



July 2, 2020

Assistant Secretary for Trade and Economic Security  
Office of Strategy, Policy and Plans  
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U.S. Department of Homeland Security  
2707 Martin Luther King Jr. Ave SE  
Washington, D.C. 20528-0445  
[IP-FCC@hq.dhs.gov](mailto:IP-FCC@hq.dhs.gov)

Dear Sir:

This Letter of Assurances (“LOA”) sets forth the commitments made by Prepa Networks, LLC (“Prepa Net”) to the U.S. Department of Homeland Security (“DHS”) to address national security, law enforcement, and public safety concerns raised with regard to the Taino-Carib Consortium’s (“Consortium”) application to the Federal Communications Commission (“FCC”) for a license to allow the continued operation of the Taino-Carib Cable System (Taino-Carib).<sup>1</sup> Taino-Carib links Puerto Rico with the U.S. Virgin Island and the British Virgin Islands and was originally licensed in 1992.<sup>2</sup>

Prepa Net has agreed to provide this LOA to DHS, and Prepa Net understands that DHS will petition the FCC to condition the cable landing license for Taino-Carib held by Prepa Net on Prepa Net’s compliance with this LOA.

DHS recognizes that Prepa Net has less than a five percent (5%) ownership interest in Taino-Carib. Prepa Net owns and operates the cable landing station located at Isla Verde, Carolina, Puerto Rico (“Prepa Net Facility”). Prepa Net is responsible for operation, maintenance, and security of the Prepa Net Facility. Prepa Net possesses detailed information regarding all aspects of the Prepa Net Facility but may not possess other detailed information regarding overall network management, Principal Equipment (defined below) components, and vendors of Principal Equipment for Taino-Carib. Any information provided by Prepa Net to DHS pursuant to this LOA for facilities (including Taino-Carib) it does not control; such information will be provided to the best of Prepa Net’s knowledge.

For purposes of this LOA:

- A. “Domestic Communications” means: (a) 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 or its territories.

<sup>1</sup> SCL-LIC-20180702-00019, Application for Cable Landing License.

<sup>2</sup> SCL-LIC-19920107-00005.

- B. “Domestic Communications Infrastructure” or “DCI” means: any portion of Taino-Carib that physically is located in the United States, or its territories, up to and including the submarine line terminating equipment, including (if any) transmission, switching, bridging, and routing equipment, and any associated software (with the exception of commercial-off-the-shelf (“COTS”) software used for common business functions, *e.g.*, Microsoft Office) used to provide, process, direct, control, supervise, or manage Domestic Communications.
- C. “Electronic Communication” has the meaning given it in 18 U.S.C. § 2510(12).
- D. “Principal Equipment” means the primary electronic components of Taino-Carib, which includes the DCI and Wet Infrastructure. Principal Equipment includes, but is not limited to: network element servers; routers; switches; repeaters; submarine line terminal equipment (“SLTE”); system supervisory equipment (“SSE”); signal modulators and amplifiers; power feed equipment (“PFE”); tilt and shape equalizer units (“TEQ/SEQ”); optical distribution frames (“ODF”); branching units (“BU”); synchronous optical network (“SONET”); synchronous digital hierarchy (“SDH”); wave division multiplexing (“WDM”), dense wave division multiplexing (“DWDM”); coarse wave division multiplexing (“CWDM”); or optical carrier network (“OCx”) equipment, as applicable; and any non-embedded software used for monitoring, administration, or provisioning of Taino-Carib (with the exception of COTS software used for common business functions, *e.g.*, Microsoft Office).
- E. “Screened Personnel” has the meaning given it in Section 11 below.
- F. “United States” (“U.S.”) means the United States of America including all of its states, districts, territories, possessions, commonwealths, and the special maritime and territorial jurisdiction of the U.S.
- G. “Wet Infrastructure” means hardware components installed and residing on the undersea portion of Taino-Carib, including fiber optic cables, repeaters, branching units, and routers (if any). Wet Infrastructure includes all the components used to define the topology of the undersea portion of Taino-Carib.
- H. “Wire Communication” has the meaning given it in 18 U.S.C. § 2510(1).

The Licensees undertake to comply with the following commitments:

**1. Security Point of Contact**

Prepa Net agrees to maintain a Point of Contact (“POC”) for purposes of this LOA. The POC will be a U.S. citizen and will comply with all relevant U.S. Government personnel requirements. The POC will possess the appropriate authority, reporting lines, independence, skills, and resources to ensure compliance by Prepa Net with the terms of this LOA. Prepa Net agrees to nominate a proposed POC within **45 days** of the execution

of this LOA. Prepa Net understands that the POC will be subject to DHS review and approval and will be subject to a background check at the sole discretion of DHS. In order to facilitate this, upon request by DHS, Prepa Net will provide personal identifying information as needed by DHS.

Prepa Net agrees to notify DHS of any proposed change to any POC at least **15 days** in advance (except in the case of the unexpected firing, resignation or death of the POC in which case such written notice must be provided within **5 days** of such event) of such proposed change. Prepa Net understands that any proposed POC will be subject to DHS review and approval and may be subject to a background check at the sole discretion of DHS.

## **2. Cable System Information**

Within **45 days** of the execution of this LOA, and, thereafter, within **30 days** upon request by DHS, Prepa Net agrees to make available the following Taino-Carib Information that relates to the Prepa Net Facility and is under the direction, possession or control of Prepa Net:

- (a) Network management information, including, as follows: (1) a diagram of the physical layout of the Prepa Net Facility; (2) the location of the Prepa Net Facility; and (3) an organizational chart, to include specific reference to the names and positions of senior officials at Prepa Net responsible for the Prepa Net Facility; and
- (b) A complete and current list of all contracts held by Prepa Net or its designee(s) for the maintenance, repair, and security of the Prepa Net Facility, to include the type of service provided.

## **3. Operational Requirements**

With respect to the operation of Taino-Carib, and subject to an order of a governmental authority, Prepa Net agrees that it will have the ability to promptly and effectively interrupt, in whole or in part, traffic to and from the United States, or its territories, on Taino-Carib sent to or from the Prepa Net Facility by disabling or disconnecting circuits at the U.S. cable landing stations operated by Prepa Net.

#### 4. **Principal Equipment List**

Within **45 days** of the execution of this LOA, Prepa Net agrees to provide DHS with a list to include:

- (a) A complete and current list of all Principal Equipment at the Prepa Net Facility, including:
  - (1) a description of each item located at the Prepa Net Facility, the functions supported, each item's manufacturer, and
  - (2) the model and/or version number of any hardware in the Prepa Net Facility; and
- (b) Any vendors, contractors, or subcontractors under the direction or control of Prepa Net that are involved in providing, installing, operating, managing, or maintaining any Principal Equipment located at Prepa Net Facility.

Upon mutual agreement by Prepa Net and DHS, Prepa Net agrees to supplement in writing the foregoing definition of Principal Equipment to address subsequent technological developments with submarine systems.

Objections to the Principal Equipment List will be handled pursuant to Section 7.

#### 5. **Modifications to Existing Principal Equipment**

Prepa Net agrees to provide DHS at least **30 days'** advance notice prior to any maintenance, repair, or replacement under the direction or control of Prepa Net that would result in any modification to the quantum, function, configuration, operation, or location of existing Principal Equipment physically located at the Prepa Net Facility.

The 30 days' advance notice requirement is waived for any maintenance, repair, or replacement that is undertaken in response to an unforeseen or uncontrollable event and that is necessary to ensure the continued operability of Taino-Carib or the Prepa Net Facility; however, in such circumstances, Prepa Net agrees to provide advance notice to DHS of the modification, if practicable, and, if impracticable, Prepa Net agrees to provide initial notice within **72 hours** of the maintenance, repair, or replacement. Prepa Net agrees to submit in writing a follow-up report describing in greater detail the maintenance, repair, or replacement to DHS within **15 days** of the maintenance, repair, or replacement. This notice will include a detailed description of the equipment replaced and the circumstances surrounding the need to replace the Principal Equipment without 30 days' advance notice.

Prepa Net may continue to utilize any Principal Equipment maintained, repaired, or replaced pursuant to the process outlined in this Section, provided that DHS does not object pursuant to Section 7. In the event of such an objection, Prepa Net will not expand the existing deployment or enhance the capabilities of any Principal Equipment to which DHS has objected, and Prepa Net agrees to meet, confer, and otherwise attempt in good faith to



resolve DHS's objection. Until the objection is resolved, Prepa Net will not upgrade, install, replace, or service any objectionable Principal Equipment without written authorization from DHS.

## **6. Change in Vendors, Contractors, or Subcontractors for Principal Equipment**

Prepa Net agrees to provide at least **30 days'** advance notice prior to any change to the list of vendors, contractors, or subcontractors under the direction and control of Prepa Net and that are involved in providing, installing, operating, managing, repairing, or maintaining the Principal Equipment physically located at the Prepa Net Facility.

In addition, Prepa Net agrees to provide at least **30 days'** advance notice prior to any change to the service offerings or support from a previously-listed vendor, contractor, or subcontractor (*i.e.*, where a previously-listed provider will be offering support in a previously unidentified way).

Objections to any new vendor, contractor, or subcontractor for the Principal Equipment or the proposed service offerings thereof will be handled pursuant to Section 7.

## **7. Objection Resolution**

Except in the case Principal Equipment is maintained, repaired, or replaced under circumstances described in paragraph 2 of Section 5, within **60 days** of receipt of any notice provided by Prepa Net pursuant to Sections 4, 5, or 6, DHS will provide written approval or disapproval to Prepa Net of the action described in such notice. For Principal Equipment that is maintained, repaired, or replaced under circumstances described in paragraph 2 of Section 5, within **30 days** of receipt of initial notice provided by Prepa Net pursuant to Section 5, DHS will provide written approval or disapproval to Prepa Net of the action described in such notice.

Within **60 days** of receipt of any notice provided by Prepa Net pursuant to Sections 4, 5, or 6, DHS will provide written approval or disapproval to Prepa Net of the action described in such notice. If within the approval/disapproval period DHS seeks additional information from Prepa Net, the approval/disapproval period shall be extended by the number of days DHS awaited the requested information. In the event of a disapproval, Prepa Net will not expand the existing deployment or enhance the capabilities of any Principal Equipment of which DHS has disapproved, and Prepa Net agrees to meet with other Consortium parties, confer, and otherwise attempt in good faith to resolve DHS' objection. Until DHS' rationale for disapproval is resolved, Prepa Net will not upgrade, install, replace, or service any disapproved Principal Equipment without written authorization from DHS.

## **8. Physical Security Measures**

Prepa Net agrees to take practicable measures to physically secure those portions of Taino-Carib that are under Prepa Net's control, including DCI at the Prepa Net Facility. For purposes of this Section, "practicable measures," at a minimum, include that Prepa Net will



screen appropriate persons in accordance with Section 9 below, and Prepa Net will require that all persons who physically access the DCI are escorted at all times by Screened Personnel, as defined herein. DHS and Prepa Net acknowledge that practicable measures taken to physically secure Taino-Carib do not reasonably include taking extraordinary measures beyond Prepa Net's control, such as continuous monitoring of the physical security of the Wet Infrastructure of Taino-Carib.

Prepa Net agrees to submit a policy setting forth Prepa Net's physical security measures to DHS within **90 days** of the date of execution of this LOA. DHS will approve or disapprove the policy within **90 days** of receipt or as otherwise agreed to by Prepa Net and DHS, with the right of approval not waived unless provided in writing by DHS.

## 9. Screening of Personnel

Prepa Net agrees to implement, either directly or through a vendor or service provider, a process to screen any existing or newly hired Prepa Net personnel (or any personnel performing under an agreement or arrangement with Prepa Net) in, at minimum, the following circumstances:

- (a) Any person whose position could involve logical access to the DCI; and
- (b) All personnel charged with securing the DCI.

Prepa Net's personnel screening process will be reflected in a written policy and will include but not be limited to background investigations, public criminal records checks, or other analogous means to ascertain a person's trustworthiness. Upon satisfactory completion of the requirements set forth in the screening policy, such persons will be considered "Screened Personnel."

Prepa Net agrees to submit the screening policy to DHS within **90 days** of the date of execution of this LOA. DHS will approve or disapprove the policy within **90 days** of receipt or as otherwise agreed to by Prepa Net and DHS, with the right of approval not waived unless provided in writing by DHS. Prepa Net agrees to cooperate with any request by DHS to provide additional identifying information regarding Screened Personnel.

## 10. Reporting Incidents and Breaches

Prepa Net agrees to report to DHS in writing within **48 hours** if it learns of information that reasonably indicates:

- (a) Unauthorized third-party access to the Prepa Net Facility to include the Taino-Carib cage;
- (b) Any material breach of the commitments made in this LOA by Prepa Net; or
- (c) Any information Prepa Net learns that reasonably indicates an incident involving unauthorized third-party access to Taino-Carib.

Prepa Net agrees to submit in writing a follow-up report describing in greater detail the incident and Prepa Net's steps to remediate the incident to DHS within **10 days** of discovery of the relevant conduct. Prepa Net further agrees to remediate any incidents or breaches reported pursuant to this provision to the satisfaction of DHS.

#### **11. Instruction of Obligations**

Prepa Net agrees to instruct appropriate officers, employees, contractors, and agents as to Prepa Net's obligations under this LOA, including the individuals' duty to report any violation, and to issue periodic reminders of such obligations.

Prepa Net agrees to issue initial instructions in writing and provide appropriate live or virtual training within **90 days** of the date of execution of this LOA, and Prepa Net agrees to submit a copy of such instructions to DHS at the same time. Prepa Net agrees to issue updated instructions or training annually thereafter.

#### **12. Change in Control**

If Prepa Net learns of any information that reasonably indicates that any foreign entity or individual, other than those already identified, has or likely will obtain an ownership interest, whether direct or indirect, in Prepa Net or Taino-Carib above ten (10) percent, or if any foreign entity or individual, singly or in combination with other foreign entities or individuals, has or likely otherwise will gain either: (i) control, as determined in accordance with 47 C.F.R. § 63.09(b); or (ii) *de facto* or *de jure* control of Prepa Net, Prepa Net agrees to provide notice in writing to DHS within **10 days**. Notice under this Section will, at a minimum:

- (a) Identify the entity or individual(s) acquiring control (specifying the name, addresses, and telephone numbers of the entity or individual(s));
- (b) Identify the beneficial owners of any such increased or prospective increased ownership interest in Prepa Net or Taino-Carib by the entity or individual(s) (specifying the name, addresses, and telephone numbers of each beneficial owner); and
- (c) Quantify the amount of ownership interest that the entity or individual(s) has or likely will obtain in Prepa Net or Taino-Carib and, if applicable, the basis for their prospective control of Prepa Net or Taino-Carib.

In addition, if Prepa Net learns that another member of the Taino-Carib Consortium, or a new entity, has or likely will acquire an interest in Taino-Carib greater than 5 percent, Prepa Net agrees to provide notice in writing to DHS within **10 days**. Such notice will, at a minimum:

- (a) Identify the entity acquiring the interest; and
- (b) Quantify the amount of interest that entity has or likely will obtain in Taino-Carib.



### 13. Annual Report

On the anniversary of the date of this LOA, Prepa Net agrees to submit to DHS a report assessing Prepa Net's compliance with the terms of this LOA for the preceding year. The report will include:

- (a) The names and contact information of the then-current Prepa Net POCs;
- (b) Cable System Information at the Prepa Net Facility, as described in Section 2 above, noting any changes during the reporting period;
- (c) An updated Principal Equipment List as described in Section 4 above, identifying any material modifications during the reporting period;
- (d) A copy of the then-current policies adopted in accordance with this LOA, including policies for physical security at the Prepa Net Facility (Section 8), personnel screening at the Prepa Net Facility (Section 9), incident reporting (Section 10), and employee training at the Prepa Net Facility (Section 11), and a summary of any changes during the reporting period and the reasons therefore;
- (e) A summary of any events known to Prepa Net that occurred during the reporting period that will or reasonably could impact the effectiveness of or compliance with this LOA; and
- (f) A summary of any known acts of noncompliance with the terms of this LOA that occurred during the reporting period, whether inadvertent or intentional, with a discussion of what steps have been or will be taken to prevent such acts from occurring in the future.

### 14. DHS Consultation and Visitation

Prepa Net agrees to meet and confer with DHS and to resolve to the satisfaction of DHS any concerns DHS may raise regarding compliance with this LOA.

Prepa Net agrees to negotiate in good faith to resolve to the satisfaction of DHS any national security, law enforcement, or public safety concerns DHS may raise with respect to any matters set forth in this LOA.

Prepa Net agrees that, with or without advance notice, DHS may visit Prepa Net and/or Taino-Carib facilities to conduct on-site reviews to verify the implementation of the terms of this LOA and Prepa Net's compliance with its terms. Subject to applicable law, Prepa Net will cooperate for these purposes and provide unimpeded access to any information, the Prepa Net Facility, and personnel employed or controlled by Prepa Net, as well as cooperating with other Consortium Parties as necessary to verify compliance with the terms of this LOA.



## 15. Computing Time

In computing any time period pursuant to this agreement, the below rules apply.

1. For any period stated in days:
  - (a) the day of the event that triggers the period is excluded;
  - (b) every day thereafter is counted, including intermediate Saturdays, Sundays, and federal holidays, except for those days that are tolled pursuant to Section 15.3.; and
  - (c) the last day of the period is included, but if the last day is a Saturday, Sunday, or federal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or federal holiday.
2. For any period stated in hours:
  - (a) begin counting immediately on the occurrence of the event that triggers the period;
  - (b) count every hour, including hours during intermediate Saturdays, Sundays, and federal holidays, except for those hours that are tolled pursuant to Section 15.3.; and
  - (c) if the period would end on a Saturday, Sunday, or federal holiday, the period continues to run until the same time on the next day that is not a Saturday, Sunday, or federal holiday.
3. Any approval provision applicable to DHS pursuant to this LOA shall be tolled during a lapse in appropriations or any time when the Federal government in the greater Washington, D.C. area is closed.

This LOA shall inure to the benefit of, and shall be binding upon, Prepa Net and its successors, assigns, subsidiaries, and affiliates.

Prepa Net agrees that, in the event that Prepa Net breaches the commitments set forth in this LOA, to include conduct contrary to a timely DHS objection to any notice submitted pursuant to this LOA, DHS may request that the FCC modify, condition, revoke, cancel, terminate, or render null and void any relevant license, permit, or other authorization granted by the FCC to Prepa Net or any successor-in-interest, in addition to any other remedy available at law or equity.

If, after this LOA takes effect, DHS or Prepa Net believes that changed circumstances warrant modifying or terminating this LOA (including if DHS determines that the terms of this LOA are inadequate or no longer necessary to address national security, law enforcement, or public safety concerns), Prepa Net agrees to negotiate in good faith with DHS to modify this LOA. Rejection of a proposed modification alone shall not constitute evidence of a failure to negotiate in good faith.

Nothing in this LOA excuses Prepa Net from its obligations to comply with any and all applicable legal requirements and obligations, including all applicable statutes, regulations, requirements, or orders.

For and on behalf of Prepa Net Networks, LLC



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