

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA :
 :
 v. :
 :
 :
ARTHUR TOLL :
BRUCE EDMONDSON :
ELLIOT FISHER :

CRIMINAL NO. 98-603

NOTICE OF RESTITUTION FUNDS AVAILABLE

If during the period 1991 through and including April 19, 1994 you purchased Regal Communications Corp. ("Regal") common stock, or Regal debentures, or participated in any of Regal's private placement offerings, you may be entitled to receive a portion of the restitution payments received or to be received as a result of the above captioned criminal prosecution. Regal's former Chief Executive Officer and former Chairman of the Board of Directors, Arthur Toll, and Regal's former Chief Financial Officer, Bruce Edmondson, were charged and convicted in U.S. District Court for the Eastern District of Pennsylvania on the following charges: conspiracy to commit securities fraud and to make false and misleading statements to auditors, in violation of Title 18, United States Code, Section 371 (count 1); securities fraud, in violation of 15 U.S.C. §§ 78j(b), 78ff(a) (count 2); false statements to auditors, in violation of 15 U.S.C. §§78m(b)(2) and (5), 78ff (count 3); mail fraud, in violation of 18 U.S.C. § 1341 (counts 4-7); and wire fraud, in violation of 18 U.S.C. § 1343 (counts 8-12). Regal's chief legal officer, Elliot

Fisher, was also convicted of conspiracy. These charges arose from the defendants' participation in a conspiracy from 1991 until about April 19, 1994, in which both Toll and Edmondson reported millions of dollars of bogus revenue and accounts receivable in Regal's financial statements and, with Fisher's assistance, also diverted Regal stock worth millions of dollars to themselves and entities they controlled without paying to Regal the money due. As part of their sentences, the defendants will be obligated to pay restitution to the victims of their crimes. **IF YOU PURCHASED OR ACQUIRED THE PUBLICLY TRADED SECURITIES OF REGAL OR THE DEBENTURES OF REGAL AS DESCRIBED ABOVE, YOU MAY BE ENTITLED TO RECEIVE A PORTION OF THE RESTITUTION FUNDS IN THIS CASE.** In order to share in the distribution of these restitution funds, you must submit a Proof of Claim no later than January 14, 2000 establishing that you are entitled to recovery. You may obtain a Proof of Claim Form by writing to: United States v. Toll, et al., c/o Heffler, Radetich and Saitta L.L.P., P.O. Box 150, Philadelphia, PA 19105-0150.

If you filed a valid Proof of Claim form in the *Regal Communications Corporation Securities Litigation* (E.D. Pa. 94-179), you were paid in that action in late 1998. We will consider your claim filed for the same transactions in this matter, and you need do nothing further to be included in the distribution of restitution funds. If, however, you are unsure

if a claim is automatically included for you, or if you had additional purchases not included on your *Regal* claim, please contact us in writing at the above P.O. Box address.

PLEASE DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF THE COURT FOR INFORMATION OR ADVICE. PLEASE CONTACT OUR WEB SITE FOR MORE INFORMATION.

Dated: December 10, 1999

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