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JUL 03 2006

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

By: *[Signature]*  
Deputy Clerk

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

ETS PAYPHONES, INC., and  
CHARLES E. EDWARDS,

Defendants.

Civil Action File No.  
1:00-CV-2532-JTC

FINAL JUDGMENT OF PERMANENT INJUNCTION  
AS TO DEFENDANT CHARLES E. EDWARDS

Plaintiff, Securities and Exchange Commission ("Commission"), having filed its complaint in this matter against defendants ETS Payphones, Inc. ("ETS") and Charles E. Edwards ("Edwards"), seeking injunctive and other relief, and defendant Edwards having entered a general appearance, admitted the jurisdiction of this court over him 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 and having consented to the entry of this order, it is hereby,

I.

ORDERED that defendant Edwards, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them be, and they hereby are, permanently 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 of 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 the provisions of Section 5 of the Securities Act [15 U.S.C. 77e].

## II.

IT IS FURTHER ORDERED that defendant Edwards, his 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, 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.

### III.

IT IS FURTHER ORDERED that this Court will retain jurisdiction over this matter and defendant Edwards for purposes of enforcing this judgment and will order other and further relief that this Court deems appropriate under the circumstances.

Done and ordered at 4<sup>12</sup> o'clock p m. this 3 day of July, 2006  
at Norcross, Georgia.

  
UNITED STATES DISTRICT JUDGE