

August 23, 2017

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By ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

RE: Ex Parte Submission
WC Docket No. 17-126
ITC-T/C-20170511-00094, ITC-T/C-20170511-00095

Dear Ms. Dortch:

The Wright Petitioners, by and through their counsel, and pursuant to Section 1.1206(b) of the Commission's rules, hereby submit this Ex Parte Presentation regarding the above-referenced transfer of control applications (the "Transaction").

On August 11, 2017,¹ August 14, 2017,² and August 21, 2017,³ Securus and Platinum Equity submitted new information, at the request of Commission staff, in order to demonstrate that their past statements presented to Chairman Pai and Commission staff on July 27, 2017, were not false and misleading.⁴

¹ See Ex Parte Presentation of Securus Investment Holdings, LLC, Securus Technologies, Inc., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc., SCRS Acquisition Corporation, August 11, 2017 (<https://www.fcc.gov/ecfs/filing/10811968808568>).

² See Ex Parte Presentation of Securus Investment Holdings, LLC, Securus Technologies, Inc., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc., SCRS Acquisition Corporation, August 14, 2017 (<https://www.fcc.gov/ecfs/filing/10814021513439>).

³ See Ex Parte Presentation of Securus Investment Holdings, LLC, Securus Technologies, Inc., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc., SCRS Acquisition Corporation, August 21, 2017 (<https://www.fcc.gov/ecfs/filing/10821148008814>).

⁴ See Ex Parte Presentation of Securus Investment Holdings, LLC, Securus Technologies, Inc., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc., SCRS Acquisition Corporation, July 31, 2017 (<https://www.fcc.gov/ecfs/filing/10731024012148>).

Previously, the Wright Petitioners addressed the incorrect and misleading information provided to Commission staff members regarding the status of Securus' state PUC approvals for the Transaction and the participation of at least one Securus employee in a criminal trial centered on the apparent misuse of Securus' THREADS™ database and Location Based Service in Missouri.⁵

The requests by the Commission's staff for information on Securus and Platinum Equity's attempts to obtain state PUC approval, Hart-Scott Rodino clearance, and the acquisition of state approvals for Securus' money transfer authorizations, demonstrates that the Commission's staff has concerns – similar to those first raised by the Wright Petitioners – about the information provided to the Commission on July 27, 2017, from Securus, Deutsche Bank, and Platinum Equity.

To the extent that the information submitted in response to the Commission's repeated request for additional information from Securus and Platinum Equity has addressed the Commission staff's concerns regarding the false and misleading information presented on July 27, 2017, it is useful to remember that the Transaction still raises unresolved "complex factual issues" that require a full examination.⁶

In particular, the June 16, 2017 Petition to Deny filed in these proceedings raised serious and material issues regarding Securus' violation of Section 64.6080 and Section 64.6090 of the Commission's rules by charging first-minute rates for intrastate calls that were the same or higher than the flat-rate and/or per-connection fees Securus previously charged.

Further, the Wright Petitioners provided information demonstrating that Securus' rates in Sanilac County, Michigan were not "cherry-picked," but instead represented one of:

- 24 correctional facilities serviced by Securus where the rate by which the intrastate ICS call increases by less than 1%;

⁵ See Wright Petitioners Ex Parte Presentation, July 31, 2017 (<https://www.fcc.gov/ecfs/filing/107312104209329>). See also Wright Petitioners Ex Parte Presentation, August 3, 2017 (<https://www.fcc.gov/ecfs/filing/1080366266219>). See also Wright Petitioners Ex Parte Presentation, August 4, 2017 (<https://www.fcc.gov/ecfs/filing/10804689721322>). See also Wright Petitioners Ex Parte Presentation, August 5, 2017 (<https://www.fcc.gov/ecfs/filing/10805871110099>).

⁶ See *Radioactive, LLC*, FCC 17-106, MB Dkt. 17-198 (rel. Aug. 3, 2017)(citing Statement of Commissioner Michael P. O'Rielly).

- 47 correctional facilities serviced by Securus where the rate by which the intrastate ICS call increases by less than 5%; and
- 200+ correctional facilities serviced by Securus where the rate by which the intrastate ICS call for the 2nd minute increases by less than 10% of the first minute.⁷

Moreover, the Wright Petitioners demonstrated that the information provided by Securus and Platinum Equity regarding the rates charged by Securus for video calling services was false and misleading.

Specifically, in a July 21, 2017, letter to Commissioner Mignon Clyburn, Securus' Chief Executive Officer and Chairman of the Board asserted that Securus "charge[s] only \$.24 per minute" for video calling.⁸ The Wright Petitioners obtained the video calling rate information from Securus' website, and demonstrated in its July 29, 2017 Ex Parte Presentation that the average rate for remote video calling for families was \$.35 and the remote video calling rate for attorneys is \$.38.⁹ Because this letter was directed to Commissioner Clyburn, Securus might attempt to invoke the self-decreed "personal and informal note" exception announced on August 11, 2017,¹⁰ but Securus has yet to demonstrate how Mr. Smith's claim of a \$.24 per minute video calling rate was even close to being accurate.

In sum, Securus and Platinum Equity have repeatedly provided false, inaccurate and/or misleading information in order to secure quick approval of the Transaction. The only justifications provided for approval is that Platinum Equity apparently has deeper pockets than ABRY Partners, and that the current management of Securus will remain in place post-Transaction.

⁷ *Petitioners' Reply*, filed July 3, 2017, pg. 17.

⁸ See Ex Parte Presentation of Securus Investment Holdings, LLC, Securus Technologies, Inc., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc., SCRS Acquisition Corporation, July 24, 2017, Attachment (<https://www.fcc.gov/ecfs/filing/10724069236360>).

⁹ See Ex Parte Presentation, filed July 29, 2017 (<https://www.fcc.gov/ecfs/filing/10730231310201>).

¹⁰ See Ex Parte Presentation of Securus Investment Holdings, LLC, Securus Technologies, Inc., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc., SCRS Acquisition Corporation, August 11, 2017 (<https://www.fcc.gov/ecfs/filing/10811968808568>).

The Wright Petitioners respectfully submit that these justifications are woefully inadequate in light of the clear evidence of statutory and rule violations, and lack of candor exhibited in this proceeding. Moreover, prior to finding that its approval of the Transaction is in the public interest, convenience and necessity, the Commission must address Securus' violation of Section 64.6080 and Section 64.6090 of the Commission's rules, Securus' inaccurate and misleading statements involving its audio and video calling rates,¹¹ its finances, its role in seeking relief from state regulatory agencies,¹² and the false and misleading information provided by Securus and Deutsche Bank in the "personal and informal note" delivered to Chairman Pai on July 27, 2017.

Should there be any questions regarding this submission, please contact undersigned counsel.

Respectfully submitted,



Lee G. Petro

Counsel for the Wright Petitioners

cc (by/email):

Chairman Ajit Pai
Commissioner Mignon Clyburn
Commissioner Michael O'Rielly
Commissioner Jessica Rosenworcel
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Tom Sullivan, Chief, International Bureau
Rosemary Harold, Chief, Enforcement Bureau
Nicholas Degani, Office of Chairman Pai
Jay Schwarz, Office of Chairman Pai

¹¹ See Ex Parte Presentation, filed July 29, 2017 (<https://www.fcc.gov/ecfs/filing/10730231310201>). See also Reply, filed July 3, 2017.

¹² See Ex Parte Presentation, filed July 14, 2017 (<https://www.fcc.gov/ecfs/filing/1071454262147>).

Marlene H. Dortch, Secretary

August 23, 2017

Page 5

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