

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 22nd
day of December, 1998.

In the Matter of the Merger of Talton)
Invision, Inc., AmeriTel Pay Phones, Inc.) **Case No. TM-99-187**
and Talton STC, Inc.)

ORDER APPROVING MERGER

On October 29, 1998, Talton Invision, Inc. (Talton Invision), AmeriTel Pay Phone, Inc. (AmeriTel) and Talton STC, Inc. (Talton STC) filed their Notice of Merger or, in the Alternative, Application for Approval of Merger with the Commission. The applicants stated that AmeriTel is a Missouri corporation in good standing providing private pay telephone services in Missouri pursuant to certificates issued by the Commission in Case No. TA-91-388. The applicants also stated that Talton Invision is a Delaware corporation in good standing providing private pay telephone services in Missouri pursuant to certificates issued by the Commission in Case No. TA-98-367. The applicants also stated that Talton STC is a Delaware corporation in good standing providing private pay telephone services in Missouri pursuant to certificates issued by the Commission in Case No. TA-98-368.

The application stated that 100 percent of the issued and outstanding stock of AmeriTel, Talton Invision and Talton STC is owned by Evercom, Inc. (Evercom). The application also stated that Evercom is a Delaware corporation in good standing with its principal office and

place of business at 8201 Tristar Drive, Irving, Texas 75063. Applicants stated that Evercom is a holding company which does not itself provide telecommunications services. The applicants indicated that Evercom owns three additional operating subsidiaries¹ that do not conduct business in the state of Missouri and the six Evercom subsidiaries are in the business of providing pay telephone services in over 40 states, primarily in correctional facilities.

The applicants stated that Evercom is pursuing a corporate restructuring of its subsidiaries. Five of Evercom's six operating subsidiaries will be merged into a single entity, Talton Invision, which will be the surviving operating subsidiary. The applicants expect that Talton Invision will, at some future date, operate under the name Evercom Systems, Inc. and will notify the Commission when the name change takes effect.

The applicants stated that this merger will maximize efficiencies by realizing certain economic, marketing and operation efficiencies. The applicants stated that the proposed merger should have no impact on the tax revenues of the political subdivision in which AmeriTel, Talton Invision or Talton STC structures, facilities or equipment are now located because the ultimate ownership will continue to be subject to the same tax liabilities.

On December 15, the Staff of the Commission (Staff) filed its memorandum recommending approval of the proposed merger. Staff has no objections to the proposed merger and recommends the Commission issue an

¹Talton Telecommunications Corporation, Talton Telecommunications of Carolina, Inc. and MOG Communications, Inc.

order approving the proposed merger with specific directions. Staff requests the Commission direct Talton Invision to notify the Commission upon completion of the merger, and to file the necessary pleading to amend the Talton Invision certificate to reflect the name of Evercom, Systems, Inc., at such time as the name change takes effect. Staff also recommends that the Commission cancel the certificates currently held by AmeriTel and Talton STC 60 days from the effective date of its order, which should give Talton Invision sufficient time for completion of the merger. Staff stated that it is unaware of any other filing which affects or would be affected by this proposal.

The Commission has reviewed the application and Staff's recommendation. The Commission finds that the proposed merger will have no adverse impact on the Missouri customers of Talton Invision, AmeriTel or Talton STC. The Commission finds that the transaction is not detrimental to the public interest and should be approved.

IT IS THEREFORE ORDERED:

1. That the joint application filed by Talton Invision, Inc., AmeriTel Pay Phones, Inc. and Talton STC, Inc. on October 29, 1998, is approved.

2. That Talton Invision, Inc. shall file notification and other appropriate pleadings with the Commission no later than ten days after the closing date of the transaction authorized by this order.

3. That Talton Invision, Inc. is directed to file the necessary pleadings to amend its certificate of service authority to reflect the name of Evercom Systems, Inc., at such time as any change of name takes effect.

4. That the certificates held by Ameritel and Talton STC shall be canceled effective February 20, 1999.

5. That this order shall become effective on December 31, 1998.

BY THE COMMISSION

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Murray,
Schemenauer, CC., concur.
Drainer, C., absent.

Register, Regulatory Law Judge