

SEC NEWS DIGEST

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ENFORCEMENT PROCEEDINGS

SEC FILES EMERGENCY ENFORCEMENT ACTION TO HALT FRAUDULENT TRADING SCHEME THAT TARGETED MANY CHRISTIAN SCIENTISTS

The Commission announced today that it filed an emergency civil fraud action against four individuals and two Massachusetts-based companies involved in a fraudulent trading scheme that raised approximately \$22 million from at least 50 investors, many of whom were members of the Christian Science Church. The Commission has asked the court to enter an immediate temporary restraining order against Voldemar A. VonStrasdas of Nassau, the Bahamas, Charles G. Dyer of Manchester, Massachusetts, and two Danvers, Massachusetts-based companies controlled by Dyer, Resource F, LLC and Bunker Hill Aviation, LLC, to prohibit them from engaging in further fraudulent activity or continuing to accept or deposit additional investor funds. The Commission's complaint also charges two other individuals, Eric E. Resteiner, most recently of Nassau, the Bahamas, and Miles M. Harbur of Jupiter, Florida, for their participation in the fraudulent trading scheme, and seeks to immediately freeze the assets of all the Defendants.

According to the complaint, the Defendants fraudulently offered and sold securities in an international bank-related financial instrument trading program that was completely fictitious. The Commission alleged that Resteiner, Harbur, VonStrasdas, and Dyer solicited investors using misrepresentations typical of "Prime Bank"-type investment frauds, including that the investment involved high-quality debt instruments of very large international banks, that the investors' principal was never at risk and could be returned after one year, and that investors would receive profits of approximately 4-5% every month (or 48-60% annually). In addition, the Commission alleged that Dyer misappropriated at least \$795,000 of investor funds, and used those funds to, among other things, buy a golf course in Georgia, finance the purchase of an airplane by one of his creditors, and purchase an interest in a restaurant in Boston, Massachusetts. To date, although requested, no investors are known to have received the return of their investment, as promised by the Defendants.

According to the complaint, Resteiner, Harbur, VonStrasdas, Dyer, Resource F, and Bunker Hill Aviation, variously, violated the antifraud, securities registration, and broker registration provisions of the federal securities laws, including Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933, and Sections 10(b) and 15(a) of the Securities

Exchange Act of 1934 and Rule 10b-5 thereunder. The Commission seeks a temporary restraining order against Defendants VonStrasdas, Dyer, Resource F, and Bunker Hill Aviation, to prohibit them from engaging in further fraudulent activity or continuing to accept or deposit additional investor funds. The Commission further seeks to freeze assets of each of the Defendants to ensure that they will be preserved to pay investors their lost principal, to enjoin each of the Defendants from continuing to violate relevant provisions of the federal securities laws, repatriation of investor funds funneled to foreign bank accounts, disgorgement of monies fraudulently received by the Defendants, plus prejudgment interest, and civil monetary penalties from each of the Defendants. [SEC v. Eric E. Resteiner, et al., Civil Action No. 01-10637, PBS, D. Mass., U.S. District Court for the District of Massachusetts] (LR-16963)

CORRECTION

An error appeared in yesterday's issue of the Digest concerning Litigation Release No. 16962. The summary should have read as follows:

FINANCIAL FRAUD CHARGES FILED AGAINST FORMER MERCURY FINANCE C.E.O. AND TREASURER

The Commission today filed financial fraud charges in the U.S. District Court for the Northern District of Illinois against John N. Brincat, Sr. (Brincat), the former CEO of Mercury Finance Co. (Mercury), and Bradley Vallem (Vallem), Mercury's former Treasurer.

In its complaint, the Commission alleges that, in 1996, Brincat instructed Mercury employees to refrain from charging off approximately \$26 million in loan losses incurred when automobiles were repossessed and subsequently sold. In addition, the complaint alleges that Brincat instructed Mercury employees to refrain from charging off more than \$38 million in loan losses that should have been charged off because the loans were more than 150 days delinquent. As a result, Mercury filed with the Commission, and disseminated to the public, fraudulent quarterly financial statements in May, August and November of 1996 and overstated its annual income in January 1997. The Commission also alleges that in early 1996, Vallem learned that Mercury employees falsified a bank statement to cover-up a sham transaction that affected Mercury's reported commercial paper balance. Despite his knowledge of this and other wrongdoing, Vallem signed the fraudulent quarterly filings. Finally, the complaint alleges that Brincat committed, and aided and abetted, violations of various books and records provisions.

The complaint seeks entry of a Final Judgment enjoining both Brincat and Vallem from future violations of the antifraud and other provisions of the federal securities laws and requiring them to pay civil penalties. The complaint

also seeks disgorgement of ill-gotten gains against Brincat and an order barring him from acting as an officer or director of a public company. [SEC v. Brincat, et al., 01 – C – 2670, N.D. Ill.] (LR-16962; AAE Rel. 1381)

HOLDING COMPANY ACT RELEASES

AGL RESOURCES, INC.

An order has been issued authorizing AGL Resources, Inc., a registered holding company, to acquire directly a captive insurance company subsidiary. (Rel. 35-27378)

MAINE YANKEE ATOMIC POWER COMPANY

A notice has been issued giving interested persons until May 8, 2001, to request a hearing on a proposal by Maine Yankee Atomic Power Company, an indirect subsidiary of Energy East Corporation, National Grid Group plc, National Grid USA and Northeast Utilities, each a registered public utility holding company, to redeem pro rata from its stockholders 99% of its outstanding Common Stock. (Rel. 35-27379)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGES

The Commission granted approval to a proposed rule change (SR-OCC-99-14) filed by The Options Clearing Corporation which allows OCC to set an option's marking price at the last sale price for purposes of calculating premium margin. Publication of the proposal is expected in the Federal Register during the week of April 16. (Rel. 34-44183)

The Commission granted approval to a proposed rule change (SR-OCC-99-12) filed by The Options Clearing Corporation which allows OCC to amend its By-Laws governing index option adjustment to permit the substitution of a successor index for an underlying index. Publication of the proposal is expected in the Federal Register during the week of April 16. (Rel. 34-44184)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone

Number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

Registration statements may be obtained in person or by writing to the Commission's Public Reference Branch at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the following e-mail box address: <publicinfo@sec.gov>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

S-8 ADVANCED SWITCHING COMMUNICATIONS INC, 8330 BOONE BLVD 5TH FL,
VIENNA,

VA 22182 (703) 448-5540 - 299,250 (\$703,238) COMMON STOCK. (FILE
333-58590 - APR. 10) (BR. 7)

S-8 FIRST ENTERTAINMENT HOLDING CORP, 5495 MARION ST, DENVER, CO
80216

(303) 382-1500 - 32,500,000 (\$232,375) COMMON STOCK. (FILE 333-58592 -
APR. 10) (BR. 5)

S-3 POPE & TALBOT INC /DE/, 1500 SW FIRST AVE, PORTLAND, OR 97201
(503) 228-9161 - 1,750,000 (\$20,851,250) COMMON STOCK. (FILE 333-58596 -
APR. 10) (BR. 4)

S-8 RAILAMERICA INC /DE/, 5300 BROKEN SOUND BLVD NW, BOCA RATON, FL
33487

(561) 994-6015 - 4,114,554 (\$31,709,070.06) COMMON STOCK. (FILE 333-58598
- APR. 10) (BR. 5)

S-8 UNITED DOMINION REALTY TRUST INC, 400 EAST CARY STREET,
RICHMOND, VA

23219 (804) 780-2691 - 250,000 (\$3,032,500) COMMON STOCK. (FILE 333-58600
- APR. 10) (BR. 8)

S-3 CORNING INC /NY, ONE RIVERFRONT PLAZA, CORNING, NY 14831 (607) 974-
9000

- 1,949,998 (\$36,991,462) COMMON STOCK. (FILE 333-58602 - APR. 10)
(BR. 7)

S-3 TRANSOCEAN SEDCO FOREX INC, 4 GREENWAY PLAZA, HOUSTON, TX 77046
(713) 232-7500 (FILE 333-58604 - APR. 10) (BR. 4)

S-3 WASHINGTON GAS LIGHT CO, 1100 H STREET NW, WASHINGTON, DC 20080
(703) 750-4440 - 183,000,000 (\$183,000,000) STRAIGHT BONDS. (FILE
333-58606 - APR. 10) (BR. 2)

S-4 AIRPLANES LTD, 22 GRENVILLE ST, ST HELIER JERSEY JE4 8PX,
CHANNEL ISLAND, X0 (153) 460-9000 - 750,000,000 (\$750,000,000)
EQUIPMENT TRUST CERTIFICATES. (FILE 333-58608 - APR. 10) (BR. 8)

S-3 JONES APPAREL GROUP INC, 250 RITTENHOUST CIRCLE, KEYSTONE PK,
BRISTOL,
PA 19007 (215) 785-4000 (FILE 333-58610 - APR. 10) (BR. 2)

S-8 COMPETITIVE TECHNOLOGIES INC, 1960 BRONSON ROAD, P.O. BOX 340,
FAIRFIELD, CT 06430 (203) 225-6044 - 300,000 (\$2,242,500) COMMON STOCK.
(FILE 333-58612 - APR. 10) (BR. 4)

S-8 FIFTH THIRD BANCORP, 38 FOUNTAIN SQ PLZ, FIFTH THIRD CENTER,
CINCINNATI,
OH 45263 (513) 579-5300 - 1,823,577,673 (\$1,252,271,925.42) COMMON STOCK.
(FILE 333-58618 - APR. 10) (BR. 7)

S-3 VIASYSTEMS GROUP INC, 101 S HANLEY RD, STE 400, ST LOUIS, MO 63105
(314) 727-2087 - 4,273,631 (\$10,513,132) COMMON STOCK. (FILE 333-58620 -
APR. 10) (BR. 5)

S-8 ARONEX PHARMACEUTICALS INC, 8707 TECHNOLOGY FOREST PLACE, THE
WOODLANDS,
TX 77381 (281) 367-1666 - 2,500,000 (\$1,406,250) COMMON STOCK. (FILE
333-58622 - APR. 10) (BR. 1)

F-3 GT GROUP TELECOM INC, 20 BAY STREET, 7TH FLOOR, TORONTO ONTARIO
M5J, A6
00000 - FOREIGN GOVERNMENT AND AGENCY DEBT. (FILE 333-58624 - APR. 10)
(BR. 7)

S-8 AMEUROTECH CORP, 5970 FAIRVIEW ROAD, SUITE 608, CHARLOTTE, NC
28210
(704) 926-5440 - 2,000,000 (\$840,000) COMMON STOCK. (FILE 333-58626 -
APR. 10) (BR. 9)

S-8 CAPITAL ONE FINANCIAL CORP, 2980 FAIRVIEW PARK DRIVE, SUITE 1300,
FALLS CHURCH, VA 22042 (804) 967-1000 - 7,000,000 (\$381,710,000)
COMMON STOCK. (FILE 333-58628 - APR. 10) (BR. 7)

S-3 FLORIDA POWER & LIGHT CO, 700 UNIVERSE BLVD, JUNO BEACH, FL 33408
(561) 694-4000 - \$500,000,000 MORTGAGE BONDS. (FILE 333-58630 - APR. 10)
(BR. 4)

S-1 L 3 COMMUNICATIONS HOLDINGS INC, 600 THIRD AVENUE, 34TH FLOOR,
NEW YORK,

NY 10016 (212) 697-1111 - 6,900,000 (\$549,240,000) COMMON STOCK. (FILE
333-58632 - APR. 10) (BR. 7)

S-8 EXTREME NETWORKS INC, 3585 MONROE STREET, SANTA CLARA, CA 95051
(408) 579-2800 - 115,680 (\$323,904) COMMON STOCK. (FILE 333-58634 -
APR. 10) (BR. 3)

S-3 RATIONAL SOFTWARE CORP, 18880 HOMESTEAD RD, CUPERTINO, CA 95014
(408) 863-9900 - 466,006 (\$7,456,096) COMMON STOCK. (FILE 333-58636 -
APR. 10) (BR. 3)

S-8 REGIONS FINANCIAL CORP, 417 NORTH 20TH STREET, BIRMINGHAM, AL
35023

(205) 944-1300 - 3,337,300 (\$92,646,845) COMMON STOCK. (FILE 333-58638 -
APR. 10) (BR. 7)

S-8 AMERICAN CHAMPION ENTERTAINMENT INC, 22320 FOOTHILL
BOULEVARD,

SUITE 260, HAYWARD, CA 94541 (510) 785-8750 - 2,500,000 (\$468,750)
COMMON STOCK. (FILE 333-58640 - APR. 10) (BR. 5)

S-8 LIFE FINANCIAL CORP, 10540 N MAGNOLIA ACE, UNIT B, RIVERSIDE, CA
92503

(909) 637-4000 - 653,400 (\$1,922,898) COMMON STOCK. (FILE 333-58642 -
APR. 10) (BR. 7)

S-3 IVAX CORP /DE, 4400 BISCAYNE BLVD, MIAMI, FL 33137 (305) 575-6000 -
1,000,000 (\$28,240,000) COMMON STOCK. (FILE 333-58644 - APR. 10) (BR. 1)

S-8 MESA AIR GROUP INC, 410 NORTH 44TH STREET, SUITE 700, PHOENIX, AZ
85008

(602) 685-4000 - 500,000 (\$3,968,750) COMMON STOCK. (FILE 333-58646 -
APR. 10) (BR. 5)

S-8 INTROGEN THERAPEUTICS INC, 301 CONGRESS AVE, SUITE 1850, AUSTIN, TX
78701 (512) 708-9310 - 7,200,758 (\$19,332,000) COMMON STOCK. (FILE
333-58648 - APR. 10) (BR. 1)