Global Peopleline Telecom Inc. (Formerly China Mobility Solutions, Inc.)
Form 10-Q
January 22, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended June 30, 2008

OR

(   ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ______________ to _____________

Commission File Number : 0 - 26559

GLOBAL PEOPLELINE TELECOM, INC.

(Exact name of registrant as specified in its charter)

Florida	330-751560
(State or other jurisdiction of incorporation or organization)	(I. R. S. Empl. Ident. No.)

407 - 1270 Robson Street, Vancouver, B.C. V6E 3Z6 Canada

(Address of principal executive offices) (Zip Code)

1 - 604 - 632 - 9638

(Registrant's telephone number, including area code)

Indicate by check whether the rgistrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of
the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant
was required to file such reports) and (2) has been subject to such filing requirements for the past 90

days. YES ( ) NO (X)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a small reporting company. See definitions of "large accelerated filer," "accelerated filer," and "small reporting company" in Rule 12B-2 of the Exchange Act. (Check one) :

Large accelerated filer ( )	Accelerated filer (X)
Non-accelerated filer ( )	Smaller reporting company ( )

Indicate by check mark whether the registrant is a shell company (as defined in Rule 13b-2 of the Securities Exchange Act) Yes (X) No ( )

As of November 30, 2008, 3,145,343 shares of the registrant's common stock were outstanding.

GLOBAL PEOPLELINE TELECOM, INC.
(FORMERLY : CHINA MOBILITY SOLUTIONS, INC.)
FORM 10-Q

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(FORMERLY : CHINA MOBILITY SOLUTIONS, INC. AND SUBSIDIARIES)
CONSOLIDATED BALANCE SHEETS
As At 30 June, 2008 and December 31, 2007

(Stated in U.S. dollars)
(unaudited)

		2008		2007
ASSETS				
Current Assets				
Cash and cash equivalents	$	2,738	$	2,840
Amount due from related parties		24,543		25,300
Net assets of subsidiaries in liquidation		1		1
Total Current Assets		27,282		28,141
Property and Equipment, net of accumulated depreciation of $62,070 and $62,421, respectively (Note 3)		8,115		9,632
Other Assets				
Investment		1		1
Goodwill		127,124		127,124
Other assets		844		886
Total Assets	$	163,366	$	165,784
LIABILITIES AND STOCKHOLDERS' EQUITY				

Current Liabilities				
Accounts payable and other accrued liabilities	$	593,169	$	474,561
Amount due to related parties		293,199		292,668
Convertible debentures		1,650,000		1,650,000
Total Current Liabilities		2,536,368		2,417,229
Stockholders' Equity (Deficiency)				
Common Stock : $0.001 par value				
authorized : 500,000,000 common shares				
issued and outstanding : 314,534,292 shares (2007: 314,534,292 shares)		314,534		314,534
Additional paid in capital		20,555,929		20,555,929
Accumulated deficit		(23,243,465)		(23,121,908)
Total stockholders' equity (deficiency)		(2,373,002)		(2,251,445)
Total Liabilities and Stockholders' Equity (Deficiency)	$	163,366	$	165,784

(The accompanying notes are an integral part of these consolidated financial statements)

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GLOBAL PEOPLELINE TELECOM, INC. AND SUBSIDIARIES
(FORMERLY : CHINA MOBILITY SOLUTIONS, INC. AND SUBSIDIARIES)
CONSOLIDATED STATEMENTS OF OPERATIONS
For the six months ended June 30, 2008 and 2007

(Stated in U.S. dollars)

(unaudited)	Six months ended		
	June 30, 2008		June 30, 2007
Revenue			
Tuition fee	-		66,077
	-		66,077
Cost of revenue			
Tuition fee	-		695
	-		695
Gross profit	-	-	65,382
Expenses			
Advertising and promotion	-		536
Consulting and professional	-		38,120
Depreciation	1,236		1,640
Foreign exchange loss (gain)	1,532		(1,952)
General and administrative	93		43,259

Interest expense and penalty	118,699	118,335
Investment w/o	-	50,000
Liquidated damages	-	100,157
Rent	-	22,179
Salaries, wages and sub-contract	-	71,918
	121,560	444,192
Operating Income (Loss)	(121,560)	(378,810)
Other Income (Expenses)		
Other income	-	4,354
Interest income	3	516
Other income (expense)- net	3	4,870
Net Loss	(121,557)	(373,940)
Income (loss) from continuing operations	(121,557)	(373,940)
Earnings (loss) per share attributable to common stockholders:	(0.00)	(0.01)
Weighted average number of common shares used to compute net income (loss) per share		
Basic and diluted	314,534,292	50,363,325

(The accompanying notes are an integral part of these consolidated financial statements)

GLOBAL PEOPLELINE TELECOM, INC. AND SUBSIDIARIES
(FORMERLY : CHINA MOBILITY SOLUTIONS, INC. AND SUBSIDIARIES)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
for the period ended June 30, 2008

Stated in U.S. dollars	Common Shares	Stock Amount At Par Value	Additional Paid In Capital	Accumulated Deficit	Total
Balance, December 31, 2005	20,011,792	$ 20,012	$ 18,442,826	$ (14,005,770)	$ 4,457,068
Fair value of 200,000 warrants issued for services					

rendered			50,000		$ 50,000
Net loss for the year ended December 31, 2006				(7,870,967)	$ (7,870,967)
Balance, December 31, 2006	20,011,792	$ 20,012	$ 18,492,826	$ (21,876,737)	$ (3,363,899)
Conversion of convertible debentures to common shares @$0.05 per share	33,500,000	33,500	1,641,500		$ 1,675,000
Conversion of penalty & liquidated damage in relation to convertible debentures to shares @$0.05 per share	6,022,500	6,023	295,102		$ 301,125
Shares issued for directors' services	253,000,000	$ 253,000	$ 126,500		$ 379,500
Shares issued for sevices	2,000,000	$ 2,000			$ 2,000
Net loss for the year ended December 31, 2007				$ (1,245,171)	$ (1,245,171)
Balance, December 31, 2007	314,534,292	314,535	20,555,928	(23,121,908)	(2,251,445)
Net loss for the period				(121,557)	$ (121,557)
Balance, June 30, 2008	314,534,292	314,535	20,555,928	(23,243,465)	(2,373,002)

(The accompanying notes are an integral part of these consolidated financial statements)

GLOBAL PEOPLELINE TELECOM, INC. AND SUBSIDIARIES
(FORMERLY : CHINA MOBILITY SOLUTIONS, INC. AND SUBSIDIARIES)
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the six months ended June 30, 2008 and 2007
(Stated in U.S. dollars)
(unaudited)

	2008	2007
Cash flows from operating activities		
Net loss	$ (121,557)	$ (373,940)
Adjustments to reconcile net loss to net cash		
Provided by (Used in) operating activities		
Depreciation and amortization	1,236	1,640

Translation adjustments	-	9,354
Changes in assets and liabilities		
(Increase)Decrease in accounts receivable	-	(372)
(Increase)Decrease in prepaid expenses and other current assets	-	4,615
Increase (Decrease) in amount due from (to) related parties	1,288	(60,490)
Increase (Decrease) in accounts payable	118,608	(172,903)
Increase (Decrease) in deferred revenue	-	(12,849)
Net cash provided by (used in) operating activities	(425)	(604,945)
Cash flows from investing activities		
Investments written off	-	50,000
Purchases of property and equipment	323	(1,142)
	323	48,858
Cash flows from financing activities	-	301,125
Increase (decrease) in cash and cash equivalents	(102)	(254,962)
Cash and cash equivalents - beginning of period	2,840	288,149
Cash and cash equivalents - end of period	$ 2,738	$ 33,187

(The accompanying notes are an integral part of these consolidated financial statements)

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GLOBAL PEOPLELINE TELECOM, INC. AND SUBSIDIARIES
(FORMERLY : CHINA MOBILITY SOLUTIONS, INC. AND SUBSIDIARIES)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2008
(Stated in U.S. dollars)
(unaudited)

1 BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in conformity with accounting
principles generally accepted in the United States of America. However, certain information and footnote
disclosures normally included in financial statements prepared in accordance with generally accepted
accounting principles have been omitted or condensed pursuant to the rules and regulations of the
Securities and Exchange Commission ("SEC"). In the opinion of management, all adjustments of a
normal recurring nature necessary for a fair presentation have been included. The results for interim

periods are not necessarily indicative of results for the entire year. These condensed consolidated financial statements and accompanying notes should be read in conjunction with the Company's annual consolidated financial statements and the notes thereto for the fiscal year ended December 31, 2007 included in its Annual Report on Form 10-K.

In August 2008, the Company changed its name to Global Peopleline Telecom, Inc.

The unaudited condensed consolidated financial statements include Global Peopleline Telecom, Inc. and its subsidiaries. All inter-company transactions and accounts have been eliminated.

Certain items have been reclassified to conform to the current period presentation. There is no effect on total results of operations or stockholder's equity.

2 DISCONTINUED OPERATTIONS

On August 15, 2006, a total of $3,350,000 of convertible debentures become due and payable. In October 2006, the Company was notified by the PRC State Administration of Foreign Exchange ("SAFE") that its application to convert certain cash held by the Company's two subsidiaries organized under the laws of the People's Republic of China (the "PRC Subsidiaries") into U.S. dollars and repay the debentures was denied. Later, in the three months ended December 31, 2006, based upon advice of PRC counsel that the Beijing Rule of Liquidation was the sole means to repay the outstanding debentures, the PRC subsidiaries submitted applications to a PRC regulatory authority to liquidate pursuant to the Beijing Rule of Liquidation. In connection therewith, the accounting responsibilities for the operations of the PRC subsidiaries were transferred from the Company to a PRC accounting firm approved by the PRC regulatory authority. The Company has been unable to obtain reports from this accounting firm and has not received a definitive opinion regarding the ultimate outcome of these liquidations; accordingly, the Company reduced the carrying value of the net assets of the PRC Subsidiaries to $1 at December 31, 2006 and reflected operations of the PRC Subsidiaries to September 30, 2006 as discontinued operations. In the event that the Company receives more than $1 from the liquidations, it will recognize a gain in such future periods that the proceeds are realized.

3 PROPERTY AND EQUIPMENT

Property and equipment, net consists of :

		June 30 2008	December 31 2007
Equipment	$	40,878	41,913
Library		14,661	15,114
Furniture		14,646	15,026
Total		70,185	72,053
Less : Accumulated depreciation		(62,070)	(62,421)
Net book value		8,115	9,632

4 CONVERTIBLE DEBENTURES

On August 15, 2005, the Company completed an offering of 134 units ("Units") for $3,350,000. Each Unit was sold for $25,000, consisting of $25,000 principal amount of senior convertible debentures (the "Debentures"), and one new Series "A" Warrant and one new Seris "B" Warrant. The Debentures were initially convertible at $0.35 per share for 71,429 shares of common stock of the Company; maturing on August 15, 2006 and accruing interest at a rate of not less than 6% per annum equal to the sum of 2% per annum plus the one -month London Inter-Bank Offer Rate ("LIBOR"). The Debentures are subject to redemption at 125% of the principal amount plus accrued interest commencing six months after August 7, 2006.

Each Unit also included: (i) new Series "A" Warrants exercisable at $0.44 per share to purchase 71,429 shares of Common Stock of the Company until February 15, 2009. The new Series "A" and new Series "B" Warrants are subject to redemption by the Company at $0.001 per Warrant at any time commencing six months and twelve months, respectively, from August 7, 2006, provided the average closing bid price of the common stock of the Company equals or exceeds 175% of the respective exercise prices for 20 consecutive trading days.

On January 18, 2006, the Company received a letter (the "Default Notice") from the attorney for Southridge Partners, LP, (the "Lender"), the holder of $500,000 principal amount of the Company's Senior Convertible Debentures (the "Debenture") stating that the Company was in default of certain transaction agreements (the "Transaction Agreements") issued in connection with the Debenture by virtue of the Company's issuance of registered shares of stock to employees and consultants under a Form S-8 registration statement and the filing of the Form S-8 prior to the date of effectiveness, August 7, 2006, of the Company's SB-2 Registration Statement required under the Registration Rights Agreement (one of the Transaction Agreements).

The Company denied that it was in default of the Transaction Agreements. However, in order to avoid costly litigation, the parties entered into a waiver/settlement agreement on May 4, 2006 (the "Waiver/ Settlement Agreement").

In accordance with the terms of the Waiver/Settlement Agreement, the initial conversion price of the Debenture was reduced from $0.35 per share to $0.30 per share, the new Series "A" Warrant exercise price was reduced from $0.44 to $0.38 per share and the new Series "B" Warrant exercise price was reduced from $0.52 to $0.45 per share. In addition, the number of shares of the Company's common stock exercisable upon conversion of each $25,000 principal amount of Debenture and upon exercise of the new Series "A" and new Series "B" Warrants included in each Unit was increased from 71,429 shares to 83,333 shares for each of the Debenture, Class A Warrants and Class B Warrants, or an aggregate of 250,000 shares per unit.

The Lender waived the S-8 Default set forth in the Default Notice and the Company agreed not to file any additional S-8 Registration Statements prior to 45 days after August 7, 2006.

On August 15, 2006, the Company did not repay the $3,350,000 of Debentures then due. The Company has paid all interest on the Debenture accrued through November 15, 2006. As discussed in Note 2, the Company had applied to the regulatory authority in China to approve converting its subsidiaries' fund into U.S. dollars and repay the Debentures and was denied. The Company was advised that the Rule of Liquidation is the sole means of assuring repayment of the Debentures and subsequently submitted applications for such liquidations to a PRC regulatory authority. At May 18, 2007, these liquidations have not been completed.

The holder of an aggregate of $300,000 of the Debentures has agreed to extend the due date to December 31, 2007 with an interest rate of 10% per annum starting from August 15, 2006 and the exercise price of the new Series "A" Warrants and new Series "B" Warrants being reduced to $0.15 and $0.20 per share respectively. Other terms remain the same.

The Company received letters (the "Default Letters") from the attorneys for two holders of an aggregate $875,000 principal amount of Debentures stating that the Company was in default under the Debentures as a result of its failure to pay principal plus interest thereon. On September 18, 2006, one of the debenture holders commenced a lawsuit against the Company in the Supreme Court of the State of New York, New York County (No. 603266). The action is a motion for summary judgement in lieu of complaint based on the Company's Debentures in the amount of $500,000 in favor of Plaintiff which was due on August 15, 2006, with interest at 12% per annum. On January 19, 2007, this motion was granted and a judgement in the amount of $545,440 was awarded the Plaintiff.

The Company entered into conversion/settlement agreements (the "Conversion Agreements") dated February 2, 2007, which provided that the conversion price (the "Conversion Price") of the Debentures, as set forth in paragraph 7(d) of the Debentures shall be reduced to $0.05 per share of Common Stock ("Underlying Common Stock") issuable upon conversion (the "Conversion"), provided that at least fifty (50%) percent in principal amount (or $1,675,000) of the initial $3,350,000 of Debentures (the "Minimum Conversion") agree to the Conversion. The closing of the Conversion (the "Closing") occurred on February 12, 2007. Those Debenture holders who agree to the Conversion shall also agree to convert all accrued but unpaid penalties and interest owed by the Company into Common Stock at $0.05 per share. Pursuant to the terms of the May 4, 2006 Waiver/Settlement Agreement entered into between the Company and Debenture holders the Conversion Price of the Debentures was reduced to its current price of $0.30 per share. A total of 39,522,500 shares of common stock were issued to 29 Debenture holders under Conversion Agreements in satisfaction of $1,675,000 total principal amount of Debentures and $301,125 unpaid accrued interest and late registration penalty fees.

The Conversion Agreements provided for the Debenture holders who signed such agreements to: (i) terminate any and all pending litigation with the Company to which they are a party, without prejudice to reinstatement if and only if the Minimum Conversion is not completed, and/or the Company defaults in its obligations under the Conversion Agreements; (ii) in any vote of shareholders not vote against any nominee to the Board of Directors of the Company and any proposal designated by current management of the Company and its officers, directors, employees, representatives and affiliates following the Closing.

The Company agreed to make whatever filings are necessary with the SEC, whether by way of supplement or post-effective amendment to this registration statement concerning the Underlying Common Stock, to permit issuance of common stock at the reduced Conversion Price of $0.05 per share. Notwithstanding the foregoing, only the original 214,287 shares of Common Stock issuable underlying each $25,000 Unit, including 71,429 Shares of Common Stock underlying each Debenture, are registered on this Registration Statement. Accordingly, at the reduced Conversion Price of $0.05 per share an aggregate of 500,000 shares of Common Stock would be issuable upon conversion of the Debentures and an additional 166,666 shares of Common Stock issuable upon exercise of warrants included in the Units. All additional shares of Common Stock not included in this Registration Statement, as well as those issuable in exchange for any interest and penalties due under the Debentures at the time of the Closing, have been included in a second registration statement filed by the Company on February 12, 2007.

The Company shall also provide the Debenture holders with "most favored nation" status and reduce the Conversion Price to the per share price of any equity offering made by the Company within 18 months of the Closing Date. The Company shall issue such number of additional shares to the Debenture holders to reduce their Conversion Price to that of such subsequent offering.

At June 30, 2008, accounts payable and accrued liabilities include interest payable of $463,892 and unpaid late registration penalty fees payable of $129,277.

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5 BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share are computed by dividing net earnings (loss) available to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed by dividing net earnings available to common stockholders by the weighted-average number of common shares outstanding during the period increased to include the number of additional common shares that would have been outstanding if potentially dilutive common shares had been issued.

The following table sets forth the computations of shares and net loss used in the calculation of basic and diluted loss per share for the six months ended June 30, 2008 and 2007.

	2008	2007
Net loss for the period	(121,557)	(373,940)
Weighted-average number of shares outstanding	314,534,292	50,363,325
Effective of dilutive securities :		
Dilutive options - $0.30	-	-

Dilutive warrants new Series "A" - $0.15		-	-
Dilutive warrants new Series "A" - $0.38		-	-
Dilutive warrants new Series "B" - $0.20		-	-
Dilutive warrants new Series "B" - $0.45		-	-
Dilutive warrants Series "C" - $0.45		-	-
Dilutive potential common shares		-	-
Adjusted weighted-average shares and assumed conversions		314,534,292	50,363,325
Basic income (loss) per share attributable to common shareholders	$	(0.00)	(0.01)
Diluted income (loss) per share attributable to common shareholders	$	(0.00)	(0.01)

The effect of outstanding options and warrants was not included as the effect would be anti-dilutive.

6 SHARE PURCHASE WARRANTS

During the six months ended June 30, 2008, no share purchase warrants were issued, exercised or cancelled.

As of June 30, 2007, 122 new Series "A" warrants were outstanding which entitle the holders to purchase 83,333 common shares of the Company at $0.38 unitl February 15, 2008. 122 new Series "B" warrants were outstanding which entitle the holders to purchase 83,333 common shares of the Company at $0.45 until February 15, 2009. 12 amended new Series "A" warrants were outstanding which entitle the holders to purchase 83,333 common shares of the Company at $0.15 each until February 15, 2008. 12 amended new Series "B" warrants were outstanding which entitle the holders to purchase 83,333 common shares of the Company at $0.20 until February 15, 2009. 200,000 Series "C" warrants were outstanding which entitle the holders to purchase 200,000 common shares of the Company at $0.45 each expiring on May 5, 2010.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

Discontinued Quicknet Operations

The liquidation of Quicknet (the "Liquidation") began in January 2007, at which time the Beijing Bureau of Commerce approved the Liquidation of the Company's operating subsidiaries in China, and its operations are reflected as discontinued operations. Management does not believe that the operations of Quicknet will be transferred to a new entity controlled by the Company following the completion of the Liquidation. Quicknet was engaged in the development of software for mobile/wireless communication and for Short Message Services ("SMS").

In connection with the Liquidation, the accounting responsibilities for the operations of the PRC subsidiaries were transferred from the Company to a PRC accounting firm approved by the PRC regulatory authority. For the quarter ended June 30, 2007, the Company has been unable to obtain reports from this accounting firm and has not received a definitive opinion regarding the ultimate outcome of these liquidations; accordingly, the Company has reduced the carrying value of the net assets of the PRC subsidiaries to $1 at December 31, 2006 and continues to maintain that carrying value at June 30, 2008. Likewise, the Company has reflected operations ot the PRC subsidiaries for the quarter ended June 30, 2008 as discontinued operations.

Critical Accounting Policies

Our discussion and analysis is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgements that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to revenue recognition, accounts receivable and allowance for doubtful accounts, intangible and long-lived assets, and income taxes. We base our estimates on historical experience and on various other assumptions that are believed to be reaseonable under the circumstances, the results of which form the basis for making judgements about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used or changes in the accounting estimate that are reasonably likely to occur could materially change the financial statements. We believe the following critical accounting policies reflect our more significant estimates and assumptions in the preparation of our consolidated financial statements:

Contingencies - We may be subject to certain asserted and unasserted claims encountered in the normal course of business. It is our belief that the resolution of these matters will not have a material adverse effect on our financial position or results of operations, however, we cannot provide assurance that damages that result in a material adverse effect on our financial position or results of operations will not be imposed in these matters. We account for contingent liabilities when it is probable that future expenditures will be made and such expenditures can be reasonably estimated.

Critical Accounting Policies (continued)

Income Taxes - We record a valuation allowance to reduce our deferred tax assets to the amount that is more likely than not to be realized. We have considered future market growth, forecasted earnings, future taxabel income, and prudent and feasible tax planning strategies in determining the need for a valuation allowance. We currently have recorded a full valuation allowance against net deferred tax assets as we currently believe it is more likely than not that the deferred tax assets will not be realized.

Valuation Of Long-Lived Assets - We review property, plant and equipment and other assets for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. Our asset impairment review assess the fair value of the assets based on the future cash flows the assets are expected to generate. An impairment loss is recognized when estimate undiscounted future cash flows expected to result from the use of the asset plus net proceeds expected from disposition of the asset (if any) are less than the carrying value of the asset. When an impairment is identified, the carrying amount of the asset is reduced to its estimated fair value. Deterioration of our business in a geographic region could lead to impairment adjustments when identified. The accounting effect of an impairment loss would be a charge to income, thereby reducing our net profit.

Forward-looking Statements

Statements contained in this report include "forward-looking statements" within the meaning of such term in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Exchange Act. Forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause actual financial or operating results, performances or achievements expressed or implied by the forward-looking statements not to occur or be realized. Forward-looking statements generally are based on our best estimates of future results, performances or achievements, based upon current conditions and the most recent results of the companies involved and their respective industries. Forward-looking statements may be identified by the use of forward-looking terminology such as "may," "will," "could," "project," "expect," "believe," "estimate," "anticipate," "intend," "continue," "potential," "opportunity" or similar terms, variations of those terms or the negative of those terms or other variations of those terms or comparable words or expressions.

Potential risks and uncertainties include, among other things, such factors as :

* the Liquidation of our PRC Subsidiaries as set forth below under the "Liquidation of Quicknet Subsidiaries to Repay Debentures in Default,"

* our business strategies and future plans of operations,

* general economic conditions in the United States and elsewhere, as well as the economic conditions affecting the industries in which we operate,

* the market acceptance and amount of sales of our products and services,

* our historical losses,

* the competitive enviroment within the industries in which we compete,

* our ability to raise additional capital, currently needed for expansion, the other factors and information discussed in other sections of this report and in the documents incorporated by reference in this report.

Forward-looking Statements (continued)

Persons reading this report should carefully consider such risks, uncertainties and other information, disclosures and discussions which contain cautionary statements identifying important factors that could cause actual results to differ materially from those provided in the forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 3. QUANTITIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company does not hold any derivaties or investments that are subject to market risk. The carrying values of any financial instruments, approximate fair value as of those dates because of the relatively short-term maturity of these instruments which eliminates any potential market risk associated with such instruments.

ITEM 4. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's Exchange Act reports is recorded, processed and summarized and is reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure control procedures, no matter how well designed and operated, can provide onlyreasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgement in evaluating the cost-benefit relationship relationship of possible controls and procedures.

As of the date of this report, the Company's management, including the President (principal executive officer) and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a - 14. Based upon the evaluation, the Company's President (principal executive officer) and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information required to be included in the Company's periodic SEC filings. There have been no significant changes in the Company's disclosure controls and procedures or in other factors, which could significantly affect disclosure controls subsequent to the date the Companys management carried out its evaluation. During the period covered by this quarterly report on Form 10Q, there was no change in our internal control over financial reporting (as defined in Rule 13a - 15(f) under the Exchange Act) that materially affected, or is reasonably likely materially affect, our internal control over financial reporting.

PART 2. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the ordinary course of business, the Company may be involved in legal proceedings from time to time. During the period covered by this report, the legal proceedings that commenced or had material developments are as follows :

On September 18, 2006, Southridge Partners, L.P. ("Plaintiff") commenced a lawsuit against the Company in the Supreme Court of the State of New York, New York County (No. 603266) for an alleged default on repayment of its Senior Convertible Debentures due August 15, 2006 (the "Debentures"). The motion for summary judgement in lieu of complaint was granted based on the Company's Debentures in the amonunt of $500,000 in favor of the Plaintiff which was due on August 15, 2006, with interest at 12% per annum. During the quarter of March 31, 2007, the Plaintiff took steps to execute its default judgement.

ITEM 1. LEGAL PROCEEDINGS (continued)

On February 22, 2007, Microsoft Corporation commenced a lawsuit against the Company and others in the King County Superior Court of the State of Washington (No. 06-2-18596-0 SEA). Microsoft alleges claims for trepass to chattels, conversion, and violations of the Washington Commercial Electronic Mail Act, Washington Consumer Protection Act, the Controlling the Assault of Non-Solicited Pornography and Marketing Act ('CAN-SPAM"), and the Lanham Act. The Company has retained counsel to evaluate and defend the suit.

No director, officer or affiliate of Global Peopleline Telecom, Inc., and no owner of record or beneficial owner of more than 5% of the securities of the Company, or any associate of any such director, officer or security holder is a party adverse to the Company or has a material interest adverse to it in reference to pending litigation.

ITEM 1A. RISK FACTORS

The Company at present does not engage in any business activities thus will not be subjected to any risk.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The Company entered into the Conversion/Settlement Agreements dated February 2, 2007 and February 12, 2007, respectively. The Company offered to lower the conversion price of the Debentures to $.05 per share conditioned upon at least 50% in principal amount of Debentures agreeing to convert all of their Debentures in accordance with the terms and conditions of a Conversion/Settlement Agreement dated February 2, 2007. This transaction was completed in February 2007 and approximately 58% of the Debentures have been converted at $.05 per share or an aggregate of 33,500,000 shares of Common Stock were issued upon conversion during the quarter plus an additional 6,022,500 shares in satisfaction of unpaid accrued interest and late registration fees. The Debentureholders who executed the Agreement released the Company from all claims.

The Conversion/Settlement Agreements provided for an increase in the number of shares of Common Stock issuable upon conversion of the Debentures and exercise of the Warrants as a result of the reduction in the initial conversion price. Thus, there are now more shares issuable than were contemplated during the original offer. The Company believed that the offer (there was no issuance) of such additional shares was exempt from registration under the Securities Act and under applicable state securities laws pursuant to Section 4(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder. The offer was made some 18 months after the original sale to the same investors. The Company did not offer securities to any new investors, nor was it receiving proceeds from the issuance of additional shares. The offer was not made voluntarily, but solely in reponse to treatened litigation.

The Company has not received any proceeds as a result of the registration statement that went effective on August 7, 2006, registering a protion of the additional shares issuable upon conversion of Debentures and exercise of the Class A and Class B Warrants, under the Settlement Agreement, as the case may be, as well as placement agent warrants and warrants received as compensation for services provided.

Since the Company entered into the May 2006 Settlement Agreement and the February 2007 Conversion/Settlement Agreement, it has not been threatened by any of its investors or shareholders with respect to rescission rights. Furthermore, notwithstanding the fact that shares of common stock have been removed from the initial Registration Statement which was declared effective by the SEC on August 7, 2006, the SEC is not foreclosed from taking any enforcement action with respect to the filing and the Company may not assert the declaration of effecativeness as a defense in any proceeding initiated by the SEC.

No dividends on outstanding common stock have ever been paid. The Company does presently have any plans regarding payment of dividends in the foreseeable future.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

The Company disclosed in a Current Report on Form 8-K for August 31, 2006, that it had not repaid $3,350,000 of Senior Convertible Debentures due August 15, 2006 (the "Debentures"). The Company stated that it had sufficient cash on hand to repay the Debentures and any accrued interest. The Company also disclosed in a Current Report on Form 8-K for August 31, 2006, that it had applied to the banking authorities (State Administration of Foreign Exchange ("SAFE")) in China to convert its subsidiaries' fund into U.S. dollars and repay the Debentures. The Company's operating subsidiary in China has advised the Company that its application to SAFE to withdraw the funds from China had been denied. On October 25, 2006, the Company retained the law firm of Wyatt & Wang in Beijing to assist it comply with the Beijing Rule of Liquidation of companies with foreign investment (the "Rule of Liquidation"). The Company has been advised by PRC Counsel that the Rule of Liquidation is the sole means of assuring repayment of the Debentures. The Company began the process to submit an application for such liquidation to the Bureau of Ministry of Commerce ("BOMOC"). On January 16, 2007, the Beijing Bureau of Commerce approved the Liquidation.

The Company had paid all interest on the Debentures accrued through August 15, 2006. Interest accrued on the Debentures through maturity, at the rate of not less than 6% per annum equal to the sum of 2% per annum plus the one month LIBOR rate. From the maturity date of August 15, 2006, interest on outstanding principal amount of Debentures and unpaid accrued interest accrues at the rate of 12% per annum.

The Company received letters (the "Default Letters") from the attorneys for two holders of an aggregate $875,000 principal amount of Debentures stating that the Company was in default under the Debentures as a result of its failure to pay principal plus interest thereon. On September 18, 2006, one of the debenture holders commenced a lawsuit against the Company in the Supreme Court of the State of

New York, New York County (No. 603266). The action is a motion for summary judgement in lieu of
camplaint based on the Company's Debentures in the amount of $500,000 in favor of Plaintiff which was
due on August 15, 2006, with interest at 12% per annum. On January 19, 2007, this motion was granted
and a judgement in the amount of $545,440 was awarded the Plaintiff. This debenture holder, Southridge
Partners, LP, took steps to execute on its judgement in excess of $545,440 plus interest during the
first quarter of 2007. The second debenture holder, Iroquois Management Fund Ltd., commenced a
lawsuit on November 25, 2006 against the Company in the Supreme Court of the State of New York,
New York, New York County (No. 6604397/06). The action is a motion for summary judgement in lieu of
complaint based on the Company's Debentures in the amount of $375,000 in favor of Plaintiff which was
due on August 15, 2006, with interest at 6% per annum from June 30, 2005 to August 15, 2006, and
with interest at 12% per annum from August 15, 2006 to the date of entry of judgement, plus costs and
disbursements.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
31.01	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act and Section 302 of the Sarbanes-Oxley Act of 2002.
31.02	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act and Section 302 of the Sarbanes-Oxley Act of 2002.
32.01	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.02	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

* These certificates accompany Global Peopleline Telecom, Inc Quarterly Report on Form 10-Q; they are not deemed "filed" with the Securities and Exchange Commission and are not to be incorporated by reference in any filing of Global Peopleline Telecom, Inc. under the Securities Act of 1933, or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation langauge in any filings.

	Global Peopleline Telecom, Inc.	
January 22, 2009	By:	/s/ Angela Du Angela Du Director and Chief Executive Officer
		/s/ Ernest Cheung Ernest Cheung Chief Financial Officer