE CONTRACT

##### OWNERSHIP OF THE CONTRACT

The contract owner is entitled to exercise all rights under the Contract. Unless otherwise specified, the purchaser of the Contract will be the contract owner. The contract owner may designate a beneficiary. The beneficiary will receive all outstanding Contract benefits if the owner dies. The contract owner may also designate an annuitant. The annuitant may be changed at any time prior to the annuity date. If no annuitant is selected, the contract owner will be the annuitant.

The Contract may be assigned to another owner upon notice to Merrill Lynch Life's Service Center. The Contract may only be assigned to another owner in full, not in part. An assignment to a new owner cancels all prior beneficiary designations. Assignment of the Contract may have tax consequences or may be prohibited on certain IRA Contracts, so the contract owner should consult with a qualified tax adviser before assigning the Contract. (See FEDERAL INCOME TAXES on page 31.)

Only spouses may be co-owners of the Contract. When co-owners are established, they exercise all rights under the Contract jointly unless they elect otherwise. Co-owner spouses must each be designated as beneficiary for the other. Co-owners may also designate a beneficiary to receive benefits on the surviving co-owner's death. IRA Contracts may not have co-owners.

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##### ISSUING THE CONTRACT

A nonqualified Contract may generally be issued to contract owners who are less than 85 years of age. Annuitants on nonqualified Contracts must also be less than age 85 at issue. For IRA Contracts owned by natural persons, the contract owner and annuitant must be the same person. Therefore, contract owners and annuitants on IRA Contracts must be less than age 70 1/2 at issue.

Before issuing the Contract, Merrill Lynch Life requires certain information from the prospective contract owner. Once that information is reviewed and approved, and the prospective contract owner submits an initial premium, a Contract will be issued. Generally, this review and approval process is completed and the premium invested within two business days, but if any necessary information has not been obtained within five business days, Merrill Lynch Life will offer to return the premium and no Contract will be processed. If the prospective contract owner instead consents, Merrill Lynch Life will hold the premium until all necessary information is obtained, and will then invest the premium within two business days after obtaining the information. The initial premium will be invested as described under PREMIUM INVESTMENTS, page 24.

The date of issue will be the date the required information and initial premium are received at Merrill Lynch Life's Service Center.

#### TEN DAY RIGHT TO REVIEW

When the contract owner receives the Contract, he or she should review it carefully to make sure it is what he or she intended to purchase. Generally, within 10 days after the contract owner receives the Contract, he or she may return it for a refund. Some states allow a longer period of time to return the Contract. The Contract must be delivered to Merrill Lynch Life's Service Center or to the Financial Consultant who sold it for a refund to be made. Merrill Lynch Life will then refund to the contract owner the greater of all premiums paid into the Contract or the contract value as of the date the Contract is returned. For contracts issued in the Commonwealth of Pennsylvania, Merrill Lynch Life will refund the contract value as of the date the Contract is returned. The Contract will then be deemed void.

#### CONTRACT CHANGES

Requests to change the owner, beneficiary, annuitant, or annuity date of a Contract will take effect as of the date such a request is signed by the contract owner, unless Merrill Lynch Life has already acted in reliance on the prior status.

#### PREMIUMS

Initial premium payments must be \$5,000 or more on a nonqualified Contract and \$2,000 or more on an IRA Contract. Subsequent premium payments must be \$300 or more and can be made at any time prior to the annuity date. Merrill Lynch Life reserves the right to refuse to accept subsequent premium payments, if required by law. Premium payments can be made directly by the contract owner or debited from his or her Merrill Lynch, Pierce, Fenner & Smith Incorporated brokerage account and must be transmitted to Merrill Lynch Life's Service Center at the address printed on the cover of this Prospectus. Under an automated investment program, premium payments can also be made automatically on a monthly, quarterly, semi-annual or annual basis from a Merrill Lynch Pierce, Fenner & Smith Incorporated brokerage account. This feature will be available by July 31, 1994. A Financial Consultant should be contacted for additional information. Maximum annual contributions to IRA Contracts are limited by federal law.

#### PREMIUM INVESTMENTS

For the first 14 days following the date of issue, all premiums directed into Account A will be held in the Domestic Money Market Subaccount. Thereafter, the account value will be reallocated to the Account A subaccounts selected. In the Commonwealth of Pennsylvania, all premiums will be invested as of the date of issue in the subaccounts selected by the contract owner. Subsequent premiums allocated to Account A will be directly placed in the subaccounts selected as of the end of the valuation period in which they are received at Merrill Lynch Life's Service Center. Premiums directed into Account B will be directly placed in the Reserve Assets Subaccount on the issue date. Subsequent premiums allocated to Account B will be directly placed in its Reserve Assets Subaccount as of the end of the valuation period in which they are received at Merrill Lynch Life's Service Center. Currently, a contract owner may allocate his or her premium among as many subaccounts as desired as long as allocations are made in increments that are even multiples of 10%. For example, 10% of a premium received may be allocated to the Prime Bond Fund, 40% allocated to the High

Current Income Fund, and 50% allocated to the Quality Equity Fund. However, a contract owner may not allocate 33 1/3% to the Prime Bond Fund and 66 2/3% to the High Current Income Fund. If allocation instructions are not given with subsequent premiums received, Merrill Lynch Life will allocate those premiums according to the allocation instructions last received from the contract owner. Merrill Lynch Life reserves the right to limit the number of subaccounts to which future allocations may be made.

#### ACCUMULATION UNITS

Each subaccount has a distinct value, called the accumulation unit value. The accumulation unit value varies daily, as described below. This value is used to determine the number of subaccount accumulation units represented by a contract owner's investment in a subaccount. When a contract owner invests a premium or transfers an amount to a subaccount, accumulation units in that subaccount are purchased and credited to the Contract. Conversely, when a contract owner withdraws contract value or transfers an amount from a subaccount, accumulation units credited to the Contract in that subaccount are redeemed. Similarly, when a deduction is made under a Contract for the contract maintenance charge, any contingent deferred sales charges, any transfer charge and any premium taxes due, accumulation units credited to the Contract in the subaccounts are redeemed. (See CHARGES AND DEDUCTIONS on page 20 for a discussion concerning the allocation of charges to subaccounts.) The number of accumulation units in a subaccount so purchased or redeemed for a Contract is based on the subaccount's accumulation unit value as of the end of the valuation period during which the purchase or redemption is made. It is determined by dividing the dollar value of the amount of the purchase or redemption allocated to the subaccount by the value of one accumulation unit for that subaccount for the valuation period in which the transfer is effected. The number of accumulation units in each subaccount credited to a Contract will therefore increase or decrease as these transactions are effected.

The number of subaccount accumulation units credited to a Contract will not change as a result of investment experience or the deduction of mortality and expense risk and administration charges. Instead, these charges and investment experience will be reflected in the accumulation unit value.

For each subaccount, the value of an accumulation unit was arbitrarily set at \$10 when the Accounts were established. Accumulation unit values may increase or decrease from one valuation period to the next. A valuation period is the interval from one determination of the net asset value of a subaccount to the next, measured from the time each day the Funds are valued. The Funds are valued at the close of business on each day the New York Stock Exchange is open. An accumulation unit value for any valuation period is determined by multiplying the accumulation unit value for the last prior valuation period by the net investment factor for the subaccount for the current valuation period. The Funds' investment performance, expenses, and the deduction of asset-based charges affect the accumulation unit value.

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The net investment factor is an index used to measure the investment performance of a subaccount from one valuation period to the next. For any subaccount, the net investment factor is determined by dividing the value of the assets of the subaccount for that valuation period by the value of the assets of the subaccount for the preceding valuation period, and subtracting from the result the valuation period equivalent of the annual administration and mortality and expense risk charges. Merrill Lynch Life may adjust the net investment factor to make provisions for any change in the law that requires it to pay tax on capital gains in the Accounts or for any assessments or federal premium taxes or federal, state or local excise, profits or income taxes measured by or attributable to the receipt of premiums. (See OTHER CHARGES on page 22).

The net investment factor may be greater or less than one. Therefore, the value of an accumulation unit may increase or decrease.

#### DEATH BENEFIT

Prior to the annuity date, the Contract provides a death benefit feature that guarantees a death benefit if the contract owner dies, regardless of investment experience. A Contract's death benefit is equal to the greater of (a) the sum of the excess, if any, of premiums paid into Account A with interest on them from the date received at an interest rate compounded daily to yield 5% annually, over transfers to Account B and withdrawals from Account A multiplied by a rate compounded daily from the date of transfer or withdrawal to yield 5% annually, plus the value of Account B; or (b) the contract value. For purposes of this calculation, interest shall accrue only during the first 20 contract years. No

interest shall accrue thereafter. If the contract owner dies prior to the annuity date, Merrill Lynch Life will pay the Contract's death benefit to the owner's beneficiary. Unless the beneficiary has been irrevocably designated, the contract owner may change the beneficiary at any time prior to the annuity date.

If the owner's beneficiary is his or her surviving spouse, the spouse may elect to continue the Contract in force on the same terms as applicable before the owner's death, and the spouse will then become the contract owner and the beneficiary until a new beneficiary is named.

The death benefit will be paid in a lump sum unless the beneficiary chooses an annuity payment option available under the Contract. (See ANNUITY OPTIONS on page 29.) However, if the contract owner dies before the annuity date, federal tax law generally requires the entire contract value to be distributed within five years of the date of death. Special rules may apply to the surviving spouse. (See FEDERAL INCOME TAXES on page 31.)

The death benefit is determined as of the date Merrill Lynch Life receives due proof of death at its Service Center.

#### DEATH OF ANNUITANT

If the annuitant dies prior to the annuity date, and the annuitant is not the contract owner, the owner may designate a new annuitant. If a new annuitant is not designated, the contract owner will become the annuitant unless the owner is not a natural person. If the contract owner is not a natural person, no new annuitant may be named and the annuity must be paid out within five years of the annuitant's death.

If the annuitant dies after the annuity date, while guaranteed amounts remain unpaid, the contract owner may either (a) have payments continue for the amount or period guaranteed; or (b) receive the present value of the remaining guaranteed payments in a lump sum. If the contract owner dies while guaranteed amounts remain unpaid, his or her beneficiary may either (a) have payments continue for the amount or period guaranteed; or (b) receive the present value of the remaining guaranteed payments in a lump sum.

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#### TRANSFERS

Once each contract year, contract owners may transfer from Account A to Account B an amount equal to any gain in account value and/or any premium not subject to a contingent deferred sales charge, determined as of the date the request is received. Where permitted by state regulation, once each contract year, contract owners may transfer from Account A to Account B all or a portion of the greater of that amount or 10% of premiums subject to a contingent deferred sales charge determined as of the date the request is received (minus any of that premium already withdrawn or transferred). Additionally, where permitted by state regulation, periodic transfers of all or a portion of the greater amount, determined at each time of each periodic transfer, are permitted, on a monthly, quarterly, semi-annual or annual basis. Periodic transfers may be canceled by the contract owner at any time. Once canceled, they can not be activated again until the next contract year.

Generally, the amount transferred will be deducted on a pro rata basis from among the affected Account A subaccounts, on the basis of the contract owner's interest in each subaccount to the Account A account value, unless the contract owner requests otherwise. However, if the amount will be transferred on a monthly, quarterly, semi-annual or annual basis, it must be deducted on a pro rata basis. This is the only amount which may be transferred from Account A to Account B during that contract year. There is no charge imposed on the transfer of this amount. No transfers are permitted from Account B to Account A.

Prior to the annuity date, contract owners may transfer all or part of their Account A value among the subaccounts of Account A up to six times per contract year without charge. Additional transfers among Account A subaccounts may be made at a charge of \$25 per transfer. The transfer charge will be deducted on a pro rata basis from among the subaccounts from which account value is being transferred. Merrill Lynch Life reserves the right to change the number of additional transfers permitted each contract year, as appropriate.

Transfers among subaccounts may be made in specific dollar amounts or as a

percentage of Account A value. Requests to transfer dollar amounts must be for at least \$300 or the total value of a subaccount, if less. Requests to transfer a percentage of Account A value are also subject to a \$300 minimum, with allocations in increments that are even multiples of 10%. For example, 20% of the \$1,500 Account A value in the Prime Bond Fund may be transferred to the High Current Income Fund, but 15.5% may not.

Contract owners may make transfer requests in writing or by telephone, once Merrill Lynch Life receives proper telephone transfer authorization. Transfer requests may also be made through a Merrill Lynch Financial Consultant, once Merrill Lynch Life receives proper authorization. Transfers will take effect as of the end of the valuation period on the date the request is received at Merrill Lynch Life's Service Center. Telephone transfer requests received after 4:00 p.m. (ET) will be deemed to have been received the following business day.

#### DOLLAR COST AVERAGING

The Contract offers an additional optional transfer feature called Dollar Cost Averaging. This feature allows contract owners to reallocate value from the Account A Domestic Money Market Subaccount to any of the remaining Account A investment options. Amounts will be transferred monthly to the subaccounts specified by the contract owner. Amounts of \$1,000 or more must be allotted for transfer each month in the Dollar Cost Averaging feature. Allocations must be designated in percentage increments that are even multiples of 10%. No specific dollar amount designations may be made. Merrill Lynch Life reserves the right to change these minimums.

Contract owners may apply for the Dollar Cost Averaging feature at any time prior to the annuity date. Dollar Cost Averaging transfers may continue for anywhere from 12 to 36 months (or to the annuity date, if

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earlier), subject to availability of Domestic Money Market Subaccount value for this purpose. When he or she elects the Dollar Cost Averaging feature, the contract owner must deposit an amount equal to the total to be transferred during the term of his or her Dollar Cost Averaging feature into the Domestic Money Market Subaccount. Should the owner's interest in the Domestic Money Market Subaccount drop below the selected monthly transfer amount, Merrill Lynch Life will notify the contract owner that an additional premium payment will be necessary in that subaccount if he or she wants to continue in the Dollar Cost Averaging feature.

The first Dollar Cost Averaging transfer will be effected on the first monthiversary date after Merrill Lynch Life receives the contract owner's election at its Service Center. Subsequent Dollar Cost Averaging transfers will take effect as of the end of the valuation period on each of the Contract's monthiversary dates.

The main objective of the Dollar Cost Averaging feature is to shield investment from short term price fluctuations. Since the same dollar amount is transferred to selected subaccounts each month, more accumulation units are purchased in a subaccount when their value is low and fewer accumulation units are purchased when their value is high. Therefore, a lower than average cost of purchasing accumulation units may be achieved over the long term. This plan of investing allows contract owners to take advantage of investment fluctuations, but does not assure a profit or protect against a loss in declining markets.

There is no charge imposed on Dollar Cost Averaging transfers. These transfers are in addition to the annual transfers permitted under the Contract, as described above.

Dollar Cost Averaging is an investment strategy and does not guarantee an investment gain, nor will it protect against an investment loss when markets have declined.

#### WITHDRAWALS AND SURRENDERS

Withdrawals may be made from the Contract up to six times per contract year prior to the annuity date. The first withdrawal from Account A in any contract year will be effected as if gain in account value and premium not subject to a contingent deferred sales charge is withdrawn first, followed by premium on a "first-in, first-out" basis. A contingent deferred sales charge will not be applied to the first withdrawal in any contract year out of Account A to the extent that the withdrawal consists of gain and/or any premium not subject to such a charge. Where permitted by state regulation, a contingent deferred sales

charge will not be applied to that portion of the first withdrawal from Account A in any contract year that does not exceed the greater of (a) or (b) where (a) is 10% of total premiums paid into Account A that are subject to a contingent deferred sales charge determined as of the date the request is received, less any prior amount transferred from Account A to Account B in the contract year, and (b) is the gain in Account A plus premiums allocated to Account A as of the date the request is received that are not subject to a contingent deferred sales charge. Additionally, where permitted by state regulation, the amount withdrawn may be paid on a monthly, quarterly, semi-annual or annual basis.

All subsequent withdrawals from Account A in the same contract year will be effected as if premium is withdrawn on a "first-in, first-out" basis before any gain in account value is withdrawn. Therefore, premium accumulated the longest will be withdrawn first. These withdrawals are subject to a contingent deferred sales charge. (See CONTINGENT DEFERRED SALES CHARGE on page 21.)

There are no contingent deferred sales charges imposed on any withdrawals from Account B. In addition, no contingent deferred sales charge will be imposed on withdrawals from Account A on a Contract purchased by an employee of Merrill Lynch Life or its affiliates or purchased by the employee's spouse or dependents, where permitted by state regulation.

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In addition, once the contract owner is age 59 1/2 or older, he or she may request monthly, quarterly, semiannual, or annual automatic withdrawals from Account B. This optional automatic withdrawal program can be activated or canceled by the contract owner once each contract year. Once canceled, the program can not be activated again until the next contract year. Withdrawal amounts may be increased or decreased at any time, once Merrill Lynch Life receives a proper request at its Service Center. There are no contingent deferred sales charges imposed on automatic withdrawals from Account B. These withdrawals are in addition to the annual withdrawals permitted under the Contract, as described above. Automatic withdrawals may be included in the contract owner's gross income in the year in which the withdrawal occurs. (See DISTRIBUTIONS on page 33.)

If the contract owner has elected both the automatic withdrawal program and a withdrawal from Account A on a monthly, quarterly, semi-annual or annual basis, both forms of withdrawal must be paid out on the same date(s).

The minimum amount that may be withdrawn is \$300. At least \$2,000 must remain in the Contract after a withdrawal is made. Merrill Lynch Life reserves the right to change these minimums. Withdrawals will be effected as of the end of the valuation period on the date the request is received at Merrill Lynch Life's Service Center. Unless otherwise directed by the contract owner, withdrawals will be taken from subaccounts in the same proportion as the owner's contract value bears to the subaccounts of the Accounts from which the withdrawal is made. A withdrawal may be effected by telephone, once a proper authorization form is submitted to Merrill Lynch Life's Service Center, if the amount withdrawn is to be paid into a Merrill Lynch, Pierce, Fenner & Smith Incorporated brokerage account. Otherwise, a withdrawal request must be submitted by the contract owner in writing to Merrill Lynch Life's Service Center. Telephone withdrawal requests received after 4:00 p.m. (ET) will be deemed to have been received the following business day.

The Contract may be surrendered at any time prior to the annuity date. To surrender the Contract through a full withdrawal, the Contract must be delivered to Merrill Lynch Life's Service Center. The surrender will be effected as of the end of the valuation period on the date the Contract is received at Merrill Lynch Life's Service Center. The amount payable on surrender is the contract value as of the end of the valuation period when the surrender is effected, less any applicable contingent deferred sales charge, less the contract maintenance charge if the contract value is less than \$50,000 and that valuation period is not a contract anniversary, less any applicable charge for premium taxes. (See CHARGES AND DEDUCTIONS on page 20.)

Withdrawals will decrease the contract value. Withdrawals from either Account A or Account B may be taxable and subject to a 10% tax penalty. (See FEDERAL INCOME TAXES on page 31.)

PAYMENTS TO CONTRACT OWNERS



Merrill Lynch Life will generally pay the amount of any withdrawal or surrender, any annuity payment or death benefit, minus any applicable charges or tax withholding, within seven days of receipt of a proper request at its Service Center. However, Merrill Lynch Life may delay the payment of any withdrawal, surrender, or death benefit, or the processing of any annuity payment or transfer request if (a) the New York Stock Exchange is closed, other than for a customary weekend or holiday; (b) trading on the New York Stock Exchange is restricted by the Securities and Exchange Commission; (c) the Securities and Exchange Commission declares that an emergency exists such that it is not reasonably practical to dispose of securities held in the Accounts or to determine the value of their assets; (d) the Securities and Exchange Commission by order so permits for the protection of security holders; or (e) payment is derived from a check used to make a premium payment which has not cleared through the banking system.

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#### ANNUITY DATE

The contract owner selects an annuity date when the Contract is applied for. The annuity date may be changed up to 30 days prior to that date. Generally, the annuity date for nonqualified Contracts may not be later than the annuitant's 85th birthday. For IRA Contracts, the annuity date may not be later than when the owner/annuitant reaches the age of 70 1/2 unless the contract owner selects a later annuity date. If no annuity date is chosen, the annuity date will automatically be the date on which the annuitant reaches age 85 or 70 1/2, as outlined above.

The first annuity payment will be made on the annuity date, and payments will continue thereafter according to the schedule of the annuity option selected.

Contract owners may select from a variety of fixed annuity payment options, as outlined below in ANNUITY OPTIONS.

#### ANNUITY OPTIONS

The Contract provides a choice of fixed annuity payment options. If an annuity option is not chosen by the contract owner, Merrill Lynch Life will automatically effect the Life Annuity with Payments Guaranteed for 10 Years annuity option when the contract owner reaches age 85 (age 70 1/2 for an IRA Contract). The annuity option may be changed up to 30 days prior to the annuity date. Merrill Lynch Life reserves the right to limit annuity options available to IRA contract owners to comply with provisions of the Internal Revenue Code or regulations thereunder. On the annuity date, the entire contract value, after a deduction for the cost of any applicable premium taxes, will be transferred to Merrill Lynch Life's general account, from which the annuity payments will be made. The amount of each payment is predetermined.

The dollar amount of annuity payments is determined by the contract value on the annuity date, applied to Merrill Lynch Life's then current annuity purchase rates. These rates will be furnished on request. The rates will never be less favorable than those shown in the Contract.

If the age and/or sex of the annuitant was misstated to Merrill Lynch Life, resulting in an incorrect calculation of annuity payments on a Contract, future annuity payments on that Contract will be adjusted to reflect the correct age and/or sex. Any amount Merrill Lynch Life overpaid as the result of a misstatement will be deducted from future payments with 6% annual interest charges. Any amount Merrill Lynch Life underpaid as the result of a misstatement will be paid in full with the next payment made with 6% annual interest credited.

If the contract value on the annuity date, after the deduction for the cost of any applicable premium taxes, is less than \$5,000 (or a different minimum amount, if required by state law), Merrill Lynch Life may pay the annuity benefits in a lump sum, rather than as periodic payments. If any annuity payment would be less than \$50 (or a different minimum amount, if required by state law), the frequency of payments may be changed so that all payments will be at least \$50 (or the minimum amount required by state law). Otherwise, the contract owner has the following annuity payment options. Merrill Lynch Life reserves the right to permit additional annuity payment options.

- - PAYMENTS OF A FIXED AMOUNT--Equal payments in an amount chosen by the

contract owner will be guaranteed until the sum of all annuity payments equals the contract value transferred to Merrill Lynch Life's general account on the annuity date, adjusted for interest credited as shown in the Contract. The amount chosen must provide for payments for at least five years. Payments are guaranteed irrespective of the annuitant's life. If the annuitant dies before the end of the guarantee

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period, the contract owner may elect to receive the present value of the remaining guaranteed payments in a lump sum. If the contract owner dies while guaranteed amounts remain unpaid, his or her beneficiary may elect to receive the present value of the remaining guaranteed payments in a lump sum.

- - PAYMENTS FOR A FIXED PERIOD--Payments will be made for five years or a longer period if selected by the contract owner. Payments are guaranteed irrespective of the annuitant's life. If the annuitant dies before the end of the guarantee period, the contract owner may elect to receive the present value of the remaining guaranteed payments in a lump sum. If the contract owner dies while guaranteed amounts remain unpaid, his or her beneficiary may elect to receive the present value of the remaining guaranteed payments in a lump sum.
- - \*LIFE ANNUITY--Payments will be made for the life of the annuitant. Payments will cease with the last payment due before the annuitant's death.
- - LIFE ANNUITY WITH PAYMENTS GUARANTEED FOR 10 OR 20 YEARS--Payments will be made for the life of the annuitant. In addition, even if the annuitant dies before the guarantee period ends, payments will be guaranteed for either 10 or 20 years as selected by the contract owner. If the annuitant dies before the end of the guarantee period, the contract owner may elect to receive the present value of the remaining guaranteed payments in a lump sum. If the contract owner dies while guaranteed amounts remain unpaid, his or her beneficiary may elect to receive the present value of the remaining guaranteed payments in a lump sum.
- - LIFE ANNUITY WITH GUARANTEED RETURN OF CONTRACT VALUE--Payments will be made for the life of the annuitant. In addition, even if the annuitant dies beforehand, payments will be guaranteed until the sum of all annuity payments equals the contract value transferred to Merrill Lynch Life's general account on the annuity date, adjusted for interest credited as shown in the Contract.
- - \*JOINT AND SURVIVOR LIFE ANNUITY--Payments will be made for the lives of the annuitant and a designated second person. Payments will continue as long as either one is living.
- - INDIVIDUAL RETIREMENT ACCOUNT ANNUITY--This annuity option is available only to IRA contract owners. Payments will be made annually based on either (a) the life expectancy of the owner/ annuitant; (b) the joint life expectancy of the owner/annuitant and his or her spouse; or (c) the life expectancy of the surviving spouse if the owner/annuitant dies before the annuity date. Each annual payment will be equal to the remaining contract value transferred to Merrill Lynch Life's general account, divided by the then current life expectancy chosen, as defined by Internal Revenue Service regulations. Payments will be made on each anniversary of the annuity date. If the measuring life or lives dies before the remaining value has been distributed, that value will be paid to the contract owner in a lump sum.

\*These options are life annuities. Therefore, it is possible for the payee to receive only one annuity payment if the person (or persons) on whose life (lives) payment is based dies after only one payment or to receive only two annuity payments if that person (those persons) dies after only two payments, etc.

#### UNISEX

Generally, the Contract provides for sex-distinct annuity purchase rates for life annuities. However, in those states that have adopted regulations prohibiting sex-distinct rates, blended unisex annuity purchase rates for life annuities will be applied, whether the annuitant is male or female. Unisex annuity purchase rates will provide the same annuity payments for male or female annuitants that are the same age on their annuity dates.

Employers and employee organizations considering purchasing the Contract should consult with their legal adviser to determine whether purchasing the Contract based on sex-distinct annuity purchase rates is consistent with Title VII of the Civil Rights Act of 1964 or other applicable law. Merrill Lynch Life may offer such contract owners Contracts based on unisex annuity purchase rates.

## FEDERAL INCOME TAXES

### INTRODUCTION

The Contracts are designed for use in connection with retirement plans that are not qualified plans under the provisions of the Internal Revenue Code and also Individual Retirement Annuities (IRAs). The ultimate effect of federal income taxes on contract value, on annuity payments, and on the economic benefit to the contract owner, depends on the type of retirement plan for which the Contract is purchased, on whether the investments of the Accounts meet Internal Revenue Service diversification standards (discussed below) and on the tax status of the individual concerned. The following discussion is general in nature and is not intended as tax advice. This discussion is not intended to address the tax consequences resulting from all situations in which a person may be entitled to or may receive a distribution under the Contract. Contract owners should consult a competent tax adviser before initiating any transaction. This discussion is based on the Company's understanding of current federal income tax laws as currently interpreted by the Internal Revenue Service and generally does not discuss or consider any applicable state or other tax laws. No representation is made as to the likelihood of continuation of current federal income tax laws or of the current interpretations by the Internal Revenue Service. MERRILL LYNCH LIFE DOES NOT MAKE ANY GUARANTEE REGARDING THE TAX STATUS OF ANY CONTRACT OR ANY TRANSACTION INVOLVING THE CONTRACTS.

### MERRILL LYNCH LIFE'S TAX STATUS

Merrill Lynch Life is taxed as a life insurance company under the Internal Revenue Code. The Accounts are not a separate entity and for tax purposes their operations are part of the Company's. Therefore, the Company will be liable for any taxes attributable to the Accounts. Under existing federal income tax law the investment income of the Accounts is includable in the Company's gross income. Merrill Lynch Life currently incurs no income taxes on this income. Merrill Lynch Life reserves the right, however, to deduct from the Accounts any such taxes which are imposed on the investment earnings or taxes measured by or attributable to the receipt of premium.

### TAXATION OF ANNUITIES

#### IN GENERAL

Section 72 of the Internal Revenue Code governs taxation of annuities in general. With respect to contracts held by natural persons, Merrill Lynch Life believes that the contract owner is not taxed on increases in the value of the Contract until distribution occurs, either in the form of a withdrawal or as annuity payments under the annuity option elected. The taxable portion of a distribution (in the form of a single sum payment or an annuity) is taxable as ordinary income. Additionally, certain transfers of a Contract for less than full consideration, such as a gift, will trigger tax on the excess of the net contract value over the contract owner's investment in the Contract.

### REQUIRED DISTRIBUTIONS

In order to be treated as an annuity contract for federal income tax purposes, section 72(s) of the Code requires any nonqualified Contract to provide that (a) if any contract owner dies on or after the annuity commencement date but prior to the time the entire interest in the Contract has been distributed, the remaining portion of such interest will be distributed at least as rapidly as under the method of distribution being used as of the date of that contract owner's death; and (b) if any contract owner dies prior to the annuity commencement date, the entire interest in the Contract will be distributed within five years after the date of the contract owner's death. These requirements will be considered satisfied as to any portion of the contract owner's interest which is payable to or for the benefit of a "designated beneficiary" and which is distributed over the life of such "designated beneficiary" or over a period not extending beyond the life expectancy of that beneficiary, provided that such distributions begin within one year of that

owner's death. The contract owner's "designated beneficiary" (referred to herein as the "Owner's Beneficiary") is the person designated by such contract owner as a beneficiary and to whom ownership of the Contract passes by reason of death and must be a natural person. However, if the contract owner's "designated beneficiary" is the surviving spouse of the contract owner, the Contract may be continued with the surviving spouse as the new owner.

The nonqualified Contracts contain provisions which are intended to comply with the requirements of section 72(s) of the Code, although no regulations interpreting these requirements have yet been issued. The Company intends to review such provisions and modify them if necessary to assure that they comply with the requirements of Code section 72(s) when clarified by regulation or otherwise. Other rules may apply to IRAs.

#### NON-NATURAL OWNERS

Nonqualified contracts held by other than a natural person generally are not treated as annuities, and the contract owner generally must include in income any increase in the excess of the contract value over the contract owner's investment in the Contract. This is not applicable to trusts or other entities acting as an agent for a natural person, and there are certain other exceptions to this rule. Prospective contract owners who are not natural persons should consult a competent tax adviser.

#### DISTRIBUTIONS

The taxable portion of annuity payments is generally determined by a formula that establishes the ratio that the cost basis of the contract bears to the expected return under the contract. After such time as the sum of the nontaxable portion of annuity payments received equals the sum of premium payments (adjusted for any withdrawals or outstanding loans), all subsequent annuity payments are fully taxable as ordinary income. (The purchase of two or more annuity contracts from Merrill Lynch Life or an affiliate in the same calendar year will result in aggregation for purposes of determining the amount of any withdrawal that is treated as taxable income.) With respect to nonqualified Contracts, partial withdrawals of contract value are treated as taxable income to the extent that the contract value just before the withdrawal exceeds the investment in the Contract. The assignment or pledge (or agreement to assign or pledge) of any portion of the value of the Contract shall be treated as a withdrawal subject to this rule. Full withdrawals are treated as taxable income under section 72(e) of the Internal Revenue Code to the extent that the net amount received exceeds the investment in the Contract. (For the tax treatment of any premium paid prior to August 14, 1982, under another annuity contract, which contract has been exchanged for this Contract, consult your tax adviser.) Amounts may be distributed from a Contract because of the death of the owner. Generally, such amounts are includable in the income of the recipient as follows: (1) if distributed in a lump sum, the amount is taxed in the same manner as a full withdrawal; or (2) if distributed under a payment option, the amounts are taxed

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in the same manner as annuity payments. For both withdrawals and annuity payments under qualified plans, there may be no cost basis in the contract within the meaning of Section 72 of the Internal Revenue Code, and the total amount received may be taxable as ordinary income.

#### PENALTY TAXES

A penalty tax may be imposed equal to 10% of the taxable income portion of a withdrawal. The penalty tax applies to both nonqualified Contracts and IRAs, with different exceptions for each. The exceptions applicable to both nonqualified Contracts and IRAs include (a) distributions made at or after the contract owner attains age 59 1/2, (b) distributions made on or after the contract owner's death, (c) distributions attributable to the contract owner's disability, and (d) substantially equal periodic payments for the contract owner's life or life expectancy (or joint life or joint life expectancy of the contract owner and a second designated person). In certain circumstances, other exceptions may apply. Other tax penalties may apply to certain distributions under IRAs.

#### INTERNAL REVENUE SERVICE DIVERSIFICATION STANDARDS

The Internal Revenue Service has published regulations prescribing diversification standards to be met by nonqualified variable annuity contracts as a condition to being taxed as annuities under Section 72 of the Internal Revenue Code. The standards provide that investments of a subaccount of the

Accounts are adequately diversified if no more than (a) 55% of the value of its assets is represented by any one investment, (b) 70% is represented by any two investments, (c) 80% is represented by any three investments, and (d) 90% is represented by any four investments. It is Merrill Lynch Life's opinion that each subaccount of the Accounts will meet the diversification standards imposed by the Internal Revenue Service.

The Treasury Department has announced that the diversification regulations do not provide guidance concerning the extent to which contract owners may direct their investments to particular divisions of a separate account. Such guidance will be included in regulations or Revenue Rulings under Section 817(d) of the Internal Revenue Code relating to the definition of a variable contract. It is unknown what standards will be adopted in such regulations. Merrill Lynch Life, however, believes that according to current law the Contract will be treated as an annuity for federal income tax purposes and that the Company, not the contract owner, will be treated as the owner of the contract investments.

The ownership rights under the Contract are similar to, but different in certain respects from, those described by the Internal Revenue Service in rulings in which it determined that the owners were not owners of separate account assets. For example, the owner of the Contract has additional flexibility in allocating premium payments and account values. These differences could result in the owner being treated as the owner of the assets of the Accounts. Merrill Lynch Life reserves the right to modify the Contract as necessary to prevent the contract owner from being considered the owner of the assets of the Accounts for federal tax purposes. Any such changes will apply uniformly to affected contract owners and will be made with such notice to affected contract owners as is feasible under the circumstances.

#### IRA CONTRACTS

Section 408 of the Internal Revenue Code permits eligible individuals to contribute to an individual retirement program known as an Individual Retirement Annuity ("IRA"). IRAs are subject to limits on the amount that may be contributed, the contributions that may be deducted from taxable income, the persons who may be eligible, and on the time when distributions may commence and the duration of those distributions. Also, distributions from certain other types of qualified plans may be "rolled over" on a tax-deferred basis into an IRA. The ultimate effect of federal income taxes on the amounts contributed to and held under a Contract, on annuity payments, and on the economic benefit to the contract owner, the annuitant, or the beneficiary depends on the tax and employment status of the individual concerned and on

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Merrill Lynch Life's tax status. In addition, certain requirements must be satisfied in purchasing an IRA with proceeds from a tax qualified retirement plan and receiving distributions from an IRA in order to continue receiving favorable tax treatment. Sales of the Contract for use with IRAs may be subject to special disclosure requirements of the Internal Revenue Service. Purchasers of the Contract for use with IRAs will be provided with supplemental information required by the Internal Revenue Service or other appropriate agency. Such purchasers will have the right to revoke the Contract within seven days of the earlier of the establishment of the IRA or the purchase of the Contract. Purchasers should seek competent tax advice as to the suitability of the Contract for use with or as an IRA.

#### TRANSFERS, ASSIGNMENTS, OR EXCHANGES OF A CONTRACT

A transfer of ownership of the Contract, the designation of an annuitant who is not also the owner, or the exchange of the Contract may result in certain tax consequences to the contract owner that are not discussed herein. A contract owner contemplating any such transfer, assignment, or exchange should contact a competent tax adviser with respect to the potential tax effects of such a transaction.

#### WITHHOLDING

Unless the contract owner elects to the contrary, the taxable portion of any amounts received under the Contract will be subject to withholding to meet federal and state income tax obligations. The rate of withholding on annuity payments will generally be determined on the basis of the withholding certificate filed by the contract owner with Merrill Lynch Life. If no such certificate is filed, the contract owner will be treated, for purposes of determining the withholding rate, as a married person with three exemptions.

The rate of withholding on all other payments made under the Contract, such as amounts received upon withdrawals, will generally be 10%. Thus, if the contract owner fails to elect that there be no withholding, Merrill Lynch Life will withhold from every withdrawal or annuity payment the appropriate percentage of the amount of the payment that is taxable. Merrill Lynch Life will provide the contract owner with forms and instructions concerning the right to elect that no amount be withheld from payments. Generally, there will be no withholding for taxes until payments are actually received under the Contract.

#### OTHER TAX CONSEQUENCES

Merrill Lynch Life does not make any guarantee regarding the tax status of the Contract or any transaction regarding the Contract. As noted above, the foregoing discussion of the income tax consequences under the Contract is not exhaustive and special rules are provided with respect to other tax situations not discussed in the Prospectus. Further, the income tax consequences discussed herein reflect the Company's understanding of current law and the law may change. Federal estate and state and local estate, inheritance, and other tax consequences of ownership or receipt of distributions under the Contract depend on the individual circumstances of each contract owner or recipient of the distribution. A competent tax adviser should be consulted for further information.

#### OTHER INFORMATION

##### VOTING RIGHTS

Merrill Lynch Life is the legal owner of all Fund shares held in the Accounts. As the owner, it has the right to vote on any matter put to vote at the Funds' shareholder meetings. However, Merrill Lynch Life will vote all Fund shares attributable to Contracts according to instructions received from contract owners. Shares attributable to Contracts for which no voting instructions are received will be voted in the same proportion as shares in the respective subaccounts for which instructions are received. Shares not attributable to Contracts

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will also be voted in the same proportion as shares in the respective subaccounts for which instructions are received. If any federal securities laws or regulations, or their present interpretation, change to permit Merrill Lynch Life to vote Fund shares in its own right, it may elect to do so.

Contract owners have voting rights prior to their annuity date. They may give voting instructions concerning (1) the election of the Funds' Board of Directors; (2) ratification of the Funds' independent accountant; (3) approval of the investment advisory agreement for a Fund corresponding to the contract owner's selected subaccounts; (4) any change in the fundamental investment policy of a Fund corresponding to the contract owner's selected subaccounts; and (5) any other matter requiring a vote of the Funds' shareholders. The number of shares for which a contract owner may give voting instructions prior to the annuity date is determined by dividing the contract owner's interest in a subaccount by the net asset value per share of the corresponding Fund. The number of shares for which contract owners may give voting instructions will be determined as of a record date chosen by Merrill Lynch Life. The record date will be no earlier than 90 days prior to the shareholders meeting.

After the annuity date, contract owners no longer have voting rights, since their contract value has then been moved out of the Funds.

Contract owners will receive periodic reports relating to the Funds in which they have an interest including proxy material and voting instruction forms.

##### REPORTS TO CONTRACT OWNERS

At least once each contract year prior to the annuity date, contract owners will be sent a statement that provides information pertinent to their own Contract. The statement will outline all Contract transactions during the year, the Contract's current number of accumulation units, the value of each accumulation unit, and the total contract value.

Contract owners will also be sent an annual and a semiannual report containing financial statements and a list of portfolio securities of the Funds, as required by the Investment Company Act of 1940.

## SELLING THE CONTRACT

Merrill Lynch, Pierce, Fenner & Smith Incorporated is the principal underwriter of the Contract. It was organized in 1958 under the laws of the state of Delaware and is registered as a broker-dealer under the Securities Exchange Act of 1934. It is a member of the National Association of Securities Dealers, Inc. ("NASD"). Merrill Lynch, Pierce, Fenner & Smith Incorporated's principal business address is World Financial Center, 250 Vesey Street, New York, New York 10281.

Contracts are sold by registered representatives (Financial Consultants) of Merrill Lynch, Pierce, Fenner & Smith Incorporated who are also licensed through various Merrill Lynch Life Agencies as insurance agents for Merrill Lynch Life. Merrill Lynch Life has entered into a distribution agreement with Merrill Lynch, Pierce, Fenner & Smith Incorporated and companion sales agreements with the Merrill Lynch Life Agencies through which agreements the Contracts are sold and the Financial Consultants are compensated by Merrill Lynch Life Agencies and/or Merrill Lynch, Pierce, Fenner & Smith Incorporated. The maximum commission paid to the Financial Consultant is 2.0% of each premium allocated to Separate Account A. In addition, on the annuity date, the Financial Consultant will receive compensation of no more than 1.4% of contract value not subject to a contingent deferred sales charge. Additional annual compensation of no more than 0.50% of contract value may also be paid to the Financial Consultant. Commission may be paid in the form of non-cash compensation. No commission or annuity date compensation will be paid on Contracts purchased by employees of Merrill Lynch Life or its affiliates or Contracts purchased by the employees' spouses or dependents.

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The maximum commission Merrill Lynch Life will pay to the applicable insurance agency to be used to pay commissions to Financial Consultants is 5.0% of each premium allocated to Separate Account A.

Merrill Lynch, Pierce, Fenner & Smith Incorporated may arrange for sales of the Contract by other broker-dealers who are registered under the Securities Exchange Act of 1934 and are members of the NASD. Registered representatives of these other broker-dealers may be compensated on a different basis than Merrill Lynch, Pierce, Fenner & Smith Incorporated registered representatives.

## STATE REGULATION

Merrill Lynch Life is subject to the laws of the State of Arkansas and to the regulations of the Arkansas Insurance Department. It is also subject to the insurance laws and regulations of all jurisdictions in which it is licensed to do business.

An annual statement in the prescribed form is filed with the insurance departments of jurisdictions where Merrill Lynch Life does business disclosing the Company's operations for the preceding year and its financial condition as of the end of that year. Insurance department regulation includes periodic examination to verify Contract liabilities and reserves and to determine solvency and compliance with all insurance laws and regulations. Merrill Lynch Life's books and accounts are subject to insurance department review at all times. A full examination of Merrill Lynch Life's operations is conducted periodically by the Arkansas Insurance Department and under the auspices of the National Association of Insurance Commissioners.

## LEGAL PROCEEDINGS

There are no legal proceedings to which the Accounts are a party or to which the assets of the Accounts are subject. Merrill Lynch Life and Merrill Lynch, Pierce, Fenner & Smith Incorporated are engaged in various kinds of routine litigation that, in the Company's judgment, is not material to its total assets. No litigation relates to the Accounts.

## EXPERTS

The financial statements of Merrill Lynch Life for the three years ended December 31, 1993 and of the Accounts for the year ended December 31, 1993 and the period ended December 31, 1992 are included in the Statement of Additional Information have been audited by Deloitte & Touche, independent auditors, as stated in their reports appearing therein, and have been included in reliance on such reports of Deloitte & Touche given upon their authority as experts in accounting and auditing. Deloitte & Touche's principal business address is 1633

LEGAL MATTERS

The organization of the Company, its authority to issue the Contract, and the validity of the form of the Contract have been passed upon by Barry G. Skolnick, Merrill Lynch Life's Senior Vice President and General Counsel. Sutherland, Asbill & Brennan of Washington, D.C. has provided advice on certain matters relating to federal securities laws.

REGISTRATION STATEMENTS

Registration statements have been filed with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Company Act of 1940 that relate to the Contract and its investment options. This Prospectus does not contain all of the information in the registration statements as permitted by Securities and Exchange Commission regulations. The omitted information can be obtained from the Securities and Exchange Commission's principal office in Washington, D.C., upon payment of a prescribed fee.

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TABLE OF CONTENTS OF THE STATEMENT OF ADDITIONAL INFORMATION

The contents of the Statement of Additional Information for the Contract include the following:

OTHER INFORMATION  
Principal Underwriter  
Financial Statements  
Administrative Services Arrangements  
CALCULATION OF YIELDS AND TOTAL RETURNS  
FINANCIAL STATEMENTS OF MERRILL LYNCH LIFE VARIABLE ANNUITY  
SEPARATE ACCOUNT A  
FINANCIAL STATEMENTS OF MERRILL LYNCH LIFE VARIABLE ANNUITY  
SEPARATE ACCOUNT B  
FINANCIAL STATEMENTS OF MERRILL LYNCH LIFE INSURANCE COMPANY

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STATEMENT OF ADDITIONAL INFORMATION

MAY 1, 1994

MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT A  
AND

MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT B

FLEXIBLE PREMIUM INDIVIDUAL DEFERRED VARIABLE ANNUITY CONTRACT  
ALSO KNOWN AS

MODIFIED SINGLE PREMIUM INDIVIDUAL DEFERRED  
VARIABLE ANNUITY CONTRACT

ISSUED BY  
MERRILL LYNCH LIFE INSURANCE COMPANY

HOME OFFICE: LITTLE ROCK, ARKANSAS 72201  
SERVICE CENTER: P.O. BOX 44222,  
JACKSONVILLE, FLORIDA 32231-4222  
4804 DEER LAKE DRIVE EAST,  
JACKSONVILLE, FLORIDA 32246  
PHONE: (800) 535-5549

OFFERED THROUGH  
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

This individual deferred variable annuity contract (the "Contract") is designed to provide comprehensive and flexible ways to invest and to create a source of income protection for later in life through the payment of annuity benefits. An annuity is intended to be a long term investment. Contract owners should consider their need for deferred income before purchasing the Contract. The Contract is issued by Merrill Lynch Life Insurance Company ("Merrill Lynch Life") both on a nonqualified basis, and as an Individual Retirement Annuity ("IRA") that is given qualified tax status.



This Statement of Additional Information is not a Prospectus and should be read together with the Contract's Prospectus dated May 1, 1994, which is available on request and without charge by writing to or calling Merrill Lynch Life at the Service Center address or phone number set forth above.

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FINANCIAL STATEMENTS OF MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT A.....	X
FINANCIAL STATEMENTS OF MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT B.....	X
FINANCIAL STATEMENTS OF MERRILL LYNCH LIFE INSURANCE COMPANY.....	X
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OTHER INFORMATION

PRINCIPAL UNDERWRITER

Merrill Lynch, Pierce, Fenner & Smith Incorporated, an affiliate of Merrill Lynch Life, performs all sales and distribution functions regarding the Contracts and may be deemed the principal underwriter of Merrill Lynch Life Variable Annuity Separate Account A and Merrill Lynch Life Variable Annuity Separate Account B (the "Accounts") under the Investment Company Act of 1940. The offering is continuous. For the years ended December 31, 1993 and 1992, Merrill Lynch, Pierce, Fenner & Smith Incorporated received \$x,xxx,xxx and \$6,924,611 respectively, in commissions in connection with the sale of the Contracts.

FINANCIAL STATEMENTS

The financial statements of Merrill Lynch Life included in this Statement of Additional Information should be distinguished from the financial statements of the Accounts and should be considered only as bearing upon the ability of Merrill Lynch Life to meet any obligations it may have under the Contract.

ADMINISTRATIVE SERVICES ARRANGEMENTS

Merrill Lynch Life has entered into a Service Agreement with its parent, Merrill Lynch Insurance Group, Inc. ("MLIG") pursuant to which Merrill Lynch Life can arrange for MLIG to provide directly or through affiliates certain services. Pursuant to this agreement, Merrill Lynch Life has arranged for MLIG to provide administrative services for the Accounts and the Contracts, and MLIG, in turn, has arranged for a subsidiary, Merrill Lynch Insurance Group Services, Inc. ("MLIG Services"), to provide these services. Compensation for these services, which will be paid by Merrill Lynch Life, will be based on the charges and expenses incurred by MLIG Services, and will reflect MLIG Services' actual costs. For the years ended December 31, 1993, 1992 and 1991, Merrill Lynch Life paid administrative services fees of \$xx.x million, \$63.3 million and \$78.3 million respectively.

CALCULATION OF YIELDS AND TOTAL RETURNS

MONEY MARKET YIELDS

From time to time, Merrill Lynch Life may quote in advertisements and sales literature the current annualized yield for the Domestic Money Market Subaccount of Account A and the Reserve Assets Subaccount of Account B for a 7-day period in a manner that does not take into consideration any realized or unrealized gains or losses on shares of the underlying Funds or on their respective portfolio securities. The current annualized yield is computed by: (a) determining the net change (exclusive of realized gains and losses on the sales of securities and unrealized appreciation and depreciation) at the end of the 7-day period in the value of a hypothetical account under a Contract having a balance of 1 unit at the beginning of the period, (b) dividing such net change

in account value by the value of the account at the beginning of the period to determine the base period return; and (c) annualizing this quotient on a 365-day basis. The net change in account value reflects: (1) net income from the Fund attributable to the hypothetical account; and (2) charges and deductions imposed under the Contract which are attributable to the hypothetical account. The charges and deductions include the per unit charges for the hypothetical account for: (1) the mortality and expense risk charge; (2) the administration charge in the case of the Domestic Money Market Subaccount; and (3) the annual contract maintenance charge. For purposes of calculating current yields for a Contract, an average per unit contract maintenance charge is used, as described below. Current yield will be calculated according to the following formula:

$$\text{Current Yield} = ((\text{NCF}-\text{ES}/\text{UV}) \times (365/7))$$

Where:

<TABLE>		
<S>	<C>	<C>
NCF	=	the net change in the value of the Fund (exclusive of realized gains and losses on the sale of securities and unrealized appreciation and depreciation) for the 7-day period attributable to a hypothetical account having a balance of 1 unit.
ES	=	per unit expenses for the hypothetical account for the 7-day period.
UV	=	the unit value on the first day of the 7-day period.

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Merrill Lynch Life also may quote the effective yield of the Domestic Money Market Subaccount or the Reserve Assets Subaccount for the same 7-day period, determined on a compounded basis. The effective yield is calculated by compounding the unannualized base period return according to the following formula:

$$\text{Effective Yield} = (1 + ((\text{NCF}-\text{ES})/\text{UV}))^{365/7} - 1$$

Where:

<TABLE>		
<S>	<C>	<C>
NCF	=	the net change in the value of the Fund (exclusive of realized gains and losses on the sale of securities and unrealized appreciation and depreciation) for the 7-day period attributable to a hypothetical account having a balance of 1 unit.
ES	=	per unit expenses of the hypothetical account for the 7-day period.
UV	=	the unit value for the first day of the 7-day period.

The effective yield for the Domestic Money Market subaccount for the 7-day period ended December 31, 1993 was x.xx%. The effective yield for the Reserve Assets subaccount for the 7-day period ended December 31, 1993 was x.xx%.

Because of the charges and deductions imposed under the Contract, the yield for the Domestic Money Market Subaccount and the Reserve Assets Subaccount will be lower than the yield for the corresponding underlying Fund.

The yields on amounts held in the Domestic Money Market Subaccount or the Reserve Assets Subaccount normally will fluctuate on a daily basis. Therefore, the disclosed yield for any given past period is not an indication or representation of future yields or rates of return. The actual yield for those subaccounts is affected by changes in interest rates on money market securities, average portfolio maturity of the underlying Fund, the types and qualities of portfolio securities held by the Fund and the Fund's operating expenses. Yields on amounts held in the Domestic Money Market Subaccount and Reserve Assets Subaccount may also be presented for periods other than a 7-day period.

#### OTHER SUBACCOUNT YIELDS

From time to time, Merrill Lynch Life may quote in sales literature or advertisements the current annualized yield of one or more of the Account A subaccounts (other than the Domestic Money Market Subaccount) for a contract for 30-day or one-month periods. The annualized yield of a subaccount refers to income generated by the subaccount over a specified 30-day or one-month period. Because the yield is annualized, the yield generated by the subaccount during the 30-day or one-month period is assumed to be generated each period over a 12-month period. The yield is computed by: (1) dividing the net investment income of the Fund attributable to the subaccount units less subaccount expenses for the period; by (2) the maximum offering price per unit on the last day of

the period times the daily average number of units outstanding for the period; then (3) compounding that yield for a 6-month period; and then (4) multiplying that result by 2. Expenses attributable to the subaccount include the mortality and expense risk charge, the administration charge and the annual contract maintenance charge. For purposes of calculating the 30-day or one-month yield, an average contract maintenance charge per dollar of contract value in the subaccount is used to determine the amount of the charge attributable to the subaccount for the 30-day or one-month period; as described below. The 30-day or one-month yield is calculated according to the following formula:

$$\text{Yield} = 2 \times (((\text{NI}-\text{ES}) / (\text{U} \times \text{UV})) + 1)^{1/6} - 1)$$

Where:

<TABLE>		
<S>	<C>	<C>
NI	=	net investment income of the Fund for the 30-day or one-month period attributable to the subaccount's units.
ES	=	expenses of the subaccount for the 30-day or one-month period.
U	=	the average number of units outstanding.
UV	=	the unit value at the close of the last day in the 30-day or one-month period.
</TABLE>		

Currently, Merrill Lynch Life may quote yields on bond subaccounts within Account A. The yield for those subaccounts for the 30-day period ended December 31, 1993 was:

<TABLE>	
<CAPTION>	
NAME OF SUBACCOUNT	YIELD
-----	
<S>	<C>
Prime Bond	x.xx%
High Current Income	x.xx%
American Balanced	x.xx%
World Income Focus	x.xx%
</TABLE>	

Because of the charges and deductions imposed under the contracts, the yield for an Account A subaccount will be lower than the yield for the corresponding Fund.

The yield on the amounts held in the Account A subaccounts normally will fluctuate over time. Therefore, the disclosed yield for any given past period is not an indication or representation of future yields or rates of return. A subaccount's actual yield is affected by the types and quality of portfolio securities held by the corresponding Fund, and its operating expenses.

Yield calculations do not take into account the declining contingent deferred sales charge under the Contract of amounts surrendered or withdrawn under the Contract deemed to consist of premiums paid within the preceding seven years. A contingent deferred sales charge will not be imposed on the first withdrawal in any Contract year deemed to consist of gain on premiums paid during the preceding seven contract years.

TOTAL RETURNS

From time to time, Merrill Lynch Life also may quote in sales literature or advertisements, total returns, including average annual total returns for one or more of the subaccounts for various periods of time. Average annual total returns will be provided for a subaccount for 1, 5 and 10 years, or for a shorter period, if applicable. For the year ended December 31, 1993, returns were:

<TABLE>	
<CAPTION>	
NAME OF SUBACCOUNT	RETURN
-----	
<S>	<C>
Prime Bond	x.xx%
High Current Income	x.xx%
Quality Equity	-x.xx%
Equity Growth	-xx.xx%

Flexible Strategy	-x.xx%
Natural Resources Focus	-x.xx%
American Balanced	-x.xx%
Global Strategy Focus	-x.xx%

For those subaccounts only in operation since July 1, 1993, returns for the period from July 1, 1993 until December 31, 1993 were:

NAME OF SUBACCOUNT	RETURN
Basic Value Focus	x.xx%
World Income Focus	x.xx%
Global Equity Focus	x.xx%
International Equity Focus	x.xx%

These returns assume the Contract was surrendered at the end of the period shown, and are not indicative of performance if the Contract were continued for a longer period.

Average annual total returns for other periods of time may also be disclosed from time to time. For example, average annual total returns may be provided based on the assumption that a subaccount had been in existence and had invested in the corresponding underlying Fund for the same period as the corresponding Fund had been in operation. The Funds commenced operations as indicated below:

FUND	COMMENCED OPERATIONS
Prime Bond	April 20, 1982
High Current Income	April 20, 1982
Quality Equity	April 20, 1982
Equity Growth	April 20, 1982
Flexible Strategy	May 1, 1986
Natural Resources Focus	June 1, 1988
American Balanced	June 1, 1988
Global Strategy Focus	February 14, 1992
Basic Value Focus	July 1, 1993
World Income Focus	July 1, 1993
Global Utility Focus	July 1, 1993
International Equity Focus	July 1, 1993
International Bond	May 1, 1994
Intermediate Government Bond	May 1, 1994
Emerging Markets	May 1, 1994

Average annual total returns represent the average annual compounded rates of return that would equate an initial investment of \$1,000 under a contract to the redemption value or that investment as of the last day of each of the periods. The ending date for each period for which total return quotations are provided will be for the most recent month-end practicable, considering the type and media of the communication and will be stated in the communication.

Average annual total returns are calculated using subaccount unit values calculated on each valuation day based on the performance of the corresponding underlying Fund, the deductions for the mortality and expense risk charge, the administration charge (in the case of Account A subaccounts), and the contract maintenance charge, and assume a surrender of the Contract at the end of the period for the return quotation. Total returns therefore reflect a deduction of the contingent deferred sales charge for any period of less than seven years. For purposes of calculating total return, an average per dollar contract maintenance charge attributable to the hypothetical account for the period is used, as described below. The total return is then calculated according to the following formula:

$$TR = ((ERV/P)^{1/N}) - 1$$

Where:

<TABLE>		
<S>	<C>	<C>
TR	=	the average annual total return net of subaccount recurring charges (such as the mortality and expense risk charge, administration charge, if applicable, and contract maintenance charge).
ERV	=	the ending redeemable value (net of any applicable contingent deferred sales charge) at the end of the period of the hypothetical account with an initial payment of \$1,000.
P	=	a hypothetical initial payment of \$1,000.
N	=	the number of years in the period.
</TABLE>		

From time to time, Merrill Lynch Life also may quote in sales literature or advertisements, total returns that do not reflect the contingent deferred sales charge. These are calculated in exactly the same way as average annual total returns described above, except that the ending redeemable value of the hypothetical account for the period is replaced with an ending value for the period that does not take into account any contingent deferred sales charge on surrender of the Contract.

From time to time, Merrill Lynch Life also may quote in sales literature or advertisements total returns or other performance information for a hypothetical Contract assuming the initial premium is allocated to more than one subaccount or assuming monthly transfers from the Domestic Money Market Subaccount to one or

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more designated subaccounts under a dollar cost averaging program. These returns will reflect the performance of the affected subaccount(s) for the amount and duration of the allocation to each subaccount for the hypothetical Contract. They also will reflect the deduction of charges described above except for the contingent deferred sales charge. For example, total return information for a Contract with a dollar cost averaging program for a 12-month period will assume commencement of the program at the beginning of the most recent 12-month period for which average annual total return information is available. This information will assume an initial lump-sum investment in the Domestic Money Market Subaccount at the beginning of that period and monthly transfers of a portion of the contract value from that subaccount to designated subaccount(s) during the 12-month period. The total return for the Contract for this 12-month period therefore will reflect the return on the portion of the contract value that remains invested in the Domestic Money Market Subaccount for the period it is assumed to be so invested, as affected by monthly transfers, and the return on amounts transferred to the designated subaccounts for the period during which those amounts are assumed to be invested in those subaccounts. The return for an amount invested in a subaccount will be based on the performance of that subaccount for the duration of the investment, and will reflect the charges described above other than the contingent deferred sales charge. Performance information for a dollar cost-averaging program also may show the returns for various periods for a designated subaccount assuming monthly transfers to the subaccount, and may compare those returns to returns assuming an initial lump-sum investment in that subaccount. This information also may be compared to various indices, such as the Merrill Lynch 91-day Treasury Bills index or the U.S. Treasury Bills index and may be illustrated by graphs, charts, or otherwise.

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#### ITEM 24. FINANCIAL STATEMENTS AND EXHIBITS

##### (a) Financial Statements

<TABLE>		
<C>	<C>	<S>
(1)		Financial Statements of Merrill Lynch Life Variable Annuity Separate Account A for the year ended December 31, 1993 and the period ended December 31, 1992 and the Notes relating thereto appear in the Statement of Additional Information (Part B of the Registration Statement).
(2)		Financial Statements of Merrill Lynch Life Variable Annuity Separate Account B for the year ended December 31, 1993 and the period ended December 31, 1992 and the Notes relating thereto appear in the Statement of Additional Information (Part B of the Registration Statement).
(3)		Financial Statements of Merrill Lynch Life Insurance Company for the three years ended December 31, 1993, 1992 and 1991 and the Notes relating thereto appear in

</TABLE>

(b) Exhibits

<TABLE>

<C>	<C>	<S>
(1)		Resolution of the Board of Directors of Merrill Lynch Life Insurance Company establishing the Merrill Lynch Life Variable Annuity Separate Account A and Merrill Lynch Life Variable Annuity Separate Account B (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
(2)		Not Applicable
(3)		Underwriting Agreement Between Merrill Lynch Life Insurance Company and Merrill Lynch, Pierce, Fenner & Smith Incorporated (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
(4)	(a)	Individual Variable Annuity Contract issued by Merrill Lynch Life Insurance Company (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
	(b)	Merrill Lynch Life Insurance Company Contingent Deferred Sales Charge Waiver Endorsement (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
	(c)	Individual Retirement Annuity Endorsement (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed January 29, 1992)
	(d)	Merrill Lynch Life Insurance Company Endorsement (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 filed April 28, 1993)
(5)		Not Applicable
(6)	(a)	Articles of Amendment, Restatement and Redomestication of the Articles of Incorporation of Merrill Lynch Life Insurance Company (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
	(b)	Amended and Restated By-laws of Merrill Lynch Life Insurance Company (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
(7)		Not Applicable
(8)	(a)	General Agency Agreement (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed April 30, 1992)
	(b)	Indemnity Agreement Between Merrill Lynch Life Insurance Company and Merrill Lynch Life Agency, Inc. (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed January 29, 1992)
	(c)	Management Agreement Between Merrill Lynch Life Insurance Company and Merrill Lynch Asset Management, Inc. (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
	(d)	Agreement Between Merrill Lynch Life Insurance Company and Merrill Lynch Variable Series Funds, Inc. Relating to Maintaining Constant Net Asset Value for the Reserve Assets Fund (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
	(e)	Agreement Between Merrill Lynch Life Insurance Company and Merrill Lynch Variable Series Funds, Inc. Relating to Maintaining Constant Net Asset Value for the Domestic Money Market Fund (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)

</TABLE>

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<TABLE>

<C>	<C>	<S>
(f)		Agreement Between Merrill Lynch Life Insurance Company and Merrill Lynch Variable Series Funds, Inc. Relating to Valuation and Purchase Procedures (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed November 4, 1991)
(g)		Service Agreement Between Merrill Lynch Life Insurance Company and Merrill Lynch Insurance Group, Inc. (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed January 29, 1992)
(h)		Reimbursement Agreement Between Merrill Lynch Asset Management, Inc. and Merrill Lynch Life Agency (Incorporated by Reference to Registrant's Form N-4 Registration No. 33-43773 Filed April 28, 1993)
(i)		Participation Agreement Between Merrill Lynch Variable Series Funds, Inc., Merrill Lynch Life Insurance Company, ML Life Insurance Company of New York, and Family Life Insurance Company (To be filed by Amendment)
(9)		Opinion of Barry G. Skolnick, Esq. and Consent to its use as to the legality of the securities being registered
(10)	(a)	Written Consent of Sutherland, Asbill & Brennan
	(b)	Written Consent of Deloitte & Touche, independent auditors (To be filed by Amendment)
(11)		Not Applicable
(12)		Not Applicable
(13)		Schedule for Computation of Performance Quotations (To be filed by Amendment)
(14)	(a)	Power of Attorney from Joseph E. Crowne

- (b) Power of Attorney from David M. Dunford
- (c) Power of Attorney from John C.R. Hele
- (d) Power of Attorney from Allen N. Jones
- (e) Power of Attorney from Barry G. Skolnick
- (f) Power of Attorney from Anthony J. Vespa

</TABLE>

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ITEM 25. DIRECTORS AND OFFICERS OF THE DEPOSITOR\*

<TABLE>

<CAPTION>

NAME	PRINCIPAL BUSINESS ADDRESS	POSITION WITH DEPOSITOR*
<S>	<C>	<C>
Joseph E. Crowne	800 Scudders Mill Road Plainsboro, NJ 08536	Director, Senior Vice President, Chief Financial Officer, Chief Actuary and Treasurer.
David M. Dunford	800 Scudders Mill Road Plainsboro, NJ 08536	Director, Senior Vice President and Chief Investment Officer.
John C.R. Hele	800 Scudders Mill Road Plainsboro, NJ 08536	Director and Senior Vice President.
Allen N. Jones	800 Scudders Mill Road Plainsboro, NJ 08536	Director.
Barry G. Skolnick	800 Scudders Mill Road Plainsboro, NJ 08536	Director, Senior Vice President, General Counsel and Secretary.
Anthony J. Vespa	800 Scudders Mill Road Plainsboro, NJ 08536	Director, Chairman of the Board, President and Chief Executive Officer.
Deborah Adler	800 Scudders Mill Road Plainsboro, NJ 08536	Vice President and Actuary.
Robert M. Bordeman	800 Scudders Mill Road Plainsboro, NJ 08536	Vice President and Assistant Secretary.
Robert J. Boucher	P.O. Box 9025 Springfield, MA 01102	Senior Vice President, Variable Life Administration.
Michael P. Cogswell	800 Scudders Mill Road Plainsboro, NJ 08536	Vice President and Senior Counsel.
Eileen P. Dyson	4655 Salisbury Road Suite 400 Jacksonville, FL 32256	Vice President and Assistant Secretary.
Peter P. Massa	800 Scudders Mill Road Plainsboro, NJ 08536	Vice President.
Shelley K. Parker	P.O. Box 9025 Springfield, MA 01102	Vice President.
Julia Raven	800 Scudders Mill Road Plainsboro, NJ 08536	Vice President.
Frederick H. Steele	800 Scudders Mill Road Plainsboro, NJ 08536	Vice President.
Thomas J. Thatcher	4655 Salisbury Road Suite 400 Jacksonville, FL 32256	Vice President and Assistant Secretary.
Denis G. Wuestman	4655 Salisbury Road Suite 400 Jacksonville, FL 32256	Vice President.

<FN>

\*Each director is elected to serve until the next annual shareholder meeting or until his or her successor is elected and shall have qualified.

</TABLE>

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ITEM 26. PERSONS CONTROLLED BY OR UNDER COMMON CONTROL WITH THE DEPOSITOR OR REGISTRANT

Merrill Lynch Life Insurance Company is an indirect wholly-owned subsidiary of Merrill Lynch & Co., Inc.

Attached is a list of subsidiaries of Merrill Lynch & Co., Inc. (To be filed by Amendment)

ITEM 27. NUMBER OF CONTRACTS

The number of contracts in force as of January 28, 1994 was 32,733.

ITEM 28. INDEMNIFICATION

There is no indemnification of the principal underwriter, Merrill Lynch, Pierce, Fenner & Smith Incorporated, with respect to the Contract.

The indemnity agreement between Merrill Lynch Life Insurance Company ("Merrill Lynch Life") and its affiliate Merrill Lynch Life Agency, Inc. ("MLLA"), with respect to MLLA's general agency responsibilities on behalf of Merrill Lynch Life and the Contract, provides:

Merrill Lynch Life will indemnify and hold harmless MLLA and all persons associated with MLLA as such term is defined in Section 3(a) (21) of the Securities Exchange Act of 1934 against all claims, losses, liabilities and expenses, to include reasonable attorneys' fees, arising out of the sale by MLLA of insurance products under the above-referenced Agreement, provided that Merrill Lynch Life shall not be bound to indemnify or hold harmless MLLA or its associated persons for claims, losses, liabilities and expenses arising directly out of the willful misconduct or negligence of MLLA or its associated persons.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

ITEM 29. PRINCIPAL UNDERWRITERS

(a) Merrill Lynch, Pierce, Fenner & Smith Incorporated also acts as principal underwriter for the following additional funds: CBA Money Fund; CMA Government Securities Fund; CMA Money Fund; CMA Tax-Exempt Fund; CMA Treasury Fund; CMA Multi-State Municipal Series Trust; The Corporate Fund Investment Accumulation Program, Inc.; The Municipal Fund Investment Accumulation Program, Inc.; Corporate Income Fund; Equity Income Fund; The Fund of Stripped ("Zero") U.S. Treasury Securities; The GNMA Investment Accumulation Program; Government Security Income Fund; International Bond Fund; The Liberty Street Trust Municipal Monthly Payment Series; The Merrill Lynch Fund of Stripped ("Zero") U.S. Treasury Securities; Merrill Lynch Trust for Government Securities; Municipal Income Fund; and Municipal Investment Trust Fund.

Merrill Lynch, Pierce, Fenner & Smith Incorporated also acts as principal underwriter for the following additional accounts: Merrill Lynch Life Variable Annuity Separate Account B; Merrill Lynch Life Variable Life Separate Account; Merrill Lynch Life Variable Life Separate Account II; Merrill Lynch Life Variable Annuity Separate Account; ML of New York Variable Life Separate Account; ML of New York Variable Life Separate Account II; ML of New York Variable Annuity Separate Account; ML of New York Variable Annuity Separate Account A; and ML of New York Variable Annuity Separate Account B.

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(b) The directors, president, treasurer and executive vice presidents of Merrill Lynch, Pierce, Fenner & Smith Incorporated are as follows:

<TABLE>  
<CAPTION>

NAME AND PRINCIPAL BUSINESS ADDRESS	POSITIONS AND OFFICES WITH UNDERWRITER
<S> Herbert M. Allison, Jr.* Barry S. Friedberg* Edward L. Goldberg*	<C> Director and Executive Vice President Director and Executive Vice President Director and Executive Vice President



Stephen L. Hammerman*	Director, Vice Chairman and General Counsel
Jerome P. Kenney*	Director and Executive Vice President
David H. Komansky*	Director and Executive Vice President
Theresa Lang*	Senior Vice President and Treasurer
Daniel T. Napoli*	Director and Senior Vice President
Thomas H. Patrick*	Director and Executive Vice President
Winthrop H. Smith, Jr.*	Director and Executive Vice President
John L. Steffens*	Director and Executive Vice President
Daniel P. Tully*	Director, Chairman of the Board, President and Chief Executive Officer
Roger M. Vasey*	Director and Executive Vice President
Arthur H. Zeikel**	Director and Executive Vice President

<FN>

\* World Financial Center, 250 Vesey Street, New York, NY 10281  
 \*\* 800 Scudders Mill Road, Plainsboro, New Jersey 08536  
 </TABLE>

(c) Not Applicable

ITEM 30. LOCATION OF ACCOUNTS AND RECORDS

All accounts, books, and records required to be maintained by Section 31(a) of the 1940 Act and the rules promulgated thereunder are maintained by the depositor at the principal executive offices at 800 Scudders Mill Road, Plainsboro, New Jersey 08536 and the Service Center at 4804 Deer Lake Drive East, Jacksonville, Florida 32246.

ITEM 31. Not Applicable

ITEM 32. UNDERTAKINGS

(a) Registrant undertakes to file a post-effective amendment to the Registrant Statement as frequently as is necessary to ensure that the audited financial statements in the Registration Statement are never more than 16 months old for so long as payments under the variable annuity contracts may be accepted.

(b) Registrant undertakes to include either (1) as part of any application to purchase a contract offered by the prospectus, a space that an applicant can check to request a statement of additional information, or (2) a postcard or similar written communications affixed to or included in the prospectus that the applicant can remove to send for a statement of additional information.

(c) Registrant undertakes to deliver any statement of additional information and any financial statements required to be made available under this Form promptly upon written or oral request.

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SIGNATURES

As required by the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant, Merrill Lynch Life Variable Annuity Separate Account A, has caused this Post-Effective Amendment No. 4 to the Registration Statement to be signed on its behalf, in the City of Plainsboro, State of New Jersey, on the 1st day of March, 1994.

<TABLE>  
<S>

Attest: /s/SANDRA K. KELLY  
 Sandra K. Kelly  
 Assistant Vice President

Attest: /s/SANDRA K. KELLY  
 Sandra K. Kelly  
 Assistant Vice President

</TABLE>

<C>  
 Merrill Lynch Life Variable Annuity Separate  
 Account A

(Registrant)  
 By: /s/BARRY G. SKOLNICK  
 Barry G. Skolnick  
 Senior Vice President of  
 Merrill Lynch Life Insurance Company  
 Merrill Lynch Life Insurance Company  
 (Depositor)

By: /s/BARRY G. SKOLNICK  
 Barry G. Skolnick  
 Senior Vice President

As required by the Securities Act of 1933, this Post-Effective Amendment No. 4 to the Registration Statement has been signed below by the following persons in the capacities indicated on March 1, 1994.

<TABLE> <CAPTION>	
SIGNATURE	TITLE
<C>	<S>
* Anthony J. Vespa	Chairman of the Board, President and Chief Executive Officer
* Joseph E. Crowne	Director, Senior Vice President, Chief Financial Officer, Chief Actuary and Treasurer
* David M. Dunford	Director, Senior Vice President, and Chief Investment Officer
* John C.R. Hele	Director and Senior Vice President
* Allen N. Jones	Director
*By: /s/BARRY G. SKOLNICK Barry G. Skolnick	In his own capacity as Director, Senior Vice President and General Counsel and as Attorney-In-Fact

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EXHIBIT INDEX

<TABLE> <CAPTION>		
EXHIBIT	DESCRIPTION	PAGE
<C>	<S>	<C>
(b) (9)	Opinion of Barry G. Skolnick, Esq. and Consent to its use as to the legality of the securities being registered.....	C-
(10) (a)	Written Consent of Sutherland, Asbill & Brennan.....	C-
(14) (a)	Power of Attorney from Joseph E. Crowne.....	C-
(b)	Power of Attorney from David M. Dunford.....	C-
(c)	Power of Attorney from John C.R. Hele.....	C-
(d)	Power of Attorney from Allen N. Jones.....	C-
(e)	Power of Attorney from Barry G. Skolnick.....	C-
(f)	Power of Attorney from Anthony J. Vespa.....	C-

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February 28, 1994

Board of Directors  
Merrill Lynch Life Insurance Company  
800 Scudders Mill Road  
Plainsboro, New Jersey 08536

To The Board Of Directors:

In my capacity as General Counsel of Merrill Lynch Life Insurance Company (the "Company"), I have supervised the preparation of the registration statements of the Merrill Lynch Life Variable Annuity Separate Account A and Merrill Lynch Life Variable Annuity Separate Account B (the "Accounts") to be filed by the Company with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Company Act of 1940. Such registration statements describe certain individual variable annuity contracts which will participate in the Accounts.

I am of the following opinion:

- (1) The Accounts are separate accounts of the Company duly created and validly existing under Arkansas law.
- (2) The individual variable annuity contracts, when issued in accordance with the prospectus contained in the aforesaid registration statements and upon compliance with applicable local law, will be legal and binding obligations of the Company in accordance with their terms.
- (3) The assets held in the Accounts equal to the reserves and other contract liabilities with respect to the Accounts will not be chargeable with liabilities arising out of any other business the Company may conduct.

In arriving at the foregoing opinion, I have made such examination of law and examined such records and other documents as in my judgment are necessary or appropriate.

I hereby consent to the filing of this opinion as an exhibit to the aforesaid registration statements and to the reference to me under the caption "Legal Matters" in the prospectus contained in said registration statements.

Very truly yours,

/s/ Barry G. Skolnick

Barry G. Skolnick

Senior Vice President and  
General Counsel

CONSENT OF SUTHERLAND, ASBILL & BRENNAN

We consent to the reference to our firm under the heading "Legal Matters" in the prospectus included in Post-Effective Amendment No. 4 to the Registration Statement on Form N-4 for certain variable annuity contracts issued through Merrill Lynch Life Variable Annuity Separate Account A of Merrill Lynch Life Insurance Company (File No. 33-43773). In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933.

/s/ Sutherland, Asbill & Brennan

SUTHERLAND, ASBILL & BRENNAN

Washington, D.C.  
February 28, 1994

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that Joseph E. Crowne, Jr., a member of the Board of Directors of Merrill Lynch Life Insurance Company (the "Company"), whose signature appears below, constitutes and appoints Barry G. Skolnick and Michael P. Cogswell, respectively, and each of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all Registration Statements and Amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, under the Investment Company Act of 1940, where applicable, and the Securities Act of 1933, respectively, with the Securities and Exchange Commission, for the purpose of registering any and all variable life and variable annuity separate accounts (collectively "Separate Accounts"), of the Company that may be established in connection with the issuance of any and all variable life and variable annuity contracts funded by such Separate Accounts, granting unto said attorney-in-fact and agent, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done.

Date: February 7, 1994

/s/ Joseph E. Crowne, Jr.

-----  
Joseph E. Crowne, Jr.

State of New Jersey )  
County of Middlesex )

On the 7 day of Feb. , 1994, before me came Joseph E. Crowne, Jr., Director of Merrill Lynch Life Insurance Company, to me known to be said person and he signed the above Power of Attorney on behalf of Merrill Lynch Life Insurance Company.

/s/ Sandra K. Kelly

-----  
Notary Public

[SEAL]

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that David M. Dunford, a member of the Board of Directors of Merrill Lynch Life Insurance Company (the "Company"), whose signature appears below, constitutes and appoints Barry G. Skolnick and Michael P. Cogswell, respectively, and each of them, his true and lawful

attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all Registration Statements and Amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, under the Investment Company Act of 1940, where applicable, and the Securities Act of 1933, respectively, with the Securities and Exchange Commission, for the purpose of registering any and all variable life and variable annuity separate accounts (collectively "Separate Accounts"), of the Company that may be established in connection with the issuance of any and all variable life and variable annuity contracts funded by such Separate Accounts, granting unto said attorney-in-fact and agent, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done.

Date: February 7, 1994

/s/ David M. Dunford

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David M. Dunford

State of New Jersey )  
County of Middlesex )

On the 7th day of Feb. , 1994, before me came David M. Dunford, Director of Merrill Lynch Life Insurance Company, to me known to be said person and he signed the above Power of Attorney on behalf of Merrill Lynch Life Insurance Company.

/s/ Elizabeth F. Meyer

-----  
Notary Public

[SEAL]

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that John C.R. Hele, a member of the Board of Directors of Merrill Lynch Life Insurance Company (the "Company"), whose signature appears below, constitutes and appoints Barry G. Skolnick and Michael P. Cogswell, respectively, and each of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all Registration Statements and Amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, under the Investment Company Act of 1940, where applicable, and the Securities Act of 1933, respectively, with the Securities and Exchange Commission, for the purpose of registering any and all variable life and variable annuity separate accounts (collectively "Separate Accounts"), of the Company that may be established in connection with the issuance of any and all variable life and variable annuity contracts funded by such Separate Accounts, granting unto said attorney-in-fact

and agent, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done.

Date: 2/7/94

/s/ John C.R. Hele

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John C.R. Hele

State of New York )  
County of New York )

On the 7th day of Feb. , 1994, before me came John C.R. Hele, Director of Merrill Lynch Life Insurance Company, to me known to be said person and he signed the above Power of Attorney on behalf of Merrill Lynch Life Insurance Company.

/s/ Nandane Persaud-Singh

-----  
Notary Public

[SEAL]

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that Allen N. Jones, a member of the Board of Directors of Merrill Lynch Life Insurance Company (the "Company"), whose signature appears below, constitutes and appoints Barry G. Skolnick and Michael P. Cogswell, respectively, and each of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all Registration Statements and Amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, under the Investment Company Act of 1940, where applicable, and the Securities Act of 1933, respectively, with the Securities and Exchange Commission, for the purpose of registering any and all variable life and variable annuity separate accounts (collectively "Separate Accounts"), of the Company that may be established in connection with the issuance of any and all variable life and variable annuity contracts funded by such Separate Accounts, granting unto said attorney-in-fact and agent, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done.

Date: February 7, 1994

/s/ Allen N. Jones

-----  
Allen N. Jones

State of New Jersey )  
County of Middlesex )



On the 7th day of Feb. , 1994, before me came Allen N. Jones, Director of Merrill Lynch Life Insurance Company, to me known to be said person and he signed the above Power of Attorney on behalf of Merrill Lynch Life Insurance Company.

/s/ Sandra K. Kelly

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Notary Public

[SEAL]

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that Barry G. Skolnick, a member of the Board of Directors of Merrill Lynch Life Insurance Company (the "Company"), whose signature appears below, constitutes and appoints Michael P. Cogswell, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all Registration Statements and Amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, under the Investment Company Act of 1940, where applicable, and the Securities Act of 1933, respectively, with the Securities and Exchange Commission, for the purpose of registering any and all variable life and variable annuity separate accounts (collectively "Separate Accounts"), of the Company that may be established in connection with the issuance of any and all variable life and variable annuity contracts funded by such Separate Accounts, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done.

Date: February 7, 1994

/s/ Barry G. Skolnick

-----  
Barry G. Skolnick

State of New Jersey )  
County of Middlesex )

On the 7th day of Feb. , 1994, before me came Barry G. Skolnick, Director of Merrill Lynch Life Insurance Company, to me known to be said person and he signed the above Power of Attorney on behalf of Merrill Lynch Life Insurance Company.

/s/ Sandra K. Kelly

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POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that Anthony J. Vespa a member of the Board of Directors of Merrill Lynch Life Insurance Company (the "Company"), whose signature appears below, constitutes and appoints Barry G. Skolnick and Michael P. Cogswell, respectively, and each of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all Registration Statements and Amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, under the Investment Company Act of 1940, where applicable, and the Securities Act of 1933, respectively, with the Securities and Exchange Commission, for the purpose of registering any and all variable life and variable annuity separate accounts (collectively "Separate Accounts"), of the Company that may be established in connection with the issuance of any and all variable life and variable annuity contracts funded by such Separate Accounts, granting unto said attorney-in-fact and agent, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done.

Date: February 17, 1994

/s/ Anthony J. Vespa

-----  
 Anthony J. Vespa

State of New Jersey )  
 County of Middlesex )

On the 17th day of Feb. , 1994, before me came Anthony J. Vespa, Director of Merrill Lynch Life Insurance Company, to me known to be said person and he signed the above Power of Attorney on behalf of Merrill Lynch Life Insurance Company.

/s/ Sandra K. Kelly

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 Notary Public

[SEAL]