

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

_____)
In the Matter of)
)
SECURUS HOLDINGS, INC.,)
T-NETIX TELECOMMUNICATIONS)
SERVICES, 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) **File No. _____**
Approval of the Indirect Transfer of)
Control of the Domestic and International)
Section 214 Authority of T-NETIX)
Telecommunications Services, Inc.)
to Connect Acquisition Corp.)
_____)

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

Comes now Securus Holdings, Inc. ("SHI"), T-NETIX Telecommunications Services, Inc. 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 and 63.04 and 63.24 of the Commission's Rules, 47 C.F.R. §§63.03 and 63.04 (2011), to request approval, on an expedited basis, of the indirect transfer of control of T-NETIX's

domestic 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. §§ 63.04(a)(6)-(12). See Sections V and VI, below.

I. STREAMLINED PROCESSING

1. 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

2. T-NETIX is authorized to provide domestic interstate services as a non-dominant carrier ("the Services"). With respect to international services, T-NETIX Telecommunications Services, Inc., is a wholly-owned subsidiary of T-NETIX, Inc. and provides international services pursuant to T-NETIX, Inc.'s international Section 214 authorization. See 47 C.F.R. § 63.21(a). T-NETIX, Inc. is filing a separate application to transfer control of its Section 214 authority. T-NETIX is currently authorized to provide domestic interstate services pursuant to Section 63.01 of the Commission's rules.

3. T-NETIX 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”), which is also a Delaware corporation.. STHI, SHI and STITH are not providers of telecommunications services. The ultimate controlling interest in T-NETIX 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.

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

5. **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 T-NETIX will be a wholly-owned, indirect subsidiary of Connect.

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

- a. The current ownership structure of T-NETIX and its affiliates.
- b. The acquiring entities involved in the merger.
- c. The merger process.
- d. The resulting ownership structure of T-NETIX 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: Securus Technologies, Inc. (“STI”) and T-NETIX (“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 T-NETIX Telecommunications Services, Inc., is relevant because it holds a domestic Section 214 authorization. The Applicants are filing simultaneously separate ~~applications to transfer control of TNI and STI, which also hold Section 214~~ authorizations. **Attachment A** hereto shows the existing ownership structure of T-NETIX.

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 T-NETIX 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, T-NETIX will become an indirect, wholly-owned subsidiary of Connect. **Attachment B** hereto shows the post-merger-closing ownership structure of T-NETIX.

7. **Transparency Of Transaction** – Following consummation of the proposed transaction, T-NETIX 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 T-NETIX's assets used in the provision of the services or transfer or assignment of its authorization. The existing senior management and key personnel of T-NETIX will continue in their present positions.

8. The transaction will also be seamless and transparent to T-NETIX's customers ~~who will receive uninterrupted service from T-NETIX. There will be no immediate~~ changes in the terms and conditions of the services provided by T-NETIX. T-NETIX will continue to market, brand and bill its services as it has been doing.

9. **Existing 214 Authority:** T-NETIX holds an international Section 214 authorization to provide global facilities-based and global resale services (see File No. ITC-214-19980312-00185) and is authorized to provide domestic interstate services pursuant to Section 63.01 of the Commission's rules. Two other SHI-controlled entities,

STI and T-NETIX, currently hold Section 214 authorizations. Separate applications to transfer control of those entities are being filed simultaneously herewith.

III. REQUIRED INFORMATION PURSUANT TO SECTION 63.04

10. 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 T-NETIX's blanket domestic Section 214 authority from T-NETIX 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)(1): Name, Address, and Telephone Number of Each Applicant.

Transferors:

T-NETIX Telecommunications Services, 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

63.04(a)(2) State of incorporation of Applicants:

T-NETIX, SHI, and Connect are Delaware corporations.

63.04(a)(3) Name, title, address, and telephone number of applicants

Transferors:

T-NETIX Telecommunications Services, 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

63.04(a)(4): Name, address, citizenship and principal business of any person directly or indirectly holding at least ten percent equity

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

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.

63.04(a)(5): Certifications pursuant to Section 1.2001 through 1.2003

The Applicants certify 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.

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

T-NETIX 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, T-NETIX 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

T-NETIX affiliates STI 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 non-controversial and will serve the public interest by providing T-NETIX with access to the substantial financial assets of Castle Partners. Consummation of the proposed transaction will help T-NETIX 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 T-NETIX'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 T-NETIX will remain the same. As indicated above, the Commission has previously approved an analogous

parent-level transaction involving T-NETIX, concluding that it was in the public interest.

The Commission should reach the same conclusion in this case.

IV. REQUEST FOR EXPEDITED TREATMENT

12. T-NETIX, SHI and Connect are requesting expedited approval of this Application. As noted above, it is non-controversial and transparent to T-NETIX's customers. For the other reasons outlined above it is in the public interest. Therefore, T-NETIX, SHI and Connect respectfully request expedited action to ensure that the transaction can be consummated as soon as possible.

WHEREFORE, T-NETIX Telecommunications Services, Inc., 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.

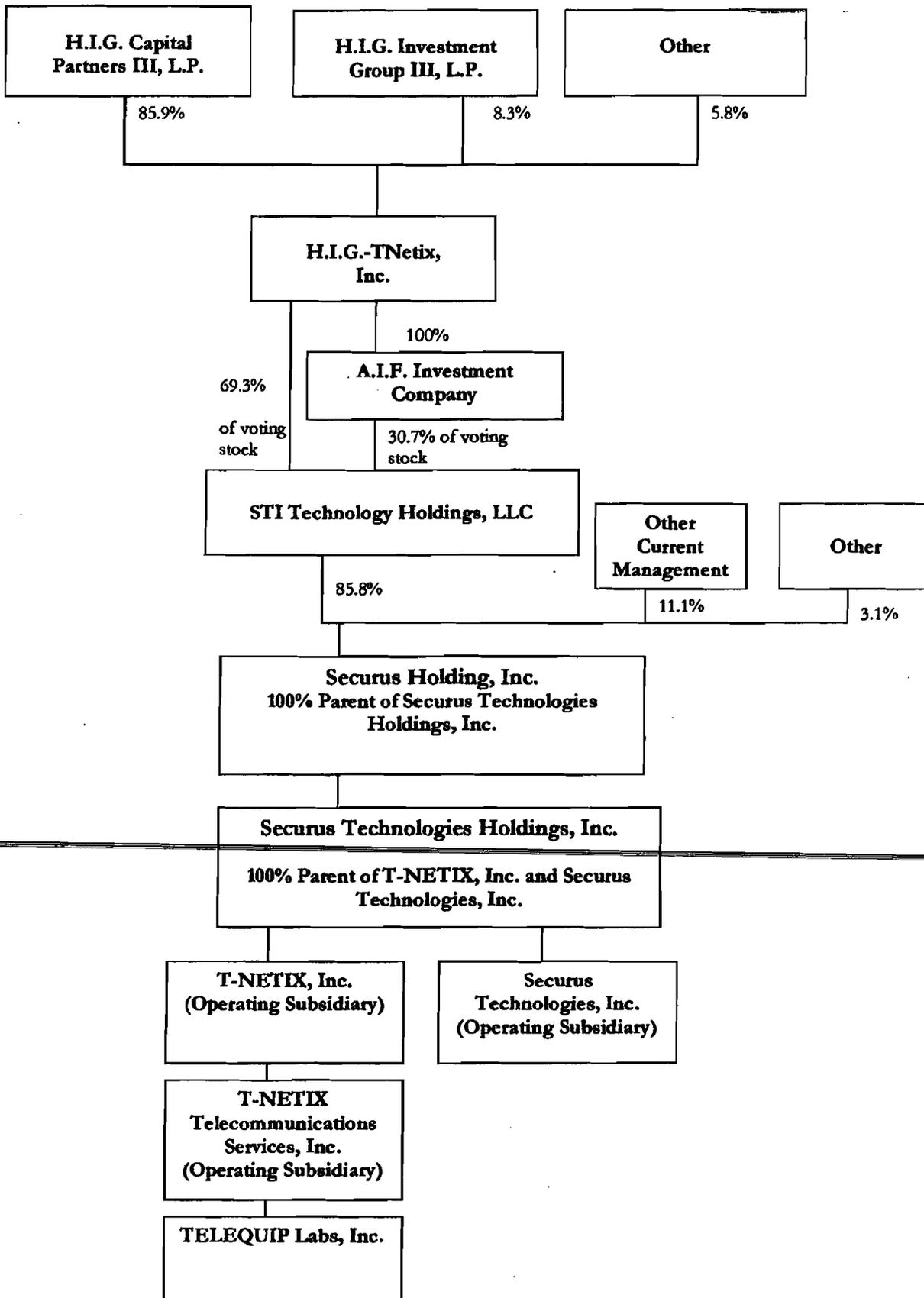
Respectfully submitted,

**T-NETIX TELECOMMUNICATIONS
SERVICES, 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
pbesozzi@pattonboggs.com

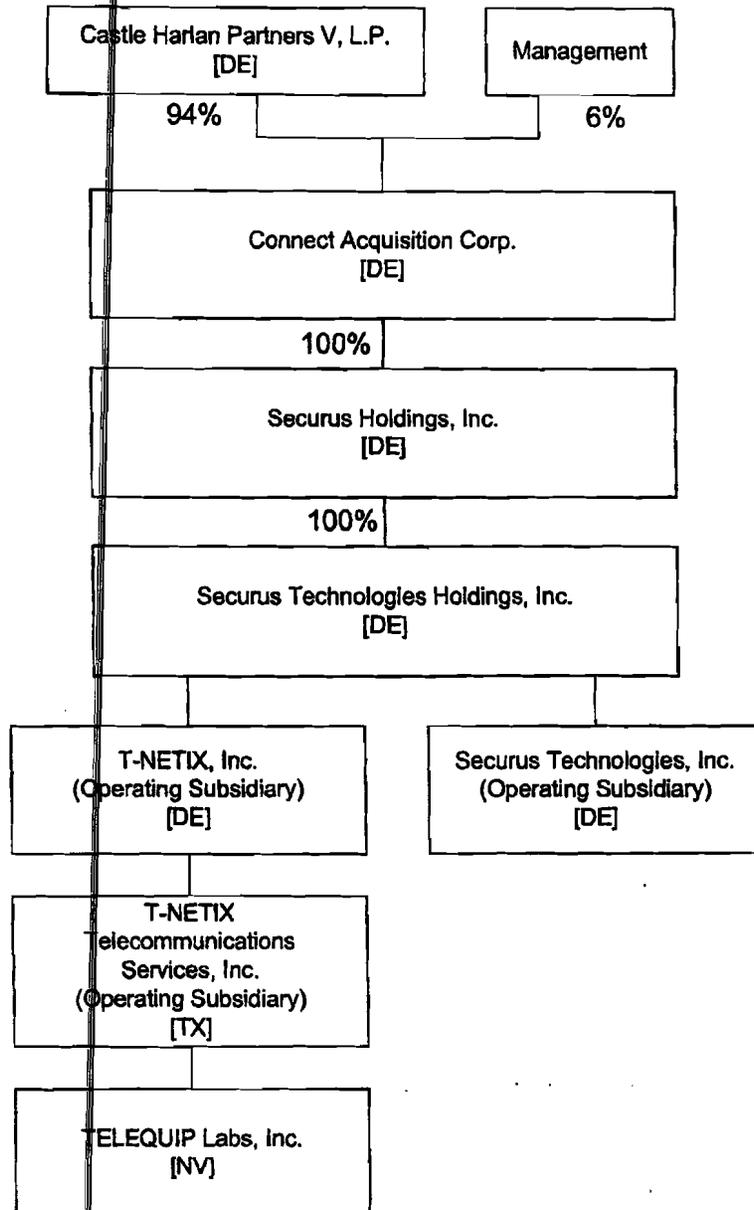
Dated: April 12, 2011

ATTACHMENT A



ATTACHMENT B

Final Structure



ATTACHMENT C

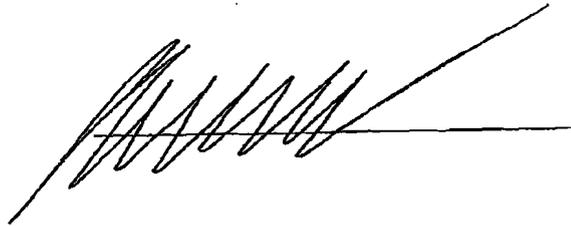
T-NETIX Telecommunications Services, Inc.

Geographic Locations

Arkansas
California
Florida
Georgia
Indiana
Maryland
New Jersey
New Mexico
Ohio
Oregon
Pennsylvania
South Carolina
Texas
Vermont
Washington
Wyoming

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. 01FO4906592
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.

D. J. Reinhold

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.

Diane Wendling
Notary Public

My Commission Expires: July 21, 2014

