FORM 485A24E

Post-effective amendments

Filing Date: **1994-04-15**
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FILER

CORPORATE FUND ACCUMULATION PROGRAM INC

CIK:**24858**| IRS No.: **132895756** | State of Incorp.:**NJ** | Fiscal Year End: **1231**
Type: **485A24E** | Act: **33** | File No.: **002-57060** | Film No.: **94522938**

Business Address
P O BOX 9011
PRINCETON NJ 08543
6092823319

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON APRIL 15, 1994

SECURITIES ACT FILE NO. 2-57060

INVESTMENT COMPANY ACT FILE NO. 811-2642

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 /X/
PRE-EFFECTIVE AMENDMENT NO. / /
POST-EFFECTIVE AMENDMENT NO. 20 /X/
AND

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940 /X/
AMENDMENT NO. 16
(Check appropriate box or boxes) /X/

THE CORPORATE FUND ACCUMULATION PROGRAM, INC.
(Exact name of Registrant as specified in charter)

BOX 9011
PRINCETON, NEW JERSEY 08543-9011
(Address of Principal Executive Offices) (Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE (609) 282-2000

ARTHUR ZEIKEL
THE CORPORATE FUND ACCUMULATION PROGRAM, INC.
800 SCUDDERS MILL ROAD, PLAINSBORO, NEW JERSEY 08536
(Name and address of agent for service)

PHILIP L. KIRSTEIN, ESQ.
FUND ASSET MANAGEMENT, L.P.
BOX 9011
PRINCETON, NEW JERSEY 08543-9011

LEONARD B. MACKEY, JR., ESQ.
ROGERS & WELLS
200 PARK AVENUE
NEW YORK, N.Y. 10166

IT IS PROPOSED THAT THIS FILING WILL BECOME EFFECTIVE (CHECK APPROPRIATE BOX)

/ / immediately upon filing pursuant to paragraph (b)

/ / on (date) pursuant to paragraph (b)
/X/ 60 days after filing pursuant to paragraph (a)
/ / on (date) pursuant to paragraph (a) of Rule 485.

CALCULATION OF REGISTRATION FEE

<TABLE> <CAPTION>

TITLE OF SECURITIES BEING REGISTERED	AMOUNT OF SHARES BEING REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER SHARE	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION FEE
<S>	<C>	<C>	<C>	<C>
Shares of Common Stock, par value $0.01 per share....................	1,119,145	$20.13	$22,528,389*	$ 100**

</TABLE>

*(1) The calculation of the maximum aggregate offering price is made as of April 11, 1994 pursuant to Rule 24e-2 under the Investment Company Act of 1940.

(2) The total amount of securities redeemed or repurchased during Registrant's previous fiscal year was 2,948,852 Shares of Common Stock.

*(3) 1,844,113 Shares described in (2) above have been used for reduction pursuant to Rule 24e-2(a) or Rule 24f-2(c) under the Investment Company Act of 1940 in previous filings during Registrant's current fiscal year.

**(4) 1,104,739 Shares redeemed during Registrant's previous fiscal year are being used for the reduction of the registration fee in this Post-Effective Amendment.

(5) The Registrant has registered an indefinite number of its shares under the Securities Act of 1933 pursuant to Rule 24f-2 under the Investment Company Act of 1940. The notice required by such rule for the Registrant's most recent fiscal year was filed on February 28, 1994.

THE CORPORATE FUND INVESTMENT ACCUMULATION PROGRAM

Shares of
Common Stock   Prospectus dated April   , 1994

THE PROGRAM

The Corporate Fund Accumulation Program, Inc. (the "Program") is an open-end management investment company whose primary investment objective is to obtain a high level of current income through investment in a portfolio of long and intermediate term corporate debt obligations (i) not less than 75% of which will at the time of acquisition be rated "A" or better and all of which will at the time of acquisition be rated "BBB" or better by Standard & Poor's Corporation or Fitch Investors Service, Inc. or "Baa" or better by Moody's Investors Service, Inc. or (ii) which will have, in the opinion of the investment adviser referred to below, similar credit characteristics. The Shares of the Program are redeemable at any time at the net asset value next determined after the receipt of the redemption request, which value may be more or less than the amount paid for the Shares. Shares in any Shareholder's account which has a value of less than $500 may be involuntarily redeemed if reinvestment of distributions on Units is discontinued. See "Redemption of Shares and Exchange Privilege" below.

Shares of the Program are offered hereby without sales charge to the holders of Units of certain series of Unit Investment Trusts described below in order to provide a means for the automatic reinvestment of distributions of interest or dividend income and capital gains and principal on such Units in Shares of the Program on the Terms and Conditions of Participation set forth herein. The address of the Program is Box 9011, Princeton, New Jersey 08543-9011, and its telephone number is (609) 282-2000.

INVESTMENT ADVISER
FUND ASSET MANAGEMENT, L.P.
ADMINISTRATORS
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
PRUDENTIAL SECURITIES INCORPORATED
DEAN WITTER REYNOLDS INC.
SMITH BARNEY SHEARSON INC.

This Prospectus sets forth in concise form the information about the Program that a prospective investor should know before investing in the Program. Investors should read and retain this Prospectus for future reference. Additional information about the Program has been filed with the Securities and Exchange Commission in a Statement of Additional Information, dated April   , 1994, and is available upon request and without charge, by calling or writing the Program at the address and telephone number set forth above. The Statement of Additional Information is hereby incorporated by reference into this Prospectus.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURI-TIES AND

EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE CORPORATE FUND ACCUMULATION PROGRAM, INC.
CROSS REFERENCE SHEET

<TABLE> <CAPTION>

<S>	FORM N-1A ITEM <C>	PROSPECTUS CAPTION <C>
PART A		
1.	Cover Page..	Cover Page
2.	Synopsis..	Fee Table
3.	Financial Highlights................................	Financial Highlights; Additional Information--Performance Data
4.	General Description of Registrant....................	The Program; Investment Objectives and Policies; Additional Information
5.	Management of the Fund..............................	Fee Table; Management of the Program; Portfolio Transactions
6.	Capital Stock and Other Securities...................	Taxes and Distributions; Additional Information
7.	Purchase of Securities Being Offered.................	Fee Table; The Program; Additional Information
8.	Redemption or Repurchase.............................	Fee Table; Redemption of Shares and Exchange Privilege
9.	Pending Legal Proceedings............................	*
PART B		
10.	Cover Page..	Cover Page
11.	Table of Contents..................................	Index
12.	General Information and History......................	General Information
13.	Investment Objectives and Policies...................	Investment Objectives and Policies; Investment Restrictions; Portfolio Transactions
14.	Management of the Fund..............................	Directors and Officers
15.	Control Persons and Principal Holders of Securities...	*
16.	Investment Advisory and Other Services...............	Investment Advisory Agreement
17.	Brokerage Allocation and Other Practices.............	Portfolio Transactions
18.	Capital Stock and Other Securities...................	*
19.	Purchase, Redemption and Pricing of Securities Being Offered...	Net Asset Value; Redemption of Shares
20.	Tax Status..	Taxes and Distributions
21.	Underwriters..	*
22.	Calculation of Performance Data......................	Performance Data
23.	Financial Statements................................	Financial Statements
PART C		

</TABLE>

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

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* Item inapplicable or answer negative.

FEE TABLE

<TABLE> <CAPTION>

SHAREHOLDER TRANSACTION EXPENSES: <S>	<C>	<C>
Maximum Sales Charge Imposed on Purchases..		None
Deferred Sales Charge..		None
Sales Charge Imposed on Dividend Reinvestments...		None
Redemption Fee..		None
Exchange Fee..		None
ANNUAL PROGRAM OPERATING EXPENSES (AS A PERCENTAGE OF AVERAGE NET ASSETS) FOR THE YEAR ENDED DECEMBER 31, 1993:		
Management Fees...		0.50%(a)
12b-1 Fees..		None
Other Expenses		
Shareholder Servicing and Custodian Fees..	0.35%	
Other Fees..	0.23%	
Total Other Expenses..		0.58%
Total Program Operating Expenses..		1.08%

</TABLE>

<TABLE> <CAPTION>

EXAMPLE:

	CUMULATIVE EXPENSES PAID FOR THE PERIOD OF:			
	1 YEAR	3 YEARS	5 YEARS	10 YEARS
<S>	<C>	<C>	<C>	<C>
An investor would pay the following expenses on a $1,000 investment, assuming an operating expense ratio of 1.08% and a 5% annual return throughout the periods...	$ 11.01	$ 34.35	$ 59.55	$ 131.72

</TABLE>

The foregoing Fee Table is intended to assist investors in understanding the costs and expenses that a Shareholder in the Program will bear directly or indirectly.

The Example set forth above assumes reinvestment of all dividends and distributions and utilizes a 5% annual rate of return as mandated by Securities and Exchange Commission regulations. The Example should not be considered a representation of past or future expenses or annual rates of return and actual expenses or annual rates of return may be more or less than those assumed for purposes of the Example.

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(a) See "Management of the Program -- Advisory and Administration Arrangements" on page 9.

FINANCIAL HIGHLIGHTS

The financial information in the table below has been examined in conjunction with the annual audits of the financial statements of the Program by Deloitte & Touche, independent auditors. Financial statements for the year ended December 31, 1993 and the independent auditors' report thereon are included in the Statement of Additional Information.

The following per share data and ratios have been derived from information provided in the financial statements:

<TABLE> <CAPTION>

	FOR THE YEAR ENDED DECEMBER 31,								
	1993	1992	1991	1990	1989	1988	1987	1986	1985
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
INCREASE (DECREASE) IN NET ASSET VALUE:									
PER SHARE OPERATING PERFORMANCE:									
Net asset value, beginning of year....................	$ 21.22	$ 21.76	$ 20.24	$ 20.54	$ 19.75	$ 19.97	$ 21.71	$ 20.88	$ 19.10
Investment income--net.....	1.31	1.46	1.52	1.67	1.64	1.67	1.66	1.85	2.04
Realized and unrealized gain (loss) on investments--net..........	1.24	(.03)	1.51	(.28)	.81	(.22)	(1.51)	.83	1.78
Total from investment operations................	2.55	1.43	3.03	1.39	2.45	1.45	.15	2.68	3.82
LESS DIVIDENDS AND DISTRIBUTIONS:									
Investment income--net...	(1.29)	(1.47)	(1.51)	(1.69)	(1.66)	(1.67)	(1.73)	(1.85)	(2.04)
Realized gain on investments--net..........	(.93)	(.50)	--	--	--	--	(.16)	--	--
Total dividends and distributions.............	(2.22)	(1.97)	(1.51)	(1.69)	(1.66)	(1.67)	(1.89)	(1.85)	(2.04)

Net asset value, end of year	$ 21.55	$ 21.22	$ 21.76	$ 20.24	$ 20.54	$ 19.75	$ 19.97	$ 21.71	$ 20.88
TOTAL INVESTMENT RETURN:									
Based on net asset value per share	12.20%	6.88%	15.60%	7.19%	12.87%	7.47%	0.85%	13.42%	21.21%
RATIOS TO AVERAGE NET ASSETS:									
Expenses, net of reimbursement	1.08%	1.12%	1.16%	1.29%	1.26%	1.24%	1.17%	1.17%	1.21%
Expenses	1.08%	1.12%	1.16%	1.29%	1.26%	1.35%	1.20%	1.22%	1.37%
Investment income--net	5.74%	6.72%	7.25%	8.18%	8.27%	8.13%	7.99%	8.59%	10.21%
SUPPLEMENTAL DATA:									
Net assets, end of period (in thousands)	$ 115,367	$ 90,892	$ 82,663	$ 76,298	$ 82,738	$ 77,389	$ 87,482	$ 92,272	$ 76,349
Portfolio turnover	132%	65%	87%	107%	126%	158%	107%	87%	133%

<CAPTION>

<S> <C>

	1984
INCREASE (DECREASE) IN NET ASSET VALUE:	
PER SHARE OPERATING PERFORMANCE:	
Net asset value, beginning of year	$ 18.83
Investment income--net	2.13
Realized and unrealized gain (loss) on investments--net	.28
Total from investment operations	2.41
LESS DIVIDENDS AND DISTRIBUTIONS:	
Investment income--net	(2.14)
Realized gain on investments--net	--
Total dividends and distributions	(2.14)
Net asset value, end of year	$ 19.10
TOTAL INVESTMENT RETURN:	
Based on net asset value per share	14.00%
RATIOS TO AVERAGE NET ASSETS:	
Expenses, net of reimbursement	1.26%
Expenses	1.41%
Investment income--net	11.46%
SUPPLEMENTAL DATA:	
Net assets, end of period (in thousands)	$ 60,986

Portfolio turnover.........	106%

</TABLE>

Further information about the Program's performance is contained in the Program's Annual Report, which can be obtained, without charge, upon request.

THE PROGRAM

IN GENERAL--The primary investment objective of the Program is to provide a high level of current income to its shareholders through investment in a diversified portfolio (the "Portfolio") of long-and intermediate-term fixed-interest bearing debt obligations issued primarily by corporations (see "Investment Objectives and Policies" and the discussion therein of concentration of the portfolio). This investment objective is a fundamental policy of the Program.

Defined Asset Funds--The Corporate Income Fund, the Corporate Investment Trust Fund and Liberty Street Trust (the "Unit Trust Funds") consist of a number of different unit investment trusts holding portfolios of fixed income securities issued primarily by corporations. The Program has been formed to facilitate reinvestment of distributions on units (the "Units") of the various series of the Unit Trust Funds which hold long and intermediate term corporate debt securities and corporate cumulative preferred stocks. Since the Program is an open-end investment company, the shares of capital stock, $.01 par value, of the Program (the "Shares") are redeemable by the holder at the net asset value next determined after the receipt of the redemption request in proper form.

TERMS AND CONDITIONS OF PARTICIPATION--All persons who are or who become registered holders of Units of series of the Unit Trust Funds offering a reinvestment option are eligible to participate in the Program and are herein called "Holders." Holders include brokers or nominees of banks and other financial institutions which are or become registered holders of Units. Such eligibility is subject to the terms and conditions of participation (the "Terms and Conditions") set forth under this caption.

Distributions on Units of series of the Unit Trust Funds offering a reinvestment option will be paid in cash unless Holders elect to reinvest such distributions in the Program by sending a notice in writing to the Program Agent. Each Holder participating in the Program will receive a copy of the current Program prospectus (this "Prospectus") and a form of notice of election; a Holder not participating in the Program may request a copy of the Prospectus. The notice of election accompanying this Prospectus may be used by Holders of Units to elect to participate in the Program or to change a previous election. Notice of any change in the basis of participation or of election to participate in the Program must be received by the Program Agent in writing at least ten days prior to the Record Day for the first distribution to which such notice is to apply.

Under these Terms and Conditions, both distributions of interest or dividend income and distributions of capital gains, if any, and principal (or either such type of distribution) on Units of Holders participating in the Program will be invested without sales charge in Shares. Holders who are participating in the Program and whose Units are therefore subject to these Terms and Conditions are herein called "Shareholders." The Bank of New York (110 Washington Street, New York, New York 10286) will act as the program agent (the "Agent") for the Shareholders. All securities, cash and other similar assets of the Program will be held by the Agent as custodian. The Agent also acts as the Program's dividend disbursing agent, transfer agent and registrar and performs certain other services for the Program.

Under these Terms and Conditions, each distribution of interest or dividend income and capital gains, if any, and principal on a Shareholder's Units, will, on the date of such distribution, automatically be received by the Agent on behalf of such Shareholder and applied to purchase Shares at net asset value, without sales charge. In the case of Holders of Units whose distributions of principal are being invested in the Program, the proceeds of redemption or payment at maturity of securities held in the

Unit Trust Funds represented by the Holder's Units will be invested in Shares, rather than being distributed in cash to the Holder. Net interest income, after expenses, received by the Program on obligations in its portfolio will be distributed by the Program monthly and net realized capital gains, if any, will be distributed at least annually. Such distributions will be reinvested automatically in Shares of the Program unless the Shareholder elects, by written notice to the Agent, not to have such distributions reinvested in Shares (see

"Taxes and Distributions").

In addition to their right to redeem their Shares and receive a payment equal to the net asset value thereof (see "Redemption of Shares and Exchange Privilege"), Shareholders may at any time, by so notifying the Agent in writing (the Agent will deliver a copy of such notice to the trustee for the respective series of the Unit Trust Funds), elect to (i) terminate their participation in the Program and thereafter receive all distributions on their Units in cash, (ii) terminate their participation in part as to distributions of capital gains and principal on their Units and thereafter receive distributions in cash out of the principal accounts for the respective series or (iii) terminate their participation in part as to distributions of interest or dividends on their Units and thereafter receive future distributions in cash out of the interest or dividend accounts for the respective series.

All the costs of establishing, administering and offering the Program and these Terms and Conditions are borne by the Program subject to the limitation on expenses referred to in the Statement of Additional Information under "Investment Advisory Agreement." The administrators of the Program (the "Administrators") are Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), Prudential Securities Incorporated ("Prudential"), Dean Witter Reynolds Inc. ("Dean Witter"), and Smith Barney Shearson Inc. ("Smith Barney Shearson"), which are current sponsors of The Corporate Income Fund and Liberty Street Trust. Prudential is the sponsor of outstanding series of the Corporate Investment Trust Fund. The investment adviser to the Program (the "Adviser") is Fund Asset Management, L.P., Box 9011, Princeton, New Jersey 08543-9011, a registered investment adviser and an affiliate of Merrill Lynch. The Adviser receives as annual compensation, payable monthly, for its services in connection with the Program a fee of 0.5% of the average net assets of the Program. The Administrators receive from the Adviser as annual compensation, payable monthly, for their services in connection with the Program a fee of 0.2% of the average net assets of the Program (see "Management of the Program -- Advisory and Administration Arrangements"). Reference is made to the Statement of Additional Information, which contains a more complete description of the advisory and administration arrangements of the Program.

The Agent will mail to each Shareholder a report of each transaction undertaken for such Shareholder in receiving distributions on Units and purchasing Shares. Distributions on Units which are applied to purchase Shares are considered to have been distributed to Shareholders for federal income tax purposes, and all taxes which are payable in respect to such distributions must be paid by Shareholders regardless of participation in the Program.

On tender for redemption of any or all of his Shares, a Shareholder will be entitled to receive within seven days a payment representing the net asset value of the Shares (including fractional Shares), provided that such right of redemption may be suspended or postponed under certain circumstances described under "Redemption of Shares and Exchange Privilege."

If the Holder is a broker or a nominee of a bank or another financial institution, the trustee and Agent will apply these Terms and Conditions on the basis of the respective numbers of Units certified from time to time by such Holder to be the total numbers of Units registered in such Holder's name and held for the accounts of beneficial owners who are to participate in the Program, upon the several bases

of participation offered by the Program at the time. It is anticipated, however that, due to administrative problems connected with Units held in "street name," other than by Merrill Lynch, such Units will be registered in the names of the beneficial owners thereof unless such owners elect not to participate in the Program.

Merrill Lynch or its nominee holds in its name Program Shares for the accounts of customers whose Unit Trust Series are held in Merrill Lynch accounts and who elect to reinvest in the Program. These Shares may be transferred to an account in the customer's name with the Agent upon request. Merrill Lynch maintains records identifying the names and addresses of these customers and their Share balances, and will be compensated for these services by the Agent at the Agent's sole expense. During the year ended December 31, 1993, the Agent paid Merrill Lynch $136,487.33 for these services.

Experience may indicate that changes in these Terms and Conditions are desirable or that this offering should be terminated. Such changes may be made or this offering may be terminated at the direction of the Board of Directors of the Program (the "Board") without notice to any Shareholder. The Board may at any time appoint a substitute Agent or an additional agent to act for the Program.

INVESTMENT OBJECTIVES AND POLICIES

The primary investment objective of the Program is to provide a high level of current income to its Shareholders through investment in the Portfolio, which is comprised of long-and intermediate-term fixed-interest bearing debt obligations issued primarily by corporations, considering the following factors, among others:

(i) the quality of the debt obligations, (a) not less than 75% of which (determined on the basis of current value) will at the time of acquisition be rated "A" or better by Standard & Poor's Corporation ("Standard & Poor's"), Fitch Investors Service, Inc. ("Fitch") or Moody's Investors Service, Inc. ("Moody's") and all of which will at such time be rated "BBB" or better by Standard & Poor's or Fitch or "Baa" or better by Moody's, or (b) which will have, in the opinion of the Adviser, similar credit characteristics (under current market and other conditions, the Board has determined that all of the debt obligations in which the Program invests will at the time of acquisition be rated "A" or better by one or more of such rating agencies or will have, in the opinion of the Adviser, similar credit characteristics) (see "Ratings of Corporate Obligations" in the Statement of Additional Information for a description of rating categories);

(ii) the yield and price of the debt obligations relative to other debt securities of comparable quality and maturity; and

(iii) the diversification of the debt obligations, subject to the considerations as to concentration of the Portfolio discussed below, taking into account the availability on the market of issues in various utility and industry classifications which meet the Program's quality, rating, yield and price criteria.

While the Program will invest the proceeds of the sale of its Shares (and other cash proceeds such as those generated by redemptions, maturities or sales of Portfolio securities) as promptly as possible, some short period of time may elapse between the time the Program receives such proceeds and the time such proceeds are invested by the Program. However, the Program reserves the right to extend such period for defensive purposes. During such period such proceeds may be held in cash or invested in temporary investments (short-term governmental obligations, commercial paper, and other short-term

obligations such as certificates of deposit, bankers acceptances and repurchase agreements) which have credit characteristics, in the opinion of the Adviser, similar to those provided for other Portfolio securities.

Other than the short-term obligations referred to in the preceding paragraph, the debt obligations in the Portfolio will consist of bonds, debentures, notes or other straight debt obligations (payable in United States dollars and not having any equity conversion or other equity features) which may be secured or unsecured, or may be subordinated to other indebtedness. The fact that a debt obligation may cease to be rated or that its rating may be reduced below the ratings referred to above will not require that it be eliminated from the Portfolio but will be considered by the Adviser in determining whether it should be retained or sold.

An investment in the Program should be made with an understanding of the risks which an investment in fixed-rate long-and intermediate-term debt obligations may entail, including the risk that the value of the Portfolio, and hence the net asset value of the Shares, will decline with increases in interest rates. Interest rates and, thus, the value of fixed-rate debt obligations have fluctuated substantially in recent periods and may continue to do so in the future.

A portion of the Program's assets may be invested in debt obligations rated BBB by Standard & Poor's or Fitch or Baa by Moody's. Although debt obligations rated BBB by Standard & Poor's or Fitch normally exhibit adequate protection parameters, they entail a greater degree of risk and are of a more speculative nature than obligations rated in the higher categories. Therefore, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for debt obligations in this category than in higher rated categories. Debt obligations rated Baa by Moody's are also speculative in nature and entail greater risks than those rated in the higher categories. Although interest payments and principal security may appear adequate for the present, certain protective elements may be lacking or may be characteristically unreliable over any great length of time. (See "Ratings of Corporate Obligations" in the Statement of Additional Information for a description of rating categories.)

The Program will not follow a policy of seeking to concentrate its investments in any particular industry or industries but rather will attempt to purchase for the Portfolio the most attractive investments available on the market from time to time without regard to the industrial classification of the issuers thereof. Such policy may not be changed without the vote of a majority of the Shareholders.

OTHER PORTFOLIO STRATEGIES

Repurchase Agreements. The Program may invest in obligations which are subject to repurchase agreements with any member bank of the Federal Reserve System or primary dealer in U.S. Treasury securities. Under such repurchase agreements, the bank or primary dealer agrees, upon entering into the contract, to repurchase the security at a mutually agreed upon time and price, thereby determining the yield during the term of the agreement. This results in a fixed rate of return insulated from market fluctuations during such periods. In the event of default by a bank or dealer under a repurchase agreement, the Program may suffer time delays and incur costs or possible losses in connection with such transactions.

Forward Commitments. The Program may purchase U.S. Government securities and corporate debt obligations on a forward commitment basis and may purchase or sell such securities for delayed delivery. These transactions occur when securities are purchased or sold by the Program with payment

and delivery taking place in the future to secure what is considered an advantageous yield and price to the Program at the time of entering into the transaction. The Program will maintain a segregated account with its custodian of cash or liquid, high-grade securities in an aggregate equal at all times to the amount of its commitments in connection with such delayed delivery and purchase transactions. The value of the security on the delivery date may be more or less than its purchase price due to fluctuating interest rates.

Foreign Securities. Up to 25% of the Program's total assets may be invested in debt obligations of foreign obligors, which may involve certain investment risks that are different from those of domestic issues. Such risks include future political and economic developments, foreign governmental restrictions and less publicly available information about a foreign obligor. Reference is made to the Statement of Additional Information for a more complete description of such risks.

Restricted Securities. Up to 10% of the Program's total assets may be invested in "restricted securities." Investment in restricted securities may involve certain risks associated with such securities' lack of marketability. Sales of restricted securities may produce less favorable prices than the sale of unrestricted securities due to greater costs associated with these sales. Reference is made to the Statement of Additional Information for a more complete description of restricted securities.

Portfolio Turnover Rate. The Program's investment adviser generally does not anticipate that the portfolio turnover rate of the Program will exceed 200%. For the year ended December 31, 1992, the Program's portfolio turnover rate was 65%. For the year ended December 31, 1993 it was 132%. As a consequence of a higher portfolio turnover rate, the Program will have higher transactions costs.

INVESTMENT RESTRICTIONS

The Program has adopted a number of restrictions and policies related to the investment of its assets and its activities which are fundamental policies and may not be changed without the approval of the holders of a majority of the Program's outstanding voting securities. Investors are referred to the Statement of Additional Information for a complete description of such restrictions and policies.

MANAGEMENT OF THE PROGRAM

DIRECTORS

The Directors of the Program consist of six individuals, five of whom are not "interested persons" of the Program as defined in the Investment Company Act of 1940. The Directors of the Program are responsible for the overall supervision of the operations of the Program and perform the various duties imposed on the directors of investment companies by the Investment Company Act of 1940. The Board of Directors elects officers of the Program annually.

The Directors of the Program and their principal employment are as follows:

ARTHUR ZEIKEL*--President, Director and Chief Investment Officer of the Adviser and Merrill Lynch Asset Management since 1977. Executive Vice President of Merrill Lynch & Co., Inc. since 1990; Executive Vice President of Merrill Lynch, Pierce, Fenner & Smith Incorporated since 1990 and a Senior Vice President thereof from 1985 to 1990.

RONALD W. FORBES--Professor of Finance, School of Business, State University of New York at Albany.

CYNTHIA A. MONTGOMERY--Professor, Harvard Business School.

CHARLES C. REILLY--Adjunct Professor, Columbia University Graduate School of Business.

KEVIN A. RYAN--Professor of Education at Boston University since 1982. Founder and current Director of the Boston University Center for the Advancement of Ethics and Character.

RICHARD R. WEST--Professor of Finance, and Dean from 1984 to 1993, New York University Leonard N. Stern School of Business Administration.

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* Interested person, as defined in the Investment Company Act of 1940, of the Program.

ADVISORY AND ADMINISTRATION ARRANGEMENTS

The investment adviser to the Program is Fund Asset Management, L.P. ("FAM"). The address of FAM is Box 9011, Princeton, New Jersey 08543-9011. FAM or, its affiliate, Merrill Lynch Asset Management, L.P. ("MLAM"), acts as the investment adviser for more than 90 other registered investment companies.

Effective January 1, 1994, FAM was reorganized as a Delaware limited partnership. FAM (the general partner of which is Princeton Services, Inc., a wholly-owned subsidiary of Merrill Lynch & Co., Inc.) is itself a wholly-owned subsidiary of Merrill Lynch & Co., Inc. and has its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey 08536. Prior to the reorganization, the Adviser was a Delaware corporation known as Fund Asset Management, Inc., which was incorporated in 1976. The reorganization did not result in a change to the Adviser's management or personnel, nor did the reorganization cause any adverse change to the Adviser's financial condition. Fund Asset Management, Inc. was a wholly-owned subsidiary of Merrill Lynch Investment Management, Inc., which did business as Merrill Lynch Asset Management. MLAM was a wholly-owned subsidiary of Merrill Lynch & Co., Inc. prior to its reorganization, which was similar to that of FAM, and continues to be after its reorganization.

FAM, subject to the general supervision of the Program's Board of Directors, manages the Portfolio of the Program in accordance with its investment objectives and policies and furnishes to the Program investment advice. In addition, FAM together with the Administrators of the Program are responsible for the overall management of the Program's business affairs. The Administrators are Merill Lynch, of which FAM is an affiliate, Prudential, Dean Witter and Shearson Lehman. The Administrators perform certain management services necessary for the operation of the Program and provide all the office space, facilities and necessary personnel for such services. For the performance of these services, FAM pays the Administrators an aggregate monthly fee at the annual rate of 0.2% of the Program's average daily net assets. The fee so payable by the Adviser will be allocated among the Administrators in the following respective percentages: Merrill Lynch, 48%; Prudential, 21%; Dean Witter, 21%; and Shearson Lehman, 10%. The Administrators have also undertaken to reimburse the Adviser in proportion to such monthly fee for the purpose of the Adviser's reimbursement of the Program. The Adviser's reimbursement obligations are described more fully in the Statement of Additional Information.

For the year ended December 31, 1993, FAM received advisory fees from the Program in the amount of $515,901 representing 0.50% of the Program's average daily net assets.

The Program is obligated to pay certain expenses incurred in its operations, including, among other things, the investment advisory fee, legal and auditing fees, fees and expenses of unaffiliated Directors, custodian and transfer agency fees, accounting and pricing costs, and certain of the costs of printing proxy statements, shareholder reports, prospectuses and statements of additional information. For the year ended December 31, 1993, the Program's total expenses were $1,113,571 (representing 1.08% of its average net assets). None of the Program's investment advisory fees were reimbursed by FAM.

Jay C. Harbeck has served as the Program's Portfolio Manager since January 1, 1992, and is primarily responsible for the Fund's day-to-day management. He has served as Vice President of MLAM since 1986.

REDEMPTION OF SHARES AND EXCHANGE PRIVILEGE

Redemption. Shareholders have the right to redeem their Shares at net asset value by surrendering the certificates therefor properly endorsed with the signatures guaranteed by an "eligible guarantor institution" as such term is defined by Rule 17Ad-15 of the Securities Exchange Act of 1934, the existence and validity of which may be verified by the Agent through the use of industry publications, together with a request for redemption at the office of the Agent, The Bank of New York, 110 Washington Street, New York, New York 10286. If certificates have not been issued, only delivery of the request for redemption (with signature guaranteed as set forth above) is required. The Program has arranged, however, for an exemption from the signature guarantee requirement for redemptions involving less than $5,000 on the date of receipt by the Agent of all the necessary documents where the proceeds are to be reinvested through one of the Administrators in units of Municipal Investment Trust Fund, The Government Securities Income Fund, The Corporate Income Fund, The Equity Income Fund or The International Bond Fund (the "Unit Trusts") which are to be registered in the names of the registered owners of the Shares. This exemption may be reduced or eliminated without prior notice. A guarantee of each Shareholder's signature is required for all redemptions, regardless of the amount involved, where the proceeds are to be paid to Shareholders or where the units of the Unit Trusts to be purchased are to be registered in names different from those of the registered owners of the Shares.

The redemption price will be the net asset value next determined after either (i) the certificates are tendered for redemption or (ii) if no certificates have been issued, a request for redemption is received in good order as set forth above. The price received upon redemption may be more or less than the amount paid by the Shareholder depending on the net asset value of the Shares at the time of redemption. Payment of the redemption price must be made within seven days after proper tender unless further postponement is permissible under the Investment Company Act of 1940, by reason of closing of or restriction of trading on the New York Stock Exchange, or other emergency, as explained in the Statement of Additional Information.

Any of the Administrators may accept orders from dealers with whom they have satisfactory agreements for the repurchase of Shares held by Holders. Repurchase orders received by the dealer prior to 4:00 P.M. on any business day and transmitted by the Administrator prior to the close of its business day (4:00 P.M. New York City time) are redeemed at the price determined as of 4:00 P.M. on such day. Repurchase orders received after 4:00 P.M. on any business day are redeemed at a price determined as of 4:00 P.M. on the next business day. It is the responsibility of the dealers to transmit orders so that they will be received by the Administrator prior to its close of business. This repurchase arrangement is discretionary and may be withdrawn. There is no additional charge by the Program for repurchases.

Under certain circumstances, the Program reserves the right to redeem Shares in accounts of less than $500 upon 30 days' notice. For further information, see the Statement of Additional Information, "Redemption of Shares."

Exchange Privilege. Shareholders who have owned Shares for at least 60 days have an exchange privilege (the "Exchange Privilege") with shares of The Municipal Fund Accumulation Program, Inc. (the "Other Program"). Shares with an aggregate net asset value of at least $1,000 are required to qualify for the Exchange Privilege. Exchanges between the Program and the Other Program will be at their respective net asset values. The investment objectives of the Other Program differ from those of the Program, and Shareholders should obtain a currently effective prospectus for the Other Program before effecting any exchange.

Exercise of the Exchange Privilege is treated as a sale for federal income tax purposes and, depending on the circumstances, a short-or long-term capital gain or loss may be realized. The exchange privilege is available only to Shareholders residing in states where the Other Program is qualified for sale. A non-corporate Shareholder of the Program who exercises the Exchange Privilege may be required to certify to the Other Program his Social Security Number or

Taxpayer Identification Number and that he is not subject to the backup withholding tax if he wishes to avoid a 31% backup withholding tax on distributions made to him by such other Program.

This Exchange Privilege may be modified or terminated at any time. The Program reserves the right to limit the number of times an investor may exercise the Exchange Privilege. To exercise the Exchange Privilege, a Shareholder should contact one of the Administrators, who will advise the Program and the Other Program of the exchange, or the Shareholder may write to the Agent requesting that the exchange be effected. Such letter must be signed exactly as the account is registered with signatures guaranteed by a member firm of a national or regional stock exchange or any commercial bank or trust company. Shareholders with Shares for which certificates have not been issued may exercise the Exchange Privilege by wire through their securities dealers. The Program reserves the right to require a properly completed Exchange Application.

TAXES AND DISTRIBUTIONS

The Program has qualified and intends to continue to qualify for the special tax treatment applicable to "regulated investment companies" under the Internal Revenue Code of 1986, as amended (the "Code"). If the Program qualifies as a "regulated investment company" and distributes to Shareholders 90% or more of its investment company taxable income (without regard to designated capital gain dividends), it will not be subject to federal income tax on such part of its net investment income or net realized capital gains, if any, as it distributes to Shareholders. The Program expects to distribute monthly substantially all of its net investment income, after expenses. Net realized capital gains, if any, will be distributed at least annually. Such distributions of net investment income and net realized capital gains will be reinvested in additional Shares in the Program unless the Shareholder elects to receive such distributions in cash. Distributions of net investment income to be reinvested in additional Shares, or to be received in cash if elected, will be made on the 15th day of the month, or the next succeeding business day if the 15th falls on a weekend or holiday, for the accounts of Shareholders of record on the preceding business day of such month.

The Code imposes a 4% nondeductible excise tax on a regulated investment company, such as the Program, if its does not distribute to its shareholders an amount equal to at least 98% of the investment company's ordinary income for the calendar year, plus at least 98% of the company's capital gain net income for the one-year period ending on October 31 of such calendar year. In addition, an amount equal to any of the investment company's undistributed ordinary income or capital gain net income from the previous calendar year must also be distributed to avoid the excise tax. The excise tax is

imposed on the amount by which a regulated investment company does not meet the foregoing distribution requirements.

Distributions to Shareholders of net investment income and net short-term capital gains, if any, including distributions which are reinvested in additional Shares in the Program will generally be taxable as ordinary income. Distributions reflecting net long-term capital gains (designated as such by the Program) will be taxable to Shareholders as long-term capital gains.

Some Shareholders may be subject to a 31% withholding on reportable dividends, capital gains distributions and redemption payments ("backup withholding"). Generally, Shareholders subject to backup withholding will be those for whom a certified Taxpayer Identification Number ("TIN") is not on file with the Program, or who, to the Program's knowledge, have furnished an incorrect TIN or with respect to whom the Internal Revenue Service has advised the Program that there must be backup withholding. When establishing an account, an investor must certify under penalties of perjury that the TIN is correct and that he is not subject to backup withholding.

The foregoing is a general and abbreviated summary of the applicable provisions of the Code and Treasury Regulations currently in effect. For the complete provisions, reference should be made to the pertinent Code sections and the Treasury Regulations promulgated thereunder. The Code and these Regulations are subject to change by legislative or administrative action. The Statement of Additional Information sets forth additional information regarding other tax aspects of an investment in the Program.

Dividends and capital gain distributions may also be subject to state and local taxes.

Shareholders are urged to consult their own tax counsel or other tax advisers regarding specific questions as to federal, state or local taxes.

PORTFOLIO TRANSACTIONS

The Program will follow a policy that it will place securities transactions with a broker or dealer only if it expects to obtain the most favorable prices and executions of orders. Transactions in debt securities are generally made through securities dealers acting as principals, although the Program may purchase or sell such securities in brokerage transactions and the affiliates of the Adviser may act as brokers therein if the Program expects thereby to obtain the most favorable price and execution. However, since, as outlined in the Statement of Additional Information, the Program is prohibited from engaging in securities transactions with the affiliates of the Adviser acting as principal, it is not expected that any substantial amount of the Program's transactions will be effected through such affiliates. The Adviser is responsible for making Portfolio investment decisions on behalf of the Program and effecting Portfolio transactions with or through securities dealers, subject to the general supervision of the officers and directors of the Program.

ADDITIONAL INFORMATION

NET ASSET VALUE

The net asset value per Share of the Program is determined by dividing the net assets of the Program by the number of its outstanding Shares. The net assets of the Program are its gross assets less its liabilities as determined in accordance with generally accepted accounting principles. The Program's securities (other than short-term obligations but including listed issues) may be valued on the basis of prices furnished by one or more pricing services which determine prices for normal institutional-size

trading units of such securities. The Program has made arrangements with Merrill Lynch Securities Pricing Service ("MLSPS") to furnish to the Program and the Agent, on each day that the New York Stock Exchange is open for trading immediately after the declaration of dividends, estimated values (as of 4:00 P.M.) of Portfolio securities for purposes of computation of net asset value of Shares. The Board has examined the methods to be used by MLSPS in estimating the value of Portfolio securities and believes that such methods will reasonably and fairly approximate the price at which Portfolio securities may be sold and will result in a good faith determination of the fair value of such securities; however, there is no assurance that the Portfolio securities can be sold at the prices at which they are valued. During the year ended December 31, 1993, the Fund used the pricing services of Interactive Data Services, Inc. and made no payment to MLSPS for such service. For information concerning the method used by MLSPS to value Portfolio securities, see "Net Asset Value" in the Statement of Additional Information.

PERFORMANCE DATA

The Program may from time to time include its average annual total return and yield in advertisements or information furnished to present or prospective shareholders. Both total return and yield figures are based on the Program's historical performance and are not intended to indicate future performance. Average annual total return and yield are determined in accordance with formulas specified by the Securities and Exchange Commission.

Average annual total return quotations for the specified periods will be computed by finding the average annual compounded rates of return (based upon net investment income and any capital gains or losses on portfolio investments over such periods) that would equate the initial amount invested to the redeemable value of such investment at the end of each period. Average annual total return will be computed assuming all dividends and distributions are reinvested and taking into account all applicable recurring and nonrecurring expenses.

Yield quotations will be computed based on a 30-day period by dividing the net income earned during the period based on the yield to maturity of each security held by the Program by the average daily number of shares outstanding during the period that were entitled to receive dividends times the maximum offering price per share on the last day of the period.

The Program's average annual total return and yield will vary depending upon market conditions, the securities comprising the Program's Portfolio, the Program's operating expenses and the amount of net capital gains or losses realized by the Program during the period. An investment in the Program will fluctuate and an investor's shares, when redeemed, may be worth more or less than their original cost.

On occasion, the Program may compare its performance to that of the Standard & Poor's 500 Composite Stock Price Index, the Value Line Composite Index, the Dow Jones Industrial Average, or performance data published by Lipper Analytical Services, Inc., Morningstar Publications, Inc., Money Magazine, U.S. News & World Report, Business Week, CDA Investment Technology, Inc., Forbes Magazine and Fortune Magazine. From time to time, the Program may include the Program's Morningstar risk-adjusted performance ratings in advertisements or supplemental sales literature. As with other performance data, performance comparisons should not be considered representative of the Program's relative performance for any future period.

ORGANIZATION OF THE PROGRAM

The Program, an open-end diversified management investment company registered under the Investment Company Act of 1940, was incorporated in Maryland on June 9, 1976. When issued, the Shares of the Program will be fully paid and non-assessable, have no preference, pre-emptive, conversion, exchange or similar rights and will be freely transferable.

The Program does not intend to hold meetings of shareholders unless under the Investment Company Act of 1940 shareholders are required to act on any of the following matters: (i) election of directors; (ii) approval of an investment advisory agreement; (iii) approval of a distribution agreement; and (iv) ratification of selection of independent auditors. Shares do not have cumulative voting rights and the holders of more than 50% of the Shares of the Program voting for the election of directors can elect all of the directors of the Program if they choose to do so and in such event the holders of the remaining Shares would not be able to elect any directors.

For further information concerning the organization of the Program, see the Statement of Additional Information.

INDEPENDENT AUDITORS

Deloitte & Touche, Princeton, New Jersey, has been selected as the independent auditors of the Program and is responsible for auditing the annual financial statements of the Program.

CUSTODIAN, TRANSFER AND DIVIDEND DISBURSING AGENT

The Bank of New York, New York, New York, acts as Custodian of the Program's assets and as its Transfer Agent and Dividend Disbursing Agent.

LEGAL COUNSEL

Rogers & Wells, New York, New York, is counsel for the Program and passes upon legal matters for the Program in connection with the Shares offered by this Prospectus.

REPORTS TO SHAREHOLDERS

The fiscal year of the Program ends on December 31 of each year. The Program will send to its Shareholders at least semi-annually reports showing the Program's Portfolio and other information. An annual report containing financial statements, audited by independent auditors, will be sent to Shareholders each year.

ADDITIONAL INFORMATION

This Prospectus does not contain all the information included in the Registration Statement filed with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Company Act of 1940, with respect to the securities offered hereby, certain portions of which have been omitted pursuant to the rules and regulations of the Securities and Exchange Commission.

The Statement of Additional Information, dated April   , 1994, which forms a part of the Registration Statement, is incorporated by reference into this Prospectus. The Statement of Additional Information may be obtained without charge as provided on the cover page of this Prospectus. The Registration Statement, including the exhibits filed therewith, may be examined at the office of the Securities and Exchange Commission in Washington, D. C.

THE CORPORATE INCOME FUND
AUTHORIZATION FOR INVESTMENT IN THE CORPORATE FUND ACCUMULATION PROGRAM, INC.

<TABLE>

<S>	<C>	<C>
/ / Monthly Payment Series Number	/ / Intermediate Term Series Number	/ / Preferred Stock Series Number

</TABLE>

I hereby acknowledge receipt of the prospectus of The Corporate Fund Accumulation Program, Inc. (the "Program") and authorize the Trustee of the Series designated above to pay distributions on my Units as indicated below (distributions to be reinvested in the Program will be paid for my account to The Bank of New York as Program Agent):

Interest distributions (check
one): / / in cash / / reinvested in the Program
Program distributions (including
capital gains) (check one): / / in cash / / reinvested in the Program

<TABLE>
<S> <C>
My name (please print)
Registered Holder
My address, including
Zip Code (please print)
Registered Holder
(Two signatures if joint tenancy)
My account number
Date , 19
</TABLE>

YOU MUST COMPLETE AND RETURN THIS CARD IN ORDER TO PARTICIPATE IN THE CORPORATE
FUND ACCUMULATION PROGRAM

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

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THE CORPORATE FUND INVESTMENT ACCUMULATION PROGRAM
PRINCIPAL OFFICE OF THE FUND
Box 9011
Princeton, New Jersey 08543-9011
(609) 282-2000
INVESTMENT ADVISER
Fund Asset Management, L.P.
Box 9011
Princeton, New Jersey 08543-9011
(609) 282-2000
CUSTODIAN, TRANSFER AND DIVIDEND DISBURSING AGENT
The Bank of New York
110 Washington Street
New York, New York 10286
LEGAL COUNSEL
Rogers & Wells
200 Park Avenue
New York, New York 10166
INDEPENDENT AUDITORS
Deloitte & Touche
117 Campus Drive
Princeton, New Jersey 08540

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 1313 NEW YORK, N.Y.

POSTAGE WILL BE PAID BY ADDRESSEE
INVESTMENT ACCUMULATION PROGRAM (CIF)
THE BANK OF NEW YORK
UNIT INVESTMENT DEPARTMENT
P.O. BOX 974
WALL STREET STATION
NEW YORK, N.Y. 10268-0974

(Fold along this line.)

PROSPECTUS

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED IN THIS PROSPECTUS, AND ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE PROGRAM. 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.

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THE CORPORATE FUND INVESTMENT ACCUMULATION PROGRAM

PROSPECTUS DATED APRIL , 1994

BOX 9011
PRINCETON, NEW JERSEY 08543-9011
(609) 282-2000

THE CORPORATE FUND INVESTMENT ACCUMULATION PROGRAM

- ---

Shares of Common Stock

Statement of Additional Information
Dated April , 1994

- ---

The Corporate Fund Accumulation Program, Inc. (the "Program") is an open-end management investment company whose primary objective is to obtain a high level of current income through investment in a portfolio (the "Portfolio") of long-and intermediate-term corporate debt obligations. Shares of the Program are offered without sales charge to the holders of Units of certain series of Unit Investment Trusts described in the Prospectus in order to provide a means for the automatic reinvestment of distributions of interest or dividend income and capital gains and principal on such Units in Shares of the Program on the Terms and Conditions of Participation set forth in the Prospectus. The address of the Program is Box 9011, Princeton, New Jersey 08543-9011, and its telephone number is (609) 282-2000.

INVESTMENT ADVISER
FUND ASSET MANAGEMENT, L.P.
ADMINISTRATORS
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
PRUDENTIAL SECURITIES INCORPORATED
DEAN WITTER REYNOLDS INC.
SMITH BARNEY SHEARSON INC.

This Statement of Additional Information of the Program is not a prospectus and should be read in conjunction with the Prospectus of the Program (the "Prospectus") dated April , 1994, which has been filed with the Securities and Exchange Commission and can be obtained without charge by calling or by writing the Program at the above telephone number or address. This Statement of Additional Information has been incorporated by reference into the Prospectus.

INVESTMENT OBJECTIVES AND POLICIES

The primary investment objective of the Program is to provide a high level of current income to its Shareholders through investment in the Portfolio which is comprised of long-and intermediate-term fixed-interest bearing debt obligations issued primarily by corporations. Reference is made to "Investment Objectives and Policies" in the Prospectus for a discussion of the investment objectives and policies of the Program.

OTHER PORTFOLIO STRATEGIES

Foreign Securities. Up to 25% of the Program's total assets (taken at current value) may be invested in debt obligations of foreign obligors, which may involve investment risks that are different from those of domestic issues, including future political and economic developments and the possible imposition of withholding taxes on interest income, exchange controls or other foreign governmental restrictions. In addition, it may be more difficult to enforce a judgment against a foreign obligor, there may be less publicly available information about a foreign obligor than about a domestic issuer, and foreign obligors are not generally subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to domestic issuers. The foregoing percentage limitation shall not be considered to be violated unless a violation occurs immediately after and as a result of an acquisition of securities.

Restricted Securities. Up to 10% of the Program's total assets (taken at current value) may be invested in "restricted securities." Such securities are acquired in private placement transactions, directly from the issuer or from security holders, frequently at higher yields than comparable publicly traded securities. Privately placed securities are not readily marketable and ordinarily can be sold by the Program only in privately negotiated transactions to a limited number of purchasers or in public offerings made pursuant to an effective registration statement under the Securities Act of 1933. Private sales require negotiations with one or more purchasers and may produce less favorable prices than the sale of comparable unrestricted securities. Public sales generally involve the time and expense of preparing and processing a registration statement under the Securities Act of 1933 and may involve the payment of underwriting commissions. Accordingly, the proceeds from the sale of restricted securities may be less than the proceeds from the sale of securities of the same class which are freely marketable. The foregoing percentage limitation shall not be considered to be violated unless a violation occurs immediately after and as a result of such acquisition of securities.

Repurchase Agreements. The Program may invest in obligations which are subject to repurchase agreements with any member bank of the Federal Reserve System or primary dealer in U.S. Treasury securities. A repurchase agreement is an instrument under which the purchaser (i.e., the Program) acquires the obligation (debt security) and the seller agrees, at the time of the sale, to repurchase the obligation at a mutually agreed upon time and price, thereby determining the yield during the purchaser's holding period. This results in a fixed rate of return insulated from market fluctuations during such period. Repurchase agreements usually are for short periods, such as under one week. Repurchase agreements are considered to be collateralized loans by the Program under the Investment Company Act of 1940, and the Program will require the seller to provide additional collateral if the market value of the securities falls below the repurchase price at any time during the term of the repurchase agreement. If a repurchase agreement is construed to be a collateralized loan, the underlying securities will not be considered to be owned by the Program but only to constitute collateral for the seller's obligation to pay the repurchase price and in the event of a default by the seller, the Program may suffer time delays and incur costs or losses in connection with the disposition of the collateral.

Repurchase agreements will be entered into for periods not to exceed 30 days and only with respect to obligations in which the Program may otherwise invest. Management of the Program does not intend to enter into repurchase agreements with greater than seven days maturity, if, at the time of such investment, more than 10% of the total assets of the Program would be so invested.

Forward Commitments. U.S. Government securities and corporate debt obligations may be purchased or sold on a delayed delivery basis or may be purchased on a forward commitment basis at fixed-purchase terms with periods of up to 45 days between the commitment and settlement dates. The purchase will be recorded on the date the Program enters into the commitment and the value of the security will thereafter be reflected in the calculation of the Program's net asset value. The value of the security on the delivery date may be more or less than its purchase price. A separate account of the Program will be established with The Bank of New York (110 Washington Street, New York, New York 10286), the custodian (the "Custodian") and agent (the "Agent") for the Program, consisting of cash or liquid, high-grade securities having a market value at all times until the delivery date at least equal to the amount of its commitment in connection with such delayed delivery and purchase transactions. Although the Program will generally enter into forward commitments with the intention of acquiring securities for its portfolio, the Program may dispose of a commitment prior to settlement if the investment adviser to the Program, Fund Asset Management, L.P. (the "Adviser") deems it appropriate to do so. There can, of course, be no assurance that the judgments upon which these techniques are based will be accurate or that such techniques when applied will be effective. The Program will enter into forward commitment or delayed delivery arrangements only with respect to securities in which it may otherwise invest as described under "Investment Objectives and Policies" in the Prospectus.

The Program may invest in collateralized mortgage obligations ("CMOs"), which are mortgage pass-through securities collateralized by mortgage pools. CMOs are issued in several classes with different maturities by governmental or non-governmental entities such as banks and other mortgage lenders. Many issuers or servicers of CMOs guarantee timely payment of interest and principal on the securities, whether or not payments are made when due on the underlying mortgages. This kind of guarantee generally increases the quality of a security, but does not mean that the security's market value and yield will not change. Although certain CMOs technically may be regarded as investment companies under the Investment Company Act of 1940, they will not be regarded as investment companies for purposes of the investment restriction set forth in clause (7) below.

PORTFOLIO MANAGEMENT AND TURNOVER RATE--The Program will attempt to attain its investment objectives by careful initial selection of obligations with a view to holding them for investment. However, the Program reserves the right to sell Portfolio obligations whenever it deems such action advisable to maintain competitive yields or to protect capital in the event the business of an issuer has deteriorated or, in the opinion of the Adviser, is likely to deteriorate or when the period of time to maturity on Portfolio securities has shortened to such an extent as to make it undesirable, in the opinion of the Adviser, to retain such securities in the Portfolio or when it believes that it is desirable for defensive purposes and in anticipation of a rise in interest rates to sell Portfolio securities and invest the proceeds temporarily in short-term obligations which have credit characteristics, in the opinion of the Adviser, similar to those provided for other Portfolio securities. Portfolio turnover rate is calculated by dividing the lesser of purchases or sales (not including purchases or sales of short-term obligations and subsequent reinvestments in long-or intermediate-term Portfolio securities as described above) of Portfolio securities for the year by the monthly average value of Portfolio securities. For the years ended December 31, 1993 and 1992, the Portfolio turnover rates were 132% and 65%, respectively.

INVESTMENT RESTRICTIONS

The following investment restrictions are deemed fundamental policies of the Program and may be changed only by the vote of the lesser of (1) the holders of 67% of the Program's outstanding voting securities present at a meeting if the holders of more than 50% of such outstanding voting securities are present in person or by proxy or (2) the holders of more than 50% of the Program's outstanding voting securities.

The Program will not:

(1) invest in securities or other investments other than long-and intermediate-term fixed interest bearing debt obligations and temporary investments (see "Investment Objectives and Policies" in the Program's Prospectus);

(2) purchase securities on margin (but the Program may obtain such short-term credits as may be necessary for the clearance of purchases and sales of securities), make short sales of securities, maintain a short position or write or purchase put or call options;

(3) borrow money, except from banks as a temporary measure for emergency purposes, where such borrowings would not exceed 5% of its total assets (taken at current value);

(4) pledge assets except to secure indebtedness permitted by (3) above, with pledged assets to be no more than 10% of its total net assets (taken at current value);

(5) purchase any security if as a result (a) more than 25% of the Program's total assets (taken at market value at the time of each investment) would be invested in a single industry, (utilities will be divided according to their services; for example, gas, gas transmission, electric and telephone each will be considered a separate industry for purposes of this restriction; also, banking and finance will be considered two different industries for purposes of this restriction), (b) more than 5% of the Program's total assets (taken at current value) would be invested in securities of the issuer thereof (other than securities issued or guaranteed by the United States government), (c) the Program would hold more than 10% of any class of securities of the issuer thereof (taking all

debt issues as a single class) or more than 10% of the voting securities of the issuer thereof or (d) more than 20% of the Program's total assets (taken at current value) would be invested in securities of other than corporate issuers (for purposes of this restriction, securities issued by supra-national organizations and agencies of foreign governments, in each case if organized as a corporation, will be considered securities offered by corporate issuers);

(6) invest for the purpose of exercising control over or management of any company;

(7) invest in securities of other investment companies, except as part of a merger, consolidation, purchase of assets or similar transaction approved by the Program's Shareholders;

(8) make investments in oil, gas or other mineral exploration programs, commodities, commodity contracts or real estate, although the Program may invest in securities secured by real estate or interests therein or issued by companies, including real estate investment trusts, which deal in real estate or interests therein;

(9) act as an underwriter except as it may be deemed such in a sale of restricted securities;

(10) purchase a restricted security if as a result more than 10% of the Program's total assets (taken at current value) would be invested in restricted securities;

(11) purchase a security issued by an obligor which is not incorporated in the United States or any state thereof if as a result more than 25% of the Program's total assets (taken at current value) would be invested in such securities;

(12) participate on a joint (or a joint and several) basis in any trading account in securities (the "bunching" of orders for the sale or purchase of Portfolio securities with other funds or accounts advised or sponsored by the Adviser or any of its affiliates to reduce brokerage commissions or otherwise to achieve best overall execution not being considered participation in a trading account in securities);

(13) purchase or retain securities of an issuer if, to the knowledge of the Program, an officer or director of the Program or the Adviser owns beneficially more than 1/2 of 1% of the shares or securities of such issuer and all such directors and officers owning more than 1/2 of 1% of such shares or securities together own more than 5% of such shares or securities;

(14) purchase securities of any company which has (with predecessors) a record of less than three years' continuing operations if as a result more than 5% of the total assets of the Program (taken at current value) would be invested in such securities; or

(15) make loans, except that the Program may (a) purchase obligations in private placements (the purchase of obligations in other situations not being considered the making of a loan), and (b) make loans of up to 33 1/3% of its portfolio securities.

Except in the case of the restriction set forth in clause (13), the foregoing percentages will apply at the time of the purchase of a security and shall not be considered violated unless an excess or deficiency occurs or exists immediately after and as a result of a purchase of such security.

For purposes of the investment restrictions set forth in clause (8), the term "exploration programs" includes oil, gas or other mineral leases, as well as exploration programs.

Lending of Program Securities. Subject to investment restriction (15) above, the Program may from time to time lend securities from its portfolio to brokers, dealers and financial institutions and receive as collateral cash or United States Treasury securities which at all times while the loan is outstanding will be maintained in amounts equal to at least 100% of the current market value of the loaned securities. Any cash collateral will be invested in short-term securities, which will increase the current income of the Program. Such loans, which will not have terms longer than 30 days, will be terminable at any time. The Program will have the right to regain record ownership of loaned securities to exercise beneficial rights such as voting rights, subscription rights and rights of dividends, interest or other distributions. The Program may pay reasonable fees to persons unaffiliated with the Program for services in arranging such loans. In the event of a default by the borrower, the Program may suffer time delays and incur costs or possible losses in connection with the disposition of the collateral.

INVESTMENT ADVISORY AGREEMENT

INVESTMENT ADVISORY AGREEMENT--Pursuant to an Investment Advisory Agreement (the "Agreement"), the Adviser has agreed, subject at all times to the Board, to (1) manage the Portfolio of the Program in accordance with its investment objectives and policies and furnish to the Program investment advice and (2) (a) assist in supervising all aspects of the Program's operations including coordinating all matters relating to the functions of the Agent, custodian and other parties performing operational functions for the Program; (b) provide the Program, at the Adviser's expense, with the services of such persons competent to perform such administrative and clerical functions as are

necessary in order to provide effective administration of the Program, including duties in connection with Shareholder relations, reports, redemption requests and account adjustments and the maintenance of certain non-accounting Program books and records; (c) provide the Program, at the Adviser's expense, with adequate office space and related services; (d) supervise and administer the operation of the Exchange Privilege referred to in "Redemption of Shares and Exchange Privilege" in the Program's Prospectus; and (e) to the extent required by then current federal securities laws, regulations thereunder or interpretations thereof, pay for the printing of all Program prospectuses used in connection with the distribution and sale of the Shares (a regulation permits investment companies to pay such expenses only when an agreement to that effect has been approved by shareholders and subject to various other conditions). In return the Program has agreed to pay a fee each month to the Adviser at the annual rate of 0.5% of the value of the Program's average daily net assets from the beginning of the year to the end of such month.

The Program pays all the other costs and expenses incurred in connection with its organization and operations, including: fees of the program agent, transfer agent, custodian and dividend disbursing agent; costs of printing and mailing stock certificates, shareholder reports, proxy materials and (except to the extent borne by the Adviser or the Administrators) prospectuses and statements of additional information; legal and auditing fees; costs and expenses of the sale, issue and redemption of its Shares (including fees and expenses of registering the Shares under federal and state securities laws); fees and expenses of unaffiliated directors; costs of accounting and pricing services (including the daily calculation net asset value); interest, brokerage costs, insurance and taxes. Accounting services are provided for the Program by the Adviser, and the Program reimburses the Adviser for its costs in connection with such services. For the year ended December 31, 1993, such reimbursement amounted to $35,280. Under current requirements of certain states in which the Shares were registered for sale in this offering, the Adviser must reimburse the Program for advisory fees received by it from the Program to the extent that the Program's expenses (including the advisory fee but excluding interest, taxes, brokerage fees and extraordinary expenses) exceed in any fiscal year 2.5% of the Program's first $30,000,000 of average daily net assets, 2.0% of average daily net assets in excess of $30,000,000 but not exceeding $100,000,000 and 1.5% of average daily net assets above $100,000,000 for such fiscal year. No fee payment will be made to the Adviser during any fiscal year which would cause such expenses to exceed the foregoing expense limitations applicable at the time of such payment, and any required reimbursements will be made promptly at the end of such fiscal year. For the years ended December 31, 1991, 1992 and 1993, the advisory fees paid by the Program to the Adviser aggregated $384,888, $429,287 and $515,901, respectively, none of which was reimbursed by the Adviser.

The Agreement provides that the use of the name "The Corporate Fund Investment Accumulation Program" by the Program is non-exclusive and that the Adviser may allow other persons, including other investment companies, to use the name. The name may also be withdrawn by the Adviser, in which event the Adviser has agreed to present the question of continuing the Agreement to a vote of the Shareholders.

The Agreement will continue from year to year if approved at least annually either (i) by a vote of a majority of the Program's Shares or (ii) by the Board and, in each case, by the vote of a majority of those directors who are not parties to the Agreement or interested persons of any such party cast in person at a meeting called for the purpose of voting on such approval. It was most recently approved by Shareholders on June 5, 1987 and by the Board (including all of the non-interested directors) on March 16, 1994. The Agreement provides that the Adviser shall have no liability to the Program or any Shareholder for any error of judgment, mistake of law or any loss arising out of any investment, or for any other act or omission in the performance by the Adviser of its duties under the Agreement, except for liability resulting from willful misfeasance, bad faith or gross negligence on the Adviser's part or from reckless disregard by the Adviser of its obligations and duties under the Agreement. The Agreement automatically terminates upon its assignment, is terminable, without penalty, by the Board or by vote of the holders of a majority of the Shares on 60 days' notice to the Adviser and by the Adviser on 90 days' notice to the Program. The Adviser's right to terminate could operate to the disadvantage of or work a hardship on the Program.

THE ADVISER-- Effective January 1, 1994, the Adviser, was reorganized as a Delaware limited partnership. FAM (the general partner of which is Princeton Services Inc., a wholly-owned subsidiary of Merrill Lynch & Co., Inc.) is itself a wholly-owned subsidiary of Merrill Lynch & Co., Inc. and has its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey 08536. Merrill Lynch & Co., Inc. has its principal place of business at 250 Vesey Street, New York, New York 10281. Prior to the reorganization, the Adviser was a Delaware corporation known as Fund Asset Management, Inc., which was incorporated in 1976. The reorganization did not result in a change to the Adviser's management or personnel, nor did the reorganization cause any adverse change to the Adviser's financial condition. Fund Asset Management, Inc. was a wholly-owned subsidiary of Merrill Lynch Investment Management, Inc., which did business as Merrill Lynch Asset Management. Merrill Lynch Asset Management, L.P. was a wholly-owned subsidiary of Merrill Lynch & Co., Inc. prior to its reorganization, which was similar to that of FAM, and continues to be after its reorganization.

The Agreement is non-exclusive, and the Adviser, as well as certain of its affiliates, is in the business of furnishing investment advice to individuals, institutional clients and other investment companies, including other investment accumulation programs. The fees charged to these clients vary in accordance with the type of client and services rendered. Merrill Lynch, an affiliate of the Adviser, is engaged in the underwriting, securities and commodities brokerage business and is a member organization of the New York Stock Exchange, Inc., other major securities exchanges and commodity exchanges, and the National Association of Securities Dealers, Inc. Merrill Lynch Asset Management, L.P. ("MLAM"), an affiliate of the Adviser, is an indirect wholly-owned subsidiary of Merrill Lynch & Co., Inc. and is engaged in the investment advisory business.

Securities held by the Program may also be held by other funds or accounts for which the Adviser acts as adviser or by its investment advisory clients. If purchases or sales of securities for the Program or other funds or accounts for which it acts or for their clients arise for consideration at or about the same time, the Adviser will attempt, subject to applicable laws and regulations, to allocate equitably portfolio transactions among the Program and the portfolios of its other investment funds or accounts whenever decisions are made to purchase or sell securities for the Program and one or more of such other funds or accounts simultaneously. In making such allocations, the main factors to be considered will be the respective investment objectives of the Program and such other funds and accounts, the relative size of the portfolio holdings of the same or comparable securities, the availability of cash for investment by the Program and such other funds and accounts, the size of investments held by the Program and such other funds and accounts, and opinions of the persons responsible for recommending investments to the Program and such other funds and accounts. While this procedure could have a detrimental effect on the price and amount of the securities available to the Program from time to time, it is the opinion of the Board that the benefits available from the Adviser's organization will outweigh any disadvantage that may arise from exposure to simultaneous transactions. To the extent that transactions on behalf of more than one client of the Adviser during the same period may increase the demand for securities being purchased or the supply of securities being sold, there may be an adverse effect on price.

ADMINISTRATION AGREEMENT--The Adviser has entered into an agreement (the "Administration Agreement") with the Administrators for the performance by them, at their expense, on behalf of the Adviser of the administrative functions described in clause (2) of the first paragraph under "Investment Advisory Agreement" which the Adviser is obligated to perform and has agreed to pay to the Administrators an aggregate monthly fee at the annual rate of 0.2% of the value of the Program's average daily net assets from the beginning of the year to the end of such month. The fee so payable by the Adviser will be allocated among the Administrators in the following respective percentages: Merrill Lynch, 48%; Prudential, 21%; Dean Witter, 21%; and Smith Barney Shearson, 10%. In order to comply with the expense limitation requirements described above under the caption "Investment Advisory Agreement," the Administrators have undertaken to reimburse the Adviser in proportion to such monthly fee for the purpose of the Adviser's reimbursement of the Program in the manner described under such caption.

Merrill Lynch has been appointed by the other Administrators as agent for purposes of taking any action under the Administration Agreement with respect to the Program by power of attorney executed by such Administrators and filed with the Program and the Agent. Provision is also made under the Administration Agreement that if the Administrators are unable to agree in respect to action to be taken jointly by them thereunder and cannot agree as to which Administrators shall continue to act as Administrators, then Merrill Lynch shall continue to act as sole Administrator. Similarly, if one or more of the Administrators fail to perform their duties under the Administration Agreement or become incapable of acting or become bankrupt or if their affairs are taken over by public authorities, then each such Administrator shall be automatically discharged under the Administration Agreement, and the remaining Administrators shall act as sole Administrators. In addition, the Administration Agreement is terminable, without penalty, by the Adviser on 60 days' notice to the Administrators and by the Administrators, acting as a group, on 90 days' notice to the Adviser. The Administrators' right to terminate could operate to the disadvantage of or work a hardship on the Program.

The Administration Agreement is non-exclusive, and the Administrators, as well as their affiliates, may furnish similar administrative services to other clients, including other investment accumulation programs. The fees charged to these clients may vary in accordance with the type of client and services rendered. Each of the Administrators has acted as sponsor of a number of series of the Corporate Income Fund, the Municipal Income Fund, the Municipal Investment Trust Fund, Liberty Street Trust (Corporate Monthly Payment Series or Municipal Monthly Payment Series) or the International Bond Fund and other series of these unit investment trust investment companies and proposes to act in the future as a sponsor of new series thereof. Each of the Administrators has also acted as principal underwriter and managing underwriter of other investment companies. Each Administrator, in addition to participating as a member of various selling groups or as an agent of other investment companies, executes orders on behalf of investment companies for the purchase and sale of securities of such companies and sells securities to such companies in its capacity as broker or dealer in securities.

DIRECTORS AND OFFICERS

Responsibility for the Program's management rests with the Board, which meets at least quarterly to oversee the implementation of the Program's investment policies and which must approve the renewal of the Agreement. Listed below are the directors and officers of the Program (who also serve in similar capacities in other open-end management investment companies for which Fund Asset Management, L.P. or MLAM is investment adviser), their addresses and principal occupations during the past five years.

<TABLE> <CAPTION>

NAME	CAPACITY	ADDRESS
<S>	<C>	<C>
Arthur Zeikel*	President and Director(1)	800 Scudders Mill Road Plainsboro, New Jersey 08536
Occupation: President, Director and Chief Investment Officer of the Adviser since 1977; President of MLAM since 1977 and Director and Chief Investment Officer since 1976; Executive Vice President of Merrill Lynch & Co., Inc. and Merrill Lynch since 1990 and Senior Vice President from 1985 to 1990; President and Director of Princeton Services, Inc. since 1993; and Director of Merrill Lynch Funds Distributor, Inc.		
Ronald W. Forbes	Director(1)	1400 Washington Avenue Albany, New York 12222
Occupation: Professor of Finance, School of Business, State University of New York at Albany since 1989 and Associate Professor prior thereto; Member, Task Force on Municipal Securities Markets, Twentieth Century Fund; Consultant, Public Finance Banking, Smith Barney Shearson Inc.		
Cynthia A. Montgomery	Director(1)	Harvard Business School Soldiers Field Road Boston, Massachusetts 02163
Occupation: Professor, Harvard Business School, since 1989; Associate Professor, J.L. Kellog Graduate School of Management, Northwestern University from 1985 to 1989; Assistant Professor, Graduate School of Business Administration, The University of Michigan, from 1979 to 1985; Director, UNUM Corporation.		
Charles C. Reilly	Director(1)	9 Hampton Harbor Road Hampton Bays, New York 11946
Occupation: Adjunct Professor, Columbia University Graduate School of Business since 1990; Adjunct Professor, Wharton School, University of Pennsylvania during 1990; President and Chief Investment Officer of Verus Capital Inc. from 1979 to 1990; Senior Vice President of Arnhold and S. Bleichroeder, Inc. from 1973 to 1990.		
Kevin A. Ryan	Director(1)	127 Commonwealth Avenue Chestnut Hill, Massachusetts 02167
Occupation: Professor of Education at Boston University since 1982. Founder and current Director of The Boston University Center for Advancement of Ethics and Character. Formerly taught on the faculties of the University of Chicago, Stanford University and The Ohio State University.		

Richard R. West	Director(1)	482 Tepi Drive Southbury, Connecticut 06488

Occupation: Professor of Finance, and Dean from 1984 to 1993, New York University Leonard N. Stern School of Business Administration; Professor of Finance at the Amos Tuck School of Business Administration, Dartmouth College, from 1976 to 1984 and Dean from 1976 to 1983. Director, Vornado Realty Trust (real estate holding company), Bowne & Co., Inc. (printer), Alexanders, Inc. (department stores), and Smith Corona Corporation (manufacturer of typewriters and word processors).

Terry K. Glenn*	Executive Vice President	800 Scudders Mill Road Plainsboro, New Jersey 08536

Occupation: Executive Vice President of the Adviser and MLAM since 1983 and Director since 1992; President of Merrill Lynch Funds Distributor, Inc. since 1986 and Director thereof since 1991; President of Princeton Administrators, Inc. since 1988; Director of Financial Data Services, Inc. since 1985; Executive Vice President and Director of Princeton Services since 1993.

</TABLE>

<TABLE> <CAPTION>

NAME	CAPACITY	ADDRESS
<S>	<C>	<C>
N. John Hewitt*	Senior Vice President(1)	800 Scudders Mill Road Plainsboro, New Jersey 08536

Occupation: Senior Vice President of the Adviser and MLAM since 1981.

Jay C. Harbeck*	Vice President(1)	800 Scudders Mill Road Plainsboro, New Jersey 08536

Occupation: Vice President of MLAM since 1986 and Fixed Income Portfolio Manager since 1986.

Donald C. Burke*	Vice President(1)	800 Scudders Mill Road Plainsboro, New Jersey 08536

Occupation: Vice President of MLAM since 1990; employee of Deloitte & Touche from 1982 to 1990.

Gerald M. Richard*	Treasurer(1)	800 Scudders Mill Road Plainsboro, New Jersey 08536

Occupation: Senior Vice President and Treasurer of MLAM and the Adviser since 1984; Vice President of Merrill Lynch Funds Distributor, Inc. since 1981 and Treasurer since 1984; Senior Vice President and Treasurer of Princeton Services since 1993.

Susan B. Baker*	Secretary(1)	800 Scudders Mill Road Plainsboro, New Jersey 08536

Occupation: Vice President of MLAM since 1993; attorney associated with the Adviser and MLAM since 1987; attorney in private practice from 1985 to 1987.

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* Interested person, as defined in the Investment Company Act of 1940, of the Program.

(1) Each of Messrs. Zeikel and Glenn is a director or trustee and officer, Messrs. Forbes, Reilly, Ryan,West and Ms. Montgomery are directors or trustees, and the officers of the Program are officers, of certain other investment companies for which the Adviser or MLAM acts as investment adviser.

The Program has an Audit Committee consisting of all the directors of the Program who are not interested persons of the Program.

REMUNERATION OF OFFICERS AND DIRECTORS--On March 31, 1994, shares of the Program owned by all officers and directors of the Program as a group aggregated less than 1/4 of 1% of the total of such shares then outstanding. The Program pays each unaffiliated director an annual fee of $800 plus $400 per quarterly meeting attended and an annual fee of $500 for serving on the Program's Audit Committee, except for the Chairman of the Audit Committee who receives an annual fee of $1,000. The Program will also pay the out-of-pocket expenses of such directors relating to attendance at Meetings. For the year ended December 31, 1993, such fees and expenses to the five unaffiliated directors of the Program aggregated $12,920.

NET ASSET VALUE

The net asset value per Share of the Program is determined by dividing the net assets of the Program by the number of its outstanding Shares. The net assets of the Program are its gross assets less its liabilities as determined in accordance with generally accepted accounting principles. It is the ultimate responsibility of the Board to establish standards for the valuation of the Portfolio securities for purposes of determining net asset value of the Program. The Program has made arrangements with Merrill Lynch Securities Pricing Service ("MLSPS") to furnish to the Program and the Agent, on each day that the New York Stock Exchange is open for trading immediately after the declaration of dividends, estimated values (as of 4:00 P.M.) of Portfolio securities for purposes of computation of net asset value of the Shares. The New York Stock Exchange is not open for trading on the following holidays: New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The Board has examined the methods to be used by the pricing services in estimating the value of Portfolio securities and believes that such methods will reasonably and fairly approximate the price at which Portfolio securities may be sold and will result in a good faith determination of the fair value of such securities; however, there is no assurance that the Portfolio securities can be sold at the prices at which they are valued.

Portfolio securities (other than short-term obligations but including listed issues) may be valued on the basis of prices furnished by one or more pricing services which determine prices for normal, institutional-size trading units of such securities using market information, transactions for comparable securities and various relationships between securities which are generally recognized by institutional traders. In certain circumstances, portfolio securities are valued at the last sale price on the exchange that is the primary market for such securities, or the last quoted bid price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales during the day. The value of interest rate swaps, caps and floors is determined in accordance with a formula and then confirmed periodically by obtaining a bank quotation. Positions in options are valued at the last sale price on the market where any such option is principally traded. Obligations with remaining maturities of 60 days or less are valued at amortized cost unless this method no longer produces fair valuations. Repurchase agreements are valued at cost plus accrued interest. Securities for which there exist no price quotations or valuations and all other assets are valued at fair value as determined in good faith by or on behalf of the Board of Directors of the Program.

REDEMPTION OF SHARES

The right of redemption may be suspended during any period when the New York Stock Exchange is closed, other than customary weekend and holiday closings; when trading on such Exchange is restricted or an emergency exists, in each case as determined by rules and regulations of the Securities and Exchange Commission; or during any period when the Securities and Exchange Commission has by order permitted such suspension.

The Program has elected to be obligated to pay in cash redemptions during any 90-day period for any one Shareholder up to the lesser of $250,000 or 1% of the Program's net asset value. Payments in excess of such amount will normally be made in cash. If, however, the Board determines that liquidation of the Program's holdings is impracticable or that such payment in cash would be adverse to the interests of the remaining Shareholders, such payment may be made in whole or in part in Portfolio securities. The value of any Portfolio securities distributed in payment for tendered Shares will be deemed to be their value used in determining the net asset value of the Shares at the time they were tendered for redemption. If securities rather than cash are distributed, the Shareholder will incur brokerage charges or their equivalent in dealer markdowns in liquidating these securities.

Due to the high cost of maintaining Shareholder accounts of less than $500, the Program reserves the right to redeem Shares in any account for their then current net asset value (which will be paid

promptly to the Shareholder), if at any time the total investment of such Shareholder does not have a net asset value of at least $500 due to Shareholder redemptions and the Shareholder owns no Units or has elected that no distributions on any Units owned by such Shareholder be invested in Shares. Before any such redemption is effected, the Shareholder will be given 30 days' notice, during which period he will be entitled to elect to have distributions on Units owned by such Shareholder invested in Shares or to purchase Shares to bring his account up to a net asset value of $500 and thereby avoid such redemption.

TAXES AND DISTRIBUTIONS

Reference is made to "Taxes and Distributions" on page 11 of the Prospectus.

Distributions to Shareholders of net investment income and net short-term capital gains, if any, including distributions which are reinvested in additional Shares of the Program will be taxable as ordinary income to such Shareholders. To the extent that such distributions of interest and net short-term capital gains, if any, to a Shareholder during any year are in excess of that Shareholder's share of the Program's current and accumulated earnings and profits, the amount of such distributions will be treated as a return of capital and will reduce the Shareholder's basis in his Shares. To the extent such distributions exceed the Shareholder's basis, they will be taxed as gain on the sale or exchange of the Shares (generally, capital gain), long-term if the Shareholder has held his Shares as a capital asset for more than twelve months. Distributions which are taxable as ordinary income to Shareholders will constitute dividends for federal income tax purposes; however, it is anticipated that most if not all of such distributions will not qualify for the 70% dividends-received deduction for corporations.

Distributions reflecting net long-term capital gains (designated as such by the Program) will be taxable to Shareholders as long-term capital gains at a maximum rate of 28% for non-corporate Shareholders and a maximum rate of 34% for corporate Shareholders, regardless of the length of time a Shareholder has held his Shares. In the event of the redemption of Shares, gain, if any, reflecting accrued but undistributed net interest income thereon may be subject to taxation as (depending on the length of time the Shareholder has held the redeemed Shares) long-or short-term capital gains. The federal tax status of each year's distributions will be reported to Shareholders.

Dividends declared by the Fund in October, November or December of any year and made payable to Shareholders of record in such month will be deemed to be received on December 31 of such year if actually paid during the following January.

If a Shareholder's holding period in his Shares is six months or less, any capital loss realized from a sale or exchange of such Shares must be treated as long-term capital loss to the extent of capital gains dividends received with respect to such Shares.

Dividends may be subject to a 30% United States withholding tax under the existing provisions of the Code applicable to foreign individuals and trusts, estates, partnerships and corporations unless a reduced rate of withholding or a withholding exemption is provided under applicable treaty. Shareholders who are nonresident aliens or foreign entities are urged to consult their own tax advisers concerning the applicability of the United States withholding tax.

The foregoing is a general and abbreviated summary of the applicable provisions of the Code and Treasury Regulations currently in effect. For the complete provisions, reference should be made to the pertinent Code sections and the Treasury Regulations promulgated thereunder. The Code and these Regulations are subject to change by legislative or administrative action.

STATE AND LOCAL TAXES --Distributions by the Program may also be subject to state and local taxation.

State and local taxing authorities may enact legislation which may require the Program to withhold a portion of dividends paid or credited to Shareholders.

PORTFOLIO TRANSACTIONS

While there is no undertaking or agreement to do so, the Adviser may allocate securities transactions among various dealers on the basis of supplementary statistical and research information and price quotation and other services furnished to the Program or the Adviser. Such statistical and research information may be used by the Adviser in providing investment advice for all of the accounts which it manages, and it is not possible to relate the benefits of such information to any particular account. The Adviser is able to fulfill its obligations to furnish a continuous investment program to the Program without such information from dealers. However, the Adviser considers access to such information to be an important element of financial management. While such information is considered useful, its value is not determinable and the Adviser does not feel that such information reduces its expenses. In implementing the above policies, the Program will not offset brokerage commissions paid to the affiliates of the Adviser, if any, against advisory fees payable to the Adviser, nor will it attempt to offset brokerage commissions payable to other brokers which effect Portfolio transactions for the Program. The Board has considered the propriety of seeking such offsets and has determined that it is in the best interest of the Program not to seek such offsets at this time and that it will reconsider this determination in the future at least annually. The Program may effect Portfolio transactions conducted on an agency basis through affiliates of the Adviser provided that, in the judgment of the Adviser, more favorable prices or executions are not obtainable elsewhere. During its fiscal years ended December 31, 1991, 1992 and 1993, the Program did not pay any brokerage commissions.

The Program is prohibited from engaging in certain transactions involving the Adviser or any of its affiliates. Prohibited transactions include portfolio transactions with affiliates of the Adviser acting as principal. In underwritten offerings in which such affiliates participate as an underwriter, the Program may only purchase securities from a member of the underwriting or selling group not affiliated with the Program or the Adviser, and subject to various other conditions. An affiliate of the Adviser acts as an underwriter in a substantial number of underwritten offerings of obligations. While the Program's inability to purchase obligations from affiliates of the Adviser acting as principal or, except in the limited circumstances permitted by the applicable Securities and Exchange Commission rules, in underwritten offerings in which such affiliates are involved, will limit the number of underwritten offerings in which the Program can purchase obligations and may have an adverse effect upon the ability of the Program to obtain best price in the purchase of obligations, the Program does not anticipate that this will materially interfere with its ability to purchase obligations in accordance with the investment objectives and policies referred to above.

PERFORMANCE DATA

The Program may from time to time include its average annual total return and yield in advertisements or information furnished to present or prospective shareholders. Set forth below is the Program's average annual total return information for the periods indicated:

<TABLE> <CAPTION>

	YEAR ENDED DECEMBER 31, 1993	5-YEAR PERIOD ENDED DECEMBER 31, 1993	10-YEAR PERIOD ENDED DECEMBER 31, 1993
<S>	<C>	<C>	<C>
Average Annual Total Return(a).......	12.20%	10.90%	11.04%

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(a) Average annual total return quotations for the specified periods are computed by finding the average annual compounded rates of return (based upon net investment income and any capital gains or losses on portfolio investments over such periods) that would equate the initial amount invested to the redeemable value of such investment at the end of each period. Average annual total return is computed assuming all dividends and distributions are reinvested and taking into account all applicable recurring and nonrecurring expenses.

The Program may supplement this Statement of Additional Information with yield quotations to comply with certain regulations issued by the Securities and Exchange Commission with respect to the advertisement of performance. Yield quotations will be computed based on a 30-day period by dividing the net income earned during the period based on the yield to maturity of each security held by the Program by the average daily number of shares outstanding during the period that were entitled to receive dividends times the maximum offering price per share on the last day of the period.

GENERAL INFORMATION

DESCRIPTION OF SHARES--The Program is authorized to issue a total of 50,000,000 shares of $.01 par value each. There is no limitation on the sales charge, if any, at which the Shares may be offered or the types of investors to whom offerings may be made. Shares are fully paid and non-assessable when issued, have no pre-emptive, conversion or exchange rights and are transferable without restriction. Each Share entitles the holder to one vote at all meetings of shareholders. Cumulative voting is not permitted. Thus the holders of more than 50% of the Shares voting for the election of the Directors can elect all of the Directors of the Program if they choose to do so and in such event the holders of the remaining Shares would not be able to elect any Directors. Holders of Shares are entitled to participate equally in dividends and distributions, and, in addition, in the event of the distribution or liquidation of the Program the holders of Shares will be entitled to participate equally in any assets of the Program. Unless requested to do so by a Shareholder, the Program will not ordinarily issue certificates representing Shares but will instead establish for each Shareholder through the Agent an account under which such Shares are held for safekeeping.

AUDITORS AND FINANCIAL STATEMENTS--Deloitte & Touche, independent auditors for the Program, have audited the statement of assets and liabilities, including the schedule of investments, of the Program as of December 31, 1993 and the related statements of operations for the year then ended and of changes in net assets for the years ended December 31, 1993 and 1992 and the financial highlights for each of the years in the five year period ended December 31, 1993 as stated in their report appearing herein, and such financial statements have been included herein in reliance upon such report given upon the authority of that firm as experts in accounting and auditing. The Program will issue to Shareholders

semi-annual and annual reports containing financial statements including information relating to net asset value per share and income and expense.

LEGAL COUNSEL--Rogers & Wells, New York, New York, is counsel for the Program.

RATINGS OF CORPORATE OBLIGATIONS*

STANDARD & POOR'S--AAA-- Bonds rated AAA have the highest rating assigned by Standard & Poor's. Capacity to pay interest and repay principal is extremely strong.

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

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

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

BB--B--CCC--CC--Bonds rated BB, B, CCC and CC are regarded, on balance, as predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. BB indicates the lowest degree of speculation and CC the highest degree of speculation. While such bonds will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions.

C--The rating C is reserved for income bonds on which no interest is being paid.

D--Bonds rated D are in default, and payment of interest and/or repayment of principal is in arrears.

NR--Indicates that no rating has been requested, that there is insufficient information on which to base a rating, or that S&P does not rate a particular type of bond as a matter of policy.

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

FITCH--AAA rated bonds are considered to be investment grade and of the highest quality. The obligor has an extraordinary ability to pay interest and repay principal, which is unlikely to be affected by reasonably foreseeable events.

AA rated bonds are considered to be investment grade and of high quality. The obligor's ability to pay interest and repay principal, while very strong, is somewhat less than for AAA rated securities or more subject to possible change over the term of the issue.

A rated bonds are considered to be investment grade and of good quality. The obligor's ability to pay interest and repay principal is considered to be strong, but may be more vulnerable to adverse changes in economic conditions and circumstances than bonds with higher ratings.

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

*As described by the rating companies themselves.

BBB rated bonds are considered to be investment grade and of satisfactory quality. The obligor's ability to pay interest and repay principal is considered to be adequate. Adverse changes in economic conditions and circumstances, however, are more likely to weaken this ability than bonds with higher ratings.

BB rated bonds are considered speculative and of low investment grade. The obligor's ability to pay interest and repay principal is not strong and is considered likely to be affected over time by adverse economic changes.

B rated bonds are considered highly speculative. Bonds in this class are lightly protected as to the obligor's ability to pay interest over the life of the issue and repay principal when due.

CCC rated bonds may have certain characteristics which, with the passing of time, could lead to the possibility of default on either principal or interest payments.

CC rated bonds are minimally protected. Default in payment of interest and/or principal seems probable.

C rated bonds are in actual or imminent default in payment of interest or principal.

DDD, DD, D rated bonds are in default and in arrears in interest and/or principal payments. Such bonds are extremely speculative and should be valued only on the basis of their value in liquidation or reorganization of the obligor.

+ (Plus) or - (Minus) signs after bond and preferred stock rating symbols (from "AA" to "B") indicate relative standing within a rating category. They are refinements more closely reflecting strengths and weaknesses and are not to be used as trend indicators.

MOODY'S--Aaa--Bonds which are rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

Aa--Bonds which are rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long term risks appear somewhat larger than in Aaa securities.

A--Bonds which are rated A possess many favorable investment attributes and are to be considered as upper medium grade obligations. Factors giving security to principal and interest are considered adequate but elements may be present which suggest a susceptibility to impairment sometime in the future.

Baa--Bonds which are rated Baa are considered medium grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

Ba--Bonds which are rated Ba are judged to have speculative elements; their future cannot be considered as well assured. Often the protection of interest and principal payments may be very

moderate and thereby not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.

B--Bonds which are rated B generally lack characteristics of the desirable investment. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small.

Caa--Bonds which are rated Caa are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or interest.

Ca--Bonds which are rated Ca represent obligations which are speculative in a high degree. Such issues are often in default or have other marked shortcomings.

C--Bonds which are rated C are the lowest rated class of bonds and issues so rated can be regarded as having extremely poor prospects of ever attaining any real investment standing.

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

The Corporate Fund Accumulation Program, Inc.
Independent Auditors' Report

- ---

The Board of Directors and Shareholders, The Corporate Fund

Accumulation Program, Inc.:

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of The Corporate Fund Accumulation Program, Inc. as of December 31, 1993, the related statements of operations for the year then ended and changes in net assets for each of the years in the two-year period then ended, and financial highlights for each of the years in the five-year period then ended. These financial statements and the financial highlights are the responsibility of the Program's management. Our responsibility is to express an opinion on these financial statements and the financial highlights 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 and the financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned at December 31, 1993 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights present fairly, in all material respects, the financial position of The Corporate Fund Accumulation Program, Inc. as of December 31, 1993, the results of its operations, the changes in its net assets, and the financial highlights for the respective stated periods in conformity with generally accepted accounting principles.

/s/ Deloitte & Touche

Deloitte & Touche
Princeton, New Jersey
February 4, 1994

<TABLE>

The Corporate Fund Accumulation Program, Inc.
Schedule of Investments — December 31, 1993

<CAPTION>

S&P Rating	Moody's Rating	Face Amount	Issue	Cost	Value (Note 1a)
<S>	<C>	<C>	<C>	<C>	<C>
			US Government Obligations		
US Government Obligations--7.7%					
			US Treasury Notes:		
NR	Aaa	$1,500,000	8.25% due 7/15/1998	$ 1,687,080	$ 1,687,965
NR	Aaa	1,000,000	5.125% due 11/30/1998	1,004,521	996,870
NR	Aaa	3,500,000	8.75% due 8/15/2000	4,151,436	4,131,085
NR	Aaa	1,000,000	5.75% due 8/15/2003	995,843	996,560
NR	Aaa	1,000,000	7.125% due 2/15/2023	1,128,449	1,082,180
				8,967,329	8,894,660
			Total US Government Obligations--7.7%	8,967,329	8,894,660
Industry			Corporate Bonds & Notes		
Banks & Thrifts--14.9%					
A-	A3	1,000,000	Boatmen's Bancshares, 6.75% due 3/15/2003	1,005,479	1,016,480
			First Union Corporation:		
A-	A3	1,000,000	6.75% due 1/15/1998	997,632	1,039,425
A-	A3	465,000	8.125% due 6/24/2002	522,876	515,898
A-	A3	3,000,000	Huntington Bancshares, 7.625% due 1/15/2003	3,058,943	3,225,483
BBB+	A3	2,000,000	Meridian Bancorp, 6.625% due 3/15/2003	1,968,761	2,012,046
A-	A3	3,000,000	Nationsbank Corp., 6.875% due 2/15/2005	3,159,472	3,057,783
A	A2	3,000,000	Norwest Corp., 6.625% due 3/15/2003	3,016,120	3,053,286
A-	Baa1	2,000,000	U.S.Bancorp, 7.00% due 3/15/2003	1,995,397	2,068,048
A	A2	1,000,000	World Savings & Loan Association, 9.90% due 7/01/2000	1,028,795	1,175,305
				16,753,475	17,163,754

S&P Rating	Moody's Rating	Face Amount	Issue	Cost	Value (Note 1a)
Financial--Other--6.5%					
A	A2	3,000,000	Bear Stearns, 6.70% due 8/01/2003	2,985,929	3,002,874
A	A3	1,000,000	Dean Witter & Discover, 6.875% due 3/01/2003	1,021,981	1,022,468
BBB+	A3	2,000,000	PaineWebber, 9.25% due 12/15/2001	2,324,501	2,310,640
A+	A3	1,000,000	Torchmark Corp., 9.625% due 5/01/1998	989,782	1,149,771
				7,322,193	7,485,753
Financial Services--2.8%					
A+	A1	2,000,000	American General Finance Corp., 7.45% due 7/01/2002	2,044,003	2,143,340
AA-	A1	1,000,000	Associates Corp. of North America, 8.80% due 8/01/1998	1,126,319	1,127,835
				3,170,322	3,271,175
Financial Services--Captive--0.9%					
A	A2	1,000,000	Ford Motor Credit Co., 7.75% due 11/15/2002	996,668	1,092,128
Foreign*--3.5%					
A+	A1	1,000,000	Hydro-Quebec (Canada), 8.40% due 1/15/2022 (a)	1,117,704	1,116,178
A+	A1	1,000,000	Korea Development Bank, 7.90% due 2/01/2002 (b)	1,090,205	1,077,001
A+	A1	750,000	Korea Electric Power, 7.75% due 4/01/2013 (c)	767,567	767,260
AA-	Aa2	1,000,000	Province of Ontario (Canada), 8.00% due 10/17/2001 (d)	1,074,585	1,101,830
				4,050,061	4,062,269

</TABLE>

<TABLE>

The Corporate Fund Accumulation Program, Inc.
Schedule of Investments (continued) December 31, 1993

<CAPTION>

S&P Rating	Moody's Rating	Face Amount	Issue	Cost	Value (Note 1a)
<S>	<C>	<C>	<C>	<C>	<C>
			Corporate Bonds & Notes (continued)		
Industrial--Consumer--8.2%					
A+	A1	$2,000,000	Bass America Inc., 8.125% due 3/31/2002	$ 2,068,822	$ 2,212,132
			Dillard Department Stores, Inc.:		
A+	A2	1,000,000	7.375% due 6/15/1999	1,027,035	1,074,679
A+	A2	1,000,000	7.85% due 10/01/2012	1,033,359	1,080,109
			Grand Metropolitan Investment Corp.:		
A+	A2	2,000,000	8.625% due 8/15/2001	2,066,097	2,297,066
A+	A2	1,000,000	9.00% due 8/15/2011	1,028,110	1,188,715
			Philip Morris Companies, Inc.:		
A	A2	500,000	9.00% due 1/01/2001	504,319	576,517
A	A2	1,000,000	7.25% due 1/15/2003	995,235	1,051,137
				8,722,977	9,480,355
Industrial--Energy--4.9%					
A+	A1	1,000,000	Atlantic Richfield Co., 10.375% due 7/15/1995	1,004,722	1,089,014
AA-	A1	1,000,000	BP America Inc., 7.875% due 5/15/2002	1,050,043	1,103,545
A-	A3	2,000,000	Burlington Resources, Inc., 9.625% due 6/15/2000	2,343,664	2,384,948
A+	A1	1,000,000	Texaco Capital, 8.00% due 8/01/2032	970,801	1,098,391
				5,369,230	5,675,898
Industrial--Other--15.2%					
AA-	Aa2	2,000,000	Archer-Daniels-Midland Co., 6.25% due 5/15/2003	1,989,696	2,018,972
A-	A3	1,000,000	Baxter International Inc., 8.125% due 11/15/2001	993,788	1,108,899
A+	A1	3,000,000	Capital Cities/ABC Inc., 8.875% due 12/15/2000	3,171,850	3,504,432
A	A2	1,000,000	Communication Satellite, 8.125% due 4/01/2004	1,021,030	1,120,786
A	A3	3,000,000	First Data Corp., 6.625% due 4/01/2003	2,994,743	3,040,752
A	A2	1,000,000	Ford Capital B.V., 9.875% due 5/15/2002	1,021,129	1,217,962
AAA	Aaa	2,000,000	United Parcel Service of America, Inc., 8.375% due 4/01/2020	1,917,142	2,366,062
A	A2	3,000,000	Weyerhaeuser Corp., 7.50% due 3/01/2013	3,170,223	3,151,764
				16,279,601	17,529,629
Supranational--2.5%					
AAA	Aaa	2,000,000	International Bank for Reconstruction & Development, 12.375% due 10/15/2002	2,018,251	2,824,686

Transportation--3.5%					
			Southwest Airlines Co.:		
A-	Baa1	2,500,000	9.40% due 7/01/2001	2,999,481	2,938,075
A-	Baa1	1,000,000	7.875% due 9/01/2007	993,247	1,084,569
				------------	------------
				3,992,728	4,022,644
Utilities--Communications--5.9%					
BBB+	A3	500,000	GTE Corporation, 9.10% due 6/01/2003	565,820	590,020
			Pacific Bell, Inc.:		
AA-	Aa3	1,000,000	8.70% due 6/15/2001	992,172	1,156,801
AA-	Aa3	1,000,000	7.25% due 7/01/2002	1,051,180	1,068,719
AA-	Aa3	1,000,000	7.125% due 3/15/2026	1,021,789	999,892
			Southwestern Bell Telecommunications, Inc.:		
A+	A1	2,000,000	6.125% due 3/01/2000	2,009,015	2,030,544
A+	A1	1,000,000	7.00% due 7/01/2015	987,785	1,006,824
				------------	------------
				6,627,761	6,852,800

</TABLE>

<TABLE>

The Corporate Fund Accumulation Program, Inc.
Schedule of Investments (concluded) December 31, 1993

<CAPTION>

S&P Rating	Moody's Rating	Face Amount	Issue	Cost	Value (Note 1a)
<S>	<C>	<C>	<C>	<C>	<C>
			Corporate Bonds & Notes (concluded)		
Utilities--Electric--10.7%					
A-	A3	$3,000,000	Georgia Power Co., 6.125% due 9/01/1999	$ 2,967,235	$ 3,044,517
			Pacific Gas & Electric Co.:		
A	A1	1,000,000	7.875% due 3/01/2002	998,303	1,101,170
A	A1	2,000,000	6.25% due 8/01/2003	1,997,937	1,980,616
A	A1	1,000,000	7.25% due 8/01/2026	1,011,246	986,934
			Pennsylvania Power & Light Co.:		
A	A2	1,000,000	7.75% due 5/01/2002	1,039,328	1,092,055
A	A2	2,000,000	6.875% due 2/01/2003	1,990,276	2,066,574
A	A2	2,000,000	Virginia Electric & Power Co., 6.625% due 4/01/2003	2,008,726	2,047,952
				------------	------------
				12,013,051	12,319,818
Utilities--Gas--1.7%					
AA-	A1	2,000,000	Consolidated Natural Gas Co., 5.75% due 8/01/2003	1,982,578	1,931,294
			Total Corporate Bonds & Notes--81.2%	89,298,896	93,712,203

<CAPTION>

		Short-Term Securities		
<S>	<C>	<C>	<C>	<C>
Commercial Paper**--3.1%				
		General Electric Capital Corp.:		
	1,000,000	3.40% due 1/04/1994	999,717	999,717
	2,527,000	3.20% due 1/07/1994	2,525,652	2,525,652
			------------	------------
			3,525,369	3,525,369
Repurchase Agreements***--6.8%				
	3,856,000	Bankers Trust, purchased on 12/31/1993 to yield 3.25% to 1/03/1994	3,856,000	3,856,000
	4,000,000	Goldman Sachs & Co., purchased on 12/31/1993 to yield 2.75% to 1/03/1994	4,000,000	4,000,000
			------------	------------
			7,856,000	7,856,000
		Total Short-Term Securities--9.9%	11,381,369	11,381,369
		Total Investments--98.8%	$109,647,594	113,988,232
			============	
		Other Assets Less Liabilities--1.2%		1,378,883

		Net Assets--100.0%		$115,367,115
				============

<FN>

*Corresponding industry groups for foreign bonds which are denominated in US dollars:
(a) Utility--Electric; Owned & Guaranteed by the Province.
(b) Financial Institution; Government-Owned & Guaranteed by Korea.
(c) Utility--Electric; Majority-owned, not guaranteed by the Republic of Korea.
(d) Government entity.

**Commercial Paper is traded on a discount basis; the interest rates shown are the discount rates paid at the time of purchase by the Program.

***Repurchase Agreements are fully collateralized by US Government Obligations.

Ratings of issues shown have not been audited by Deloitte & Touche.

See Notes to Financial Statements.

</TABLE>

<TABLE>

The Corporate Fund Accumulation Program, Inc.
Statement of Assets and Liabilities as of December 31, 1993

<CAPTION>

<S>	<C>	<C>
Assets:		
Investments, at value (identified cost--$109,647,594) (Note 1a)		$113,988,232
Cash		1,333
Receivables:		
Interest	$ 2,134,546	
Capital shares sold	13,722	2,148,268
Prepaid registration fees and other assets (Note 1d)		17,815
Total assets		116,155,648
Liabilities:		
Payables:		
Dividends to shareholders (Note 1e)	384,191	
Capital shares redeemed	206,065	
Investment adviser (Note 2)	46,466	636,722
Accrued expenses and other liabilities		151,811
Total liabilities		788,533
Net Assets		$115,367,115
Net Assets Consist of:		
Common Stock, $.01 par value, 50,000,000 shares authorized		$ 53,529
Paid-in capital in excess of par		110,956,139
Undistributed investment income--net		17,696
Accumulated realized capital losses--net		(887)
Unrealized appreciation on investments--net		4,340,638
Net Assets--Equivalent to $21.55 net asset value per share based on 5,352,963 shares outstanding		$115,367,115

</TABLE>

<TABLE>

The Corporate Fund Accumulation Program, Inc.
Statement of Operations for the Year Ended December 31, 1993

<CAPTION>

<S>	<C>	<C>
Investment Income (Note 1c):		
Interest and premium and discount earned		$ 7,036,061
Expenses:		
Investment advisory fees (Note 2)	$ 515,901	
Transfer agent fees	337,249	
Printing and shareholder reports	73,738	
Professional fees	46,975	
Registration fees (Note 1d)	43,736	
Accounting services (Note 2)	35,280	
Pricing fees	24,269	
Custodian fees	19,849	
Directors' fees and expenses	12,920	
Other	3,654	
Total expenses		1,113,571
Investment income--net		5,922,490

Realized & Unrealized Gain on Investments--Net (Notes 1c & 3):	
Realized gain on investments--net	4,633,533
Change in unrealized appreciation on investments--net	915,986
Net Increase in Net Assets Resulting from Operations	$ 11,472,009

See Notes to Financial Statements.
</TABLE>

<TABLE>

The Corporate Fund Accumulation Program, Inc.
Statements of Changes in Net Assets

<CAPTION>

Increase (Decrease) in Net Assets:	For the Year Ended December 31, 1993	1992
<S>	<C>	<C>
Operations:		
Investment income--net	$ 5,922,490	$ 5,784,730
Realized gain on investments--net	4,633,533	2,082,581
Change in unrealized appreciation/depreciation on investments--net	915,986	(2,058,824)
Net increase in net assets resulting from operations	11,472,009	5,808,487
Dividends & Distributions to Shareholders (Note 1e):		
Investment income--net	(5,905,595)	(5,808,866)
Realized gain on investments--net	(4,763,714)	(2,088,612)
Net decrease in net assets resulting from dividends and distributions to shareholders	(10,669,309)	(7,897,478)
Capital Share Transactions (Note 4):		
Net increase in net assets derived from capital share transactions	23,672,843	10,317,708
Net Assets:		
Total increase in net assets	24,475,543	8,228,717
Beginning of year	90,891,572	82,662,855
End of year*	$115,367,115	$ 90,891,572
<FN>		
*Undistributed investment income--net	$ 17,696	$ 801

</TABLE>

<TABLE>

The Corporate Fund Accumulation Program, Inc.
Financial Highlights

<CAPTION>

The following per share data and ratios have been derived from information provided in the financial statements.	For the Year Ended December 31, 1993	1992	1991	1990	1989
<S>	<C>	<C>	<C>	<C>	<C>
Per Share Operating Performance:					
Net asset value, beginning of year	$ 21.22	$ 21.76	$ 20.24	$ 20.54	$ 19.75
Investment income--net	1.31	1.46	1.52	1.67	1.64
Realized and unrealized gain (loss) on investments--net	1.24	(.03)	1.51	(.28)	.81
Total from investment operations	2.55	1.43	3.03	1.39	2.45
Less dividends and distributions:					
Investment income--net	(1.29)	(1.47)	(1.51)	(1.69)	(1.66)
Realized gain on investments--net	(.93)	(.50)	--	--	--
Total dividends and distributions	(2.22)	(1.97)	(1.51)	(1.69)	(1.66)
Net asset value, end of year	$ 21.55	$ 21.22	$ 21.76	$ 20.24	$ 20.54
Total Investment Return:					
Based on net asset value per share	12.20%	6.88%	15.60%	7.19%	12.87%
Ratios to Average Net Assets:					
Expenses	1.08%	1.12%	1.16%	1.29%	1.26%

Investment income--net	5.74%	6.72%	7.25%	8.18%	8.27%
Supplemental Data:					
Net assets, end of year (in thousands)	$115,367	$ 90,892	$ 82,663	$ 76,298	$ 82,738
Portfolio turnover	132%	65%	87%	107%	126%

See Notes to Financial Statements.
</TABLE>

1. Significant Accounting Policies:
The Corporate Fund Accumulation Program, Inc. (the "Program") is registered under the Investment Company Act of 1940 as a diversified, open-end investment management company. The following is a summary of significant accounting policies followed by the Program.

(a) Valuation of securities--Portfolio securities are valued by the Program's pricing agent, Interactive Data Services, Inc. These values are not bids or actual last sale prices but are estimates of the price at which the pricing agent believes the Program could sell such portfolio securities. The Board of Directors has examined the methods to be used by the Program's pricing agent in estimating the value of portfolio securities and believes that such methods will reasonably and fairly approximate the price at which portfolio securities may be sold and will result in a good faith determination of the fair value of such securities. Short-term securities are valued at amortized cost, which approximates market.

(b) Income taxes--It is the Program's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no Federal income tax provision is required.

(c) Security transactions and investment income--Security transactions are recorded on the dates the transactions are entered into (the trade dates). Interest income (including amortization of premium and discount) is recognized on the accrual basis. Realized gains and losses on security transactions are determined on the identified cost basis.

(d) Prepaid registration fees--Prepaid registration fees are charged to expense as the related shares are issued.

(e) Dividends to shareholders--Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates.

2. Investment Advisory Agreement and Transactions with Affiliates:
The Program has entered into an Investment Advisory Agreement with Fund Asset Management, Inc. ("FAMI"), a wholly-owned subsidiary of Merrill Lynch Investment Management, Inc. ("MLIM"), which is an indirect, wholly-owned subsidiary of Merrill Lynch & Co., Inc.

Effective January 1, 1994, the investment advisory business of FAMI reorganized from a corporation to a limited partnership. The general partner of FAMI is Princeton Services, Inc., an indirect wholly-owned subsidiary of Merrill Lynch & Co.

FAMI is responsible for the management of the Program's portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Program. For such services, the Program pays a monthly fee of 0.50%, on an annual basis, of the value of the Program's average daily net assets. The Investment Advisory Agreement obligates FAMI to reimburse the Program to the extent the Program's expenses (excluding interest, taxes, brokerage fees and extraordinary items) exceed 2.5% of the Program's first $30 million of average daily net assets, 2.0% in excess of $30 million but not exceeding $100 million average daily net assets, and 1.5% of the average daily net assets above $100 million. No fee payment will be made to the Adviser during any fiscal year which would cause such expenses to exceed the foregoing expense limitations applicable at the time of such payment.

FAMI has entered into an Administrative Agreement with Merrill Lynch, Pierce, Fenner & Smith Inc. ("MLPF&S"), Prudential Securities, Inc., Dean Witter Reynolds Inc., and Shearson Lehman Brothers Inc. (the "Administrators"), whereby the Administrators perform certain administrative duties on behalf of FAMI.

The Administrators receive a monthly fee from FAMI equal to 0.20%, on an annual basis, of the Program's average daily net assets and have agreed to reimburse FAMI for a portion of the reimbursement of expenses to the Program as described above, required to be made by FAMI.

Accounting services are provided to the Program by FAMI at cost.

Certain officers and/or directors of the Program are officers and/or directors of FAMI, MLIM, MLPF&S, and/or Merrill Lynch & Co., Inc.

3. Investments:
Purchases and sales of investments, excluding short-term securities, for the year ended December 31, 1993 were $144,268,311 and $129,547,172, respectively.

Net realized and unrealized gains (losses) as of December 31, 1993 were as follows:

	Realized Gains (Losses)	Unrealized Gains
Corporate & Government Bonds	$ 4,633,650	$ 4,340,638
Short-Term Securities	(117)	--
Total	$ 4,633,533	$ 4,340,638

As of December 31, 1993, net unrealized appreciation for Federal income tax purposes aggregated $4,340,638, of which $4,747,154 related to appreciated securities and $406,516 related to depreciated securities. The aggregate cost of investments at December 31, 1993 for Federal income tax purposes was $109,647,594.

4. Capital Share Transactions:
Transactions in capital shares were as follows:

For the Year Ended December 31, 1993	Shares	Dollar Amount
Shares sold	3,558,780	$79,734,098
Shares issued to shareholders in reinvestment of dividends and distributions	458,843	10,088,643
Total issued	4,017,624	89,822,741
Shares redeemed	(2,948,852)	(66,149,898)
Net increase	1,068,771	$23,672,843

For the Year Ended December 31, 1992	Shares	Dollar Amount
Shares sold	1,792,821	$38,606,717
Shares issued to shareholders in reinvestment of dividends and distributions	356,943	7,652,995
Total issued	2,149,764	46,259,712
Shares redeemed	(1,663,828)	(35,942,004)
Net increase	485,936	$10,317,708

Paid-in capital was decreased by $74,402 as a result of prior years' permanent tax differences.

STATEMENT OF ADDITIONAL INFORMATION

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THE CORPORATE FUND INVESTMENT ACCUMULATION PROGRAM

STATEMENT OF ADDITIONAL INFORMATION
DATED APRIL , 1994

BOX 9011
PRINCETON, NEW JERSEY 08543-9011
(609) 282-2000

PART C

ITEM 24. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements

Contained in Part A:

Financial Highlights for each of the years in the ten year period ended December 31, 1993

Contained in Part B:

Schedule of Investments, December 31, 1993

Statement of Assets and Liabilities as of December 31, 1993

Statement of Operations for the year ended December 31, 1993

Statements of Changes in Net Assets for the years ended December 31, 1993 and 1992

Financial Highlights for each of the years in the five year period ended December 31, 1993

(b) Exhibits:

EXHIBIT NUMBER	DESCRIPTION
(1)	--Amended and Restated Articles of Incorporation of Registrant (incorporated by reference to Exhibit 1 to Amendment No. 3 to Form N-8B-1 of Registrant, 1940 Act File No. 811-2642).
(2)	--By-Laws of the Registrant (incorporated by reference to Exhibit 2 to Post-Effective Amendment No. 13 to Form N-1A of Registrant, 1933 Act File No. 2-57060).
(3)	--Not applicable.
(4)	--Form of Stock Certificate (incorporated by reference to Exhibit 4(a) to Amendment No. 3 to Form N-8B-1 of Registrant, 1940 Act File No. 811-2642).
(5)	--Investment Advisory Agreement (incorporated by reference to Exhibit 5 to Amendment No. 3 to Form N-8B-1 of Registrant, 1940 Act File No. 811-2642).
(6)	--Not applicable.
(7)	--Not applicable.
(8)	--Form of Custody Agreement between The Bank of New York and Registrant (incorporated by reference to Exhibit 8 to Amendment No. 3 to Form N-8B-1 of Registrant, 1940 Act File No. 811-2642).
(9)(a)	--Form of Administration Agreement by and among the Registrant, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Prudential-Bache Securities, Inc. and Dean Witter Reynolds Inc. (incorporated by reference to Exhibit (9)a to Post-Effective Amendment No. 4 to Form N-1 of the Registrant, 1933 Act File No. 2-57060).
(b)	--Form of Agency Agreement between The Bank of New York and Registrant (incorporated by reference to Exhibit (9) to Amendment No. 3 to Form N-8B-1 of Registrant, 1940 Act File No. 811-2642).
(10)	--Opinion of Rogers & Wells (incorporated by reference to Registrant's Rule 24f-2 Notice).
(11)	--Consent of Deloitte & Touche, independent auditors for the Registrant (filed herewith).
(12)	--Not applicable.
(13)	--Not applicable.
(14)	--Not applicable.
(15)	--Not applicable.
(16)	--Schedule of Computation of Performance Data in Response to Item 22 (incorporated by reference to Exhibit 16 to Post-Effective Amendment No. 15 to Registrant's Registration Statement on Form N-1A (file No. 2-57060)).
(17)	--Power of Attorney for Cynthia A. Montgomery (filed herewith).

ITEM 26. NUMBER OF HOLDERS OF SECURITIES

TITLE OF CLASS	NUMBER OF RECORD HOLDERS AT FEBRUARY 28, 1994
Capital Stock, $.01 par value..............................	12,244

ITEM 27. INDEMNIFICATION

Article IX of the By-Laws of Registrant is incorporated by reference to Exhibit (2) to Amendment No. 3 to Form N-8B-1 of Registrant (1940 Act File No. 811-2642).

The Maryland statutory indemnification provision is incorporated by reference to Exhibit (14) to Amendment No. 4 to Form N-8B-1 of Registrant (1940 Act File No. 811-2642).

ITEM 28. BUSINESS AND OTHER CONNECTIONS OF INVESTMENT ADVISER

Fund Asset Management, L.P. (the "Investment Adviser") acts as the investment adviser for the following registered investment companies: Merrill Lynch Basic Value Fund, Inc., Merrill Lynch California Municipal Series Trust, CBA Money Fund, CMA Government Securities Fund, CMA Money Fund, CMA Multi-State Municipal Series Trust, CMA Tax-Exempt Fund, CMA Treasury Fund, The Corporate Fund Accumulation Program, Inc., Corporate High Yield Fund, Inc., Corporate High Yield Fund II, Inc., Financial Institutions Series Trust, Income Opportunities Fund 1999, Inc., Income Opportunities Fund 2000, Inc., Merrill Lynch Corporate Bond Fund, Inc., Merrill Lynch Federal Securities Trust, Inc., Merrill Lynch

Institutional Tax-Exempt Fund, Merrill Lynch Funds for Institutions Series, Merrill Lynch Multi-State Ltd. Maturity Municipal Series Trust, Merrill Lynch Multi-State Municipal Series Trust, Merrill Lynch Municipal Bond Fund, Inc., Merrill Lynch Phoenix Fund, Inc., Merrill Lynch Special Value Fund, Inc., The Municipal Fund Accumulation Program, Inc., MuniAssets Fund, Inc., MuniBond Income Fund, Inc., MuniEnhanced Fund, Inc., MuniInsured Fund, Inc., MuniVest California Insured Fund, Inc., MuniVest Florida Fund, Inc., MuniVest Fund, Inc., MuniVest Fund II, Inc., MuniVest Michigan Insured Fund, Inc., MuniVest New Jersey Fund, Inc., MuniVest New York Insured Fund, Inc., MuniVest Pennsylvania Insured Fund, Inc., Apex Municipal Fund, Inc., Taurus MuniCalifornia Holdings, Inc., Taurus MuniNew York Holdings, Inc., MuniYield Arizona Fund, Inc., MuniYield Arizona Fund II, Inc., MuniYield California Fund, Inc., MuniYield California Insured Fund, Inc., MuniYield California Insured Fund II, Inc. MuniYield Florida Fund, Inc., MuniYield Florida Insured Fund, Inc., MuniYield Insured Fund, Inc., MuniYield Insured Fund II, Inc., MuniYield Michigan Fund, Inc., MuniYield Michigan Insured Fund, Inc., MuniYield New York Insured Fund, Inc., MuniYield New York Insured Fund II, MuniYield New York Insured Fund III, Inc., MuniYield Pennsylvania Fund, Inc., MuniYield Fund, Inc., MuniYield Quality Fund, Inc., MuniYield Quality Fund II, Inc., Merrill Lynch World Income Fund, Inc., Senior High Income Portfolio, Inc., Senior High Income Portfolio, II Inc., Worldwide Dollar Vest Fund, Inc. and Emerging Tigers Fund, Inc. Merrill Lynch Asset Management acts as investment adviser for the following registered investment companies: Merrill Lynch Adjustable Rate Securities Fund, Inc., Merrill Lynch Americas Income Fund, Inc., Merrill Lynch Balanced Fund for Investment and Retirement, Convertible Holdings, Inc., Merrill Lynch Capital Fund, Inc., Merrill Lynch Developing Capital Markets Fund, Inc., Merrill Lynch Dragon Fund, Inc., Merrill Lynch EuroFund, Merrill Lynch Fund For Tomorrow, Inc., Merrill Lynch Fundamental Growth Fund, Inc., Merrill Lynch Global Allocation Fund, Inc., Merrill Lynch Global Convertible Fund, Inc., Merrill Lynch Global Utility Fund, Inc., Merrill Lynch High Income Municipal Bond Fund, Inc., Merrill Lynch Growth Fund for Investment and Retirement, Merrill Lynch HealthCare Fund, Inc. (residents of Wisconsin must meet investor suitability requirements), Merrill Lynch Institutional Intermediate Fund, Merrill Lynch International Equity Fund, Inc., Merrill Lynch Global Holdings, Inc., Merrill Lynch Latin America Fund, Inc., Merrill Lynch Senior Floating Rate Fund, Inc., Merrill Lynch Municipal Series Trust, Merrill Lynch Global Resources Trust, Merrill Lynch Pacific Fund, Inc., Merrill Lynch Ready Assets Trust, Merrill Lynch Global Bond Fund for Investment and Retirement, Merrill Lynch Retirement Series Trust, Merrill Lynch Series Fund, Inc., Merrill Lynch Short-Term Global Income Fund, Inc., Merrill Lynch Strategic Dividend

Fund, Merrill Lynch Technology Fund, Inc., Merrill Lynch Utility Income Fund, Inc., Merrill Lynch Variable Series Fund, Inc., Merrill Lynch, U.S.A. Government Reserves and Merrill Lynch U.S. Treasury Money Fund. The address of each of these investment companies is Box 9011, Princeton, New Jersey 08543-9011. The address of Merrill Lynch Funds for Institutions Series, Merrill Lynch Institutional Intermediate Fund, and Merrill Lynch Institutional Tax-Exempt Fund is One Financial Center, 15th Floor, Boston, Massachusetts 02111-2665. The address of the Investment Adviser is also Box 9011, Princeton, New Jersey 08543-9011. The address of Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") and Merrill Lynch & Co., Inc. is World Financial Center, North Tower, 250 Vesey Street, New York, New York, 10281.

Set forth below is a list of each officer and director of FAM indicating each business, profession, vocation or employment of a substantial nature in which each such person has been engaged since December 31, 1990 for his own account or in the capacity of director, officer, partner or trustee. In addition, Messrs. Zeikel, Glenn and Richard hold the same positions with substantially all of the investment companies described in the preceding paragraph. Messrs. Durnin, Giordano, Harvey, Hewitt and Monagle are directors or officers of one or more of such companies. Mr. Zeikel is president and a director, and Mr. Richard is treasurer of FAM and MLAM as well as all or substantially all of the investment companies advised by FAM or MLAM.

<TABLE> <CAPTION>

NAME	POSITION WITH INVESTMENT ADVISER	OTHER SUBSTANTIAL BUSINESS, PROFESSION, VOCATION OR EMPLOYMENT
<S>	<C>	<C>
Arthur Zeikel.............	President and Director	President and Director of MLAM; Executive Vice President of Merrill Lynch & Co. and Merrill Lynch since 1990 and Director of MLFD.
Terry K. Glenn............	Executive Vice President and Director	Executive Vice President of MLAM; President and Director of MLFD; President of Princeton Administrators, Inc. and Director of Financial Data Services, Inc.
Robert W. Crook...........	Senior Vice President	Senior Vice President of MLFD since 1990;

		Vice President of MLFD from 1978 to 1990 and Vice President of FAM from 1981 to 1990
Bernard J. Durnin..........	Senior Vice President	Senior Vice President of MLAM.
Vincent R. Giordano........	Senior Vice President	Senior Vice President of MLAM.
Elizabeth Griffin..........	Senior Vice President	Senior Vice President of MLAM since 1993; Vice President of MLAM prior thereto.
Norman R. Harvey...........	Senior Vice President	Senior Vice President of MLAM.
N. John Hewitt.............	Senior Vice President	Senior Vice President of MLAM.
Philip L. Kirstein.........	Senior Vice President, General Counsel, Director and Secretary	Senior Vice President, General Counsel, Director and Secretary of MLAM.
Ronald M. Kloss............	Senior Vice President	Senior Vice President and Controller of MLAM.
Stephen M. M. Miller.......	Senior Vice President	Executive Vice President of Princeton Administrators, Inc. since 1989; Vice President and Secretary of Merrill Lynch from 1982 to 1989; Secretary of Merrill Lynch & Co. from 1982 to 1989.
Joseph T. Monagle..........	Senior Vice President	Senior Vice President of MLAM since 1990; Vice President of MLAM from 1978 to 1990.

</TABLE>

<TABLE> <CAPTION>

NAME	POSITION WITH INVESTMENT ADVISER	OTHER SUBSTANTIAL BUSINESS, PROFESSION, VOCATION OR EMPLOYMENT
<S>	<C>	<C>
Gerald M. Richard..........	Senior Vice President and Treasurer	Senior Vice President and Treasurer of MLAM since 1984 and Vice President and Treasurer of MLFD.
Richard L. Rufener.........	Senior Vice President	Senior Vice President of MLAM since 1986 and Vice President of MLFD.
Ronald L. Welburn..........	Senior Vice President	Senior Vice President of MLAM.
Anthony Wiseman............	Senior Vice President	Senior Vice President of MLAM since 1991; Vice President from 1989 to 1991.

</TABLE>

ITEM 29. PRINCIPAL UNDERWRITERS

Inapplicable.

ITEM 30. LOCATION OF ACCOUNTS AND RECORDS

All accounts, books and other documents required to be maintained by Section 31(a) of the Investment Company Act of 1940 and the Rules thereunder are maintained at the offices of Registrant and The Bank of New York.

ITEM 31. MANAGEMENT SERVICES

Other than as set forth under "Investment Advisory Agreement" in the Statement of Additional Information constituting Part B of the Registration Statement, Registrant is not a party to any management-related service contract.

ITEM 32. UNDERTAKINGS

The Registrant undertakes to furnish each person to whom a prospectus is delivered with a copy of the Registrant's latest annual report to shareholders, upon request, and without charge.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant certifies that it has duly caused this Amendment to its Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Township of Plainsboro, and State of New Jersey, on the 14th day of April, 1994.

THE CORPORATE FUND ACCUMULATION PROGRAM, INC.
(Registrant)

By /s/ ARTHUR ZEIKEL
....
(Arthur Zeikel)
President

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registrant's Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ ARTHUR ZEIKEL (Arthur Zeikel)	President and Director (Principal Executive Officer)	April 14, 1994
/s/ GERALD M. RICHARD (Gerald M. Richard)	Treasurer (Principal Financial and Accounting Officer)	April 14, 1994
* (Ronald W. Forbes)	Director	April 14, 1994
* (Cynthia A. Montgomery)	Director	April 14, 1994
* (Charles C. Reilly)	Director	April 14, 1994
* (Kevin A. Ryan)	Director	April 14, 1994
* (Richard R. West)	Director	April 14, 1994
*By: /s/ GERALD M. RICHARD (Gerald M. Richard) Attorney-in-Fact		

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17	--Power of Attorney for Cynthia A. Montgomery*	C-8

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* Filed herewith.

INDEPENDENT AUDITORS' CONSENT

THE CORPORATE FUND ACCUMULATION PROGRAM, INC.:

We consent to the use in Post-Effective Amendment No. 20 to Registration Statement No. 2-57060 of our report dated February 4, 1994 appearing in the Statement of Additional Information, which is a part of such Registration Statement, and to the references to us under the captions "Financial Highlights" appearing in the Prospectus, which also is a part of such Registration Statement and "General Information--Auditors and Financial Statements" appearing in the Statement of Additional Information.

/s/ Deloitte & Touche

DELOITTE & TOUCHE
Princeton, New Jersey
April 14, 1994

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that Cynthia A. Montgomery hereby constitutes and appoints Arthur Zeikel and Gerald M. Richard, and each of them, her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all Amendments (including pre-effective and post-effective amendments) to the Registration Statement (File No. 2-57060) of The Corporate Fund Accumulation Program, Inc. and to the Registration Statement (File No. 2-57442) of The Municipal Fund Accumulation Program, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Dated: April 1, 1994

/s/ CYNTHIA A. MONTGOMERY
....
Cynthia A. Montgomery