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February 18, 2004

VIA FACSIMILE & FIRST CLASS MAIL

David A. Meyer, Esquire
Associate General Counsel
Post Office Box 360
Jefferson City, MO 65102

Re: Missouri Public Service Commission
Case No. TC-2004-0367

Dear Mr. Meyer:

As I informed you today, this firm represents Lloyd T. Whitaker as Receiver (the "Receiver") for Global Telelink Services, Inc. ("GTS") and Global Contact Corporation ("GCC"). Enclosed please find the order appointing the Receiver entered by the United States District Court for the Northern District of Georgia. GTS has not operated since the Receiver's appointment on March 9, 2001. Please call me if you need any additional information.

Very truly yours,



Harris B. Winsberg

HBW:dwt
Enclosure

cc: Lloyd T. Whitaker, Receiver

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION

Exhibit A

MAR 09 2001

WALTER L. THOMAS, CI
By: J. Reed Deputy CI

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE COMMISSION,	:	CIVIL ACTION NO.
	:	1 01-CV-0632
Plaintiff,	:	
	:	
v.	:	
	:	
GLOBAL TELELINK SERVICES, INC.,	:	
GLOBAL CONTACT CORPORATION, and	:	
ROBERT SMITH III,	:	
Defendants.	:	

ORDER OF PRELIMINARY INJUNCTION AND OTHER RELIEF

Plaintiff, Securities and Exchange Commission ("Commission"), having filed its complaint in this matter against defendants Global Telelink Services, Inc. ("GTS"), Global Contact Corporation ("Global Contact") and Robert Smith III ("Smith"), seeking injunctive and other relief, and said defendants having entered a general appearance, admitted the jurisdiction of this court over them and over the subject matter of this action, waived entry of findings of fact and conclusions of law pursuant to Rules 52 and 65 of the Federal Rules of Civil Procedure with respect to the relief granted in this order, and without admitting or denying any of the allegations of the complaint having consented to the entry of this order, it is hereby,

I.

ORDERED that, until further order of this Court, defendants GTS, Global Contact and Smith, their agents, servants, employees, attorneys and those persons in active concert or participation with them, in connection with the purchase or sale or in the offer or sale of securities, by use of any means or instrumentalities of interstate commerce or any means or instruments of transportation or communication in interstate commerce, or by the mails or any facility of any national securities exchange, be, and they hereby are, until further order of this Court, restrained from, directly or indirectly:

- (1) employing any device, scheme or artifice to defraud;
- (2) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;
- (3) obtaining money or property by means of any untrue statement of a material fact, or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (4) making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading,

in violation of Section 17(a) of the Securities Act, 15 U.S.C. 77q(a), Section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b), and Rule 10b 5, 17 C.F.R. 240.10b-5, thereunder.

II.

IT IS FURTHER ORDERED that defendant GTS, Global Contact and Smith, their officers, agents, servants, employees, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, be, and they hereby are, until further order of this Court, restrained and enjoined from, directly or indirectly:

- (1) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell any securities in the form of investment contracts, or any other security, through the use of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such securities;
- (2) carrying securities in the form of investment contracts, or any other security, or causing them to be carried through the mails or in interstate commerce, by means or instruments of transportation, for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities;

(3) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy, through the use or medium of any prospectus or otherwise, any interest in securities, in the form of investment contracts, or any other security, unless and until a registration statement is filed with the Commission as to such security, or while a registration statement filed with the Commission as to such security is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 or the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77h,

in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c). Provided, however, that nothing in the foregoing portion of this Order shall apply to any security or transaction which is exempt from, or otherwise not subject to, the provisions of Section 5 of the Securities Act, 15 U.S.C. § 77e.

III.

IT IS FURTHER ORDERED that, pending further order of this Court, the assets of defendant GTS, Global Contact and Smith are frozen, and defendant GTS, Global Contact and Smith, their officers, agents, servants, employees, attorneys, any bank or

financial institution holding any assets of the defendants, and all persons in active concert or participation with them, except as permitted by any trustee, receiver or special fiscal agent appointed by this Court, be, and hereby are, restrained from, directly and indirectly, transferring, setting off, receiving, changing, selling, pledging, assigning, liquidating or otherwise disposing of or withdrawing any assets and property owned by, controlled by, or in the possession of defendant GTS, Global Contact and Smith, except that Smith may withdraw \$5,000 per month for four months from his personal assets for personal living expenses. Smith, upon appropriate notice to plaintiff, can move for modification of this asset freeze.

IV.

IT IS FURTHER ORDERED that, pending further order of this Court, defendants GTS, Global Contact and Smith, their officers, agents, employees, servants, attorneys, and all persons in active concert or participation with them, and each of them, are restrained and enjoined from destroying, transferring or otherwise rendering illegible all books, records, papers, ledgers, accounts, statements and other documents employed in any of such defendants' business, which reflect the business activities of the defendants, or which reflect the transactions described in the Commission's Complaint.

V.

IT IS FURTHER ORDERED that defendant Smith, within thirty days from the date of this order, will file with this Court and will serve the Commission with a sworn accounting listing the funds received by defendant Smith in connection with the transactions described in the Commission's complaint, and listing the use or current disposition of such funds, including the name and address of all third parties receiving any of such funds from the defendant Smith, and the name of any third parties holding any of such funds on behalf of the defendant.

VI.

IT IS FURTHER ORDERED that Lloyd T. Whitaker be and hereby is appointed as Receiver, without bond, for the estates of GTS and Global Contact unless and until the Court orders otherwise. The estates for which Whitaker is hereby appointed Receiver are hereinafter referred to as the "Receiver Estate."

VII.

IT IS FURTHER ORDERED that the Receiver shall have and possess all powers and rights to efficiently administer and manage the Receiver Estate, including but not limited to the power:

- A. to take custody, control and possession of all the ~~funds, property, premises, leases, and other assets of~~ or in the possession or under the direct or indirect control of the Receiver Estate, to manage, control,

operate and maintain the Receiver Estate, to use income, earnings, rents and profits of the Receiver Estate, with full power to sue for and collect, recover, receive and take into possession all goods, chattels, rights, credits, monies, effects, lands, books and records of accounts and other papers;

- B. to sell, rent, lease or otherwise hypothecate or dispose of the assets of the Receiver Estate;
- C. to pursue, resist and defend all suits, actions, claims and demands which may now be pending or which may be brought by or asserted against the Receiver Estate;
- D. to make such payments and disbursements from the funds so taken into his custody, control and possession or thereafter received, and to incur such expenses as may be necessary or advisable in the ordinary course of business in discharging his duties as Receiver;
- E. to open bank accounts in the name of the Receiver on behalf of the Receiver Estate;
- F. to engage and employ others (without Court approval), including but not limited to consultants, attorneys, accountants, experts and employees of a firm owned by the Receiver, to assist him in his duties, except that any payment to such others for their services shall be subject to Court approval;

- G. to take any action which could be taken by the officers, directors, partners and trustees of the Receiver Estate;
- H. to suspend, terminate or grant a leave of absence to any employees of the Receiver Estate except as provided in paragraph XXVI; and
- I. to take such other action as may be approved by this Court.

VIII.

IT IS FURTHER ORDERED that no person holding or claiming any position of any sort with the Receiver Estate shall possess any authority to act by or on behalf of any of the Receiver Estate except as authorized by the Receiver. With respect to the asset freeze set forth herein, the Receiver shall be authorized, but not required, to administer, manage, and direct the marshaling, disbursement and/or transfer of monies or other assets held by third parties that are subject to the freeze. The Receiver may, in the reasonable exercise of his discretion, authorize the release, use or segregation of proceeds held by third parties if he believes such action is necessary to preserve the Receiver Estate.

IX.

IT IS FURTHER ORDERED that no shareholders, officers or directors of the corporations that make up the Receiver Estate shall exercise any of their rights or powers with respect to the Receiver Estate except as permitted in writing by the Receiver or by order of the Court.

X.

IT IS FURTHER ORDERED that defendants GTS and Global Contact, as well as their agents, servants, employees, attorneys, any persons acting for or on behalf of the Receiver Estate, and any persons receiving notice of this order by personal service or otherwise, are hereby restrained and enjoined from disposing, transferring, exchanging, assigning or in any way conveying any property or assets of the Receiver Estate and from the transaction of any business of the Receiver Estate except with the written approval of the Receiver.

XI.

IT IS FURTHER ORDERED that, defendants GTS and Global Contact, as well as their agents, servants, employees, attorneys, any persons acting for or on behalf of the Receiver Estate, and any persons receiving notice of this order by personal service or otherwise, having possession of the property, business, books, records, accounts or assets of the Receiver Estate are hereby directed to deliver the same to the Receiver, his agents and/or employees.

XII.

IT IS FURTHER ORDERED that the defendants, their agents, servants, employees, nominees, attorneys and entities under their direct or indirect control shall cooperate with and assist the Receiver and shall take no action, directly or indirectly, to ~~hinder, obstruct, or otherwise interfere with the Receiver, in~~ the performance of his duties.

XIII.

IT IS FURTHER ORDERED that any brokerage institution, financial institution, bank, savings and loan, mutual fund, or any other person, partnership, or corporation maintaining or having custody or control of any brokerage or deposit account or other assets of any of the Receiver Estate or under their control, and that receives actual notice of this order by personal service, facsimile transmission or otherwise shall, within three (3) business days of receipt of that notice, file with the Court and serve on the Receiver and counsel for the Commission a certified statement setting forth, with respect to each such account or other asset, the balance in the account or description of the assets as of the close of business on the date of receipt of the notice.

XIV.

IT IS FURTHER ORDERED that the Receiver shall perform an accounting of the defendants' securities offerings as outlined in the Commission's complaint including but not limited to the defendants' solicitation, receipt, disposition and use of the proceeds from such offerings.

XV.

IT IS FURTHER ORDERED that the Receiver shall have the power to compel, including by subpoena, the appearance and testimony of all persons and the production of the originals of any records, ~~of any sort whatsoever, within the possession, custody or control~~ of any person, in performing his duties hereunder. The

Receiver's authority under this paragraph shall not be construed to require the waiver by any person of any validly asserted privilege.

XVI.

IT IS FURTHER ORDERED that, on fifteen (15) days written notice from the Receiver, defendant Smith shall make himself available for deposition at a mutually agreeable time and place and shall produce to the Receiver the originals of any records in his custody, possession or control relating to the financial affairs, from November 1998 through the present, of the defendants GTS and Global Contact. This paragraph shall not be construed to require the waiver by any person of any validly asserted privilege.

XVII.

IT IS FURTHER ORDERED that the Receiver may investigate the defendants, current and former employees of the Receiver Estate, and related parties in connection with discovering additional information as it relates to activities of the Receiver Estate. The Receiver shall have the authority to investigate regarding such related parties and employees prior to filing any litigation, and shall have the express authority to order consumer reports in the course of any such investigation.

XVIII.

IT IS FURTHER ORDERED that the Receiver and any person engaged or employed by the Receiver, are entitled to reasonable

compensation from the assets of the Receiver Estate, subject to the prior approval of the Court.

XIX.

IT IS FURTHER ORDERED that the Receiver shall be empowered, but is not required, to file voluntary petitions for relief under Title 11 of the United States Code (the Bankruptcy Code) for the Receiver Estate. If a bankruptcy petition is filed, the Receiver shall become, and shall be empowered to operate the Receiver Estate as a debtor in possession. The Receiver shall have all of the powers and duties as provided a debtor in possession under the Bankruptcy Code to the exclusion of any other person or entity. The Receiver shall give the parties ten days prior written notice of the Receiver's intention to file such petition. The parties may contest such intended filing before this Court.

XX.

IT IS FURTHER ORDERED that the Receiver, should he elect to file petitions under Title 11 of the United States Code for any of the Receiver Estate, shall have 15 days from the date of such filing to file with the Bankruptcy Court any lists or schedules required to be filed with such petitions, this Court recognizing that the Receiver will require time to assemble such data for filing.

XXI.

~~IT IS FURTHER ORDERED that except by leave of this Court all~~
creditors and other persons seeking money damages or other relief from defendants GTS and Global Contact and all others acting on

behalf of any such creditors and other persons, including sheriffs, marshals, and all officers and deputies, and their respective attorneys, servants, agents and employees, are, until further order of this Court, hereby stayed and restrained from doing anything to interfere with the possession, recovery or management by the Receiver of the property and assets owned, controlled, belonging to, or in the possession of the Receiver Estate, or to interfere with the Receiver in any manner during the pendency of this proceeding.

XXII.

IT IS FURTHER ORDERED that the Receiver is authorized to communicate with all such persons as the Receiver deems appropriate to inform them of the status of this matter and the financial condition of the Receiver Estate.

XXIII.

IT IS FURTHER ORDERED that the Receiver is authorized to record this Order with government offices and to serve this Order on any person as he deems appropriate in furtherance of his responsibilities in this matter. Receiver shall notify Smith's counsel of all persons so served.

XXIV.

IT IS FURTHER ORDERED that the Receiver shall promptly notify the Court and counsel for the Commission and Smith of any ~~failure or apparent failure of the defendants to comply in any~~ way with the terms of this Order.

XXV.

IT IS FURTHER ORDERED that, except for an act of gross negligence, the Receiver and all persons engaged or employed by the Receiver shall not be liable for any loss or damage incurred by the defendants, or any other person, by reason of any act performed or omitted to be performed by the them in connection with the discharge of their duties and responsibilities in this matter.

XXVI.

IT IS FURTHER ORDERED that Smith may prepare a business plan to operate all or a part of the businesses of the Receiver Estate and may submit it to the Receiver. If the Receiver determines that it is in the best interest of the Receiver Estate, the Receiver may permit Smith to operate segments of the GTS or Global Contact businesses, subject to the execution of a mutually acceptable agreement as to Smith's compensation. If the Receiver does not approve the business plan, in whole or in part, Smith may submit it to the Court for approval, with notice to plaintiff and the Receiver. The funds to operate such business segments shall be not be provided from the assets of the defendants as of the date of this Order, or directly or indirectly from the investors in the schemes described in the Commission's complaint, and provided that any persons advancing such funds be provided with a copy of the Commission's complaint in this matter before advancing such funds.

~~Any such funds loaned or invested shall not constitute a debt of~~

the Receiver Estate. All proceeds from the operations of any business segments shall be retained and used to pay expenses of such business segments and of the Receiver Estate, including, if possible, lease or interest payments owed to persons who were investors as of the date of this Order. Such proceeds shall not be withdrawn by or transferred to Smith, except as compensation approved by the Receiver. Such compensation shall not be subject to the asset freeze if segregated from other assets of Smith. Smith's operation of any business segment under this provision will be subject to the powers of the Receiver otherwise set forth in this order. In the event the Receiver determines that the continuation of any such activity is not in the interest of the Receiver Estate or the interest of the investors in this matter, the Receiver may terminate such activity, provided that the Receiver will provide Smith's counsel with ten days prior written notice of such determination. Smith may contest the reasonableness of such determination before this Court. Any such funds invested shall be available to pay reasonable fees and expenses of the Receiver, in the absence of other assets of the Receiver Estate. In the event that the Receiver determines not to permit Smith to operate any segment of the GTS or Global Contact businesses under this provision, Smith may contest the reasonableness of that determination before this Court.

XXVII.

IT IS FURTHER ORDERED that this Court will retain jurisdiction over this matter and the defendants for all purposes and will order other and further relief that this Court deems appropriate under the circumstances.

Done and ordered at 11⁵⁵ o'clock 9 m. this 9th day of March, 2001 at Atlanta, Georgia.


UNITED STATES DISTRICT JUDGE