

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

**SECURUS HOLDINGS, INC.,
SECURUS TECHNOLOGIES, INC.
(f/k/a Evercom Systems Inc.),**

and

CONNECT ACQUISITION CORP.

**Application for Authority pursuant
to Section 214 of the Communications
Act of 1934, as amended, for Expedited
Approval of the Indirect Transfer of
Control of the Domestic and International
Section 214 Authority of Securus
Technologies, Inc. to Connect
Acquisition Corp.**

File No. _____

**JOINT APPLICATION FOR EXPEDITED APPROVAL OF INDIRECT
TRANSFER OF CONTROL**

Comes now Securus Holdings, Inc. (“SHI”), Securus Technologies, Inc. (f/k/a Evercom Systems, Inc.)¹(“STI”), and Connect Acquisition Corp. (“Connect”) (collectively the “Applicants”), acting through counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. §214, and Sections 63.03, 63.04 and 63.24 of the Commission’s Rules, 47 C.F.R. §§63.03, 63.04, 63.24 (2011), to request

¹ Evercom notified the Commission of the change of its name on August 17, 2010.

approval, on an expedited basis, of the indirect transfer of control of STI's domestic and international Section 214 authority through a merger transaction involving its current parent SHI and Connect as described below. In connection with this proposed indirect transfer of control, Applicants include herein, to the extent applicable, the information requested pursuant to Sections 63.18(a)-(p) and 63.04(a)(6) through (a)(12) of the Commission's rules, 47 C.F.R. §§63.18, 63.04(a)(6)–(12). *See* Sections V and VI, below.

I. STREAMLINED PROCESSING

1. This application is entitled to presumptive streamlined processing under Sections 63.12(a) and (b) because (a) STI is not affiliated with a foreign carrier as described in Section 63.12(c)(1), (b) it is not affiliated with a dominant U.S. carrier whose services it seeks to resell as described in Section 63.12(c)(2), and (c) for the additional reasons set forth in Section V below.

2. This application is entitled to streamlined processing under Section 63.04(b)(8) and under Section 63.03(b)(2)(ii) of the Commission's Rules because (a) the proposed transfer would result in the transferee having a market share in the interstate, interexchange market of less than 10 percent, (b) the transferee would provide competitive telephone exchange services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and (c) neither of the applicants is dominant with respect to any service.

II. THE APPLICANTS

3. STI is authorized to provide domestic interstate and international services as a non-dominant carrier ("the Services"). With respect to international services, STI

currently holds an International Section 214 Certificate to provide global international facilities-based and resale services between the United States and international points. *See* ITC 214-19991115-00713. STI is currently authorized to provide domestic interstate services pursuant to Section 63.01 of the Commission's rules.

4. STI is a privately held and wholly-owned subsidiary of Securus Technologies Holdings, Inc. ("STHI"), which is a State of Delaware corporation, with its primary headquarters located at 14651 Dallas Parkway, 6th Floor, Dallas, Texas 75254 Phone: (972) 953-4123, Fax: (972) 953-4289. STHI is in turn a wholly-owned subsidiary of SHI, also a Delaware corporation. SHI is in turn a subsidiary of STI Technology Holdings, LLC ("STITH"). STHI, SHI and STITH are not providers of telecommunications services. The ultimate controlling interest in STI is held by H.I.G.-T-NETIX, Inc. ("HIG"), through a controlling interest in STITH. HIG is itself an affiliate of H.I.G. Capital, LLC ("HIGC"), a Miami-based private equity firm.²

5. Connect is a State of Delaware corporation with its primary offices located at 150 East 58th Street, New York, NY 10155. Connect is a newly formed State of Delaware corporation established for purposes of the contemplated transaction. Connect is a controlled affiliate of Castle Harlan Partners V, L.P. ("Castle Partners"), which is managed by Castle Harlan, Inc. ("Castle Harlan"), a New York-based investment firm. Castle Harlan, founded in 1987, invests in controlling interests in the buyout and development of middle-market companies principally in North America. Its team of 18 investment professionals has completed over 50 acquisitions since its inception with a

² The Commission approved the transfer of control to HIG in 2004 (File No. ITC-T/C-20040810-00335.)

total value of approximately \$10 billion. Castle Harlan currently manages investment funds with equity commitments of approximately \$3.5 billion.

III. RESPONSE TO QUESTION 13 - DESCRIPTION OF THE PROPOSED TRANSACTION

6. **General Description Of Merger Agreement** – SHI has entered into an Agreement and Plan of Merger, dated April 8, 2011, among (a) Connect, (b) Connect Merger Corp. (“Connect Merger Sub”), and (c) STITH (“Merger Agreement”). A detailed description of the terms of the Merger Agreement is set out below, but upon the completion of the proposed transaction STI will be a wholly-owned, indirect subsidiary of Connect.

7. **Details of Transaction** – The below description of the proposed transaction includes the following:

- a. The current ownership structure of STI and its affiliates.
- b. The acquiring entities involved in the merger.
- c. The merger process.
- d. The resulting ownership structure of STI and its affiliates.

a. **Current Ownership** – As noted above, SHI is a Delaware corporation and the sole shareholder of STHI, also a Delaware corporation. STHI has two wholly-owned, direct subsidiaries that are both Delaware corporations: STI and T-NETIX, Inc. (“TNI”) that are regulated by the Commission. TNI is in turn the parent of T-NETIX Telecommunications Services, Inc. For purposes of this Application only STI is relevant because it holds domestic and international Section 214 authorizations. The Applicants are filing simultaneously separate applications to transfer control of TNI and T-NETIX

Telecommunications Services, Inc., which also hold Section 214 authorizations.

Attachment A hereto shows the existing ownership structure of STI.

b. **Acquiring Entities** – Connect Merger Sub is a Delaware corporation and wholly-owned subsidiary of Connect.

c. **The Merger Process** – The proposed indirect transfer of STI will occur through a merger with Connect Merger Sub, which will include the following steps:

(i) Connect has formed Connect Merger Sub solely for the purpose of effecting the proposed transaction.

(ii) Connect Merger Sub shall merge with and into SHI. Upon completion of this merger, the separate existence of Connect Merger Sub will cease and SHI will be the surviving corporation.

d. **The Resulting Ownership Structure** – Upon completion of the proposed transaction, STI will become an indirect, wholly-owned subsidiary of Connect.

Attachment B hereto shows the post-merger-closing ownership structure of STI.

8. **Transparency Of Transaction** – Following consummation of the proposed transaction, STI will remain a separately certificated entity and continue to provide its inmate telephone services as they are presently provided. There will be no transfer of STI's assets used in the provision of the services or transfer or assignment of its authorization. The existing senior management and key personnel of STI will continue in their present positions.

9. The transaction will also be seamless and transparent to STI's customers who will receive uninterrupted service from STI. There will be no immediate changes in the terms

and conditions of the services provided by STI. STI will continue to market, brand and bill its services as it has been doing.

IV. PUBLIC INTEREST REASONS FOR GRANT

10. The proposed transaction is non-controversial and will serve the public interest by providing STI with access to the substantial financial assets of Castle Partners. Consummation of the proposed transaction will help STI to continue to provide services to its customers and potentially expand or enhance those services at new facilities.

11. There will be no changes in rates, terms or conditions of STI's services as part of or as a result of this transaction; those services will continue on their current basis. In addition, the management and relevant contact information for STI will remain the same. As indicated above, the Commission has previously approved an analogous parent-level transaction involving STI, concluding that it was in the public interest. The Commission should reach the same conclusion in this case.

V. RESPONSE TO QUESTIONS 10 AND 11 AND ADDITIONAL REQUIRED INFORMATION PURSUANT TO SECTION 63.18

12. Pursuant to Section 63.18, Applicants submit the following information required by that provision in support of this Application:

- (a) Name, address and telephone number of each Applicant:

Transferors:

Securus Technologies, Inc.
Securus Holdings, Inc.
14651 Dallas Parkway
6th Floor
Dallas, Texas 75254
Phone: (972) 953-4123
Fax: (972) 953-4289

Transferee:

Connect Acquisition Corp.
c/o Castle Harlan, Inc.
150 East 58th Street
New York, New York 10155
Phone: (212) 644-8600
Fax: (212) 207-8042

(b) State of incorporation of Applicants:

STI, SHI, and Connect are Delaware corporations.

A. Response to Question 10

(c) Correspondence concerning this application should be sent to the following:

Transferor:

Paul C. Besozzi
Patton Boggs LLP
2550 M Street, N.W.
Washington, D.C. 20037
(202) 457-5292 (Telephone)
(202) 457-6315 (Facsimile)
Email: pbsozzi@pattonboggs.com

With a copy to:

Dennis Reinhold
Securus Technologies, Inc.
Securus Holdings, Inc.
14651 Dallas Parkway
6th Floor
Dallas, Texas 75254
Phone: (972) 953-4123
Fax: (972) 953-4289

Transferee:

John Beahn
Skadden, Arps, Meagher & Flom LLP
1440 New York Avenue, N.W.

Washington, D.C. 20005
(202) 371-7392 (Telephone)
(202) 661- 9192 (Facsimile)
Email Address: jbeahn@skadden.com

with a copy to:

Howard Weiss
Chief Financial Officer
Connect Acquisition Corp. c/o Castle Harlan, Inc.
150 East 58th Street
New York, NY 10155
(212) 644-8600 (Telephone)
(212) 207-8042 (Facsimile)

(d) Existing 214 Authority: STI holds an international Section 214 authorization to provide global facilities-based and global resale services (see File No. ITC-214-19991115-00713) and is authorized to provide domestic interstate services pursuant to Section 63.01 of the Commission's rules. Two other SHI-controlled entities, T-NETIX, Inc. and T-NETIX Telecommunications Services, Inc currently hold Section 214 authorizations. Separate applications to transfer control of those entities are being filed simultaneously herewith.

B. Response to Question 11 (Information Required by Sections 63.18(h)-(p))

(h) Name, Address, Citizenship and Principal Business of Owners with 10% or Greater Direct or Indirect Ownership:

The following entities will hold a 10% or greater direct ownership interest:

Name & Address	% Equity	Citizenship	Principal Business
Securus Technologies Holdings, Inc. (STHI)	100%	Delaware corporation	Hold stock of subsidiaries

STHI will be wholly-owned by Securus Holdings, Inc.:

Name & Address	% Equity	Citizenship	Principal Business
Securus Holdings, Inc.	100%	Delaware corporation	Hold stock of Evercom, Inc.

Securus Holdings, Inc. will be wholly-owned by Connect Acquisition Corp.:

Name & Address	% Equity	Citizenship	Principal Business
Connect Acquisition Corp.	100%	Delaware corporation	Hold stock of subsidiaries

Castle Harlan Partners V, L.P. (94% owner of Connect) (“Castle Partners”), a limited partnership organized under the laws of the State of Delaware, is principally engaged in the business of private equity investing. Castle Partners can be reached at the following address:

Castle Harlan Partners V, L.P.
150 East 58th Street
New York, NY 10155

The following entities will hold an indirect interest:

Castle Partners is controlled by a general partner, Castle Harlan Associates V, L.P. (“Castle Associates”), which is a Delaware limited partnership with its principal place of business at 150 East 58th Street, New York, NY 10155.

Castle Associates is controlled by its general partner, Castle Harlan Partners V GP, Inc. (“Castle GP”), a Delaware corporation with its principal place of business at 150 East 58th Street, New York, NY 10155. Castle GP is 66.667% owned by John Castle, a U.S. citizen with his principal place of business at 150 East 58th Street, New York, NY

10155, and 33.333% owned by Leonard Harlan, a U.S. citizen with his principal place of business at 150 East 58th Street, New York, NY 10155.

Neither Connect nor any of its affiliates or subsidiaries have interlocking foreign directorates with a foreign carrier.

(i) Foreign Carrier Certification. Connect certifies that it is not now, nor will it be upon consummation of the proposed transaction, a foreign carrier within the meaning of Section 63.09(d) of the Commission's rules. Connect further certifies that it is not now, nor will it be upon consummation of the proposed transaction, directly affiliated, within the meaning of Section 63.09 of the Commission's rules, with any foreign carrier.

(j) Destination Country Certification. Connect does not seek authority to provide international telecommunications services to any destination country described in paragraphs (1) through (4) of Section 63.18(j).

(k) Not applicable because Connect is not a foreign carrier and is not affiliated with a foreign carrier.

(l) Not applicable because Connect is not a foreign carrier and is not affiliated with a foreign carrier.

(m) Not applicable because Connect is not a foreign carrier and is not affiliated with a foreign carrier.

(n) Special Concessions from Foreign Carriers. Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses

market power on the foreign end of the route and will not enter into any such agreements in the future.

(o) Certification Regarding Section 5301 of Anti-Drug Abuse Act of 1998.

Applicants certify pursuant to Section 1.2001 through 1.2003 of the Commission's rules, 47 C.F.R. Sections 1.2001 – 1.2003, that no party to the Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(p) Streamlined Processing. This international Section 214 application qualifies for streamlined processing pursuant to Section 63.12 because: (i) neither Connect nor any of its subsidiaries is affiliated with any foreign carriers; (ii) as a result of the transaction, neither Connect nor any of its subsidiaries will become affiliated with any foreign carriers; and none of the other scenarios outlined in Section 63.12(c) apply. This Application should therefore be granted, according to Section 63.12(a), fourteen (14) days after the date of the public notice listing the Application as accepted for filing.

VI. ADDITIONAL REQUIRED INFORMATION PURSUANT TO SECTION 63.04

13. Pursuant to Section 63.04 of the Commission's Rules, 47 C.F.R. §63.04, Applicants further request authority for the indirect transfer control of STI's blanket domestic Section 214 authority from STI to Connect. Applicants are filing a joint application to assign the domestic and international authorizations pursuant to Section 63.04(b) of the Commission's rules, 47 C.F.R. §63.04(b). Applicants provide the following further information in support of their request:

63.04(a)(6): Description of the Transaction

The proposed transaction is described in Section III, *supra*.

63.04(a)(7): Description of Geographic Service Area and Services in Each Area

STI provides domestic interstate and international services as part of inmate calling services and public payphone services which it provides principally to or at confinement facilities, in the jurisdictions listed on **Attachment C**.

63.04(a)(8): Presumption of Non-Dominance and Qualification for Streamlined Processing

This Application is entitled to streamlined processing under Section 63.03(b)(2)(ii) of the Commission's Rules because (a) upon completion of the proposed transaction, Connect will continue to have a market share in the interstate, interexchange market of less than 10 percent, (b) upon completion of the proposed transaction, STI will provide competitive telephone exchange services exclusively in geographic areas served by dominant local exchange carriers that are not party to the transaction, and (c) neither of the Applicants is dominant with respect to any service.

63.04(a)(9): Other Pending Commission Applications Concerning the Proposed Transaction

STI affiliates T-NETIX and T-NETIX Telecommunications Services, Inc. are filing separate applications to request transfer of control of their respective Section 214 authorizations. Other than those applications, there are no other applications pending before the Commission concerning the proposed transaction.

63.04(a)(10): Special Consideration

None.

63.04(a)(11): Waiver Requests (If Any)

None.

63.04(a)(12): Public Interest Statement

The proposed transaction is in the public interest for the reasons detailed in Section IV, *supra*.

VII. REQUEST FOR EXPEDITED TREATMENT

14. STI, SHI and Connect are requesting expedited approval of this Application. As noted above, it is non-controversial and transparent to STI's customers. For the other reasons outlined above it is in the public interest. Therefore, STI, SHI and Connect respectfully request expedited action to ensure that the transaction can be consummated as soon as possible.

VIII. RESPONSE TO QUESTION 16

15. Applicants believe this question is not applicable to the instant application because they responded "no" to question 14 because the transferor is not a foreign carrier and, upon consummation of the proposed transaction, the Section 214 holder will not become affiliated with a foreign carrier. However, the IBFS electronic filing software requires that the Applicants respond to question 16. The applicants request classification of the Section 214 holder as a non-dominant carrier upon consummation of the proposed transfer. The Section 214 holder is qualified to be classified as a non-dominant carrier pursuant to Section 63.10(a)(1) of the Commission rules because upon consummation of the proposed transaction, the Section 214 holder will not become affiliated with a foreign carrier. 47 C.F.R. § 63.10(a)(1). The Section 214 holder is a provider of inmate telephone services in various confinement facilities in the U.S.

WHEREFORE, STI, SHI and Connect respectfully request that the Commission approve this Application on an expedited basis so that SHI may consummate the contemplated transactions as soon as possible.

Respectfully submitted,

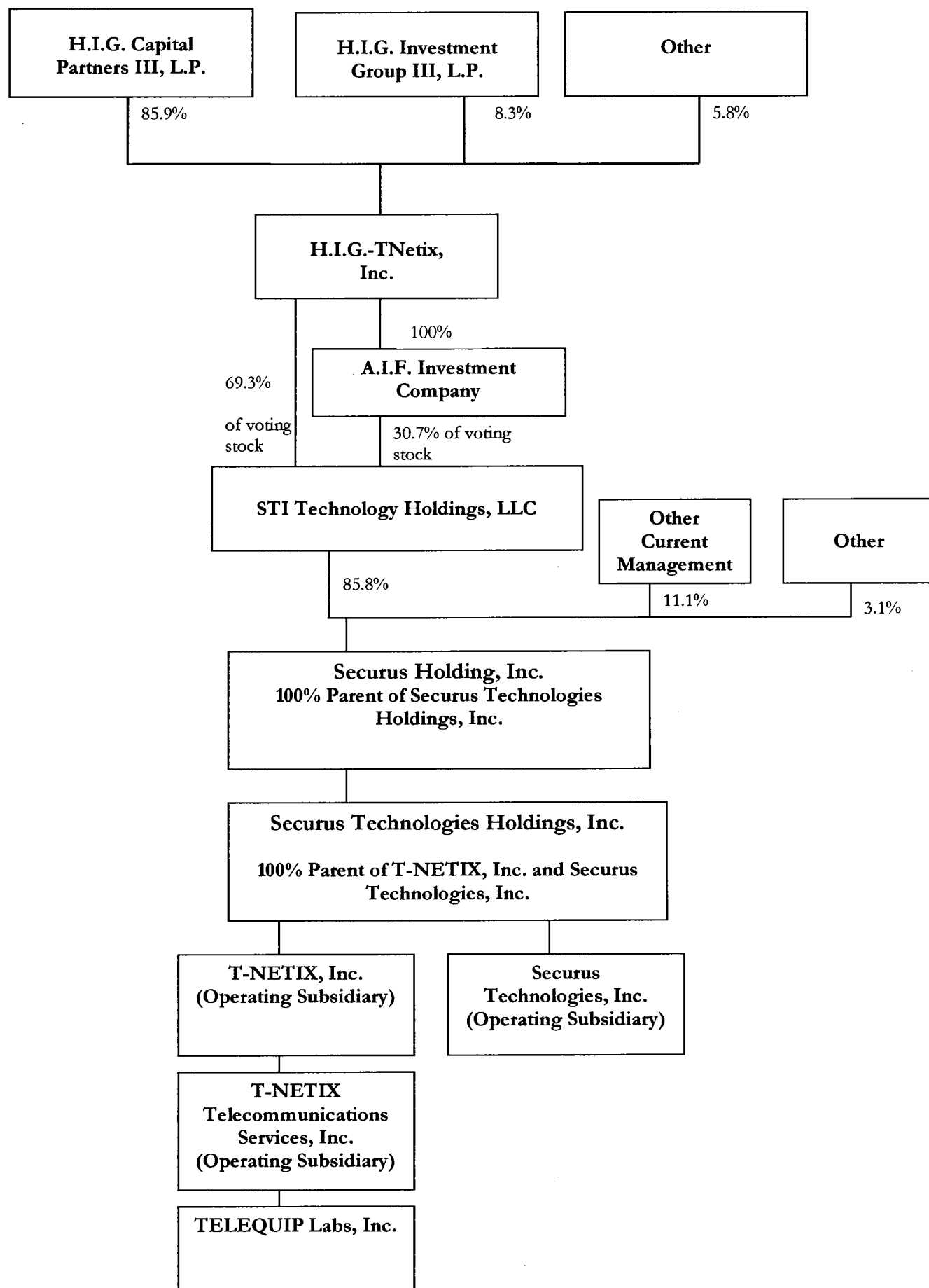
**SECURUS TECHNOLOGIES, INC.,
SECURUS HOLDINGS, INC., and
CONNECT ACQUISITION CORP.**

By: 

Paul C. Besozzi
Janet Fitzpatrick Moran
Patton Boggs LLP
2550 M Street, N.W.
Washington, DC 20037
(202) 457-5292
pbsozzi@pattonboggs.com

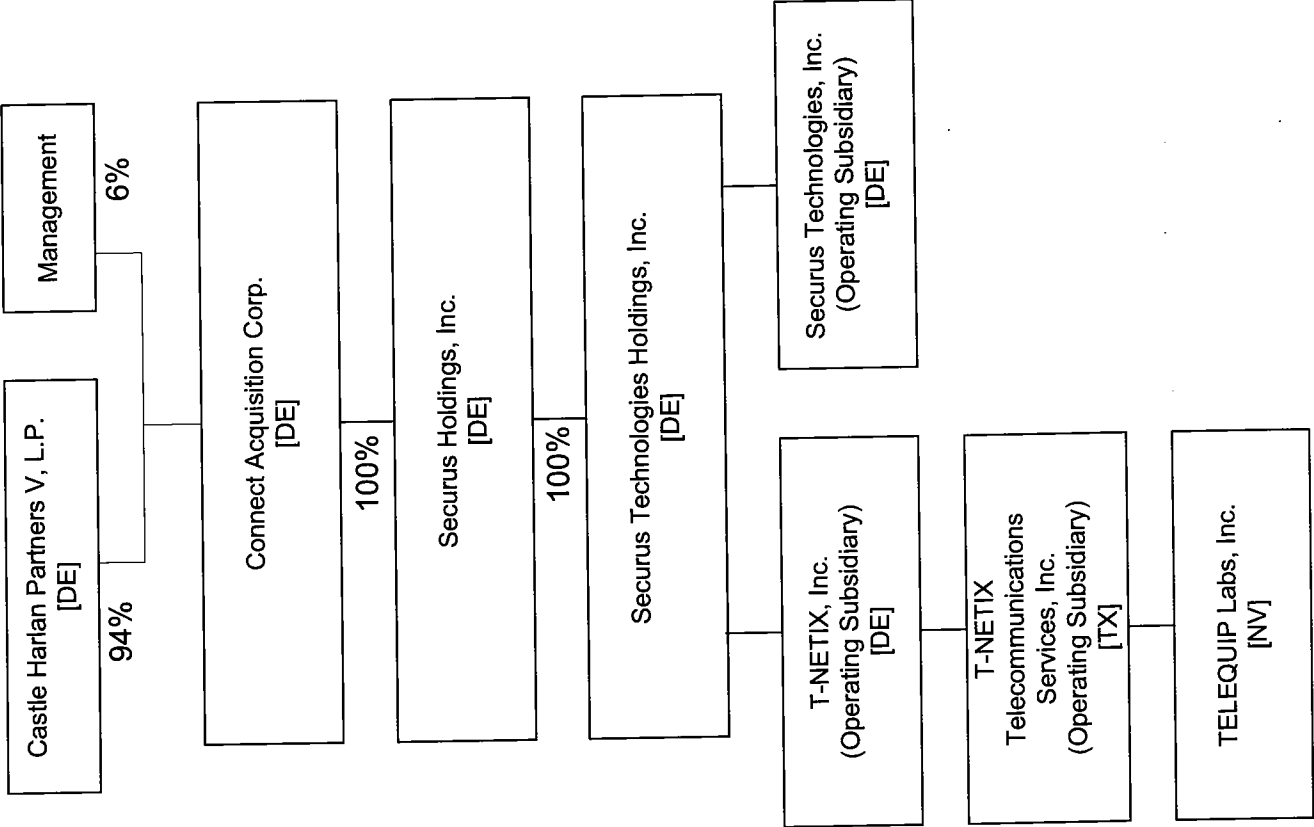
Dated: April 12, 2011

ATTACHMENT A



ATTACHMENT B

Final Structure



ATTACHMENT C

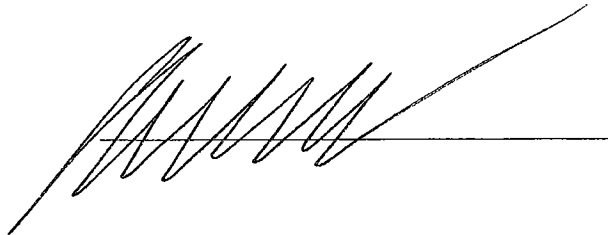
Geographic Locations

STI currently operates in the following jurisdictions:

Alabama	Nebraska
Alaska	Nevada
Arizona	New Hampshire
Arkansas	New Jersey
California	New Mexico
Colorado	New York
Connecticut	North Carolina
Delaware	North Dakota
Florida	Ohio
Georgia	Oklahoma
Hawaii	Oregon
Idaho	Pennsylvania
Illinois	Rhode Island
Indiana	South Carolina
Iowa	South Dakota
Kansas	Tennessee
Kentucky	Texas
Louisiana	Utah
Maine	Vermont
Maryland	Virginia
Massachusetts	Washington
Michigan	Washington, DC
Minnesota	West Virginia
Mississippi	Wisconsin
Missouri	Wyoming
Montana	

VERIFICATION

I, Howard Weiss, am Vice President and Chief Financial Officer of Connect Acquisition Corp. The factual statements and representations made in the foregoing Application by and concerning Connect Acquisition Corp. and the transactions described therein are true and correct to the best of my knowledge and belief.

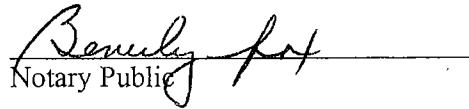


Name: HOWARD WEISS

Title: CHIEF FINANCIAL OFFICER

County of New York)
State of New York)

Subscribed and sworn to before me by HOWARD WEISS this 12th day of
APRIL, 2011.


Notary Public

My Commission Expires: _____

BEVERLY FOX
Notary Public, State of New York
No. 01FO4966592
Qualified in Nassau County
Commission Expires July 3, 2014

VERIFICATION

I, Dennis Reinhold, am the Vice President, General Counsel, and Secretary of Securus Holdings Inc. and Securus Technologies, Inc. The foregoing Application has been prepared pursuant to my direction and control and I have reviewed its contents. The factual statements and representations made therein by and concerning Securus Technologies, Inc. and Securus Holdings, Inc. and the transactions described therein are true and correct to the best of my knowledge and belief.



Name: Dennis J. Reinhold

Title: Vice President, General Counsel and
Secretary

County of DALLAS)
State of TEXAS)

Subscribed and sworn to before me by Dennis Reinhold this 11th day of April,
2011.


Notary Public

My Commission Expires: July 21, 2014

