# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of	) File No. ITC-T/C-20120531-00145
TrustComm, Inc.	}

## PETITION TO ADOPT CONDITIONS TO AUTHORIZATIONS AND LICENSES

The Department of Justice ("DOJ"), with the concurrence of the Department of Homeland Security ("DHS") (collectively, the "Agencies"), submits this Petition to Adopt Conditions to Authorizations and Licenses (Petition), pursuant to Section 1.41 of the Federal Communications Commission ("Commission") rules. Through this Petition, the Agencies advise the Commission that they have no objection to the Commission approving the authority sought in the above-referenced proceeding, provided that the Commission conditions its approval on the assurance of TrustComm, Inc. to abide by the commitments and undertakings set forth in the January 16, 2013, Letter of Assurances ("LOA"), which is attached hereto.

The Commission has long recognized that law enforcement, national security, and public safety concerns are part of its public interest analysis, and has accorded deference to the views of 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).

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<sup>&</sup>lt;sup>1</sup> 47 C.F.R. § 1.41.

After discussions with representatives of the Applicant in connection with the abovereferenced proceedings, 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, DOJ advises the Commission, with the concurrence of DHS,
that the Agencies have no objection to the Commission granting the application in the abovereferenced proceeding, provided that the Commission conditions its consent on compliance by
TrustComm, Inc. 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
600 E Street, NW, Suite 10000
Washington, D.C. 20004

January 17, 2013

#### January 16, 2013

Lisa O. Monaco Assistant Attorney General National Security Division U.S. Department of Justice 950 Pennsylvania Avenue, N.W. Washington, D.C. 20530

David Heyman Assistant Secretary for Policy U.S. Department of Homeland Security 3801 Nebraska Avenue, N.W. Washington, D.C. 20528

Ms. Elaine N. Lammert Deputy General Counsel Federal Bureau of Investigation 935 Pennsylvania Avenue, N.W. Washington, D.C. 20530

Re: <u>Proposed Acquisition by Global Secure Networks, Inc. of TrustComm, Inc.</u>

Dear Assistant Attorney General Monaco, Assistant Secretary Heyman and Deputy General Counsel Lammert:

TrustComm, Inc. ("TrustComm"), formerly known as SkyPort International, Inc. ("SkyPort"), and Global Secure Networks, Inc. ("GSN") (collectively, the "Signatories") provide this letter of agreement (referred to herein as the "2013 LOA") in connection with GSN's proposed acquisition of 100 percent of all issued and outstanding common stock of TrustComm. The Signatories are submitting the 2013 LOA in response to the request by the Department of Homeland Security ("DHS"), the Department of Justice ("DOJ"), and the Federal Bureau of Investigation ("FBI") (collectively, the "Executive Agencies" or "Team Telecom") that they reexecute the July 31, 2006 letter of agreement (the "2006 LOA") originally executed by SkyPort, its parent company SkyComm Technologies Corporation, and Balaton Group Inc.

TrustComm and GSN will replace the original 2006 LOA signatories as the corporate entities responsible for compliance with the re-executed 2013 LOA. This 2013 LOA terminates and replaces the 2006 LOA.

#### I. Overview of the Parties and the Transaction

#### A. TrustComm

TrustComm provides managed broadband satellite and terrestrial communications services, including voice, data, video, and Internet backbone services. A Texas corporation, TrustComm is headquartered in Quantico, Virginia, and has another facility in Houston, Texas, where its teleport and Global Network Operations Center are located. TrustComm holds four authorizations granted by the Federal Communications Commission ("FCC"), *i.e.*, one international Section 214 authorization and three earth station licenses (collectively, the "FCC Authorizations").

TrustComm's voting common stock is currently held by its majority shareholder Bankton Financial Corporation LLC ("Bankton Financial"), a Texas limited liability company (6,650 shares), and TII Holdings, Inc., a Delaware corporation (3,350 shares). Bankton Financial is ultimately owned and controlled by Mr. Robert Kubbernus, a Canadian citizen; TII Holdings is ultimately controlled by Mr. Kubbernus. TrustComm's non-voting, preferred stock is already 100 percent owned by GSN. While the preferred stock has special dividend and liquidation distribution rights, it does not allow GSN to appoint officers or directors of TrustComm, or participate in any way in the management or day-to-day operation of TrustComm.

#### B. GSN

GSN, a Delaware corporation, is a wholly-owned subsidiary and portfolio company of the Nox Trust, a Delaware trust established for the benefit of Mr. Reiner Mario Lemme, a German national, and his descendants (collectively, the "Beneficiaries"). Under its governing Trust Agreement, the Nox Trust is an irrevocable trust authorized to invest its funds in any type of assets, including in portfolio companies, for the benefit of the Beneficiaries. The Nox Trust is managed by three individual trustees, each a U.S. citizen, who have control over all management, including investment decisions, of GSN. Neither GSN nor the Nox Trust holds any FCC authorizations.

#### C. The Proposed Transaction

Under a Stock Purchase Agreement signed on May 14, 2012, GSN agreed to acquire 100 percent of TrustComm's common stock ("Proposed Transaction"), subject to obtaining all necessary U.S. Government approvals, including approval from the FCC and the Defense Security Service ("DSS"). Accordingly, on June 1, 2012, TrustComm and GSN filed applications with the FCC for consent to the transfer of control of TrustComm's FCC Authorizations to GSN. On August 3, 2012, the FCC granted the applications with respect to TrustComm's three earth station licenses. FCC approval of the transfer of TrustComm's international Section 214 authorization, however, remains pending until completion of Team Telecom's review of the Proposed Transaction. The Signatories wish to consummate the Proposed Transaction in early January 2013.

<sup>&</sup>lt;sup>1</sup> See FCC File Nos. ITC-T/C 20120531-00145(International Section 214 Authorization); SES-T/C 20120531-0492(Earth Station Call Signs E000361, E010295); and SES-T/C 20120531-00493 (Earth Station Call Sign E050044).

<sup>&</sup>lt;sup>2</sup> See FCC Report No. SES-01474, released August 8, 2012.

Simultaneously with the FCC filings, TrustComm initiated discussions with DSS to obtain facility clearance in connection with its successful bid to provide service to the U.S. Army. DSS has approved the Proposed Transaction and will finalize the clearance process once the transaction closes and ownership of TrustComm has been transferred to GSN.

### II. Specific Commitments

Assuming consummation of the Proposed Transaction, the Signatories undertake the following commitments to the Executive Agencies:

- 1. Storage of Records in the United States. The Signatories agree that, for all 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 to U.S. persons ("U.S. Records"), TrustComm will store such U.S. Records in the United States. 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. TrustComm agrees to ensure that U.S. Records are not made subject to mandatory destruction under any foreign laws. TrustComm agrees to take all practicable measures to prevent unauthorized access to, or disclosure of the content of, communications or U.S. Records, in violation of any U.S. federal, state, or local laws or of the commitments set forth in this letter.
- 2. <u>Cooperation with Law Enforcement Requests</u>. The Signatories commit that, in the event that there is a need to conduct lawfully authorized surveillance through TrustComm's facilities or services, TrustComm will take reasonable measures to assist and support the FBI or any other United States federal, state or local agency with law enforcement, public safety or national security responsibilities in conducting lawfully authorized electronic surveillance. Such assistance shall include, but not be limited to, disclosure, if necessary, of technical and engineering information relating to the design, maintenance or operation of TrustComm's systems. TrustComm and the Executive Agency seeking cooperation will work together in determining what is reasonable, taking into account the investigative needs of the Agency and TrustComm's commercial interests.
- 3. <u>Establishment of a U.S. Citizen Law Enforcement Point of Contact.</u>
  TrustComm has designated a representative who is a United States citizen to serve as its authorized Point of Contact for U.S. Government officials in connection with the conduct of lawfully authorized electronic surveillance. Ms. Carole Hochberg is the designated Point of Contact (she can be contacted at carole.hochberg@trustcomm.com, 301-529-9277). TrustComm will inform the Executive Agencies by letter within 10 days of any change in such Point of Contact. Such initial and follow up letters may be submitted via electronic mail.
- 4. <u>Establishment of a U.S. Citizen Security Officer</u>. TrustComm has designated Ms. Carole Hochberg as TrustComm's Facility Security Officer (she can be contacted at carole.hochberg@trustcomm.com, 301-529-9277). The Security Officer is responsible for the implementation of TrustComm's Security Policy and its compliance with the commitments contained in this 2013 LOA. TrustComm will inform the Executive Agencies by letter with 10

days of any change in such Security Officer. Such initial and follow up letters may be submitted via electronic mail.

- Establishment of a Security Policy. TrustComm has established, and 5. submitted to the Executive Agencies for review, and the Executive Agencies have reviewed and approved, TrustComm's Security Policy and Plan governing the policies, practices and procedures related to or materially affecting TrustComm's actions concerning: (a) requests from a Foreign government or other Foreign entity for U.S. Records, to conduct electronic surveillance using the domestic communications network, or to obtain information relating to domestic communications or electronic surveillance conducted using the domestic communications network; (b) requests or directives from a Foreign government or other Foreign entity to alter, affect or obtain information about the operations, security, personnel or infrastructure of the domestic communications network: (c) any decision by TrustComm involving document preservation requests from any government agency in the United States related to the domestic communications network, where those decisions relate to Foreign laws or requests from a Foreign government or other Foreign entity, (d) any requests or directives from a Foreign government or other Foreign entity relating to the preservation, storage, retention or destruction of documents related to the domestic communications network; (e) any attempt by a Foreign government or other Foreign entity to induce an employee of TrustComm to violate United States law; and (f) any decision by TrustComm relating to-compliance with lawful U.S. process where Foreign laws or requests from a Foreign government or other Foreign entity may be a factor. (For purposes of this 2013 LOA, the term "Foreign" means non-U.S.; the term "Foreign government" means any government, including an identified representative, agent, component or subdivision thereof, that is not a local, state or federal government in the United States; and the term "domestic communications" means (x) wire communications or electronic communications (whether stored or not) from one U.S. location to another U.S. location and (y) the U.S. portion of a wire communication or electronic communication (whether stored or not) that originates or terminates in the United States.) The Security Policy and Plan also provide for TrustComm's to conduct additional background screening of specified key U.S. employees upon the Executive Agencies' request. In the event of any subsequent material changes to the Security Policy and Plan, TrustComm shall promptly submit such changes to the Executive Agencies for review. If, within thirty calendar days following submission to the Executive Agencies of the Security Policy and Plan, or material changes thereto, the Executive Agencies provide comments to TrustComm on the Security Policy and Plan or the changes, TrustComm agrees to reasonably address such comments.
- 6. Non-Disclosure of U.S. Records. TrustComm agrees that it will not, directly or indirectly, disclose or permit disclosure of or access to U.S. Records, or to any information (including the content of communications) pertaining to a wiretap order, pen/trap order, subpoena or other lawful demand 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 Foreign government without first satisfying all pertinent requirements of U.S. law and obtaining the express written consent of the DOJ and DHS, or the authorization of a court of competent jurisdiction in the United States. Any such requests or legal process submitted by a Foreign government to TrustComm shall be referred to the DOJ and DHS as soon as possible, and in no event later than five business days after such request or legal process is received by or known to TrustComm, unless the disclosure of the request or legal process would be in violation of U.S. law or an order of a court in the United States. If, upon the later of: (a) seven business

days following the Executive Agencies' receipt of TrustComm's referral, or (b) five business days prior to the Answer Date, the Executive Agencies have not acted, then TrustComm may respond to such request or legal process as it deems appropriate and in a manner consistent with its Security Policy and Plan, and TrustComm thereafter shall promptly advise the Executive Agencies in writing of its actions. If, in the event of exigent circumstances, the Answer Date is less than eight business days from the date TrustComm receives the request or legal process, these time periods do not apply, but TrustComm shall use its best efforts under the circumstances to consult with the Executive Agencies before responding, and will in any event notify the Executive Agencies: 1) relative to TrustComm's receipt of the request or legal process, not later than one business day following such receipt; and 2) relative to TrustComm's response to such request or legal process, not later than one business day from the date TrustComm submits its response.

- 7. <u>Notification</u>. TrustComm agrees that it will notify the FBI, DOJ, and DHS promptly if there are material changes in any of the facts as represented in this 2013 LOA or in the event that TrustComm acquires control (as defined in 47 C.F.R. § 63.09(b)) of another telecommunications carrier. All notices to be provided to the FBI, DOJ, or DHS shall be directed to the named addressees of this letter.
- 8. Remedies. TrustComm agrees that, in the event the commitments set forth in this 2013 LOA are breached, in addition to any other remedy available at law or equity, the DOJ, FBI, or DHS 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 TrustComm or any successor-in-interest to TrustComm.

Nothing in this letter is intended to excuse the Signatories from any obligation they may have to comply with U.S. legal requirements for the retention, preservation, or production of information, records or data, or from any applicable requirements of the Communications Assistance for Law Enforcement Act, 47 U.S.C. §§ 1001 et seq., nor shall this letter constitute a waiver of: (a) any obligation imposed by any U.S. federal, state or local laws on the Signatories, (b) any enforcement authority available under any U.S. or state laws, (c) the sovereign immunity of the United States, or (d) any authority the U.S. government may possess (including, without limitation, authority pursuant to the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq.) over the activities of the Signatories. Nothing in this letter is intended to, nor shall it be interpreted to, require the Signatories or the Executive Agencies to violate any applicable U.S. law. Likewise, nothing in this letter limits the right of the United States government to pursue criminal sanctions or charges against the Signatories, and nothing in this letter provides the Signatories with any relief from civil liability.

We understand that, upon execution of this letter by the authorized representatives for the Signatories, the Executive Agencies shall notify the FCC that the Executive Agencies have no objection to the FCC's grant of the applications filed for the FCC's consent to the Proposed Transaction.

The commitments set forth in this letter shall not be binding on the Signatories if the Proposed Transaction does not close.

Sincerely,

GLOBAL SECURE NETWORKS, INC.

By: Robert Roe

Title: Chief Executive Officer and President

TRUSTCOMM, INC.

By: Douglas Whitworth
Title: Chief Financial Officer

Nothing in this letter is intended to excuse the Signatories from any obligation they may have to comply with U.S. legal requirements for the retention, preservation, or production of information, records or data, or from any applicable requirements of the Communications Assistance for Law Enforcement Act, 47 U.S.C. §§ 1001 et seq., nor shall this letter constitute a waiver of: (a) any obligation imposed by any U.S. federal, state or local laws on the Signatories, (b) any enforcement authority available under any U.S. or state laws, (c) the sovereign immunity of the United States, or (d) any authority the U.S. government may possess (including, without limitation, authority pursuant to the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq.) over the activities of the Signatories. Nothing in this letter is intended to, nor shall it be interpreted to, require the Signatories or the Executive Agencies to violate any applicable U.S. law. Likewise, nothing in this letter limits the right of the United States government to pursue criminal sanctions or charges against the Signatories, and nothing in this letter provides the Signatories with any relief from civil liability.

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