

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint ) Application No. C-4988  
Application of TKC Holdings, Inc., )  
Inmate Calling Solutions, LLC )  
d/b/a ICSolutions and Securus )  
Technologies, Inc., Carrollton, ) ORDER GRANTING APPLICATION  
Texas, for Approval to Transfer )  
Control of Inmate Calling )  
Solutions, LLC d/b/a ICSolutions )  
to Securus Technologies. ) Entered: July 24, 2018

BY THE COMMISSION:

On May 31, 2018, a joint application was filed by TKC Holdings, Inc. ("TKC"), ICSolutions ("ICS"), and Securus Technologies, Inc. ("Securus") (collectively "Applicants"), seeking the approval of the Nebraska Public Service Commission ("Commission") to transfer control of ICS to Securus. Notice of the application was published in The Daily Record, Omaha, Nebraska, on June 5, 2018. No protests were filed; therefore, this application is processed pursuant to the Commission's rule of modified procedure.

O P I N I O N   A N D   F I N D I N G S

*The Parties:*

TKC is a Delaware corporation and holding company, holding its principal place of business in Miami, Florida. TKC is in turn indirectly controlled by an affiliate of H.I.G. Capital, LLC, a private equity investment firm headquartered in Miami, Florida. TKC's principal business includes the provision of various goods and services to the correctional markets, as well as the provision of various goods to the hospitality and lodging market.

ICS is a California limited liability company with its principal place of business in San Antonio, Texas. ICS is authorized to operate as an operator services provider and resale interexchange carrier in the State of Nebraska pursuant to an authority granted by the Commission, on April 26, 2011, in Docket No. C-4344. ICS is a wholly-owned direct subsidiary of Keefe Group, LLC ("Keefe Group"), a Missouri limited liability company with its principal place of business in St. Louis, Missouri. Keefe Group is, in turn, a wholly-owned direct subsidiary of TKC.

Securus is a Delaware corporation with its principal place of business in Carrollton, Texas. Securus holds a certificate of authority in Nebraska to operate as an operator services provider and resale interexchange carrier pursuant to the Commission's order dated January 5, 1999, in Docket No. C-1944, and pursuant to the Commission's order dated May 24, 2011 in Docket No. C-4353.1, approving a name change to Securus Technologies, Inc. Securus is also authorized by the FCC to provide domestic and international telecommunications services. Securus provides inmate calling services to confinement and correctional facilities in forty-six (46) states and the District of Columbia, including the State of Nebraska.

*The Transaction:*

On April 22, 2018, the Applicants, together with Keefe Group, entered into a Unit Purchase Agreement. Pursuant to this Agreement, ICS will become a wholly-owned, direct subsidiary of Securus. Applicants provided to the Commission charts depicting the pre- and post-transaction ownership structure of ICS.

Applicants submit that the proposed transaction will be in the public interest. The Applicants state that the completion of the transaction will not result in an interruption, reduction, loss, impairment, or disruption of ICS-provided services. The Applicants note that the transaction does not involve a transfer of operating authority, assets, or customers in Nebraska or elsewhere. The Applicants further state that ICS' corporate identity, name, operations, and management team will remain the same, and that ICS will remain operation as a separate business post-closing. ICS states that it will continue to honor its correctional facility customer contracts and that any future changes in the rates and/or terms and conditions of ICS's service will be undertaken in conformance with its contracts and applicable state law.

Applicants seek approval from the Commission pursuant to Neb. Rev. Stat. § 75-146, which states in pertinent part: "No common carrier . . . shall consolidate its stock, property, franchise, or earnings, in whole or in part, with any other competing common carrier without permission of the commission."

Upon review of the evidence, the Commission finds that the application filed herein is in compliance with the applicable Nebraska Statutes and that the debt financing agreement and

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transfer of control is reasonably required for the aforementioned purpose. The application is fair, reasonable and in the public interest and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4988 be, and is hereby, granted.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 24th day of July, 2018.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:







//s//Frank E. Landis

//s//Mary Ridder



Chair

ATTEST:



Executive Director