

## **DESCRIPTION OF THE TRANSACTION AND PUBLIC INTEREST STATEMENT**

This application is being filed in connection with the request of Securus Investment Holdings, LLC (“Transferor”), CellBlox Acquisitions, LLC (“Licensee”) and SCRS Acquisition Corporation (“Transferee” and together with Transferor and Licensee, “Applicants”) to transfer indirect ownership and control of Licensee to Transferee. In support of this application, the Applicants provide the following information.

### **I. DESCRIPTION OF THE APPLICANTS**

#### **A. Transferee**

Transferee is a holding company created for purposes of the Transaction with no operations. Transferee is ultimately wholly owned by SCRS Holding Corporation (“SCRS Parent”), a Delaware corporation. SCRS Parent is a holding company in which certain private equity investment vehicles sponsored by Platinum Equity, LLC (together with its affiliates, “Platinum Equity”) will contribute their equity investments in connection with the Transaction. Platinum Equity Capital Partners IV, L.P., a Delaware limited partnership, will be the majority owner of SCRS Parent.

Founded in 1995 by Tom Gores, Platinum Equity ([www.platinumequity.com](http://www.platinumequity.com)) is a global investment firm with more than \$11 billion of assets under management and a portfolio of approximately 30 operating companies that serve customers around the world. The firm is currently investing from Platinum Equity Capital Partners IV, L.P., a \$6.5 billion global buyout fund. Platinum Equity specializes in mergers, acquisitions and operations, acquiring and operating companies in a broad range of business markets, including manufacturing, distribution, transportation and logistics, equipment rental, metals services, media and entertainment,

technology, telecommunications and other industries. Over the past 22 years Platinum Equity has completed more than 185 acquisitions. While Platinum Equity does not have any telecommunication carriers in its current portfolio, Platinum Equity's prior investments in telecommunication carriers include, but are not limited to, Covad, DSLnet and Matrix Telecom. These entities are, or were, authorized by this Commission to provide domestic and/or international telecommunications services. As such, the Commission has previously reviewed, and approved, Platinum Equity's qualifications to control a FCC regulated entity.

**B. Licensee**

The Licensee is a Delaware limited liability company and a direct, wholly owned subsidiary of Securus Technologies, Inc. ("Securus"), which provides intrastate, interstate and international telecommunications services in connection with the inmate calling services and public payphones that it provides to or at confinement facilities throughout the U.S. The Licensee holds wireless long-term *de facto* transfer leases and Special Temporary Authorities for Experimental Services that it uses in its deployment of Managed Access Systems at correctional facilities in Florida, Georgia, and Louisiana. For the current ownership of the Licensee, please see Exhibit A.

**C. Transferor**

Transferor is a holding company with no operations. For the current ownership of Transferor, please see Exhibit A.

**II. DESCRIPTION OF THE TRANSACTION**

Pursuant to that certain Stock Purchase Agreement by and among Transferor, Connect Acquisition Corporation ("Connect"), and Transferee, dated as of April 29, 2017 (the "Agreement"), Transferee will acquire all the stock of Connect from Transferor (the "Transaction"). As a result, Connect will become a wholly owned, direct subsidiary of

Transferee and the Licensee will become a wholly owned, indirect subsidiary of Transferee (and its parent companies). Platinum Equity Capital Partners IV, L.P. will be the ultimate majority owner of the Licensee. A chart depicting the pre- and post-Transaction ownership of the Licensee is provided as Exhibit A.

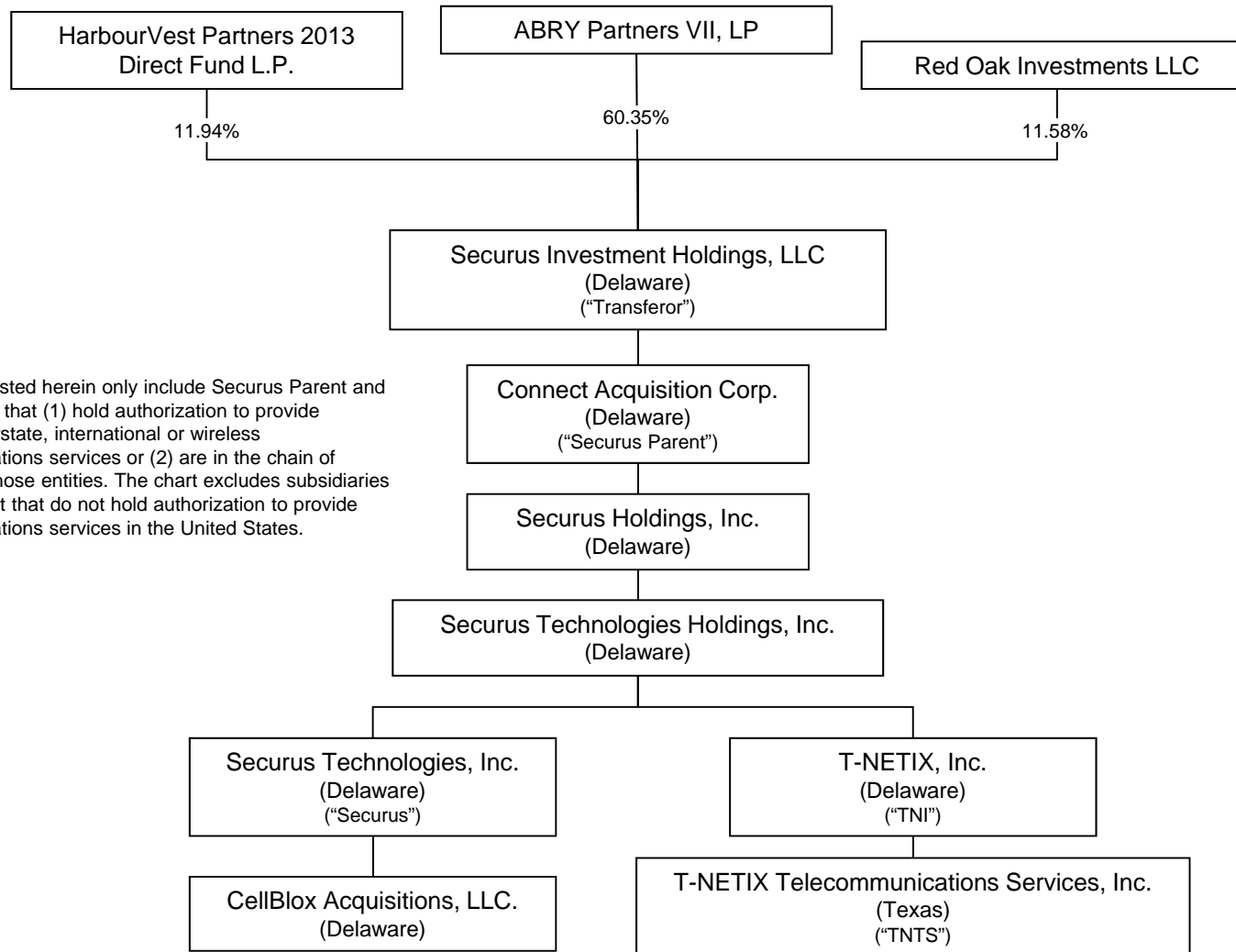
### **III. PUBLIC INTEREST STATEMENT**

Applicants submit that the Transaction is in the public interest. The Licensee will continue to be managed and operated by the same officers and personnel, but will be supplemented by management of Transferee. Further, the Licensee may have access to additional financial resources through its relationship with Transferee, enabling them to better meet the needs of their customers and thus better compete in the telecommunications marketplace. At the same time, the Transaction will have no adverse impact on the customers of the Licensee. Immediately following the Transaction, the Licensee will continue to provide high-quality services to the same extent and at the same rates and on the same terms and conditions as are currently in effect. The only change immediately following closing of the Transaction from a customer's perspective will be that that the Licensee's ownership will change, with Transferee being its parent.

**EXHIBIT A**

**Diagrams of the Pre- and Post-Transaction Ownership Structure**

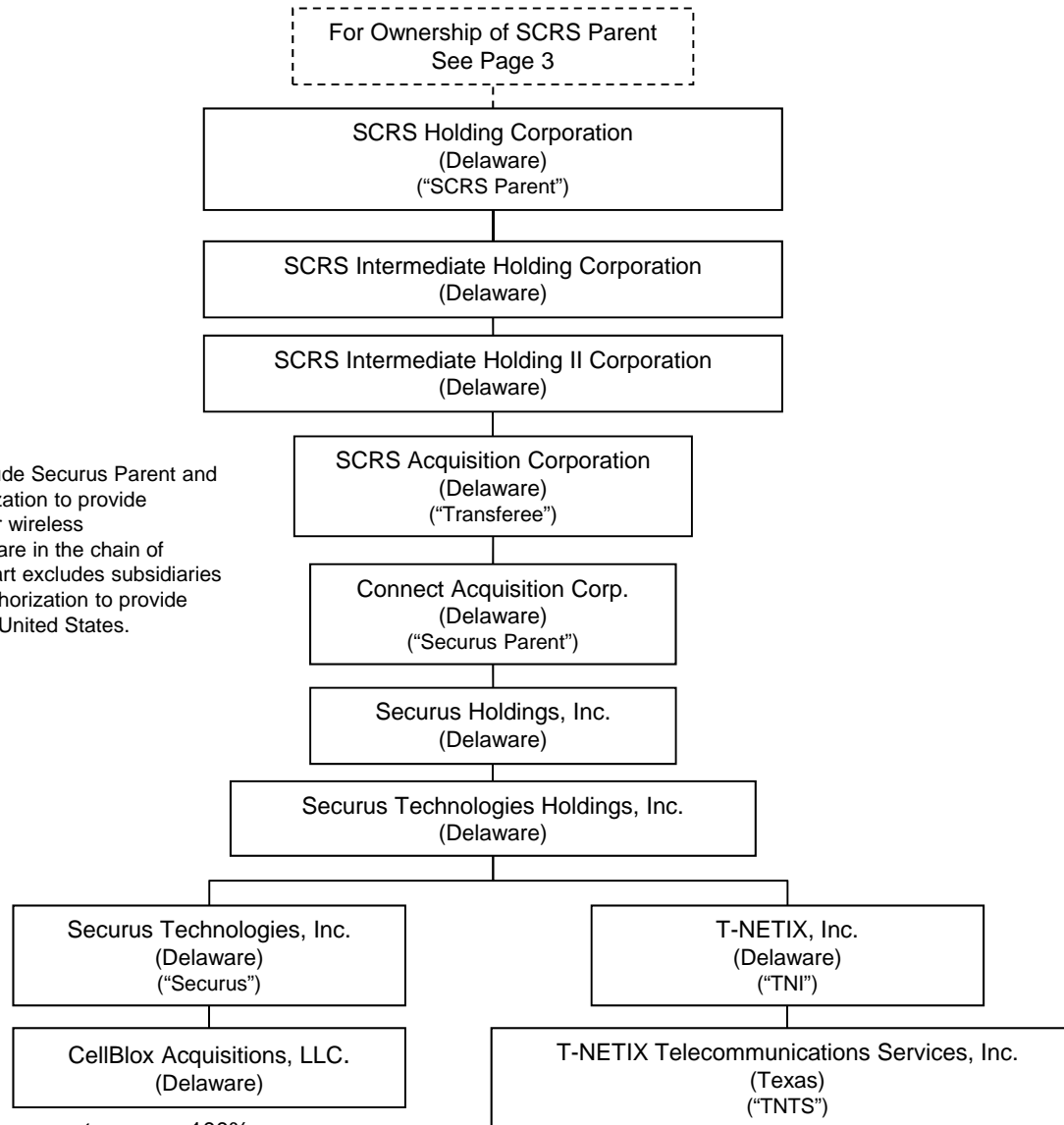
## Pre-Transaction Ownership Structure of Licensees\*



\* The entities listed herein only include Securus Parent and its subsidiaries that (1) hold authorization to provide intrastate, interstate, international or wireless telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes subsidiaries Securus Parent that do not hold authorization to provide telecommunications services in the United States.

Unless indicated all ownership percentages are 100%.

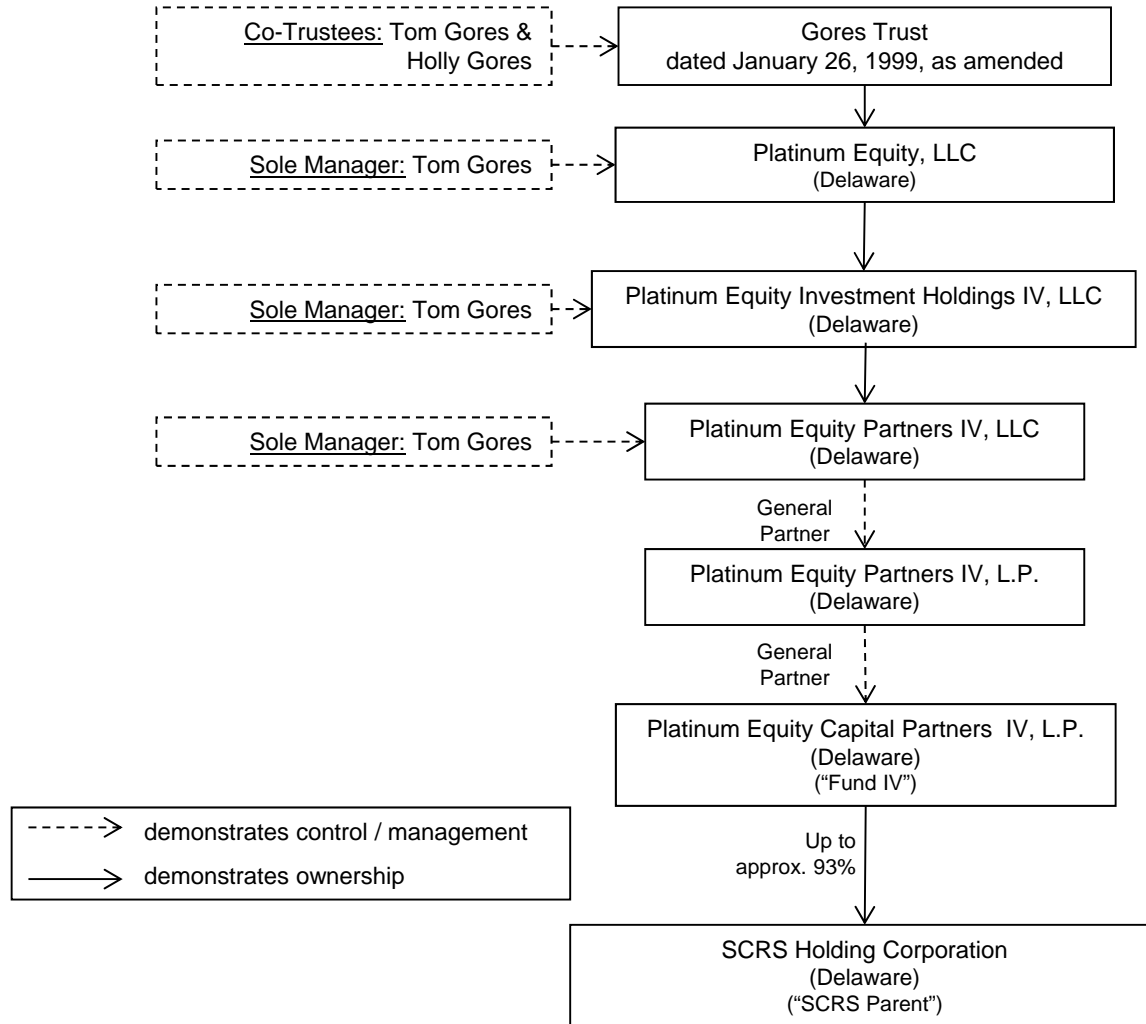
## Post-Transaction Ownership Structure of Licensees\*



\* The entities listed herein only include Securus Parent and its subsidiaries that (1) hold authorization to provide intrastate, interstate, international or wireless telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes subsidiaries Securus Parent that do not hold authorization to provide telecommunications services in the United States.

Unless indicated all ownership percentages are 100%.

## Post-Transaction Ownership Structure of SCRS Parent



Unless indicated all ownership percentages are 100%.