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ORIGINAL

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
)	Case No. 02-11404 (MFW)
PETITION OF ERNST & YOUNG INC.,)	
AS MONITOR OF TELEGLOBE HOLDINGS)	Jointly Administered
(U.S.) CORPORATION, <i>et al.</i> ,)	
)	
Debtors in Foreign Proceedings.)	

**NOTICE OF ANCILLARY PROCEEDINGS, ENTRY OF
TEMPORARY RESTRAINING ORDER AND HEARING
ON MOTION FOR PRELIMINARY INJUNCTION**

PLEASE TAKE NOTICE that on May 15, 2002, Teleglobe Inc., Teleglobe Financial Holdings Ltd., Teleglobe Canada Limited Partnership, Teleglobe Management Services Inc., Teleglobe Marine, Inc., Teleglobe Marine, L.P., Telecom Vision Call Center Services Inc., Teleglobe Holdings (U.S.) Corporation, Teleglobe Telecom Corporation, Teleglobe Luxembourg LLC, Teleglobe Holding Corp., Teleglobe Investment Corp., Teleglobe Communications Corporation, Teleglobe USA Inc., Optel Telecommunications, Inc., Teleglobe Marine (U.S.) Inc., Teleglobe Submarine Inc., Teleglobe Puerto Rico Inc., 3692795 Canada Inc., Teleglobe Canada Management Services Inc. (collectively, the "Foreign Debtors"), filed an application for the commencement of reorganization proceedings pursuant to the Companies' Creditors Arrangement Act (the "CCAA"), in the Ontario Court of Justice, Commercial List, in Toronto, Ontario, Canada (the "Ontario Court"). On May 15, 2002, the Ontario Court granted an initial order (the "Initial Order") for relief in the proceedings captioned In the Matter of the Companies'

AUS	_____	<u>Creditors Arrangement Act, R.S.C. 1985, c. C-36, and In the Matter of a Plan of Compromise or</u>
CAF	_____	
CMP	_____	
COM	_____	<u>Arrangement of Teleglobe Inc. and the other Applicants listed on Schedule "A".</u>
CTR	_____	
ECR	_____	
GCL	_____	
OPC	_____	
MMS	_____	
SEC	_____	
OTH	_____	

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FPSC-COMMISSION CLERK

DISTRIBUTION CENTER
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PLEASE TAKE FURTHER NOTICE that as a result of the filing and the Initial Order, a stay is in place in Canada that broadly prohibits any actions against the Foreign Debtors or their assets or the pursuit of any claims against the Foreign Debtors outside of the reorganization proceeding. The respective Foreign Debtors continue in the possession of their property and the operation of their businesses.

PLEASE TAKE FURTHER NOTICE that pursuant to the CCAA, the Ontario Court has appointed Ernst & Young Inc. (“E&Y” or the “Petitioner”), the Foreign Debtors’ prepetition financial advisor, as the “Monitor” of the reorganization proceedings. E&Y is not employed by the Foreign Debtors as an auditor. The role of the Monitor, who is an officer of the Ontario Court, is to monitor the Foreign Debtors, their property and the business and affairs of the Foreign Debtors. The Foreign Debtors are required to fully cooperate with the Monitor in the exercise of their powers and discharge of their obligations. Thus, although the Monitor may assist the Foreign Debtors during the reorganization proceedings, the Foreign Debtors remain in control of each of their respective businesses and properties. The appointment of an accounting firm to serve as Monitor is usual in such proceedings and is required under Canadian law.

PLEASE TAKE FURTHER NOTICE that on May 15, 2002, the Petitioner, appointed as Monitor by the Ontario Court, commenced ancillary proceedings on behalf of the Foreign Debtors, pursuant to 11 U.S.C. § 304 (the “Petitions”) in the United States Bankruptcy Court for the District of Delaware (the “Court”).

PLEASE TAKE FURTHER NOTICE that on May 15, 2002, the Court entered a Temporary Restraining Order (the “TRO”) enjoining and restraining certain activities against the Foreign Debtors including the commencement or continuation of any action against the Foreign

Debtors or their property, the seizure of any such property, and the termination of certain contracts. A true and correct copy of the TRO is attached hereto.

PLEASE TAKE FURTHER NOTICE that copies of the twenty Petitions referenced above (including the corresponding Summonses and Form B1 – Voluntary Petitions), or any other pleading filed by the Petitioner are available on the Court’s website (www.deb.uscourts.gov) or may be requested from counsel for the Petitioner by forwarding a request to Matthew G. Zaleski, III, Esquire, Campbell & Levine, LLC, Chase Manhattan Centre, 1201 North Market Street, 15th Floor, Wilmington, Delaware 19801, via fax to (302) 426-9947, or via e-mail to cl@del.camlev.com. Any such request will be satisfied by counsel for the Petitioner within one business day of receipt of such request.

PLEASE TAKE FURTHER NOTICE that a hearing will be held before the Honorable Mary F. Walrath in the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 5th Floor, 824 Market Street, Wilmington, Delaware 19801, on May 24, 2002 at 10:00 a.m., or as soon thereafter as counsel can be heard, to consider the Petitioner’s Motion for a Preliminary Injunction (the “Motion”).

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PLEASE TAKE FURTHER NOTICE that any objections to the Motion must be made in writing, filed with the Bankruptcy Court and served on (i) Campbell & Levine, LLC, Chase Manhattan Centre, 1201 North Market Street, 15th Floor, Wilmington, Delaware 19801 (Attn: Matthew G. Zaleski, III, Esquire), (ii) Ernst & Young, Inc., Toronto-Dominion Centre, 222 Bay Street, P.O. Box 251, Toronto, Ontario M5K 1J7 (Attn: Benjamin J. Babcock), (iii) Jones, Day, Reavis & Pogue, 222 East 41st Street, New York, New York 10017 (Attn: John J. Rapisardi, Esquire), and (iv) Ogilvy Renault, 200 King Street West, Suite 1100, P.O. Box 11, Merrill Lynch Canada Tower, Toronto, Ontario M5H 3T4 (Attn: Derrick C. Tay, Esquire), so as to be received on or before May 22, 2002 at 4:00 p.m.

CAMPBELL & LEVINE, LLC

/s/Matthew G. Zaleski, III
Matthew G. Zaleski, III (No. 3557)
Mark T. Hurford (No. 3299)
Aileen F. Maguire (No. 3756)
Chase Manhattan Centre, 15th Floor
1201 N. Market Street
Wilmington, DE 19801
(302) 426-1900

Counsel to Ernst & Young Inc. as
Foreign Representative

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)
) Case No. 02-11404 (MFW)
PETITION OF ERNST & YOUNG INC., AS)
MONITOR OF TELEGLOBE HOLDINGS (U.S.)) Jointly Administered
CORPORATION, *et al.*,)
)
Debtors in Foreign Proceeding.)

TEMPORARY RESTRAINING ORDER

Upon consideration of the motion of petitioner, Ernst & Young Inc. ("Ernst & Young" or "Petitioner"), appointed as Monitor of Teleglobe Inc. ("Teleglobe"), Teleglobe Financial Holdings Ltd. ("Teleglobe Financial"), Teleglobe Canada Limited Partnership ("Teleglobe Canada"), Teleglobe Management Services Inc. ("TMS"), Teleglobe Marine, Inc. ("Teleglobe Marine"), Teleglobe Marine, L.P. ("Marine LP"), Teleglobe Holdings (U.S.) Corporation ("Teleglobe US"), Teleglobe Telecom Corporation ("Teleglobe Telecom"), Teleglobe Luxembourg LLC ("Luxembourg LLC"), Teleglobe Holding Corp. ("Teleglobe Holding"), Teleglobe Investment Corp. ("Teleglobe Investment"), Teleglobe Communications Corporation ("Communications Corp."), Teleglobe USA Inc. ("Teleglobe USA"), Optel Telecommunications, Inc. ("Optel"), Teleglobe Marine (U.S.) Inc. ("Teleglobe Marine US"), Teleglobe Submarine Inc. ("Teleglobe Submarine"), Teleglobe Puerto Rico Inc. ("Teleglobe Puerto Rico"), 3692795 Canada Inc. ("369"), Teleglobe Canada Management Services Inc. ("Teleglobe Management"), Telecom Vision Call Center Services, General Partnership ("Telecom Vision," and collectively, the "Foreign Debtors") in proceedings (the "Foreign Proceedings") pending in the Ontario Superior Court of Justice, Commercial List, in Toronto, Ontario, Canada (the "Canadian Court"), pursuant to the Companies' Creditors Arrangement Act (the "CCAA"), for a temporary restraining order pursuant to Sections 304 and 105(a) of Title 11

of the United States Code (the "Bankruptcy Code"), Rule 7065 of the Federal Rules of Bankruptcy Procedure ("the Bankruptcy Rules") and Rule 65(b) of the Federal Rules of Civil Procedure (the "Motion"); and the Court having considered and reviewed the petitions filed in these cases under Section 304 of the Bankruptcy Code (the "Petitions"), the Motion, the Declaration of Brian Denega, and all of the exhibits annexed thereto, the Affidavit of Peter Osborne, one of the Canadian attorneys for the Foreign Debtors, and all of the exhibits annexed thereto, and the Memorandum of Law in Support of Motion of Foreign Representative for Injunctive Relief; and the Court having held a hearing and heard argument by counsel on May 15, 2002; and notice of the Motion having been provided to counsel for (a) the Foreign Debtors, (b) the ad hoc committee of Teleglobe noteholders (the "Ad Hoc Committee"), (c) the Foreign Debtors' lenders (the "Lenders"), (d) BCE Inc., and the Office of the United States Trustee; and based upon the foregoing, the Court finds and concludes as follows:

1. Petitioner has demonstrated a reasonable probability of success on the merits of the contentions that: (i) the Foreign Debtors are subject to foreign proceedings; (ii) Petitioner is the foreign representative of the respective Foreign Debtors; and (iii) the grant of relief will best assure the economical and expeditious administration of the Foreign Proceedings, consistent with the relevant factors set forth in Section 304(c) of the Bankruptcy Code.

2. Petitioner has demonstrated that, without the requested injunctive relief, the Foreign Debtors will be irreparably harmed, and that a temporary restraining order should be granted to maintain the status quo and to provide the Foreign Debtors with a "breathing spell" to prevent any creditor of the Foreign Debtors from gaining a preference while the Foreign Proceedings are pending and to implement the sales process in the Foreign Proceedings as more fully described in the Osborne Affidavit. Absent immediate injunctive relief, there is a serious

risk that the alleged creditors will commence actions against the Foreign Debtors in the United States or will attempt to seize or attach assets of the Foreign Debtors in the United States.

3. Petitioner has demonstrated that the relief requested will not cause hardships to parties that are not outweighed by the benefits.


4. Petitioner has demonstrated that the grant of the requested relief is in the public interest.

5. Notice of the Motion was due and adequate under the circumstances.

NOW, THEREFORE, IT IS:

ORDERED, that pending the hearing on and determination of Petitioner's Motion for a Preliminary Injunction, all persons shall be hereby enjoined and restrained from:

- (1) commencing or continuing any action or proceeding (including, but not limited to, the issuance or employment of process and/or the institution of a proceeding under the Bankruptcy Code) against the Foreign Debtors in the United States;
- (2) commencing or continuing any action or proceeding (including, but not limited to, the issuance or employment of process and/or the institution of a proceeding under the Bankruptcy Code) or the taking of any act in the United States against property of the Foreign Debtors (including without limitation any bank account or deposit accounts or payments or advances made pursuant to any credit facilities approved by the Canadian Court), including any action, proceeding, or act (i) to seize or otherwise obtain possession of or exercise control over such property, or (ii) to create, perfect or enforce any lien, setoff, judgment, attachment, restraint, assessment, or order, or collect, assess or recover any claim against such property;

and 

(3) relinquishing or disposing of any property of the Foreign Debtors or the proceeds of such property, except to the Foreign Debtors; and ~~it is further~~ e

ORDERED, that this Temporary Restraining Order shall not prevent the Foreign Debtors or their affiliates from paying any and all valid claims of employees for wages and compensation, as authorized by the Canadian Court or otherwise permitted under the CCAA, and it is further

ORDERED, that pending the hearing on and determination of Petitioner's motion for a preliminary injunction, the Foreign Debtors shall be entitled to exercise any rights of set-off and claim any allowances or benefits which they are entitled to claim against amounts payable by the applicants to any person, including, without limitation, amounts payable to any supplier of goods or services or any landlord of premises leased or occupied by the applicants or the partnerships and including rights arising in connection with any agreements or arrangements with any supplier; and it is further

(4) ~~ORDERED~~, that pending the hearing on and determination of Petitioner's motion for a preliminary injunction, all persons, having written or oral agreements with the Foreign Debtors or statutory or regulatory mandates for the supply of goods and/or services, including, without limiting the generality of the foregoing, all computer software, communication and other data services, computer hardware, electronics, centralized banking services, payroll servicing, insurance, transportation services, utilities or other required services, by or to the Foreign Debtors or any of their property are hereby enjoined and restrained until further order of this Court from discontinuing, ~~failing to renew on reasonable terms~~, altering, interfering with or terminating the supply of such goods or services, so long as the normal prices or charges for such goods and services provided or received after the date of this Order are paid in accordance with

except in accordance with the terms hereof (other than based on any monetary bankruptcy, insolvency or similar default or breach) and upon

Five DAYS WRITEN
Notice TO THE
FOREIGN Debtors and
THE PETITIONER.

present payment practices, or as may be hereafter agreed to by the Foreign Debtors from time to time; and it is further

ORDERED, that notwithstanding any other provision of this Order or as it may be amended from time to time: (a) all persons having agreements, whether written or oral, with the Foreign Debtors, or any of them for the carriage and transmission of voice and data services shall be entitled to exercise those mechanisms for call termination and payment of such services on the same basis as such parties would have been entitled to exercise such mechanisms, but for this Order; and (b) the Foreign Debtors may, by written consent of their counsel of record herein, agree to waive any of the protections provided to them herein; and it is further

ORDERED, that this Temporary Restraining Order shall be served by hand delivery, facsimile or U.S. mail, postage prepaid, within ten (10) days of its entry upon (a) counsel for (i) the Foreign Debtors, (ii) the Ad Hoc Committee, (iii) the Lenders, (iv) BCE Inc., and (v) the United States Trustee; and (b) persons believed by Petitioner to be potential United States creditors of the Foreign Debtors; and (c) upon counsel appearing in these cases; and it is further

ORDERED, that service pursuant to the preceding paragraph shall be deemed good and sufficient service and adequate notice of this Temporary Restraining Order and of Petitioner's Motion for a Preliminary Injunction Order; and it is further

ORDERED, that a hearing will be held before the Honorable Mary Flanagan in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), 5th Floor, 824 Market Street, Wilmington, Delaware 19801, on May 24, 2002 at 10:00 a.m., or as soon thereafter as counsel can be heard, to consider Petitioner's Motion for a Preliminary Injunction Order in substantially the terms of this Temporary Restraining Order; and it is further

ORDERED, that any objections to Petitioner's Motion for a Preliminary Injunction Order must be in writing, filed with the Bankruptcy Court and served upon the following: (i) Campbell & Levine, LLC, Chase Manhattan Centre, 1201 North Market Street, 15th Floor, Wilmington, Delaware 19801 (Attn: Matthew G. Zaleski, III, Esquire), (ii) Ernst & Young, Inc., Toronto-Dominion Centre, 222 Bay Street, P.O. Box 251, Toronto, Ontario M5K 1J7 (Attn: Benjamin J. Babcock), (iii) Jones, Day, Reavis & Pogue, 222 East 41st Street, New York, New York 10017 (Attn: John J. Rapisardi, Esquire), and (iv) Ogilvy Renault, 200 King Street West, Suite 1100, P.O. Box 11, Merrill Lynch Canada Tower, Toronto, Ontario M5H 3T4 (Attn: Derrick C. Tay, Esquire) so as to be received on or before May 22, 2002 at 4:00 p.m.; and it is further

ORDERED, that the Foreign Debtors may serve the notice of Ancillary Proceedings, entry of Temporary Restraining Order and Hearing on Preliminary Injunction in substantially the form annexed hereto as Exhibit "A" ^{IN CONJUNCTION WITH A SUMMONS FOR} on the parties specified in Bankruptcy Rule 1010 in lieu of ^{THE} the summons and Petition for each of the Foreign Debtors. ^{JOINTLY ADMITTED FOREIGN DEBTORS}

Dated: Wilmington, Delaware
May 15, 2002
6:49 PM

Matthew Zaleski
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
District of Delaware

In re:

TELEGLOBE HOLDINGS (U.S.) CORPORATION
TELEGLOBE HOLDING CORP.
TELEGLOBE TELECOM CORPORATION
TELEGLOBE INVESTMENT CORP.
TELEGLOBE COMMUNICATIONS CORPORATION
TELEGLOBE USA INC.
OPTEL TELECOMMUNICATIONS, INC.
TELEGLOBE MARINE (U.S.) INC.
TELEGLOBE SUBMARINE INC.
TELEGLOBE PUERTO RICO INC.
TELEGLOBE LUXEMBOURG LLC
TELEGLOBE INC.
TELEGLOBE FINANCIAL HOLDINGS LTD.
TELEGLOBE CANADA LIMITED PARTNERSHIP
TELEGLOBE MANAGEMENT SERVICES INC.
TELEGLOBE MARINE, INC.
TELEGLOBE MARINE, L.P.
3692795 CANADA INC.
TELEGLOBE CANADA MANAGEMENT SERVICES INC.
TELECOM VISION CALL CENTER SERVICES, GENERAL PARTNERSHIP

Bankruptcy Case No. 02-11404 (MFW)

JOINTLY ADMINISTERED

Debtors

SUMMONS IN SECTION 304 ANCILLARY PROCEEDING

To: TELEGLOBE HOLDINGS (U.S.) CORPORATION

A petition under title 11, United States Code, was filed on May 15, 2002 in this bankruptcy court, requesting an order for relief under 11 U.S.C. § 304.

YOU ARE SUMMONED and required to submit to the clerk of the bankruptcy court a motion or answer to the petition within 20 days after the service of this summons. Copies of any of the Petitions are available upon request to the Petitioner's Attorney.

Address of Clerk

824 Market Street
Wilmington, DE 19801

At the same time you must also serve a copy of your motion or answer on petitioner's attorney.

Name and Address of Petitioner's Attorney

Matthew G. Zaleski, III
Campbell & Levine, LLC
Chase Manhattan Centre
1201 N. Market Street, 15th Floor
Wilmington, DE 19801

United States Bankruptcy Court for the District of Delaware

If you make a motion, your time to serve an answer is governed by Bankruptcy Rule 1011(c).

If you fail to respond to this summons, the order for relief will be entered.



The United States Bankruptcy Court
For the District of Delaware

May 16, 2002
Date

/s/ David D. Bird
Clerk of Court