June 29, 2017

***VIA ELECTRONIC FILING***

Steven V. King, Executive Secretary

Washington Utilities and Transportation Commission

1300 S. Evergreen Park Drive

Olympia, WA 98504-7250

**Re: Notification Regarding the Planned Transfer of Indirect Control of Securus Technologies, Inc. to SCRS Acquisition Corporation**

Dear Mr. King:

By this letter, Securus Investment Holdings, LLC (“Transferor” or “SIH”), Securus Technologies, Inc. (“STI”) and SCRS Acquisition Corporation (“Transferee” or “SCRS”) (collectively, the “Parties”) notify the Commission of the planned transfer of indirect control of STI to SCRS. Currently, the Parties expect that the transaction will close on or about August 1, 2017. Since Commission action is not required for the transaction described herein, the Parties submit this letter for informational purposes.

In support of this informational filing, Parties provide the following:

**Description of the Parties**

1. **Securus Technologies, Inc. and Securus Investment Holdings, LLC**

STI is a Delaware corporation with its principal place of business at 4000 International Parkway, Carrollton, Texas 75007. STI is a wholly owned, indirect subsidiary of Connect Acquisition Corp. (“Connect”), a Delaware corporation and a wholly owned, direct subsidiary of Transferor. STI provides telecommunications services to a number of confinement and correctional facilities in the District of Columbia and approximately 46 states, including in the State of Washington.[[1]](#footnote-1) In Washington, STI is authorized to provide telecommunications services as a competitive telecommunications company pursuant to a Certificate of Registration granted in Docket UT-001208.[[2]](#footnote-2) STI is also authorized by the FCC to provide domestic and international telecommunications services.

Transferor, a Delaware limited liability company, is a holding company with no operations of its own. Transferor’s principal address is c/o ABRY Partners, 111 Huntington St., 29th Floor, Boston, Massachusetts 02199. The controlling interests in Transferor are currently held by ABRY Partners VII, L.P., an affiliate of ABRY Partners, a Boston-based private equity investment firm focused solely on media, communications, business, and information services investments.

Exhibit A includes the current corporate ownership structure of STI, SIH and Connect.

1. **SCRS Acquisition Corporation**

Transferee is a newly formed Delaware corporation established for the purposes of the Transaction (as defined below). Transferee’s principal address is c/o Platinum Equity, 360 North Crescent Drive, South Building, Beverly Hills, California 90210. Transferee is ultimately wholly owned by SCRS Holding Corporation (“SCRS Parent”), a Delaware corporation. SCRS Parent is a holding company in which certain private equity investment vehicles sponsored by Platinum Equity, LLC (together with its affiliates, “Platinum Equity”) will contribute their equity investments in connection with the Transaction. Platinum Equity Capital Partners IV, L.P. (“PECP IV”), a Delaware limited partnership, will be the majority owner of SCRS Parent.

Founded in 1995 by Tom Gores, Platinum Equity (www.platinumequity.com) is a global investment firm with more than $11 billion of assets under management and a portfolio of approximately 30 operating companies that serve customers around the world. The firm is currently investing from PECP IV, a $6.5 billion global buyout fund. Platinum Equity specializes in mergers, acquisitions and operations, acquiring and operating companies in a broad range of business markets, including manufacturing, distribution, transportation and logistics, equipment rental, metals services, media and entertainment, technology, telecommunications and other industries. Over the past 22 years Platinum Equity has completed more than 185 acquisitions. While Platinum Equity does not have any telecommunication carriers in its current portfolio, Platinum Equity’s prior investments in telecommunications carriers include but are not limited to: Covad, DSLnet and Matrix Telecom. As such, Platinum Equity has demonstrated its qualification and capabilities to own a telecommunications carrier.

**Designated Contacts**

Questions, correspondence or other communications concerning this informational filing should be directed to:

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| For Transferee:  William B. Wilhelm, Jr.  Brett P. Ferenchak  Morgan, Lewis & Bockius LLP  1111 Pennsylvania Avenue, N.W.  Washington, DC 20004-2541  202-739-3000 (tel)  202-739-3001 (fax)  william.wilhelm@morganlewis.com  brett.ferenchak@morganlewis.com | With copies for Transferee to  Eva M. Kalawski  Executive Vice President, General Counsel & Secretary  c/o Platinum Equity  360 North Crescent Drive South Building  Beverly Hills, California 90210  [ekalawski@platinumequity.com](mailto:ekalawski@platinumequity.com) |
| For Transferor and STI:  Paul C. Besozzi  Squire Patton Boggs (US) LLP  2550 M Street, N.W.  Washington, DC 20037  202-457-5292 (tel)  202-457-6315 (fax)  [paul.besozzi@squirepb.com](mailto:paul.besozzi@squirepb.com) | and:  Dennis J. Reinhold  Vice President, General Counsel & Secretary  Securus Technologies, Inc.  4000 International Pkwy.  Carrollton, TX 75007  [dreinhold@securustechnologies.com](mailto:dreinhold@securustechnologies.com) |

**Description of the Transaction**

Pursuant to that certain Stock Purchase Agreement by and among SIH, Connect and SCRS, dated as of April 29, 2017 (the “Agreement”), SCRS will acquire all the stock of Connect from SIH (the “Transaction”). As a result, Connect will become a wholly owned, direct subsidiary of SCRS; STI will become a wholly owned, indirect subsidiary of SCRS (and its parent companies). PECP IV will be the ultimate majority owner of STI.

For the Commission’s reference, charts depicting the pre- and post-Transaction ownership of STI are provided as Exhibit A.

Upon completion of the Transaction, STI will continue to be managed and operated by the same officers and personnel, but will be supplemented by the management of Transferee and Platinum Equity. Further, STI will have access to additional financial resources through its relationship with Transferee and Platinum Equity, enabling STI to better meet the needs of its customers and thus better compete in the telecommunications marketplace. The Transaction will be transparent to the customers of STI and will not involve the sale, assignment, lease or transfer of any of STI’s assets or its customer base to any other entity. STI will not merge or combine with any other entity and will remain a separate entity providing the services it has been providing under its current name. There will be no associated changes in the terms or conditions of the services being provided. The only change immediately following closing of the Transaction from a customer’s perspective will be that STI’s ownership will change, with Transferee (and its parent companies) being its indirect owner.

**\* \* \* \***

We would appreciate acknowledgement of receipt and acceptance of this filing, which is being submitted electronically. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

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| /s/ Brett P. Ferenchak  William B. Wilhelm, Jr.  Brett P. Ferenchak  Morgan, Lewis & Bockius LLP  1111 Pennsylvania Avenue, N.W.  Washington, DC 20004-2541  202-739-3000 (tel)  202-739-3001 (fax)  william.wilhelm@morganlewis.com  brett.ferenchak@morganlewis.com  Counsel for Transferee | /s/ Paul C. Besozzi  Paul C. Besozzi  Squire Patton Boggs (US) LLP  2550 M Street, N.W.  Washington, DC 20037  202-457-5292 (tel)  202-457-6315 (fax)  [paul.besozzi@squirepb.com](mailto:paul.besozzi@squirepb.com)  Counsel for Transferor and STI |

**EXHIBIT A**

**Charts of the Pre- and Post-Transaction Ownership Structures**

**VERIFICATIONS**

1. In addition, STI, through its operating subsidiaries, provides various additional products, services and technologies to the correctional and law enforcement community. [↑](#footnote-ref-1)
2. The Certificate of Registration originally was granted in the name Evercom Systems, Inc., which subsequently changed its name to Securus Technologies, Inc. *See* Docket No. UT-101935. [↑](#footnote-ref-2)