

Thomas F. Lennon (also served by facsimile)
7777 Alvarado Road, Suite 712
La Mesa, CA 91941
**Receiver for Defendants Alpha Telcom, Inc., American
Telecommunications Company, Inc., Strategic Partnership
Alliance, LLC, and SPA Marketing, LLC**

David L. Osias, Esq. (also served by facsimile)
Allen, Matkins, Leck, Gamble & Mallory LLP
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Attorneys for the Receiver

David R. Zaro, Esq. (also served by facsimile)
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Attorneys for the Receiver

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Portland, OR 97204
Attorneys for the Receiver

J.B. Grossman, Esq. (also served by facsimile)
Alicia Lyons Laufer, Esq.
Adorno & Zeder, P.A.
700 S. Federal Hwy., Suite 200
Boca Raton, FL 33432

I declare under penalty of perjury that the foregoing is
true and correct.

Dated: September 7, 2001



Magnolia M. Marcelo

Receiver; (3) Prohibiting The Destruction Of Documents; And (4)
For Accounting, a copy of which is attached as Exhibit 1.

Date: September 7, 2001



Karen Matteson
Attorney for Plaintiff
Securities and Exchange Commission

("OSC"). The OSC is included in the Temporary Restraining Order And Orders: (1) Freezing Assets; (2) Appointing A Temporary Receiver; (3) Prohibiting The Destruction Of Documents; (4) Granting Limited Expedited Discovery; (5) For Accountings; And (6) Order To Show Cause Re Preliminary Injunction And Appointment Of A Permanent Receiver (the "TRO") issued upon application of Plaintiff Securities and Exchange Commission ("Commission") on August 27, 2001.

The Court, having considered the Commission's Complaint; the Application for Temporary Restraining Order; and the Memorandum of Points and Authorities and the Declarations and other documents filed in support of such Application; all other evidence and argument presented regarding the Application; and all additional evidence presented in support of and in opposition to the OSC; the Emergency Motion Of Defendant Alpha Telecom, Inc. To Dissolve Temporary Restraining Order, Or In The Alternative, Modify The Order, And For Payment Of Legal Fees And Costs; The Motion Of Defendant Paul Rubera For Dissolution Of Temporary Restraining Order Or, In The Alternative, Modification Of Temporary Restraining Order (the "Emergency Motions"); and all evidence and papers presented in support of and in opposition to the Emergency Motions, finds that:

A. This Court has jurisdiction over the parties to, and the subject matter of, this action.

B. Good cause exists to believe that defendants Alpha

Telcom, Inc. ("Alpha"), American Telecommunications Company, Inc. ("ATC"), Strategic Partnership Alliance LLC ("SPA"), SPA Marketing, LLC ("SPA Marketing"), Paul S. Rubera ("Rubera"), Robert A. McDonald ("McDonald"), Ross S. Rambach ("Rambach"), and Mark E. Kennison ("Kennison"), and each of them, have engaged in, are engaging in, and are about to engage in transactions, acts, practices and courses of business that constitute violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a), 77e(c) & 77q(a), and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5, and that SPA, SPA Marketing, Rambach and Kennison, and each of them, have engaged in, are engaging in, and are about to engage in transactions, acts, practices and courses of business that constitute violations of Section 15(a) of the Exchange Act, 15 U.S.C. § 78o(a)(1).

C. The Commission has demonstrated a probability of success on the merits in this action.

D. Good cause exists to believe that the defendants will continue to engage in such violations to the immediate and irreparable loss and damage to investors and to the general public unless they are restrained and enjoined.

I.

IT IS HEREBY ORDERED that the Commission's application for a preliminary injunction and orders: (1) continuing the freeze of

assets as to all defendants except Rubera; (2) appointing a permanent receiver; (3) prohibiting the destruction of documents; and (4) for accountings, is GRANTED, and the Emergency Motions filed by defendant Rubera and purportedly filed by defendant Alpha are DENIED.

II.

IT IS FURTHER ORDERED that defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach and Kennison, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Order, by personal service or otherwise, and each of them, are preliminarily restrained and enjoined from, directly or indirectly, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell, to offer to sell or to offer to buy any security; or carrying or causing to be carried through the mails or interstate commerce, by any means of transportation, any security for the purpose of sale or delivery after sale, unless a registration statement is in effect as to such security, in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77(e) (a) & 77(e) (c).

III.

IT IS FURTHER ORDERED that defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach and Kennison, and their

officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Order, by personal service or otherwise, and each of them, are preliminarily restrained and enjoined from, directly or indirectly, in the offer or sale of any securities, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails:

- A. employing any device, scheme or artifice to defraud;
- B. obtaining money or property by means of any untrue statement of a material fact or any omission 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; or
- C. engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser;

in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

IV.

IT IS FURTHER ORDERED that defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach and Kennison, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this

Order, by personal service or otherwise, and each of them, are preliminarily restrained and enjoined from, directly or indirectly, in connection with the purchase or sale of any securities, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- A. employing any device, scheme or artifice to defraud;
- B. making 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
- C. engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

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

V.

IT IS FURTHER ORDERED that defendants SPA, SPA Marketing, Rambach and Kennison, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Order, by personal service or otherwise, and each of them, are preliminarily restrained and enjoined from making use of the mails or any means or

instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security unless the defendant is registered with the Commission in accordance with Section 15(b) of the Exchange Act, in violation of Section 15(a) of the Exchange Act, 15 U.S.C. §§ 78o(a) (1).

VI.

IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach and Kennison, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Order, by personal service or otherwise, and each of them, are preliminarily restrained and enjoined from, directly or indirectly:

- A. transferring, assigning, selling, hypothecating, changing, wasting, dissipating, converting, concealing, encumbering, or otherwise disposing of, in any manner, any funds, assets, securities, claims, or other real or personal property (including payphones or any interests therein), wherever located, of defendants Alpha, ATC, SPA, SPA Marketing, their subsidiaries or affiliates, and defendants Rubera, McDonald, Rambach or Kennison, owned by, controlled by, managed by or in the possession or custody of any of them.

B. transferring, assigning, selling, hypothecating, encumbering, or otherwise disposing of any securities, including, but not limited to, any investment contracts or other securities of Alpha, ATC, SPA or SPA Marketing or any of their subsidiaries or affiliates.

VII.

IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, the freeze placed on all monies and assets shall continue in full force and effect (with an allowance for necessary and reasonable living expenses to be granted only upon good cause shown by application to the Court with notice to and an opportunity for the Commission to be heard), pending further order by the Court, over all accounts at any bank, financial institution or brokerage firm, all certificates of deposit, and other funds or assets, held in the name of, for the benefit of, or over which account authority is held by Alpha, ATC, SPA, SPA Marketing, McDonald, Rambach and/or Kennison, or any trust, partnership, joint venture, person or entity affiliated with them (including subsidiaries), including, but not limited to, accounts set forth below:

<u>Bank Name</u>	<u>Account Name</u>	<u>Account No.</u>
Bank of America Ft. Lauderdale, FL	Alpha Telcom, Inc.	3067900315
Bank of America Ft. Lauderdale, FL	Florida Payphone Systems, Inc.	3661231011
Bank of America Ft. Lauderdale, FL	Florida Payphone Systems, Inc.	3661231435

Bank of America Seattle, WA	Alpha Telcom, Inc.	2876409746
Bank of America Seattle, WA	Alpha Telcom, Inc.	2876629286
Bank of Idaho Idaho Falls, ID	Alpha Telcom, Inc.	221003502
Branch Banking & Trust Company Charleston, WV	Sine Communications, Inc.	1080237
Home Valley Bank Grants Pass, OR	Alpha Telcom, Inc.	2005221
Home Valley Bank Grants Pass, OR	Alpha Telcom, Inc.	2007292
Home Valley Bank Grants Pass, OR	Alpha Telcom, Inc.	2404630
Key Bank Brooklyn, OH	New York Payphone Systems, Inc.	325570018003
M & T Bank Fredonia, NY	Sine Communications, Inc.	16414005
Mohawk Community Bank Ballston Spa, NY	New York Payphone Systems, Inc.	8000878028886
PNC Bank Conshohocken, PA	Alpha Telcom, Inc.	8614906399
US Bancorp Portland, OR	American Telecommunications Company, Inc.	11263274
US Bancorp Portland, OR	American Telecommunications Company, Inc.	14072110
US Bancorp Portland, OR	Alpha Telcom, Inc.	14072128
US Bank Portland, OR	Alpha Telcom, Inc.	153690976565
US Bank Portland, OR	Alpha Telcom, Inc.	153691197039
US Bank Portland, OR	Alpha Telcom, Inc.	153690928285
US Bank Portland, OR	Alpha Telcom, Inc.	153690747289

US Bank Grants Pass, OR	Alpha Telcom, Inc. dba Alpha Electronics	153600838533
US Bank Salt Lake City, UT	Alpha Telcom, Inc.	153190118999
US Bank Mountain Home, ID	Alpha Telcom, Inc.	153390120795
US Bank Grants Pass, OR	ATC	153690262115
US Bank Portland, OR	ATC	153690988578
US Bank Portland, OR	Alpha Telcom, Inc.	153690988529
US Bank Portland, OR	American Telecommunications Company, Inc.	153691280652
US Bank Portland, OR	Florida Payphone Systems, Inc.	153691150103
US Bank Grants Pass, OR	New York Payphone Systems, Inc.	153690262255
US Bank Grants Pass, OR	Pacific Telcom, Inc.	153690262321
Wachovia Bank Kinston, NC	Alpha Telcom, Inc.	4479004372
Windsor Federal Savings Windsor, CT	Alpha Telcom, Inc.	1540000000611
Windsor Federal Savings Windsor, CT	Alpha Telcom, Inc.	1250000001457

VIII.

IT IS FURTHER ORDERED that Thomas F. Lennon is appointed as permanent receiver of Alpha, ATC, SPA and SPA Marketing, and their subsidiaries and affiliates, with full powers of an equity receiver, including, but not limited to, full power over all funds, assets, collateral, premises (whether owned, leased,

occupied, or otherwise controlled), choses in action, books, records, papers and other property (including payphones) belonging to, being managed by or in the possession of or control of Alpha, ATC, SPA and SPA Marketing, and any of their subsidiaries and affiliates, and that such receiver is immediately authorized, empowered and directed: .

- A. to have access to and to collect and take custody, control, possession, and charge of all funds, assets, collateral, premises (whether owned, leased, occupied, or otherwise controlled), choses in action, books, records, papers and other real or personal property (including payphones), wherever located, of or managed by Alpha, ATC, SPA and SPA Marketing, and their subsidiaries and affiliates, with full power to sue, foreclose, marshal, collect, receive, and take into possession all such property;
- B. to have control of, and to be added as the sole authorized signatory for, all accounts of Alpha, ATC, SPA and SPA Marketing, and their subsidiaries and affiliates, including all accounts over which Alpha, ATC, SPA or SPA Marketing, and any of their employees or agents, have signatory authority, at any bank, title company, escrow agent, financial institution or brokerage firm which has possession, custody or control of any assets or funds of Alpha, ATC, SPA or SPA

- Marketing, or which maintains accounts over which Alpha, ATC, SPA or SPA Marketing, and/or any of their employees or agents have signatory authority;
- C. to conduct such investigation and discovery as may be necessary to locate and account for all of the assets of or managed by Alpha, ATC, SPA and SPA Marketing, and their subsidiaries and affiliates and to engage and employ attorneys, accountants and other persons to assist in such investigation and discovery;
- D. to take such action as is necessary and appropriate to preserve and take control of and to prevent the dissipation, concealment, or disposition of any assets of or managed by Alpha, ATC, SPA and SPA Marketing, and their subsidiaries and affiliates;
- E. to make a further accounting, as soon as practicable, to this Court and the Commission of the assets and financial condition of Alpha, ATC, SPA and SPA Marketing, and the assets under their management, including all payphones, and to file the accounting with the Court and deliver copies thereof to all parties;
- F. to make such payments and disbursements from the funds and assets taken into custody, control, and possession or thereafter received by him, and to incur, or authorize the making of, such agreements as may be

necessary and advisable in discharging his duties as receiver;

- G. to employ attorneys, accountants and others to investigate and, where appropriate, to institute, pursue, and prosecute all claims and causes of action of whatever kind and nature which may now or hereafter exist as a result of the activities of present or past employees or agents of Alpha, ATC, SPA or SPA Marketing; and
- H. to have access to and monitor all mail of Alpha, ATC, SPA and SPA Marketing in order to review such mail which he deems relates to the business of Alpha, ATC, SPA and SPA Marketing and the discharging of his duties as receiver.

IX.

IT IS FURTHER ORDERED that the receiver shall be the sole natural person in charge of and with authority over Alpha and any of its subsidiaries or affiliates; provided, however, that the law firm of Adorno & Zeder shall have authority to appear before any court and present Alpha's arguments on any issue.

X.

IT IS FURTHER ORDERED that defendants Alpha, ATC, SPA and SPA Marketing, their subsidiaries and affiliates, and their officers, agents, servants, employees and attorneys, including but not limited to the law firm of Adorno & Zeder, and any other

persons who are in custody, possession or control of any assets, collateral, books, records, papers, payphones or other property of or managed by Alpha, ATC, SPA or SPA Marketing, shall forthwith give access to and control of such property to the receiver.

XI.

IT IS FURTHER ORDERED that, except as set forth in Paragraph IX, no officer, agent, servant, employee, or attorney of Alpha, ATC, SPA or SPA Marketing, or their subsidiaries or affiliates shall take any action or purport to take any action, in the name of or on behalf of Alpha, ATC, SPA or SPA Marketing, or any of their subsidiaries or affiliates, without the written consent of the receiver or order of this Court.

XII.

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of this receivership, all clients, investors, trust beneficiaries, note holders, creditors, claimants, lessors, and all other persons or entities seeking relief of any kind, in law or in equity, from Alpha, ATC, SPA, SPA Marketing or their subsidiaries, and all persons acting on behalf of any such investor, trust beneficiary, note holder, creditor, claimant, lessor, or other person, including sheriffs, marshals, servants, agents, employees, and attorneys, are restrained and enjoined from, directly or indirectly, with respect to Alpha, ATC, SPA, SPA Marketing and their subsidiaries:

- A. commencing, prosecuting, continuing or enforcing any suit or proceeding (other than the present action by the Commission) against Alpha, ATC, SPA, SPA Marketing or their subsidiaries;
- B. using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any property or property interests owned by or in the possession of Alpha, ATC, SPA or SPA Marketing, or any of their subsidiaries or affiliates, wherever situated; and
- C. doing any act or thing whatsoever to interfere with taking control, possession or management by the receiver appointed hereunder of the property and assets owned, controlled or managed by or in the possession of Alpha, ATC, SPA or SPA Marketing, or any of their subsidiaries or affiliates, or in any way to interfere with or harass the receiver or his or her attorneys, accountants, employees or agents or to interfere in any manner with the discharge of the receiver's duties and responsibilities hereunder.

XIII.

IT IS FURTHER ORDERED that, except as set forth in Paragraph

IX, defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach and Kennison, and their subsidiaries, affiliates, officers, agents, servants, employees and attorneys, shall cooperate with and assist the receiver and shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the receiver or his attorneys, accountants, employees or agents, in the conduct of the receiver's duties or to interfere in any manner, directly or indirectly, with the custody, possession, management, or control by the receiver of the funds, assets, collateral, premises, and choses in action described above.

XIV.

IT IS FURTHER ORDERED that defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach and Kennison shall pay the costs, fees and expenses of the receiver incurred in connection with the performance of his or her duties described in this Order, including the costs and expenses of those persons who may be engaged or employed by the receiver to assist him in carrying out his duties and obligations. All applications for costs, fees and expenses for services rendered in connection with the receivership other than routine and necessary business expenses in conducting the receivership, such as salaries, rent and any and all other reasonable operating expenses, shall be made by application setting forth in reasonable detail the nature of the services and shall be heard by the Court.

XV.

IT IS FURTHER ORDERED that no bond shall be required in connection with the appointment of the receiver. Except for an act of gross negligence, the receiver shall not be liable for any loss or damage incurred by any of the defendants, their officers, agents, servants, employees and attorneys or any other person, by reason of any act performed or omitted to be performed by the receiver in connection with the discharge of his duties and responsibilities.

XVI.

IT IS FURTHER ORDERED that representatives of the Commission are authorized to have continuing access to inspect or copy any or all of the corporate books and records and other documents of Alpha, ATC, SPA, SPA Marketing and their subsidiaries and affiliates and continuing access to inspect their funds, property, assets and collateral, wherever located.

XVII.

IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach and Kennison, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Order, by personal service or otherwise, and each of them, are preliminarily restrained and enjoined from, directly or indirectly: destroying,

mutilating, concealing, transferring, altering, or otherwise disposing of, in any manner, any documents, which includes all books, records, computer programs, computer files, computer printouts, contracts, correspondence, memoranda, brochures, or any other documents of any kind in their possession, custody or control, however created, produced, or stored (manually, mechanically, electronically, or otherwise), pertaining in any manner to defendants Alpha, ATC, SPA, SPA Marketing, Rubera, McDonald, Rambach or Kennison.

XVIII.

IT IS FURTHER ORDERED that defendants Rubera, McDonald, Rambach and Kennison each shall, within five days of the issuance of this Order, prepare and deliver to the Commission a detailed and complete schedule of all of their personal assets, including all real and personal property exceeding \$5,000 in value, and all bank, securities, futures and other accounts identified by institution, branch address and account number, to the extent such accounting(s) have not been provided in accordance with paragraph XVIII of the TRO. The accountings shall include a description of the source(s) of all such assets. Such accounting shall be filed with the Court and a copy shall be delivered to the Commission's Pacific Regional Office. After completion of the accounting, defendants Rubera, McDonald, Rambach and Kennison shall each produce to the Commission's Pacific Regional Office, at a time agreeable to the Commission, all books, records and

other documents supporting or underlying their accountings.

XIX.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction over this action for the purpose of implementing and carrying out the terms of all orders and decrees which may be entered herein and to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

DATED: September 6, 2001
4:12 p.m.



HONORABLE OWEN M. PANNER
UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I, Magnolia M. Marcelo, am over the age of eighteen years, am not a party to this action, and am a citizen of the United States. My business address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California, 90036. On September 7, 2001, I caused to be served the NOTICE OF ISSUANCE OF ORDER OF PRELIMINARY INJUNCTION AND ORDERS: (1) CONTINUING FREEZE OF ASSETS; (2) APPOINTING A PERMANENT RECEIVER; (3) PROHIBITING THE DESTRUCTION OF DOCUMENTS; AND (4) FOR ACCOUNTINGS by causing to be mailed true and correct copies thereof in a sealed envelope, postage prepaid, addressed to:

Ross S. Rambach (also served by Federal Express)
131 Gaerkey Road
Ashland, OR 97520

Mark E. Kennison (also served by Federal Express)
10 Holly Ridge Drive
Washington, PA 15301

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1420 World Trade Center
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