

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

In the matter of the Application of)
Inmate Calling Solutions, LLC)
d/b/a ICSolutions, LLC and Michael R. Smith)
and Group, LLC To Authorize Michael R. Smith)
Group, LLC To Acquire the Equity Interest)
of Inmate Calling Solutions d/b/a ICSolutions, LLC.)

Case No. _____

APPLICATION

COME NOW Inmate Calling Solutions, LLC d/b/a ICSolutions, LLC (“ICS”) and Michael R. Smith and Group, LLC (“Smith” or “Buyer”) (collectively “Applicants”), by and through counsel, and for their Application, pursuant to Section 392.300(2), RSMo 2000,¹ 4 CSR 240-2.060(1) and 4 CSR 240-3.535 respectfully state as follows:

1. ICS and Smith hereby seek approval of the transfer of the equity interest of ICS owned by its parent company, The Billing Resource f/k/a Integretel, Incorporated (“TBR” or “Seller”), a California corporation, to Michael R. Smith and Group, LLC (“Smith” or “Buyer”), a Texas LLC. ICS provides automated operator assisted calling services for inmates and other incarcerated persons in correctional facilities in Missouri. TBR is a billing clearinghouse. Smith is an investment consortium created for the purpose of acquiring ICS.

Following the consummation of this transaction, ICS will become majority-owned and controlled by Buyer. ICS will remain a separate operating company and will continue to provide service in Missouri under the name of ICSolutions. ICS was certificated to provide interexchange calling services in the State of Missouri on May 2, 2004 pursuant to order issued in Case No. XA-

¹All statutory references are to Revised Statutes of Missouri 2000, unless otherwise indicated.

2004-0478. As an inmate service provider, ICS does not have presubscribed customers, and no customer notice will be issued.

2. Inmate Calling Solutions, LLC is a California Limited Liability Company headquartered at 5883 Rue Ferrari, San Jose, California San Jose, CA 95138. ICS has been providing inmate calling services since 2003, and currently serves approximately 115 correctional facilities in thirty-four states. ICS' mission is to focus on advanced technology and proven resources into transforming the inmate calling arena. Its dedication to ongoing technology advances, market-specific solutions, and unsurpassed customer service has earned ICS a reputation as an emerging industry leader. ICS's Certificate of Authority to Transact Business As A Foreign Corporation was filed in Case No. XA-2004-0478 and is incorporated herein by reference. ICS's fictitious name registration was filed in Case No. XN-2007-0376 and is incorporated herein by reference.

3. Michael R. Smith and Group, LLC is a Texas Limited Liability Corporation formed in May 2008 for the purpose of acquiring ICS. Buyer's mailing address and telephone number are as follows: 14100 San Pedro, Suite 750, San Antonio, TX 78232. Telephone: 210-495-0404.

Michael Smith is the managing director and sole officer. Mr. Smith has twenty-eight years in telecommunications and billing clearinghouse experience. He was founder and CEO of Operator Service Company ("OSC"), a nationwide operator services provider. After the acquisition of OSC by Billing Concepts, Inc., a billing clearinghouse, he was promoted to president of the merged firm. In 2000, Billing Concepts was sold to Platinum Equity, Inc. and he was named the senior Platinum executive managing Billing Concepts and three other Platinum subsidiaries. In 2004, Billing Concepts was sold and Mr. Smith left Platinum Equity and founded Merchant Clearing House, also a billing clearing house. Mr. Smith is also a shareholder in Value-Added Communications, Inc., a

major inmate service provider. He is actively involved in an advisory capacity to the CEO and others at Value-Added with regulatory and billing process issues concerning the operations of the company.

Mr. Smith is also member of the Advisory Council to the Board of Directors for VAC Holding, Inc., the parent of Value-Added Communications, Inc.

4. The Billing Resource is a California-based billing clearinghouse established in 1988 and serving providers who outsource their billing support functions. TBR's mailing address is 5883 Rue Ferrari, San Jose, CA 95138, and telephone number is: 408-362-4177. TBR's service offerings include billing through local exchange carriers, direct branded invoicing, major credit card clearing and direct account debit as well as complementary services such as customer care, validation and fraud control, pre-pay account management and internet reporting.

In September 2007, TBR voluntarily filed for protection under Chapter 11 of the U.S. bankruptcy laws (N.D. California, San Jose Division; Case No. 07-52890). As part of its plan of reorganization, TBR is pursuing a sale of substantially all of its assets including its operating subsidiaries. On September 4, 2008, the bankruptcy court approved the sale of ICS to Buyer subject to all required regulatory approvals.

5. All correspondence, pleadings, orders, and documents in this proceeding should be addressed to:

The name and address of the individual to contact regarding this filing is:

James M. Fischer/Larry W. Dority
Fischer & Dority, P.C.
101 Madison Street, Suite 400
Jefferson City, Missouri 65101
Telephone: (573) 636-6758
Facsimile: (573) 636-0383
E-mail: jfischerpc@aol.com

With a copy to:

Robin Norton, Consultant
Technologies Management, Inc.
2600 Maitland Center Parkway, Suite 300
Maitland, Florida 32751
Telephone: (407) 740-3004
Facsimile: (407) 740-0613
E-mail: rnorton@tminc.com

The name and address of the individual who handles regulatory affairs on behalf of ICS and TBR is:

Kenneth Dawson, President
5883 Rue Ferrari
San Jose, CA 95138
Telephone: 408-362-4177
Facsimile: 408-362-2798
E-mail: kdawson@icsolutions.com

The name and address of the individual who handles regulatory affairs on behalf of Smith is:

Michael R. Smith, Managing Director
14100 San Pedro, Suite 750
San Antonio, TX 78232
Telephone: 210-495-0404
Facsimile: 214-495-0405
E-mail: Mike@mchmail.com

6. A copy of the asset purchase agreement to purchase the equity interest of ICS entered into between the Smith and TBR is contained in Appendix A (Highly Confidential) and incorporated herein by reference.

7. A certified copy of the board resolution of Buyer authorizing the proposed transaction is attached as Appendix B and incorporated herein by reference.

8. The proposed acquisition of the equity interest of ICS by the Buyer is not detrimental to the public interest. No detrimental effect on the service provided by ICS is likely to occur from this transaction. There will be no change in the rate schedules or terms and conditions of service as set forth in the tariff sheets of ICS which are on file with and approved by the Commission. The inmate services of ICS will continue to be subject to the supervision and regulation of the Commission.

The transfer of control to Smith will serve the public interest. Smith's experience and success in operator services, inmate calling services and related industries make the company particularly well-qualified to acquire ownership of ICS. The sale of the equity interest of ICS to Smith has been approved by the court. The Transfer will be transparent to the users of ICS' services and will not have an adverse effect on them. ICS will continue its mission to develop and offer innovative solutions responding to the demands of the corrections market, serving the needs of inmates and their families as well as facility management personnel.

9. Applicants respectfully requests expedited consideration of this Application so that the capital stock may be transferred as soon as possible.

10. ICS and Smith have no pending action or final unsatisfied judgments or decisions against them from any state or federal agency or court which involves customer service or rates which has occurred within three (3) years of the date of the Application.

11. ICS and Smith have no annual report or assessment fees that are overdue.

12. Applicants respectfully request that no hearing on this Application be required by the Commission.

WHEREFORE, the Applicants request an order from the Commission finding that the proposed transaction is not detrimental to the public interest and granting authority to Smith to acquire the equity interest of ICS; as described herein.

Respectfully submitted,

/s/ James M. Fischer

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Larry W. Dority Mo. Bar No. 25617
Fischer & Dority, P.C.
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Jefferson City, Missouri 65101
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Email: jfischerpc@aol.com
lwdority@sprintmail.com

ATTORNEY FOR APPLICANTS

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, postage prepaid, by U.S. Mail, First Class, this 2nd day of October, 2008, to counsel for all parties of record.

/s/ James M. Fischer

James M. Fischer

VERIFICATION

I, Kenneth Dawson, hereby declare under penalty of perjury, that I am President of Inmate Calling Solutions, LLC d/b/a ICSolutions ("ICS"); that I am authorized to make this verification on behalf of ICS; that I have read the foregoing Application; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.



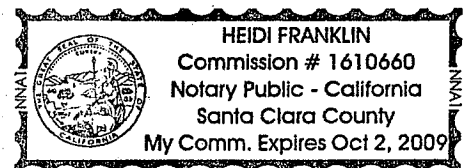
Kenneth Dawson, President
Inmate Calling Solutions, LLC d/b/a ICSolutions

State of California
County of Santa Clara

Subscribed and sworn to (or affirmed) before me on the 17th day of September 2008, by Heidi Franklin, proved to me on the basis of satisfactory evidence to be the persons(s) who appeared before me.

(Seal)

Signature _____



VERIFICATION

I, Michael R. Smith, hereby declare under penalty of perjury, that I am Managing Director of Michael R. Smith & Group, LLC ("Smith"); that I am authorized to make this verification on Smith's behalf; that I have read the foregoing Application; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.



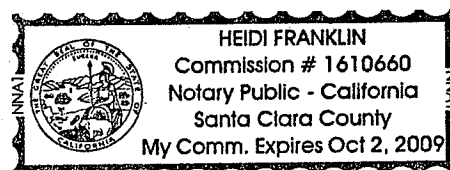
Michael R. Smith, Managing Director
Michael R. Smith & Group, LLC

State of California
County of Santa Clara

Subscribed and sworn to (or affirmed) before me on the 17th day of September 2008, by Heidi Franklin, proved to me on the basis of satisfactory evidence to be the persons(s) who appeared before me.

(Seal)

Signature



APPENDIX A

COPY OF ASSET PURCHASE AGREEMENT

(HIGHLY CONFIDENTIAL)

APPENDIX B
BOARD RESOLUTION

**UNANIMOUS CONSENT IN LIEU OF SPECIAL
MEETING OF THE MANAGERS AND MEMBERS OF
MICHAEL R. SMITH AND GROUP, LLC**

In lieu of a special meeting of the Managers and Members of **MICHAEL R. SMITH AND GROUP, LLC**, a Texas limited liability company (herein the "Company"), the undersigned, being all of the Managers and Members of the Company, hereby consent, pursuant to the provisions of the *Texas Business Organizations Code* (herein the "Code") and the Company's Company Agreement, to the following resolutions, and with such resolutions having the same force and effect as if adopted at a formal meeting of the Managers and Members of the Company:

Now Therefore Be It Resolved That:

Michael R. Smith, Manager, be and is hereby fully authorized and directed, on behalf of the Company, to purchase all of the ownership interests in and to Inmate Calling Solutions, LLC d/b/a ICSolutions, including, but not limited to, all interests in profits, losses, membership interests, stock, and capital of such company.

THE UNDERSIGNED HEREBY CERTIFIES that the actions approved by the foregoing Resolution above was approved by the unanimous consent of all of the Company's Managers and Members in accordance with the Company Agreement of the Company, that MICHAEL R. SMITH is the sole Manager of the Company and that there is no provision in the Company Agreement of the Company limiting the power of the Managers to pass the foregoing Resolution and that the same is in conformity with the provisions of said Company Agreement.

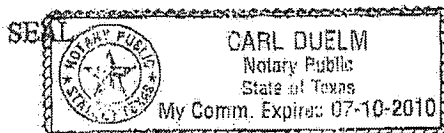
IN WITNESS WHEREOF, the undersigned has subscribed his name as the sole Manager and Member of the Company this 29 day of September, 2008.




MICHAEL R. SMITH, Manager and Member

STATE OF TEXAS
COUNTY OF Brewer

THE FOREGOING instrument was acknowledged before me this ____ day of September, 2008, by Michael R. Smith, Manager and Member of Michael R. Smith & Group, LLC, a Texas Limited Liability Company, who ☒ is personally known to me or ☐ who has produced NA as identification.




NOTARY PUBLIC, State of TEXAS
MY COMMISSION EXPIRES:
7-10-2010