

**Lance J.M. Steinhart, P.C.**

Attorney At Law  
1720 Windward Concourse  
Suite 115  
Alpharetta, Georgia 30005

Also Admitted in New York  
and Maryland

Telephone: (770) 232-9200  
Facsimile: (770) 232-9208  
Email: lsteinhart@telecomcounsel.com

April 29, 2009

**VIA OVERNIGHT DELIVERY**

Ms. Elizabeth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615  
(502) 564-3940

**RECEIVED**

**APR 30 2009**

**PUBLIC SERVICE  
COMMISSION**

Re: Global Tel\*Link Corporation  
Sale of Equity Interests of GTEL Holding, LLC

Dear Ms. O'Donnell:

Please be advised that there will be a sale of a portion of the equity interest of GTEL Holding LLC, the ultimate parent company of Global Tel\*Link Corporation (the "Equity Sale").

**I. The Parties**

**A. Global Tel\*Link Corporation**

Global Tel\*Link Corporation (“Global”) is a privately-held Delaware corporation whose principal offices are located at 2609 Cameron Street, Mobile, Alabama 36607. Global is a wholly-owned subsidiary of GTEL Holdings, Inc. Global is engaged in the business of providing managed telecommunications services to inmates of state and county departments of corrections and in owning and operating prison payphones and public payphones. These services enable inmates to communicate with friends, family members, legal counsel and other approved parties outside the correctional facilities. Global provides these services throughout most of the continental United States. The Commission accepted Global’s Telecommunications Tariff, which was effective on June 29, 2002.

**B. GTEL Holdings, Inc.**

GTEL Holdings, Inc. is a privately held Delaware corporation whose principal offices are located at 2609 Cameron Street, Mobile, Alabama 36607. GTEL Holdings, Inc. is a holding company, whose only business activities are conducted through Global.

**C. GTEL Acquisition Corp.**

GTEL Acquisition Corp. is a privately held Delaware corporation whose principal offices are located at 590 Madison Avenue, 41st Floor, New York, New York 10022. GTEL Acquisition Corp. is a holding company, whose only business activities are conducted through Global. GTEL Acquisition Corp. is wholly owned by GTEL Holding LLC, a Delaware limited liability company.

**D. GTEL Holding, LLC**

GTEL Holding LLC is controlled by a board of managers including the CEO of Global and managers appointed by The Veritas Capital Fund III, L.P. and GS Direct, L.L.C. The Veritas Capital Fund III, L.P. is a private equity investment partnership managed by its sole general partner, Veritas Capital Partners III, L.L.C., a Delaware limited liability company. Veritas Capital Partners III, L.L.C. is controlled by its managing member, Robert B. McKeon, the managing member of Veritas Capital Fund Management, L.L.C., d/b/a Veritas Capital. Veritas Capital is a private equity investment firm headquartered in New York. Founded in 1992, Veritas Capital invests in a broad range of companies through buyouts, growth capital investments, and leveraged recapitalizations.

The Goldman Sachs Group, Inc. owns all of the equity interests in GS Direct, L.L.C. All of the limited partner equity interests in Goldman, Sachs & Co. are held directly or indirectly by The Goldman Sachs Group, Inc., and The Goldman, Sachs & Co. L.L.C. controls Goldman, Sachs & Co. as its sole general partner. All of the equity interests (voting and non-voting) in The Goldman, Sachs & Co. L.L.C. are held by The Goldman Sachs Group, Inc., which is a public company listed on the New York Stock Exchange. GS Direct, L.L.C. invests capital primarily alongside corporate and sponsor clients in situations in which access to its or its affiliates' capital, relationships or advisory services can enhance the value of the investment. The Goldman Sachs Group, Inc. provides investment banking, securities, and investment management services primarily to corporations, financial institutions, governments, and high-net-worth individuals worldwide.

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## **II. Designated Contact**

The designated contact for questions concerning this Notice is:

Lance J.M. Steinhart  
Attorney at Law  
Lance J.M. Steinhart, PC  
1720 Windward Concourse  
Suite 115  
Alpharetta, GA 30005  
(770) 232-9200 (Telephone)  
(770) 232-9208 (Facsimile)  
[lsteinhart@telecomcounsel.com](mailto:lsteinhart@telecomcounsel.com) (E-Mail)

Attorney for Global Tel\*Link Corporation & GTEL Holdings, Inc.

### **III. Description of the Proposed Equity Sale**

GS Direct, L.L.C. (the "Seller") and GTEL Holding LLC (the "Parent") have entered into separate Purchase Agreements dated as of April 28, 2009 (the "Purchase Agreements") with four entities (collectively, the "Investors"). Pursuant to the terms of each Purchase Agreement, the Seller will sell to such Investor, and such Investor will purchase from the Seller, upon the terms and conditions specified therein, a portion of the outstanding equity interest in the Parent held by the Seller (each, a "Transfer"). Each Purchase Agreement contemplates that the closing of the Transfer contemplated thereby shall occur on or before October 22, 2009. The Transfers may occur simultaneously or on separate dates. Also, it is possible that one or more of the Transfers may not be consummated. The aggregate amount of equity in Parent being sold is less than 20%. Each Investor is purchasing less than 10% of the equity of Parent.

#### **IV. Public Interest Analysis**

The proposed Equity Sale is in the public interest because it will enhance Global Tel\*Link Corporation's ability to compete in the market for telecommunications services. The proposed Equity Sale will strengthen Global as a competitor by providing access to financial resources necessary for Global to expand its customer base and develop new products and services to meet the evolving communications needs of authorities in Kentucky that operate correctional institutions and other confinement facilities.

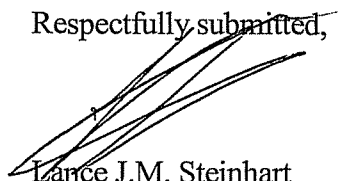
The proposed Equity Sale will have no adverse effect upon customers. The proposed Equity Sale will not result in any changes to Global Tel\*Link Corporation's provision of service to its current customers. Global's corporate officers and management team responsible for its day-to-day operations will remain the same after the proposed Equity Sale. In addition, the contact points for customers and Commission inquiries will remain the same after the proposed Equity Sale. Nor does the proposed Equity Sale raise any competitive concerns. The Investors hold no investments in the type of telecommunications authorizations held by or services offered by Global, and thus the proposed Equity Sale will not result in any consolidation in the market for telecommunications services to the corrections industry. The only impact of the proposed Equity Sale is financial in that Global will obtain access to resources necessary to become an even more effective competitor.

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I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self addressed, postage prepaid envelope.

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me. Thank you.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lance J.M. Steinhart", written over the typed name.

Lance J.M. Steinhart  
Attorney for Global Tel\*Link Corporation

Enclosures

cc: David B. Silverman, Esq.