FORM 485BPOS

Post-effective amendments [Rule 485(b)]

Filing Date: **1994-03-16**
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FILER

DEFINED ASSET FUNDS EQUITY INCOME FD UTILITY COM STK SER 8 CIK:**766703**| State of Incorp.:**DE** | Fiscal Year End: **1231** Type: **485BPOS** | Act: **33** | File No.: **002-97186** | Film No.: **94516298**	Mailing Address *C/O DAVIS POLK & NARDWELL* *450 LEXINGTON AVENUE* *NEW YORK NY 10017*	Business Address *ONE LIBERTY PLZ 165 BROADWAY* *C/O MERRILL LYNCH PIERCE FENNER & SMITH* *NEW YORK NY 10080* *2125304540*

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON MARCH 16, 1994

REGISTRATION NO. 2-97186

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 7
TO
FORM S-6

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

A. EXACT NAME OF TRUST:

DEFINED ASSET FUNDS--
EQUITY INCOME FUND
UTILITY COMMON STOCK SERIES--8
(A UNIT INVESTMENT TRUST)

B. NAMES OF DEPOSITORS:

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
SMITH BARNEY SHEARSON INC.
PRUDENTIAL SECURITIES INCORPORATED
DEAN WITTER REYNOLDS INC.

C. COMPLETE ADDRESSES OF DEPOSITORS' PRINCIPAL EXECUTIVE OFFICES:

MERRILL LYNCH, PIERCE,
FENNER & SMITH
INCORPORATED
UNIT INVESTMENT TRUSTS
POST OFFICE BOX 9051
PRINCETON, N.J.
08543-9051

SMITH BARNEY SHEARSON
INC.
TWO WORLD TRADE CENTER
101ST FLOOR
NEW YORK, N.Y. 10048

PRUDENTIAL SECURITIES
INCORPORATED
ONE SEAPORT PLAZA
199 WATER STREET
NEW YORK, N.Y. 10292

DEAN WITTER REYNOLDS INC.
TWO WORLD TRADE
CENTER--59TH FLOOR
NEW YORK, N.Y. 10048

D. NAMES AND COMPLETE ADDRESSES OF AGENTS FOR SERVICE:

TERESA KONCICK, ESQ.	THOMAS D. HARMAN, ESQ.	LEE B. SPENCER, JR.
P.O. BOX 9051	388 GREENWICH ST.	ONE SEAPORT PLAZA
PRINCETON, N.J.	NEW YORK, N.Y. 10013	199 WATER STREET
08543-9051		NEW YORK, N.Y. 10292

COPIES TO:

PHILIP BECKER
130 LIBERTY STREET--29TH
FLOOR
NEW YORK, N.Y. 10006

PIERRE DE SAINT PHALLE,
ESQ.
450 LEXINGTON AVENUE
NEW YORK, N.Y. 10017

The issuer has registered an indefinite number of Units under the Securities Act of 1933 pursuant to Rule 24f-2 and filed the Rule 24f-2 Notice for the most recent fiscal year on February 15, 1994.

Check box if it is proposed that this filing will become effective on March 25, 1994 pursuant to paragraph (b) of Rule 485. / x /

- --
- --

DEFINED
ASSET FUNDSSM

EQUITY INCOME
FUND

- --

UTILITY COMMON STOCK SERIES--8
(A UNIT INVESTMENT TRUST)

PROSPECTUS, PART A
DATED MARCH 25, 1994

SPONSORS:
Merrill Lynch,
Pierce, Fenner & Smith Inc.
Smith Barney Shearson Inc.
Prudential Securities Incorporated
Dean Witter Reynolds Inc.

MONTHLY INCOME - DIVERSIFICATION

This Defined Fund was formed for the purpose of obtaining current income through investment in a fixed portfolio consisting primarily of publicly-traded common stocks issued by gas and electric public utility companies (the 'Securities'). The value of all Portfolio Securities and therefore the value of units of fractional undivided interest in the Fund ('Units') may be expected to fluctuate with changes in the values of common stocks in general and of public utility stocks in particular. The payment of dividends and preservation of capital deends upon several factors including the financial condition of these issuers and general economic conditions. Therefore, there is no assurance that the past rate of income per Unit will be maintained in the future. Units of the Fund are particularly designed for purchase by Individual Retirement Accounts, Keogh Plans, pension funds and other tax deferred retirement plans.

MINIMUM PURCHASE: 1,000 UNITS

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

- --

NOTE: PART A OF THIS PROSPECTUS MAY NOT BE DISTRIBUTED UNLESS ACCOMPANIED BY DEFINED ASSET FUNDS--EQUITY INCOME FUND PROSPECTUS, PART B.

This Prospectus consists of two parts. The first includes an Investment Summary and certified financial statements of the Fund, including the related securities portfolio; the second contains a general summary of the Fund.

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Read and retain both parts of this Prospectus for future reference.

DEFINED ASSET FUNDSSMis America's oldest and largest family of unit investment trusts with over $90 billion sponsored since 1970. Each Defined Fund is a portfolio of preselected securities. The portfolio is divided into 'units' representing equal shares of the underlying assets. Each unit receives an equal share of income and principal distributions.

With Defined Asset Funds you know in advance what you are investing in and that changes in the portfolio are limited. Most defined bond funds pay interest monthly and repay principal as bonds are called, redeemed, sold or as they mature. Defined equity funds offer preselected stock portfolios with defined termination dates.

Your financial advisor can help you select a Defined Fund to meet your personal investment objectives. Our size and market presence enable us to offer a wide variety of investments. Defined Funds are available in the following types of securities: municipal bonds, corporate bonds, government bonds, utility stocks, growth stocks, even international securities denominated in foreign currencies.

Termination dates are as short as one year or as long as 30 years. Special funds are available for investors seeking extra features: insured funds, double and triple tax-free funds, and funds with 'laddered maturities' to help protect against rising interest rates. Defined Funds are offered by prospectus only.

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CONTENTS

DEFINED ASSET FUNDS--EQUITY INCOME FUND, UTILITY COMMON STOCK SERIES--8
INVESTMENT SUMMARY AS OF DECEMBER 31, 1993, THE EVALUATION DATE

NUMBER OF UNITS..	15,031,124
FRACTIONAL UNDIVIDED INTEREST IN FUND PER UNIT.............	1/15,031,124th
PUBLIC OFFERING PRICE PER 1,000 UNITS*	
Aggregate value of Securities in Fund+.................$	17,476,847
Divided by 15,031,124 Units times 1,000................$	1,162.71
Plus sales charge of 4.50% of Public Offering Price (4.712% of net amount invested)**....................	54.79
Public Offering Price per 1,000 Units..................$	1,217.50 (plus cash adjustments and the amount per 1,000 Units in the Income Account***)
SPONSORS' REPURCHASE PRICE AND REDEMPTION PRICE PER 1,000 UNITS (based on value of underlying Securities) ($54.79 less than Public Offering Price per 1,000 Units)..........$	1,162.71 (plus cash adjustments and the amount per 1,000 Units in the Income Account***)

RECORD DAY
The 10th day of each month.
DISTRIBUTION DAY
The 25th day of each month.

MINIMUM CAPITAL DISTRIBUTION

No distribution (other than capital gains distributions) need be made from Capital Account if balance is less than $5.00 per 1,000 Units.

TRUSTEE'S ANNUAL FEE AND EXPENSES****

$1.86 per 1,000 Units (see Expenses and Charges--Fees in Part B).

PORTFOLIO SUPERVISION FEE++

Maximum of $0.25 per $1,000 Units (see Expenses and Charges in Part B).

EVALUATION TIME

4:00 P.M. New York Time

MINIMUM VALUE OF FUND

Trust Indenture may be terminated if value of Fund is less than 40% of the value of the Securities on the dates of their deposit. As of the Evaluation Date, the value of the Fund is 33% of the value of the Securities on the dates of their deposit.

NUMBER OF ISSUES OF COMMON STOCK............................	11
NUMBER OF GAS AND ELECTRIC PUBLIC UTILITY ISSUERS...........	11
PERCENTAGE OF AGGREGATE VALUE OF PORTFOLIO+++ REPRESENTING:	
Gas and Electric Public Utility Industry..	100%
Common Stock..	93%
Other Fund Units++++..................................	7%
Issuers associated with nuclear generating facilities...	59%

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*These figures assume a purchase of 1,000 Units. The price of a single Unit, or any multiple thereof, is calculated simply by dividing the Public Offering Price per 1,000 Units, above, by 1,000, and multiplying by the number of Units.

**The sales charge will be reduced on a graduated scale in the case of quantity purchases (see Public Sale of Units-- Public Offering Price in Part B).

***For Units purchased or redeemed on the Evaluation Date, the amount in the Income Account is approximately equal to the undistributed net investment income of the Fund (see Statement of Condition on p. D-2) divided by the number of outstanding Units, plus any amount per Unit added to the Income Account to the expected date of settlement (5 business days after purchase or redemption). The amount of the cash adjustment which is added is equal to the cash per Unit in the Capital Account not allocated to the purchase of specific Securities (see Public Sale of Units--Public Offering Price and Redemption in Part B).

****Of this amount, the Trustee receives annually for its services as Trustee $0.72 per 1,000 Units. The Trustee's Annual Fee and Expenses also includes the Portfolio Supervision Fee set forth herein.

+On the date of Deposit (August 14, 1986) the aggregate value of Securities was $967,412.81. Cost of Securities is set forth under Portfolio.

++The Sponsors also may be reimbursed for their costs of bookkeeping and administrative services to the Fund. Portfolio supervision fees deducted in excess of portfolio supervision expenses may be used for this reimbursement. Additional deductions for this purpose are currently estimated not to exceed an annual rate of $0.10 per 1,000 Units.

+++A Fund is considered to be 'concentrated' in a particular category when the Securities in that category constitute 25% or more of the aggregate value of the Portfolio. (See Risk Factors in Part B for a brief summary of certain investment risks pertaining to the types of issues held by the Fund.)

++++See Description of the Fund--The Portfolio in Part B.

DEFINED ASSET FUNDS--EQUITY INCOME FUND, UTILITY COMMON STOCK SERIES--8

DISTRIBUTIONS--The following replaces the second sentence of the third paragraph appearing under Description of the Fund--Income and Distributions in Part B.

An amount substantially equal to one-twelfth of the estimated annual income to the Income Account, after deducting estimated expenses, will be distributed on or shortly after each Distribution Day to Holders of record on the preceding Record Day. This avoids the need to structure a portfolio to stagger dividend dates to provide regular cash flow. In the case of distributions from the Capital Account, the distributable balance in the Capital Account as of the Record Day must be at least the minimum amount set forth under Investment Summary except for distributions of capital gains (see Administration of the Fund-- Accounts and Distributions in Part B and Accounts and Distributions below).

ACCOUNTS AND DISTRIBUTIONS--The following replaces the third sentence of the first paragraph appearing under Administration of the Fund--Accounts and Distributions in Part B:

Subject to the Reinvestment Plan described below, the Monthly Income Distribution for each Holder as of each Record Day will be made on the following Distribution Day or shortly thereafter and shall consist of an amount, computed monthly by the Trustee, substantially equal to one-twelfth of the Holder's pro rata share of the estimated annual income to the Income Account.

SPONSORS--

The following information supplements that appearing under Sponsors in Part B:

Smith Barney Shearson Inc., an investment banking and securities broker-dealer firm, is an indirect wholly-owned subsidiary of The Travelers Inc.

Shearson Lehman Brothers Inc. ('Shearson') and certain of its predecessors were underwriters beginning in 1962 and co-Sponsors from 1965 to 1967 and from 1980 to 1993 of various Defined Asset Funds. As a result of the acquisition of certain of Shearson's assets by Smith Barney, Harris Upham & Co. Incorporated and Primerica Corporation (now The Travelers, Inc.), Smith Barney Shearson Inc. now serves as co-Sponsor of various Defined Asset Funds.

DEFINED ASSET FUNDS - EQUITY INCOME FUND,
UTILITY COMMON STOCK SERIES - 8

REPORT OF INDEPENDENT ACCOUNTANTS

The Sponsors, Trustee and Holders
of Defined Asset Funds - Equity Income Fund,
Utility Common Stock Series - 8:

We have audited the accompanying statement of condition of Defined Asset Funds - Equity Income Fund, Utility Common Stock Series - 8, including the portfolio, as of December 31, 1993 and the related statements of operations and of changes in net assets for the years ended December 31, 1991, 1992 and 1993. These financial statements are the responsibility of the Trustee. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Securities owned at December 31, 1993, as shown in such portfolio, were confirmed to us by The Bank of New York, the Trustee. An audit also includes assessing the accounting principles used and significant estimates made by the Trustee, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Defined Asset Funds - Equity Income Fund, Utility Common Stock Series - 8 at December 31, 1993 and the results of its operations and changes in its net assets for the above-stated years in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE

New York, N.Y.
March 1, 1994

DEFINED ASSET FUNDS - EQUITY INCOME FUND,
UTILITY COMMON STOCK SERIES - 8

STATEMENT OF CONDITION
AS OF DECEMBER 31, 1993

<TABLE>
<S> <C> <C>
TRUST PROPERTY:
Investment in marketable securities - at value

(cost $11,843,297) (Note 1)		$17,476,847
Dividends receivable		68,595
Total trust property		17,545,442
LESS LIABILITY - Advance from Trustee		8,162
NET ASSETS, REPRESENTED BY:		
15,031,125 units of fractional undivided interest outstanding (Note 4)	$17,549,575	
Excess of distributions over net investment income	(12,295)	$17,537,280
UNIT VALUE ($17,537,280 / 15,031,125 units)		$1.16673

</TABLE>

See Notes to Financial Statements.

DEFINED ASSET FUNDS - EQUITY INCOME FUND,
UTILITY COMMON STOCK SERIES - 8

STATEMENTS OF OPERATIONS
<TABLE>
<CAPTION>

<S>	....Years Ended December 31,..... 1991 <C>	1992 <C>	1993 <C>
INVESTMENT INCOME:			
Dividend income	$1,368,641	$1,108,568	$ 994,062
Other income (Note 2)			120,822
Trustee's fees and expenses	(34,234)	(28,903)	(25,858)
Sponsors' fees	(7,812)	(6,065)	(4,829)
Net investment income	1,326,595	1,073,600	1,084,197
REALIZED AND UNREALIZED GAIN ON INVESTMENTS:			
Realized gain on securities sold or redeemed	244,831	412,860	468,037
Unrealized appreciation (depreciation) of investments	4,129,842	(9,815)	674,034
Net realized and unrealized gain on investments	4,374,673	403,045	1,142,071
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$5,701,268	$1,476,645	$2,226,268

</TABLE>

See Notes to Financial Statements.

DEFINED ASSET FUNDS - EQUITY INCOME FUND,
UTILITY COMMON STOCK SERIES - 8

STATEMENTS OF CHANGES IN NET ASSETS
<TABLE>
<CAPTION>

<S>	....Years Ended December 31,..... 1991 <C>	1992 <C>	1993 <C>
OPERATIONS:			
Net investment income	$ 1,326,595	$1,073,600	$ 1,084,197
Realized gain on securities sold or redeemed	244,831	412,860	468,037
Unrealized appreciation (depreciation) of			

investments	4,129,842	(9,815)	674,034
Net increase in net assets resulting from operations	5,701,268	1,476,645	2,226,268
DISTRIBUTIONS TO HOLDERS (Note 3):			
Income	(1,327,493)	(1,054,882)	(903,104)
Principal			(97,455)
Total distributions	(1,327,493)	(1,054,882)	(1,000,559)
CAPITAL SHARE TRANSACTIONS:			
Reinvestment of distributions - 38,230 and 3,788 units issued, respectively (Note 3)	35,501	3,706	
Redemptions of 4,980,794, 2,691,951 and 1,599,376 units, respectively	(4,542,676)	(2,753,002)	(1,894,219)
Net capital share transactions	(4,507,175)	(2,749,296)	(1,894,219)
NET DECREASE IN NET ASSETS	(133,400)	(2,327,533)	(668,510)
NET ASSETS AT BEGINNING OF YEAR	20,666,723	20,533,323	18,205,790
NET ASSETS AT END OF YEAR	$20,533,323	$18,205,790	$17,537,280
PER UNIT:			
Income distributions during year	$.06118	$.05981	$.05738
Principal distributions during year			$.00586
Net asset value at end of year	$1.06287	$1.09472	$1.16673
TRUST UNITS OUTSTANDING AT END OF YEAR	19,318,664	16,630,501	15,031,125

</TABLE>

See Notes to Financial Statements.

DEFINED ASSET FUNDS - EQUITY INCOME FUND,
UTILITY COMMON STOCK SERIES - 8

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The Fund is registered under the Investment Company Act of 1940 as a Unit Investment Trust. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

(a) Securities are stated at value; for securities listed on a national securities exchange, value is based on the closing sale price on such exchange and for securities not so listed, value is based on the current bid price on the over-the-counter market. Realized gains or losses on sales of securities are determined using the first-in, first-out cost method. See "Redemption - Computation of Redemption Price Per Unit" in this Prospectus, Part B.

(b) The Fund is not subject to income taxes. Accordingly, no provision for such taxes is required.

(c) Dividend income is recorded on the ex-dividend date.

2. OTHER INCOME

Other income represents litigation settlements of $50,890 from Illinois Power Company and $69,932 from The Public Service Company of New Mexico.

3. DISTRIBUTIONS

Net investment income is distributed to Holders each month. Receipts other than dividends, after deductions for redemptions and applicable expenses, are distributed as explained in "Administration of the Fund" in this Prospectus, Part B.

4. REINVESTMENT PROGRAM

Holders may reinvest in the Fund any monthly income distributions and distributions of net realized capital gains by participating in the Fund's reinvestment program. See "Reinvestment Plan" in this Prospectus, Part B.

5. NET CAPITAL

<TABLE>

<S>	<C>
Cost of 15,031,125 units at Dates of Deposit	$14,771,257
Less sales charge	664,701
Net amount applicable to Holders	14,106,556
Redemptions of units - net cost of 41,079,519 units redeemed less redemption amounts	4,393,620
Realized loss on securities sold or redeemed	(6,486,696)
Principal distributions	(97,455)
Unrealized appreciation of investments	5,633,550
Net capital applicable to Holders	$17,549,575

</TABLE>

6. INCOME TAXES

As of December 31, 1993, unrealized appreciation of investments, based on cost for Federal income tax purposes, aggregated $5,633,550 all of which related to appreciated securities. The cost of investment securities for Federal income tax purposes was $11,843,297 at December 31, 1993.

DEFINED ASSET FUNDS - EQUITY INCOME FUND,
UTILITY COMMON STOCK SERIES - 8

PORTFOLIO
AS OF DECEMBER 31, 1993

Portfolio No.	Description of Security	Shares/ Units	Current Annual Dividend Per Share/ Distribution Per Unit(2)	Cost(1)
1	DPL, Incorporated	103,200	1.12	$ 1,254,599
2	Dominion Resources, Inc.	20,250	2.54	632,987
3	Florida Progress Corporation	42,450	1.98	1,161,462
4	Kentucky Utilities Co.	60,000	1.60	1,244,038
5	New England Electric System	26,600	2.24	803,388
6	Pennsylvania Pwr. & Light Co.	47,600	1.65	920,250
7	Scana Corp.	21,950	2.74	838,563
8	SCE Corp. (3)	53,600	1.42	926,838
9	Southern Co.	39,500	2.28	1,054,538
10	TECO Energy, Inc. (3)	96,500	0.96	1,136,628
11	Union Electric Co.	43,200	2.38	1,135,355
12	1,177 Other Fund Units of The Equity Income Fund, Fourth Utility Common Stock Series	853	38.40	371,159
13	1,281,000 Other Fund Units of The Equity Income Fund, Sixth Utility Common Stock Series	967,000	0.03	363,492
TOTAL				$11,843,297

(1) See Notes to Financial Statements.
(2) Based on the latest quarterly or monthly declaration or distribution.
(3) Includes 2-for 1 stock split distributed in 1993.

Value (1)
$ 2,128,500
918,844
1,427,381
1,740,000
1,040,725
1,285,200
1,092,013
1,072,000
1,742,938
2,183,312
1,695,600
573,770
576,564
$17,476,847

AUTHORIZATION FOR REINVESTMENT
DEFINED ASSET FUNDS--EQUITY INCOME FUND
UTILITY COMMON STOCK SERIES--8

/ / Yes, I want to participate in the Fund's Reinvestment Plan and purchase additional Units of the Fund each month.

I hereby acknowledge receipt of the Prospectus for Defined Asset Funds--Equity Income Fund, Utility Common Stock Series--8 and authorize The Bank of New York to pay distributions on my Units as indicated below (distributions to be reinvested will be paid for my account to The Bank of New York).

Income distributions (check one):	/ / in cash	/ / reinvested
Capital distributions (check one):	/ / in cash	/ / reinvested

Please print or type

Name Registered Holder
Address
Registered Holder
(Two signatures required if joint tenancy)
City State Zip Code

This page is a self-mailer. Please complete the information above, cut along the dotted line, fold along the lines on the reverse side, tape, and mail with the Trustee's address displayed on the outside.

12345678

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DEFINED ASSET FUNDS--EQUITY INCOME FUND
UTILITY COMMON STOCK SERIES--8
THE BANK OF NEW YORK
UNIT INVESTMENT TRUST DEPARTMENT
P.O. BOX 974
WALL STREET STATION
NEW YORK, N.Y. 10268-0974

NECESSARY
IF MAILED
IN THE
UNITED STATES

(Fold along this line.)

(Fold along this line.)

DEFINED ASSET FUNDS--EQUITY INCOME FUND
UTILITY STOCK SERIES
CONCEPT SERIES
MERRILL LYNCH EQUITY TRUST
PROSPECTUS--PART B

NOTE: PART B OF THIS PROSPECTUS MAY NOT BE DISTRIBUTED UNLESS ACCOMPANIED BY PART A.

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FUND SUMMARY

RISK FACTORS. Certain Securities from time to time may be sold under certain circumstances described herein, and additional Securities may be deposited in the Fund; accordingly, no assurance can be given that the Fund will retain for any length of time its present size and composition (see Description of the Fund--The Portfolio; Redemption; Administration of the Fund--Portfolio Supervision). Investment in the Fund should be made with an understanding that the value of the underlying Portfolio may fluctuate in accordance with changes in the financial condition of the issuers of the Securities in the Portfolio, the value of the Stocks generally, the impact of the Sponsors' buying and selling of Securities and other factors. Distributions of income will generally depend upon the declaration of dividends by the issuers of the Securities in the Portfolio and the declaration of any such dividends depends upon several factors including the financial condition of such issuers and general economic conditions; there can be no assurance that the issuers of the Securities will pay dividends (see Risk Factors).

DISTRIBUTIONS. Holders of Units of Utility Stock Series and Merrill Lynch Equity Trust may elect to have their distributions representing dividends reinvested in whole or fractional Units of the Fund (see Administration of the Fund--Reinvestment Plan). Holders electing to reinvest their dividends will receive additional Units and therefore will own a greater percentage of the Fund than Holders who receive their distributions in cash. It is anticipated that cash for distributions, to a certain extent, will be generated by sales of Securities received by the Fund under reinvestment plans of the issuers of the Securities. This may result in an increase in the distributions. Distributions of any capital gain net income (i.e., the excess of capital gains over capital losses) recognized by the Fund in any taxable year will be made annually and shortly after the end of the year. These distributions may be invested in additional Units of the Fund. It is anticipated that the proceeds of sale or redemption of Securities will not be distributed but will be reinvested in additional Securities (see Administration of the Fund--Accounts and Distributions).

THE PUBLIC OFFERING PRICE of the Units is equal to the aggregate value of the underlying Securities divided by the number of Units outstanding. A sales charge (set forth under Investment Summary in Part A) and cash adjustments are added. The Public Offering Price on the date of this Prospectus or on any subsequent date will vary from the Public Offering Price set forth under Investment Summary in Part A. (See Public Sale of Units-- Public Offering Price.) Units offered hereby are issued-and-outstanding Units which have been purchased by the Sponsors in the secondary market or from the Trustee following tender for redemption. Any profit or loss resulting from the sale of these Units will accrue to the Sponsors; no proceeds from the sale will be received by the Fund.

TAXATION. The Fund intends to qualify as a 'regulated investment company' under the Internal Revenue Code of 1986, as amended (the 'Code') (see Taxes). Distributions from the Fund which are taxable as ordinary income to Holders will constitute dividends for Federal income tax purposes but will be eligible for the dividends-received deduction for many corporations only to the extent of qualifying dividends received by the Fund.

MARKET FOR UNITS. The Sponsors, though not obligated to do so, intend to maintain a secondary market for Units based for most Series on the aggregate value of the underlying Securities (see Market for Units). So long as the Sponsors are maintaining a secondary market at prices not less than the Redemption Price per Unit, they will repurchase any Units tendered for redemption. If this market is not maintained, a Holder will be able to dispose of his Units through redemption at prices also based on the aggregate value of the underlying Securities (see Redemption). Market conditions may cause the prices available in the market maintained by the Sponsors or available upon exercise of redemption rights to be more or less than the amount paid for Units.

TERMINATION--Concept Series and Merrill Lynch Equity Trust are structured so that they will terminate no later than approximately 30 days prior to the Mandatory Termination Date set forth under Investment Summary in Part A. Securities will begin to be sold in connection with the termination of the Fund and all Securities will be sold by the Mandatory Termination Date. The Unit Investment Trusts division of Merrill Lynch, Pierce, Fenner & Smith, Inc. ('Merrill Lynch'), as Agent for the Sponsors, will determine the manner, timing and execution of the sales of the underlying Securities.

Merrill Lynch will attempt to sell the securities as quickly as it can during the Liquidation Period without in its judgment materially adversely affecting the market price of the Securities, but all of the Securities will in any event be disposed of by the end of the Liquidation Period. During the Liquidation Period, Holders will be at risk to the extent that securities are not sold; for this reason Merrill Lynch will be inclined to sell the Securities in as short a period as it can without materially adversely affecting the price of the Securities. (See Administration of the Fund--Termination--Concept Series and Merrill Lynch Equity Trust.)

FUND STRUCTURE

This Series (the 'Fund') of The Equity Income Fund is a 'unit investment trust' created under New York law (or under Massachusetts law for First through Fourth Series of Utility Common Stock Series) by a Trust Indenture (the 'Indenture') among the Sponsors and the Trustee. Unless otherwise indicated, when Investors Bank & Trust Company and The First National Bank of Chicago act as Co-Trustees to the Fund, references to the Trustee in this prospectus shall be deemed to refer to the Co-Trustees. To the extent that references in this Prospectus are to articles and sections of the Indenture, which are hereby incorporated by reference, the statements made herein are qualified in their entirety by this reference.

The Portfolio contains different common stocks and, in some Utility Stock Series, preferred stocks. In addition, the Portfolio of certain Utility Common Stock Series may contain units ('Other Fund Units') of previously issued Utility Common Stock Series ('Other Funds') (see Description of the Fund--The Portfolio). On the Evaluation Date each Unit represented the fractional undivided interest in the Securities and net income of the Fund set forth under Investment Summary in Part A. As used herein, the term 'Stocks' means the common and preferred stocks initially deposited in the Fund and described under Portfolio in Part A and any replacement and additional stocks acquired and held by the Fund pursuant to the provisions of the Indenture and the term 'Securities' means the Stocks and any Other Fund Units (see Description of the Fund--The Portfolio; Administration of the Fund--Portfolio Supervision).

The deposit of the Securities in the Fund on the Initial Date of Deposit established a proportionate relationship among the number of shares of each Stock and of any Other Fund Units deposited in the Portfolio. Following the Initial Date of Deposit, the Sponsors may deposit additional Securities ('Additional Securities'), contracts to purchase Additional Securities or cash (or a bank letter of credit in lieu of cash) with instructions to purchase Additional Securities in order to create new Units. Replacement Securities may be acquired under

specified conditions (see Description of the Fund--The Portfolio; Administration of the Fund--Portfolio Supervision).

The holders of record ('Holders') of Units will have the right to have their Units redeemed (see Redemption) at a price computed as set forth under 'Computation of Redemption Price per Unit' ('Redemption Price per Unit') if they cannot be sold in the over-the-counter market which the Sponsors propose to maintain (see Market for Units; Redemption).

RISK FACTORS

An investment in Units of the Fund should be made with an understanding of the risks inherent in an investment in equity securities, including the risk that the financial condition of the issuers of the Securities may become impaired or that the general condition of the stock market may worsen (both of which may contribute directly to a decrease in the value of the Securities and thus in the value of the Units) or the risk that holders of common stocks have a right to receive payments from the issuers of those stocks that is generally inferior to that of creditors, holders of the issuer's debt obligations or holders of the issuer's preferred stock. Common stocks are especially susceptible to general stock market movements and to volatile increases and decreases in value as market confidence in and perceptions of the issuers change. These perceptions are based on unpredictable factors including expectations regarding government, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction, and global or regional political, economic or banking crises.

Holders of common stocks of the type held by the Portfolio have a right to receive dividends only when, if and to the extent declared by the issuer's board of directors. Common stockholders participate in amounts available for distribution by the issuer only after all other claims on the issuer have been satisfied. Common stocks thus do not represent an obligation of the issuer, do not offer any assurance of income and do not provide the degree of protection of capital of debt securities. Indeed, the issuance of debt securities or even preferred stock will create prior claims for payment of principal, interest, liquidation preferences and dividends which could adversely affect the ability and inclination of the issuer to declare or pay dividends on its common stock or the rights of holders of common stock with respect to assets of the issuer upon liquidation or bankruptcy. Holders of preferred stocks have the right to receive dividends at a fixed rate when and as declared by the issuer's board of directors, normally on a cumulative basis, but do not participate in other amounts available for distribution by the issuing corporation. Cumulative preferred stock dividends must be paid before common stock dividends and any cumulative preferred stock dividend omitted is added to future dividends payable to the holders of cumulative preferred stock. Preferred stocks are also entitled to rights on liquidation which are senior to those of common stocks. For that reason, preferred stocks entail less risk than common stocks. Preferred stocks are, however, equity securities in the sense that they do not represent a liability of the issuer and therefore do not offer as great a degree of protection of capital or assurance of continued income as investments in corporate debt securities. In addition, the issuance of debt securities or senior issues of preferred stock may create prior claims for payment of principal, interest and dividends which could adversely affect the ability of the issuer to pay dividends or the rights of holders of preferred stock with respect to the assets of the issuer upon liquidation. Further, unlike debt securities which typically have a stated principal amount payable at maturity (whose value, however, will be subject to market fluctuations prior thereto), neither preferred nor common stocks have a fixed principal amount or a maturity, and both have values which are subject to market fluctuations for as long as the stocks remain outstanding. The value of the Securities in the Portfolio thus may be expected to fluctuate over the entire life of the Fund to values higher or lower than those prevailing on the Initial Date of Deposit.

In addition, certain of the issuers in some Funds may be considered emerging growth companies. Investors in these Funds should be mindful of and carefully evaluate the special risk factors inherent in investing in equity securities of companies characterized by a rapid rate of growth. Emerging growth companies may be thinly capitalized and, consequently, may be more susceptible to general market fluctuations than companies with greater capitalization because the stock of emerging growth companies may trade at higher price-to-earnings multiples than the stock of more established companies. Additionally, emerging growth companies may be more likely to reinvest profits into operations and thus less likely to pay regular dividends than mature corporations. The lack of a regular dividend may be a factor in inducing volatility in a stock's trading price.

Whether or not the Securities are listed on a national securities exchange, the principal trading market for the Securities may be in the over-the-counter market. As a result, the existence of a liquid trading market for the Securities may depend on whether dealers will make a market in the Securities. There can be no assurance that a market will be made for any of the Securities, that any market for the Securities will be maintained or of the liquidity of the Securities in any markets made. In addition, the Fund may be restricted under the Investment Company Act of 1940 from selling Securities to the Sponsors. The price at which the Securities may be sold to meet redemptions and the value of the Fund will be adversely affected if trading markets for the Securities are limited or absent.

Investors should note that additional Units may be offered to the public subsequent to the Initial Date of Deposit and that the creation of additional Units may have an effect upon the value of previously existing Units. To create additional Units the Sponsors may deposit cash with instructions to purchase Securities (or a bank letter of credit in lieu of cash) in amounts sufficient to maintain to the extent practicable the percentage relationship among the number of shares of each Security based on the price of the Securities at the Evaluation Time on the date the cash is deposited. To the extent the price of a Security increases or decreases between the time cash is deposited with instructions to purchase the Security and the time the cash is used to purchase the Security, Units will represent less or more of that Security and more or less of the other Securities in the Fund. Holders will therefore bear a price fluctuation risk that they would not bear if the Security had been purchased on the date cash was deposited with instructions to purchase the Security. In addition, brokerage fees incurred in purchasing Securities with cash deposited with instructions to purchase the Securities will be an expense of the Fund. Thus price fluctuations during this period and payment of any brokerage fees by the Fund will affect the value of every Holder's Units and the income per Unit received by the Fund. In particular, Holders who purchased Units during the primary offering period of the Units would experience a dilution of their investment as a result of any brokerage fees paid by the Fund during subsequent deposits of additional Securities purchased with cash deposited with instructions to purchase Securities.

The Fund may be considered to be concentrated in a certain industry. The percentage of any concentration is set forth under Investment Summary in Part A. An investment in Units of the Fund should be made with an understanding of the risks which this investment may entail, certain of which are described below.

GAS AND ELECTRIC PUBLIC UTILITIES

The ability of utilities to pay dividends on their common stock is dependent on various factors, including the rates they may charge, the demand for their services and the costs of providing those services. Utilities, in particular investor-owned utilities, are subject to extensive regulation relating to the rates which they may charge customers. Utilities can experience regulatory, political and consumer resistance to rate increases. Utilities engaged in long-term capital projects are especially sensitive to regulatory lags in granting rate increases. Any difficulty in obtaining timely and adequate rate increases could adversely affect a utility's results of operations.

The demand for a utility's services is influenced by, among other factors, competition, weather conditions and economic conditions. Electric utilities, for example, have experienced increased competition as a result of the availability of other energy sources, the effects of conservation on the use of electricity, self-generation by industrial customers and the generation of electricity by co-generators and other independent power producers. The National Energy Policy Act ('NEPA'), which became law in October, 1992, makes it mandatory for a utility to permit non-utility generators of electricity access to its transmission system for wholesale customers, thereby increasing competition for investor-owned electric utilities. NEPA also mandated demand-side management policies to be considered by utilities. NEPA prohibits the Federal Energy Regulatory Commission ('FERC') from mandating electric utilities to engage in retail wheeling, which is competition among suppliers of electric generation to provide electricity to retail customers (particularly industrial retail customers) of a utility. However, under NEPA, a state can mandate retail wheeling under certain conditions. Utilities which distribute natural gas also are subject to competition from alternative fuels, including fuel oil, propane and coal.

The utility industry is an increasing cost business making the cost of generating electricity more expensive and heightening its sensitivity to regulation. A utility's costs are influenced by the utility's cost of capital, the availability and cost of fuel and other factors. In addition, natural gas pipeline and distribution companies have incurred increased costs as a result of long-term natural gas purchase contracts containing 'take or pay' provisions which require that they pay for natural gas even if natural gas is not taken by them. There can be no assurance that a utility will be able to pass on these increased costs to customers through increased rates. Utilities incur substantial capital expenditures for plant and equipment. In the future they will also incur increasing capital and operating expenses to comply with environmental legislation such as the Clean Air Act of 1990, and other energy, licensing and other laws and regulations relating to, among other things, air emissions, the quality of drinking water, waste water discharge, solid and hazardous substance handling and disposal, and siting and licensing of facilities. Environmental legislation and regulations are changing rapidly and are the subject of current public policy debate and legislative proposals. It is increasingly likely that some or many utilities will be subject to more stringent environmental standards in the future that could result in significant capital expenditures. Future legislation and regulation could include, among other things, regulation of so-called electromagnetic fields associated with electric transmission and distribution lines as well as emissions of carbon dioxide and other so-called greenhouse gases associated with the burning of fossil fuels. Compliance with these requirements may limit a utility's operations or require substantial investments in new equipment and, as a result, may adversely affect a utility's results of operations.

Electric utilities which own or operate nuclear power plants are exposed to risks inherent in the nuclear industry. These risks include exposure to new requirements resulting from extensive federal and state regulatory oversight, public controversy, decommissioning costs, and spent fuel and radioactive waste disposal issues. While nuclear power construction risks are no longer of paramount concern, the emerging issue is radioactive waste disposal. In addition, nuclear plants typically require substantial capital additions and modifications throughout their operating lives to meet safety, environmental, operational and regulatory requirements and to replace and upgrade various plant systems. The high degree of regulatory monitoring and controls imposed on nuclear plants could cause a plant to be out of service or on limited service for long periods. When a nuclear facility owned by an investor-owned utility or a state or local municipality is out of service or operating on a limited service basis, the utility operator or its owners may be liable for the recovery of replacement power costs. Risks of substantial liability also arise from the operation of nuclear facilities and from the use, handling, and possible radioactive emissions associated with nuclear fuel. Insurance may not cover all types or amounts of loss which may be experienced in connection with the ownership and operation of a nuclear plant and severe financial consequences

could result from a significant accident or occurrence. Also, there are risks of recovering costs of decommissioning nuclear units.

The Public Utility Holding Company Act of 1935 (the '1935 Act') regulates, among other things, certain acquisitions of voting securities of electric utility companies and gas utility companies by any one who is an 'affiliate' of a public utility company (a person or organized group of persons that directly or indirectly owns, controls or holds with power to vote 5% or more of the outstanding voting securities of a public utility company). In addition, the 1935 Act requires a 'holding company' (among other categories, a company which directly or indirectly owns, controls or holds with power to vote 10% or more of the outstanding voting securities of a public utility company or a 'holding company') to register as such with the Securities and Exchange Commission and be otherwise subject to certain restrictions on the acquisition of securities and other interests in public utility companies. In order to avoid becoming an 'affiliate', the Fund has adopted an investment restriction that it will not purchase securities of a public utility company if by reason thereof the Fund would hold 5% or more of the outstanding voting securities of the issuer. Nevertheless, if the Fund were considered to be a member of an organized group of persons, the 1935 Act might limit the Fund's acquisition of the voting securities of public utility companies by reason of the control by the group of 5% or more of the voting securities of a public utility company. The Sponsors believe that even if the Fund were appropriately included in a group, it is unlikely that the holdings of such a group would aggregate as much as 5% of the voting securities of any public utility company.

THE TELECOMMUNICATIONS UTILITY INDUSTRY

The Portfolio may be concentrated in common stocks of companies engaged in providing local, long-distance and cellular services, in the manufacture of telecommunications products and in a wide range of other activities including directory publishing, information systems and the operation of voice and data networks. These may include securities of certain of the Regional Bell Holding Companies ('RBOCs') which were spun off from AT&T in 1984 pursuant to approval of the U.S. District Court for the District of Columbia (the 'Court'), implementing a consent decree relating to antitrust proceedings brought by the U.S. Department of Justice. The Fund may also contain the securities of certain independent telephone companies which are subject to regulation by the Federal Communications Commission (the 'FCC') and state utility commissions but not subject to the consent decree binding the RBOCs and AT&T and of certain long-distance telecommunications carriers, certain telecommunications equipment manufacturers and certain foreign companies which provide telecommunications services or equipment mainly outside the United States. Some of the securities of foreign issuers in the Fund may be purchased by the Fund in ADR form in the United States. ADRs evidence American Depository Shares which represent common stock deposited with a custodian in a depositary.

In accordance with the consent decree, the RBOCs provide local telephone service, including exchange access for long-distance companies, and may provide directory advertising and new customer equipment. Many of the RBOCs, pursuant to waivers, may also engage in a broad range of businesses including foreign consulting, servicing computers and marketing or leasing office equipment. AT&T provides interexchange long distance telephone service in competition with numerous other providers and certain other products, services and customer equipment. Independent telephone companies are not subject to the consent decree and therefore can provide the full range of telecommunications services including local exchange services, the installation of business systems, telephone consulting, the manufacture of telecommunications equipment, operation of voice and data networks and directory publishing. Cellular service is providing an increasing component of the revenues of the RBOCs and independent telephone companies. Both the RBOCs and independents are subject to

regulation by the FCC and state regulatory authorities. The FCC also has the power to regulate the types of telecommunications equipment which may be used and therefore may affect the business of companies in the manufacturing of telecommunications equipment. Long-distance companies which provide long-distance telecommunications services are subject to regulation by the FCC, and the provision of service to foreign countries is subject to the approval of the FCC and the appropriate foreign governmental agencies.

Certain telecommunications services have in the past been fairly resistant to recession with the exception of long-distance carriers. During the recession of 1982-83, growth in access lines simply slowed down for the independent telephone companies and only one of the predecessor Bell operating companies experienced such a downturn. Also, many of these companies have demonstrated dividend growth in the last six years. Most of these companies or their predecessors have paid dividends over the last ten years and have increased their common stock dividends during the past six years. The Sponsors believe that companies in the telephone business may remain resistant to recession in the next five years and may experience some growth in access lines and message units. Cellular telephone service should continue to expand, although at lesser rates of growth than in the recent past. Also, ongoing technological change may lead to an increase in the development of new services such as voice messaging, call screening and automatic dialing and the demand for business services such as the use of fax machines and the movement of data information should continue to grow.

Business conditions in the telecommunications industry may affect the performance of the Fund. The FCC and certain state utility regulators have introduced certain incentive plans such as price-cap regulation which apply to certain portions of the business of certain local exchange carriers. Price-cap regulation offers local exchange carriers an opportunity to share in higher earnings provided they become more efficient. These new approaches to regulation by the FCC and various state or other regulatory agencies result in increased competition and could lead to greater risks as well as greater rewards for operating telephone companies such as those in the Fund. Technology has tended to offset the effects of inflation and is expected to continue doing so. Under traditional regulation, continuing cost increases, to the extent not offset by improved productivity and revenues from increased volume of business, would result in a decreasing rate of return and a continuing need for rate increases. Although allowance is generally made in ratemaking proceedings for cost increases, delays may be experienced in obtaining the necessary rate increases through these proceedings and there can be no assurance that these regulatory commissions in the future will grant rate increases adequate to cover operating and other expenses and debt service requirements. The long-distance industry has been increasingly opened to competition over the last number of years. As a result, the major long-distance companies compete actively for market share. Indeed, to meet increasing competition, telecommunications companies will have to commit substantial capital, technological and marketing resources.

Also, it is unclear what effect increased competition between wireless and wireline services will have on the telecommunications industry. Also, there has developed some other potential competition for local service. In the deregulated cellular telephone industry has a limited operating history and there is significant uncertainty regarding its future, particularly with regard to increased competition, the continued growth in the number of customers, the usage and pricing of cellular services, and the cost of providing cellular services, including the cost of attracting new customers, developing new technology and the ability to obtain licenses to provide cellular services. The uncertain outcomes of future labor agreements and employee and retiree benefit costs may also have a negative impact on profitability. Telephone usage, and therefore revenues, could also be adversely affected by any sustained economic recession. Each of these problems would adversely affect the profitability of the

telecommunications utility issuers of the Securities, the value of the Securities and the ability of the issuers of the Securities to make payments of dividends.

In addition, the portfolio may contain securities issued by telephone companies which provide telecommunications services or equipment outside the United States; these companies are subject to regulation by foreign governments or governmental authorities which have broad authority regulating the provision of telecommunications services and the use of certain telecommunication equipment. Consequently, certain Securities in the Fund may be affected by the rules and regulations adopted by regulatory agencies in other countries from time to time. In addition, foreign telecommunications companies state earnings and pay dividends in a non-United States currency. Therefore, the United States dollar value of the stock and dividends of these companies will vary with fluctuations in the United States dollar foreign exchange rates for the relevant currencies. Also, investment risks will include future political and economic development, the establishment of exchange controls or other governmental restrictions that might adversely affect the payment or receipt of payment of dividend on, or the value of, the relevant securities.

ENERGY COMPANIES

The Portfolio may be concentrated in common stocks of companies engaged in the exploration, drilling and production, refining and marketing, transmission or distribution of natural gas, oil and other minerals. These include integrated oil and natural gas companies that explore for and produce oil and natural gas and transport it to customers; natural gas transmission companies, commonly called pipelines, that sell at wholesale to other pipelines and to distribution companies; natural gas distribution companies that service residential, commercial and industrial customers; and oil service and other energy-related companies. According to the U.S. Department of Commerce, the factors which will most likely shape the industry to 1996 and beyond include the price and availability of oil from the Middle East, changes in United States environmental policies and the continued decline in U.S. production of crude oil. Possible effects of these factors may be increased U.S. and world dependence on oil from the Organization of Petroleum Exporting Countries (OPEC), highly uncertain and potentially more volatile oil prices and a higher rate of growth for natural gas production than for other fuels.

Factors which the Sponsors believe may increase the profitability of natural gas operations include increased demand for natural gas due to the cleanliness of natural gas as a fuel coupled with the increased concern about the environment, use by electric utilities of natural gas as a primary fuel source as a result of the repeal of the Fuel Use Act in 1987 and the increased use of natural gas in co-generation of electricity. The profitability of natural gas operations could be enhanced by the 1990 amendments to the Clean Air Act, which should increase demand for natural gas used for electric generation by electric utilities. The Commerce Department predicts that natural gas will be a growing source of energy during the 1990s, because of projected higher costs for oil and because natural gas is a cleaner burning fuel. The transportation industry may make increased use of natural gas in order to meet more stringent mileage and emissions requirements. It has been suggested that if policymakers in the United States continue to look to natural gas as a potential answer to several different problems--environmental concerns, electric utility capacity concerns, concern about dependence on foreign oil--then the price of natural gas may have to rise in order to ensure adequate supplies. There are significant constraints on increased use of natural gas, however, including a potential need for additional pipelines. Additionally, companies involved in natural gas processing may experience difficulties in the long term if product prices do not keep pace with potential increases in gas costs.

Factors which the Sponsors believe may increase the profitability of oil and petroleum operations include increasing demand for oil and petroleum products as a result of the continued increases in annual miles driven

and the improvement in refinery operating margins caused by increases in average domestic refinery utilization rates. The existence of surplus crude oil production capacity and the willingness to adjust production levels are the two principal requirements for stable crude oil markets. Without excess capacity, supply disruptions in some countries cannot be compensated for by others. Surplus capacity in Saudi Arabia and a few other countries and the utilization of that capacity prevented during the Persian Gulf crisis continue to prevent severe market disruption. Although unused capacity can contribute to market stability, it ordinarily creates pressure to overproduce and contributes to market uncertainty. The likely restoration of a large portion of Kuwait and Iraq's production and export capacity over the next few years could lead to such a development in the absence of substantial growth in world oil demand. Formerly, OPEC members attempted to exercise control over production levels in each country through a system of mandatory production quotas. Because of the crisis in the Middle East, the mandatory system has since been replaced with a voluntary system. Production under the new system has had to be curtailed on at least one occasion as a result of weak prices, even in the absence of supplies from Kuwait and Iraq. The pressure to deviate from mandatory quotas, if they are reimposed, is likely to be substantial and could lead to a weakening of prices.

In the longer term, additional capacity and production will be required to accommodate the expected large increases in world oil demand and to compensate for expected sharp drops in U.S. crude oil production and exports from the former Soviet Union. Only a few OPEC countries, particularly Saudi Arabia, have the petroleum reserves that will allow the required increase in production capacity to be attained. Given the large-scale financing that is required, the prospect that such expansion will occur soon enough to meet the increased demand is uncertain. Moreover, lower consumer demand due to increases in energy efficiency and conservation, due to gasoline reformulations that call for less crude oil, due to warmer winters or due to a general slowdown in economic growth in this country and abroad, could negatively affect the price of oil and the profitability of oil companies. Cheaper oil could also decrease demand for natural gas. However, no assurance can be given that the demand for or prices of oil will increase or that if the anticipated increase does take place, that it will not be marked by great volatility.

Declining U.S. crude oil production will likely lead to increased dependence on OPEC oil, putting refiners at risk of continued and unpredictable supply disruptions. Increasing sensitivity to environmental concerns will also pose serious challenges to the industry over the coming decade. Refiners are likely to be required to make heavy capital investments and make major production adjustments in order to comply with increasingly stringent environmental legislation, such as the 1990 amendments to the Clear Air Act. If the cost of these changes is substantial enough to cut deeply into profits, smaller refiners may be forced out of the industry entirely.

Energy companies are subject to numerous risks. Natural gas utilities are generally subject to extensive regulation by state utility commissions (or by the Federal Energy Regulatory Commission ('FERC'), in the case of pipeline companies) which, for example, establish the rates that may be charged and the appropriate rate of return on an approved asset base. Certain natural gas utilities have had difficulty from time to time in persuading regulators, who are subject to political pressures, to grant rate increases necessary to maintain an adequate return on investment. Any unexpected limitations could negatively affect the profitability of natural gas utilities. In addition, gas pipeline and distribution companies have had difficulties in adjusting to short and surplus energy supplies, enforcing or being required to comply with long-term contracts and avoiding litigation from their customers, on the one hand, or suppliers, on the other. General problems of the natural gas utility industry include difficulty in obtaining timely and adequate rate increases, recovery of take-or-pay costs, the uncertainty of transmission service costs for both interstate and intrastate transactions, changes in tax laws which adversely

affect a natural gas utility's ability to operate profitably, reduced demand for natural gas in certain areas of the country, competition from electricity in the residential and commercial markets, restrictions on operations and increased insurance premiums and other costs and delays attributable to environmental considerations, uncertain availability and increased cost of capital and availability and cost of natural gas for resale. Pipeline companies may be subject to increased competition because of approval by FERC of the construction of new pipelines and delays because of the need to obtain FERC approval for new gas contracts. Moreover, the natural gas utility business is highly seasonal and weather sensitive.

Oil production and refining operations are subject to extensive federal, state and local environmental laws and regulations governing air emissions and the disposal of hazardous materials. Increasingly stringent environmental laws and regulations are expected to require companies with oil production and refining operations to devote significant financial and managerial resources to pollution control. However, to the extent that environmental concerns render the construction or expansion of refining capacity too costly, prices of refined products should continue to reflect increasing pressures upon supply. General problems of the oil and petroleum products industry include the ability of a few influential producers significantly to affect production, the concomitant volatility of crude oil prices and increasing public and government concern over air emissions, waste product disposal, fuel quality and the environmental effects of fossil-fuel use in general. Exploration and production companies could be negatively affected in a period of declining crude oil or natural gas prices.

In addition, any future scientific advances concerning new sources of energy and fuels or legislative changes relating to the energy industry or the environment could have a negative impact on the petroleum product or natural gas industry. While legislation has been enacted to deregulate certain aspects of the oil and natural gas industry, no assurances can be given that new or additional regulations will not be adopted. Each of the problems referred to could adversely affect the financial stability of the issuers of any energy stocks in the Fund.

The Energy Trust may be concentrated in securities of foreign issuers paying dividends in foreign currencies or trading principally in foreign currencies. (See Western Europe--The New Europe Trust--Foreign Exchange Rates;--Foreign Issuers below.)

THE HEALTH CARE INDUSTRY

The Fund may be concentrated in common stocks of companies representing the major sectors of the health care industry--drugs and pharmaceuticals, biotechnology, medical technology and services companies and health maintenance organizations. Companies in the health care industry may have a strong appreciation potential over the five years subsequent to the Initial Date of Deposit because of anticipated growth in demand for their products and services. It is expected that the issuers in the Portfolio will be able to benefit from the health care demands of a population that is increasingly elderly and health-conscious. The challenges of critical or terminal illnesses also create a demand for new health care products and services. It is anticipated that certain issuers will benefit from the commercial potential of innovative medical technology and that other issuers will benefit from their ability to provide consumers with health care products and services on a cost-effective basis. According to statistics published by the U.S. Department of Commerce, the nation's health care sector expenditures approached 13% of the gross national product in 1991, rising an estimated 11% from 1990 levels to $738 billion. According to the Commerce Department, expenditures on health care in the United States were expected to rise another 11% to $817 billion in 1992, and to increase 12 to 13% annually during the next five years. The Commerce Department estimated that drug industry shipments increased 9% between 1990 and 1991, to $59 billion, that drug industry shipments would increase approximately 9% in 1992, while medical and dental instruments and supplies were expected to increase approximately 7%. Of course, there can be no assurance that the value of the particular stocks in the Portfolio will necessarily appreciate in value as a result of these trends.

The drug and pharmaceutical companies in the Portfolio produce prescription and over-the-counter drugs and a wide array of other products ranging from vitamins to vaccines. The biotechnology companies are among the more established in their field and have developed various pharmaceuticals and diagnostics from genetic engineering and recombinant DNA technology. The medical technology and services companies design and market diagnostic and therapeutic devices including detibrillators, replacement joints and artificial heart valves. The health maintenance organizations ('HMOs') market cost-effective health care plans to corporations and individuals and contract with medical practitioners for the provision of specific services.

Companies in the health care industry face several risks. Most health care companies are extensively regulated. All are subject to extreme cost-containment pressures. Most are subject to intensive competition and are required to spend vast amounts of capital to keep pace with technological innovation. In addition, there exists the risk that the health care system will be forced to undergo major structural changes, which could seriously affect profitability, in response to public and government concern over ever-increasing health care costs. For example, the Clinton administration may impose regulations which could limit price increases for drugs. These constraints affect the four health care sectors in the Portfolio in specific ways.

Many problems faced by drug companies and medical technology companies typify those faced by the health care industry in general. Drug and medical equipment companies are regulated by the federal Food and Drug Administration (the 'FDA'). The FDA regulates the development, manufacture and marketing of all drugs and medical products. Before a product can be sold it must receive FDA approval, a long and very costly process. Although the FDA has in recent years experimented with procedures to streamline and shorten the testing and approval process, particularly with respect to drugs with applications in treating HIV-related illnesses, there can be no assurance that the FDA will continue the use of such procedures or broaden their applicability. Governments and large, private health care consumers are exerting strenuous efforts to contain health care costs. The federal government and increasing numbers of insurance companies reimburse health care providers on a 'prospective payment basis'. This means the physician or hospital are only paid a predetermined amount depending upon the patient's diagnosis. If the cost of treatment exceeds the predetermined amount, the physician or hospital will lose money, if it is less, money will be made. This creates an incentive to prescribe cheaper, generic substitutes for brand-name drugs and causes significant profit erosion for drug companies. Some states have laws requiring pharmacists to dispense generic drugs unless precluded by the prescribing physician. Other states set up auctions among drug companies to determine which company will agree to meet their needs at the lowest price. Therefore, the cost of marketing a drug is increasing while at the same time it is becoming increasingly difficult to recoup that cost.

Drug companies must devote large amounts of risk capital to research and development in order to develop new and unique drugs with patent protection from generic substitutes. Drug companies also face the risk of large product liability suits and consequently must secure expensive liability insurance. Finally, technological change is becoming increasingly rapid and products tend to become obsolete more quickly than before.

While the biotechnology companies in the Portfolio are among the more established in their field, the biotechnology industry in general is an emerging growth industry. Biotechnology companies are regulated by the FDA to the same extent as traditional drug companies. They are also subject to the same risks as drug companies are, as to potential restrictions on price increases which may be imposed by the Clinton administration. As emerging growth companies, they may be thinly capitalized and more susceptible to general market fluctuations

than companies with greater capitalization. Also, the stocks of emerging growth companies trade at higher price-to-earnings multiples than the stocks of more established companies because the price is more influenced by investor confidence in future earnings than recorded historic earnings. Therefore, the stock prices can be extremely volatile as investor confidence rises or ebbs or as the issuer or its competitors announce new products. In addition, the liquidity of the stocks of young companies can be limited and therefore subject to greater price fluctuations when large numbers of shares are bought and sold. These companies often have a limited operating history with inexperienced but highly motivated management, who may retain effective control over the voting stock of the company. Earnings are generally retained to finance the company's expansion and thus no dividends may be paid and additional capital may be required to market new products on a commercial basis. The biotechnology companies may also be dependent for their revenues upon only a few products and upon larger drug companies (who may be their competitors) to produce and market their products. This dependence upon a limited range of products increases the damage that would be caused by product obsolescence, a risk that is greater in a rapidly developing area like biotechnology. There exists doubt as to the extent of patent protection that will be afforded products developed through biotechnology. At its simplest, biotechnology involves the identification of genes that produce proteins useful in the combat of disease. Once identified, the gene can be separated and used to produce commercial quantities of the protein. As the protein production processes are broadly similar, patent protection has generally been extended only to the identified gene. This allows the identified gene to be used offshore to produce the drug for sale in the United States, without any infringement of U.S. patent law. If this practice were to become widespread it would significantly affect the revenues of biotechnology companies. The application of patent law to biotechnology in general is the subject of much academic and legislative attention which may result in changes in the law.

HMOs are subject to federal and state regulation. Most states require HMOs to provide periodic financial reports and some even require the HMOs to maintain minimum reserve requirements. HMOs are paid a fixed membership fee and are not reimbursed if the costs of treatment are greater than the prepaid fee. HMOs run the risk that inflation, epidemics, lack of financial discipline among professional staff and the need to acquire new technology will increase treatment costs and erode profits. In addition, a significant number of an HMO's enrollees may be Medicare beneficiaries whose membership fees are paid by the Health Care Financing Administration ('HCFA') under so-called 'Senior Plans'. Thus, for a fixed fee, HMOs are exposed to higher and more expensive health care utilization by the elderly. The HCFA also regulates the profit an HMO can make on a Senior Plan and the quality of care provided by a Senior Plan.

REGIONAL CONCENTRATIONS--MERRILL LYNCH EQUITY TRUST

The information set forth below has been extracted from various governmental and private publications, but no representation can be made as to its accuracy. It should be noted that the following figures are not seasonally adjusted; furthermore, no representation is made that any correlation exists among the local economies of the Washington, D.C., Maryland and Virginia areas and the value of any of the Securities held by the Fund.

Washington, D.C. While the District of Columbia is primarily known as the nation's capital, it is also an international city, a tourism and cultural center and the central city of the ninth largest metropolitan area in the United States. In 1990, the population of the District of Columbia was 606,000. The 1988 metropolitan area population of 3.734 million encompasses 15 additional jurisdictions in Maryland and Northern Virginia.

The Washington metropolitan area has developed into a diverse economic entity with Federal government employment providing a stable base for significant expansions in services, aerospace, high technology and communications and a site for corporate headquarters.

Total employment in the metropolitan area was 2,154,600 in September 1992. As of September 1992, government jobs provided 42.0% of employment in the District and 27.7% in the metropolitan area. Private employment in the District constituted 58.0% of jobs divided between services (37.7%), wholesale/retail sales (8.3%), finance, real estate and insurance (4.9%), transportation and public utilities (3.4%) and construction, manufacturing and mining (3.5%). The metropolitan area as a whole follows a similar pattern. Total employment as of September 1992 was 672,500 for the District of Columbia. Unemployment ran at 8.3% as of September 1992 for the District of Columbia, but ran at 5.1% for the metropolitan area. Per capita income for the District of Columbia as of 1991 was $24,063, approximately 126% of the United States average.

Maryland. In 1990, the population of Maryland was 4,781,468. The leading areas of employment in Maryland are services (including mining), wholesale and retail trade, government and manufacturing (primarily electric and electronic equipment, printing and publishing, food and kindred products, non-electrical machinery, primary metals, transportation equipment, chemicals and allied products). As of September 1992, the most significant sources of personal income were services (including mining) (30.2%), wholesale and retail trade (24.1%), government (19.6%) and manufacturing (9.0%). In contrast to the nation as whole, more people in Maryland are employed in government than manufacturing. Total employment as of October 1990 was 2,051,000 for Maryland, and unemployment ran at 6.9% as of September 1992. Per capita income for Maryland as of 1991 was $22,189, approximately 116% of the United States average.

Virginia. In 1990, the population of The Commonwealth of Virginia (the

'Commonwealth') was 6,187,358. Among the 50 states, it ranked twelfth in population. Total employment in Virginia as of September 1992 was 3,109,600 and unemployment ran at 6.4% as of September 1992. Per capita income for Virginia as of 1991 was $20,082, approximately 105% of the United States average. The economy of Virginia is based primarily on manufacturing, the government sector, agriculture, mining and tourism.

Like the nation, the Commonwealth has a high percentage of its citizens living in urban areas. Virtually all of the Commonwealth's population growth between 1950 and 1970 occurred in these areas. During the 1970's, however, non-metropolitan areas grew at a slightly faster rate than the metropolitan areas. Since 1980, this trend has been reversed with the metropolitan areas growing at three times the rate of the rest of the Commonwealth. Seventy-two percent of the Commonwealth's population lives in eight metropolitan areas.

The Commonwealth has maintained a high level of fiscal stability for many years due in large part to conservative financial operations and diverse sources of revenue. As a result of recessionary conditions, the Commonwealth has experienced and is projecting severe revenue shortfalls, which have necessitated revision of the budget for the 1990-92 biennium. Matching expenditure cuts have kept the budget in balance. No significant new taxes or increases in the scope or amount of existing taxes were passed at the 1992 session of the General Assembly.

The Commonwealth has a Standard & Poor's rating of AAA and a Moody's rating of Aaa on its general obligation bonds. There can be no assurance that the economic conditions on which these ratings are based will continue or that particular bond issues may not be adversely affected by changes in economic or political conditions.

More than 3 million residents of the Commonwealth are in the civilian labor force. Industries providing the largest number of jobs are services, wholesale and retail trade, government and manufacturing.

REGIONAL CONCENTRATIONS--NORTHWEST INVESTMENT TRUST

The information set forth below is based on various governmental and private publications, but no representation can be made as to its accuracy; furthermore, no representation is made that any correlation exists among the local economy of the Pacific Northwest region and the value of any of the Securities held by the Fund.

The Pacific Northwest region, including the states of Washington, Oregon, Idaho, Montana and Alaska, continued to grow in 1992 at growth rates that were approximately the same as in 1991. The rate of growth varied throughout the region, however, and the employment reductions at The Boeing Company, the region's largest industrial employer, indicate economic uncertainty in 1993.

Resource sectors of the economy in the Pacific Northwest that historically were sources of growth are not currently positioned to add to the rate of growth of the economy. The timber and forest products industry, for example, the largest industry in the region, showed continuing signs of weakness, and reductions in employment in 1992, with the supply of timber in the region reduced by environmental concerns. Similarly, the availability of low-cost hydroelectric power may be reduced because of concerns over the survival of salmon species in the Columbia River Basin. New hydroelectric dam construction has been largely curtailed, and the operation of existing dams has been restricted.

The region continued to benefit, however, from a number of economic factors in the last year, including substantial immigration from other areas of the United States, especially from California, which experienced an economic decline. Economists project that the well-educated work force and quality of life available in the Pacific Northwest will remain stronger than in the U.S. as a whole, continuing the inflow of new residents and business. Agriculture and food processing, another significant Pacific Northwest industry, experienced modest growth in 1992, limited in part by the drought that was not relieved until the end of the year. The aerospace industry centered in the Puget Sound area suffered from the continued shrinking backlog of orders at Boeing; this downturn could adversely affect the economy of the State of Washington in 1993, especially in the Puget Sound area in the western part of the State. The high-technology companies based in Seattle, Portland and Boise, saw their markets grow in 1992, led by Microsoft and other computer software companies. The Pacific Northwest, the region of the United States that depends most heavily on international trade, is also well positioned for expanding Pacific Rim trade, however to the extent that there are trade frictions between the United States and the Pacific Rim, the Pacific Northwest may be more adversely affected than other parts of the country.

The economic performance in the region differs from state to state. In 1992, Idaho, Eastern Washington and Montana experienced greater growth rates than elsewhere in the region; notwithstanding the national recession, however, every state in the region had positive growth, although at much slower rates than in 1990 and 1989.

WESTERN EUROPE--THE NEW EUROPE TRUST

By the end of 1992, it had been planned that many remaining barriers to free trade among the 12 member nations of the European Economic Community (the 'EEC') would be removed, making Europe one of the largest common markets in the world. Certain barriers to trade, notably barriers in the agricultural industry, have proven more difficult to remove and thus slow considerably the process of market integration. The future pace and extent of the removal of these trade barriers is uncertain. The EEC member countries are: Belgium, France, Germany, Luxembourg, Italy, The Netherlands, Portugal, Spain, Greece, Ireland, Denmark and the United Kingdom. The Fund contains Securities issued by large multi-national companies that are organized or have a principal place of business in one of four EEC member countries and are organized or have a principal place of business in one of two non-EEC member countries. (See Portfolio in Part A.)

The recent rapid political and social change throughout Europe, including the reunification of Germany on October 3, 1990, the Persian Gulf Crisis, the dissolution of the Soviet Union and the turmoil in the currency markets in 1992 make the extent and nature of future economic development in Europe and the impact of such development upon the value of the Securities in the Fund impossible to predict at present. The German economy, traditionally one of Western Europe's strongest, could be hampered by the problems encountered in absorbing the centrally planned economy of the former East Germany into the market-oriented economy of the former West Germany. Volatility in oil prices could slow economic development throughout Western Europe; moreover, it is not possible accurately to predict the effect of the current political and economic situation upon the long-term inflation and balance of trade cycles and how these changes would affect the currency exchange rate between the U.S. Dollar and Western European currencies. It should also be noted that the business performance of a multi-national corporation may be subject to the political and economic climates of each of the countries in which it does business. These countries may be located outside of Europe. In addition, the economic activity in Germany in the final months of 1992 and 1993 will be slower than previously expected. It appears that there is continuing weakness in the United Kingdom and other Anglo-Saxon economies despite earlier expectations that recoveries would be underway by now and despite the generally sizeable reduction in interest rates. European growth is likely to be below potential in 1993, with weak confidence, tightening of fiscal policy and real estate problems the three key factors depressing growth prospects. Lower short-term interest rates should materialize during the course of the year, however, and the single european market will finally prove to be a reality. Moreover, the Maastricht Treaty which paves the way for a deeper union in Europe is expected to be ratified and the situation in eastern Europe should start to improve. In this light, economic prospects should improve in the later years of the 1990s.

United Kingdom. The New Europe Trust may be concentrated in Securities of companies in the United Kingdom. The information set forth below has been extracted from various governmental and private publications, but no representation can be made as to its accuracy; furthermore, no representation is made that any correlation exists between the state of the economy of the U.K. and the value of any Securities held by the Fund. The economy of the United Kingdom is focused upon the private services sector, which includes the wholesale and retail sector, banking, finance, insurance, and tourism. Services as a whole account for a majority of the United Kingdom's gross national product and make a significant contribution to the country's balance of payments. London is one of the world's major financial centers, with a substantial part of the business international in nature. The continuance of London as an international financial center is dependent on, among other things, a favorable regulatory regime and its success against foreign competition.

Currently, it appears that there are signs of economic recovery in the United Kingdom. Interest rate reductions have begun to have some effect in boosting the domestic economy and monetary growth has started to improve. The weakening of sterling against other European currencies will help exports in the context of weak continental European markets. However, the scope for further reductions in interest rates is limited and relative sluggish growth in 1993 may not be sufficient to prevent the unemployment rate from rising further.

Foreign Issuers. Investments in Funds consisting partially or entirely of securities of foreign issuers involve investment risks that are different in some respects from an investment in a fund that invests partially or entirely in securities of domestic issuers. Those investment risks include future political and economic developments and the possible establishment of exchange controls or other governmental restrictions which might adversely affect the payment or receipt of payment of dividends on the relevant Securities. In addition, for the foreign issuers that are not subject to the reporting requirements of the Securities Exchange Act of 1934, there may be less publicly

available information than is available from a domestic issuer. Also, foreign issuers are not necessarily subject to uniform accounting, auditing and financial reporting standards, practices and requirements such as those applicable to domestic issuers. However, the Sponsors anticipate that adequate information will be available to allow the Sponsors to supervise the Portfolio as set forth in Administration of the Fund--Portfolio Supervision. The percentage of foreign issuers represented in the Fund, if any, is set forth under Investment Summary in Part A.

Securities issued by non-U.S. issuers whose earnings are stated in foreign currencies may pay dividends in foreign currencies, and even if purchased by the Fund in American Depositary Receipt ('ADR') form in the United States, are principally traded in foreign currencies. Most foreign currencies have fluctuated widely in value against the United States dollar for many reasons, including supply and demand of the respective currency, the soundness of the world economy and the strength of the respective economy as compared to the economies of the United States and other countries. Therefore, for those securities of issuers whose earnings are stated in foreign currencies, or which pay dividends in foreign currencies or which are traded in foreign currencies, there is a risk that their United States dollar value will vary with fluctuations in the United States dollar foreign exchange rates for the relevant currencies. Moreover, for those Securities that are ADRs, currency fluctuations will affect the U.S. dollar equivalent of the local currency price of the underlying domestic share and, as a result, are likely to affect the value of the ADRs and consequently the value of the Securities. In addition, the rights of holders of ADRs may be different than those of holders of the underlying shares, and the market for ADRs may be less liquid than that for the underlying shares.

ADRs evidence American Depositary Shares which, in turn, represent common stock deposited with a custodian in a depositary. ADRs may be sponsored or unsponsored. In an unsponsored facility, the depositary initiates and arranges the facility at the request of market makers and acts as agent for the ADR holder, while the company itself is not involved in the transaction. In a sponsored facility, the issuing company initiates the facility and agrees to pay certain administrative and shareholder-related expenses. Sponsored facilities use a single depositary and entail a contractual relationship between the issuer, the shareholder and the depositary; unsponsored facilities involve several depositaries with no contractual relationship to the company. ADRs are registered securities pursuant to the Securities Act of 1933 and may be subject to the reporting requirements of the Securities Exchange Act of 1934.

Foreign Exchange Rates. A Portfolio of securities that are principally traded in foreign currencies involves investment risks that are substantially different from an investment in a fund which invests in securities that are principally traded in United States dollars. This is because the United States dollar value of the Portfolio (and hence of the Units) and of the distributions from the Fund will vary with fluctuations in the United States dollar foreign exchange rates for the relevant currencies.

The post-World War II international monetary system was, until 1973, dominated by the Bretton Woods Treaty, which established a system of fixed exchange rates and the convertibility of the United States dollar into gold through foreign central banks. Starting in 1971, growing volatility in the foreign exchange markets caused the United States to abandon gold convertibility and to effect a small devaluation of the United States dollar. In 1973, the system of fixed exchange rates between a number of the most important industrial countries of the world, among them the United States and most Western European countries, was completely abandoned. Subsequently, major industrialized countries have adopted 'floating' exchange rates, under which daily currency valuations depend on supply and demand in a freely fluctuating international market. Many smaller or developing countries have continued to 'peg' their currencies to the United States dollar although there has been

some interest in recent years in 'pegging' currencies to 'baskets' of other currencies or to a Special Drawing Right administered by the International Monetary Fund. In Europe a European Currency Unit ('ECU') has been developed. Currencies are generally traded by leading international commercial banks and institutional investors (including corporate treasurers, money managers, pension funds and insurance companies). From time to time, central banks in a number of countries also are major buyers and sellers of foreign currencies, mostly for the purpose of preventing or reducing substantial exchange rate fluctuations.

Certain of the countries represented in the Fund may be members of the European Monetary System ('EMS'), which started operating in 1979. The aim was to create 'a zone of monetary stability in Europe' centered around the Exchange Rate Mechanism ('ERM') and the ECU. In addition, one of the EMS' aims was to coordinate exchange rate policies vis-a-vis third currencies, principally the U.S. dollar. The creation of a 'zone of monetary stability', to help member countries reduce exchange rate volatility and to control inflation, was a prime objective of EMS. The exchange rate mechanism was devised to limit the fluctuations of participating currencies to agreed bands. The currencies have a central rate against the ECU which is determined by the central bank of each participating country, and the currencies are permitted to fluctuate within certain limits against their ECU central rates. The degree to which a currency fluctuates about this central rate is measured as a divergence indicator. Thus if a currency moves by the full extent of its limit, the divergence indicator would register 100%. A threshold divergence of 75% has been set as an early warning indicator and if the divergence indicator reaches this 75% threshold, there is a presumption that action will be taken. This was designed to encourage the monetary authorities to take remedial action before the full fluctuation margin is reached. Such action will normally take the form of official intervention in the foreign exchange markets reinforced, if necessary, by other policy measures. The system also allows for an adjustment for realignment of central rates, subject to mutual agreement between participating members, if economic circumstances make such action unavoidable.

During September 1992, the weaker currencies in the ERM came under pressure against the D-mark and demonstrated the limited ability of a government or central bank to manage the relative value of their currency. A modest cut in short-term German interest rates and a 7% devaluation of the Italian lira failed to stabilize European foreign exchange markets. The British pound came under pressure and measures which included heavy central bank intervention and a substantial increase in short-term interest rates failed to halt the pound's decreasing relative value. The U.K. eventually 'suspended' the pound from the ERM and allowed it to float. The lira came under further pressure and efforts which included central bank intervention and a proposed austerity budget designed to reduce Italy's burgeoning budget deficit failed to halt the lira's decreasing relative value. The lira was 'temporarily withdrawn' from the ERM. The Spanish peseta was devalued by 5% and the government of Spain reinstituted capital controls which had been lifted only eight months before. Among other events that caused uncertainty in the foreign exchange markets were a narrow approval of the Maastricht Treaty in a French referendum, the defeat of that same treaty in a Danish referendum, the German unification and German interest rates, as well as the continued growth of the German money supply well in excess of the Bundesbank's targets. Other European currencies have also come under pressure and approached ERM floors. The Bundesbank joined the Bank of France in market intervention efforts in the defense of the franc. The ERM is no longer functioning in the manner that was intended. It cannot be determined what form the ERM will take in the future, should it survive.

Exchange rate fluctuations are partly dependent on a number of economic factors including economic conditions within countries, the impact of actual and proposed government policies on the value of currencies, interest rate differentials between the currencies and the balance of imports and exports of goods and services and transfers of income and capital from one country to another. These economic factors are influenced primarily by a

particular country's monetary and fiscal policies (although the perceived political situation in a particular country may have an influence as well--particularly with respect to transfers of capital). Investor psychology may also be an important determinant of currency fluctuations in the short run. Moreover, institutional investors trying to anticipate the future relative strength or weakness of a particular currency may sometimes exercise considerable speculative influence on currency exchange rates by purchasing or selling large amounts of the same currency or currencies. However, over the long term, the currency of a country with a low rate of inflation and a favorable balance of trade should increase in value relative to the currency of a country with a high rate of inflation and deficits in the balance of trade.

Some currencies have fluctuated considerably in value relative to the United States dollar in the past ten years, as indicated in the following table:

FOREIGN EXCHANGE RATES

RANGE OF FLUCTUATIONS IN FOREIGN CURRENCY EXPRESSED IN UNITED STATES DOLLARS

<TABLE>

<CAPTION>

	UNITED KINGDOM POUND STERLING	GERMANY DEUTSCHE MARK	FRANCE FRENCH FRANC	THE NETHERLANDS GUILDER
<S>	<C>	<C>	<C>	<C>
1981	2.429 - 1.771	.5177 - .3891	.2235 - .1627	.4756 - .3502
1982	1.927 - 1.584	.4459 - .3816	.1759 - .1365	.4101 - .3475
1983	1.625 - 1.414	.4286 - .3598	.1514 - .1180	.3878 - .3206
1984	1.494 - 1.159	.3917 - .3175	.1273 - .1038	.3471 - .2812
1985	1.489 - 1.053	.4089 - .2895	.1333 - .0946	.3625 - .2555
1986	1.555 - 1.377	.5197 - .4039	.1569 - .1313	.4565 - .3550
1987	1.879 - 1.471	.6346 - .5182	.1872 - .1557	.5641 - .4565
1988	1.905 - 1.664	.6346 - .5211	.1872 - .1537	.5641 - .4615
1989	1.823 - 1.515	.5927 - .4927	.1734 - .1453	.5251 - .4375
1990	1.976 - 1.594	.6802 - .5808	.2015 - .1701	.6026 - .5148
1991	2.000 - 1.602	.6918 - .5449	.2029 - .1607	.6141 - .4840
1992	2.004 - 1.512	.7189 - .5967	.2111 - .1753	.6382 - .5300

</TABLE>

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<CAPTION>

	ITALY LIRA	DENMARK KRONE	SWITZERLAND FRANC	NORWAY KRONE
<S>	<C>	<C>	<C>	<C>
1981	.0011 - .0008	.1677 - .1239	.5731 - .4533	.1955 - .1591
1982	.0008 - .0007	.1370 - .1089	.5580 - .4469	.1730 - .1363
1983	.0007 - .0006	.1210 - .0996	.5204 - .4503	.1439 - .1281
1984	.0006 - .0005	.1067 - .0881	.4742 - .3845	.1350 - .1099
1985	.0006 - .0005	.1121 - .0807	.4854 - .3419	.1320 - .1016
1986	.0007 - .0006	.1371 - .1098	.6213 - .4747	.1449 - .1278
1987	.0009 - .0007	.1645 - .1366	.7843 - .6144	.1606 - .1356
1988	.0009 - .0007	.1645 - .1363	.7843 - .6204	.1630 - .1430
1989	.0008 - .0007	.1520 - .1269	.6678 - .5575	.1540 - .1360
1990	.0009 - .0008	.1772 - .1496	.8042 - .6338	.1736 - .1504
1991	.0009 - .0007	.1790 - .1411	.8097 - .6295	.1764 - .1397
1992	.0009 - .0007	.1859 - .1531	.8153 - .6462	.1816 - .1445

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<TABLE>
<CAPTION>

	SPAIN PESETA	SWEDEN KRONA	BELGIUM FRANC
<S>	<C>	<C>	<C>
1981	.013 - .010	.2314 - .1770	.0320 - .0219
1982	.010 - .008	.1812 - .1294	.0239 - .0189
1983	.008 - .006	.1387 - .1231	.0210 - .0174
1984	.007 - .006	.1311 - .1114	.0187 - .0156
1985	.007 - .005	.1319 - .1030	.0198 - .0143
1986	.008 - .006	.1480 - .1299	.0247 - .0193
1987	.009 - .008	.1729 - .1477	.0301 - .0244
1988	.009 - .008	.1729 - .1526	.0301 - .0246
1989	.009 - .008	.1645 - .1468	.0281 - .0235
1990	.011 - .009	.1807 - .1598	.0330 - .0277
1991	.011 - .009	.1836 - .1507	.0335 - .0265
1992	.011 - .009	.1967 - .1413	.0349 - .0289

</TABLE>

Source: Datastream International, Inc.

The Trustee and Evaluator will estimate current exchange rates for the relevant currencies based on activity in the various currency exchange markets. However, since these markets are volatile and are constantly changing, depending on the activity at any particular time of the large international commercial banks, various central banks, large multi-national corporations, speculators and other buyers and sellers of foreign currencies, and since actual foreign currency transactions may not be instantly reported, the exchange rates estimated by the Trustee or the Evaluator may not be indicative of the amount in United States dollars the Fund would receive had the Trustee sold any particular currency in the market.

The foreign exchange transactions of the Fund may be concluded by the Trustee with foreign exchange dealers acting as principals either on a spot (i.e., cash) buying basis or on a forward foreign exchange basis on the date the Fund is entitled to receive the applicable foreign currency. These forward foreign exchange transactions will generally be of as short a duration as practicable and will generally settle on the date of receipt of the applicable foreign currency involving specific receivables or payables of the Fund accruing in connection with the purchase and sale of its portfolio and income received on the Securities, or the sale and redemption of Units of the Fund. These transactions are accomplished by contracting to purchase or sell a specific currency at a future date and price set at the time of the contract. The cost to the Fund of engaging in these foreign currency transactions varies with such factors as the currency involved, the length of the contract period and the market conditions then prevailing. Since transactions in foreign currency exchange are usually conducted on a principal basis, fees or commissions are not normally involved. Although foreign exchange dealers trade on a net basis they do realize a profit based upon the difference between the price at which they are willing to buy a particular currency (bid price) and the price at which they are willing to sell the currency (offer price). The relevant exchange rate used for evaluations of the Securities will include the cost of buying or selling, as the case may be, of a seven-day forward foreign exchange contract in the relevant currency to correspond to the requirement that Units when purchased settle on a regular basis and that the Trustee settle redemption requests in United States dollars within seven days.

Exchange Controls. On the basis of the best information available to the Sponsors at the present time none of the Securities, except as indicated under Investment Summary in Part A, is subject to exchange control restrictions under existing law which would materially interfere with payment to the Fund of amounts due on the Securities either because the particular jurisdictions have not adopted any currency regulations of this type or because the issues qualify for an exemption or the Fund, as an extraterritorial investor, has qualified its purchase of the Securities as exempt by following applicable 'validation' or similar regulatory or exemptive procedures. However, there can be no assurance that exchange control regulations might not be adopted in the future which might adversely affect payments to the Fund.

In addition, the adoption of exchange control regulations and other legal restrictions could have an adverse impact on the marketability of international securities in the Portfolio and on the ability of the Fund to satisfy its obligation to redeem Units tendered to the Trustee for redemption (see Redemption).

Liquidity. Certain of the Securities may have been purchased in ADR form in United States dollars. However, foreign securities which are not available in ADR form generally have not been registered under the Securities Act of 1933 and may not be exempt from the registration requirements of the Act. Sales of non-exempt Securities by the Fund in United States securities markets are subject to severe restrictions and may not be practicable. Accordingly, sales of these Securities by the Fund will generally be effected only in foreign securities markets. Although the Sponsors do not believe that the Fund will encounter obstacles in disposing of the Securities, investors should realize that many of the Securities may be traded in foreign countries where the

securities markets are not as developed or efficient and may not be as liquid as those in the United States. To the extent the liquidity of these markets becomes impaired, however, the value of the Fund when responding to a substantial volume of requests for redemption of Units (should redemptions be necessary despite the market making activities of the Sponsors) received at or about the same time could be adversely affected. This might occur, for example, as a result of economic or political turmoil in a country in whose currency the Fund had a substantial portion of its assets invested, or should relations between the United States and such foreign country deteriorate markedly. Even though the Securities are listed, the principal trading market for the Securities may be in the over-the-counter market. As a result, the existence of a liquid trading market for the Securities may depend on whether dealers will make a market in the Securities. There can be no assurance that a market will be made for any of the Securities, that any market for the Securities will be maintained or of the liquidity of the Securities in any markets made. In addition, the Fund may be restricted under the Investment Company Act of 1940 from selling Securities to any Sponsor. The price at which the Securities may be sold to meet redemptions and the value of the Fund will be adversely affected if trading markets for the Securities are limited or absent.

Foreign Securities Markets. Differences may exist between trading patterns on and the behavior of foreign securities markets, as compared with the trading patterns on and the behavior of United States securities markets. The following table sets forth price earnings ratios for some of the countries in the

Portfolio:

	UNITED KINGDOM	GERMANY	FRANCE	SWITZERLAND	ITALY	THE NETHERLANDS	SPAIN
1985-89 average	11.7	16.9	13.4	18.6	22.5	10.4	13.6
1989	11.0	17.0	13.5	14.6	18.8	10.2	14.0
1990	10.9	19.9	14.4	14.0	18.7	12.3	10.6
January 24, 1991	9.5	15.2	10.9	11.0	13.4	8.9	8.1
December 23, 1992	17.5	15.1	11.4	12.4	21.1	12.0	8.7

	SWEDEN
1985-89 average	11.9
1989	12.3
1990	11.8
January 24, 1991	8.7
December 23, 1992	23.3

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Source: Merrill Lynch & Co. Global Securities Research & Economics Group International Research Department

Because of the increasing globalization of securities markets and other factors, the price earnings ratios of certain Securities included in the Portfolio may decline and so negatively affect the value of Units. Of course, such factors as book value of the Securities, dividend yield of the Securities and the industry of the issuer of the Securities will also affect the value of the Securities and thus the value of Units.

REBUILDING TRUST

The Industrial Machinery Manufacturing Industry. The Portfolio may be concentrated in common stocks of companies engaged in the industrial machinery industry. These include companies that manufacture industrial machinery such as industrial tools, automotive products, oil and gas measuring devices, compressor pumps, mining equipment and other processes used in the upgrading of plant and equipment.

Growth in the industrial machinery industry is closely linked to expansion in the domestic and global economies and to lower interest rates. Investors should therefore be aware that because of the continuing threat of recession and higher interest rates, among other factors, global conditions otherwise favoring increased demand for the products of issuers engaged in the industrial machinery industry may not actually result in increases in the demand for these products. Moreover, even if anticipated increases in the demand for the products of issuers engaged in this industry do in fact materialize, continuing recessionary pressure in the U.S. and global economies and securities markets could have the effect of decreasing the value of stocks of the issuers.

Some analysts have predicted that world oil prices would fall as a result of the cessation of hostilities in the Persian Gulf in the beginning of 1992 and the increasing ineffectiveness of the OPEC cartel in maintaining high prices. A fall in the price of oil could lead to a decrease in demand for industrial machinery products as companies engaged in oil exploration, drilling, refining or marketing businesses find it less profitable to expand capacity. Moreover, expansion in these businesses could be hampered by decreases in profit margins as a result of stricter environmental regulation domestically and abroad, also with the effect of decreasing the demand for the products of issuers in the industrial machinery industry. Conversely, higher energy costs in general could have the effect of slowing the pace of economic development with a resulting decrease in demand for industrial machinery.

Certain of these industrial machinery manufacturing companies may derive substantial revenues from government contracts or may incur risks with respect to the provision of capital goods and services abroad (see below). Environmental and safety issues increasingly affect the industrial machinery industry. Issuers engaged primarily in the industrial machinery industry may experience decreases in profitability as legislative mandates impose costs associated with manufacturing more environmentally sound and safer equipment.

Foreign Operations. Certain of the issuers may provide products and services abroad; some may maintain manufacturing and sales facilities offshore to take advantage of international market opportunities or engage in joint ventures with foreign entities. Some of these corporations may experience short-term increases in demand for their products in connection with the rebuilding effort in Kuwait although there can be no assurance that the intermediate or long term prospects for these issuers will be favorable as outlays for the rebuilding effort increase over time. Also, since contracts may often be concluded with entities or governments of unstable foreign nations in, for example, Eastern Europe, South America or the Middle East, completion of and payment for certain products and services will be subject to the risks associated with political instability such as the risk of insurrection, hostilities from the local population, government policies against businesses owned by non-nationals and the possibility of expropriation. Certain of these nations may not honor obligations under contracts when payments are due. Furthermore, it may be more difficult to enforce a judgment against a foreign contracting party. Also, certain of the United States issuers whose securities may be contained in the Fund may be required to compete with foreign companies that benefit from foreign governmental assistance.

Government Contracts. Certain of the issuers may derive substantial revenues from government contracts. Government contracts may contain unfavorable provisions, including provisions allowing the government to terminate these contracts without prior notice, or to audit and redetermine amounts payable to the issuer pursuant to these contracts or to require the issuer to pay for cost overruns. Additionally, legislation to limit excess profits on government contracts is introduced in the United States Congress from time to time.

Due to the fact that the federal government and many state, local and foreign governments now have a budget deficit, financial expenditures by these entities on capital structure improvements may be severely limited. This could have an adverse effect on the revenues of the companies contained in the Fund.

Foreign Issues. Since certain of the Securities in the Trust are securities of foreign issuers, an investment in the Fund involves some investment risks that are different in some respects from an investment in a fund that invests entirely in securities of domestic issuers. Some of the securities of foreign issuers are purchased in ADR form in the United States. Certain of the Securities in the Portfolio may have been issued by non-U.S. issuers whose earnings are stated in foreign currencies. (See Western Europe--The New Europe Trust--Foreign Issuers; Foreign Exchange Rates; and Liquidity above)

REBUILDING AMERICA TRUST

Manufacturing Industry. The Fund may be concentrated in stocks of the manufacturing industry. Growth in the manufacturing industry is closely linked to expansion in the domestic and global economies. The ongoing global recession with its consequent effect on industrial growth, employment and consumer spending in addition to any increase in oil prices or in interest rates may lead to a decrease in demand for the products of companies engaged in manufacturing industrial and automotive products. Also, since the federal government and many state, local and foreign governments now have a budget deficit, financial expenditures by these entities on capital improvements may be extremely limited. The lack of funds allocated by public entities to capital improvement projects may adversely affect manufacturers engaged in the production of industrial materials used for capital improvements or for the upgrade of the infrastructure. Indeed, government contracts with certain issuers may contain unfavorable provisions, including provisions allowing the government to terminate these contracts without prior notice, or to audit and redetermine amounts payable to the issuer pursuant to these contracts or to require the issuer to pay for cost overruns. Additionally, legislation to limit excess profits on government contracts is introduced in the United States Congress from time to time. Cutbacks in defense spending by the federal government will also adversely impact companies engaged in the aerospace and arms/defense sectors of the manufacturing industry.

Environmental and safety issues increasingly affect the manufacturing industry. Issuers may experience decreases in profitability as legislative mandates impose costs associated with compliance with environmental regulations and manufacturing more environmentally sound and safer equipment. Furthermore, the cost of product liability insurance and the inability of some manufacturing companies to obtain this insurance may have an adverse impact on the industry. Financial Accounting Standard Board regulations with regard to accounting for, among other things, post retirement benefits may lead to changes in accounting which could have significant negative effects on reported earnings and reported long term liabilities and book value of some manufacturing companies. The real estate market glut and the consequent lack of demand for new home and office construction will affect the demand for certain tools and industrial machinery products. Inflation, slow growth in personal disposable income, tighter loan qualification standards, higher downpayments, the lower rate of job creation, increased cost of vehicle ownership and operation and oil prices will also affect companies engaged in manufacturing, particularly in the automotive industry. Shortages of skilled labor, particularly in the machine tools industry, may become a major problem in the future.

The long-term outlook is largely dependent upon the growth and competitiveness of the U.S. manufacturing base. Increased consolidation and merger activity increases competitiveness in general but individual companies may experience severe financial problems due to this increased competitiveness. Strong competition from foreign nations, particularly Pacific Rim countries which have lower labor costs, will severely impact the profitability of the U.S. manufacturing business. The continuing establishment of manufacturing and sales facilities abroad to take advantage of international marketing operations is crucial and the success of these foreign operations will be affected by the strengthening of the dollar which could lead to a decrease in demand for U.S. products, the outcome of trade negotiations which will affect foreign tariffs on U.S. exports aborad and U.S. taxes on foreign imports to the U.S. and the ability to provide attractive financing packages to customers in the current tight credit market.

Common stocks of companies engaged in manufacturing or providing capital goods or services for the construction, repair or improvement of industrial plant and equipment or the nation's infrastructure may be especially susceptible to general stock market fluctuations and to volatile increases and decreases of value as

market confidence in and perception of the issuers change and to changes in the U.S. economy. Investors should be aware that the Securities were not chosen on the basis of income-producing potential and the issuers of the securities may not even pay dividends on outstanding common shares. Any distributions of income will generally depend upon the declaration of dividends by the issuers of the Securities in the Portfolio and the declaration of any dividends depends upon several factors including the financial condition of the issuers and general economic conditions. In addition, the common stocks of certain of these issuers may be relatively illiquid and, therefore, the Sponsors' purchases may tend to raise their market prices and sales may tend to decrease their prices.

NATURAL GAS COMPANIES.

The Portfolio may be concentrated in common stocks of companies engaged in the exploration and production, transmission or distribution of natural gas. (See Risk Factors--Energy Companies.) These may include integrated natural gas companies that explore for and produce natural gas and transport and deliver it to customers; natural gas transmission companies, commonly called pipelines, that sell at wholesale to other pipelines and to distribution companies; natural gas distribution companies that service residential, commercial and industrial customers; natural gas exploration and production companies; and drilling companies that service natural gas exploration and production companies. These companies derive or are expected to derive at least 25% of their sales and operating income from the natural gas industry. Factors which the Sponsors believe may increase demand for natural gas include the encouragement of the use of natural gas by the recent amendments to the Clean Air Act, the cleanliness of natural gas as a fuel coupled with the increased concern about the environment, use by electric utilities of natural gas as a primary fuel source as a result of the repeal of the Fuel Use Act in 1987 and the increased use of natural gas in co-generation of electricity. The profitability of natural gas operations could be enhanced by the 1990 amendments to the Clean Air Act, which should increase demand for natural gas products by electric utilities and other energy consumers. The Commerce Department predicts that natural gas will be a growing source of energy during the 1990s, because of projected higher costs for oil and because natural gas is a cleaner burning fuel. The transportation industry may make increased use of natural gas in order to meet more stringent mileage and emissions requirements. There are significant constraints on increased use of natural gas, however, including a potential need for additional pipelines. Additionally, companies involved in natural gas processing may experience difficulties in the long term if product prices do not keep pace with potential increases in gas costs.

Natural gas utilities are generally subject to extensive regulation by state utility commissions or by the Federal Energy Regulatory Commission ('FERC'), in the case of pipeline companies, which, for example, establish the rates that may be charged and the appropriate rate of return on an approved asset base. Certain natural gas utilities have had difficulty from time to time in persuading regulators, who are subject to political pressures, to grant rate increases necessary to maintain an adequate return on investment and voters in many states have the ability to influence limits on rate adjustments (for example, through election of utilities commissioners, by initiative or by referendum). Any unexpected limitations could negatively affect the profitability of natural gas utilities. In addition, gas pipeline and distribution companies have had difficulties in adjusting to short and surplus energy supplies, enforcing or being required to comply with long-term contracts and avoiding litigation from their customers, on the one hand, or suppliers, on the other.

General problems of the natural gas utility industry include difficulty in obtaining timely and adequate rate increases, recovery of take-or-pay costs, the uncertainty of transmission service costs for both interstate and intrastate transactions, changes in tax laws which adversely affect a natural gas utility's ability to operate profitably, reduced demand for natural gas in certain areas of the country, competition from electricity and oil in the residential and commercial markets, restrictions on operations and increased insurance premiums and other costs and delays attributable to environmental considerations, uncertain availability and increased cost of capital and availability and cost of natural gas for resale. Pipeline companies may be subject to increased competition because of approval by FERC of the construction of new pipelines and delays because of the need to obtain FERC approval of new gas contracts. The natural gas utility business is highly seasonal and weather sensitive. In addition, natural gas competes directly with oil for industrial uses and large industries have retained the flexibility to switch from natural gas to oil; consequently, a fall in oil prices could prevent natural gas prices from rising or result in a loss of customers because of conversions to oil. Natural gas competes with coal in the utility market as a boiler fuel. Exploration and production companies could be impacted in a period of declining natural gas prices.

Further, any future scientific advances concerning new sources of energy and fuels or legislative changes with respect to the energy industry or the environment could have a negative impact on the natural gas industry. And, while legislation has recently been enacted to deregulate certain aspects of the natural gas industry, no assurances can be given that new or additional regulations will not be adopted. Each of the problems referred to could adversely affect the financial stability of the issuers of any natural gas stocks in the Trust.

THE FOOD AND BEVERAGE INDUSTRY.

The Portfolio may be concentrated in stocks of the food and beverage industry, including manufacturers of packaged foods, processors of agricultural products, beverage companies and food distributors. There are many factors that may have an adverse impact on the value of the stocks of these companies and their ability to pay dividends. These factors include the sensitivity of revenues, earnings, and financial condition to economic conditions, changing consumer demands or preferences, fluctuations in the prices of agricultural commodities, fluctuations in the cost of other raw materials such as packaging, and the effects of inflation on pricing flexibility. The revenues and earnings of these companies can also be affected by extensive competition that can result in lost sales or in lower margins resulting from efforts to maintain market share. Food and beverage companies are also subject to regulation under various federal laws--such as the Food, Drug, and Cosmetic Act--as well as state, local and foreign laws and regulations. Costs associated with complying with changing regulatory restrictions, such as food labeling requirements, could adversely affect earnings. Food and beverage companies are also becoming increasingly exposed to risk associated with international operation, including foreign currency fluctuations and future political and economic developments in other countries. Other

risk factors include potential deterioration in financial condition resulting from litigation related to product liability, accidents, or trademark or patent disputes; unfunded pension liability; changing accounting standards, such as Statement of Financial Accounting Standard No. 106, which requires accrual accounting for postretirement benefits other than pensions; and leveraged buyouts, takeovers, or recapitalizations.

WASTE MANAGEMENT COMPANIES AND ENVIRONMENTAL TECHNOLOGY COMPANIES.

The Portfolio may be concentrated in common stocks of companies engaged in many aspects of pollution control or abatement. These include waste disposal services (municipal, industrial and hazardous), environmental engineering and consulting services (including asbestos removal, hazardous site remediation and water resource management), manufacture of environmental supplies and equipment or more energy efficient equipment or equipment using cleaner sources of energy, and recycling. Waste management companies and environmental technology companies may have a strong appreciation potential over the next five years because they are engaged in providing a cleaner environment in response to growing public and political demand and to legislative regulation both on the state level and the federal level, such as the recent amendments to the Clean Air Act.

The Environmental Protection Agency (the 'EPA') considers the solid waste disposal problem to present a crisis. 160 million tons of municipal solid waste are produced each year in the United States and the country is running out of solid waste disposal capacity. The EPA expects that by the year 2000, 190 million tons of solid waste will be produced annually.

Notwithstanding the above, however, waste management companies and environmental technology companies are subject to extensive regulation. Among the risks associated with the establishment, continued ownership and operation of hazardous waste treatment, processing and disposal facilities are substantial opposition by groups and governmental officials to the location and operation of waste treatment and disposal facilities, the possible adverse effects on public health and the environment that may be caused by wastes disposed of at the sites, exposure to adverse publicity concerning alleged improper operating activities, increased costs related to compliance with frequently changing regulatory requirements, increased costs of obtaining required insurance coverage, fines and civil damage liabilities, complex, costly, restrictive and changing legislation at federal, state and local levels involving, among other things, the securing of permits, groundwater monitoring requirements and demonstrating financial responsibility, costs of conforming to prescribed or changing standards and required methods of operation and judicial and administrative proceedings initiated by federal, state and local governmental bodies and private litigants regarding the location, operation or alleged adverse environmental and health effects of treatment and disposal facilities.

The business of environmental technology companies benefits from the strictness and degree of enforcement of laws for the protection of the environment. Any relaxation of these laws or their enforcement could cause a decline in the demand for services performed by these companies. In addition, general problems of the environmental technology industry include difficulty in financing the high costs of technological development, uncertainties in developing technology, increasing pressure to diversify, high capital costs, increased competition due to low barriers to entry, lack of experienced management personnel and changing public and political opinion. Further, there is a risk that political pressures may be asserted in the legislative process resulting in mandated use of certain technologies that may be inefficient or may not ultimately provide a cleaner environment.

Waste management companies and environmental technology companies are generally characterized by intense competition with respect to many if not all operations and thus may face losses generated by some of the following

causes: large product development or expansion costs, unperfected marketing or distribution systems, uneven revenue flows and lean profit margins. Therefore, the results of operations may fluctuate widely from quarter to quarter and may contribute to greater stock price volatility as investor confidence waxes or ebbs. These companies often have a limited operating history with inexperienced but highly motivated management, who may retain effective control over the voting stock of the company. Because all earnings are generally retained to finance the development and expansion of operations, certain waste management companies and environmental technology companies may not pay dividends on common stock. The lack of a dividend may induce volatility in the price of the stock. In addition, the liquidity of common stock of waste management companies and environmental technology companies may be limited and therefore subject to greater price fluctuations when large numbers of shares are purchased or sold. Investors should carefully review the objective of the Fund and consider their ability to assume the risks involved before making an investment in the Fund.

LITIGATION AND LEGISLATION

From time to time Congress considers proposals to reduce the rate of the dividends-received deduction. Enactment into law of a proposal to reduce the rate would adversely affect the after-tax return to investors who can take advantage of the deduction. Holders are urged to consult their own tax advisers. Further, at any time after the Initial Date of Deposit, litigation may be initiated on a variety of grounds, or legislation may be enacted, with respect to the Securities in the Fund or the issuers of the Securities. There can be no assurance that future litigation or legislation will not have a material adverse effect on the Fund or will not impair the ability of issuers to achieve their business goals.

DESCRIPTION OF THE FUND

THE PORTFOLIO

The Portfolio consists of those Stocks listed under Portfolio in Part A. In addition up to 10 percent of the value of the Portfolio of any Utility Common Stock Series may consist of Other Fund Units of previously-issued Utility Common Stock Series ('Other Funds') sponsored and underwritten by certain of the Sponsors and acquired by the Sponsors in the secondary market. The Other Fund Units represent interests in Securities in the portfolios of the Other Funds. As used herein the term 'Stocks' means the stocks initially deposited in the Fund and described under Portfolio in Part A and any additional stocks acquired and held by the Fund pursuant to the provisions of the Indenture, and the term 'Securities' means the Stocks and any Other Fund Units. See Investment Summary in Part A for a summary of particular matters relating to the Portfolio.

The portfolios underlying any Other Fund Units deposited with the Trustee (no one of which represents more than 5%, and all of which represent less than 10%, of the aggregate value of the Portfolio) are substantially similar to that of the Fund. The percentage of the Portfolio, if any, represented by Other Fund Units at the Date of Deposit is set forth under Investment Summary in Part A. The investment objectives of the Other Funds are similar to the investment objective of the Fund, and the Sponsors and Trustee of the Other Funds have responsibilities and authority paralleling in most important respects those described in this Prospectus and receive fees not greater than those described herein.

The Fund consists of the Securities listed under Portfolio in Part A (including any Replacement Securities and Additional Securities deposited in the Fund in connection with the sale of additional Units to the public as described under Fund Structure above) as long as they may continue to be held from time to time in the Fund

together with accrued and undistributed income therefrom and undistributed and uninvested cash realized from the disposition of Securities (see Administration of the Fund--Portfolio Supervision). Neither the Sponsors nor the Trustee shall be liable in any way for any default, failure or defect in any of the Securities. However, should any contract to be deposited in connection with the sale of additional Units fail (a 'Failed Security'), the Sponsors shall, on or before the next following Distribution Day, cause to be refunded the attributable sales charge, plus the attributable Cost of Securities to Fund listed under Portfolio in Part A, unless substantially all of the moneys held in the Fund to cover such purchase are reinvested in additional or replacement Securities in accordance with the Indenture (see Administration of the Fund--Portfolio Supervision).

The Indenture authorizes the Sponsors to increase the size and the number of Units of the Fund by the deposit of Additional Securities and the issue of a corresponding number of additional Units subsequent to the Initial Date of Deposit (see Fund Structure). In addition, Securities may be sold under certain circumstances (see Redemption; Administration of the Fund--Portfolio Supervision). As a result, the aggregate value of the Securities in the Portfolio will vary over time.

On the Evaluation Date each Unit represented the fractional undivided interest in the Securities plus net income of the Fund set forth under Investment Summary in Part A. Thereafter, if any Units are redeemed by the Trustee, the aggregate value of Securities in the Fund will be reduced by amounts allocable to redeemed Units, and the fractional undivided interest represented by each Unit in the balance will be increased. However, if additional Units are issued by the Fund, the aggregate value of Securities in the Fund will be increased by amounts allocable to additional Units, and the fractional undivided interest represented by each Unit in the balance will be decreased. Units will remain outstanding until redeemed upon tender to the Trustee by any Holder (which may include the Sponsors) or until the termination of the Indenture (see Redemption; Termination).

SELECTION CRITERIA

In selecting Stocks for deposit into a Fund, the Sponsors (through their agent, the Unit Investment Trusts division of Merrill Lynch) employed a multi-step screening process which included review of the fundamental creditworthiness of the particular issuer and liquidity of the issue and review of the ratings assigned to a particular stock by other investment professionals. Certain additional factors were considered for each individual Series type; some of these factors are discussed below. Of course, because of the considerations discussed in Part B-- Risk Factors, there can be no assurance of the existence or continuance of any trend anticipated by the Sponsors.

UTILITY STOCK SERIES: The Sponsors considered (i) the quality of the Stocks (based upon a judgment as to the possible risk of dividend impairment and as to the potential for dividend growth), (ii) the yield and price of the Stocks relative to other public utility stocks of comparable quality and (iii) the variety of the utility Stocks in the Portfolio, taking into account the availability on the market of utility issues which meet the Fund's criteria. An additional consideration for the Ninth Series and subsequent Series, was whether the issuers of the Stocks had outstanding first mortgage or senior debt securities rated investment grade. The yield and price of utility stocks of the type deposited in the Fund are dependent on a variety of factors, including money market conditions, general conditions of the corporate bond and equity markets, size of a particular offering and capital structure of the issuer. While it may not be likely that any Stocks' dividends would be omitted, no assurances can, of course, be given since earnings available for dividends, regardless of the size of the company, are subject to numerous events which are often beyond the issuer's control.

MERRILL LYNCH EQUITY TRUST: The Sponsors identified those companies that are anticipated to appreciate in value and are headquartered or have a significant presence (e.g., a large plant, office complex or significant portion of their revenue base) in the Washington, D.C., Maryland, Virginia area.

CONCEPT SERIES--TELECOMMUNICATIONS UTILITY TRUST: All of the issuers of the Securities in the Portfolio were identified by at least one of the Sponsors as companies that are well placed to benefit from the anticipated growth in demand for telecommunications services and products. In addition, the Securities deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Securities in the five years subsequent to the Initial Date of Deposit, (ii) the number of shares of the issuer currently outstanding, (iii) the current annual or indicated dividend rate for certain types of issuers, (iv) the overall credit quality of the issuers and (v) the variety of the telecommunications Securities in the Portfolio, taking into account the availability on the market of these issues which meet the Fund's criteria.

CONCEPT SERIES--ENERGY TRUST: All of the issuers of the Securities in the Portfolio were identified by investment professionals as companies that are well placed to benefit from the anticipated increased demand for oil, natural gas and other minerals which may result in increased prices, increased sales volume and increased profitability in the energy industry. In addition, the Securities deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Securities in the five years subsequent to the Initial Date of Deposit, (ii) the number of shares of the issuer currently outstanding, (iii) the current annual or indicated dividend rate for certain types of issuers and (iv) the variety of the Securities issued by companies in the energy industry included in the Portfolio, taking into account the availability on the market of these issues which meet the Fund's criteria.

CONCEPT SERIES--HEALTH CARE TRUST: All of the issuers of the Stocks in the Portfolio were identified by investment professionals as companies that are well placed to benefit from the anticipated growth in demand for health care products and services. In addition, the Stocks deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Stocks in the five years subsequent to the Initial Date of Deposit, (ii) the number of shares of the issuer currently outstanding and (iii) the variety of the health care Stocks in the Portfolio, taking into account the market capitalization and liquidity of these issues which meet the Fund's criteria.

CONCEPT SERIES--NORTHWEST INVESTMENT TRUST: The Securities were selected through a multi-step screening process. First, Merrill Lynch, as agent for the Sponsors, identified those companies that are anticipated to appreciate in value and are headquartered or have operations in the Pacific Northwest area. Second, it conducted a fundamental analysis of the companies to determine their underlying creditworthiness. Finally, the agent for the Sponsors reviewed the liquidity of the common stocks.

CONCEPT SERIES--THE NEW EUROPE TRUST: All of the issuers of the Securities in the Portfolio were identified by investment professionals as large multi-national companies that are well placed to benefit from the anticipated increased demand for products and services as a result of reductions in trade and other barriers and changes in government or regulatory policy, consumer preferences or demographics in Europe. In addition, the Securities deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Securities in the five years subsequent to the Initial Date of Deposit, (ii) the number of shares of the issuer currently outstanding and (iii) the variety of large multi-national European companies situated to take advantage of regulatory and policy changes in Europe included in the Portfolio, taking into account the availability on the market of these issues which meet the Fund's criteria.

CONCEPT SERIES--ENVIRONMENTAL TECHNOLOGY TRUST: All of the issuers of the Stocks in the Portfolio were identified by investment professionals as companies that are well placed to compete in the waste management and environmental technology industry. In addition, the Stocks deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Stocks in the five years subsequent to the Initial Date of Deposit and (ii) the variety of the waste management and environmental technology Stocks in the Portfolio, taking into account the market capitalization and liquidity of these issues which meet the Fund's criteria.

CONCEPT SERIES--REBUILDING TRUST: All of the issuers of the Securities in the Portfolio were identified by investment professionals as companies that are well placed to benefit from the anticipated growth in demand for capital goods or services required for the construction or improvement of industrial plants and equipment, energy facilities or telecommunications or transportation facilities. In addition, the securities deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Securities in the five years subsequent to the Initial Date of Deposit, (ii) the number of shares of the issuer currently outstanding, (iii) the overall credit quality of the issuers and (iv) the diversification of the Securities in the Portfolio, taking into account the availability on the market of these issues which meet the Fund's criteria.

CONCEPT SERIES--REBUILDING AMERICA TRUST: All of the issuers of the Securities in the Portfolio were identified by at least one of the Sponsors as companies that are well placed to benefit from the financial expenditures needed to improve productivity in American industry and to strengthen the nation's infrastructure. In addition, the Securities deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Securities in the five years subsequent to the Initial Date of Deposit, (ii) the number of shares of the issuer currently outstanding and (iii) the variety of the Securities issued by companies that manufacture or provide capital goods or services included in the Portfolio, taking into account the availability on the market of these issues which meet the Fund's criteria.

CONCEPT SERIES--NATURAL GAS TRUST: All of the issuers of the Securities in the Portfolio were identified by investment professionals as companies that are well placed to benefit from the anticipated increased demand for natural gas in excess of existing and expected supply of natural gas which is expected to result in increased prices, increased sales volume and increased profitability in the natural gas industry. In addition, the Securities deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Securities in the five years subsequent to the Initial Date of Deposit, (ii) the current annual or indicated dividend rate for certain types of issuers, (iii) the number of shares of the issuer currently outstanding and (iv) the variety of the Securities issued by companies in the natural gas industry included in the Portfolio, taking into account the availability on the market of these issues which meet the Fund's criteria.

CONCEPT SERIES--FOOD FUND: The Securities were selected through a multi-step screening process. First, the Unit Investment Trusts Research Department of Merrill Lynch, as agent for the Sponsors, identified those companies engaged in the manufacturing, processing and distribution of food and beverages that are anticipated to appreciate in value over the five years subsequent to the Initial Date of Deposit. Second, it conducted a fundamental financial analysis of the companies to determine their underlying creditworthiness. Finally, it reviewed the liquidity of the common stocks.

CONCEPT SERIES--THE ECOLOGICAL TRUST 1990: All of the issuers of the Stocks in the Portfolio were selected by the Sponsors from a list prepared by the Sponsor's environmental advisors, Progressive Asset Management, Inc., The Council on Economic Priorities, The Data Center and Kinder, Lydenberg, Domini & Co. Inc. (the 'Environmental Advisors'). The Environmental Advisors prepared a list of issuers that, in their opinion, are environmentally responsible and are making contributions to the improvement of the earth's ecosystem. All of the issuers of the Stocks in the Portfolio were selected from that list and identified by investment professionals as companies that are well placed to compete within their respective industries. In addition, the Stocks deposited in the Fund were selected by taking into account the following factors, among others: (i) the potential for capital appreciation of the Stocks in the five years subsequent to the Initial Date of Deposit and (ii) the variety of the waste management, environmental technology and environmentally responsible Stocks in the Portfolio, taking into account the market capitalization and liquidity of these issues which met the Fund's criteria.

Environmental Advisors. The four Environmental Advisors to the Fund were:

Progressive Asset Management, Inc.

Progressive Asset Management, Inc., based in Oakland, California, is a brokerage firm specializing in environmentally responsible investing. The corporation is a member of NASD, SIPC, the Social Investment Forum and an original sponsor of the Valdez Principles. Progressive Asset Management was the coordinator of the Environmental Advisors and on behalf of all the Environmental Advisors was compensated by the Underwriters of the Fund.

The Council on Economic Priorities

The Council on Economic Priorities, based in New York, New York, is an independent, public interest research organization founded in 1969. Its corporate responsibility research focuses on various issues including the environment.

The Data Center

The Data Center is an independent, non-profit public interest research organization focusing on current economic and political issues. Founded in 1977 and based in Oakland, California, it monitors business ethics, including the environmental record of companies worldwide, provides a customized corporate research service, and publishes the monthly Corporate Responsibility Monitor.

Kinder, Lydenberg, Domini & Co. Inc.

Kinder, Lydenberg, Domini & Co. Inc., based in Boston, Massachusetts, is a registered investment adviser. Its primary purpose is to provide research for the Domini Social Index. The firm maintains a database of its research, consisting of the results of applications of a broad range of environmental and other screens to over 1,000 publicly traded corporations.

Contributions. The Underwriters of the Fund will make a contribution to The One Fund for the Environment in the following amounts:

(1) $0.50 per 100 units for the first 2,500,000 units sold in the primary offering period;
(2) $0.75 per 100 units for the second 2,500,000 units sold in the primary offering period;
(3) $1.00 per 100 units for the third 2,500,000 units sold in the primary offering period;
(4) $1.25 per 100 units for the fourth 2,500,000 units sold in the primary offering period; and
(5) $1.50 per 100 units sold in excess of 10,000,000 units sold in the primary offering period.

The One Fund for The Environment was established by The Environmental Federation of America to support the programs of twenty-three national non-profit and tax-exempt environmental organizations which work to protect human health and preserve natural resources for the public's welfare including: African Wildlife Foundation, American Forestry Association, American Rivers, Center for Marine Conservation, Clean Water Fund, Defenders of Wildlife, Environmental Action Foundation, Environmental Defense Fund, Environmental and Energy Study Institute, Environmental Law Institute, Environmental Policy Institute, Izaak Walton League of America, National Audubon Society, National Coalition Against Misuse of Pesticides, National Parks and Conservation Association, National Wildlife Federation, National Resources Defense Council, The Nature Conservancy, Rails-to-Trails Conservancy, Sierra Club Legal Defense Fund, The Trust for Public Land, Union of Concerned Scientists and The Wilderness Society. Each of these organizations has operations in 15 or more states and each has records of major accomplishments for environmental protection. They work to safeguard health by reducing toxic wastes, acid rain, pesticides and other environmental hazards; to protect wildlife and wildlife habitats; to reduce pollutants in air and water; to save America's forests, oceans, rivers and wilderness lands; to preserve endangered animal and plant species; to provide recreational opportunities that depend on the outdoors; to educate the public in how to enjoy and protect the natural world; to create and preserve open space, parklands and nature sanctuaries; and to develop educational programs that promote a sound and balanced use of natural resources.

These organizations have met stringent criteria for acceptance by The Environmental Federation of America including a prohibition on the advocacy of any illegal direct action.

The Environmental Federation of America is a tax-exempt non-profit organization founded in March, 1988, and based in Washington, D.C. Neither the Environmental Federation of America nor its affiliated agencies have participated in the establishment of the Fund or the selection of the companies in the Fund, nor do any of them endorse or promote the activities of any organizations other than their affiliated agencies. Other than with respect to information concerning The One Fund for the Environment and The Environmental Federation of America, none of the information in this prospectus has been supplied or verified by The Environmental Federation of America and The Environmental Federation of America makes no representation, expressed or implied, as to the accuracy or completeness of this information.

INCOME AND DISTRIBUTIONS

The net annual income per Unit that is earned by the Fund is determined by subtracting from the annual dividend income of the Securities in the Portfolio the annual expenses (total estimated annual Trustee's, Sponsors' and administrative fees and expenses) and dividing by the number of Units outstanding. The net annual income per Unit will depend upon the amount of dividends declared and paid by the issuers of the Securities, sales and substitution of Securities and the purchase of additional Securities (recognizing, however, that the sale or purchase of Securities by itself should have a minimal effect on income per Unit because, as much

as practicable, each Unit will continue to represent a fractional undivided interest in the same percentages of Securities of the same issuers) and changes in the expenses of the Fund.

There is no assurance that any dividends will be declared or paid in the future on the Securities in the Fund. The earning of income by the Fund through dividends paid on the stocks may not be a primary investment objective of the Fund, and some issuers represented in a Portfolio may not pay dividends on their Securities.

Record Days and Distribution Days are set forth under Investment Summary in Part A. Dividend income per Unit received by the Fund and available for distribution and the distributable balance in the Capital Account per Unit (other than capital gains) as of any particular Record Day will be distributed on or shortly after the related Distribution Day to the Holders of record on that Record Day, provided that no distribution from the Capital Account is required unless the distributable balance therein (excluding capital gains) is at least the minimum amount set forth under Investment Summary in Part A (see Administration of the Fund--Accounts and Distributions). Normally, dividends on the Securities in the Fund are paid on a quarterly basis which may or may not coincide with a Record Day.

Capital gain net income (i.e., the excess of capital gains over capital losses) recognized by the Fund in any taxable year will generally be distributed to Holders shortly after the end of the year. In order to meet certain tax requirements the record date for this distribution may be in December.

FUND PERFORMANCE

Information on percentage changes in the dollar value of Units, on the basis of changes in Unit price plus the amount of dividends and capital gains distributed (reinvested on S&P Index Trusts, Utility Common Stock Series and Concept Series, Food Fund and Northwest Investment Trust), may be included from time to time in advertisements, sales literature, reports and other information furnished to current or prospective Holders. Total return figures are not averaged, and may not reflect deduction of the sales charge, which would decrease the return. Average annualized return figures reflect deduction of the maximum sales charge. No provision is made for any income taxes payable.

Past performance may not be indicative of future results. The S&P Index Trusts are adjusted only to conform to changes in the respective indices, and the other Funds are not actively managed. Unit price and return fluctuate with the value of the common stocks in the portfolio, so there may be a gain or loss when Units are sold.

Fund performance may be compared to performance on the same basis (distributions reinvested or distributed) of the Dow Jones Industrial Average, the S&P 500 Composite Price Stock Index, or performance data from publications such as Lipper Analytical Services, Inc., Morningstar Publications, Inc., Money Magazine, The New York Times, U.S. News and World Report, Business Week, CDA

Investment Technology, Inc., Forbes Magazine or Fortune Magazine. As with other performance data, performance comparisons should not be considered representative of the Fund's relative performance for any future period.

TAXES

TAXATION OF THE FUND

The Fund intends to qualify for and elect the special tax treatment applicable to 'regulated investment companies' under Section 851-855 of the Internal Revenue Code of 1986, as amended (the 'Code'). Qualification and election as a 'regulated investment company' involve no supervision of investment policy or

management by any government agency. If the Fund qualifies as a 'regulated investment company' and distributes to Holders 90% or more of its taxable income without regard to its net capital gain, (net capital gain is defined as the excess of net long-term capital gain over net short-term capital loss), it will not be subject to Federal income tax on any portion of its taxable income (including any net capital gain) distributed to Holders in a timely manner. In addition, the Fund will not be subject to the 4% excise tax on certain undistributed income of 'regulated investment companies' to the extent it distributes to Holders in a timely manner at least 98% of its taxable income (including any net capital gain). It is anticipated that the Fund will not be subject to Federal income tax or the excise tax because the Indenture requires the distribution of the Fund's taxable income (including any net capital gain) in a timely manner. Although all or a portion of the Fund's taxable income (including any net capital gain) for a calendar year may be distributed shortly after the end of the calendar year, such a distribution will be treated for Federal income tax purposes as having been received by Holders during the calendar year.

DISTRIBUTIONS

Distributions to Holders of the Fund's dividend income and net short-term capital gain in any year will be taxable as ordinary income to Holders to the extent of the Fund's taxable income (without regard to its net capital gain) for that year. Any excess will be treated as a return of capital and will reduce the Holder's basis in his Units and, to the extent that such distributions exceed his basis, will be treated as a gain from the sale of his Units as discussed below. It is anticipated that substantially all of the distributions of the Fund's dividend income and net short-term capital gain will be taxable as ordinary income to Holders.

Distribution of the Fund's net capital gain (designated as capital gain dividends by the Fund) will be taxable to Holders as long-term capital gain, regardless of the length of time the Units have been held by a Holder. A Holder may recognize a taxable gain or loss if the Holder sells or redeems his Units. Any gain or loss arising from (or treated as arising from) the sale or redemption of Units will be a capital gain or loss, except in the case of a dealer or a financial institution. Capital gains are generally taxed at the same rate as ordinary income. However, the excess of net long-term capital gains over net short-term capital losses may be taxed at a lower rate than ordinary income for certain noncorporate taxpayers. A capital gain or loss is long-term if the asset is held for more than one year and short-term if held for one year or less. The deduction of capital losses is subject to limitations.

A distribution of Securities to a Holder upon redemption of his Units will be a taxable event to such Holder, and that Holder will recognize taxable gain or loss upon such distribution (equal to the difference between such Holder's tax basis in his Units and the fair market value of Securities received in redemption), which will be capital gain or loss except in the case of a dealer in securities or a financial institution. Holders should consult their own tax advisers in this regard.

Distributions which are taxable as ordinary income to Holders will constitute dividends for Federal income tax purposes. To the extent that distributions are appropriately designated by the Fund and are attributable to dividends received by the Fund from domestic issuers with respect to whose securities the Fund satisfied the requirements for the dividends-received deduction, such distributions will be eligible for the dividends-received deduction for corporations (other than corporations such as 'S' corporations which are not eligible for such deduction because of their special characteristics and other than for purposes of special taxes such as the accumulated earnings tax and the personal holding company tax).

The dividends-received deduction is generally 70%. However, Congress from time to time considers proposals to reduce the rate, and enactment of such a proposal would adversely affect the after-tax return to investors who can take advantage of the deduction. Holders are urged to consult their own tax advisers.

Sections 246 and 246A of the Code contain additional limitations on the eligibility of dividends for the corporate dividends-received deduction. Depending upon the corporate Holder's circumstances (including whether it has a 45-day holding period for its Units and whether its Units are debt financed), these limitations may be applicable to dividends received by a Holder from the Fund which would otherwise qualify for the dividends-received deduction under the principles discussed above. Accordingly, Holders should consult their own tax advisers in this regard. A corporate Holder should be aware that the receipt of dividend income for which the dividends-received deduction is available may give rise to an alternative minimum tax liability (or increase an existing liability) because the dividend income will be included in the corporation's 'adjusted current earnings' for purposes of the adjustment to alternative minimum taxable income required by Section 56(g) of the Code.

Holders will be taxed in the manner described above regardless of whether distributions from the Fund are actually received by the Holder or are reinvested pursuant to the Reinvestment Plan.

The Federal tax status of each year's distributions will be reported to Holders and to the Internal Revenue Service. The foregoing discussion relates only to the Federal income tax status of the Fund and to the tax treatment of distributions by the Fund to U.S. Holders. Distributions may also be subject to state and local taxation and Holders should consult their own tax advisers in this regard.

FOREIGN HOLDERS

A 'Foreign Holder' is a person or entity that, for U.S. Federal income tax purposes, is a non-resident alien individual, a foreign corporation, a foreign partnership, or a non-resident fiduciary of a foreign estate or trust. If a distribution of the Fund's taxable income (without regard to its net capital gain) to a Foreign Holder is not effectively connected with a U.S. trade or business carried on by the investor, such distribution will be subject to withholding tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A Foreign Holder generally will not be subject to Federal income tax with respect to gain arising from the sale or redemption of Units or distributions of the Fund's net capital gain (designated as capital gain dividends by the Fund) unless the gain is effectively connected with a trade or business of such Holder in the United States. In the case of a Foreign Holder who is a non-resident alien individual, however, gain arising from the sale or redemption of Units or distributions of the Trust's net capital gain ordinarily will be subject to Federal income tax at a rate of 30% if such individual is physically present in the U.S. for 183 days or more during the taxable year and, in the case of the gain arising from the sale or redemption of Units, either the gain is attributable to an office or other fixed place of business maintained by the Holder in the United States or the Holder has a 'tax home' in the United States.

The tax consequences to a Foreign Holder entitled to claim the benefits of an applicable tax treaty may be different from those described herein. Foreign Holders should consult their own tax advisers to determine whether investment in the Fund is appropriate.

RETIREMENT PLANS

The Fund may be well suited for purchase by Individual Retirement Accounts ('IRAs'), Keogh plans, pension funds and other qualified retirement plans, certain of which are briefly described below. Generally, capital gains and income received in each of the foregoing plans are exempt from Federal taxation. All distributions from such plans are generally treated as ordinary income but may, in some cases, be eligible for special 5 or 10 year averaging or tax-deferred rollover treatment. Holders of Units in IRAs, Keogh plans and other tax-deferred retirement plans should consult their plan custodian as to the appropriate disposition of distribution. Investors considering participation in any such plan should review specific tax laws related thereto and should consult their attorneys or tax advisers with respect to the establishment and maintenance of any such plan. Such plans are offered by brokerage firms, including each of the Sponsors of this Fund, and other financial institutions. Fees and charges with respect to such plans may vary.

Retirement Plans for the Self-Employed--Keogh Plans. Units of the Fund may be purchased by retirement plans established pursuant to Self-Employed

Individuals Tax Retirement Act of 1962 ('Keogh plans') for self-employed individuals, partnerships or unincorporated companies. Qualified individuals may generally make annual tax-deductible contributions up to the lesser of 20% of annual compensation or $30,000 in a Keogh plan. The assets of the plan must be held in a qualified trust or other arrangement which meets the requirements of the Code. Generally there are penalties for premature distributions from a plan to certain participants before attainment of age 59 1/2, except in the case of a participant's death or disability. Keogh plan participants may also establish separate IRAs (see below) to which they may contribute up to an additional $2,000 per year ($2,250 in a spousal account).

Individual Retirement Account--IRA. Any individual (including one covered by an employer retirement plan) can establish an IRA or make use of a qualified IRA arrangement set up by an employer or union for the purchase of Units of the Fund. Any individual can make a contribution in an IRA equal to the lesser of $2,000 ($2,250 in a spousal account is also established) or 100%of earned income; such investment must be made in cash. However, no deduction is permitted for an individual over the age of 70 1/2 and the deductible amount an individual under the age of 70 1/2 may contribute will be reduced if the individual or the individual's spouse is covered by an employer retirement plan and the individual's adjusted gross income exceeds $25,000 (in the case of a single individual) or $40,000 (in the case of married individuals filing a joint return). For a married individual who files a separate return, the deductible contribution is limited to $200 if the individual or the individual's spouse is covered by a retirement plan, unless the individual's adjusted gross income exceeds $10,000 in which case the deductible contribution is zero. A married individual who did not live with a spouse for any part of the year and files a separate return is treated as a single person for purposes of these rules. Unless nondeductible contributions were made in 1987 or a later year, all distributions from an IRA will be treated as ordinary income but generally are eligible for tax-deferred rollover treatment. It should be noted that certain transactions which are prohibited under Section 408 of the Code will cause all or a portion of the amount in an IRA to be deemed to be distributed and subject to tax at that time. A participant's entire interest in an IRA must be, or commence to be, distributed to the participant not later than the April 1 following the taxable year during which he attains age 70 1/2. Taxable distributions made before attainment of age 59 1/2, except in the case of the participant's death or disability, or where the amount distributed is part of a series of substantially equal periodic (at least annual) payments that are to be made over the life expectancies of the participant and his or her beneficiary, are generally subject to a surtax in an amount equal to 10% of the distribution.

PUBLIC SALE OF UNITS

PUBLIC OFFERING PRICE

The Public Offering Price of the Units is computed by dividing the aggregate value of the Securities (as determined by the Trustee), by the number of Units outstanding and adding to the quotient the sales charge at the applicable percentage of the aggregate value per Unit (the net amount invested). A proportionate share of any cash held by the Fund in the Capital Account not allocated to the purchase of specific Securities and net income in the Income Account (described under Administration of the Fund--Accounts and Distributions) on the date of delivery of the Units to the purchaser is added to the Public Offering Price. The Public Offering Price on the date of this Prospectus or on any subsequent date will vary from the Public Offering Price on the business day prior to the date of this Prospectus (set forth under Investment Summary in Part A) in accordance with fluctuations in the aggregate value of the underlying Securities.

Employees of certain of the Sponsors and their affiliates may purchase Units of this Fund pursuant to employee benefit plans at a price equal to the aggregate value of the Securities in the Fund divided by the number of Units outstanding plus a reduced sales charge of not less than $5.00 per Unit or per 1,000 Units, as appropriate.

The value of the Securities is determined on each business day by the Trustee based on the last reported closing prices at the Evaluation Time on the day the evaluation is made or, if there are no reported sales or if closing sale prices are not reported or a Security is not listed on a national securities exchange or if the principal market therefor becomes other than on an exchange, taking into account the same factors referred to under Redemption--Computation of Redemption Price per Unit (Section 4.01). The term 'business day', as used herein and under 'Redemption', shall exclude Saturdays, Sundays and the following holidays as observed by the New York Stock Exchange, Inc.: New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.

The applicable percentage of sales charge and the concession to dealers and to introducing dealers (i.e., dealers that buy and clear directly through a Sponsor or an Underwriter who is an affiliate of a Sponsor) referred to below under Public Distribution is reduced on a graduated scale as shown below and will be applied on whichever basis is more favorable to the purchaser. To qualify for the reduced sales charge and concession applicable to quantity purchasers, the dealer must confirm that the sale is to a single purchaser as defined below or is purchased for its own account and not for distribution.

These graduated sales charges will apply on all purchases on any one day by the same purchaser of Units in this Fund only in the amounts stated. For this purpose purchases in the secondary market will be aggregated with concurrent purchases of any other unit trusts sponsored by the Sponsors which have the same rates of sales charge. Units held in the name of the spouse of the purchaser or in the name of a child of the purchaser under 21 years of age are deemed to be registered in the name of the purchaser. The graduated sales charges are also applicable to a trustee or other fiduciary purchasing securities for a single trust estate or single fiduciary account.

Sales charges and concessions are as follows:

<TABLE>
<CAPTION>

NUMBER OF UNITS	SALES CHARGE (GROSS UNDERWRITING PROFIT) AS PERCENT OF PUBLIC OFFERING PRICE	SALES CHARGE (GROSS UNDERWRITING PROFIT) AS PERCENT OF NET AMOUNT INVESTED	DEALER CONCESSION AS PERCENT OF PUBLIC OFFERING PRICE
(UTILITY STOCK SERIES 1-5)			
<S>	<C>	<C>	<C>
Less than 250......................	4.50%	4.712%	2.925%
250 - 499..........................	3.25	3.359	2.113
500 - 749..........................	2.50	2.564	1.625
750 - 999..........................	2.00	2.041	1.300
1,000 or more......................	1.50	1.523	0.975
(UTILITY STOCK SERIES 6-14)			
Less than 250,000..................	4.50%	4.712%	2.925%
250,000 - 499,999..................	3.75	3.359	2.133
500,000 - 749,999..................	2.50	2.564	1.300
750,000 - 999,999..................	2.00	2.041	1.300
1,000,000 or more..................	1.50	1.523	0.975
(CONCEPT SERIES)			
Less than 25,000...................	4.00%	4.167%	2.600%
25,000 - 49,999....................	3.50	3.627	2.275
50,000 - 74,999....................	3.00	3.093	1.950
75,000 or more.....................	2.50	2.564	1.625
(MERRILL LYNCH EQUITY TRUST)			
Less than 10,000...................	4.00%	4.167%	
10,000 - 24,999....................	3.50	3.627	
25,000 - 49,999....................	3.00	3.093	
50,000 - 74,999....................	2.50	2.564	
75,000 or more.....................	2.00	2.041	

</TABLE>

PUBLIC DISTRIBUTION

The Sponsors intend to continue to qualify Units for sale in all states in the U.S. in which qualification is deemed necessary through the Underwriting Account and by dealers who are members of the National Association of Securities Dealers, Inc. The Sponsors do not intend to qualify Units for sale in any foreign countries and this Prospectus does not constitute an offer to sell Units in any country where Units cannot lawfully be sold. Sales to dealers and to introducing dealers, if any, will initially be made at prices which represent a concession in the amount specified in the table above, but the Agent for the Sponsors reserves the right to change the amount of the concession to dealers and the concession to introducing dealers from time to time. Any dealer or introducing dealer may reallow a concession not in excess of the concession to dealers.

UNDERWRITERS' AND SPONSORS' PROFITS

On each subsequent deposit of Securities with respect to the sale of additional Units to the public the Sponsors may realize a profit or loss which will be the difference between the cost of the Securities to the Fund and the purchase price of the Securities to the Sponsors plus commissions payable by the Sponsors. In addition, any Sponsor or Underwriter may realize profits or sustain losses in respect of Securities deposited in the Fund which were acquired by the Sponsor or Underwriter from underwriting syndicates of which the Sponsor or Underwriter was a member. To the extent additional Units continue to be offered for sale to the public, the Underwriting Account also may realize profits or sustain losses as a result of fluctuations in the aggregate value of the Securities and hence in the Public Offering Price of the Units (see Investment Summary in Part A). Cash, if any, made available by buyers of Units to the Sponsors prior to the settlement date for purchase of Units may be used in the Sponsors' businesses subject to the limitations of Rule 15c3-3 under the Securities Exchange Act of 1934 and may be of benefit to the Sponsors. The Sponsors also receive an annual fee up to the amount set forth under Investment Summary in Part A to cover the costs of providing administrative and other services to the Fund (see Expenses and Charges--Fees). In maintaining a market for the Units (see Market for Units), the Sponsors will also realize profits or sustain losses in the amount of any difference between the prices at which they buy Units (based on the aggregate value of the Securities) and the prices at which they resell these Units (which includes the sales charge) or the prices at which they redeem the Units (based on the aggregate value of the Securities), as the case may be.

MARKET FOR UNITS

While the Sponsors are not obligated to do so, they intend to maintain a secondary market for Units of this Series and continuously to offer to purchase Units of this Series at prices, subject to change at any time, which will be computed on the basis of the aggregate value of the Securities, taking into account the same factors referred to in determining the Redemption Price per Unit (see Redemption). The Sponsors may discontinue purchases of Units of this Series at prices based on the aggregate value of the Securities should the supply of Units exceed demand or for other business reasons. The Sponsors, of course, do not in any way guarantee the enforceability, marketability or price of any Securities in the Portfolio or of the Units. However, the Sponsors will not repurchase Units in the secondary market at a price below the aggregate value of the Securities in the Fund. During the primary public offering period or thereafter, on a given day the price offered by the Sponsors for the purchase of Units shall be an amount not less than the Redemption Price per Unit, based on the aggregate value of Securities in the Fund on the date on which the Units are tendered for redemption (see Redemption).

The Sponsors may redeem any Units they have purchased in the secondary market if they determine that it is undesirable to continue to hold these Units in their inventories. Factors which the Sponsors will consider in making this determination will include the number of units of all series of all funds which they hold in their inventories, the salability of the units and their estimate of the time required to sell the units and general market conditions. For a description of certain consequences of any redemption for remaining Holders, see Redemption.

A Holder who wishes to dispose of his Units should inquire of his bank or broker as to current market prices in order to determine if there exist over-the-counter prices in excess of the redemption price and the repurchase price (see Redemption).

REDEMPTION

While it is anticipated that Units in most cases can be sold in the over-the-counter market for an amount at least equal to the Redemption Price per Unit (see Market for Units), Units may be redeemed at the office of the Trustee upon tender on any business day, as defined under Public Sale of Units--Public Offering Price, of Certificates or, in the case of uncertificated Units, delivery of a request for redemption, and payment of any relevant tax, without any other fee (Section 5.02). Certificates to be redeemed must be properly endorsed or accompanied by a written instrument or instruments of transfer. Holders must sign exactly as their names appear on the face of the Certificate with the signatures guaranteed by an eligible guarantor institution or in some other manner acceptable to the Trustee. In certain instances the Trustee may require additional documents including, but not limited to, trust instruments, certificates of death, appointments as executor or administrator or certificates of corporate authority.

On the seventh calendar day following the tender (or if the seventh calendar day is not a business day on the first business day prior thereto), the Holder will be entitled to receive the proceeds of the redemption in an amount per Unit equal to the Redemption Price per Unit (see below) as determined as of the day of tender. The Trustee is authorized in its discretion, if the Sponsors do not elect to repurchase any Units tendered for redemption or if the Sponsors tender Units for redemption, to sell the Units in the over-the-counter market at prices which will return to the Holder a net amount in cash equal to or in excess of the Redemption Price per Unit for the Units (Section 5.02).

The Trustee is empowered to sell Securities at the expense of the Fund in order to make funds available for redemption (Section 5.02) if funds are not otherwise available in the Capital and Income Accounts to meet redemptions (see Administration of the Fund--Accounts and Distributions). The Securities to be sold will be selected by the Trustee in order to maintain, to the extent practicable, the proportionate relationship among the number of shares of each Security and of any Other Fund Units. Provision is made in the Indenture under which the Sponsors may, but need not, specify minimum amounts in which blocks of Securities are to be sold in order to obtain the best price for the Fund. While these minimum amounts may vary from time to time in accordance with market conditions, the Sponsors believe that the minimum amounts which would be specified would be approximately 100 shares for readily marketable Securities.

To the extent that Securities are redeemed or sold, the size and diversity of the Fund will be reduced but each remaining Unit will continue to represent approximately the same proportional interest in each Security. Sales will usually be required at a time when Securities would not otherwise be sold and may result in lower prices than might otherwise be realized. The price received upon redemption may be more or less than the amount paid by the Holder depending on the value of the Securities in the Portfolio at the time of redemption. In addition, because of the minimum amounts in which Securities are required to be sold, the proceeds of sale may exceed the amount required at the time to redeem Units; these excess proceeds will be distributed to Holders unless reinvested in Additional Securities (see Administration of the Fund--Accounts and Distributions).

The right of redemption may be suspended and payment postponed (1) for any period during which the New York Stock Exchange, Inc. is closed other than for customary weekend and holiday closings or (2) for any period during which, as determined by the Securities and Exchange Commission, (i) trading on that Exchange is restricted or (ii) an emergency exists as a result of which disposal or evaluation of the Securities is not reasonably practicable, or (3) for any other periods which the Commission may by order permit (Section 5.02).

Redemption in Kind--CONCEPT SERIES AND MERRILL LYNCH EQUITY TRUST only. Holders tendering Units for redemption may request distribution in kind from the Trustee in lieu of cash redemption. A Holder may request distribution in kind of an amount and value of Securities per Unit equal to the Redemption Price per Unit as determined as of the Evaluation Time next following the tender, provided that the tendering Holder is entitled to receive at least 10 shares of each Security in the Portfolio as part of his distribution. If the Holder can receive this requisite number of shares, the distribution in kind on redemption of Units will be held by a distribution agent (the 'Distribution Agent') for the account of, and for disposition in accordance with the instructions of, the tendering Holder. The tendering Holder shall be entitled to receive whole shares of each of the Securities comprising the Portfolio and cash from the Capital Account equal to the fractional shares to which the tendering Holder is entitled. Any brokerage commissions on sales of the underlying Securities distributed in connection with in kind redemptions will be borne by the tendering Holder. In implementing these redemption procedures, the Trustee and Distribution Agent shall make any adjustments necessary to reflect differences between the Redemption Price of the Units and the value of the Securities distributed in kind as of the date of tender. If funds in the Capital Account are insufficient to cover the required cash distribution to the tendering Holder, the Trustee may sell Securities according to the criteria discussed above. For Concept Series, a Holder must have elected to redeem prior to the date specified under Redemption in Kind in Part A. The in kind redemption option may be terminated by the Sponsors at any time upon notice to Holders.

COMPUTATION OF REDEMPTION PRICE PER UNIT

Redemption Price per Unit is computed by the Trustee, as of the Evaluation Time, on each June 30 and December 31 (or the last business day prior thereto), on any day on which the New York Stock Exchange is open as of the Evaluation Time next following the tender of any Unit for redemption, and on any other business day desired by the Trustee or the Sponsors, by adding (a) the aggregate value of the Securities as determined by the Trustee and (b) cash on hand in the Fund (other than cash covering contracts to purchase Securities) including dividends receivable on stocks trading ex-dividend and deducting therefrom the sum of (x) taxes or other governmental charges against the Fund not previously deducted, (y) accrued fees and expenses of the Trustee (including legal and auditing expenses), the Sponsors and counsel, and certain other expenses and (z) cash held for distribution to Holders of record as of a date prior to the evaluation; and dividing the result by the number of Units outstanding as of the date of computation (Section 5.01).

The aggregate value of the Securities is determined in good faith by the Trustee in the following manner: if the Securities are listed on a national securities exchange or the NASDAQ national market system, or a foreign securities exchange, this evaluation is generally based on the closing sale prices on that exchange or that system (unless the Trustee deems these prices inappropriate as a basis for valuation) or, if there is no closing sale price on that exchange or system, at the mean between the closing bid and asked prices. If the Securities are not so listed or, if so listed and the principal market therefor is other than on the exchange, the evaluation shall generally be based on the current bid price on the over-the-counter market (unless the Trustee deems these prices inappropriate as a basis for evaluation). If current bid prices are unavailable, the evaluation is generally determined (a) on the basis of current bid prices for comparable securities, (b) by appraising the value of the Securities on the bid side of the market or (c) by any combination of the above.

EXPENSES AND CHARGES

FEES

An estimate of the total annual expenses of the Fund is set forth under Investment Summary in Part A. The Sponsors' Portfolio Supervision Fee, which is an annual fee equal to the lesser of the cost to the Sponsors of supplying supervisory services and the maximum amount set forth under Investment Summary in Part A, is based on the average of the largest number of Units outstanding at any time during each month of a calendar year in which additional Securities are deposited in the Fund and, thereafter on the largest number of Units outstanding at any time during each annual period. The Sponsors' Portfolio Supervision Fee, which is not to exceed the maximum amount set forth under Investment Summary in Part A, may exceed the actual costs of providing portfolio supervisory services for this Fund, but at no time will the total amount they receive for portfolio supervisory services rendered to all series of Defined Asset Funds--Equity Income Fund in any calendar year exceed the aggregate cost to them of supplying these services in that year (Section 7.06). In addition, the Sponsors may also be reimbursed for bookkeeping or other administrative services provided to the Fund in amounts not exceeding their costs of providing these services (Sections 3.04 and 7.06). The Trustee receives for its services as Trustee, and for reimbursement of expenses incurred on behalf of the Fund, payable in monthly installments, the amount shown as the Trustee's Annual Fee and Expenses under Investment Summary in Part A which includes the Sponsors' Portfolio Supervision Fee, estimated reimbursable bookkeeping or other administrative expenses paid to the Sponsors and including certain auditing, printing and mailing expenses. Expenses in excess of the amount so included will be borne by the Fund. The Trustee also receives benefits to the extent that it holds funds on deposit in the various non-interest bearing accounts created under the Indenture. The foregoing fees may be adjusted for inflation in accordance with the terms of the Indenture without approval of Holders (Sections 4.02, 7.06 and 8.05).

OTHER CHARGES

Other charges which may be incurred by the Fund include: (a) fees of the Trustee for extraordinary services (Section 8.05), (b) certain extraordinary expenses of the Trustee (including legal and auditing expenses) and of counsel designated by the Sponsors (Sections 3.04, 3.10, 8.01[e], 8.03 and 8.05), (c) various governmental charges (Sections 3.03 and 8.01[h]), (d) expenses and costs of action taken to protect the Fund and the rights and interests of Holders (Sections 7.06 and 8.01[d]), (e) indemnification of the Trustee for any losses, liabilities and expenses incurred without gross negligence, bad faith or willful misconduct on its part (Section 8.05), (f) indemnification of the Sponsors for any losses, liabilities and expenses incurred without gross negligence, bad faith or willful misconduct (Section 7.05[b]) and (g) expenditures incurred in contacting Holders upon termination of the Fund (Section 9.02). The amounts of these charges and fees are secured by a lien on the Fund and, if the balances in the Income and Capital Accounts (see below) are insufficient, the Trustee has the power to sell Securities to pay these amounts (Section 8.05).

ADMINISTRATION OF THE FUND

RECORDS

The Trustee keeps a register of the names, addresses and holdings of all Holders. The Trustee also keeps records of transactions of the Fund, including a current list of the Securities and a copy of the Indenture, which

records are available to Holders for inspection at the office of the Trustee at reasonable times during business hours (Sections 8.02 and 8.04).

ACCOUNTS AND DISTRIBUTIONS

Dividends payable to the Fund are credited by the Trustee to an Income Account, as of the date on which the Fund is entitled to receive the dividends as a Holder of record of the Securities. Other receipts, including amounts received upon the sale of rights pursuant to Section 3.08 of the Indenture, are credited to a Capital Account (Sections 3.01 and 3.02). The Income Distribution for each Holder as of each Record Day will be made on the following Distribution Day or shortly thereafter and shall consist of an amount substantially equal to the Holder's pro rata share of the distributable cash balance in the Income Account, after deducting estimated expenses. There is no assurance that actual distributions will be made since all dividends received may be used to pay expenses.

An amount equal to any capital gain net income (i.e., the excess of capital gains over capital losses) recognized by the Fund in any taxable year will generally be distributed to Holders shortly after the end of the year. Proceeds received from the disposition of any of the Securities which are not used to make the distribution of capital gain net income, for redemption of Units or reinvested in Additional Securities will generally be held in the Capital Account to be distributed on the next succeeding Distribution Day. The first distribution for persons who purchase Units between a Record Day and a Distribution Day will be made on the second Distribution Day following their purchase of Units. No distribution other than capital gains need be made from the Capital Account if the balance therein is less than the amount specified under Investment Summary in Part A (Section 3.04). A Reserve Account may be created by the Trustee by withdrawing from the Income or Capital Accounts, from time to time, those amounts as it deems requisite to establish a reserve for any taxes or other governmental charges that may be payable out of the Fund (Section 3.03). Funds held by the Trustee in the various accounts created under the Indenture do not bear interest (Section 8.01).

REINVESTMENT PLAN--UTILITY STOCK SERIES AND MERRILL LYNCH EQUITY TRUST

Monthly income distributions, annual distributions of any capital gain net income (i.e., the excess of capital gains over capital losses) and other capital distributions in respect of the Units may be reinvested by participating in the Fund's reinvestment plan (the 'Reinvestment Plan'). A Holder (including any Holder which is a broker or nominee of a bank or other financial institution) may indicate to the Trustee, by filing the written notice of election accompanying this Prospectus or by notice to the Holder's account executive or sales representative, that he wishes such distributions to be automatically invested in additional Units (or fractions thereof) of the Fund. The Holder's completed notice of election to participate in the Reinvestment Plan must be received by the Trustee at least ten days prior to the Record Date applicable to any distribution in order for the Reinvestment Plan to be in effect as to such distribution and will remain effective until notice to the contrary is timely received by the Trustee.

Such distributions, to the extent reinvested in the Fund, will be used by the Trustee to purchase additional Securities in proportions sufficient to maintain, as closely as practicable, the proportionate relationship (subject to adjustment under certain circumstances) among the number of shares of each Stock and the number of any Other Fund Units in the Fund (see Administration of the Fund--Portfolio Supervision). In the event an issuer of a Security has a shareholder dividend reinvestment plan, a stock purchase plan or a similar plan under which its shareholders may automatically reinvest their dividends or invest optional cash payments in additional shares of the issuer's common or preferred stock without brokerage commission or service charge or otherwise on a basis

favorable to the shareholder in the opinion of the Sponsors, the Fund (as a shareholder of such issuer) upon the direction of the Sponsors may participate in such plans to the extent practicable given the other restrictions on the purchase of additional Securities even if such participation temporarily results in the proportionate relationship of the Securities not being maintained.

Purchases made pursuant to the Reinvestment Plan will be at the applicable Public Offering Price for Units of the Fund, less the applicable sales charge, determined as of the close of business on the Distribution Date. Under the Reinvestment Plan, the Fund will pay the distributions to the Trustee or Distribution Agent which in turn will purchase for the Holder full and fractional Units of the Fund at the price and time indicated above, will add the Units to the Holder's account, and will send the Holder an account statement reflecting the reinvestment. These Units may be Units already held in inventory by the Sponsors (see Market for Units) or new Units created by the Sponsors' deposit of additional securities, contracts to purchase additional Securities, or cash (or a bank letter of credit in lieu of cash) with instructions to purchase additional Securities (see Description of the Fund-- The Portfolio).

The Trustee will issue Certificates for whole units purchased through the Reinvestment Plan only if the Holder so requests in writing. Certificates will not be issued for fractional units. When Certificates are not issued the Trustee will credit each Holder's account with the number of units purchased with such Holder's reinvested distribution. Each Holder receives account statements both annually and after each Reinvestment Plan transaction to provide the Holder with a record of the total number of units in his account. This relieves the Holder of responsibility for safekeeping of Certificates and, should he sell his units, eliminates the need to deliver certificates. The Holder may at any time request the Trustee (at the Fund's cost) to issue Certificates for full units. The cost of administering the Reinvestment Plan will be borne by the Fund and thus will be borne indirectly by all Holders.

Certain of the shareholder dividend reinvestment, stock purchase or similar plans maintained by issuers of the Securities in the Portfolio offer shares pursuant to such plans at a discount from market value. The Trustee is required by applicable provisions of the Code to distribute pro rata to all Holders (i.e., not just to those Holders participating in the Reinvestment Program) the income attributable to such discounts.

Holders of Units held in 'street name' by their broker or dealer should contact their account executive or sales representative to determine whether or not participation in the Reinvestment Plan through that broker or dealer is available. Holders of Units participating in the Reinvestment Plan through their broker or dealer will receive confirmation of their reinvestments in their regular account statements or on a quarterly basis.

PORTFOLIO SUPERVISION

The Fund is a unit investment trust and is not an actively managed fund. Traditional methods of investment management for a managed fund typically involve frequent changes in a portfolio of securities on the basis of economic, financial and market analyses. The Portfolio of the Fund, however, will not be actively managed and therefore the adverse financial condition of an issuer will not necessarily require the sale of its Securities from the Portfolio. In the event a public tender offer is made for a Security or a merger or acquisition is announced affecting a Security, Merrill Lynch, as agent for the Sponsors, may instruct the Trustee to tender or sell the Security on the open market when in its opinion it is in the best interest of the Holders of the Units to do so. The proceeds realized from the tender offer or the sale of any Security will be distributed to the Holders. The Sponsors may also direct the disposition of Securities upon institution of certain legal proceedings, default under certain

documents materially and adversely affecting future declaration or payment of amounts due, or decline in price or the occurrence of other market or credit factors that in the opinion of the Sponsors would make the retention of these Securities detrimental to the interest of the Holders, or if the disposition of these Securities is necessary in order to enable the Fund to make distributions of the Fund's capital gain net income or desirable in order to maintain the qualification of the Fund as a 'regulated investment company' under the Code (Section 3.08). Securities will not be sold solely based on the environmental performance of the issuers.

The Sponsors are also authorized to direct the reinvestment of the proceeds of the sale of Securities, as well as moneys held to cover the purchase of Securities pursuant to contracts which have failed, in Additional Securities or in Replacement Securities. The Replacement Securities must satisfy certain conditions specified in the Indenture including, among other conditions, requirements that the Replacement Securities shall be selected by the Sponsors from a list of securities maintained by them and updated from time to time; shall be publicly-traded stocks that meet the original selection criteria of the Fund; shall be issued by an issuer subject to or exempt from the reporting requirements under Section 13 or 15(d) of the Securities Exchange Act of 1934 (or similar provisions of law); and have, in the opinion of the Sponsors, characteristics sufficiently similar to the characteristics of the other

Securities in the Fund as to be acceptable for acquisition by the Fund. The Indenture also requires that the purchase of the Replacement Securities will not (i) disqualify the Fund as a regulated investment company under the Code, (ii) result in more than 10% of the Fund consisting of securities of a single issuer (or of two or more issuers which are Affiliated Persons as this term is defined in the Investment Company Act of 1940) which are not registered and are not being registered under the Securities Act of 1933 or (iii) result in the Fund owning more than 50% of any single issue which has been registered under the Securities Act of 1933 (Section 3.11). Whenever a Security has been eliminated by the Fund, the Trustee shall, within five days thereafter, notify all Holders of the sale of the Security eliminated and the acquisition of the Replacement Security. If Replacement Securities are not acquired, the Sponsors will, on or before the next following Distribution Day, cause to be refunded the attributable sales charge, plus the attributable Cost of Securities to Fund listed under Portfolio in Part A, plus income attributable to the Failed Security.

The Indenture also authorizes the Sponsors to increase the size and number of Units of the Fund by the deposit of Additional Securities, contracts to purchase Additional Securities or cash or a letter of credit with instructions to purchase Additional Securities in exchange for the corresponding number of additional Units subsequent to the Initial Date of Deposit, provided that the original proportionate relationship among the number of shares of each Stock and of any Other Fund Units established on the Initial Date of Deposit (the 'Original Proportionate Relationship') is maintained to the extent practicable.

With respect to deposits of Additional Securities (or cash or a letter of credit with instructions to purchase Additional Securities), in connection with creating additional Units of the Fund, the Sponsors may specify the minimum numbers in which Additional Securities will be deposited or purchased. If a deposit is not sufficient to acquire minimum amounts of each Security, Additional Securities may be acquired in the order of the Security most under-represented immediately before the deposit when compared to the Original Proportionate Relationship. If Securities of an issue originally deposited are unavailable at the time of subsequent deposit, or cannot be purchased at reasonable prices or their purchase is prohibited or restricted by law, regulation or policies applicable to the Fund or any of the Sponsors, the Sponsors may (1) deposit cash or a letter of credit with instructions to purchase the Security when practicable, or (2) deposit (or instruct the Trustee to purchase) either Securities of one or more other issues originally deposited or a Replacement Security that satisfies the conditions for Replacement Securities set forth above.

REPORTS TO HOLDERS

With each distribution, the Trustee will furnish Holders with a statement of the amounts of income and the amounts of other receipts, if any, which are being distributed, expressed in each case as a dollar amount per Unit. After the end of each calendar year and following the termination of the Fund, the Trustee will furnish to each person who at any time during the calendar year was a Holder of record, a statement (i) summarizing transactions for that year in the Income and Capital Accounts, (ii) identifying Securities sold and purchased during the year and listing Securities held and the number of Units outstanding at the end of that calendar year, (iii) stating the Redemption Price per Unit based upon the computation thereof made at the end of that calendar year and (iv) specifying the amounts distributed during that calendar year from the Income and Capital Accounts (Section 3.07). The accounts of the Fund shall be audited at least annually by independent certified public accountants designated by the Sponsors and the report of the accountants shall be furnished by the Trustee to Holders upon request (Section 8.01[e]).

CERTIFICATES

Certain of the Sponsors may collect additional charges for registering and shipping certificates to purchasers. These Certificates are transferable or interchangeable upon presentation at the office of the Trustee, with a payment of $2.00 if required by the Trustee (or other amounts specified by the Trustee and approved by the Sponsors) for each new Certificate and any sums payable for taxes or other governmental charges imposed upon the transaction (Section 6.01) and compliance with the formalities necessary to redeem Certificates (see Redemption). Mutilated, destroyed, stolen or lost Certificates will be replaced upon delivery of satisfactory indemnity and payment of expenses incurred (Section 6.02).

AMENDMENT

The Sponsors and Trustee may amend the Indenture, without the consent of the Holders, (a) to cure any ambiguity or to correct or supplement any provision thereof which may be defective or inconsistent, (b) to change any provision thereof as may be required by the Securities and Exchange Commission or any successor governmental agency, (c) to add or change any provision as may be necessary or advisable for the continuing qualification of the Fund as a regulated investment company under the Code or (d) to make any other provisions which do not materially adversely affect the interest of the Holders (as determined in good faith by the Sponsors). The Indenture may also be amended in any respect by the Sponsors and the Trustee, or any of the provisions thereof may be waived, with the consent of the Holders of 51% of the Units, provided that none of these amendments or waivers will reduce the interest in the Fund of any Holder without the consent of the Holder or reduce the percentage of Units required to consent to any of these amendments or waivers without the consent of all Holders (Section 10.01).

TERMINATION--UTILITY STOCK SERIES

The Indenture will terminate upon the sale, or other disposition of the last Security held thereunder but in no event is it to continue beyond the mandatory termination date set forth under Investment Summary in Part A. The Indenture may be terminated by the Sponsors if the value of the Fund is less than the minimum value set forth under Investment Summary in Part A, and may be terminated at any time by Holders of 51% of the Units (Sections 8.01[g] and 9.01). The Trustee will deliver written notice of any termination to each Holder within a reasonable period of time prior to the termination, specifying the times at which the Holders may surrender their

Certificates for cancellation. Within a reasonable period of time after the termination, the Trustee must sell all of the Securities then held and distribute to each Holder, upon surrender for cancellation of his Certificates and after deductions for accrued but unpaid fees, taxes and governmental and other charges, the Holder's interest in the Income and Capital Accounts (Section 9.01). This distribution will normally be made by mailing a check in the amount of each Holder's interest in these accounts to the address of the Holder appearing on the record books of the Trustee.

TERMINATION--CONCEPT SERIES AND MERRILL LYNCH EQUITY TRUST

No later than the date specified under Liquidation Period under Investment Summary in Part A the Trustee will begin to sell all of the underlying Securities on behalf of Holders in connection with the termination of the Fund. The Sponsor has agreed to perform these sales for the Trustee. The sale proceeds will be net of any incidental expenses involved in the sales.

The Sponsor will attempt to sell the Securities as quickly as it can during the Liquidation Period without in its judgment materially adversely affecting the market price of the Securities, but it is expected that all of the Securities will in any event be disposed of by the end of the Liquidation Period. The Sponsor does not anticipate that the period will be longer than one month, and it could be as short as one day, depending on the liquidity of the Securities being sold. The liquidity of any Security depends on the daily trading volume of the Security and the amount that the Sponsor has available for sale on any particular day.

It is expected (but not required) that the Sponsor will generally follow the following guidelines in selling the Securities: for highly liquid Securities, the Sponsor will generally sell Securities on the first day of the Liquidation Period; for less liquid Securities, on each of the first two days of the Liquidation Period, the Sponsor will generally sell any amount of any underlying Securities at a price no less than 1/2 of one point under the last closing sale price of those Securities. Thereafter, the price limit will increase to one point under the last closing sale price. After four days, the Sponsor currently intends to sell at least a fraction of the remaining underlying Securities, the numerator of which is one and the denominator of which is the total number of days remaining (including that day) in the Liquidation Period without any price restrictions. Of course, no assurances can be given that the market value of the Securities will not be adversely affected during the Liquidation Period.

The Fund might reduce to the Minimum Value of Fund listed on pA-2 because of the lesser number of Units in the Fund, and possibly also due to a value reduction, however temporary, in Units caused by the Sponsor's sales of Securities (see ~Investment Summary--Termination); if so, the Sponsor could then choose to liquidate the Fund without the consent of the remaining Holders. (See Fund Structure.)

The Indenture will terminate upon the sale or other disposition of the last Security held thereunder but in no event is it to continue beyond the mandatory termination date set forth under Investment Summary in Part A. The Indenture may be terminated by the Sponsor if the value of the Fund is less than the minimum value set forth under Investment Summary in Part A, and may be terminated at any time by Holders of 51% of the Units (Sections 8.01[g] and 9.01). The Trustee will deliver written notice of any termination to each Holder within a reasonable period of time prior to the termination, specifying the times at which the Holders may surrender their Certificates for cancellation. Within a reasonable period of time after the termination, the Trustee must sell all of the Securities then held and distribute to each Holder, upon surrender for cancellation of his Certificates and after deductions for accrued but unpaid fees, taxes and governmental and other charges, the Holder's interest in the Income and Capital Accounts (Section 9.01). This distribution will normally be made by mailing a check in the

amount of each Holder's interest in these accounts to the address of the Holder appearing on the record books of the Trustee.

RESIGNATION, REMOVAL AND LIMITATIONS ON LIABILITY

TRUSTEE

The Trustee or any successor may resign upon notice to the Sponsors. The Trustee may be removed upon the direction of the Holders of 51% of the Units at any time or by the Sponsors without the consent of any of the Holders if the Trustee becomes incapable of acting or becomes bankrupt or its affairs are taken over by public authorities. The resignation or removal shall become effective upon the acceptance of appointment by the successor which may, in the case of a resigning or removed Co-Trustee, be one or more of the remaining Co-Trustees. In case of resignation or removal the Sponsors are to use their best efforts to appoint a successor promptly and if upon resignation of the Trustee no successor has accepted appointment within thirty days after notification, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor (Section 8.06). The Trustee shall be under no liability for any action taken in good faith in reliance on prima facie properly executed documents or for the disposition of monies or Securities, nor shall it be liable or responsible in any way for depreciation or loss incurred by reason of the sale of any Security. This provision, however, shall not protect the Trustee in cases of willful misfeasance, bad faith, gross negligence or reckless disregard of its obligations and duties. In the event of the failure of the Sponsors to act, the Trustee may act under the Indenture and shall not be liable for any of these actions taken in good faith. The Trustee shall not be personally liable for any taxes or other governmental charges imposed upon or in respect of the Securities or upon the interest thereon. In addition, the Indenture contains other customary provisions limiting the liability of the Trustee (Sections 3.07, 3.10, 8.01 and 8.05).

SPONSORS

Any Sponsor may resign if one remaining Sponsor maintains a net worth of $2,000,000 and is agreeable to the resignation (Section 7.04). A new Sponsor may be appointed by the remaining Sponsors and the Trustee to assume the duties of the resigning Sponsor. If there is only one Sponsor and it shall fail to perform its duties or becomes incapable of acting or becomes bankrupt or its affairs are taken over by public authorities, then the Trustee may (a) appoint a successor Sponsor at rates of compensation deemed by the Trustee to be reasonable and as may not exceed amounts prescribed by the Securities and Exchange Commission, or (b) terminate the Indenture and liquidate the Fund or (c) continue to act as Trustee without terminating the Indenture (Section 8.01[f]). Merrill Lynch has been appointed by the other Sponsors as agent for purposes of taking action under the Indenture (Section 7.01). If the Sponsors are unable to agree with respect to action to be taken jointly by them under the Indenture and they cannot agree as to which Sponsor shall continue to act as sole Sponsor, then Merrill Lynch shall continue to act as sole Sponsor (Section 7.02[b]). If one of the Sponsors fails to perform its duties or becomes incapable of acting or becomes bankrupt or its affairs are taken over by public authorities, then that Sponsor is automatically discharged and the other Sponsors shall act as sole Sponsors (Section 7.02[a]). The Sponsors shall be under no liability to the Fund or to the Holders for taking any action or for refraining from taking any action in good faith or for errors in judgment and shall not be liable or responsible in any way for depreciation or loss incurred by reason of the sale of any Security. This provision, however, shall not protect the Sponsors in cases of willful misfeasance, bad faith, gross negligence or reckless disregard of their obligations and duties (Section 7.05). The Sponsors and their successors are jointly and severally liable under the Indenture. A

Sponsor may transfer all or substantially all of its assets to a corporation or partnership which carries on its business and duly assumes all of its obligations under the Indenture and in that event it shall be relieved of all further liability under the Indenture (Section 7.03).

MISCELLANEOUS

TRUSTEE

The Trustee of the Fund is named on the back cover of this Prospectus and is either The Bank of New York, a New York banking corporation with its Unit Investment Trust Department at 101 Barclay Street, New York, New York 10286 (which is subject to supervision by the New York Superintendent of Banks, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System); Bankers Trust Company, a New York banking corporation with its corporate trust office at Four Albany Street, 7th Floor, New York, New York 10015 (which is subject to supervision by the New York Superintendent of Banks, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System); The Chase Manhattan Bank, N.A., a national banking association with its corporate trust office at 1 Chase Manhattan Plaza--3B, New York, New York 10005 (which is subject to supervision by the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System); or (acting as Co-Trustees) Investors Bank & Trust Company, a Massachusetts trust company with its unit investment trust servicing group at One Lincoln Plaza, Boston, Massachusetts 02111 (which is subject to supervision by the Massachusetts Commissioner of Banks, The Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System) and The First National Bank of Chicago, a national banking association with its corporate trust office at One First National Plaza, Suite 0126, Chicago, Illinois 60670-0126 (which is subject to supervision by the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System).

LEGAL OPINION

The legality of the Units has been passed upon by Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, as special counsel for the Sponsors. Emmet, Marvin & Martin, 48 Wall Street, New York, New York 10005, act as counsel for The Bank of New York, as Trustee. Bingham, Dana & Gould, 150 Federal Street, Boston, Massachusetts 02110, act as counsel for The First National Bank of Chicago and Investors Bank & Trust Company, as Co-Trustees. Hawkins Delafield & Wood, 67 Wall Street, New York, New York 10005, act as counsel for Bankers Trust Company, as Trustee.

AUDITORS

The Statement of Condition, including the Portfolio of the Fund, included herein has been audited by Deloitte & Touche, independent accountants, as stated in their opinion appearing herein and has been so included in reliance upon that opinion given on the authority of that firm as experts in accounting and auditing.

SPONSORS

Each Sponsor is a Delaware corporation and is engaged in the underwriting, securities and commodities brokerage business and is a member of the New York Stock Exchange, Inc., other major securities exchanges and commodity exchanges, and the National Association of Securities Dealers, Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Asset Management, Inc., a Delaware corporation and subsidiary of Merrill

Lynch & Co., Inc., the parent of Merrill Lynch, Pierce, Fenner & Smith Incorporated, are engaged in the investment advisory business. Shearson Lehman Brothers Inc. is a wholly-owned subsidiary of Shearson Lehman Brothers Holdings Inc. ('Holdings'). American Express Company owns 100 percent of Holdings' issued and outstanding Common Stock, which represents approximately 92 percent of Holdings' issued and outstanding voting stock. The remainder of Holdings' issued and outstanding voting stock is owned by Nippon Life Insurance Company. Prudential Securities Incorporated, a wholly-owned subsidiary of Prudential Securities Group Inc. and an indirect wholly-owned subsidiary of the Prudential Insurance Company of America, is engaged in the investment advisory business. Dean Witter Reynolds Inc., a wholly owned subsidiary of Dean Witter Financial Services and an indirectly wholly-owned subsidiary of Sears, Roebuck and Co., is engaged in the investment advisory business. PaineWebber Incorporated is engaged in the investment advisory business and is a wholly owned subsidiary of PaineWebber Group Inc. Each Sponsor, or one of its predecessor corporations, has acted as a Sponsor of a number of series of unit investment trusts. Each Sponsor has acted as principal underwriter and managing underwriter of other investment companies. The Sponsors, in addition to participating as members of various selling groups or as agents of other investment companies, execute orders on behalf of investment companies for the purchase and sale of securities of these companies and sell securities to these companies in their capacities as brokers or dealers in securities.

The Sponsors have maintained secondary markets in these funds for over 20 years. For decades informed investors have purchased unit investment trusts for dependability and professional selection of investments. Different Defined Asset Funds offer an array of investment choices, suited to fit a wide variety of personal financial goals--a buy and hold strategy for capital accumulation, such as for children's education or a nest egg for retirement, or attractive, regular current income consistent with relative protection of capital. There are Defined Asset Funds to meet the needs of just about any investor. Unit investment trusts are particularly suited for the many investors who prefer to seek long-term profits by purchasing sound investments and holding them, rather than through active trading. Few individuals have the knowledge, resources or capital to buy and hold a diversified portfolio on their own; it would generally take a considerable sum of money to obtain comparable breadth and diversity. Sometimes it takes a combination of Defined Asset Funds to plan for your objectives.

One of your most important investment decisions may be how you divide your money among asset classes. Spreading your money among different kinds of investments can balance the risks and rewards of each one. Most investment experts recommend stocks for long-term capital growth. For attractive income consider long-term corporate bonds. By combining both stock and bond funds, investors can receive attractive current income and growth potential, offering some protection against inflation.

This chart shows the average annual compounded rate of return of selected asset classes over the 10-year and 20-year periods ending December 31, 1991, compared to the rate of inflation over the same periods. Of course, this chart represents past performance of these investments and is no guarantee of future results of the Funds. Funds also have sales charges and expenses.

Stocks (S&P 500)
20 yr 11.89%
10 yr 17.59%
Small-company stocks
20 yr 14.58%
10 yr 11.97%
Long-term corporate bonds
20 yr 9.43%
10 yr 16.27%
U.S. Treasury bills (short-term)
20 yr 7.72%
10 yr 7.65%
Consumer Price Index
20 yr 6.24%
10 yr 3.91%
0 2 4 6 8 10
12 14 16 18%

Source: Ibbotson Associates

By purchasing Defined Asset Funds, investors not only avoid the responsibility of selecting individual securities by themselves, but also gain the advantage of a higher degree of safety by holding interests in securities of several different issuers. Spreading your investment among different securities and issuers reduces your risk, but does not eliminate it. Defined Municipal Bond Funds offer a simple and convenient means for investors to earn monthly income free from regular Federal income tax. When individual bonds are called or mature, investors might consider reinvesting their proceeds in Defined Municipal Bond Funds. The securities in managed funds continually change. In Defined Asset Funds, the portfolio is defined, so that generally the securities, maturities, call dates and rating are known before you buy. The defined portfolio of securities listed in the prospectus and regular income distributions make Defined Bond Funds a dependable investment. Investors know when they buy what their estimated income, current and long-term returns will be, subject to credit and market risks on the bonds or if the fund portfolio or expenses change.

Investors buy bonds for dependability--they know what they can expect to earn and that principal is distributed as the bonds mature. Defined Bond Funds can offer most of these benefits, with steady income and a yield and maturity similar to owning bonds directly. The tax exemption of municipal securities, which makes them attractive to high-bracket taxpayers, is offered by Defined Municipal Investment Trusts. Defined Corporate

Income Funds, with higher current returns than municipal or government funds, are suitable for IRAs and other tax-advantaged accounts and offer investors a simple and convenient way to earn monthly income. Defined Government Securities Income Funds offer investors a simple and convenient way to participate in markets for Government securities while earning an attractive current return. Defined International Bond Funds, invested in bonds payable in foreign currencies, offer a potential to profit from changes in currency values and possibly from interest rates higher than paid on comparable US bonds, but investors incur a higher risk for these potentially greater returns. Historically, stocks have offered a potential for growth of capital, and thus some protection against inflation, over the long term. Defined Equity Income Funds offer a smart, sensible way to participate in the stock market. The S&P Index Trusts offer a convenient and inexpensive way to participate in broad market movements. Concept Series seek to capitalize on selected anticipated economic, political or business trends. Utility Series, consisting of issuers with established reputations for regular cash dividends, seek to benefit from dividend increases.

EXCHANGE OPTION

ELECTION

Holders may elect to exchange any or all of their Units of this Series for units of one or more of the series of Funds listed in the table set forth below (the 'Exchange Funds'), which normally are sold at prices which include the sales charge indicated in the table. Certain series of the Funds listed have lower maximum applicable sales charges than those stated in the table; also the rates of sales charges may be changed from time to time. No series with a maximum applicable sales charge of less than 3.50% of the public offering price is eligible to be acquired under Exchange Option, with the following exceptions: (1) Freddie Mac Series may be acquired by exchange during the initial offering period from any of the Exchange Funds listed in the table. (2) Units of this Fund may be acquired at the exchange fee listed in the table by holders of Defined Asset Funds--Equity Income Fund, Investment Philosophy Series, which units normally have a sales charge of 3.25%. Units of the Exchange Funds may be acquired at prices which include the reduced sales charge for Exchange Fund units listed in the table, subject, however, to these important limitations:

First, there must be a secondary market maintained by the Sponsors in units of the series being exchanged and a primary or secondary market in units of the series being acquired and there must be units of the applicable Exchange Fund lawfully available for sale in the state in which the Holder is resident. There is no legal obligation on the part of the Sponsors to maintain a market for any units or to maintain the legal qualification for sale of any of these units in any state or states. Therefore, there is no assurance that a market for units will in fact exist or that any units will be lawfully available for sale on any given date at which a Holder wishes to sell his Units of this Series and thus there is no assurance that the Exchange Option will be available to any Holder.

Second, when units subject to a deferred sales charge are exchanged for units subject to a front-end sales charge, the sales charge will be the greater of (a) the reduced sales charge set forth in the table below or (b) the difference between sales charges paid with respect to the units being exchanged and the regular sales charge for the quantity of units being acquired, determined as of the date of the exchange. When units held for at least eight months are exchanged for units of a fund with a deferred sales charge, the exchange fee of $15 per 1,000 Units will be collected from the proceeds of the exchange and the units acquired will be subject to any continuing deferred sales charge.

Third, exchanges will be effected in whole units only. If the proceeds from the Units being surrendered are less than the cost of a whole number of units being acquired, excess cash insufficient to purchase an additional whole unit will be returned to the exchanging Holder.

Fourth, the Sponsors reserve the right to modify, suspend or terminate the Exchange Option at any time without further notice to Holders. In the event the Exchange Option is not available to a Holder at the time he wishes to exercise it, the Holder will be immediately notified and no action will be taken with respect to his Units without further instruction from the Holder.

PROCEDURES

To exercise the Exchange Option, a Holder should notify one of the Sponsors of his desire to use the proceeds from the sale of his Units of this Series to purchase units of one or more of the Exchange Funds. If units of the applicable outstanding series of the Exchange Fund are at that time available for sale, the Holder may select the

series or group of series for which he desires his Units to be exchanged. Of course, the Holder will be provided with a current prospectus or prospectuses relating to each series in which he indicates interest. The exchange transaction will operate in a manner essentially identical to any secondary market transaction, i.e., Units will be repurchased at a price equal to the aggregate bid side evaluation per Unit of the Securities in the Portfolio plus accrued interest. Units of the Exchange Fund will be sold to the Holder at a price equal to the bid side evaluation per 1.000 units of the underlying securities in the Portfolio plus interest plus the applicable sales charge listed in the table below. Units of Defined Asset Funds--Equity Income Fund are sold, and will be repurchased, at a price normally based on the closing sale prices on the New York Stock Exchange, Inc. of the underlying securities in the Portfolio. The maximum applicable sales charges for units of the Exchange Funds are also listed in the table. Excess proceeds not used to acquire whole Exchange Fund units will be paid to the exchanging Holder.

THE EXCHANGE FUNDS

The current return from taxable fixed income securities is normally higher than that available from tax exempt fixed income securities. Certain of the Exchange Funds do not provide for periodic payments of interest and are best suited for purchase by IRA's, Keogh plans, pension funds or other tax-deferred retirement plans. Consequently, some of the Exchange Funds may be inappropriate investments for some Holders and therefore may be inappropriate exchanges for Units of this Series. The table below indicates certain characteristics of each of the Exchange Funds which a Holder should consider in determining whether each Exchange Fund would be an appropriate investment vehicle and an appropriate exchange for Units of this Series.

TAX CONSEQUENCES

An exchange of Units pursuant to the Exchange Option for units of a series of another Fund should constitute a 'taxable event' under the Code, requiring a Holder to recognize a tax gain or loss subject to the following limitation. The Internal Revenue Service may seek to disallow a loss (or a pro rata portion thereof) on an exchange of Units if the units received by a Holder in connection with such an exchange represent securities that are not materially different from the securities that his previous units represented (e.g., both Funds contain securities issued by the same obligor that have the same material terms). Holders are urged to consult their own tax advisers as to the tax consequences to them of exchanging units in particular cases.

In addition, if the exchange of units is made within 90 days of the purchase of the units originally held by the Holder ('Original Units'), a Holder's gain recognized on such exchange will be increased (or loss, if recognized, will be decreased) by the lesser of (a) the sales charge applicable to the Original Units or (b) the reduction in the sales charge on the units received in the exchange ('New Units'). The amount of such increase (or decrease) will be added to the Holder's basis in his New Units and, accordingly, will result in a decreased tax gain or increased tax loss) when the Holder sells his New Units.

EXAMPLE

Assume that a Holder, who has three units of a fund with a 5.50% sales charge and a current price (offering side evaluation plus accrued interest) of $1,100 per unit, sells his units and exchanges the proceeds for units of a series of an Exchange Fund with a current price of $950 per unit and the same sales charge. The proceeds from the Holder's units will aggregate $3,300. Since only whole units of an Exchange Fund may be purchased under the Exchange Option, the Holder would be able to acquire three units in the Exchange Fund for a total cost of $2,895 ($2,850 for units and $45 for the $15 per unit sales charge) and would receive $405 in cash. Were the Holder to

acquire the same number of units at the same time in the regular secondary market maintained by the Sponsors, the price would be $3,006.75 ($2,850 for the units and $156.75 for the 5.50% sales charge).

<TABLE>
<CAPTION>

NAME OF EXCHANGE FUND	MAXIMUM APPLICABLE SALES CHARGE*	REDUCED SALES CHARGE FOR SECONDARY MARKET**
DEFINED ASSET FUNDS--MUNICIPAL INVESTMENT TRUST FUND		
Monthly Payment, State and Multistate Series	5.50%+	$15 per unit
Intermediate Term Series	4.50%+	$15 per unit
Insured Series	5.50%+	$15 per unit
AMT Monthly Payment Series	5.50%+	$15 per unit
DEFINED ASSET FUNDS--EQUITY INCOME FUND		
Utility Common Stock Series	4.50%	$15 per 1,000 units++
Investment Philosophy Series and Select 10 Portfolios	2.75%	$17.50 per 1,000 units
Concept Series	4.00%	$15 per 100 units
DEFINED ASSET FUNDS--GOVERN-MENT SECURITIES INCOME FUND		
GNMA Series (other than those below)	4.25%	$15 per unit
GNMA Series E or other GNMA Series having units with an initial face value of $1.00	4.25%	$15 per 1,000 units
Freddie Mac Series	3.50%	$15 per 1,000 units

</TABLE>

<TABLE>
<CAPTION>

NAME OF EXCHANGE FUND	INVESTMENT CHARACTERISTICS
DEFINED ASSET FUNDS--MUNICIPAL INVESTMENT TRUST FUND	
Monthly Payment, State and Multistate Series	long-term, fixed-rate, tax-exempt income
Intermediate Term Series	intermediate-term, fixed rate, tax-exempt income
Insured Series	long-term, fixed-rate, tax-exempt income, underlying securities insured by insurance companies
AMT Monthly Payment Series	long-term, fixed rate, income exempt from regular income tax but partially subject to Alternative Minimum Tax
DEFINED ASSET FUNDS--EQUITY INCOME FUND	
Utility Common Stock Series	dividends, taxable income, underlying securities are common stocks of public utilities
Investment Philosophy Series and Select 10 Portfolios	underlying securities represent 10 of Dow Jones Industrial Average stocks with highest dividend yield as of date of creation of fund
Concept Series	underlying securities constitute a professionally selected portfolio of common stocks consistent with an investment idea or concept
DEFINED ASSET FUNDS--GOVERN-MENT SECURITIES INCOME FUND	
GNMA Series (other than those below)	long-term, fixed rate, taxable income, underlying securities backed by the full faith and credit of the United States
GNMA Series E or other GNMA Series having units with an initial face value of $1.00	long-term, fixed rate, taxable income, underlying securities backed by the full faith and credit of the United States, appropriate for IRA's or tax-deferred retirement plans
Freddie Mac Series	intermediate term, fixed rate, taxable income, underlying securities are backed by Federal Home Loan Mortgage Corporation but not by U.S. Government

</TABLE>

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* As described in the prospectuses relating to certain Exchange Funds, this sales charge for secondary market sales may be reduced on a graduated scale in the case of quantity purchases.

** The reduced sales charge for Units acquired during their initial offering period is: $20 per unit for Series for which the Reduced Sales Charge for Secondary Market (above) is $15 per unit; $20 per 100 units for Series for which the Reduced Sales Charge for Secondary Market is $15 per 100 Units and $20 per 1,000 units for Series for which the Reduced Sales Charge for

Secondary Market is $15 per 1,000 units.
+ Subject to reduction depending on the maturities of the underlying Securities.
++ The reduced sales charge for the Sixth Utility Common Stock Series of The Equity Income Fund is $15 per 2,000 units and for prior Utility Common Stock Series is $7.50 per unit.

NAME OF EXCHANGE FUND	MAXIMUM APPLICABLE SALES CHARGE*	REDUCED SALES CHARGE FOR SECONDARY MARKET**
DEFINED ASSET FUNDS--MUNICIPAL INCOME FUND		
Insured Discount Series	5.50%	$15 per unit
DEFINED ASSET FUNDS--CORPORATE INCOME FUND		
Monthly Payment Series	5.50%	$15 per unit
Intermediate Term Series	4.00%	$15 per unit
Cash or Accretion Bond Series and SELECT Series	5.50%	$15 per 1,000 units
Select High Yield Series	5.50%	$15 per unit
Insured Series	5.50%	$15 per unit
DEFINED ASSET FUNDS-- INTERNATIONAL BOND FUND		
Multi-Currency Series	5.50%	$15 per unit
Australian and New Zealand Dollar Bonds Series	3.75%	$15 per unit
Australian Dollar Bonds Series	3.75%	$15 per unit
Canadian Dollar Bonds Series	3.50%	$15 per unit

NAME OF EXCHANGE FUND	INVESTMENT CHARACTERISTICS
DEFINED ASSET FUNDS--MUNICIPAL INCOME FUND	
Insured Discount Series	long-term, fixed rate, insured, tax-exempt income, taxable capital gains
DEFINED ASSET FUNDS--CORPORATE INCOME FUND	
Monthly Payment Series	long-term, fixed rate, taxable income
Intermediate Term Series	intermediate-term, fixed rate, taxable income
Cash or Accretion Bond Series and SELECT Series	intermediate-term, fixed rate, underlying securities composed of compound interest obligations principally secured by collateral backed by the full faith and credit of the United States, taxable income, current distributions of new units in lieu of principal or interest with option to sell new units for cash income, appropriate for IRA's or tax-deferred retirement plans
Select High Yield Series	non-investment grade, intermediate and long-term, fixed rate, taxable income
Insured Series	long-term, fixed rate, taxable income, underlying securities are insured
DEFINED ASSET FUNDS-- INTERNATIONAL BOND FUND	
Multi-Currency Series	intermediate-term, fixed rate, payable in foreign currencies, taxable income
Australian and New Zealand Dollar Bonds Series	intermediate-term, fixed rate, payable in Australian and New Zealand dollars, taxable income
Australian Dollar Bonds Series	intermediate-term, fixed rate, payable in Australian dollars, taxable income
Canadian Dollar Bonds Series	short intermediate term, fixed rate, payable in Canadian dollars, taxable income

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* As described in the prospectuses relating to certain Exchange Funds, this sales charge for secondary market sales may be reduced on a graduated scale

in the case of quantity purchases.

** The reduced sales charge for Units acquired during their initial offering period is: $20 per unit for Series for which the Reduced Sales Charge for Secondary Market (above) is $15 per unit; $20 per 100 units for Series for which the Reduced Sales Charge for Secondary Market is $15 per 100 Units and $20 per 1,000 units for Series for which the Reduced Sales Charge for Secondary Market is $15 per 1,000 units.

2/93

DEFINED ASSET FUNDSSM

SPONSORS:
Merrill Lynch,
Pierce, Fenner & Smith Inc.
Unit Investment Trusts
P.O. Box 9051
Princeton, NJ 08543-9051
(609) 282-8500
Smith Barney Shearson Inc.
Unit Trust Department
Two World Trade Center--101st Floor
New York, NY 10048
1-800-298-UNIT
Prudential Securities Incorporated
One Seaport Plaza
199 Water Street
New York, NY 10292
(212) 776-1000
Dean Witter Reynolds Inc.
Two World Trade Center--59th Floor
New York, NY 10048
(212) 392-2222
INDEPENDENT ACCOUNTANTS:
Deloitte & Touche
1633 Broadway
3rd Floor
New York, NY 10019
TRUSTEE:
The Bank of New York
Unit Investment Trust Department
P.O. Box 974
Wall Street Station
New York, NY 10268-0974
1-800-221-7771

EQUITY INCOME FUND
Utility Common Stock Series--8
(A Unit Investment Trust)
PROSPECTUS PART A

This Prospectus does not contain all of the information with respect to the investment company set forth in its registration statement and exhibits relating thereto which have been filed with the Securities and Exchange Commission, Washington, D.C. under the Securities Act of 1933 and the Investment Company Act of 1940, and to which reference is hereby made.

No person is authorized to give any information or to make any representations with respect to this investment company not contained in this Prospectus; and any information or representation not contained herein must not be relied upon as having been authorized. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any state to any person to whom it is not lawful to make such offer in such state.

11827--3/94

DEFINED ASSET FUNDS--EQUITY INCOME FUND

CONTENTS OF REGISTRATION STATEMENT

This Post-Effective Amendment to the Registration Statement on Form S-6 comprises the following papers and documents:

The facing sheet of Form S-6.

The cross-reference sheet (incorporated by reference to the Cross-Reference Sheet to Post-Effective Amendment No. 5 to the Registration Statement on Form S-6 of The Equity Income Fund, Fifth Utility Common Stock Series, 1933 Act File No. 2-68660).

The Prospectus.

The Signatures.

The following exhibit:

1.1.1--Form of Standard Terms and Conditions of Trust Effective as of October 21, 1993 (incorporated by reference to Exhibit 1.1.1 to the Registration Statement of Municipal Investment Trust Fund, Multi-state Series--48, 1933 Act File No. 33-50247).

5.1 --Consent of independent accountants.

DEFINED ASSET FUNDS--EQUITY INCOME FUND

UTILITY COMMON STOCK SERIES--8

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THE REGISTRANT, DEFINED ASSET FUNDS--EQUITY INCOME FUND, UTILITY COMMON STOCK SERIES--8 (A UNIT INVESTMENT TRUST), CERTIFIES THAT IT MEETS ALL OF THE REQUIREMENTS FOR EFFECTIVENESS OF THIS REGISTRATION STATEMENT PURSUANT TO RULE 485(B) UNDER THE SECURITIES ACT OF 1933 AND HAS DULY CAUSED THIS REGISTRATION STATEMENT OR AMENDMENT TO THE REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED THEREUNTO DULY AUTHORIZED IN THE CITY OF NEW YORK AND STATE OF NEW YORK ON THE 16TH DAY OF MARCH, 1994.

SIGNATURES APPEAR ON PAGES R-3, R-4, R-5 AND R-6.

A majority of the members of the Board of Directors of Merrill Lynch, Pierce, Fenner & Smith Incorporated has signed this Registration Statement or Amendment to the Registration Statement pursuant to Powers of Attorney authorizing the person signing this Registration Statement or Amendment to the Registration Statement to do so on behalf of such members.

A majority of the members of the Board of Directors of Smith Barney Shearson Inc. has signed this Registration Statement or Amendment to the Registration Statement pursuant to Powers of Attorney authorizing the person signing this Registration Statement or Amendment to the Registration Statement to do so on behalf of such members.

A majority of the members of the Board of Directors of Prudential Securities Incorporated has signed this Registration Statement or Amendment to the Registration Statement pursuant to Powers of Attorney authorizing the person signing this Registration Statement or Amendment to the Registration Statement to do so on behalf of such members.

A majority of the members of the Board of Directors of Dean Witter Reynolds Inc. has signed this Registration Statement or Amendment to the Registration Statement pursuant to Powers of Attorney authorizing the person signing this Registration Statement or Amendment to the Registration Statement to do so on behalf of such members.

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
DEPOSITOR

By the following persons, who constitute a majority of the Board of Directors of Merrill Lynch, Pierce, Fenner & Smith Incorporated:	Powers of Attorney have been filed under Form SE and the following 1933 Act File Number: 33-43466

HERBERT M. ALLISON, JR.
BARRY S. FREIDBERG
EDWARD L. GOLDBERG
STEPHEN L. HAMMERMAN
JEROME P. KENNEY
DAVID H. KOMANSKY
DANIEL T. NAPOLI
THOMAS H. PATRICK
JOHN L. STEFFENS
DANIEL P. TULLY
ROGER M. VASEY
ARTHUR H. ZEIKEL
By
ERNEST V. FABIO
(As authorized signatory for Merrill Lynch, Pierce, Fenner & Smith Incorporated and Attorney-in-fact for the persons listed above)

DEAN WITTER REYNOLDS INC.
DEPOSITOR

By the following persons, who constitute a majority of the Board of Directors of Dean Witter Reynolds Inc.:

Powers of Attorney are being filed under Form SE and the following 1933 Act File Number: 33-17085

NANCY DONOVAN
CHARLES A. FIUMEFREDDO
JAMES F. HIGGINS
STEPHEN R. MILLER
PHILIP J. PURCELL
THOMAS C. SCHNEIDER
WILLIAM B. SMITH
By
MICHAEL D. BROWNE
(As authorized signatory for Dean Witter Reynolds Inc. and Attorney-in-fact for the persons listed above)

PRUDENTIAL SECURITIES INCORPORATED
DEPOSITOR

By the following persons, who constitute a majority of the Board of Directors of Prudential Securities Incorporated:

Powers of Attorney have been filed under Form SE and the following 1933 Act File Number: 33-41631

JAMES T. GAHAN
ALAN D. HOGAN
HOWARD A. KNIGHT
GEORGE A. MURRAY
LELAND B. PATON
HARDWICK SIMMONS
By
RICHARD R. HOFFMANN
(As authorized signatory for Prudential-Bache Securities Inc. and Attorney-in-fact for the persons listed above)

SMITH BARNEY SHEARSON INC.
DEPOSITOR

By the following persons, who constitute a majority of the Executive Committee of the Board of Directors of Smith Barney Shearson Inc.:

Powers of Attorney have been filed under the 1933 Act File Number: 33-49753

RONALD A. ARTINIAN
STEVEN D. BLACK
JAMES DIMON
ROBERT DRUSKIN
TONI ELLIOTT
LEWIS GLUCKSMAN
THOMAS GUBA
JOHN B. HOFFMAN
A. RICHARD JANIAK, JR.
ROBERT Q. JONES
JEFFREY LANE
JACK H. LEHMAN III
JOEL N. LEVY
HOWARD D. MARSH
WILLIAM J. MILLS II
JOHN C. MORRIS
A. GEORGE SAKS
BRUCE D. SARGENT

MELVIN B. TAUB
JACQUES S. THERIOT
STEPHEN J. TREADWAY
PAUL UNDERWOOD

By
GINA LEMON
(As authorized signatory for
Smith Barney Shearson Inc. and
Attorney-in-fact for the persons listed above)

Exhibit 5.1

DEFINED ASSET FUNDS--
EQUITY INCOME FUND
UTILITY COMMON STOCK SERIES--8

CONSENT OF INDEPENDENT ACCOUNTANTS

The Sponsors and Trustee
of Defined Asset Funds--Equity Income Fund, Utility Common Stock Series--8:

We hereby consent to the use in Post-Effective Amendment No. 7 to Registration Statement No. 2-97186 of our opinion dated March 1, 1994 relating to the financial statements of Defined Asset Funds--Equity Income Fund, Utility Common Stock Series--8 and to the reference to us under the heading 'Auditors' in the Prospectus which is a part of this Registration Statement.

DELOITTE & TOUCHE
New York, N.Y.
March 16, 1994

DAVIS POLK & WARDWELL
450 LEXINGTON AVENUE
NEW YORK, NEW YORK 10017
(212) 450-4000

March 16, 1994

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Dear Sirs:

We hereby represent that the Post-Effective Amendments to the registered unit investment trusts described in Exhibit A attached hereto do not contain disclosures which would render them ineligible to become effective pursuant to Rule 485(b) under the Securities Act of 1933.

Very truly yours,

Davis Polk & Wardwell

Attachment

EXHIBIT A

<TABLE>
<CAPTION>

FUND NAME	CIK	1933 ACT FILE NO.	1940 ACT FILE NO.
<S>	<C>	<C>	<C>
DEFINED ASSET FUNDS-MITF AMT MPS-9	858772	33-38158	811-1777
DEFINED ASSET FUNDS-EIF UCSS-8	766703	2-97186	811-3044
DEFINED ASSET FUNDS-GSIF GNMA SERIES 1A	781272	33-04240	811-2810
DEFINED ASSET FUNDS-GSIF MPUSTS-13	781825	33-42923	811-2810
DEFINED ASSET FUNDS-GSIF MPUSTS-15	893109	33-49181	811-2810
DEFINED ASSET FUNDS-MITF IS-44	770687	2-98313	811-1777
DEFINED ASSET FUNDS-MITF IS-45	788961	2-98483	811-1777

DEFINED ASSET FUNDS-MITF IS-79	780969	33-07047	811-1777
DEFINED ASSET FUNDS-MITF IS-81	780977	33-07576	811-1777
DEFINED ASSET FUNDS-MITF IS-162	803805	33-37731	811-1777
DEFINED ASSET FUNDS-MITF IS-175	803836	33-43742	811-1777
DEFINED ASSET FUNDS-CIF ITS-41	883652	33-48983	811-2295
DEFINED ASSET FUNDS-MITF ITS-83	780592	33-06322	811-1777
DEFINED ASSET FUNDS-MITF ITS-97	780626	33-16071	811-1777
DEFINED ASSET FUNDS-MITF ITS-170	868084	33-38084	811-1777
DEFINED ASSET FUNDS-MITF MPS-470	781924	33-24691	811-1777
DEFINED ASSET FUNDS-MITF MPS-471	781925	33-24757	811-1777
DEFINED ASSET FUNDS-MITF MPS-506	803713	33-37730	811-1777
DEFINED ASSET FUNDS-MITF MPS-523	892738	33-49223	811-1777
DEFINED ASSET FUNDS-MITF MSS 1K	771479	2-98482	811-1777
DEFINED ASSET FUNDS-MITF MSS-23	892848	33-49233	811-1777
DEFINED ASSET FUNDS-MITF MSS-24	892849	33-49237	811-1777
DEFINED ASSET FUNDS-MITF MSS 2H	780468	33-06323	811-1777
DEFINED ASSET FUNDS-MITF MSS 5D	836063	33-24759	811-1777
DEFINED ASSET FUNDS-MITF MSS 8C	868134	33-38083	811-1777
DEFINED ASSET FUNDS-MITF MSS 8D	868135	33-38157	811-1777
DEFINED ASSET FUNDS-MITF MSS 8E	868136	33-38261	811-1777
DEFINED ASSET FUNDS-MITF MSS 9S	868190	33-43311	811-1777
DEFINED ASSET FUNDS-MITF NYS-7	277259	2-60034	811-1777
DEFINED ASSET FUNDS-EIF CONCEPT SERIES TELECOM	854564	33-33383	811-3044

TOTAL: 30 FUNDS

</TABLE>