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SEC NEWS DIGEST

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COMMISSION ANNOUNCEMENTS

SEC CHAIRMAN LEVITT, INDIANA SECRETARY OF STATE GILROY TO CONDUCT INVESTORS TOWN MEETING IN INDIANAPOLIS

Free program will offer area residents practical tips for saving and investing

If you've ever wondered where you're going to find the money to send your kids to college, take care of an aging relative, or retire from work, you're not alone. Numerous surveys suggest that most Americans lack the basic information they need to save and invest wisely and avoid costly mistakes.

That's why Securities and Exchange Commission Chairman Arthur Levitt for the past six years has been barnstorming the country conducting "Investors Town Meetings" to share the timeless principles of successful investing.

Chairman Levitt's next town meeting, his 42nd, will take place at the Adam's Mark Indianapolis Airport hotel on Monday, December 18th. Joined by Indiana Secretary of State Sue Anne Gilroy, the SEC chief will offer practical tips and answer audience questions about the stock market during a general session from 6:00 p.m. to 7:15 p.m.

"My best investment advice comes down to two simple words: ask questions. When investing your money, there's no such thing as a dumb question," Levitt said, noting that through the growth of 401(k)s and other self-directed retirement accounts, Americans are more responsible for their own financial security than ever before. Today nearly half of U.S. households have money in the markets.

The town meeting, presented by the SEC, the Indiana Securities Commission, and The Indianapolis Star, will also feature one-hour seminars on stocks, bonds, mutual funds, and other financial topics starting at 7:30 p.m. Financial education exhibits will open at 5:00 p.m. The hotel is located just off I-70 at 2544 Executive Drive.

Admission is free, but reservations are recommended because seating is limited. To reserve a seat, call (877) 404-3222 or send an e-mail to rsvp@sec.gov. Auxiliary aids,

such as a sign language interpreter, should be requested at the time of reservation. For more information contact: John J. Nester at (202) 942-7083. (Press Rel. 2000-180)

ENFORCEMENT PROCEEDINGS

PRIOR ORDER ENTERED AGAINST NORMAN L. YU & CO., INC. AND NORMAN YU MODIFIED

On November 28, the Commission entered an Order modifying an Order previously entered against Norman L. Yu & Co., Inc. (NLY) and its President, Norman L. Yu (Yu), in 1997. The prior Order, entered pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act ordered NLY and Yu to cease and desist from committing or causing violations of the antifraud and the books and records provisions of the Advisers Act. Under the terms of the prior Order, to which NLY and Yu consented without admitting or denying the Commission's findings, NLY and Yu were censured, ordered to undertake certain remedial measures and to pay civil penalties. Among other provisions, the prior Order prohibited NLY, for a period of five years, from advertising, publishing, disclosing or disseminating any performance figures until such figures have been audited semi-annually. The current Order modifies this provision and requires NLY to audit no less than frequently than annually any performance figures for any composite that it advertises, publishes, discloses or disseminates, except for the performance figures for the Growth/Long Term composite, which NLY is required to audit semi-annually. The modified Order also prohibits NLY from providing any interim, unaudited performance figures for any composite that is audited only annually. All other provisions of the 1997 Order remain in effect. (Rel. IA-1912; File No. 3-9226)

INVESTMENT COMPANY ACT RELEASES

STRATEVEST FUNDS, ET AL.

A notice has been issued giving interested persons until December 20, 2000, to request a hearing on an application filed by Stratevest Funds, et al. for an order exempting applicants from Section 17(a) of the Investment Company Act. The order would permit two series of the Stratevest Funds to acquire all of the assets, subject to the liabilities, of two series of the Forum Funds. Because of certain affiliations, applicants may not rely on Rule 17a-8 under the Act. (Rel. IC-24751 - November 28)

PRINCIPAL LIFE INSURANCE COMPANY, ET AL.

An order has been issued pursuant to Section 6(c) of the Investment Company Act exempting Principal Life Insurance Company (Principal Life), Principal Life Insurance Company Separate Account B (the Account), and Princor Financial Services Corporation (Princor) from the provisions of Sections 2(a)(32), 22(c), and 27(i)(2)(A) of the Act and

Rule 22c-1 thereunder, to permit, under specified circumstances, the recovery of certain credits previously applied to purchase payments made under: (i) certain deferred variable annuity contracts that Principal Life issues through the Account (Contracts), and (ii) contracts that Principal Life may issue in the future through the Account, any of its other separate accounts, or any separate accounts it may establish in the future (Future Accounts), which contracts are substantially similar in all material respects to the Contracts (Future Contracts). The order extends to any other National Association of Securities Dealers, Inc. member broker-dealer controlling, controlled by, or under common control with Principal Life, whether existing or created in the future, that serves as a distributor or principal underwriter of the Contracts or any Future Contracts offered through the Account or any Future Accounts. (Rel. IC-24752 – November 28)

ORDERS OF DEREGISTRATION UNDER THE INVESTMENT COMPANY ACT

Orders have been issued under Section 8(f) of the Investment Company Act declaring that each of the following has ceased to be an investment company:

- Time Horizon Funds [File No. 811-9024]**
(Rel. IC-24753 - November 28, 2000)
- Morgan Stanley Aggressive Equity Fund, Inc.**
[File No. 811-8504]
(Rel. IC- 24754 - November 28, 2000)
- Nationwide Investing Foundation [File No. 811-435]**
(Rel. IC-24755 - November 28, 2000)
- Nationwide Investing Foundation II [File No. 811-4436]**
(Rel. IC-24756 - November 28, 2000)
- Financial Horizons Investment Trust [File No. 811-5559]**
(Rel. IC-24757 - November 28, 2000)
- Merrill Lynch Emerging Tigers Fund, Inc. [File No. 811-7135]**
(Rel. IC-24758 - November 28, 2000)
- Merrill Lynch Middle East/Africa Fund, Inc.**
[File No. 811-7155]
(Rel. IC-24759 - November 28, 2000)
- The Bradford Funds, Inc. [File No. 811-5682]**
(Rel. IC-24760 - November 28, 2000)
- MuniHoldings Insured Fund III, Inc. [File No. 811-9285]**
(Rel. IC-24761 - November 28, 2000)
- MuniHoldings Insured Fund IV, Inc. [File No. 811-9557]**
(Rel. IC-24762 - November 28, 2000)
- Virginia Daily Municipal Income Fund, Inc.**
[File No. 811-9006]
(Rel. IC-24763 - November 28, 2000)
- Reich & Tang Equity Fund, Inc. [File No. 811-4148]**
(Rel. IC-24764 - November 28, 2000)
- Fidelity Advisor Korea Fund, Inc. [File No. 811-8608]**
(Rel. IC-24765 - November 28, 2000)

Hyperion 1999 Term Trust, Inc. [File No. 811-6483]
(Rel. IC-24766 - November 28, 2000)
Gradison-McDonald Cash Reserves Trust [File No. 811-2618]
(Rel. IC-24767 - November 28, 2000)
Gradison Growth Trust [File No. 811-3760]
(Rel. IC-24768 - November 28, 2000)
Gradison Custodian Trust [File No. 811-5198]
(Rel. IC-24769 - November 28, 2000)
**Gradison-McDonald Municipal Custodian Trust
[File No. 811-6705]**
(Rel. IC-24770 - November 28, 2000)
American Diversified Funds, Inc. [File No. 811-3434]
(Rel. IC-24771 - November 28, 2000)
USAllianz Funds [File No. 811-9489]
(Rel. IC-24772 - November 28, 2000)
CrestFunds, Inc. [File No. 811-4620]
(Rel. IC-24773 - November 28, 2000)
Global Small Cap Fund Inc. [File No. 811-7814]
(Rel. IC-24774 - November 28, 2000)

INVESTMENT ADVISERS ACT RELEASES

ML OKLAHOMA VENTURE PARTNERS, LIMITED PARTNERSHIP, ET AL.

An order has been issued on an application filed by ML Oklahoma Venture Partners, Limited Partnership (ML Oklahoma) and MLOK Co., Limited Partnership (Managing General Partner) under Section 206A of the Investment Advisers Act. The order permits ML Oklahoma Venture to make in-kind distributions of certain of its portfolio securities and, in connection therewith, deem gains or losses on the distributed securities to be realized, for purposes of the Managing General Partner's performance compensation, upon distribution to ML Oklahoma's limited partners. (Rel. IA-1913 - November 29)

HOLDING COMPANY ACT RELEASES

ALLIANT ENERGY CORPORATION, ET AL.

A notice has been issued giving interested persons until December 22, 2000, to request a hearing on a proposal by Alliant Energy Company (Alliant), a registered holding company, Alliant's two utility subsidiary companies, Wisconsin Power & Light Company (WPL) and South Beloit Water, Gas & Electric Company (South Beloit) and two partly-owned subsidiaries of WPL, American Transmission Company, LLC (Transco) and ATC Management, Inc. (Corporate Manager). WPL and South Beloit propose to sell their transmission assets to Transco in exchange for member units of

Transco. Transco proposes to acquire transmission assets from several utility companies. Corporate Manager proposes to operate Transco's utility assets. Both Transco and Corporate Manager request authority to engage in a variety of financing and affiliate transactions. (Rel. 35-27285)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGES

The Pacific Exchange filed a proposed rule change (SR-PCX-00-04) relating to Buy-Writes and Book Priority. Publication of the proposal is expected in the Federal Register during the week of December 4. (Rel. 34-43623)

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-00-05) under Section 19(b)(1) of the Exchange Act. The proposed rule change will allow securities lenders and borrowers in certain situations to deliver "comparable securities," U.S. treasury securities, or cash to satisfy delivery and collateral allocation requirements in connection with their GCF Repo activity. The proposed rule change also will allow GSCC to alter its risk management procedures associated with the GCF Repo service to conform to mortgage-backed securities (MBS) market practice. Publication of the proposal is expected in the Federal Register during the week of December 4. (Rel. 34-43626)