

other U.S. government agencies with expertise in those areas. *See In the Matter of Comsat Corporation d/b/a Comsat Mobile Communications, etc.*, 16 FCC Rcd. 21,661, 21707 ¶ 94 (2001).

After discussions with representatives of Quickly Phone in connection with the above-referenced proceeding, the Agencies have concluded that the additional commitments set forth in the LOA will help ensure that the Agencies with responsibility for enforcing the law, protecting the national security, and preserving public safety, can proceed appropriately to satisfy those responsibilities. Accordingly, the Agencies advise the Commission that they have no objection to the Commission granting the application in the above-referenced proceeding, provided that the Commission conditions its consent on compliance with the LOA.

Respectfully submitted,

/S/ Richard C. Sofield
Richard C. Sofield
U.S. Department of Justice
Director - Foreign Investment Review Staff
National Security Division
Bicentennial Building
600 E Street, NW, Rm 10000
Washington, D.C. 20004

July 18, 2014

QUICKLY PHONE, LLC
17971 Biscayne Blvd. Suite 201
Aventura, Florida 33160

June 19, 2014

John Carlin
Acting Assistant Attorney General
National Security Division
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530
ttelecom@usdoj.gov

Unit Chief, Science and Technology Policy and Law Unit
Federal Bureau of Investigation
935 Pennsylvania Avenue, NW
Room 7350
Washington, D.C. 20535

Re: Quickly Phone USA, LLC's application for authority to provide resale service between the United States and permissible international points (ITC-214-20120920-00244)

Dear Mr. Carlin,

This letter of agreement (Agreement/LOA) outlines commitments being made by Quickly Phone USA, LLC (Quickly Phone) to the U.S. Department of Justice (DOJ), including the National Security Division (NSD) and the Federal Bureau of Investigation (FBI), in order to address national security concerns raised in connection with the company's application to the Federal Communications Commission (FCC) for authority to provide resale service between the United States and permissible international points pursuant to Section 214 of the Federal Communications Act of 1934, as amended, 47 U.S.C. 214 (1982) and section 63.18 of the FCC's Rules.

Quickly Phone is 100% owned by Marco Antonio Fernandez Martinez, a Mexican citizen. It will mainly provide pinless calling card services to residential end-users that purchase minutes with online or physically at mobile phone stores.

Quickly Phone hereby agrees to the following terms:

Operations, Records, and Law Enforcement Requests. Quickly Phone agrees to designate a U.S. Law Enforcement Point of Contact ("POC") in the U.S., preferably a U.S. citizen, to receive service of process for U.S. Records and, where possible, to assist and support lawful requests for surveillance or production of U.S. Records by U.S. Federal, state, and local

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law enforcement agencies ("Lawful U.S. Process"). Quickly Phone will give notice of its POC to DOJ for approval within 14 days of the date that Quickly Phone receives from the FCC the telecommunications certification at issue herein. In addition, Quickly Phone will give DOJ at least 30 days' prior notice of any change to its POC, and to provide DOJ with such information about the designated individual as DOJ requests; such nominated POC shall be subject to DOJ review and approval. Quickly Phone also agrees that the designated POC will have access to all U.S. Records, and, in response to Lawful U.S. Process, will make such records available promptly, and in any event no later than five business days after receiving such Lawful U.S. Process.

Quickly Phone agrees that, for all Quickly Phone customer billing records, subscriber information, and any other related information used, processed, or maintained in the ordinary course of business relating to communications services offered in the United States ("U.S. Records"), Quickly Phone will store either originals or copies of originals of such U.S. Records in the United States and make such U.S. Records available in response to lawful U.S. process.¹ For these purposes, U.S. Records shall include information subject to disclosure to a U.S. Federal or state governmental entity under the procedures specified in Sections 2703(c) and (d) and Section 2709 of Title 18 of the United States Code. Quickly Phone agrees to ensure that U.S. Records are not made subject to mandatory destruction under any foreign laws.

Quickly Phone agrees that it will inform DOJ at least 30 days in advance if its business model changes to provide telecommunications services in the U.S. aside from those identified herein. Quickly Phone further agrees to provide DOJ with notices of any other material changes (e.g., corporate structure changes of importance to this Agreement, corporate name changes) within 30 days of any such change. In addition, Quickly Phone confirms that, for any services requiring compliance with the Communications Assistance for Law Enforcement Act ("CALEA"), 47 U.S.C. §§ 1001-1010, Quickly Phone will comply with CALEA.

Quickly Phone agrees that it will not directly or indirectly disclose or permit disclosure of or access to U.S. Records² or Domestic Communications³ or any information (including call

¹ This statement does not supercede or replace Quickly Phone's other duties to comply with any applicable FCC requirements and regulations. Quickly Phone acknowledges that it must also meet any other applicable FCC regulatory requirements, including but not limited to any requirements related to the storage and protection of Customer Proprietary Network Information (CPNI).

² "U.S. Records," as used herein, means Quickly Phone's customer billing records, subscriber information, and any other related information used, processed, or maintained in the ordinary course of business relating to the services offered by Quickly Phone in the U.S. For these purposes, U.S. Records also shall include information subject to disclosure to a U.S. federal or state governmental entity under the procedures specified in Sections 2703(c) and (d) and Section 2709 of Title 18 of the U.S. Code.

³ "Domestic Communications," as used herein, means: (1) Wire Communications or Electronic Communications (whether stored or not) from one U.S. location to another U.S. location; and (b) the U.S. portion of a Wire Communication or Electronic Communication (whether stored or not) that originates or terminates in the United States. "Electronic Communication" has the meaning given in 18 U.S.C. § 2510(12). "Wire Communication" has the meaning given in 18 U.S.C. § 2510(1).

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content and call data) pertaining to a wiretap order, pen/trap and trace order, subpoena, or any other lawful request by a U.S. law enforcement agency for U.S. Records to any person if the purpose of such disclosure or access is to respond to the legal process or request on behalf of a non-U.S. government⁴ without first satisfying all pertinent requirements of U.S. law and obtaining the express written consent of DOJ, or the authorization of a court of competent jurisdiction in the U.S. Any such legal process or requests submitted by a non-U.S. government to Quickly Phone shall be referred to DOJ as soon as possible, but in no event later than five business days after such request or legal process is received by or made known to Quickly Phone unless disclosure of the legal process or request would be in violation of U.S. law or an order of a court of the U.S.

Access to Information, Facilities, and Personnel. Quickly Phone, and any owner of Quickly Phone, shall permit the DOJ, and such other U.S. Government agency representatives designated by the DOJ, to inspect books and records, equipment, servers, and facilities and premises owned or leased by Quickly Phone or any owner of Quickly Phone to the extent business relating to Quickly Phone's FCC-licensed activity takes place at such location(s). Where Quickly Phone possesses the authority to permit such access, Quickly Phone also agrees to make available to the DOJ, and such other U.S. Government agency representatives designated by the DOJ, any third-party books and records, equipment, servers, facilities (including third-party offshore or outsourced facilities), and premises to the extent business relating to Quickly Phone's FCC-licensed activity takes place at such location(s). Ordinarily, the DOJ will provide Quickly Phone with fourteen (14) days advance notice, but Quickly Phone shall afford the DOJ such access during normal business hours without advance notice in extraordinary circumstances.

Quickly Phone, and any owner of Quickly Phone, shall permit the DOJ, and such other U.S. Government agency representatives designated by the DOJ, to conduct confidential interviews of owners, ownership groups, employees, or contractors of Quickly Phone concerning compliance with this Agreement and any other law enforcement concerns; provided however that any confidential interviews with owners, directors and employees of Quickly Phone are conducted with counsel present.

Audit Requirements. Quickly Phone will retain and pay for a neutral third-party to conduct an LOA audit, to include a financial audit (i.e., total assets, total liabilities, income statement, cash flows, accounts payable/receivable records, investments, tax liabilities, beginning and ending net assets for Quickly Phone's business year (January 1 to December 31) including its corporate bank accounts and loans, as well as an audit of Quickly Phone's internal controls (the Initial Audit). Quickly Phone will provide citations for the standards used in each financial audit for each business year. The deadlines and requirements for the Initial Audit will be as follows:

- Within sixty (60) days from the execution date of this Agreement, Quickly Phone shall provide notice of its proposed third-party auditor for the Initial Audit to the DOJ.

⁴ The term "non-US government" means any government, including an identified representative, agent, component or subdivision thereof, that is not a local, state, or federal government in the U.S.

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- The DOJ shall have an opportunity to provide reasonable objections to the proposed auditor within sixty (60) days of receiving Quickly Phone's notification of a proposed auditor.
- Once the DOJ and Quickly Phone mutually agree upon a third-party auditor, and after Quickly Phone receives DOJ's written non-objection, Quickly Phone will designate the agreed-upon, neutral, third-party auditor ("the Initial Designated Auditor").
- Thereafter, Quickly Phone shall consult with the DOJ on the Initial Audit's terms and scope of engagement, the financial statements being audited, and the auditing standards to be applied (collectively, the "Initial Audit Terms") and Quickly Phone will reasonably address any concerns raised by the DOJ, with the final Initial Audit Terms being subject to DOJ approval.
- Quickly Phone shall ensure that the Initial Audit report generated by the Initial Designated Auditor promptly is provided to the DOJ directly by the Initial Designated Auditor, at the same time the Initial Audit report is provided by the Initial Designated Auditor to Quickly Phone.
- The Initial Audit's final report will be due no later than one year from the execution date of this Agreement, unless other arrangements are approved by DOJ, and will be issued by a certified public accountant ("CPA"). The Initial Audit's final report will include a statement that the audit was conducted in accordance with generally accepted auditing standards and an identification of the U.S. as the country of origin of those standards.

Following the Initial Audit, unless otherwise directed by the DOJ, subsequent audits will be conducted annually for each of the next four (4) fiscal years, up to and including fiscal year 2018. Thus, Quickly Phone shall retain and pay for subsequent neutral third-party financial audits (e.g., of total assets, total liabilities, total net assets, cash flows, accounts payable/receivable records, investments, tax liabilities, beginning and ending net assets, including its corporate bank accounts and loans) for fiscal years 2015, 2016, 2017, and 2018 (unless other arrangements are approved by DOJ) ("Subsequent Audit(s)"), to include an audit of Quickly Phone's internal controls. The deadlines and requirements for each Subsequent Audit will mirror those for the Initial Audit, and include:

- Quickly Phone shall provide notice of the proposed auditor to DOJ each subsequent year following the completion of the Initial Audit (i.e., starting in 2015), within sixty (60) days of the anniversary date of this Agreement's execution.
- The DOJ shall have an opportunity to provide reasonable objections to the proposed auditor within sixty (60) days of receiving Quickly Phone's notification of a proposed auditor.
- Once the DOJ and Quickly Phone mutually agree upon a neutral third-party auditor ("the Designated Auditor"), the DOJ shall be consulted on the Subsequent Audit(s)' terms and scope of engagement, the financial statements being audited, and the auditing standards to be applied (collectively, the "Subsequent Audit Terms"), and whether an audit of internal controls should be conducted. Quickly Phone will reasonably address any

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concerns raised by the DOJ, with the final Subsequent Audit Terms being subject to DOJ approval.

- Quickly Phone shall ensure that the final Subsequent Audit reports generated by the Designated Auditor are promptly provided to the DOJ directly by the Designated Auditor at the same time that the final Subsequent Audit report is provided to Quickly Phone by the Designated Auditor.
- The final results for Subsequent Audits will be due no later than the yearly anniversary date of this Agreement's execution, unless other arrangements are approved by the DOJ, and will be issued by a CPA. The Subsequent Audit's final report will include a statement that the audit was conducted in accordance with generally accepted auditing standards and an identification of the U.S. as the country of origin of those standards.

Quickly Phone agrees to negotiate in good faith with the DOJ to resolve any national security, law enforcement, or public safety concerns that the DOJ may raise with respect to the results of any third-party audit. The DOJ shall be granted the right to exclusively meet with the auditors at any time, upon DOJ's request.

Change in Control. Quickly Phone will inform the DOJ within thirty (30) days of any change in Quickly Phone's ownership, including the names of the businesses or individuals associated with the change in ownership and the change in the percentage amount of ownership. Quickly Phone also will inform the DOJ of any change in Quickly Phone's ownership or control resulting in a change of a passive investor to an active one.

Notice of Termination of Accounts. Quickly Phone agrees to notify DOJ within thirty (30) days of any termination of accounts in the name of Quickly Phone or any of its owners by a financial institution, and the reason given by such financial institution for such termination.

Annual Report. Quickly Phone agrees to provide to DOJ Annual Reports regarding its compliance with the specific terms of this Agreement. This Annual Report should summarize the information requested above and describe the company's compliance with this Agreement, to include:

- Certifications that there were no material changes (where no changes were notified to DOJ during the preceding year);
- Statement(s) regarding the status of implementation of lawful interception capabilities, including CALEA compliance;
- Notice(s) regarding the company's handling of U.S. Records, Domestic Communications, and U.S. Lawful Process (i.e., whether handled properly and in accordance with the assurances contained herein), including the occurrence and status of all lawful surveillance request cases for call content and call data, including but not limited to the date on which the request was made of Quickly



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Phone, the date of compliance with that request and/or the status of completion of that request;

- Notification(s) of any changes in the services that Quickly Phone provides, or confirmation that no additional services are being offered;
- Notification(s) of any relationships with foreign-owned telecommunications partners, including any peer relationships;
- Notification(s) of the installation and/or purchase or lease of any foreign-manufactured telecommunication equipment (including, but not limited to, switches, routers, software, hardware);
- Report(s) of any occurrences of cyber-security incidents, network and enterprise (private network) breaches, and unauthorized access to customer data and information;
- A re-identification of the name of and contact information for the current POC; and
- Notifications regarding any other matters of relevant to this Agreement.
- Summary of audit results from previous year, and remediation actions implemented.

These annual reports will be due on January 31 of each calendar year, beginning January 31, 2015, and will be addressed to the following:

Assistant Attorney General for National Security
U.S. Department of Justice
National Security Division
950 Pennsylvania Avenue, N.W.
Washington, DC 20530
Attn.: Team Telecom, Foreign Investment Review Staff
Electronic mail: ttelecom@usdoj.gov

Unit Chief, Science and Technology Policy and Law Unit
Federal Bureau of Investigation
935 Pennsylvania Ave, NW
Room 7350
Washington, DC 20535

Courtesy electronic copies of all notices and communications also should be sent to the following, or to such other persons identified to Quickly Phone by DOJ in the future: Joanne

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Ongman of the DOJ (at joanne.ongman@usdoj.gov); Richard Sofield of the DOJ (richard.sofield2@usdoj.gov); and Jonathan Frenkel of the FBI (at jonathan.frenkel@ic.fbi.gov).

General. Quickly Phone agrees that, in the event that the commitments set forth in this Agreement are breached, in addition to any other remedy available at law or equity, the DOJ may request that the FCC modify, condition, revoke, cancel, or render null and void any relevant license, permit, or other authorization granted by the FCC to Quickly Phone or any successors-in-interest. Nothing herein shall be construed to be a waiver by Quickly Phone of, or limitation on, its right to oppose or comment on any such request.

Further, nothing in this Agreement is intended to excuse Quickly Phone from its obligations to comply with any and all applicable legal requirements and obligations, including any and all applicable statutes, regulations, requirements, or orders.

Quickly Phone understands that, upon execution of this Agreement by an authorized representative or attorney for Quickly Phone, or shortly thereafter, the FCC shall be notified by the DOJ that it has no objection to the FCC's grant of the application by Quickly Phone at issue herein where such authorization is made conditional upon Quickly Phone's compliance with this Agreement.

Sincerely,



Marco Antonio Fernandez Martínez
President
Quickly Phone USA, LLC