



Delivering on our Commitments for Over 26 Years

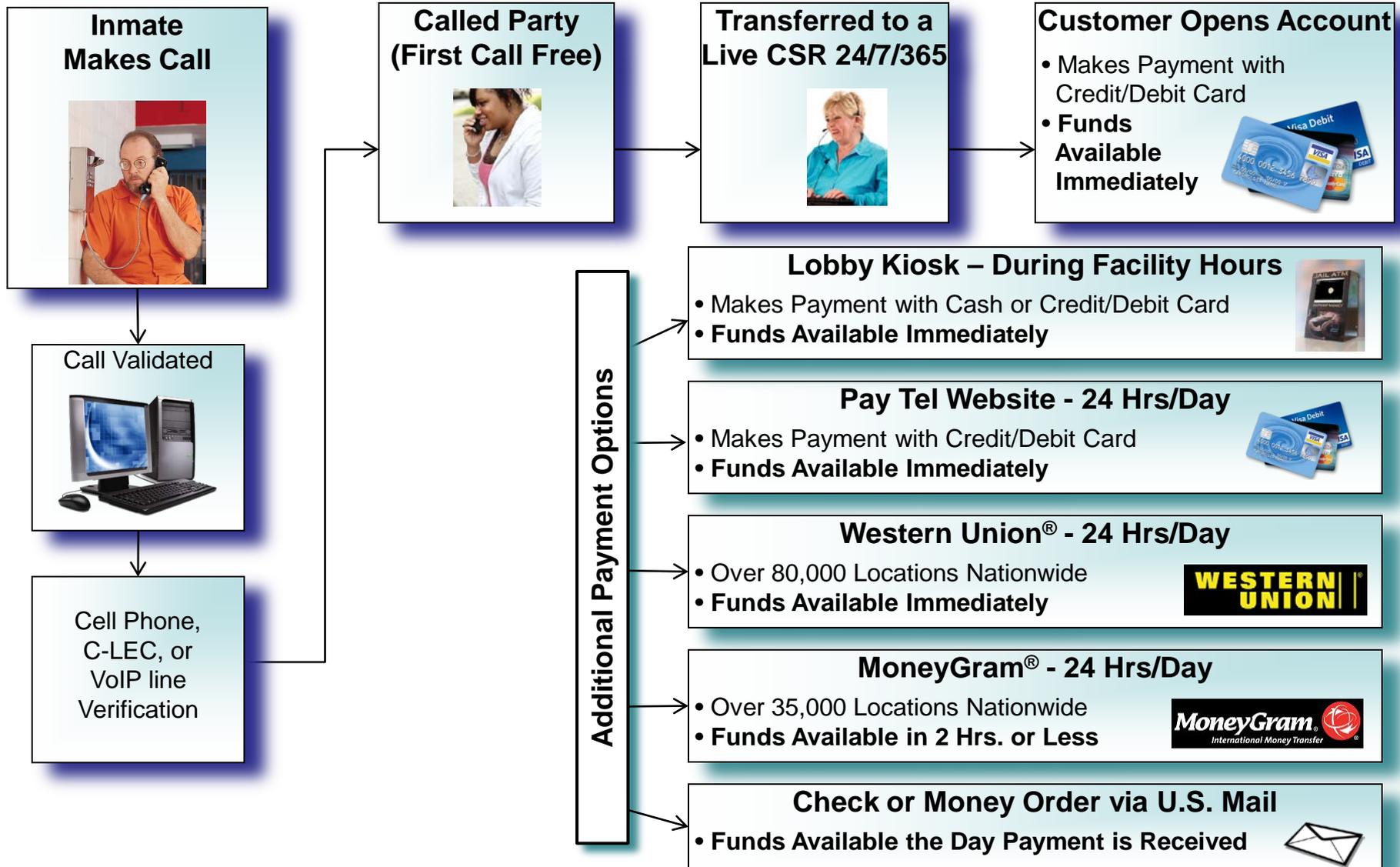


**Presentation for
Federal Communications Commission**

May 29, 2013

Vincent Townsend – President, Pay Tel Communications

Maximizing Customer Calls – With Live CSR Account Set-up 24/7



Business Model with Low Payment Fees

Pay Tel has negotiated the lowest available third party payment processing fees in the ITS industry *with no markup or profit share to Pay Tel.*

Payment Options:	Pay Tel Negotiated Third Party Fee:	Other ITS Vendor Fees as High as:
Automated Phone Payment Processor – Credit/Debit Cards	\$3.00	\$10.00*
Customer Service Representative Payment Processor – Credit/Debit Cards	\$5.95	\$10.00*
Website Payments – Credit/Debit Cards	\$3.00	\$10.00*
Money Gram® – Wal-Mart	\$5.65	\$7.95 Including vendor mark-up or fee
Western Union	\$5.95	\$12.95 Including vendor mark-up or fee
Optional - Lobby Kiosks: - Cash Payments to Inmate Trust Accounts	\$3.00	\$9.50*

*Some vendors will represent to you that they do not charge any fees, however they capture non-commissionable revenues by labeling these charges as “local, county, state, and federal surcharges and regulatory assessments” that are non-existent.



Business Model with No Customer Account Fees

In – House Account Activities	Pay Tel Fee	Other ITS Vendor Fees as High as:
Account Set-Up	No Charge	\$10.00
Account Maintenance Charge	No Charge	\$5.00 / month
Invoice Charge	No Charge	\$5.00 / per invoice
Refund	No Charge	\$10.00

	Pay Tel	All Other ITS Vendors
Inactive Customer Account Balances	Automatically refunded after 6 months*	Absorbed

*Pay Tel is the only ITS provider to maintain all unused customer account balances in conformance with State Unclaimed Property Laws.

Business Model with No Hidden Fees

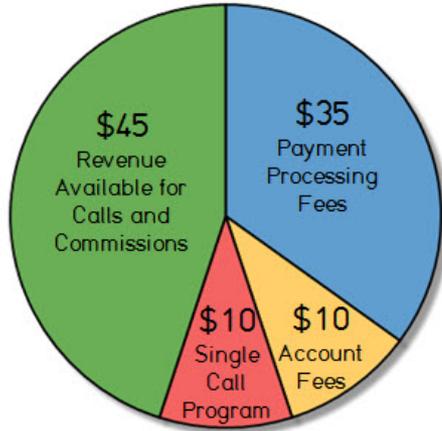
Miscellaneous Charges In Vendor Tariffs	Government Mandated Fee	Pay Tel Fee	Other ITS Vendor Fees as High as:
Bill Processing, Bill Cost Recovery, or Bill Statement Fee	No	\$2.45 / month	\$5.00 / month
Carrier Cost Recovery Fee	No	No Charge	\$2.50 for 1 st & 5 th calls each month
State Regulatory Recovery Fee	No	No Charge	\$4.00 / month
Federal Regulatory Recovery Fee	No	No Charge	\$4.00 / month
Validation Surcharge	No	No Charge	4% per call
Wireless Administration Fee	No	No Charge	\$2.99 / month
Regulatory Assessment Fee	No	No Charge	\$.99 for 1 st & 5 th calls each month
Regulatory Cost Recovery Fee	No	No Charge	\$.95 / month + 10% per call
Regulatory and Carrier Cost Recovery Fee (Pre-paid & Debit calls)	No	No Charge	8% per call
Network Infrastructure Charge	No	No Charge	\$2.50 / month
Universal Service Fund (USF) Administrative Fee	No	No Charge	\$1.00 / month
Voice Biometric Identification Fee	No	\$0.02 / min or \$0.25 / call	\$0.50 / call



Promises Get Customers. Performance Keeps Them!

Typical ITS Vendor's Real Cost of Calls

If a family has budgeted \$100 for calls during a month, and they make a \$25 payment each week using the vendor's website, how much money is available for calls?



** The fees shown are based on public information gathered from vendor tariffs, recent proposals and/or company websites.

■	PAYMENT PROCESSING FEES (Per Payment)**
	Vendor A \$10.00
	Vendor B \$9.50
	Vendor C \$6.95
	Vendor D \$10.00
	Vendor E \$7.95
	Vendor F as high as 38% of the payment
	Average Payment Fees Per Payment \$8.77
	Average Payment Fees per Month \$35.00
■	RECURRING FEES**
	Bill Processing Fee \$3.49/mth
	Wireless Administration Fee \$2.99/mth
	Validation Surcharge 4% per call
	Regulatory & Carrier Cost Recovery Fee 8% per call
	Regulatory Assessment Fee (1 st & 5 th call) \$0.99 each
	Carrier Cost Recovery Fee (1 st & 5 th call) \$2.50 each
	Average Account Fees per Month \$10.00
■	SINGLE CALL PROGRAM
	Average of One Call per Month \$10.00
■	REVENUE AVAILABLE FOR CALLS AND COMMISSIONS ONLY \$45!

The Impact of Fees on the Cost of Calls...

Funds available for calls (\$45.00) ÷ Price per call (\$2.25[†]) = **Number of Calls: 20**

Typical ITS Vendor's Actual Cost per Call: \$5.00

Family funds of \$100 ÷ Number of Calls (20) = Actual Cost per Call: \$5.00

\$5.00 minus the quoted rate of the call (\$2.25[†]) = Difference paid in Fees: \$2.75

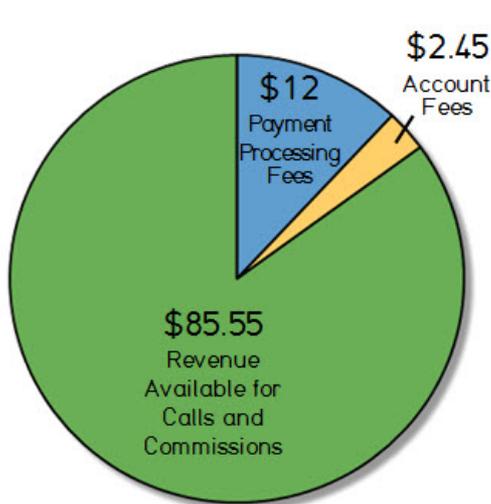
[†]Example call rate



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Real Cost of Calls with Cost-Based Fees

If a family has budgeted \$100 for calls during a month, and they make a \$25 payment each week using the vendor's website, how much money is available for calls?



** The fees shown are publicly available on Pay Tel's website and in Pay Tel's interstate and intrastate tariffs.

PAYMENT PROCESSING FEES (Per Payment)**	
Pay Tel	\$3.00
Average Payment Fees per Month	\$12.00



Pay Tel has negotiated the lowest available third party processing fees in the ITS industry. Pay Tel's goal is for customers' money to be spent on calls, not on excessive fees.

RECURRING FEES**	
Bill Processing Fee	\$2.45/mth



Pay Tel's goal is to maximize billable revenue and commissions by not reducing the funds families have available for inmate calls through multiple fees.

REVENUE AVAILABLE FOR CALLS AND COMMISSIONS \$85.55!

The Impact of Fees on the Cost of Calls...

Funds available for calls (\$85.55) ÷ Price per call (\$2.25[†]) = **Number of Calls: 38**

Pay Tel's Actual Cost per Call: \$2.63

Family funds of \$100 ÷ Number of Calls (38) = Actual Cost per Call: \$2.63

\$2.63 minus the quoted rate of the call (\$2.25[†]) = Difference paid in Fees \$0.38

[†]Example call rate



Promises Get Customers. Performance Keeps Them!