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March 3, 2009

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VIA OVERNIGHT MAIL

Ms. Sharla Dillon
Docket Room Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: *Joint Petition of Global Tel*Link Corporation and GTEL Holdings, Inc. for Approval of Merger and Transfer of Control to GTEL Acquisition Corporation and for Approval of Issuance of Debt and Related Financing Transactions, Docket No. 08-00174*

Dear Ms. Dillon:

On November 25, 2008, the Tennessee Regulatory Authority ("Authority") entered an order approving the merger and related financing in the above-referenced transaction, which closed on February 3, 2009. The purpose of this letter is to advise the Authority of certain changes in the terms of the financing since entry of that order.

On September 11, 2008, the parties executed a Merger Agreement pursuant to which GTEL Holdings and GTEL Acquisition were to acquire control of Global. The transaction originally was to have been funded and capitalized with proceeds of: (i) borrowings by GTEL Holdings under a new \$235,000,000 senior secured credit facility; (ii) the issuance by GTEL Holdings of \$105,000,000 unsecured senior subordinated notes; and (iii) \$153,000,000 of common equity (including a management roll-over) contributed by an investor group including The Veritas Capital Fund III, L.P., GS Direct, L.L.C. and certain other investors (the "Investors"). This new senior secured credit facility was to have consisted of a five-year \$25,000,000 revolving loan facility and a six-year \$210,000,000 term loan facility, which would have included a \$45,000,000 letter of credit sub-facility. In addition, this new senior secured credit facility was to have been guaranteed by GTEL Acquisition and secured by substantially all of the assets of GTEL Acquisition, GTEL Holdings, and Global and a first-priority pledge of all of the equity securities of GTEL Holdings and Global. The new unsecured notes were to have been issued by GTEL Holdings, to have been guaranteed by Global, and to have had a maturity date of seven years from the closing of the transaction. In

Ms. Sharla Dillon

March 3, 2009

Page 2

connection with the implementation of these new financing arrangements, all outstanding indebtedness under the existing senior secured loan facility ("Existing Senior Facility") was to have been paid off in full. These were the terms of the financing for which approval was sought and obtained from the Authority.

However, after issuance of the Authority's November 25, 2008 Order and with the continued deterioration in the capital markets in late 2008, the parties negotiated a significant reduction to the purchase price payable in connection with the change in control of Global. The reduced purchase price resulted in a reduction in the amount and terms of the financing guaranteed by Global. Although the Authority approved Global acting as a guarantor for up to \$340,000,000 in debt, the reduction in the purchase price and related changes in the financing arrangements resulted in total debt of only \$286,863,000.

Specially, instead of the Existing Senior Facility being replaced by a new senior secured credit facility, the Existing Senior Facility was amended (as amended, the "Amended Senior Facility") such that, among other things, (i) the existing term loan thereunder was prepaid in part, at the closing of the transaction, in the amount of \$20,587,000, thereby reducing the outstanding principal amount of this term loan to \$144,112,500 (the "Term Loan"), (ii) the maturity date of this existing term loan remained unchanged as February 14, 2013 and the maturity date of the existing revolving loan facility was extended by one year to February 14, 2013, (iii) the maximum size of the revolving loan facility thereunder was reduced, at the closing, from \$25,000,000 to \$20,000,000 (the "Revolving Credit Facility"), only \$4 million of which was drawn at closing and (iv) \$6,250,000 of commitments under the synthetic letter of credit sub-facility thereunder was terminated so that, at closing, there would be only \$43,750,000 of commitments thereunder outstanding (the "Synthetic Letter of Credit Facility"). Instead of \$105,000,000 of unsecured senior subordinated notes being issued by GTEL Holdings, \$95,000,000 of unsecured senior subordinated notes ("Unsecured Senior Subordinated Notes") were issued by GTEL Holdings, having the same terms as otherwise described above. In light of the purchase price reduction, the Investors provided \$137,913,333 of cash common equity and the GTEL management team provided \$1,825,000 of roll-over cash common equity.

Please let me know if the Authority has any questions or needs additional information about the financing arrangements.

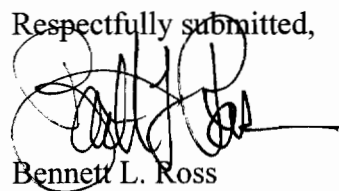
Ms. Sharla Dillon

March 3, 2009

Page 3

I also have enclosed an extra copy of this letter, which I would appreciate your date stamping and returning to me in the enclosed, preaddressed, postage prepaid envelope. Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bennett L. Ross", written over the typed name.

Bennett L. Ross

BLR:rw

Enclosures

cc: Lance J.M. Steinhart, Esquire