

1. No fund will enter into a subadvisory agreement with an Affiliated Subadviser without such agreement, including the compensation to be paid thereunder, being approved by the shareholders of the Fund (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, then pursuant to voting instructions by the unitholders of the sub-account).

2. At all times, a majority of each Fund's Board will be persons who are Independent Directors, and the nomination of new or additional Independent Directors will be at the discretion of the then-existing Independent Directors.

3. When a change of Subadviser is proposed for a Fund with an Affiliated Subadviser, the Fund's Board, including a majority of the Independent Directors, will make a separate finding, reflected in the Fund's Board minutes, that such change of Subadviser is in the best interests of the Fund and its shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, in the best interests of the Fund and the unitholders of any sub-account) and that the change does not involve a conflict of interest from which SMC or the Affiliated Subadviser derives an inappropriate advantage.

4. SMC will provide management services to the Funds, including overall supervisory responsibility for the general management and investment of each Fund, and, subject to review and approval by the applicable Fund's Board will (a) set each Fund's overall investment strategies; (b) evaluate, select and recommend Subadvisers to manage all or a part of a Fund's assets; (c) when appropriate, allocate and reallocate a Fund's assets among multiple Subadvisers; (d) monitor and evaluate the investment performance of Subadvisers; and (e) implement procedures reasonably designed to ensure that the Subadvisers comply with the relevant Fund's investment objectives, policies, and restrictions.

5. Within 90 days of the hiring of any new Subadviser, SMC will furnish shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, SMC will furnish the unit holders of the sub-account) with respect to the appropriate Fund with all information about the new Subadviser that would be included in a proxy statement. Such information will include any changes caused by the addition of a new Subadviser. To meet this condition, SMC will provide shareholders (or, if the Fund serves as a funding medium for any sub-account

of a registered separate account, then by providing unitholders of the sub-account) with an information statement meeting the requirements of Regulation 14C, Schedule 14C, and Item 22 of Schedule 14A under the Securities Exchange Act of 1934.

6. Any Fund relying on the requested relief will disclose in its prospectus the existence, substance and effect of any order granted pursuant to this application. In addition, any such Fund will hold itself out as employing the management structure described in the application. The prospectus will prominently disclose that SMC has ultimate responsibility to oversee the Subadvisers and recommend their hiring, termination, and replacement.

7. Before a Fund may rely on the order, the operation of the Fund in the manner described in the application will be approved by a majority of the Fund's outstanding voting securities (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, pursuant to voting instructions provided by the unitholders of the sub-account), as defined in the Act, or in the case of a Fund whose public shareholders (or variable contract owners through a separate account) purchase shares on the basis of a prospectus containing the disclosure contemplated by Condition 6 above, by the sole initial shareholder(s) before the shares of such Fund are offered to the public (or the variable contract owners through a separate account).

8. No director or officer of the Funds or director or officer of SMC will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by such director or officer) any interest in a Subadviser except or (a) ownership of interests in SMC or any entity that controls, is controlled by, or is under common control with SMC; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt securities of a publicly-traded company that is either a Subadviser or controls, is controlled by, or is under common control with a Subadviser.

For the Commission, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-33343 Filed 12-22-99; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-24207]

Notice of Applications for Deregistration Under Section 8(f) of the Investment Company Act of 1940

December 17, 1999.

The following is a notice of applications for deregistration under section 8(f) of the Investment Company Act of 1940 for the month of December, 1999. A copy of each application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth St., NW, Washington, DC 20549-0102 (tel. 202-942-8090). An order granting each application will be issued unless the SEC orders a hearing. Interested persons may request a hearing on any application by writing to the SEC's Secretary at the address below and serving the relevant applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on January 11, 2000, and should be accompanied by proof of service on the applicant, in the form of an affidavit or, by lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Secretary, SEC, 450 Fifth Street, NW, Washington, DC 20549-0609. For Further Information Contact: Diane L. Titus, at (202) 942-0564, SEC, Division of Investment Management, Office of Investment Company Regulation, 450 Fifth Street, NW, Washington, DC 20549-0506.

Empirical Growth Fund [File No. 811-8493]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On November 26, 1999, applicant made a final liquidating distribution to its shareholders based on net asset value. Expenses of approximately \$1,500 incurred in connection with the liquidation were paid by Worldwide Financial Management Advisors, Inc., applicant's investment adviser.

Filing Date: The application was filed on November 30, 1999.

Applicant's Address: 300 South Pointe Dr., #4306, Miami Beach, Florida 33139.

American Association of Homes for the Aging Tax-Free Trust, High Income Series 1 [File No. 811-5249]

Summary: Applicant seeks an order declaring that it has ceased to be an

investment company. On August 7, 1998, applicant made a final liquidating distribution to its unitholders at the net asset value per unit. As of December 1, 1999, applicant had 1 account totaling 5 units that had not surrendered its certificate. Funds representing the aggregate liquidation value of applicant's remaining units are being held by Chase Manhattan Bank, N.A. Expenses of approximately \$2,600 incurred in connection with the liquidation were paid by applicant.

Filing Dates: The application was filed on May 25, 1999, and amended on December 14, 1999.

Applicant's Address: 1221 Post Road East, Westport, CT 06880.

WPG Growth Fund [File No. 811-4446]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On November 30, 1998, applicant made a final liquidating distribution to its shareholders based on net asset value. Expenses of \$3,000 incurred in connection with the liquidation were paid by applicant.

Filing Date: The application was filed on December 7, 1999.

Applicant's Address: One New York Plaza, New York, New York 10004.

Bear Stearns Investment Trust [File No. 811-7290]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On July 29, 1999, applicant transferred its assets to Emerging Markets Debt Portfolio, a series of The Bear Stearns Funds ("Acquiring Fund"), in exchange for shares of the Acquiring Fund based on net asset value per share. Expenses of approximately \$105,300 were incurred in connection with the reorganization, of which the Acquiring Fund paid 70% and applicant paid the remaining 30%.

Filing Date: The applicant was filed on November 10, 1999.

Applicant's Address: 575 Lexington Avenue, New York, New York 10022.

LifeUSA Funds, Inc. [File No. 811-7865] IAI Investment Funds V, Inc. [File No. 811-4463]

Summary: Each applicant seeks an order declaring that it has ceased to be an investment company. On October 30, 1998, each applicant had made a final liquidating distribution to its shareholders based on net asset value. Expenses of \$3,897 and \$11,933, respectively, incurred in connection with the liquidations were paid by Investment Advisers, Inc., the investment adviser for each applicant.

Filing Date: Each application was filed on December 3, 1999.

Applicants' Address: 3700 U.S. Bank Place, 601 Second Street South, Minneapolis, Minnesota 55402.

The Alabama Tax-Exempt Bond Trust, Series 5 [File No. 811-5044]

Summary: Applicant, a unit investment trust, seeks an order declaring that it has ceased to be an investment company. On August 1, 1998, applicant made a final liquidating distribution to its shareholders based on net asset value. No expenses were incurred in connection with the liquidation.

Filing Date: The application was filed on November 30, 1999.

Applicant's Address: 1901 Sixth Avenue North, Birmingham, Alabama 35203.

The Fahnstock Funds [File No. 811-6166]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On September 29, 1999, applicant transferred its assets to Ivy US Emerging Growth Fund, based on net asset value. Expenses of \$160,000 incurred in connection with the reorganization were paid by Fahnstock & Co. Inc., applicant's principal underwriter.

Filing Date: The application was filed on November 18, 1999.

Applicant's Address: 125 Broad Street, New York, New York 10004.

Lexington Convertible Securities Fund [File No. 811-4925]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On April 30, 1999, applicant transferred all of its assets and liabilities to Ariston Convertible Securities Fund, a newly created series of AmeriPrime Funds, based on net asset value. Expenses of approximately \$14,327 incurred in connection with the reorganization were paid by applicant.

Filing Dates: The application was filed on September 27, 1999, and amended on November 19, 1999.

Applicant's Address: Lexington Funds, Park 80 West Plaza Two, Saddle Brook, New Jersey 07663.

Lexington Strategic investments Fund, Inc. [File No. 811-2506]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On June 25, 1999, applicant transferred all of its assets and liabilities to Lexington Goldfund, Inc., based on net asset value. Expenses of \$128,338 incurred in connection with the reorganization were paid by applicant.

Filing Dates: The application was filed on September 27, 1999, and amended on November 19, 1999.

Applicant's Address: Lexington Funds, Park 80 West Plaza Two, Saddle Brook, New Jersey 07663.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99-33344 Filed 12-22-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-42241; File No. SR-MSRB-99-8]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Granting Approval to Proposed Rule Change Relating to Reports of Sales and Purchases, Pursuant to Rule G-14

December 16, 1999.

I. Introduction

On September 7, 1999, the Municipal Securities Rulemaking Board ("MSRB" or "Board") submitted to the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to produce a daily report containing information on individual transactions in frequently traded municipal securities.

The proposed rule change was published for comment in the **Federal Register** on November 8, 1999,³ No comments were received on the proposal. This order approves the proposal.

II. Description of the Proposal

The Board proposed to institute a service ("Service") to produce a daily public report containing information on individual transactions in frequently traded municipal securities ("Daily Transaction Report" or "Report"). The transaction information in the Report will come from dealer reports made to the Board pursuant to MSRB Rule G-14, which governs reports of sales or purchases.

Currently, the MSRB publishes transaction data in the Combined Daily Report and the Inter-Dealer Report. Like

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 42090 (November 2, 1999), 64 FR 60865.