

Diamond Williams

From: Besozzi, Paul [PBesozzi@PattonBoggs.com]
Sent: Wednesday, June 29, 2011 3:15 PM
To: Filings@psc.state.fl.us
Cc: Shafer, Wade E.
Subject: RE: Notice Of Indirect Transfer Of Control And Certain Related Financing Transactions - Securus Technologies, Inc. and T-NETIX Telecommunications Services, Inc.

110000-07

Attachments: Florida Securus Tech T-NETIX Telecom Notice.pdf

Director Cole -

I attach a notice regarding the indirect transfer of control and related financing transactions of Securus Technologies, Inc. and T-NETIX Telecommunications Services, Inc., which provide inmate telephone services in the State of Florida. As indicated therein, the transactions were totally transparent to each company's Florida customers.

Please direct any questions that you might have to me.

Thank you for your assistance in this matter.

Paul Besozzi

Paul C. Besozzi
 Partner, Technology and Communications Group
 Patton Boggs LLP
 2550 M Street, N.W.
 Washington, D.C. 20037
 202-457-5292 (Direct)
 202-457-6315 (Facsimile)
 301-346-2431 (Mobile)
 pbesozzi@pattonboggs.com

DISCLAIMER:

This e-mail message contains confidential, privileged information intended solely for the addressee. Please do not read, copy, or disseminate it unless you are the addressee. If you have received it in error, please call us (collect) at (202) 457-6000 and ask to speak with the message sender. Also, we would appreciate your forwarding the message back to us and deleting it from your system. Thank you.

This e-mail and all other electronic (including voice) communications from the sender's firm are ~~for~~ informational purposes only. No such communication is intended by the sender to constitute ~~either~~ an electronic record or an electronic signature, or to constitute any agreement by the sender to conduct a transaction by electronic means. Any such intention or agreement is hereby expressly disclaimed unless otherwise specifically indicated. To learn more about our firm, please visit our website at <http://www.pattonboggs.com>.

DOCUMENT NUMBER-DATE

04485 JUN 29 =

6/29/2011

FPSC-COMMISSION CLERK

June 29, 2011

BY ELECTRONIC FILING

Ms. Ann Cole
Director
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

110000-OT

Re: Notification of Indirect Transfer of Control Through Ultimate Parent-Level Transaction and Certain Related Financing Transactions – Securus Technologies, Inc. (f/k/a Evercom Systems, Inc.), and T-NETIX Telecommunications Services, Inc.

Dear Director Cole:

1. The purpose of this letter is to notify the Commission of (a) the indirect transfer of control of Securus Technologies, Inc. (f/k/a Evercom Systems, Inc.) (“STI”) and T-NETIX Telecommunications Services, Inc. (“TN Telecom”)¹ as a result of the acquisition of control of their current ultimate corporate parent, Securus Holdings, Inc. (“SHI”), by Connect Acquisition Corp. (“Connect”) through a parent-level merger transaction and (b) certain related financing transactions in connection with the consummation of the indirect transfer of control. The transaction was consummated May 31, 2011.

2. This transaction was totally transparent to the customers of the Securus Entities and did not involve the sale, assignment, lease or transfer of the Securus Entities’ authorizations, any of their assets or customer bases to any other entity. The Securus Entities did not merge or combine with any other entity. Each of the Securus Entities remains a separate entity authorized by the Commission to provide the services that it has been providing, and it continues to provide those services under its current name. Each Entity’s intercorporate relationships with its immediate parent and SHI did not change (i.e., there was no change in the direct stock ownership of the Securus Entities).

¹ Evercom Systems, Inc. requested that the Commission make this name change by letter dated September 15, 2010. The Commission acknowledged same by Order dated October 28, 2010. STI and TN Telecom may be collectively referred to in this notice as the Securus Entities.

DOCUMENT NUMBER - DATE

04485 JUN 29 =

FPSC-COMMISSION CLERK

3. Background

4. Each of the Securus Entities is a corporation with its principal place of business at 14651 Dallas Parkway, 6th Floor, Dallas, Texas 75254.² Each is a privately held and indirect, wholly-owned subsidiary of SHI, which is a Delaware corporation. Each Entity is authorized by the Commission to provide inmate telephone services in the State of Florida.³

5. Pursuant to its authorization, STI currently provides telecommunications services to a number of confinement and correctional facilities in the State of Florida. The terms and conditions of these services have not changed as a result of this parent-level transaction. The current management of the Securus Entities also did not change.

6. Prior Ownership Structure – Prior to the transaction the ultimate controlling entity of the Securus Entities was H.I.G.-T-NETIX, Inc. (“HIG”), through a series of intervening Delaware holding companies that were not involved in the provision of telecommunications services. An outline of that structure is reflected on Attachment A.

7. Description of Indirect Transfer of Control Transaction – Under the terms of an Agreement and Plan of Merger, dated April 8, 2011, a newly-formed subsidiary of Connect, Connect Merger Corp., merged into and with SHI, with SHI remaining as the surviving corporation. As a result, the Securus Entities are now indirect, wholly-owned subsidiaries of Connect. Connect is a controlled affiliate of Castle Harlan Partners V, L.P., a Delaware limited partnership (“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 total value of approximately \$10 billion. Castle Harlan currently manages investment funds with equity commitments of approximately \$3.5 billion. Castle Harlan and its affiliates are not providers of telecommunications services. The revised ownership structure as a result of the transaction is shown at Attachment B.

8. Financing Of Transaction - The transaction was financed, in part, through financing obtained by Connect which will permit the borrowing through several credit facilities of up to \$375.0 million, with STI among the borrowers and providing a security interest in its assets and stock. TN Telecom acted as a guarantor (not a borrower) and also provided a similar security interest. The financing arrangements eliminated all existing debt of the

² STI is a Delaware corporation. TN Telecom is a Texas corporation.

³ STI is an authorized an interexchange carrier (Company Code TJ054) and pay telephone provider (Company Code TG225). TN Telecom is also authorized as an interexchange carrier (Company Code TJ804) and pay telephone provider (Company Code TG001).

Securus Entities and will in part provide access to working capital for the Securus Entities.

9. As noted above, this transaction was non-controversial and was transparent and seamless to all customers of the Securus Entities. There are no changes in the rates, terms or conditions of each Entity's services as part or as a result of this transaction. In addition, the management and relevant contact information for each Entity remains the same as the Commission's records currently reflect.

10. This transaction will strengthen the Securus Entities financially by bringing new financially sound stakeholders into the ownership chain. Completion of the transaction will therefore help the Securus Entities to continue to provide services to their customers and potentially expand or enhance those services at new facilities in the State.

11. Please direct any questions to the undersigned counsel.

Respectfully submitted,

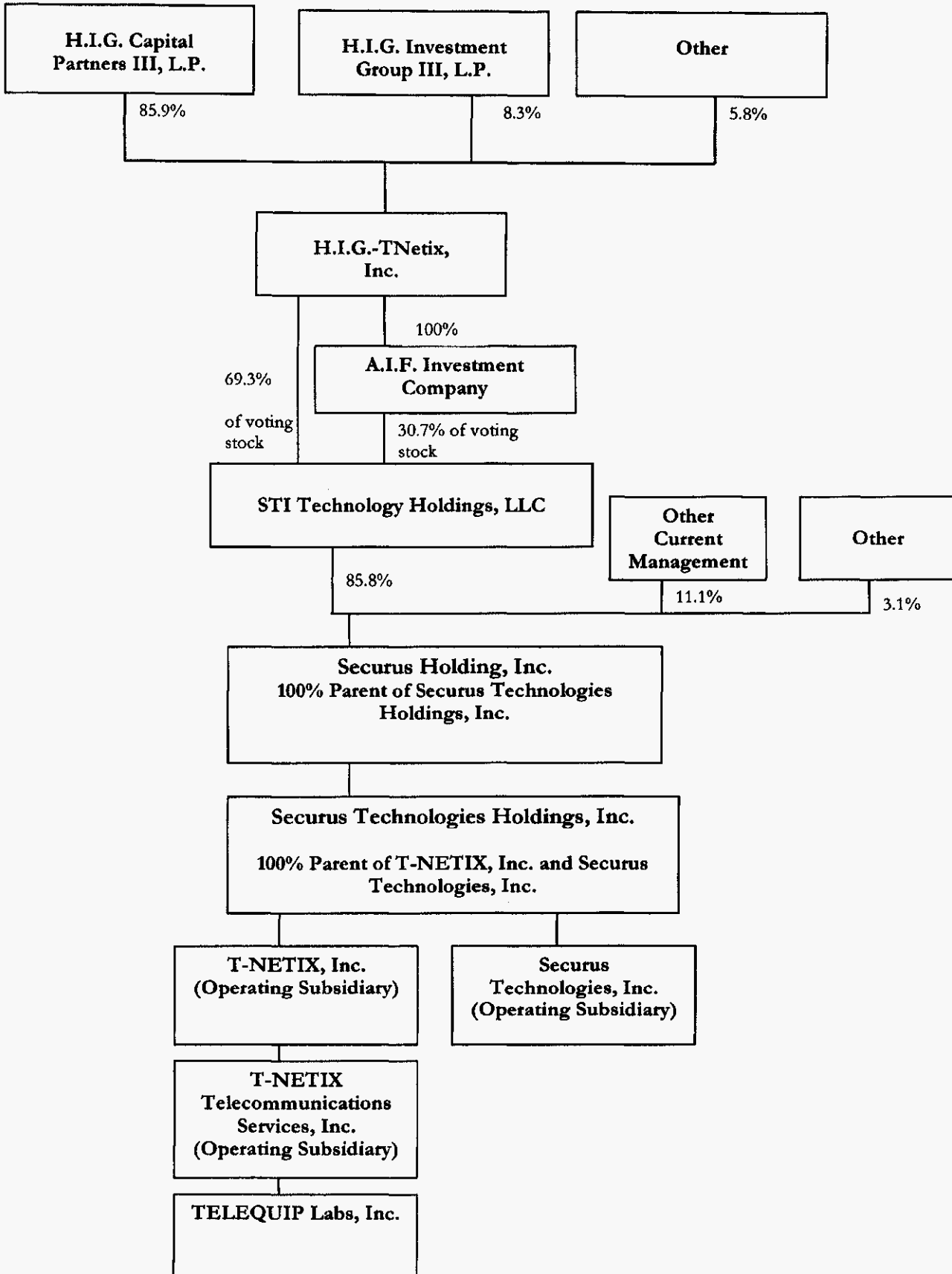
s/ Paul C. Besozzi

Paul C. Besozzi

cc: John M Beahn (counsel for Connect)

ATTACHMENT A

PRIOR STRUCTURE



ATTACHMENT B

Current Structure

